BSC Modification Proposal Form	At what stage is this document in the process?
Mod Title: Introduce a Standard Change process	01 Modification 02 Workgroup Report 03 Draft Modification Report 04 Final Modification Report

Purpose of Modification:

To introduce a new change process - a 'Standard Change' process - into the BSC arrangements that would allow for certain, low risk, predictable and repeatable pre-authorised changes to be implemented without following the existing Change Proposal or Modification procedures. This should reduce the burden on industry and Elexon; allowing them to focus on higher value activities.

Is this Modification likely to impact any of the European Electricity Balancing Guideline (EBGL) Article 18 Terms and Conditions held within the BSC?

☐ Yes ☒ No

	Elexon recommends that this Modification should: • be raised by the Panel in accordance with the provisions of Section F2.1.1(d)(i); • be assessed by a Workgroup and submitted into the Assessment Procedure This Modification will be presented by Elexon to the BSC Panel on 9 November 2023. The Panel will consider Elexon's recommendation and determine how best to progress the Modification.
	High Impact: None
	Medium Impact: Elexon
	Low Impact: BSC Parties and Party Agents

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Timetable

The Proposer recommends the following timetable:

Initial consideration by Workgroup	Week commencing 04 December 2023
Assessment Procedure Consultation (15 WDs)	05 February 2024 - 23 February 2024
Workgroup Report presented to Panel	14 March 2024
Report Phase Consultation (9 WDs)	18 March 2024 - 29 March 2024
Draft Modification Report presented to Panel	11 April 2024
Final Modification Report submitted to Authority	17 April 2024

Any questions?

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1 Why Change?

What is the issue?

All changes to the BSC and BSC Configurable Items (documents and systems detailed in the BSC Baseline Statement) currently require either a Modification Proposal (Mod) or a Change Proposal (CP) to amend them. These well established, controlled change processes have worked well for many years. However, for certain types of changes, these processes may be overly bureaucratic and burdensome for impacted stakeholders, especially where certain changes have become routine and low risk. Furthermore, many changes to BSC standing data require public consultation and Committee approval, which may not always be proportionate or necessary. A more efficient process, for certain types of changes should therefore be introduced into the BSC.

Desired outcomes

- Introduce a simplified change process for certain types of changes that meet pre-defined criteria – a Standard Change Process.
- Reduce the burden on industry and Elexon for progressing these types of changes.
- Identify which types of changes could follow the Standard Change process, and which of these, if any, should be included within this Modification Proposal (i.e. any enabling changes needed for a change to follow the Standard Change process).

Background

The concept for this Proposal has been based on the Standard Change or Routine Change model in ITIL (Information Technology Infrastructure Library). ITIL is a framework designed to standardise the selection, planning, delivery, maintenance and overall lifecycle of IT services within a business. ITIL defines a Standard Change as “a pre-authorised change that is low risk, relatively common and follows a specified procedure or work instruction.”

A standard change is one that is frequently implemented, has repeatable implementation steps, and has a proven history of success.

Elexon presented the idea for this Proposal at the June 2023 Panel meeting (339/02) within the context of simplifying and speeding up the approval and publishing of new Fuel Types on the Balancing Mechanism Reporting Service (BMRS). This was based on the following evidence:

- Fuel Type changes are well understood, low risk and low impact, as evidenced by consultation responses and repeated successful implementations.
- These changes will become simplified (lower risk and more predictable) once our new Insights platform (the new Kinnect system) officially replaces the legacy BMRS system, as Fuel Type changes will be a configuration, rather than a functional code-based change on Insights.
- The last four Fuel Type consultations have had 1 to 2 responses, with all but one from either NGESO or the impacted Interconnector and have always fully supported the change.
- The Imbalance Settlement Group (ISG) and the Panel have not had any material comments on these changes for at least the last five years.

The Panel were supportive in principle of this idea and so Elexon subsequently worked up this proposal and some strawman redlining (see Attachment A).

