

## ‘Amendment to BSC Section E to allow more flexibility in procurement of BSC Agents’

In order to support the transition to Market-Wide Half-Hourly Settlement (MHHS), Elexon must enter into BSC Agent contracts for operation of new services, including the Load Shaping Service (LSS), Market-Wide Data Service (MDS) and Volume Allocation Service (VAS).

This Modification seeks to allow more flexibility in the requirements for procurement of BSC Agents, to allow the option of having these systems operated by the service provider who developed them (at least for the duration of the transition period), while the currently-appointed Supplier Volume Allocation Agent (SVAA) continues to operate legacy processes.



Elexon recommends the Panel raises the attached Modification Proposal in accordance with the provisions of Section F - Modification Procedures F2.1.1 (d)(i)



Elexon recommends this Modification is progressed to the Assessment Procedure for an assessment by a Workgroup



Elexon does not consider it likely that this Modification will impact the European Electricity Balancing Guideline (EBGL) Article 18 terms and conditions held within the BSC

This Modification is expected to impact:

- Elexon
- BSC Agents

### Phase

Initial Written Assessment

Definition Procedure

Assessment Procedure

Report Phase

Implementation

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## About This Document

You can find the definitions of the terms and acronyms used in this document in the [BSC Glossary<sup>1</sup>](#).

This document is a recommendation to the BSC Panel to raise a Modification Proposal (Attachment A) in accordance with BSC Section F2.1.1(d)(i). Elexon will present this paper to the BSC Panel at its meeting on 11 April 2024. If the BSC Panel agrees to raise the Modification Proposal, this document will form its Initial Written Assessment (IWA), and the Proposal Form will be updated and published on the Elexon website accordingly.

There are 3 parts to this document:

- This is the main document. It provides details of the Modification Proposal, an assessment of the potential impacts and a recommendation of how the Modification should progress, including the Workgroup's proposed membership and Terms of Reference.
- Attachment A contains the Modification Proposal Form.
- Attachment B contains the draft redlined changes to the BSC



### Contact

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[Elexon Support](#)



### Not sure where to start?

We suggest reading the following sections:

- Have 5 minutes? Read section 1
- Have 15 minutes? Read sections 1, 4, 5 and 6
- Have 30 minutes? Read all sections
- Have longer? Read all sections and the annexes and attachments.

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<sup>1</sup> <https://www.elexon.co.uk/glossary/?show=all>



## What is MHHS

Market-wide Half-Hourly Settlement (MHHS) is a key enabler of the flexibility to support the transition to Net Zero. The MHHS Programme will contribute to a more cost-effective electricity system, encouraging more flexible use of energy and helping consumers lower their bills.

## Why change?

Under the status quo, [BSC Section E: BSC Agents<sup>2</sup>](#) mandates Elexon to appoint a single company, known as a BSC Agent, for each BSC Service Description.

For instance, for the Supplier Volume Allocation Service, Elexon must appoint a Supplier Volume Allocation Agent (SVAA) and similarly for other services like Settlement Administration. This process is governed by specific conditions and competitive procurement requirements. However, the transition to MHHS (Market-wide Half-Hourly Settlement) presents unique challenges as it significantly enhances the complexity of the Supplier Volume Allocation service.

The development of MHHS involves implementing new SVAA processes and requirements, including operating entirely new systems like LSS (Load Shaping Service), MDS (Market-wide Data Service), and VAS (Volume Allocation Service). This represents a scope increase for an existing BSC Agent service. To mitigate the risk of delaying the MHHS transition, Elexon's preferred approach deviates from the current Section E provisions.

To address this issue, Elexon propose leveraging the expertise and resources of already appointed service providers.

## Solution

The proposed solution is to remove the requirement for BSC Agents to be competitively procured in all circumstances, providing Elexon the flexibility to take other approaches where appropriate (e.g. in the context of MHHS transition); and provide Elexon with the flexibility to appoint multiple service providers to deliver a single BSC Agent service.

The proposed solution (for discussion by an industry Workgroup) allows Elexon to reconfigure Service Descriptions to reflect the allocation of responsibilities between multiple service providers without having to go through the process currently described by Section E for the reconfiguration of BSC Service Descriptions and require Elexon to specify, in the relevant BSC Agent Contract, other Code or CSD obligations that may not be reflected in the Service Description. Allowing existing service providers to operate these systems during and after the MHHS transition period will reduce costs for parties as previously parties would have to undergo competitive procurements for system operators.

