

HEADLINE REPORT

MEETING NAME	ELEXON BOARD MEETING
Meeting number	EB155
Date of meeting	2 July 2014
Purpose of paper	This report sets out the headlines and key decisions of the most recent meeting of the ELEXON Board.
Classification	Public

1. RE-APPOINTMENT OF NON-EXECUTIVE DIRECTOR

- 1.1 Following a recommendation of the Nomination Committee, the Board approved the re-appointment of Nigel Cornwall for a further term of 12 months commencing on 4 October 2014.

2. CHIEF EXECUTIVE'S REPORT

- 2.1 This paper presented an overview of the activities of, and developments within, ELEXON for the period from 23 May 2014 to 20 June 2014. The paper included updates on BSC operational matters, European developments that may have an impact on ELEXON and the BSC, Scottish independence and recent Smart metering related consultations and publications. The paper also included the latest company monitoring report which summarised ELEXON's KPI performance for May 2014.

- 2.2 The Board noted this Report.

3. FINANCE REPORT

- 3.1 This paper informed the Board of the latest financial position of ELEXON including the main variances in the current month as well as identifying the full year outturn against budget.
- 3.2 The Board noted the monthly Finance Report for May 2014.

4. UPDATE ON PROPOSED REVIEW OF CYBER SECURITY AND PROCUREMENT PROCESSES

- 4.1 This paper set out the proposed scope of a review of ELEXON's approach to managing cyber security and ELEXON's approach to procurement, both to be conducted by Deloitte.
- 4.2 The Board noted the paper.

5. EMR UPDATE

- 5.1 This paper updated the Board on ELEXON's appointment as the Settlement Agent for both Contracts for Difference and for the Capacity Market. An EMR Update will be reported to the Panel at its July meeting and will be available on the [BSC Website](#).

6. SMART GRID CONCEPTS, DISTRIBUTED ENERGY RESOURCES AND THE BSC

- 6.1 This Paper provided the Board with an update on some recent research into demand side response, flexible network connections, electricity storage, local trading and the impact that these would have on the BSC.
- 6.2 The Board noted the paper.

7. IS STRATEGY UPDATE

- 7.1 This presentation outlined a view of the future IS estate and how these services will be different and the capabilities and technology required to support this.

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7.2 The Board noted the presentation and expressed support for the vision of the future business state that the IS strategy will support.

8. GOVERNANCE UPDATE

8.1 This paper updated the Board on the presentation that was made to the June Panel meeting and summarised the responses of Panel members.

8.2 The Board noted the paper.

9. ELEXON'S SEMINAR UPDATE

9.1 This Board was updated on the Annual BSC Meeting and ELEXON seminar that was to take place on 10 July.

10. EUROPEAN UPDATE

10.1 The Board received an update on European matters including the European Electricity Balancing Network Code, REMIT, the Transparency Regulations and MiFID II. The presentation particularly focused on the Electricity Balancing Network Code and the way in which ELEXON's role is reflected under the Balancing Network Code.

10.2 The Board noted the update.

11. TREASURY POLICY

11.1 This paper provided the Board with proposed changes to ELEXON's Treasury Policy that:

- Shows the investment limits that apply to each legal entity individually and not as a group
- aligned the policy with current BSC arrangements for credit cover which states that a financial institution must have an equivalent A rating with at least S&P or Moody's (the Treasury Policy proposes that a financial institution must have an equivalent A rating with at least two of the three approved rating agencies).

11.2 The paper also sought approval to open additional corporate savings accounts with selected qualifying financial institutions.

11.3 The Board approved the changes to the Treasury Policy and the opening of additional corporate savings accounts with selected qualifying financial institutions

12. A.O.B

12.1 The next Board meeting is on 3 September 2014.