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Elexon presented this proposal to the Supplier Volume Allocation Group (SVG) at its meeting on 3 October 2023. The SVG were supportive of the idea and raised no objections, noting further consideration would be needed. Elexon will present this proposal to the Imbalance Settlement Group on 7 November 2023 for feedback.

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2 Solution

Proposed Solution

In order to address the issue identified in this proposal, a Standard Change process should be established. Standard Changes are common and follow a well-defined process. Because that process has already gone through the risk assessment and approval process, it doesn't need to go through the process again every time there's another instance of that activity.

BSC Section F 'Modification Procedures' should be updated to recognise the Standard Change process, as being detailed in BSCP40.

BSCP40 should be updated to define two new processes (see appendix 1 for high level process diagrams):

- A process to establish specific types of changes as a Standard Change; and
- A Standard Change process.

The criteria that must be met for a change to be classified as a Standard Change should be validated by the Workgroup. The following criteria are proposed:

Criteria
Low risk - A change is considered low risk when it has a minimal or negligible chance of causing adverse effects to the IT environment or the business processes it supports. This means that the change has been tested thoroughly, has been implemented multiple times in the past without significant issues, or is well understood by the teams implementing it. The consequence of failure, if it occurs, is minimal.
Repeatable - This relates to the ability to implement the change consistently over and over again without variations in the process or outcome. For a change to be considered standard, it must be repeatable. This means that the same steps are followed each time, and the results are consistent every time the change is made.
Predictable - This pertains to the expected outcomes of implementing the change. A predictable change is one where the outcome is known, based on previous implementations or thorough testing. There shouldn't be any surprises when the change is made. The results of the change should be consistent every time it's implemented.
Any other criteria published on the BSC Website as agreed by the Panel from time to time

It will be more efficient for industry and Elexon to consider what types of changes could follow the Standard Change process and of those, which should be included in this Modification Proposal, as part of this Modification's Assessment Procedure.

Elexon have identified the following list of potential changes that could be classified as a Standard Change, but welcome further suggestions from the Workgroup:

- Adding, amending or removing Fuel Types on BMRS
- Changes to Market Domain Data (MDD)

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The Workgroup should evaluate whether these meet the criteria and whether they should be included within this solution and, if so, what enabling changes (changes needed to the BSC so that they can follow the Standard Change process and not the existing processes) are needed. We provide our current analysis of this in Appendix 2. Elexon believe including one to three enabling changes within this solution would provide the right balance of efficiency versus effort and timescales to progress as separate changes, once the Standard Change framework has been implemented.

The Workgroup should also consider whether an objection or appeal mechanism is required within the Standard Change framework.

Benefits

The main benefits of this Modification Proposal relate to introducing a proportionate and streamlined change process for low risk, repeatable and predictable changes, resulting in:

- Reduced burden for industry monitoring and responding to consultations which elicit little or no response, either due to no impact or full support;
- Reduced burden for Elexon and the Panel and Panel sub-Committees, as they will no longer need to approve these changes. Elexon estimate that if Fuel Type changes are treated as Standard Changes, the effort to progress this proposal will be recovered after three Fuel Type changes.

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3 Relevant Objectives

Impact of the Modification on the Relevant Objectives:	
Relevant Objective	Identified impact
a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence	Neutral
(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System	Neutral
(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	Neutral
(d) Promoting efficiency in the implementation of the balancing and settlement arrangements	**Positive**
(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]	Neutral
(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	Neutral
(g) Compliance with the Transmission Losses Principle	Neutral

This Modification Proposal will better facilitate Applicable BSC Objective (d) as it will allow certain changes to be progressed more efficiently, reducing the burden for industry and Elexon.