Also, for a limited time the MHHS transition coordination activities, like managing an online service desk and incident response, would fall under Elexon's responsibility.

## Impacts and costs

Elexon expect costs to implement this Modification to be low (<£1k) as a document only change. We also do not anticipate any major costs or impacts for BSC Parties this is due to the Modification being a document-only change therefore no system updates are required, also reducing costs for parties during and after the MHHS transition period. Any possible further costs and impacts will be evaluated as part of the Assessment Procedure.

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<sup>2</sup> <https://bscdocs.elexon.co.uk/bsc/bsc-section-e-bsc-agents>

## Implementation

This is a document-only change with no significant implementation costs. It should be implemented promptly following an Ofgem decision to avoid any delay to agreement of BSC Agent contracts required for MHHS transition.

## Recommendation

Elexon invite the BSC Panel to raise this Modification Proposal in accordance with [BSC Section F 'Modification Procedures' 2.1.1\(d\)\(i\)](#)<sup>3</sup>. We believe this Modification proposal will better facilitate Applicable BSC objective (d), it will allow timely and efficient implementation of the new elements of the Supplier Volume Allocation service required for MHHS. If the Panel agree this proposal should be raised, we recommend this Modification is progressed to the Assessment Procedure for an assessment by a Workgroup.

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<sup>3</sup> <https://bscdocs.elexon.co.uk/bsc/bsc-section-f-modification-procedures#section-f-2-2.1>

## 2 Why Change?

### Background

At the New Electricity Trading Arrangements (NETA) go-live in 2001, [BSC Section E 'BSC Agents'<sup>4</sup>](#) established governance for service providers tasked with developing and operation the NETA systems. These systems were greenfield developments (development of a new product/system) with minimal interfaces to legacy systems.

The BSC Agent contract covers various aspects including application maintenance, development, and hosting infrastructure. The service operated where the BSC Agent was committed to delivering specified business outcomes in Service Descriptions, with flexibility in choosing the method of delivery. The BSC Agent also held contractual responsibility for ensuring the delivery of Service Descriptions, serving the best interests of BSC Parties.

To date, the requirements of Section E and the reality of delivering BSC Services has not prevented Elexon from delivering [Elexon Kinnect<sup>5</sup>](#), which will allow for increased automation and customer self-service as well as data and calculations being migrated to a cloud infrastructure (facilitated by [P456 'Enable Elexon to procure ancillary Technology Services for use by BSC Agents'<sup>6</sup>](#)). Elexon Kinnect has reduced the responsibilities of the traditional BSC Agent role as it reduces the need for a manual process and allows for a BSC Parties to carry out tasks and manage accounts online, but contracts have not changed to reflect that, due to the Section E requirement that Elexon contract to deliver the Service Description.

### What is the issue?

BSC Section E requires that Elexon appoint a single company (a "BSC Agent") to deliver each BSC Service Description.

For example, Elexon must appoint a Supplier Volume Allocation Agent (SVAA) to deliver the Supplier Volume Allocation Service, and a Settlement Administration Agent (SAA) to deliver the Settlement Administration Service. It also sets out the process that Elexon must follow when procuring BSC Agents, and specifies certain conditions that any contract with a BSC Agent must meet.

These requirements are not well suited to the specific circumstances of the transition to MHHS, which will significantly increase the complexity of the Supplier Volume Allocation service. The new SVAA processes and requirements are set out in the [BSC Service Description for BSC Central Services for Migrated Market-wide Half-Hourly Metering Systems<sup>7</sup>](#), and must be fully implemented prior to the start of MHHS transition in March 2025. There has never previously been such a large increase in the scope of an existing BSC Agent service (including requirements to operate several entirely new IT systems).

