

CP Assessment Report

CP1584 'Allow non-BSC Parties to raise Change Proposals, add a CP withdrawal process and remove BCA/PACA concept'

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About This Document

You can find the definitions of the terms and acronyms used in this document in the [BSC Glossary¹](#).

This document is the Change Proposal (CP) Assessment Report for CP1584 which Elexon will present to the ISG at its meeting on 3 October 2023 and the SVG at its meeting on 3 October 2023. The Committee(s) will consider the proposed solution and the responses received to the CP Consultation before making a decision on whether to approve CP1584.

There are four parts to this document:

- This is the main document. It provides details of the solution, impacts, costs, and proposed implementation approach. It also summarises the ISG/SVG's initial views on the proposed changes and the views of respondents to the CP Consultation.
- Attachment A contains the CP proposal form.
- Attachment B contains the proposed redlined changes to deliver the CP1584 solution.
- Attachment C contains the full responses received to the CP Consultation.



Committee

Imbalance Settlement Group (ISG) and Supplier Volume Allocation Group (SVG)

Recommendation

Approve

Implementation Date

29 February 2024
(February 2024 Release)



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¹ <https://www.elexon.co.uk/glossary/?show=all>

1. Summary



Not sure where to start?

We suggest reading the following sections:

- Have 5 minutes?
Read section 1
- Have 15 minutes?
Read sections 1, 4, 5 and 6
- Have 30 minutes?
Read all sections
- Have longer? Read all sections and the annexes and attachments

Why change?

The fact that non-BSC Parties are unable to propose Change Proposals (CPs) could be viewed as contradictory within the BSC framework, particularly given that these non-Parties have the ability to propose Modifications under the supervision and approval of the Panel.

Furthermore, there is no formalised procedure in place to withdraw a CP, which doesn't align with the existing capability to retract Modifications.

[BSC Procedure \(BSCP\) 40 'Change Management'](#)² also contains references to a process which requires a Party or Party agent to nominate a BSC Change Representative known as a Party Agent Change Administrator (PACA) and BSC Change Administrator (BCA). This process has not been used in at least a decade.

[The Issue 102 'BSC Change Process Review'](#)³ group recommends the introduction of these changes in BSCP 40.

Solution

The aim of this CP is to equip non-BSC Parties with a straightforward, user-friendly, and effective procedure for initiating and owning a CP.

Additionally this CP seeks to add a withdrawal process to BSCP40 'Change Management', clarifying at which point the CP can be withdrawn, and by whom. The guiding principle is to follow the same process and approach used for Modifications.

This CP also replaces the processes related to the PACA and BCA with references to the BSC Change Distribution List and BSC Release Distribution List.

Impacts and costs

This CP will positively impact any non-BSC party that intends on raising or any party that wishes to withdraw a CP.

This CP will require changes to BSCP40 'Change Management'. The central implementation cost will be less than £1k to implement the relevant document changes. No BSC central systems changes are anticipated.

Implementation

This CP is proposed for implementation on 29 February 2024 as part of the February 2024 Standard BSC Release.

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² <https://bscdocs.elexon.co.uk/bsc-procedures/bscp-40-change-management>

³ <https://www.elexon.co.uk/smg-issue/issue-102/>

Recommendation

We invite the **Committees** to:

- **AGREE** the proposed redlining for BSCP40 'Change Management' for CP1584 made following the CP Consultation;
- **APPROVE** the proposed changes to BSCP40 'Change Management' for CP1584; and
- **APPROVE** CP1584 for implementation on 29 February 2024 as part of the standard February 2024 Release.
- **NOTE** that CP1584 will also be presented for decision to the
 - SVG on 3 October 2023; and
 - ISG on 3 October 2023.

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2. Why Change?

What is the issue?

Presently, non-BSC Parties are not permitted to propose CPs. The Issue 102 group viewed this constraint as non-consistent within the BSC framework considering that these non-Parties are authorised to raise and progress Modifications with the Panel's approval and oversight.

The impact from these restrictions is that some non-BSC Parties, who are familiar and have strong working knowledge and experience with BSC processes (such as Party Agents), are precluded from raising CPs. As a result, their ability to contribute to and drive industry change, especially in areas where they possess significant expertise, is significantly diminished.