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4 Potential Impacts

Impacts on Core Industry Documents

Impacted Core Industry Documents			
☐Ancillary Services Document	☐Connection and Use of System Code	☐Data Transfer Services Agreement	☐Use of Interconnector Agreement
☐Retail Energy Code	☐ Transmission License	☐System Operator Transmission Owner Code	☐Supplemental Agreements
☐Distribution Code	☐Grid Code	☐ Other (please specify)	☒ None

No impacts on other codes have been identified, however other codes may want to adopt this approach, where applicable.

Impacts on BSC Systems

Impacted Systems				
☐CRA	☐CDCA	☐PARMS	☐SAA	☐BMRS
☐EAC/AA	☐FAA	☐TAAMT	☐NHHDA	☐SVAA
☐ECVAA	☐ECVAA Web Service	☐Elexon Portal	☐Other (Please specify)	☒ None

The implementation phase of any changes classified as a Standard Change will remain the same e.g. if Balancing Mechanism Reporting Service (BMRS) needs to be updated for a new Fuel Type, the system and Configurable Items will be updated and notified as needed.

Impacts on BSC Parties

Impacted Parties			
☒Supplier	☒Interconnector User	☒Non Physical Trader	☒Generator
☒Licensed Distribution System Operator	☒National Electricity Transmission System Operator	☒Virtual Lead Party	☐Other (Please specify)

There is expected to be no direct impact on Parties, however, this change should be of benefit to all Parties and of interest to them.

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Impacts on consumers and the environment

Impact of the Modification on consumer benefit areas:	
Consumer benefit area	Identified impact
Improved safety and reliability *No impact identified.*	Neutral
Lower bills than would otherwise be the case *No impact identified.*	Neutral
Reduced environmental damage *No impact identified.*	Neutral
Improved quality of service *No impact identified.*	Neutral
Benefits for society as a whole *No impact identified.*	Neutral

There will be no direct impacts on the environment or consumers, as this proposal introduces a new type of change process for the BSC, which is not consumer facing.

Legal Text Changes

Please see Attachment A for draft legal text and Attachment B for draft redlining to BSCP40. This only includes drafting to facilitate the introduction of the new Standard Change process, plus adding Fuel Type changes as a Standard Change. If the Workgroup decide, for efficiency, to make other changes a Standard Change, then any enabling changes will also need to be drafted and included in this proposal.

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5 Governance

Self-Governance

☒ **Not Self-Governance –** A Modification that, if implemented:	
☐ materially impacts the Code's governance or modification procedures	☐ materially impacts sustainable development, safety or security of supply, or management of market or network emergencies
☐ materially impacts competition	☐ materially impacts existing or future electricity consumers
☐ materially impacts the operation of national electricity Transmission System	☐ is likely to discriminate between different classes of Parties
☐ involves any amendments to the EBGL Article 18 Terms and Conditions related to Balancing; except to the extent required to correct an error or as a result of a factual change	
☒ **Self-Governance –** A Modification that, if implemented:	
Does not materially impact on any of the Self-Governance criteria provided above	

Although amending the Code's Governance procedures, introducing the Standard Change framework itself is not material, as no changes will follow the process, until categorised as suitable for following the Standard Change process. Therefore, the types of changes, and the associated enabling changes, that are included in this proposal, will determine the impact on the Self-Governance criteria. Whilst by definition, Standard Changes will be low risk and routine and therefore should not impact the Self-Governance criteria, the exact impacts will need to be considered against the Self-Governance criteria.

Progression route

☒ **Submit to assessment by a Workgroup** –:A Modification Proposal which:	
does not meet any criteria to progress via any other route.	
☐ **Direct to Report Phase** – A Modification Proposal whose solution is typically:	
☐ of a minor or inconsequential nature	☐ deemed self-evident
☐ **Fast Track Self-Governance** – A Modification Proposal which meets the Self-Governance Criteria and:	
is required to correct an error in the Code as a result of a factual change including but not limited to:	
☐ updating names or addresses listed in the Code	☐ correcting minor typographical errors
☐ correcting formatting and consistency errors, such as paragraph numbering	☐ updating out of date references to other documents or paragraphs