In order to reduce any risk of delay to the start of MHHS transition, Elexon's preferred approach to implementation of this Service Description (subject to the outcome of commercial negotiation with the service providers involved) would be to leverage the existing knowledge and resources of already-appointed service providers, so that:

<sup>4</sup> <https://bscdocs.elexon.co.uk/bsc/bsc-section-e-bsc-agents>

<sup>5</sup> <https://www.elexon.co.uk/settlement/bsc-central-services/elexon-kinnect-platform/>

<sup>6</sup> <https://www.elexon.co.uk/mod-proposal/p456/>

<sup>7</sup> [https://www.mhhsprogramme.co.uk/uploads/9eb43aaf-1d7a-4292-ac52-28c5f178c8a0/MHHS-DEL1343-BSC\\_Central\\_Services\\_MHHS\\_Service\\_Description\\_v0.6.pdf](https://www.mhhsprogramme.co.uk/uploads/9eb43aaf-1d7a-4292-ac52-28c5f178c8a0/MHHS-DEL1343-BSC_Central_Services_MHHS_Service_Description_v0.6.pdf)



### What is Elexon Kinnect?

Elexon Kinnect is a digital customer-centric platform delivering a smart and flexible central solution for the industry, which will be delivered through a number of releases over the next few years. The modular technology it uses will enable us to implement BSC rule changes more quickly, and provide speedier support for innovation by existing companies and new entrants.



### What are greenfield developments?

Greenfield developments typically refer to the creation of new software applications, platforms, or systems from the ground up, without being constrained by existing legacy systems or infrastructure.

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- Existing 'legacy' elements of the SVAA service would continue to be operated by the existing BSC Agent, for the duration of the existing contracts (which run until 2026);
- New systems (such as LSS, MDS and VAS) would be operated by the parties who developed them (for a limited period of time, but at least for the duration of the MHHS transition period); and
- Activities required to coordinate the effective delivery of the service (such as operating an online service desk for parties, and overall coordination of incident response services) would be carried out by Elexon.

This preferred model is inconsistent with the current provisions of Section E, which require that:

- Any appointment of a BSC Agent should be subject to competitive procurement. As explained above, Elexon's preferred approach to MHHS Transition is to negotiate changes to the existing contracts for development and testing of the new systems (such as LSS, MDS and VAS), which were themselves competitively procured, so that they also cover operation during the transition period (becoming BSC Agent contracts); and
- A single BSC Agent should be appointed to deliver each BSC Service Description. As explained above, Elexon's preferred approach is to split the delivery of the [BSC Service Description for BSC Central Services for Migrated Market-wide Half-Hourly Metering Systems](#) between more than one existing service providers.

## Desired outcomes

The desired outcome is that Elexon (with appropriate oversight from the BSC Panel) is empowered to:

- Appoint a BSC Agent without going through a competitive procurement, in cases where this offers value for money and the most appropriate outcomes for Parties (in this case, a reduced risk of delay to MHHS);
- Appoint more than one BSC Agent to deliver a BSC Service Description; and
- Perform necessary activities (e.g. management of service desk and incident response) to ensure effective coordination of service providers delivering a BSC Service Description.

Although the specific issues requiring this Modification Proposal to be raised relate to MHHS transition and the Supplier Volume Allocation service, Elexon believe these outcomes could provide value elsewhere as well (e.g. opening up the option of splitting the data retrieval and data processing elements of the Central Data Collection Service when it is next re-procured).

Elexon also note that significant changes to the role of Elexon and the BSC Panel in the procurement of BSC Agents are likely to be required due to energy code reform (see the Ofgem consultation on [implementation of energy code reform](#)<sup>8</sup>). The changes proposed by this Modification Proposal should therefore be seen as relatively tactical and short-term in nature, pending the outcome of the code reform process.

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<sup>8</sup> <https://www.ofgem.gov.uk/publications/energy-code-reform-implementation-consultation>

### Proposed solution

As described above, the proposed solution (for discussion with an industry Workgroup) is to:

- Remove the requirement for BSC Agents to be competitively procured in all circumstances, providing Elexon the flexibility to take other approaches where appropriate (e.g. in the context of MHHS transition); and
- Provide Elexon with the flexibility to appoint multiple service providers to deliver a single BSC Service Description, without necessarily having to go through the process of reconfiguring the Service Description and consulting parties on the proposed reconfiguration (as currently described by Section E).

### Legal Text Changes

This Modification impacts Section E of the BSC. Draft legal text is attached (intended as a starting point for discussion with a Workgroup). This draft legal text allows but does not require Elexon to split a BSC Service Description into different documents (one per BSC Agent). In the context of MHHS transition, it would therefore be consistent with either of the following approaches to the [BSC Service Description for BSC Central Services for Migrated Market-wide Half-Hourly Metering Systems](#):

- The Service Description is kept as a single document, with the details of which BSC Agent delivers which parts of it document elsewhere; or
- The Service Description is split into multiple documents, one per BSC Agent (subject to discussion with the MHHS Programme on when and how to implement this change).

