

ELEXION

P446 'Energy Price Guarantee Scheme for domestic customers'

330A/01 – Jenny Sarsfield & Jon Wisdom
(NGESO)

13 September 2022

P446: Background and Issue

- Government has proposed the Energy Price Guarantee (EPG) Scheme
- Intention of the scheme is to secure reductions in the electricity bills of domestic consumers in Great Britain
 - This Modification relates only to the EPG Scheme for domestic customers
- It is proposed that Elexon will act as the EPG Scheme Administrator
- The activities that Elexon are permitted to undertake are outlined in BSC Section C, which currently do not include provisions for administering such a scheme

P446: Proposed solution

- The proposed solution would require changes to BSC Section C to extend the vires for Elexon
- The proposed legal text makes reference to the more detailed Scheme Document, established by the Secretary of State
- The Scheme Document will include details of the EPG Scheme, including:
 - Obligations of the Scheme parties;
 - Payment calculations;
 - Payment timetable;
 - Reconciliation processes
- BSC Panel and Panel Committees will not have any responsibilities in respect of Elexon's functions as Scheme Administrator
- Scheme payments will be accounted for separately from other BSC Costs and Trading Charges
- Elexon's administrative and operational costs in undertaking the role of Scheme Administrator will be included as BSC Costs
- The administration of the scheme will require the development of calculation and payment systems that will utilise BSC data

P446: Proposed Progression

- The Proposer has requested that this Modification be treated as Urgent.

Event	Date
Modification presented to Panel	13 September 2022
Submitted to Authority for decision on urgency	13 September 2022
Urgent Modification Consultation (5WD)	14 September 2022 to 21 September 2022
Draft Urgent Modification Report presented to Panel	22 September 2022
Final Urgent Modification Report submitted to Authority	22 September 2022
Implementation	+1WD after Authority decision

P446: Recommendations

We invite the Panel to:

- i. **RECOMMEND** to the Authority that this Modification should be treated as an Urgent Modification Proposal;
- ii. **AGREE** the Urgent progression timetable for recommendation to the Authority;
- iii. **AGREE** that P446:
 - i. **DOES** better facilitate Applicable BSC Objective (c);
 - ii. **DOES** better facilitate Applicable BSC Objective (d);
- iv. **AGREE** that P446 **DOES NOT** impact the EBGL Article 18 Terms and Conditions related to balancing held within the BSC;
- v. **AGREE** an initial recommendation that P446 should be approved;
- vi. **AGREE** an initial Implementation Date of:
 - i. +1 Working Day after Authority Decision;
- vii. **AGREE** the draft redlined text in Attachment A be submitted to consultation;
- viii. **AGREE** an initial view that this Modification should not be treated as a Self-Governance Modification; and
- ix. **NOTE** that Elexon will issue the Urgent Draft Modification Report (including the draft BSC legal text) for a consultation of 5 Working Days and will present the results to the Panel at its meeting 1WD following the closure of the consultation