
BSC Change Report

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Summary

The Change Report is a monthly summary of all Modifications, Change Proposals and Issues that are currently active. It shows the progress of each change in a visual 'progress bar', as well as containing text updates on what has changed since last month's Change Report. This report covers updates since 29 July 2024 until 30 August 2024.

Summary of Open Changes

For details on the types of changes, the different phases, the types of reports and consultations please see Appendix 1.

Total changes open up until implementation:

- Modifications: 15
- Change Proposals: 4
- Issues: 6

New changes since last month:

- P477, CP1599

Workgroups

- 5 Workgroups held since last month's report: Issue 111 – 23 August, Issue 112 – 15 August, P462 – 20 August.
- 1 Workgroup coming up: Issue 114 – 10 September, Issue 111 – October

Consultations

- Consultations closed since last month's report: July CPC 8 July – 2 August. P469 15 July – 2 August
- Live Consultations: P477 RPC 18 August – 19 September
- Consultations coming up: September CPC 9 September – 4 October

Extension requests

- None

Awaiting decision (decision cut-off)

Authority: P455 - 5WDs after approval, P466 - 10WDs from approval/ 7 November 2024, P471 – 7 October 2024, P475 – 26 February 2025

Decisions since last month

- Approved: None
- Rejected: P461

Awaiting Implementation

Nov 24: P415, P465

Feb 25: P442

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I. Modification Updates – up until decision

P412: Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a price that reflects the real-time value of energy						Update	
Date Raised:	3 September 2020			Proposer:	NGESO		
Target Implementation Date:	TBC			Current Status:	Assessment Procedure		
Progression:	IWA	APC	AR	RPC	DMR	FMR	I
	Sep 20	On-hold	Aug 25	Aug 25	Oct 25	Oct 25	TBC
Latest Update:	<p>At their July meeting, the BSC Panel agreed to a one-year extension to the Assessment Phase. ESO wish to have another Workgroup to discuss Option C from the Recommendation Report due to the potential consequences of non-compliance with the regulations. Elexon intend to hold a workgroup within the next 2 months to explore further. Elements of P412 are being considered in the wider context of Issue Group 114.</p>						
Next Event:	<p>Following a meeting between ESO, Ofgem and Elexon, ESO committed to carrying out a number of tasks:</p> <ul style="list-style-type: none"> • ESO to mock up some option C scenarios for different provider/supplier/aggregator setups to determine what impact it has on Art. 5(1). • ESO to review the £1.8m cost estimate for option C and provide more detail/breakdown for Ofgem. • ESO to clarify for Ofgem whether OBP changes the cost benefit mentioned in the recommendation report. 						
Issue:	<p>P412 will introduce imbalance charges for non-Balancing Mechanism (BM) Balancing Services providers, where their delivery does not match instructed volumes. This will mean the GB market more effectively meets the requirements of the Clean Energy Package.</p>						
Current Solution:	<p>P412 will introduce adjustments to Supplier's imbalance positions by non-BM Balancing Service Providers' instructed volumes, rather than delivered volumes as currently occurs under the P354 'Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level' solution.</p>						
History:	<p>P412 was raised on 3 September 2020. The Initial Written Assessment was presented to the Panel on 10 September 2020 and entered into the Assessment Procedure.</p> <p>The first Workgroup meeting was held on 29 October 2020 to discuss the issue, the proposed solution, next steps and the proposed timetable.</p> <p>The second Workgroup meeting was held on 27 November 2020 to consider five possible solutions and discuss the pros and cons of each option.</p> <p>The third Workgroup meeting was held on 22 February 2021 to further consider the legal and technical issues with the five possible solutions.</p> <p>The fourth Workgroup meeting was held on 7 April 2021. The Proposer subsequently consulted the Workgroup and industry on the impacts that the solution options may have, to then present a cost benefit analysis to Ofgem to determine how P412 should proceed. This process was expected to conclude in November 2021.</p> <p>The Panel approved a six month extension to the Assessment Procedure at its meeting on 8 April 2021 for this analysis to take place. The Proposer's revised timetable for the cost benefit analysis consultation meant that it was issued in October 2021, with a view to then engage with Ofgem. Further Workgroup meetings may be required to consider the development of the solution and next steps.</p>						

The Panel approved a nine month extension to the Assessment Procedure at its meeting on 14 October 2021. National Grid ESO's cost benefit analysis consultation was issued on 18 October 2021 and closed on 26 November 2021. The Panel approved a six month extension to the Assessment Procedure at its meeting on 14 July 2022.

At its January 2023 meeting, the Panel approved a nine month extension to the Assessment Procedure in order for NGESO to conclude its work with DESNZ and Ofgem on how the Clean Energy Package requirements can be best met.

At its October 2023 meeting, the Panel approved an additional nine month extension to the P412 Assessment Procedure to allow additional time for NGESO to submit its impact assessment and recommendation report, following which it is expected that the Workgroup will need to reconvene to consider the outcome.

At its October 2023 meeting, the Panel approved a nine month extension to the Assessment Procedure in order for NGESO to conclude its work with DESNZ and Ofgem on how the Clean Energy Package requirements can be best met. The Panel agreed that minimal effort should be invested into this until work is able to properly resume.

Elxon have received NGESO's recommendation report and are working with the Proposer to establish next steps, following which the report will be issued to P412 members with a further Workgroup meeting needed to establish industry views on NGESO's recommendation. Following this, NGESO and Elxon intend to present the findings (along with the Workgroup views) to the next Panel meeting, with a view to either withdrawing the Modification or continuing development in light of industry and Ofgem views.

A further Workgroup, held on 25 April 2024, was held in order for industry to give views on the [NGESO recommendation report](#) which included a cost benefit analysis of the available solutions. The aim of this Workgroup was to agree how best to progress P412, given the report estimated that the cost outweighed the benefits for all the P412 solution options. The Workgroup felt that none of the considered solutions are viable at this point as the costs greatly outweigh their benefits and create poor consumer outcomes. The Workgroup believed that the Modification should be put on-hold or withdrawn until 2027, this because costs will change after the introduction of the NGESO's Open Balancing Platform (OBP). The Proposer was keen to have further conversations with Ofgem to further understand the risks of non-compliance and how this is considered in the likelihood of increased costs caused by implementation. A 6 Month extension was approved by the BSC Panel, this is to enable National Grid to conduct development of the solution and pursue in on-going conversations with Ofgem. NGESO are currently working on developing a workable solution revolving around ABSVD. NGESO felt that due to the continued lack of compliance resulting from the do-nothing approach and no clarity of what compliance would look like once OBP was in place it was prudent to reassess the recommendation report to see if any previously discounted options could be looked at again. On review the option of using ABSVD (Option C) appears to offer the most potential in terms of compliance and cost. It was previously discounted due to concerns around compliance with Art. 5(1) regarding delegation and financial responsibility of the BRP however this is now being reassessed internally with the legal department.