The proposed changes in the draft legal are as follows:

- Amend Section E1.2.1 to allow multiple BSC Agents to be appointed to deliver a single BSC Service Description;
- Remove BSC Service Description names from the table in Section E1.2.5 (to allow for the option of having multiple BSC Service Descriptions with different names describing a single BSC Agent Service);
- Amend Section E1.2.6 (which currently has very specific legacy provisions allowing two different BSC Agents to perform the Technical Assurance Agent role) to allow multiple persons to perform a BSC Agent role, and require Elexon to reconfigure or divide the associated BSC Service Descriptions so that Parties have visibility of how obligations have been allocated between different BSC Agents;
- Amend Section E1.3.1 to recognise that multiple BSC Agents may deliver a BSC Service Description, and be less prescriptive about the required content of a BSC Service Description;
- Amend Section E1.5 to empower Elexon to reconfigure or divide BSC Service Descriptions without requiring industry consultation or Panel approval. This will allow Elexon to agree an appropriate split of responsibilities between the service providers delivering MHHS transition in an agile and timely way;
- Delete E2.1.7 (which relates to the initial contracts in place when the BSC was implemented, and is therefore no longer used);

- Amend E2.7 to remove the requirement for BSC Agent contracts to be competitively procured in all cases.

## Benefits

The preparation for MHHS transition is already a complex and high-risk activity. Being required to undergo competitive procurements for the operation of new systems (e.g. MDS, LSS and VAS) prior to the start of transition would very likely cause delay to the MHHS Programme, increasing costs and uncertainty for Suppliers and other parties. Allowing existing service providers to operate these systems during and after the transition period (subject to satisfactory conclusion of commercial negotiations) will reduce costs for parties (and ultimately consumers), and reduce any risk of delay to the benefits that the MHHS Programme will bring.

There may also be secondary benefits to subsequent BSC Agent procurements (e.g. opening up the possibility of separately procuring the data retrieval and data processing elements of the Central Data Collection service).

## Other Related Modifications

BSC Modification P456 ('Enable Elexon to procure ancillary Technology Services for use by BSC Agents') was implemented on 9 November 2023, and allows Elexon to procure Technology Services Providers required to deliver BSC Services (but, unlike this Modification Proposal, would not allow multiple providers to deliver the BSC Service itself).

Elexon are also progressing a Modification Proposal to remove or amend the Section E requirement that BSC Parties should be able to take action directly against BSC Agents. We believe those issues are only loosely related to this Modification Proposal, and best considered as a separate proposal (albeit in similar timescales).

## Applicable BSC Objectives

This Modification Proposal is expected to have a positive impact on BSC Objective (d), in that it will allow timely and efficient implementation of the new elements of the Supplier Volume Allocation service required for MHHS.

A more indirect benefit is against objective (c), as this Modification Proposal safeguards timely delivery of MHHS, which will increase effective competition in the electricity supply market.

## Implementation approach

This is a document-only change with no significant implementation costs. It should be implemented promptly following an Authority decision to avoid any delay to agreement of BSC Agent contracts required for MHHS transition.



### What are the Applicable BSC Objectives?

(a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence

(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System

(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

(d) Promoting efficiency in the implementation of the balancing and settlement arrangements

(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]

(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

(g) Compliance with the Transmission Losses Principle

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## 4 Areas to Consider

In this section we highlight areas which we believe the Panel should consider when making its decision on how to progress this Modification Proposal, and which a Workgroup should consider as part of its assessment. We recommend that the areas below form the basis of a Workgroup's Terms of Reference, supplemented with any further areas specified by the Panel.

### Current Related Modifications

This is one of two Modifications to Section E that Elexon will be presenting to the BSC Panel on 11 April 2024. The other Modification ('Amendment to provisions for Parties to bring claims against BSC Agents in BSC Section E') proposes to amend BSC Section E to remove the requirement for Parties to be able to bring claims against BSC Agents. The proposed progression of the two Modifications will be similar, however there is an urgency to get this Modification implemented before the MHHS transition.

### Areas to consider

The table below summarises the areas we believe a Modification Workgroup should consider as part of its assessment.