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☐ **Urgent –** A Modification Proposal which is linked to an imminent issue or current issue that if not urgently addressed may cause:	
☐ a significant commercial impact on Parties, Consumers or stakeholder(s)	☐ a Party to be in breach of any relevant legal requirements.
☐ a significant impact on the safety and security of the electricity and/or gas systems	

Whilst Elexon believe a full solution can be developed at this stage, there would be value in working with industry on the potential candidates for becoming Standard Changes and the enabling changes required. If Elexon are unable to form a Workgroup within a reasonable timeframe, we would suggest proceeding directly to the Report Phase with only the Standard Change framework and the enabling changes needed for Fuel Type changes to be established as a Standard Change.

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

No. We have not identified any impact on any open SCRs and have requested Ofgem to treat this Modification as SCR-exempt. Depending on which, if any enabling changes, there may be some minor impact on the MHHS code drafting that will need to be amended to reflect the intent of the proposal e.g. for MDD. The exact impacts will depend on what enabling changes are included in this proposal. We will avoid any impacts on the MHHS design.

Does this modification impact the code drafting and system development for Market wide Half Hourly Settlement (MHHS), if so, how?

No. See SCR impacts above.

Does this Modification impact any of the EBGL Article 18 Terms and Conditions held within the BSC?

Not currently, but impacts will depend on which enabling changes are included.

Implementation approach

This change should be implemented at the earliest opportunity to realise the benefits. This proposal could be implemented five Working Days after approval or in the next appropriate Standard BSC Release, subject to the implementation activities required for any enabling changes.

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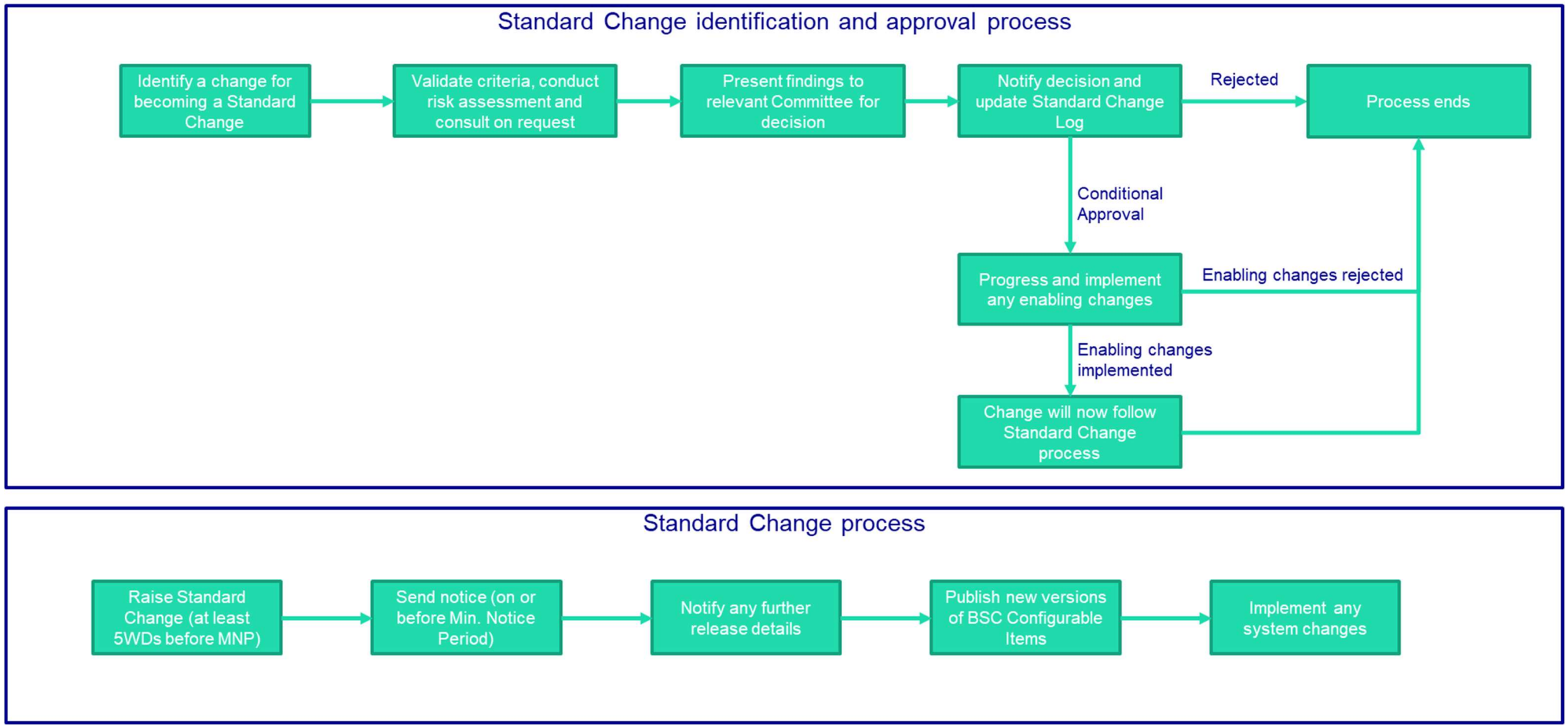
6 Appendix 1: High level process diagrams for the Standard Change Framework