P441: Creation of Complex Site Classes				No Update			
Date Raised:	7 July 2022		Proposer:	Green Energy			
Target Implementation Date:	TBC		Current Status:	Assessment Procedure			
Progression:	IWA	APC	AR	RPC	DMR	FMR	I
	Jul 22	Oct 24	Nov 24	Dec 24	Jan 25	Jan 25	TBC
Latest Update:	<p>Elexon has now agreed a way forward with the Proposer and Ofgem, following Ofgem's request for a cost benefit analysis. A Workgroup meeting will be held in late September/early October where the Workgroup will discuss and agree the next steps to proceed P441.</p>						
Next Event:	<p>Elexon is developing the analytical scope, as agreed with Ofgem and the Proposer, with the intention of discussing it at a Workgroup in Sept/early Oct. Additional guardrails to the solution are also being considered to limit the opportunity for abuse to the solution. The next P441 Workgroup meeting will be to discuss the cost benefit analysis, potential guardrails, and potential changes to the drafting.</p>						
Issue:	<p>In recent years, a number of queries have been raised to Elexon and in wider industry forums related to the scope of the Complex Site arrangements under the BSC. More specifically, when the BSC and its Code Subsidiary Documents (CSDs) permit the netting of Imports from Exports through a Complex Site arrangement and the scenarios in which this netting is permissible.</p> <p>During conversations under Issue 88 'Clarification of BSC Arrangements relating to Complex Sites' it was identified that certain arrangements have been allowed under the BSC although not clearly defined to facilitate consistency across the market. As so called "Local Energy Schemes" become more popular, it is essential that the rules for when netting should be permitted are clearly defined going forward.</p>						
Current Solution:	<p>P441 seeks to create six categories of Complex Site, each with clearly defined criteria. Classes 1 - 5 are intended to formalise the criteria for those "types" of Complex Site, which are currently recognised as such and are already in use within the industry. In particular a Class 5 Complex Site would set out the criteria in which netting across Boundary Points is permitted (for example, in order to facilitate the establishment of a Local Energy Scheme).</p> <p>A Class 6 Complex Site would be a 'non-standard' arrangement that has aspects of a complex site but does not clearly fit in any of the other five classes. This would be akin to the current process of assigning Central Volume Allocation (CVA) Metering System Identifiers (MSIDs) to a "standard" or "non-standard" BM Unit.</p>						
History:	<p>P441 was raised on 7 July 2022 by Green Energy. The Panel sent P441 to the Assessment Procedure Phase at its meeting on the 14 July 2022.</p> <p>The first Workgroup meeting took place on Wednesday 31 August 2022. At this meeting, the Workgroup considered the P441 background and issue, explored the Workgroup Terms of Reference, and discussed the potential solutions for P441.</p> <p>The second P441 Workgroup meeting was due to be held on 6 October but had to be cancelled due to the constraints caused by the progression timetable of urgent Modification P448.</p> <p>The second P441 Workgroup meeting took place on 6 December 2022, where the Workgroup determined that a central register should be maintained for Class 5 Complex Sites, and that a notification should be sent by Supplier Volume Allocation (SVA) Meter Operator Agents (MOAs) to Elexon with information about a Class 5 Complex Site.</p> <p>The second P441 Workgroup meeting was held on Tuesday 6 December 2022. The Workgroup considered the impact of P441 on Network Charges, possible solution options for the registration of metering systems for Complex Sites and the need for a central register and associated notification process.</p> <p>The Panel agreed to a five month extension to the Assessment Procedure at its meeting on 14 July 2022.</p>						

The third P441 Workgroup was held on 17 January 2023. The Workgroup discussed the requirements for Network Charges and discussed P441's interactions with the Market Wide Half Hourly (MHHS) Programme.

The fourth and fifth Workgroup meeting were held on Tuesday 21 February and 21 March respectively. Across both meetings, the Workgroup confirmed that P441 will not have a direct impact on MHHS, they agreed the requirements for the BSUoS, TNUoS and DUoS charging arrangements for Class 5 Complex Sites. Further, the Workgroup considered four redline drafting options for the impacted documents, and agreed on the option that will seek the governance requirements placed in the BSC and procedural steps in the BSCPs, in line with the BSC redline principles.

The fifth Workgroup meeting was held on 21 March 2023. The Workgroup concluded the requirements for DUoS charges, Group Correction Factor, and Line Loss Factor for Class 5 Complex Sites. Also, the Workgroup discussed and confirmed the appropriate drafting option for the relevant BSC documents.

The sixth P441 Workgroup was held on 2 May 2023. At this meeting, the Workgroup considered the remaining Terms of Reference for P441 and confirmed that parallel changes will need to be raised in both REC and DCUSA. Ofgem has suggested alignment is required on these changes and timelines should be lined up accordingly. At the June 2023 Panel meeting the Panel approved a four month extension to the Assessment Procedure in order to align the timetable of P441 with the consequential DCUSA and REC changes.

The seventh Workgroup meeting for P441 was held on 27 July 2023 to review the legal text and CSD redlining, update on actions and confirm the Assessment Procedure questions to coincide with the timelines for the consequential REC and DCUSA changes. The Workgroup reviewed the redlining in the meeting, but indicated that they want a longer period of review, also noting some updates Elexon would make after the meeting, and therefore wished to delay providing their initial views until a later meeting.

Draft Legal Text has been shared with members for review and feedback ahead of the next Workgroup. This was also shared with REC in order to enable them to help formulate their associated solution.

Elexon held the 8th Workgroup on 20th September 2023. Ofgem attended the Workgroup and advised they would require further analysis on the current P441 solution to help them make a decision. Due to the need conduct further analysis, a 6 month extension to the P441 Assessment period was approved by the BSC Panel on 12 October 2023. We have informed both DCUSA and REC due to the impact on their consequential changes and will reconvene with all impacted codes when a new progression timetable has been agreed. The BSC Panel agreed to a six month extension to the Assessment Phase at their meeting in April 2024.