Moreover, as it stands, there is no method for a Proposer to withdraw their CP. This stands in contrast to the fact that Modifications can indeed be withdrawn, representing an inconsistency between the two types of BSC Changes that could be confusing for the industry and should be simplified. The Issue 102 group is supportive of the introduction of such a feature into BSCP40 'Change Management'. Implementation of this change would allow for CPs to be withdrawn in any situation, such as where they no longer hold relevance, or if the Proposer chooses to relinquish their lead on the proposed change. It's also worth noting that in some cases, the costs associated with a CP may surpass its anticipated benefits, reinforcing the necessity of a mechanism for withdrawing a CP if this is the most appropriate route to take.

Some time ago, BSC Parties and Party Agents nominated individuals (BCA or PACA) to interface with Elexon on all change issues. This appointment is something that has not been actioned in at least ten years, and therefore the references to it in BSCP40 are redundant.

Background

This CP originates from Issue 102, and has the principle focus to implement Issue 102 Improvement #1 - Allow non-BSC Parties to raise Change Proposals; and Improvement #2 - Align CP process to Modifications process, to allow Proposers to withdraw CPs.

The BCA/PACA process does not reflect current practices. Currently the communications about changes are shared with the Change Distribution List or BSC Release Distribution List, depending on relevance. Removing the BCA/PACA references will bring BSCP40 into modern day practice, removing no longer relevant references.

Issue 102 Discussions

After a stakeholder survey, carried out in January and February of 2022, on the merits of a BSC Change process review conducted by Elexon, its results were then presented in summary at the June 2022 Panel. The Panel then agreed that Issue 102 'BSC Change Process review' should be raised.

The Issue Group conducted a review of the BSC Change process with the goal of discovering potential methods to address critical issues or to enhance the efficacy of the BSC Change Process itself.

It was also agreed in the Issue Group that any solutions developed by the Issue Group would achieve at least one of the following:

- Speed up the BSC Change Process;

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- Simplify the BSC Change Process;
- Improve quality of BSC Change solutions and reports

Process for non-BSC Parties to raise Modifications

Non-BSC Parties are able to raise Modifications but they cannot raise CPs. This presents inconsistencies within the Change process.

[The process for a non-BSC Party to raise a Modification⁴](#) requires their request to be designated as a third Party Proposer by the BSC Panel. In order to submit a Designation application, the non-BSC Party must complete the following three documents:

- A Designation Request Form – provides details of designation request, including why they want to amend the BSC
- A Modification Proposal Form – provides details of the change they are seeking to make to the BSC
- A Third Party Applicant Letter – confirms their rights and obligations under the BSC

Desired outcome

The Issue 102 group wish for Elexon to align and simplify the BSC Change process via a change to BSCP40.

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⁴ <https://www.elexon.co.uk/change/raising-bsc-change-non-bsc-party/>

3. Solution

Proposed solution

The primary aim when interacting with BSC Parties is to facilitate a straightforward, clear, and efficient method for initiating a CP. This CP seeks to extend that process to non-BSC Parties, with appropriate checks and balances.

1. The process begins with the submission of a completed CP form to Elexon and post validation, resulting in the progression of the change. However, Elexon reserves the right to make the final decision.
2. If Elexon concludes it's not suitable to progress the CP, the Proposer will be informed about this decision and the reasons behind it. Should the Proposer dispute Elexon's decision, a written appeal can be lodged.
3. This appeal is then reviewed by the Panel Committee, and the final decision is communicated back to Elexon and the relevant party.

Additionally, this CP plans to integrate a withdrawal process into BSCP40 'Change Management', necessitating alterations to parts of section 3.4.

1. This would permit CPs to be retracted in any given circumstance, for instance, when they've lost their relevance, or if the Proposer decides to withdraw from leading the proposed change. It's important to remember that there could be situations where the expenses tied to a CP may outweigh its projected benefits.
2. Upon receipt of this message, Elexon is responsible for informing the Panel Committee and all BSC Parties about the withdrawal of the CP. This information will be disseminated as quickly as possible to maintain transparency and efficiency within the BSC process.
3. The withdrawn CP will remain open for a five working day window for adoption. During which, any interested Party or Party Agent may adopt the CP by notifying Elexon and the adopted CP shall continue from the point at which it was withdrawn.

In regards to the PCA/BACA references, the solution currently looks to replace these references with references to the distribution list. These lists will be either the Change Distribution List or BSC Release Distribution List, depending on relevance.

