ELEXON

Agenda

P332 'Revisions to the Supplier Hub Principle' Workgroup

Meeting number	**10**	Venue	**Microsoft Teams**
Date and time	**7 December 2020 09:30 – 12:00**	Classification	**Public**

No.	Agenda item	Lead
1.	Welcome and Meeting objectives	Lawrence Jones (Chair)
2.	Recap and Actions	Paul Wheeler (Lead Analyst) and Matthew McKeon (Design Authority)
3.	Legal analysis	Nicholas Brown (Lead Lawyer)
4.	Settlement Risks	Paul Wheeler
5.	Terms of Reference review	Paul Wheeler
6.	Assessment Procedure Consultation questions	Paul Wheeler
7.	Next steps	Paul Wheeler
8.	Meeting close	Lawrence Jones

1. Meeting Outcomes

- Review Terms of Reference, including views against the BSC Objectives
- Agree Consultation questions
- Next steps

2. Call Details

Telephone: +44 20 3855 5884
Conference ID: 919 009 229#

A link to join the meeting is provided below and in the Outlook meeting invite from Elexon

Click here to join the meeting

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The Applicable BSC Objectives are:

(a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence

(b) The efficient, economic and co-ordinated operation of the national electricity transmission system

(c) Promoting effective competition in the generation and supply of electricity, and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity

(d) Promoting efficiency in the implementation and administration of the balancing and settlement arrangements

(e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]

(f) Implementing and administrating the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation

(g) Compliance with the Transmission Losses Principle

The Self-Governance Criteria are:

A proposal that, if implemented

(a) does not involve any amendments whether in whole or in part to the EBGL Article 18 terms and conditions, except to the extent required to correct an error in the EBGL Article 18 terms and conditions or as a result of a factual change, including but not limited to:

  (i) correcting minor typographical errors;

  (ii) correcting formatting and consistency errors, such as paragraph numbering; or

  (iii) updating out of date references to other documents or paragraphs;

(b) is unlikely to have a material effect on:

  (i) existing or future electricity consumers; and

  (ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution, or supply of electricity; and

  (iii) the operation of the national electricity transmission system; and

  (iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and

  (v) the Code's governance procedures or modification procedures, and

(c) is unlikely to discriminate between different classes of Parties.

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The Electricity Balancing Guideline (EBGL) Article 3 (Objectives and regulatory aspects)

1. This Regulation aims at:

(a) Fostering effective competition, non-discrimination and transparency in balancing markets;

(b) enhancing efficiency of balancing as well as efficiency of European and national balancing markets;

(c) integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;

(d) contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector in the Union while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;

(e) ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue distortions within the internal market in electricity;

(f) facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services at a level playing field and, where necessary, act independently when serving a single demand facility;

(g) facilitating the participation of renewable energy sources and support the achievement of the European Union target for the penetration of renewable generation.

2. When applying this Regulation, Member States, relevant regulatory authorities, and system operators shall:

(a) apply the principles of proportionality and non-discrimination;

(b) ensure transparency;

(c) apply the principle of optimisation between the highest overall efficiency and lowest total costs for all parties involved;

(d) ensure that TSOs make use of market-based mechanisms, as far as possible, in order to ensure network security and stability;

(e) ensure that the development of the forward, day-ahead and intraday markets is not compromised;

(f) respect the responsibility assigned to the relevant TSO in order to ensure system security, including as required by national legislation;

(g) consult with relevant DSOs and take account of potential impacts on their system;

(h) take into consideration agreed European standards and technical specifications.

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