P444: Compensation for Suppliers and Virtual Lead Parties for Virtual Lead Party actions in the Balancing Mechanism							No Update	
Date Raised:	1 September 2022			Proposer:	Flexitricity			
Target Implementation Date:	TBC			Current Status:	Send Back			
Progression:	IWA	APC	AR	RPC	DMR	FMR	Sent Back	I
	Sep 22	Jan 23	Apr 23	May 23	Jun 23	Jun 23	Sep 23	TBC
Latest Update:	<p>Elexon are finalising the analysis, having held final discussions with parties to provide evidence and aid understanding. We have confirmed the date for the next Workgroup to allow members to comment on the findings. Elexon held a P444 Workgroup on 8 May 2024 to consider the findings of further analysis and consider alternate implementation approaches. The group were broadly comfortable with the outcomes of the analysis and noted that implementation of P444 will likely not be possible before June 2025 due to the impacts of MHHS on the wider systems portfolio of scheduled changes until then.</p>							
Next Event:	<p>Elexon are preparing the written analysis report to capture the conclusions and Workgroup commentary. Additionally, Elexon are preparing Legal Text that reflects the updated baseline post P415, P465 and expected inclusion of P473 to ensure that P444, if approved, aligns to these Modifications.</p>							
Issue:	<p>Under BSC arrangements introduced by P344 'Project TERRE implementation into GB market arrangements' there is no mechanism for compensation of Parties who have been affected by Virtual Lead Party (VLP) activity in the Balancing Mechanism (BM). As a result, Suppliers are commercially impacted and left with a cost from the Balancing Mechanism that they cannot recover.</p>							
Current Solution:	<p>This Modification would amend BSC systems and processes to introduce a compensation mechanism for Suppliers and VLPs when a VLP takes a Bid or Offer in the BM, to ensure a level playing field and enable correct incentivisation of flexibility. Following P444 assessment, the Proposer and Workgroup believe that the compensation mechanism being developed for P415 should be applied to the BM as the solution for P444, and believe that an aligned decision should be made by Ofgem regarding the Proposed and Alternative solutions for each Modification.</p>							
History:	<p>P444 was raised by Flexitricity on 1 September 2022.</p> <p>The Initial Written Assessment was presented to the BSC Panel at their meeting on 8 September 2022. The Panel submitted P444 to the Assessment Procedure for assessment by a Workgroup. The first P444 Workgroup meeting was held on 7 October 2022, in conjunction with a P415 Workgroup meeting.</p> <p>Workgroup meeting 2 was held on 7 December, where the Workgroup reviewed the legal text and prepared for the Assessment Consultation.</p> <p>Workgroup meeting 3 was held on 22 February to consider consultation responses.</p> <p>Workgroup meeting 4 was held on 28 March to conduct final voting and gather final views.</p> <p>The P444 Workgroup met for a final time on 28 March. The Proposer and Workgroup wish for P444 to align with P415 in terms of any Proposed and Alternative solutions, in order to allow for an aligned decision from Ofgem regarding the supplier compensation mechanism, therefore once the P415 Proposer "switched" the Proposed Solution with the alternative approach (allowing a majority of the group to raise a formal Alternative against this and bring multiple options to Ofgem to reduce the chance of delays) the P444 Proposer chose to take the same approach in order to ensure alignment. The Workgroup recommend that the Alternative Solution be approved.</p> <p>The P444 Assessment Report was presented to the BSC Panel on 13 April 2023. The Panel initially recommend P444 is approved.</p> <p>The Report Phase Consultations for P444 and P415 were issued on 17 April 2023, running for one calendar month due to identified impacts on the EBGL Article 18 Terms</p>							

and Conditions. Three responses were received to the consultation, with two agreeing with the Panel that P444 should be approved and one disagreeing.

The BSC Panel considered the P444 Draft Modification Report on 8 June 2023. The Panel unanimously agreed that the P444 Alternative Modification is better than the P444 Proposed Modification and that the Alternative Solution should be approved (with the Proposed Solution rejected). The P444 Final Modification Report was submitted to the Authority on 15 June 2023 for decision.

P444 was sent back to the BSC Panel on 8 September 2023, as Ofgem felt they were unable to form an opinion on whether or not P444 should be approved.

Ofgem direct that additional steps are undertaken to revise the Final Modification Report to include impact analysis with quantitative and qualitative evidence which fully explains and demonstrates the impact on industry of implementing either compensation method through the BSC Modification P444 against the status quo.

Having discussed potential ways forward for addressing the Send Back, the P444 group felt there is most value in proceeding with a micro-level desk-based approach (with additional engagement with VLPs, Suppliers and other organisations) to assess the impact of P444 on individual customers and parties (e.g. VLPs, Suppliers) participating in the BM. Elexon will conduct this analysis and present this back to the Workgroup.

P455: On-Site Aggregation as a method to facilitate Third Party Access					No Update		
Date Raised:	8 June 2023		Proposer:		Emergent Energy		
Target Implementation Date:	5 WD after Authority Decision		Current Status:		With Authority		
Progression:	IWA Jun 23	APC Dec 23	AR Mar 24	RPC Mar 24	DMR May 24	FMR May 24	I +5 WD
Latest Update:	The P455 Final Modification Report was submitted to the Authority on 13 May 2024 for decision. P455 will be implemented 5 Working Days after decision, if approved.						
Next Event:	If approved, P455 will be implemented 5WD after the Authority decision.						
Issue:	<p>Where one or more customers on a private wire network (henceforth private network) opt for a third party supply, corrective action is required to avoid the double counting of metered volumes in Settlement.</p> <p>The BSC provides ways to avoid the double counting of metered volumes on private networks via difference metering option and shared SVA metering.</p> <p>The Proposer believes that these existing options are unsatisfactory when applied to private networks that include domestic and small business (i.e. sub 100kW) customers. This is due to the operational requirements placed on, and the lack of incentive for, Third Party Suppliers (TPSs) to meet such requirements.</p>						
Current Solution:	The solution proposes a new 'on-site aggregation' methodology for facilitating Third Party Access on private networks to which domestic and small business (i.e. sub 100kW) customers are connected. This methodology can be used instead of difference metering, but requires the BSC to allow aggregated meter data from sub-meters (relating to customers not opting for third party supply) on private networks to be submitted into Settlement (in lieu of data from Settlement meters installed at the Boundary Point).						
History	<p>Emergent Energy requested to be designated as a Third Party (non-BSC Party) Proposer for this Modification. The BSC Panel agreed to designate Emergent Energy as the Proposer at its meeting on 8 June 2023. P455 was raised on 8 June 2023.</p> <p>The Panel determined that P455 should progress to the Assessment Procedure for an assessment by a Workgroup.</p> <p>The first Workgroup was held on 12 September 2023. It was an introductory meeting to introduce the problem, solution and Terms of Reference.</p> <p>During Workgroup 2 the Proposer presented the results of the Sandbox applications to validate the proposed solution.</p> <p>During the third and fourth meetings, the Workgroup finished reviewing the Specific Terms of Reference and voted on its initial views regarding the Applicable BSC Objectives.</p> <p>During the fifth meeting, the Workgroup reviewed and commented on the proposed legal text.</p> <p>The Assessment Procedure Consultation was issued on Friday 15 December 2023, until Friday 19 January 2024. The BSC Panel granted to 2 month extension to the Assessment Phase for P455 at their December 2023 meeting.</p> <p>On 20 February 2024, the Workgroup held its sixth meeting to review the Consultation Responses and provide final views on P455.</p> <p>The P455 Assessment Report was presented at the March 2024 Panel. Elexon clarified that they have received written confirmation from MHHS that P455 is exempt from the CR. The Panel were invited to recommend that there is a potential impact on EBGL that needs to be consulted on. The BSC Panel agreed that P455 does impact the EBGL Article 18 terms and conditions held within the BSC and agreed an initial recommendation to the Authority that P455 Proposed Modification should be approved.</p>						

P455 has been submitted to the Report Phase Consultation. It was issued for one calendar month due to EBGL impacts on 20 March 2024 with responses due on 19 April 2024. There were five responses to the consultation. The majority of responses agreed that P455 should be approved.

