

## P437 Digital Meeting Etiquette

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- Welcome to the P437 Workgroup meeting 3 – we'll start shortly
- No video please to conserve bandwidth
- Please stay on mute unless you need to talk – use IM if you can't break through
- Talk – pause – talk
- Lots of us are working remotely – be mindful of background noise and connection speeds

# ELEXION

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**P437 – Allowing non-BSC Parties to  
request Metering Dispensations**

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Meeting 3

8 August 2022

# Meeting Objectives and Agenda

Objectives for this meeting:

- Consider the responses received to the Assessment Procedure Consultation
- Agree on the final solution
- Workgroup to provide its final views against the Applicable BSC Objectives and recommendations to the BSC Panel

Agenda Item	Lead
1. Welcome and meeting objectives	Ivar Macsween (Chair)
2. Update to Implementation approach	Stanley Dikeocha (Lead Analyst)
3. Consider responses to the Assessment Procedure Consultation	Stanley Dikeocha
4. Terms of Reference	Workgroup
5. Final recommendations and Voting	Workgroup
6. Next steps	Stanley Dikeocha
7. AOB & Meeting close	Ivar Macsween



# IMPLEMENTATION APPROACH

## Implementation approach

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- At the second Work Group (WG) meeting, the WG suggested that P437 should be treated as a Self-Governance (SG) Modification, and should be implemented at the earliest opportunity
- Should the Panel approve this (at their meeting on 13 October 2022) recommendation, P437 will undergo a Self-Governance Objection window (15WDs) from that date and will conclude on 2 November 2022
- This is a day before the November 2022 Release day (3 November 2022), which was the proposed implementation date we consulted on
- Given how close the date of the SG Objection window is to the November Release date, we recommend that P437 is implemented in February 2023 as part of the Standard February 2023 BSC Release





# ASSESSMENT PROCEDURE CONSULTATION RESPONSES

## Assessment Procedure Consultation Responses

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- The P437 Assessment Consultation ran from Monday 11 July 2022 to Friday 29 July, with two responses received
- Both respondents representing one Meter Equipment Manager (MEM) and NGESO were in favour of implementing P437 and the proposed solution
- We asked 18 questions to understand the cost and impact of P437 to industry, and to gain ideas on how best to prevent a Metering Dispensation from being submitted

## Assessment Procedure Consultation Responses

Question	Yes	No	Neutral/No Comment	Other
Do you agree with the Workgroup that there are no potential Alternative Modifications within the scope of P437 which would better facilitate the Applicable BSC Objectives?	2	0	0	0
Do you agree with the Workgroup that the draft legal text in Attachment A delivers the intention of P437?	2	0	0	0
Do you agree with the Workgroup that the amendments to the Code Subsidiary Documents in Attachment A delivers the intention of P437	2	0	0	0
Do you agree with the Workgroup's initial view that P437 should be treated as a Self-Governance Modification?	2	0	0	0
Will your organisation incur any costs in implementing P437?	0	2	0	0
Do you agree with the Workgroup's assessment of the impact on the BSC Settlement Risks?	2	0	0	0



# Assessment Procedure Consultation Responses

Question	High	Medium	Low	None	Other
What will the ongoing cost of P437 be to your organisation?	0	0	0	2	0
How much will it cost your organisation to implement P437	0	0	0	2	0

# Assessment Procedure Consultation Responses

Question	Yes	No	Neutral/No Comment	Other
Do you agree with the Workgroup’s assessment that P437 does not impact the European Electricity Balancing Guideline (EBGL) Article 18 terms and conditions held within the BSC?	2	0	0	0
Do you have any comments on the impact of P437 on the EBGL objectives	0	2	0	0
Will P437 impact your organisation?	2	0	0	0
Do you agree with the Workgroup’s assessment of the impact on the consumer benefit areas?	2	0	0	0
Do you agree with the Workgroup’s recommended Implementation Date?	2	0	0	0

# Assessment Procedure Consultation Responses

Question	Yes	No	Neutral/No Comment	Other
As a Registrant, how will P437 impact you?	0	0	2	0
Do you agree with the Workgroup’s initial views that P437 does better facilitate the Applicable BSC Objectives than the current baseline?	2	0	0	0

# Assessment Procedure Consultation Responses

Question	NGESO	Scottish Power
Are there any other ways to stop Metering Dispensations from being submitted?	<p>Below are few ideas;</p> <ol style="list-style-type: none"><li>1. Introduce a financial charge for applying. The value and rationale of this charge will need to be determined as (i) a charge aimed at recovering administration costs is unlikely to be of a significant enough value to change behaviours (ii) a significant change will change the economics of providing 'standard' metering but could be seen as punitive.</li><li>2. Increasing the number/scope of deviations are considered acceptable and can be covered by a generic dispensation (e.g. a distance or loss factor if AMP and DMP are different). Whilst this won't reduce the number of 'non-standard' arrangements (and therefore dispensations), it will streamline the process of granting these dispensations.</li></ol>	No response provided



