

## P463 'Introduce a Standard Change' Workgroup Meeting 1 Summary

### Summary

#### 1. Meeting Objectives

The Chair welcomed attendees and presented the meeting objectives:

- 1.0 Consideration of P463:
  - ) Background and rationale
  - a) Proposed process and criteria
  - b) Proposed candidates for Standard Change
- 1.2 Consideration of the P463 Terms of Reference (ToR); and
- 1.3 Agree the change types to be taken forward for Legal drafting and consultation

#### 2. Overview of the Proposed Modification 'Introduce a Standard Change Process'

- 2.0 The Workgroup discussed the Proposed P463 Modification, reaching a high level understanding of the draft change process and thinking behind prospective change types for inclusion - e.g. Fuel Types. It was stressed that this was not an attempt to water down the governance process and that if Workgroup discussions do not result in a good number of candidates for Standard Change (SC) that the Modification might not be viable. In that case, more targeted changes may be needed instead. However, it was highlighted that this Mod aims to streamline the Change process and make certain changes more proportionate in effort.
- 2.1 The group discussed the Panels views – at its meeting on 9 November (344/03), the Panel were supportive of introducing a Standard Change process in principle and initially approved this Mod for progression. Draft criteria to establish what would constitute an SC was presented to the Workgroup. This is: repeatable, predictable and low risk change types. Reference was made to the IWA, which points to Fuel Types and Market Domain Data (MDD) as possible candidates for SC.
- 2.2 Discussion ensued about the next stage; that there may be enabling changes required to alter existing processes. This would require a frontloaded volume of work and that a cost/benefit analysis is necessary to establish the value of introducing an SC process. Elexon highlighted that time saved by not having to issue consultations, would provide additional time for testing and validation activities. **ACTION:** Elexon to provide the time/costs savings that P463 could achieve.
- 2.3 The group also discussed adherence to existing licencing processes. Elexon confirmed that the current proposal was in line with the BSC modification procedures in the Transmission Licence Condition C3. The group also discussed checks and balances within the proposed SC route, specifically that Panel would have the opportunity to agree whether a change meets the SC criteria and the need for a rejection and reversal process within the SC framework. It was agreed that this was necessary in order to future-proof the process against future developments within the industry. **ACTION:** Elexon to bring back options for the rejection / appeal route and update the redlining so that Panel make SC decisions and there is a process to remove changes from the SC list.
- 2.4 The Workgroup also discussed the role of Ofgem.

#### 3. Potential candidates for Standard Change

- 3.0 The Workgroup discussed the strawman redlining for Fuel Type changes as SC. Other Change types were discussed as potential candidates for SC. Housekeeping was raised as a potential candidate and the Workgroup discussed the suitability and challenges around including MDD. The group discussed the drafted initial thoughts around MDD as a Standard Change candidate and tabled this for further discussion at the next Workgroup meeting, once members had time to consider in more detail. **ACTION:** Elexon to consider whether housekeeping could be included as a SC.

- 3.1 The group discussed potential IT risk and impacts on Settlement. The group discussed the possibility of separating some MDD changes (those that do not impact Settlement) as suitable for SC while allowing others to continue to go through Committee (those that could impact Settlement). The group agreed that there are some changes (MDD and in general) that do not warrant the two or three month consultation process, but expressed caution about which changes are streamlined. A member also highlighted that just because a control has not been used, does not mean it should be removed (e.g. not using an alerting system for going into your overdraft is not a reason to get rid of the alerting system). **ACTION:** Elexon to revise the low risk criteria to incorporate risks to Settlement and bring back some options for MDD that would separate out data sets that can impact Settlement.
- 3.2 The group discussed the value of consultation processes where few responses are generally received and those are always in support. Specific discussion centred around Fuel Type Changes, the potential for time and cost-saving and the way that the SC criteria can be applied in this instance. The group was broadly supportive, in principle, of Fuel Type Changes being streamlined. Elexon also agreed to clarify the analysis done for Fuel types in any future reporting around the use of the phrase 'since at least 2017'. Elexon confirmed that they had only gone back as far as 2017 as this is when the Fuel Type process changed (as a result of P336) and that they were not aware of any Fuel Type changes being rejected. **ACTION:** Elexon to consider how the cost of SC can be incorporated into the SC notices and whether costs need to be factored into the SC criteria.

#### 4. Consideration of contextual Impacts

- 4.0 The context of the proposed Change was discussed. Growth and change in the industry introduces obligations to publish forecast demand data (among other items). There is likely to be a demand for quick turnaround on these products and some future potential candidates for SC may be coming through this pipeline once the parameters have been established and tested through Committees.
- 4.1 Concerns were raised around introducing new Change processes alongside Market-wide Half-Hourly Settlement (MHHS). The group discussed the need for clarity and sensitivity, in order to avoid a negative reaction. It was acknowledged that any progression of SC would need to avoid MHHS impacts and that proper communication might demonstrate that this is an opportunity to reduce burden on the industry. **ACTION:** Elexon to consider the impacts any changes to the MDD process would consequently have on the MHHS and ISD.
- 4.2 Other potential SC candidates and the thinking behind these candidates and their suitability was discussed (these can be seen in the slide pack). The Workgroup was encouraged to research the Change types posited so that they can be discussed at the next meeting.
- 4.3 A member was concerned that including SC candidates as part of this Mod would risk its rejection. Elexon said there was a trade-off between efficiency and risk and that this would need to be further considered and agreed at the next meeting,

#### Actions

No.	Workgroup raised	Action	Owner	Due by	Status
1.	WG1	Where members have relevant knowledge and expertise, propose a rationale (for or against) Market Domain Data as a candidate for SC, using the Proposed SC criteria.	Workgroup	WG2	<b>Open/Closed</b>
2.	WG1	Where Members have relevant knowledge and expertise, consider whether the change candidates on slides 21 meet or do not meet the criteria and why.	Workgroup	WG2	<b>Open/Closed</b>
3.	WG1	Elexon to provide the time/costs savings that P463 could achieve.	Elexon	WG2	<b>Open/Closed</b>

4.	WG1	Elxon to bring back options for the rejection / appeal route and update the redlining so that Panel make SC decisions and there is a process to remove changes from the SC list.	Elxon	WG2	<b>Open/Closed</b>
5.	WG1	Elxon to consider whether housekeeping could be included as a SC.	Elxon	WG2	<b>Open/Closed</b>
6.	WG1	Elxon to revise the low risk criteria to incorporate risks to Settlement and bring back some options for MDD that would separate out data sets that can impact Settlement.	Elxon	WG2	<b>Open/Closed</b>
7.	WG1	Elxon to consider how the cost of SC can be incorporated into the SC notices and whether costs need to be factored into the SC criteria.	Elxon	WG2	<b>Open/Closed</b>
8.	WG1	Elxon to consider the impacts any changes to the MDD process would consequently have on the MHHS and ISD.	Elxon	WG2	<b>Open/Closed</b>