The P455 Draft Modification Report was presented to the Panel on 9 May 2024 to gather the Panel's final views and recommendations to Ofgem for decision

P459: Allowing different Supplier Agents to be appointed to Import and Export MSIDs				No Update			
Date Raised:	3 August 2023		Proposer:	Good Energy			
Target Implementation Date:	5 WDs after Authority Decision		Current Status:	Assessment Phase			
Progression:	IWA Aug 23	APC Mar 24	AR Feb 25	RPC Apr 25	DMR May 25	FMR May 25	I 5 WDs +
Latest Update:	Good Energy wants to continue with the Modification, regardless of the Elexon and MHHSP's concerns. They will propose a new Solution.						
Next Event:	Good Energy will reconsider their Solution and propose a new one to be taken which will be assessed by the Workgroup.						
Issue:	There is currently an obligation in BSC Section J 'Party Agents & Qualification Under the Code' to appoint the same SVA Meter Operator Agent and SVA Data Collector for both Import and Export MSID. The Proposer is finding that the existing arrangements around agent appointments are causing them a large and unnecessary administrative burden in making use of the metered export process.						
Current Solution:	To remove paragraphs 4.1.5 (Meter Operator Agent) and 4.1.6 (Data Collector) from BSC Section J so that different Supplier Agents can be appointed to the Import and Export MSID. This is likely to be progressed as a part of a Cross Code Change Package, as consequential Retail Energy Code (REC) and Smart Energy Code (SEC) changes will be required. These changes will be developed during the Assessment Phase for this Modification, with a joint consultation issued once all potential dependencies are understood so that industry can consider the package of changes related to this proposal as a whole.						
History	<p>Good Energy raised P459 on 3 August 2023.</p> <p>The BSC Panel considered the Initial Written Assessment for P459 at their meeting on 10 August 2023.</p> <p>On 6th September 2023, Scottish Power suggested an alternative to the P459 proposal to Elexon, aiming to permit different Supplier Agents for Import and Export MSIDs. The discussion happened informally before the official assessment phase. The core issue is the absence of a mechanism in the D0155 form for notifying MOPs of their appointment to Export supplies linked to an Import MPAN they manage. The proposed solution was to modify the D0155 form to include a J0048 – Contract Reference for clarity. This change would require adjustments to the Retail Energy Code (REC) but not the Balancing and Settlement Code (BSC).</p> <p>However, this solution was deemed insufficient as it doesn't address the core issue if MOPs refuse the Export appointment. Additionally, permitting different MOPs for Import and Export could lead to operational challenges, such as remote meter connectivity issues, meter replacement and communication problems, compliance risks during audits, and inefficiencies in meter programming. These issues could negatively affect settlement accuracy, customer service, and regulatory compliance.</p> <p>Therefore, the P459 initiative will continue to explore Good Energy's proposal through its Workgroup process, considering it as part of a cross-code package that requires changes to REC, SEC, and potentially DCUSA, with a focus on the implications for Market-wide Half-Hourly Settlement (MHHS).</p> <p>Elexon held a meeting with the Proposer and is preparing a communication piece to update industry about P459. The Proposer has been engaged with other commitments and unable to progress this Modification.</p> <p>The first Workgroup meeting was held on 23 February 2024, where the Workgroup members raised some concerns regarding MHHS impacts. It was established that a full MHHS solution needs to be developed; hence, the Assessment Procedure needs to get extended. The BSC Panel approved a ten month extension to the P459 Assessment Procedure at their meeting in March, noting the recommendation that P459 is not issued for consultation until the MHHS code artefacts are approved (at which point they become part of the legal baseline), which is expected in November 2024. Elexon will return with the Assessment Report by the February 2025 Panel meeting, or sooner if possible.</p>						

In April, Elexon, the Proposer and the MHHS Programme representative met to discuss different progression options. The Proposer is also working with the SEC and the REC to detail the business requirements.

REC, Elexon, MHHSP and the Proposer reviewed the drafting for BSC Section J and REC Schedule 14 using the MHHS Code baseline. The entire proposed solution needs to be redefined. The current solution is not possible under the new MHHS world. By removing entirely paragraph 4.1.5, the BSC would be losing cross-references to Schedule 14. In addition, the MHHS Code Drafting has modified paragraph 4.1.6. so the MHHSP and Elexon views are that the MHHS Code will solve most of the issues raised by Good Energy. The REC Code will consider adding some mitigation measures to the Schedule 14 to prevent unfair charges, subject to be approved by the legal team.

P461: Accurate Reporting of Customers Delivered Volumes to Suppliers				Update	
Date Raised:	5 October 2023		Proposer:	EnDCo	
Target Implementation Date:	26 February 2026		Current Status:	Authority Decision	
Progression:	IWA Oct 23	RPC Nov 23	DMR Jan 23	FMR Jan 23	I N/A
Latest Update:	Ofgem published its decision letter on 16 August 2024. The Authority agreed with the Panel's recommendation to Reject P461. We have informed the proposed and agreed to close this modification.				
Next Event:	This Modification has been rejected, therefore P461 will be closed.				
Issue:	When a customer delivers a Bid Offer Acceptance (BOA) through a Virtual Lead Party (VLP), and provided the customer consents to the disclosure, their Supplier will receive details of the 'Delivered Volume' i.e. the change in the customer's Import and/or Export arising from delivery of the BOA. Currently the details reported to the Supplier are the 'raw' Delivered Volumes reported to the Supplier Volume Allocation Agent (SVAA) by the VLP, and do not reflect any adjustments made to that data in Settlement. This defeats the intended purpose of the reporting by making it impossible for Suppliers to understand the contribution made by each customer to their overall Imbalance charge.				
Current Solution:	The Proposed Solution is that values reported to Suppliers on the P0287 'Secondary Half Hourly Delivered Volumes' data flow should incorporate any adjustments made by the Settlement Administration Agent (SAA). This will allow Suppliers to accurately attribute to individual customers any Imbalance adjustments that arise from those customers participating in the Balancing Mechanism through a VLP. This will ensure that Suppliers have the data required to accurately bill customers (in accordance with the terms of their contracts), and minimise cross-subsidies from customers who use a VLP to those who don't (or vice versa).				
History	<p>The P461 Initial Written Assessment was presented to the BSC Panel at its meeting on 12 October 2023. The Panel deferred P461 for 1 month, while a Request for Information (RFI) is carried out to assess potential impacts on industry related to a 2 day delay in receiving the P0287, to assess whether a delay in receiving data may cause billing delays for some Suppliers which could incur some costs.</p> <p>The RFI closed on 31 October 2023 with two responses, both from Suppliers that confirmed no issue with the proposed solution. The BSC Panel considered responses to the RFI at their meeting on 9 November 2023 and agreed to progress P461 Straight to Report Phase Consultation.</p> <p>The Report Phase Consultation for P461 was issued on 16 November 2023, running for one calendar month due to identified impacts on the EBGL Article 18 Terms and Conditions.</p> <p>P461 was issued for an EBGL Report Phase Consultation on 16 November 2023 with responses due by 18 December. There were no responses to the consultation. One potential respondent to the P461 Consultation requested a meeting with Elexon to discuss the Modification. The respondent was confident after that meeting that they had no objections so therefore did not feel the need to submit a response to the consultation.</p> <p>The Draft Modification Report was presented at the January 2024 Panel meeting. The BSC Panel recommended to the Authority that P461 should be approved.</p> <p>Ofgem issued a Send Back Direction on P461 to the BSC Panel on 8 May 2024, as it was unable to form an opinion on whether or not P461 should be approved. The Panel approved the draft Send Back Process at its meeting on 9 May 2024. The Send Back Consultation was issued on 13 May 2024 and closed at 5pm on Friday 24 May 2024. There were two responses to the Send Back Consultation. Both respondents were unanimously in agreement with the Consultation that values reported to Suppliers on the P0287 data flow should incorporate any adjustments made by the Settlement Administration Agent.</p>				