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7 Appendix 2: Analysis of potential Standard Changes

Candidate	Low Risk	Repeatable	Predictable	Supporting Evidence	Conclusion
Adding, amending or removing Fuel Types on BMRS	1) Changes to fuel types has no impact on Settlement. 2) New system does not require complex code changes to ingestion logic. 3) Reporting has no major changes to schema and minimal impact to customers consuming the data.	Frequent changes has resulted in well documented processes for system changes and testing. Changes to include a new fuel type on the data set with no major changes to schema. Future changes will not require code changes.	Registration process highlights naming convention ahead of time. All system impact and reporting changes are known ahead of time. Previous changes have not come across unaccounted requirements during implementation	• Mean 1 change per year • Elexon has not had any material consultation responses, resulting in changes to the solution (since at least 2017) • Consultation respondents have always supported the change (since at least 2017) • The committees/Panel have not rejected any changes (since at least 2017)	Elexon believes that Fuel Type changes are suitable for following the streamline Standard Change process. Section Q could be updated to remove the need for Panel approval and move the list of Fuel Types to the BSC Website.
Changes to Market Domain Data (MDD)	"1) Market Participants can submit requests to include or amend data for their associated MPIDs in MDD only. 2) Data submissions must meet set parameters set out in BSCP509 (Entity Forms)	MDD is version controlled and processed on a monthly basis. This has resulted in a well documented activity, made easier by the set requirements detailed within BSCP509 which need to be met in order to be entered into the central repository.	"MDD follows a strict timetable which is published each November/December to Industry. All data submitted for MDD is based on set structures with	• Changes happen on a monthly basis • 37 changes in the last three years • Elexon has received 12 consultation responses in the last three years. • There have been 2 responses in the last	We believe changes to MDD are suitable to follow the streamline Standard Change process. MDD will continue to receive regular updates and these will continue to be reported in line with the current model - data which relates to

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	and cannot deviate away from the form structure. 3) Submissions are validated by Elexon and the CRA. 4) Only BSC Parties can submit requests to include or amend data. 5) Market Participants can respond to a monthly IA but this is very rarely happens and points raised are not material (Caveat - unless there is a larger project such as Targetted Charging Review - TCR)."		determined inputs and outputs. "	three years which resulted in a change to the suggested solution • The committees/Panel have not rejected any changes in the last three years. • There has been no material committee feedback	Supplier Volume Allocation to be provided by the SVAA to all persons involved in Settlement in accordance with BSCP509

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