

P451 Workgroup - Terms of Reference

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Document owner	Kayleigh Neal	Document version	V1.0

1. P451 Workgroup Terms of Reference

- 1.1 The P451 Workgroup will consider Modification Proposal P451 'Updating BSC Black Start provisions and compensation arrangements' in accordance with the [Modification Workgroup terms of reference](#) and this appendix.
- 1.2 The Workgroup will carry out an Assessment Procedure for P451 in accordance with BSC Section F2.6.
- 1.3 The Workgroup membership will comprise of any relevant experts and interested parties as agreed by the BSC Panel.
- 1.4 The Workgroup will produce an Assessment Report for the BSC Panel to be presented no later than 14 September 2023.
- 1.5 The Workgroup will consider the following areas and include these in its Assessment Report:
 - a) Who should be eligible to claim for BSC Black Start compensation?
 - i) Should non-BSC Parties be eligible to claim?
 - b) What type(s) of Black Start instruction(s) could be given to non-BSC Parties and do they differ from existing types of Black Start instruction?
 - i) Which instruction(s) would trigger eligibility for a non-BSC Party to receive BSC compensation?
 - ii) Are changes needed to the BSC's definition of Avoidable Costs?
 - iii) Will simply pointing to the relevant Grid Code (or other) instruction be sufficient to limit compensation to the intended non-BSC Party recipients, or do further restrictions need to be placed in the BSC?
 - c) How will claims be submitted by non-BSC Parties?
 - i) Will the Lead Party submit the claim on behalf of the non-BSC Party, or will the non-BSC Party submit the claim direct?
 - ii) Is the period of 20 business days after the end of a Black Start Period still an appropriate timescale for claims to be submitted?
 - d) How will claims by non-BSC Parties be validated?
 - i) How will the non-BSC Party evidence that it received the eligible type of instruction, and that the costs for which it is seeking compensation only occurred as a result of complying with that instruction?
 - ii) How do we ensure that, if the relevant asset is part of a Supplier's or Virtual Lead Party's BM Unit, there is no double counting of costs for compensation purposes?
 - iii) Is it clear how the proposed BSC compensation arrangements interact with and differ from other available funding options related to Black Start/System Restoration? E.g. [CMP398](#)
 - e) How will claims be paid out by Elexon?
 - i) What is the likely volume of non-BSC Party claims and the associated impacts of this?
 - ii) Should BSC Black Start compensation claims be prioritised?
 - f) How will the amounts paid out to non-BSC Parties be recouped/recovered by Elexon?

- i) Should this come from BSC Parties as part of their Black Start Reallocation Proportion?
 - ii) Should non-BSC Party claimants be charged a submission fee? Should a permitted claim level/amount be set?
- g) How will the implementation of the Grid Code, CUSC and BSC changes be aligned? What are the risks if they do not align at the same time and can these risks be mitigated?
- h) Should the BSC Black Start compensation payment mechanism sit within the BSC?
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- i) What impact will P451 have on the BSC Settlement Risks and what changes will be required to the Performance Assurance Arrangements?
 - j) What changes are needed to BSC documents, systems and processes to support P451 and what are the related costs and lead times?
 - k) Are there any Alternative Modifications?
 - l) Should P451 be progressed as a Self-Governance Modification?
 - m) Does P451 better facilitate the Applicable BSC Objectives than the current baseline?
 - n) Does P451 impact the EBGL provisions held within the BSC, and if so, what is the impact on the EBGL objectives?
- o) Does P451 impact on the consumer benefit criteria:
- i) Improved safety and reliability
 - ii) Lower bills than would otherwise be the case
 - iii) Reduced environmental damage
 - iv) Improved quality of service
 - v) Benefits for society as a whole