Respondents agreed that impacts identified as a result of omissions in the P0287 would also apply to Imbalance adjustments caused by the customer delivering a volume into the wholesale market (through a VTP, under Modification P415). Respondents were also consulted on a new implementation date, which has moved from November 2024 to February 2026. One respondent disagreed with the revised implementation date, as they feel that P461 should be implemented as soon as possible. Analysis of P461 highlighted revisions to the Legal Text.

The responses to the Send Back Consultation were presented to the Panel on 13 June 2024. Elexon asked for the Panel to agree a recommendation to the Authority that P461 should be Sent Back due to the existing Legal Text requiring additional revisions. The Panel discussed the need for a revised recommendation and the process for resubmitting a modified report. Panel remained supportive of the intention behind P461 and offered additional engagement to the Proposer to help them understand their rationale but expressed a view that progressing the Modification without further industry input could potentially cause further unforeseen misalignment, particularly as it would necessitate multiple Send Backs, which would impose a considerable burden on both Ofgem and Elexon, constrained by a two-month process due to EBGL limitations. Panel deliberated on the feasibility of recommending the rejection of P461 within the parameters of the Send Back Process. Elexon sought legal advice, which confirmed that this course of action was permissible. Consequently, the Panel recommended to the Authority that P461 be rejected.

P462: The removal of subsidies from Bid Prices in the Balancing Mechanism				Update			
Date Raised:	27 October 2023		Proposer:	National Grid Electricity System Operator (NGESO)			
Target Implementation Date:	TBC		Current Status:	Assessment Phase			
Progression:	IWA Nov 23	APC Dec 24	AR Feb 25	RPC Mar 25	DMR Apr 25	FMR Apr 25	I TBC
Latest Update:	The Sixth workgroup was held on 20 August 2024 where the workgroup discussed the CBA Requirements and began to start the development of the P462 solution. In this session, workgroup members were keen to explore alternative solutions in and out of the BSC.						
Next Event:	The seventh workgroup meeting will aim to finalise the Cost-Benefit Analysis and to allow for alternative solutions to be presented by Workgroup members. We are looking for a meeting date in September.						
Issue:	This Modification aims to reduce consumer cost potentially caused by the interaction between the BM and support mechanism arrangements. This shall be done by removing distortion of support mechanisms (such as Contracts for Difference (CfDs) and the Renewables Obligation (RO) schemes) to reduce actions being taken outside of consumer cost order when following the Bid stack merit order.						
Current Solution:	The proposed solution is to raise a BSC Modification to pay for any lost subsidy values outside of the direct Bid Price, separation of lost/gained CfD revenues and other subsidies (RO) for cashflow purposes. This requires changes to the settlement process but would not require redesign of operational systems, it would also make the interactions completely transparent. It also allows for a greater scope than just covering for this CfD (and RO) issue.						
History	<p>P462 was raised by NGESO on 27 October 2023. The Proposer requested that P462 is sent for assessment by a Workgroup.</p> <p>Elexon presented the Initial Written Assessment to the BSC Panel on 9 November 2023. The Panel agreed to submit P462 to the Assessment Phase with the recommendation that the Terms of Reference (ToR) should be updated to reflect the Panel's feedback from the meeting on 9 November, prior to the first Workgroup meeting taking place. An updated ToR will be presented to the Panel at its next meeting on 14 December.</p> <p>The updated Terms of Reference (ToR) were presented and agreed by the Panel at its meeting on 14 December 2023. Two additional ToR were proposed by the Panel and will be added in advance of the first Workgroup.</p> <p>The first Workgroup was held on 16 January 2024. The Workgroup provided their initial views on the P462 Modification proposal at the Workgroup and additional potential impacts from P462 were captured.</p> <p>The second Workgroup meeting was held on 27 February 2024. At this meeting NGESO provided more background on the issue and why the BSC Modification was their proposed route to resolve the issue.</p> <p>The third Workgroup meeting was held on 2 April. At this Workgroup, NGESO presented their assumptions and analysis used to ascertain the numbers quoted in the Initial Written Assessment and initial Workgroup meetings. We have sent a request to the Workgroup for dates for the next Workgroup meeting. The fourth Workgroup was held on 20 May 2024. DESNZ presented on REMA and the potential interactions with P462 and the meeting also covered off remaining queries from the third Workgroup meeting regarding NGESO's analysis.</p> <p>The fifth Workgroup meeting was held on 9 July 2024 where the Workgroup considered the initial scope of the Cost Benefits Analysis.</p>						