Additionally, we have removed the definitions of "Qualification Service Provider" and "Release Strategy" from BSCP40. This has been done as a form of housekeeping to remove these terms as they are not used at all within BSCP40 and therefore can be viewed as redundant and potentially confusing to users of the document.

Proposer's rationale

As the energy market continues to evolve, the Issue 102 group recognised the increasingly complex roles of non-BSC Parties, such as Party Agents, who often possess in-depth knowledge and expertise about specific aspects of BSC processes. Their ability to propose CPs would not only bring about increased flexibility and diversity of perspectives into the BSC change process but also promote fairness and equity among all stakeholders.

Further, in light of the dynamic nature of the energy market, the Issue 102 group believe it necessary to implement a CP withdrawal process. This would streamline operations,

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optimise resource use and ultimately contribute to a more transparent and accountable BSC framework that is consistent between Modification and CP processes for change.

The distribution lists have been in place for a considerable amount of time and reflect Elxon's current, modern practices on interfacing Change Issues with market participants and BSC Parties. The appointments of BCA/PACAs has not been done in at least a decade. Therefore, the references to them within BSCP40 are no longer required.

Proposed redlining

The CP proposes to update BSCP40 'Change Management'. The redlining to support this change can be found in Attachment B.

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4. Impacts and Costs

BSC Party & Party Agent impacts and costs

Participant impacts

This CP is expected to have a positive impact on any BSC Party or Party Agents.

BSC Party & Party Agent Impacts	
BSC Party/Party Agent	Impact
Any	To allow them the opportunity to formally raise a CP or withdraw a CP at an appropriate time should they wish to do so.

Participant costs

No additional costs are expected on BSC Parties or Party Agents as a result of this CP.

Central impacts and costs

Central impacts

The solution in this CP only affects BSC documentation, specifically BSCP40. No BSC Central Systems or Agents will be impacted.

Central Impacts	
Document Impacts	System Impacts
<ul style="list-style-type: none">BSCP40 'Change Management'	<ul style="list-style-type: none">None

Impact on BSC Settlement Risks

Impact on BSC Settlement Risks
None

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Impact on Market-wide Half Hourly Settlement (MHHS)

Impact on MHHS
None

Central costs

The central implementation costs for CP1584 will be approximately less than £1k.

5. Implementation Approach

Recommended Implementation Date

This CP is recommended for implementation on 29 February 2024 as part of the standard February 2024 BSC Release.

6. Initial Committee Views

ISG's initial views

At their meeting on the 1 August 2023 ([268/02⁵](#)) The ISG was invited to note the progression of the CP and provide any comments or additional questions for inclusion in the CP Consultation.

The committee made no further comments and did not provide any additional consultation questions.

SVG's initial views

At their meeting on the 1 August 2023 ([270/02⁶](#)) The SVG was invited to note the progression of the CP and provide any comments or additional questions for inclusion in the CP Consultation.

A SVG Member queried if non-BSC Parties would include anybody or whether it is limited to Party Agents. Elexon shared that it does include any market participant as long as they are designated, then they will be able to raise a new CP using the new process in BSCP40. Additionally, Elexon noted that such a CP would have to be verified before next steps are taken.

A SVG Member wanted clarity on which committee would consider appeals against future CPs if any, Elexon noted that it would be the Panel Subcommittees that owned the document (determined via the [Baseline Statement⁷](#)).

⁵ <https://www.elexon.co.uk/meeting/isg268/>

⁶ <https://www.elexon.co.uk/meeting/svg270/>

⁷ <https://www.elexon.co.uk/bsc-and-codes/bsc-baseline-statement/>

7. Industry Views

This section summarises the responses received to the CP Consultation. You can find the full responses in Attachment C.

Summary of CP1584 CP Consultation Responses				
Question	Yes	No	Neutral/No Comment	Other
Do you agree with the CP1584 proposed solution?	5	2	0	0
Do you agree that the draft redlining delivers the intent of CP1584?	6	1	0	0
Will CP1584 impact your organisation?	4	3	0	0
Will your organisation incur any costs in implementing CP1584?	2	5	0	0
Do you agree with the proposed implementation approach for CP1584?	5	2	0	0
Do you have any further comments on CP1584?	3	4	0	0