Areas to Consider
What are the risks of the proposed solution and how could they be mitigated?
What criteria or checks and balances are needed, if any?
How will this Modification impact the BSC Settlement Risks?
What changes are needed to BSC documents, systems and processes to support this Modification and what are the related costs and lead times? When will any required changes to subsidiary documents be developed and consulted on?
Are there any Alternative Modifications?
Should this Modification be progressed as a Self-Governance Modification?
Does this Modification better facilitate the Applicable BSC Objectives than the current baseline?
Does this Modification impact the EBGL provisions held within the BSC, and if so, what is the impact on the EBGL Objectives?

## 5 Likely Impacts and costs

### Estimated costs

Costs will be assessed during the Assessment Procedure. However, for those roles we believe will be impacted, we have indicated in the impacts section whether we believe the costs are likely to be high, medium or low based on the following categories:

- High: >£1 million
- Medium: £100-1000k
- Low: <£100k

Implementation costs estimates			
Organisation	Item	Implementation costs (£)	Comment
Elexon	Systems	-	
	Documents	<£1K	Document only update to Section E
	Other	-	
NGESO	Systems	-	
	Other	-	
Industry	Systems & processes	-	
<b>Total</b>		<£1K	

On-going costs estimates		
Organisation	On-going costs (£)	Comment
Elexon	-	
NGESO	-	
Industry	-	
<b>Total</b>	-	No ongoing costs anticipated

### Estimated Impacts

Impact on BSC Parties and Party Agents		
Party/Party Agent	Potential Impact	Potential cost
Supplier	This Modification does not directly impact Suppliers, but there is an indirect impact, because in the absence of this Modification Proposal there would be a high risk of delay to MHHS (which would significantly impact Suppliers).	N/A

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Impact on the NETSO	
Potential Impact	Potential cost
No impacts anticipated	N/A

Impact on BSCCo		
Area of Elexon	Potential Impact	Potential cost
Elexon	Allow Elexon (with appropriate oversight from the BSC Panel) to appoint a BSC Agent within going through a competitive procurement. Elexon are empowered to appoint more than one BSC Agent to deliver a BSC Service Description. Also, Elexon to perform necessary activities to ensure effective coordination of service providers delivering a BSC Service Description	M

Impact on BSC Settlement Risks
No impacts on Settlement Risks are anticipated.

Impact on BSC Systems and processes	
BSC System/Process	Potential Impact
None	N/A

Impact on BSC Agent/service provider contractual arrangements	
BSC Agent/service provider contract	Potential Impact
BSC Agents	BSC Agents to be competitively procured in all circumstances, providing Elexon the flexibility to take other approaches where appropriate. Allowing existing service providers to operate new systems during the MHHS transition period (subject to satisfactory conclusion of commercial negotiations).

Impact on Code	
Code Section	Potential Impact
BSC Section E	The legal text allows but does not require Elexon to split a BSC Service Description into different documents (one per BSC Agent).

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### Impact on MHHS

This Modification does not impact the code drafting or system development for MHHS, although it will impact the contractual provisions with new BSC Agents required to put MHHS systems into live operation. These contractual arrangements are the responsibility of Elexon (as a market participant), not the MHHS Programme.

### Impact on EBGL Article 18 terms and conditions

We do not believe this Modification will impact EBGL as there are no references of Section E within the [EBGL article 18 terms and conditions](#)<sup>9</sup>

### Impact on Code Subsidiary Documents

CSD	Potential Impact
None	N/A

### Impact on other Configurable Items

Configurable Item	Potential Impact
None	N/A

### Impact on Core industry Documents and other documents

Document	Potential Impact
Ancillary Services Agreements	No Impact
Connection and Use of System Code	No Impact
Data Transfer Services Agreement	No Impact
Distribution Code	No Impact
Grid Code	No Impact
Retail Energy Code	No Impact
Supplemental Agreements	No Impact
System Operator-Transmission Owner Code	No Impact
Transmission Licence	No Impact
Use of Interconnector Agreement	No Impact

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<sup>9</sup> <https://bscdocs.elexon.co.uk/bsc/bsc-section-f-modification-procedures#annex-f-2>

## Impact on a Significant Code Review (SCR) or other significant industry change projects

We have invited that Ofgem consider this Modification as exempt from the scope of any open SCRs.