Date Raised:	9 November 2023		Proposer:	Elexon			
Target Implementation Date:	7 November 2024		Current Status:	With Authority			
Progression:	IWA Nov 23	APC Apr 24	AR Jul 24	RPC Jul 24	DMR Aug 24	FMR Aug 24	I Nov 24
Latest Update:	The P463 Draft Modification Report was presented to the BSC Panel at its meeting on 8 August 2024 (353/18) where the Panel made their final recommendations. The Panel agreed that P463 should be approved.						
Next Event:	P463 was submitted to the Authority for decision on 14 August 2024 with a recommendation to approve the Modification.						
Issue:	Currently, all changes to the BSC and BSC Configurable Items are required to go through the Change Process, either as a Modification Proposal (Mod) or as a Change Proposal (CP). Although these processes are very effective, there are some instances in which the process may be considered overly bureaucratic and burdensome for impacted stakeholders. A number of routine and low risk changes, and changes to standing data have been identified where public consultation and Committee approval may be considered disproportionate and unnecessary. A more efficient process should be used for these Change types. 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.						
Current Solution:	Introduce a simplified change process to streamline those changes which are low risk, routine and repeatable, a ‘Standard Change’ process. This will reduce the burden on industry and Elexon for processing these kinds of changes. Identify the types of changes which could follow the Standard Change process and which of these should be included in this Mod (‘enabling changes’).						
History	<p>P463 was raised by Elexon on 9 November 2023. Elexon presented the Initial Written Assessment to the BSC Panel on 09 November 2023, who determined the P463 progression route and timetable, agreeing that it progress to the Assessment Phase. At its meeting on 8 February 2024, the BSC Panel approved a 3 month extension to P463’s assessment Phase.</p> <p>The second Workgroup meeting occurred on 6 March. The purpose of the second Workgroup was to further scope the impacts of P463 and its value as a new Change Type, and agree the Change Types to be taken forward for legal drafting and consultation. The Workgroup were asked to use their knowledge and expertise to consider candidates for Standard Change, using the Proposed Standard Change criteria and to give a view on whether the proposed candidates for Standard Change meet or do not meet the criteria and why.</p> <p>A one month extension was requested for the purposes of contingency. Delivering the Assessment Report in June depends on the responses received to the consultation and Workgroup availability.</p> <p>The 3rd Workgroup meeting took place on 10 April. The purpose of the third Workgroup was to discuss and vote on the terms of reference, in readiness to issue the Assessment Phase Consultation, which has now been issued until 13 May. The fourth P463 Workgroup was scheduled for 4 June 2024. At the fourth P463 Workgroup, Assessment Consultation responses were discussed and final Workgroup views against Terms of Reference were given. The Workgroup took a final vote on the Applicable BSC objectives. Following the fourth Workgroup, Elexon delivered the Assessment Report to the BSC Panel on 11 July 2024</p> <p>The P463 Assessment Report was presented to Panel on 11 July 2024 (352/07). The BSC Panel unanimously agreed an initial recommendation that P463 should be approved. Elexon issued the Report Phase Consultation on 15 July 2024 – 26 July 2024 to industry to allow for comment.</p>						

P466: 'BSC Section N Modernisation'				Update	
Date Raised:	11 January 2024	Proposer:	Elexon		
Target Implementation Date:	10WDs from approval/ 7 November 2024	Current Status:	Authority Decision		
Progression:	IWA Jan 24	RPC Feb 24	DMR Mar 24	FMR Mar 24	I Nov 24
Latest Update:	Elexon engaged with Ofgem to revise the Implementation date due to the need to align with the replan of FAA-R timelines and avoid increased costs that would be required to implement on old systems. Elexon has requested a Direction from the Authority to allow us to consult on a revised Implementation Date.				
Next Event:	We wish to amend the P466 Implementation Date to allow for a go-live later than the November 2024 Release, with a backstop date of the November 2025 Standard Release. To make this change, we require a letter of direction from Ofgem, in accordance with F2.11.18. We provided an email outlining the rationale and our newly revised Implementation Date. Ofgem have sent us the Direction Letter allowing us to consult on a new revised Implementation Date. We would like to invite the Panel to agree on a draft revised Implementation Date for P466 at the September Panel meeting. This will allow us to consult with the industry for 10 Working Days and return to the October Panel with the responses. We will then invite the Panel, on 10 October 2024, to recommend the revised Implementation Date to Ofgem for a decision. Further details on the newly revised Implementation Date and the F2.11.18 process will be provided at the Panel meeting on 12 September 2024.				
Issue:	BSC Section N 'Clearing, Invoicing & Payment' was written over 20 years ago and therefore some sections within it are now deemed redundant and no longer align with modern ways of working (e.g. invoicing and banking practices). This results in inefficiencies and unnecessary constraints that may prevent additional benefits from being sought and realised. As part of the Elexon Strategy and the implementation of Elexon Kinnect, a cloud based platform, the Funds Administration Agent (FAA) systems are being replaced with a new version on Kinnect. The FAA transfers Trading Charges to and from BSC Parties and manages the BSC Credit Cover arrangements. Kinnect is flexible, scalable and adaptable and creating a new FAA Service on Kinnect will modernise the BSC banking and payments processes, be less resource intensive, reduce manual processes and improve controls. Therefore a review of BSC Section N seemed timely to align with this and was completed to determine if any improvements/benefits could be applied to enable any changes to the new FAA Service which are currently restricted by the Code.				
Current Solution:	<p>In order to meet the desired outcomes described above, proposed amendments have been made to Section N (See attachment B) A summary of these changes is also shown in the table below along with the impacted reference and section.</p> <ul style="list-style-type: none"> • Where the dependency within the table is showing as yes, these changes are dependent on the new FAA System being implemented. • Where text is highlighted in red, these identify the BSC Sections which fall under EBGL impacted text under Section F, Article 18.6.c. This solution will also amend Sections H, U, V and X-1 which will be consequential changes as part of the update to terminology in Section N 				
History	<p>The BSC Panel raised P466 at their meeting on 11 January 2024 (346/04). The BSC Panel agreed to submit P466 to Report Phase on 11 January 2024 (346/04). The Report Phase Consultation for P466 will be one calendar month as it impacts the European Electricity Balancing Guideline (EBGL) Article 18 terms and conditions held within the BSC. The Report Phase Consultation for P466 closed on 19 February 2024. The BSC Panel considered the Draft Modification Report at its meeting on 14 March 2024(368/05). The Panel unanimously:</p> <ul style="list-style-type: none"> • Agreed that P466 should not be treated as a Self-Governance Modification; • Agreed that P466 does impact the EBGL Article 18 Terms and Conditions; 				

- Approved the Implementation Date;
- Approved the Legal Text; and
- Approved that P466 report.

P466 was submitted to the Authority for decision on 15 March 2024.

The Authority sent Elexon a Direction triggering Paragraph 2.11.18 of BSC Section F 'Modification Procedures'. This paragraph sets out that Ofgem may direct the BSC Panel to consult on a revised proposed Implementation Date for a Modification. This was due to the Authority considering that the proposed Implementation Date was, or might no longer be, appropriate or might otherwise prevent Ofgem from making a decision.

The primary reason was that delivering P466 with the current date would have significantly risked the delivery of P415 'Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties' and Helix (our MHHS project scheduled for implementation at M10 – 7 March 2025). Elexon engaged with the Authority and the Panel (via Change Report (350/02)), explaining the rationale for changing the Implementation date. Both agreed that the current Implementation was no longer an appropriate approach and that a revised Implementation was needed.

Ofgem recommended that the BSC Panel conduct a 10WD consultation to gain industry feedback and further provide Ofgem a new revised proposed Implementation Date as soon as possible. Elexon issued an Implementation Consultation on 20 May 2024 with responses due by 4 June 2024. Elexon received no responses from industry from the Implementation Consultation, Elexon believe the due to the low impacts of this Modification itself the Implementation Date isn't a key concern to the industry. Elexon presented the results of the Implementation Consultation and revised DMR to the BSC Panel at their meeting in June. The BSC Panel agreed to the revised Implementation Date and a revised Final Modification Report.