Comments on the proposed redlining

Comments on the CP1584 Proposed Redlining		
Document & Location	Comment	Exelon's Response
BSCP40 'Change Management' Section 2.2 Definitions List of Definitions	Does the word "Proposer" which is featured earlier in the document need to be defined as it is in capitals.	Proposer is defined in the redlining. In place of the PACA definition. It is defined as "A person who raises a DCP, CP, Modification or Issue"
BSCP40 'Change Management' Section 2.2 List of Definitions	"Qualification Service Provider – the organisation contracted by BSCCo to perform the duties set out in BSCP537" Why is this definition being removed?	This definition is being removed as it is not used in the BSCP.
BSCP40 'Change Management' Section 2.2 List of Definitions	"Release Strategy – a strategy, agreed by the BSC Panel for the delivery of changes to the BSC Systems as a result of approved modifications and changes"	This definition is being removed as it is not used in the BSCP.

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	Why is this definition being removed?	
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Elxon did not feel the need to make any changes to the redlining as a result of these comments.

Summary of Consultation Responses on CP1584

There were seven responses to the consultation of which the majority of respondents were supportive of the CP overall.

Positive Feedback:

- Many respondents, especially non-BSC Parties, appreciate the move to address the inconsistency between the Modification and CP processes. They believe that allowing Party Agents and other non-BSC Parties to raise Change Proposals will be particularly beneficial in the early stages of MHHS.
- The sentiment is that Party Agents, with their deep knowledge and expertise, have been historically dissuaded from attempting to influence change due to the challenges of getting a BSC Party to raise a CP on their behalf. CP1584 would empower these knowledgeable entities to drive industry change directly.
- A respondent highlighted the benefits of CP1584 to specific roles, such as Central Volume Allocation Meter Operator Agent (CVAMOA), emphasising the struggle they've faced in the past to influence industry changes. The ability to raise and progress changes independently is seen as a significant advantage.
- The introduction of a method to withdraw CPs is widely supported, aligning with the existing capability for Modifications. This is viewed as a positive step towards promoting efficiency in the BSC processes.

Concerns Raised and Elxon's response:

- Some BSC Parties have expressed concerns about non-BSC Parties raising CPs. Their primary apprehension is that these non-BSC Parties might propose changes that benefit them but could negatively impact BSC Parties, especially since they don't contribute to BSC costs. Elxon responded that a verification process will be put in place to vet any CPs raised, ensuring they are neither vexatious nor frivolous. The primary goal is to maintain the integrity of the process and ensure that any proposed changes are in the best interest of the industry as a whole. Furthermore, by allowing non-BSC Parties to raise CPs, the aim is to tap into a reservoir of expertise that might otherwise be overlooked, leading to more informed and effective changes.
- Concerns were also raised about the potential increase in administrative costs for BSC Parties, given the possibility of a rise in the number of CPs and the need for additional resources to review them. Elxon responded to acknowledge this concern about costs but, as the Code administrator who would be progressing these changes, they were not concerned themselves and expected these to be within a manageable level for both Elxon and industry. The potential savings and efficiencies that can be realised by tapping into the expertise of non-BSC Parties were also considered by the Issue 102 group. Their insights could lead to more streamlined processes, potentially resulting in cost savings in the long run. The goal is to balance potential costs with the broader benefits of a more inclusive and knowledgeable change process.
- A few respondents pointed out that CP1584 has not undergone Workgroup discussions, suggesting a need for more comprehensive scrutiny. Elxon responded that the recommendation for CP1584 resulted from discussions held as part of Issue 102 and

therefore had faced industry scrutiny and discussion, including consideration of the benefits and impacts that could materialise.

Conclusion

The overarching sentiment from the consultation is positive, with a clear majority in support of CP1584. The proposal aims to level the playing field in the CP process, allowing knowledgeable non-BSC Parties to contribute meaningfully.

While concerns from some BSC Parties are noted and recorded here, it's essential to consider the broader benefits of inclusivity and efficiency that CP1584 offers. A clear pattern emerges from the feedback, those in favour are predominantly non-BSC Parties, while those expressing reservations are BSC Parties. This dichotomy underscores the importance of balancing the interests of both groups. There were concerns from these BSC Parties, especially regarding non-BSC Parties proposing changes that might not affect them directly but could impact the broader industry and the associated costs, to which Elexon responded as above.

8. Recommendations

We invite the **Committees** to:

- **AGREE** the proposed redlining for BSCP40 'Change Management' for CP1584 made following the CP Consultation;
- **APPROVE** the proposed changes to BSCP40 'Change Management' for CP1584; and
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