

Sara Vaughan  
BSC Panel Chair  
Elexon  
350 Euston Road  
London  
NW1 3AW

Email: [Louise.vanrensburg@ofgem.gov.uk](mailto:Louise.vanrensburg@ofgem.gov.uk)

By email to: [PanelSecretary@elexon.co.uk](mailto:PanelSecretary@elexon.co.uk)

Date: 2 November 2022

Dear Sara,

**Decision on the request to treat BSC Modification P449 'Energy Bill Relief Scheme for non-domestic customers' as an Urgent Modification Proposal**

BSC Modification Proposal P449 was raised by National Grid ESO on 1 November 2022. The proposal seeks to enable Elexon to implement and act as a scheme administrator for the Government's new Energy Bill Relief Scheme for non-domestic electricity consumers. National Grid ESO requested that P449 be treated as an Urgent BSC Modification Proposal.

On 1 November 2022, the BSC Panel requested that Ofgem treat [P449 'Energy Bill Relief Scheme for non-domestic customers'](#) as an Urgent Modification Proposal. The BSC Panel considered that P449 should be treated as an Urgent Modification because it believes that P449 is linked to an imminent or current issue that if not urgently addressed may cause significant commercial impact on parties, consumers or other stakeholders.<sup>1</sup>

This request followed an Urgent BSC Panel Meeting on 1 November 2022 when the BSC Panel unanimously agreed to this recommendation.

We have decided that BSC Modification P449 should be progressed on an urgent basis for the reasons set out in this letter.

---

<sup>1</sup> Ofgem's published [guidance on Code Modification Urgency Criteria \(August 2022\)](#) appears on our website.

## **Background**

The unprecedented rise in gas prices over the last twelve months has significantly increased energy prices for consumers in Great Britain and across Europe. On 8 September 2022, the Government announced a new 'Energy Bill Relief Scheme' to start from 1 October 2022. The Energy Bill Relief Scheme (EBRS) was set out in the Energy Prices Act 2022 and will provide a discount on wholesale gas and electricity prices for all non-domestic customers. The Government will pay the difference directly to suppliers.

## **The proposal**

BSC Modification Proposal P449 (the 'Modification') was raised by National Grid ESO (the 'Proposer') on 1 November 2022 to enable Elexon (BSCCo) to act as scheme administrator for the Government's EBRS scheme for non-domestic electricity customers. The Modification will also extend Elexon's vires under the BSC to undertake a new non-Settlement related function administering the EBRS scheme.

## **Request for urgency**

At the Urgent Panel Meeting on 1 November 2022, the BSC Panel unanimously requested that Ofgem treat P449 as an Urgent Modification Proposal because it will have a significant commercial impact upon Parties and consumers and is related to an imminent or current issue.<sup>2</sup>

## **Our decision on the urgency of P449**

In reaching our decision on the urgency of P449 we have considered the details within the P449 proposal form, the justification for urgency, the views of the Panel, and we have assessed the request against the urgency criteria set out in Ofgem's published guidance.

We are satisfied that progressing P449 is related to an imminent or current issue. In particular, the criterion in our guidance that is relevant to our decision on urgency is criterion (a), namely, an imminent issue or a current issue that if not urgently addressed may cause a significant commercial impact on parties, consumers or other stakeholder(s).

P449 seeks to facilitate the timely and effective implementation of the EBRS. The EBRS applies to energy consumed by non-domestic customers from 1 October 2022 and will be applied to bills covering usage from that date, until the 31 March. If P449 is not addressed under Section F2.9 of the BSC (Urgent Code Modifications) on an urgent basis, it will negatively impact the timely and effective introduction of the EBRS, and this will have a significant commercial impact on the affordability of energy bills for non-domestic consumers.

---

<sup>2</sup> The imminent issue may be date related.

The government want the EBRS to cover non-domestic bills from 1 October, which requires the first payments for the scheme to be made in mid-November. This is so that the savings can be included in customers October bills, which would usually be received in November. Elexon has a unique position within the electricity industry that means it is well placed to provide the necessary consumption data to BEIS for the assurance of the scheme and to facilitate payments to Suppliers. Elexon has existing systems that will be useful in setting up the payment processes at speed which is necessary for the first payments to be made on time, as well as established relationships with all licenced Suppliers under the BSC.

We therefore agree to the Panel's request to give urgent consideration to P449 in accordance with the urgent timetable proposed by the Panel.

For the avoidance of doubt, in granting this request for urgency, we have made no assessment of the merits of the Modification and nothing in this letter in any way fetters our discretion in respect of this Modification proposal.

Yours sincerely,

**Louise van Rensburg**  
**Head of Non-domestic Retail Policy**

Duly authorised on behalf of the Authority