P469: Credit Default Refusal and Rejection Period				Update			
Date Raised:	29 February 2024		Proposer:	European Commodity Clearing (ECC)			
Target Implementation Date:	7 November 2024		Current Status:	With Authority			
Progression:	IWA Mar 24	APC Jun 24	AR July 24	RPC July 24	DMR Aug 24	FMR Aug 24	I Feb 25
Latest Update:	The Draft Modification Report was presented to the BSC Panel in August, this contained the responses from the Report Phase Consultation. There were two responses to the Consultation, both of which were in support of P469.						
Next Event:	The P469 Final Modification Report was submitted to the Authority on 9 August 2024 for decision.						
Issue:	<p>At the moment, Energy Contract Volume Notifications (ECVNs), including those previously submitted and accepted, can be refused and rejected without prior notice to third parties involved in the trade.</p> <p>If an ECVN is submitted during a Credit Default Refusal Period, the notification is refused and the trade invalidated. However, in that trade, Party B may not know that Party A entered Level 2 Credit Default until the contract they believed confirmed is refused.</p> <p>In many scenarios, the amount of time that Party B has to revert a trade and find new trading parties to deliveries is between one second to one hours (depending on the contract being rejected or refused). Often, this tight timeframe makes arranging a new trade unfeasible.</p>						
Current Solution:	<p>P469 proposal seeks to delay the Credit Default Refusal and Rejection Periods. This change would give parties a two-hour window from the Level 2 Credit Default notification until the time when any ECVN related to the defaulting party are rejected.</p> <p>To implement the proposed Solution, this Modification aims to change BSC Section M.</p>						
History:	<p>European Commodity Clearing (ECC) raised P469 'Credit Default Refusal and Rejection Period' on 29 February 2024.</p> <p>Its Initial Written Assessment was presented to the BSC Panel on 14 March 2024, and the Panel approved sending P469 to the Assessment Phase for consideration by a Workgroup. Ofgem confirmed that they consider P469 to be outside the scope of a Significant Code Review on 7 March 2024.</p> <p>Since it was challenging to reach the minimum number of voting members, it was not possible to hold the first Workgroup meeting in April. Elexon and the Proposer worked on a 1-2-1 strategy to recruit voting members.</p> <p>The first Workgroup was held on 8 May 2024.</p> <p>A two month extension was requested for the purposes of contingency. However, the Assessment Report is still targeted for July Panel. At the June BSC Panel meeting, a two month extension was granted to P469 to provide contingency, however Elexon will not use the extension and now bring the Assessment Report to the July Panel. The Service Provider has confirmed six weeks is needed to implement the solution, and an estimated budget, if the implementation is part of the November release. That would allow them to use the same deployment team currently working on the ECVA as part of P415 implementation. For that to happen, Elexon would need to present the Assessment Report in July's Panel and the Draft Modification Report in August. At the same time, Elexon has engaged with Ofgem to see if seven weeks would be sufficient to make a decision. If the November release is missed, implementing the solution could have a 20% increase in costs (although the total value is still <£30k). The APC was issued on the 14 June and closed on 28 June.</p> <p>The Assessment Report was presented to the BSC Panel on 11 July 2024, where the Panel agreed with the Workgroup and made their initial recommendation that P469 should be approved. The P469 Report Phase Consultation was issued on 15 July 2024 and closes on the 02 August 2024. This is as a result of Elexon not using the two month extension which was granted by the Panel in June.</p>						

P470: Protecting the Imbalance Price from IOLC related distortions				No Update			
Date Raised:	7 March 2024		Proposer:	VPI Immingham LLP			
Target Implementation Date:	TBC		Current Status:	Assessment Phase			
Progression:	IWA Mar 24	APC Nov 24	AR Dec 24	RPC Jan 25	DMR Feb 25	FMR Feb 25	I TBC
Latest Update:	The Proposer has informed us this week that he would like to withdraw the Modification as he believes that given the challenges with implementing the solution in a timely manner and further considering those challenges against the context of the pending and likely wide-ranging market reform he feels the pragmatic way forward is to withdraw this Modification.						
Next Event:	We have informed the Workgroup about Proposer's intent to withdraw the Modification. We have initiated the process of Modification withdraw by informing industry about Proposer's decision and inviting interest to adopt this Modification. In an event that this Modification is not adopted, we aim to come back to Panel in October.						
Issue:	<p>The Inflexible Offers Licence Condition (IOLC) came into force on 26 October 2023 following an Ofgem decision. The IOLC restricts the Offer prices that generators can submit if they revised their Physical Notification (PN) from positive to 0MW within an operational day, if that generator has a Minimum Zero Time (MZT) in excess of 60 minutes. If this is the case, the Offer prices submitted for that generator cannot result in 'excessive benefit', which means profit should not be 'significantly more' than the generator would have made had their PN remained in place. Because of this price restriction, generators which are affected may not be able to price in line with the competitive level set by the rest of the market.</p> <p>As a result, if the Offers were accepted by National Grid ESO, the Imbalance Price Offer Stack would contain prices lower than would have been submitted if they were able to price freely. In the event that one of these Offer prices is marginal, the Imbalance Settlement Price would be artificially low.</p>						
Current Solution:	The proposed solution (for consideration by an industry Workgroup) is to flag IOLC impacted Offer prices in the price stack, and to reprice them up to the next most expensive non-flagged Offer price. The flagging of IOLC-impacted Offers would be done by National Grid ESO, with any re-pricing of impacted Offer actions being a new step in the Settlement Administration Agent (SAA) process when calculating the Imbalance Price. The current process (status quo) does not "flag" any impacted Offer actions, and so it would not do anything to these actions outside of current process.						
History	<p>The Initial Written Assessment for P470 was presented to the BSC Panel at its meeting on 14 March 2024, where the Panel agreed to progress this Modification for assessment by a Workgroup.</p> <p>The first P470 Workgroup was held on 10 May. At the meeting, the Workgroup were introduced to the Terms of Reference. They then discussed the background and issue to the problem as well as the proposed Solution.</p> <p>The 2nd Workgroup for P470 was held on 17 June. At this meeting, the Workgroup discussed the analysis conducted by NGENSO using empirical data for scenarios where IOLC-impacted offer prices occurred, and how Imbalance Prices would be impacted under suggested solutions. The Workgroup also considered the outcomes of discussion between Elexon and Proposer where they explored different scenarios where SO and IOLC flag are applied.</p>						