### What are the consumer benefit areas?

- 1)** Will this change mean that the energy system can operate more safely and reliably now and in the future in a way that benefits end consumers?
- 2)** Will this change lower consumers' bills by controlling, reducing, and optimising spend, for example on balancing and operating the system?
- 3)** Will this proposal support:
- i) new providers and technologies?
  - ii) a move to hydrogen or lower greenhouse gases?
  - iii) the journey toward statutory net-zero targets?
  - iv) decarbonisation?
- 4)** Will this change improve the quality of service for some or all end consumers. Improved service quality ultimately benefits the end consumer due to interactions in the value chains across the industry being more seamless, efficient and effective.
- 5)** Are there any other identified changes to society, such as jobs or the economy.

### Impact of the Modification on the environment and consumer benefit areas:

Consumer benefit area	Identified impact
1) Improved safety and reliability	Neutral
2) Lower bills than would otherwise be the case	<b>Positive</b>
3) Reduced environmental damage	Neutral
4) Improved quality of service	Neutral
5) Benefits for society as a whole	Neutral

This Modification does not directly impact consumers, but there is an indirect impact, because in the absence of this Modification Proposal there would be a high risk of delay to MHHS (which would increase costs for consumers).

### Other Impacts

Item impacted	Potential Impact
N/A	N/A

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## Next steps

Should the Panel agree to raise this Modification Proposal, we believe it should progress for assessment by a Workgroup to consider the draft legal text.

The Workgroup will need to consider whether the proposal meets the Self-Governance criteria or not, however Elexon believe that this Modification impacts the Self-Governance criteria and therefore should not be progressed a Self-Governed Modification (for Ofgem decision).

If Elexon cannot form a Workgroup within a reasonable timeframe, it is suggested that Elexon return to the Panel with a recommendation to proceed to Report phase, so that it can be progressed in a timely manner to avoid impacting the MHHS go-live. If Elexon are unable to hold a Workgroup then an interim assessment report will be issued to explain the justification as to why a Workgroup cannot be held, along with an Elexon view against the Terms of Reference and drafted Legal Text.

## Workgroup membership

Elexon is seeking Workgroup members with expertise in:

- BSC Agent processes and working practices;
- Section E obligations;
- Contract and commercial risk management;
- Service management; and
- MHHS knowledge

## Timetable

Proposed Progression Timetable	
Event	Date
Present Initial Written Assessment to Panel	11 April 2024
Workgroup Meeting	W/C 06 May 2024
Assessment Procedure Consultation	03 June 2024 – 21 June 2024
Workgroup Meeting	W/C 24 June 2024
Present Assessment Report to Panel	11 July 2024
Report Phase Consultation	15 July 2024 – 26 July 2024
Present Draft Modification Report to Panel	08 August 2024
Issue Final Modification Report to Authority	14 August 2024

As mentioned previously this is one of two Modifications to Section E that Elexon will be presenting to the BSC Panel on 11 April 2024. The proposed progression of the two Modifications will be similar, however there is an urgency to get this Modification implemented in a timely manner before the MHHS transition.

## What are the Self-Governance Criteria?

A Modification that, if implemented:

(a) does not involve any amendments whether in whole or in part to the EBGL Article 18 terms and conditions; except to the extent required to correct an error in the EBGL Article 18 terms and conditions or as a result of a factual change, including but not limited to:

(i) correcting minor typographical errors;

(ii) correcting formatting and consistency errors, such as paragraph numbering; or

(iii) updating out of date references to other documents or paragraphs;

(b) is unlikely to have a material effect on:

(i) existing or future electricity consumers; and

(ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution, or supply of electricity; and

(iii) the operation of the national electricity transmission system; and

(iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and

(v) the Code's governance procedures or modification procedures; and

(b) is unlikely to discriminate between different classes of Parties.

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The timetable will also be subject to getting a quorate Workgroup which may be more difficult due to the summer holiday season.

## 7 Recommendations

We invite the Panel to:

- **RAISE** this Modification Proposal in accordance with Section F2.1.1(d)(i);
- **AGREE** that this Modification progresses to the Assessment Procedure;
- **AGREE** the proposed Assessment Procedure timetable;
- **AGREE** the proposed membership for the Workgroup;
- **AGREE** the Workgroup's Terms of Reference; and
- **NOMINATE** Lorna Lewin as the Panel's representative.

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