# Assessment Procedure Consultation Responses

Question	Yes	No
Do you have any further comments on P437?	0	2



# TERMS OF REFERENCE

## P437 specific Terms of Reference

ToR	Details	Status	How?
a)	Should the scope of this Modification be extended to allow non-BSC Parties to apply for Generic Metering Dispensations?	✓	Elxon and the Workgroup agreed that the solution from P437 should include Generic Metering Dispensation.
b)	What mitigation should be implemented to manage the impact on Registrants and what should the role of the Registrants be?	✓	<p>Elxon and the Workgroup agreed that P437 will have a low impact on Registrants.</p> <p>However, a notification step should be added to the proposed process that will ensure that the Registrant is adequately informed of any approved Metering Dispensation, prior to them taking ownership of the applicable site.</p>

## P437 standard Terms of Reference

ToR	Details	Status	Outcome
c)	How will P437 impact the BSC Settlement Risks?	✓	The Workgroup agreed with the identified BSC Settlement Risks.
d)	What changes are needed to BSC documents, systems and processes to support P437 and what are the related costs and lead times? When will any required changes to subsidiary documents be developed and consulted on?	✓	The Workgroup agreed P437 is a document only change, costing Elexon <3k to implement the change.
e)	Are there any Alternative Modifications?	✓	No alternative Modifications proposed or raised by the Workgroup.
f)	Should P437 be progressed as a Self-Governance Modification?	✓	The Workgroup consensus is that P437 <b>should be</b> progressed as a Self-Governance Modification.
g)	Does P437 better facilitate the Applicable BSC Objectives than the current baseline?	✓	<p>The Workgroup unanimously agreed that P437 better facilitates Applicable BSC Objective D.</p> <p>Majority of the Workgroup Members added that P437 would also better facilitate Applicable BSC Objective C.</p>
h)	Does P437 impact the EBGL provisions held within the BSC, and if so, what is the impact on the EBGL Objectives?	✓	The Workgroup believes that the redlining does not impact the EBGL Article 18 Terms and Conditions.





# FINAL RECOMMENDATIONS





# FINAL VIEWS AGAINST THE APPLICABLE BSC OBJECTIVES

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## Does P437 better facilitate the Applicable BSC Objectives than the current baseline?

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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 administering 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

Views against Applicable BSC Objective

Member	(a)	(b)	(c)	(d)	(e)	(f)	(g)
Lisa Waters	N	N	+	+	-	-	-
Andrew Colley	TBC	TBC	TBC	TBC	TBC	TBC	TBC
Grahame Neale	N	N	N	+	N	N	N
Simon Hagan	N	N	+	+	N	N	N
David Brown	N	N	+	+	N	N	N
Kevin Walker	N	N	+	+	N	N	N
Anne Themistocleous	N	N	+	+	N	N	N

+

Better facilitates Objective

-

Detrimental against Objective

N

Neutral against Objective



# Voting

Member	Are there any Alternative Modifications?	Should P437 be progressed as a Self-Governance Modification?	Does P437 impact the EBGL provisions held within the BSC, and if so, what is the impact on the EBGL Objectives?	Do you agree with the implementation approach?	Do you agree with the legal text?
Lisa Waters					
Andrew Colley					
Grahame Neale					
Simon Hagan					
David Brown					
Kevin Walker					
Anne Themistocleous					



# NEXT STEPS

## Next steps

- Share the Assessment Report with the WG for review
- Present the Assessment Report to the Panel

Event	Date
Present IWA to Panel	10 March 2022
Workgroup meeting 2	23 June 2022
Assessment Procedure Consultation (15WDs)	11 July 2022 – 29 Jul 2022
<b>Workgroup meeting 3</b>	<b>8 August 2022</b>
Present Assessment Report to Panel	8 September 2022
Report Phase Consultation (10WDs)	14 September 2022 – 28 September 2022 (estimated)
Present Draft Modification Report to Panel	13 October 2022
Self-Governance Objection window	13 October 2022 – 2 November 2022
Implement P437	3 November 2022

**WG members:**

- To review Assessment Report between 15 August – 19 August 2022

MEETING CLOSE



# ELEXON

## THANK YOU

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**Stanley Dikeocha**

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8 August 2022