P471: Amendment to BSC Section E to allow more flexibility in procurement of BSC Agents					No Update		
Date Raised:	11 April 2024		Proposer:	BSC Panel			
Target Implementation Date:	7 November 2024		Current Status:	Authority Decision			
Progression:	IWA Apr 24	APC Jun 24	AR Jul 24	RPC Jul 24	DMR Jul 24	FMR Jul 24	I Nov 24
Latest Update:	Elxon brought the P471 Draft Modification Report to the BSC Panel on 11th July 2024, where the Panel approved the recommendations for the Authority to make the final decision.						
Next Event:	Elxon are waiting for the Authority to make a final decision on this Modification. If approved, this Modification will be implemented on 7 November 2024.						
Issue:	<p>Under the status quo, BSC Section E: BSC Agents mandates Elxon to appoint a single company, known as a BSC Agent, for each BSC Service Description. For instance, for the Supplier Volume Allocation Service, Elxon 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.</p> <p>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, Elxon's preferred approach deviates from the current Section E provisions. To address this issue, Elxon propose leveraging the expertise and resources of already appointed service providers</p>						
Current Solution:	<p>The proposed solution is to remove the requirement for BSC Agents to be competitively procured in all circumstances, providing Elxon the flexibility to take other approaches where appropriate (e.g. in the context of MHHS transition); and provide Elxon with the flexibility to appoint multiple service providers to deliver a single BSC Agent service.</p> <p>The proposed solution (for discussion by an industry Workgroup) allows Elxon 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 Elxon 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.</p> <p>Also, for a limited time the MHHS transition coordination activities, like managing an online service desk and incident response, would fall under Elxon's responsibility.</p>						
History	<p>Elxon brought the P471 Initial Written Assessment to the BSC Panel on 11 April 2024. The BSC Panel agreed to raise P471 at the April Panel meeting. P471 was submitted to the Assessment Phase where it would be assessed by a Workgroup. However, due to the lack of quoracy the BSC Panel submitted this Modification direct to Report Phase. Elxon will presented the Interim Assessment Report along with this Recommendations during the June Panel meeting. Elxon presented the Interim Assessment Report to the BSC Panel on 13th June 2024 where the Panel were recommended to progress this Modification to Report Phase, the Panel agreed with all recommendations. Following the meeting, Elxon issued the P471 Report Phase Consultation on 17 June 2024, the Consultation closed on 4 July 2024. During this time Elxon held a Webinar to gain industry engagement.</p>						

P472: Amendment to provisions for Parties to bring claims against BSC Agents in BSC Section E							Update
Date Raised:	11 April 2024		Proposer:		BSC Panel		
Target Implementation Date:	TBC		Current Status:		Assessment Phase		
Progression:	IWA Apr 24	APC Aug 24	AR Sep 24	RPC Sep 24	DMR Oct 24	FMR Oct 24	I TBC
Latest Update:	As Mentioned at August's Panel, we are looking to present our recommendation to the BSC Panel to progress this Modification direct to Report Phase via the interim Assessment Report. We will also be presenting rationale behind this and Elexon's view on Specific Terms and Reference.						
Next Event:	We will look to proceed with industry consultation, subject to Panel's approval in this meeting and will aim to come back to Panel in October to present the Draft Modification Report.						
Issue:	<p>BSC Section E 'BSC Agents' paragraph 2.4.1¹ (and related provisions) allow Parties to bring claims against BSC Agents. These requirements, which have always been heavily caveated, have never been used.</p> <p>Moreover, their benefit to Parties has gradually eroded over time. This erosion is due to the increased complexity in the delivery of BSC Agent services, resulting in the distribution of service delivery responsibilities across software developers, other Technology Services Providers, and BSC Agents.</p> <p>Elexon believes that the increased cost of BSC Agent services arising from maintaining these provisions now exceeds any benefit Parties are ever likely to obtain from them, and the requirement should be removed entirely or replaced with an alternative mechanism for ensuring accountability of BSC Agents.</p>						
Current Solution:	It is proposed to amend BSC Section E which contains the rules covering BSC Agents. The proposed solution (for discussion by an industry Workgroup) aims to remove the requirements for Parties to be able to bring claims directly against BSC Agents.						
History	<p>Elexon brought the P472 Initial Written Assessment to the BSC Panel on 11 April 2024. The Panel agreed to raise P472 at the April Panel meeting. The Panel agreed with the initial recommendation of progressing P472 through Assessment Phase to be considered by industry Workgroup.</p> <p>P472 was submitted to the Assessment Phase where it would be assessed by a Workgroup. However, due to the lack of quoracy over the last two months of this Modification being raised, we have been unable to form a Workgroup so far. In absence of required quoracy of the WG members, Elexon plan to come back to Panel in September with our revised approach and Elexon's view on Specific Terms of Reference and present Initial Assessment Report with a request to proceed direct to Report phase.</p>						

¹ <https://bscdocs.elexon.co.uk/simple-guides/section-e-bsc-agents>

P473: Correcting inconsistencies in the P415 Legal Text				Update	
Date Raised:	9 May 2024		Proposer:	BSC Panel	
Target Implementation Date:	7 November 2024		Current Status:	Authority Decision	
Progression:	IWA May 24	RPC Jun 24	DMR Jul 24	FMR Jul 24	I Nov 24
Latest Update:	The FMR was sent to Ofgem. Exelon will wait for a decision by the Authority, if approved, P473 will be Implemented on November 7 2024 as part of the BSC Standard Release, to support this, a decision to approve this Modification will be required from Ofgem by 17 September 2024.				
Next Event:	Exelon are waiting for the Authority to make a final decision on this Modification. If approved, this Modification will be implemented on 7 November 2024.				
Issue:	<p>P415 'Facilitating access to Wholesale Markets for flexibility dispatched by Virtual Lead Parties'² seeks to allow independent aggregators to sell customers' flexibility into Wholesale Markets. Independent aggregators wishing to do this will be required to accede to the BSC in the new role of Virtual Trading Party (VTP). Ofgem has approved this Modification for implementation on 7 November 2024 as part of the standard November 2024 BSC release.</p> <p>Exelon has received industry feedback on the Legal Text post Ofgem approval on 6 October 2023, as well as internal feedback during work with service providers to design the system changes required to implement Modification P415, and this has revealed that the P415 Legal Text does not correctly describe the intended solution for P415 alongside some inconsistencies and omissions.</p>				
Current Solution:	<p>The proposed solution is to correct the calculations in Section T to adhere to the intention of P415 and then make other smaller corrections to the eight BSC Sections impacted. In the absence of this Modification, the implications of implementing the P415 Modification in line with the previously approved Legal Text would be that the cashflows would be calculated incorrectly and cause parties to either pay or receive incorrect amounts. VTPs active in the Wholesale Market (WM) and Balancing Mechanism (BM) using a Virtual Lead Party (VLP) role would be paid twice as it stands and we would not be calculating the Wholesale Market proportion correctly, meaning Compensation Volumes that Suppliers pay or receive would be incorrect. Additionally, the inconsistencies in the Legal Text will likely cause confusion with how P415 is implemented if this Modification is not implemented alongside it.</p>				
History	<p>P473 was raised by BSC Panel at its meeting on 9 May 2024. Exelon has published the Initial Written Assessment. The Panel determined the P473 progression route and timetable at its meeting on 09 May 2024. They approved the Modification to be sent straight to the Report Phase. The P473 EBGL Report Phase Consultation was issued on 16 May 2024 with responses due by 5pm on 17 June 2024. The Draft Modification Report was presented to the BSC Panel 11 July 2024.</p> <p>Exelon met with Ofgem in July to go through P473 and the proposed solution to give the Authority a better understand of the Modification. The P473 Final Modification Report was submitted to the Authority on 16 July 2024 for decision.</p>				

² <https://www.exelon.co.uk/mod-proposal/p415/>

P474: Governance, funding and operation of the DIP				Update	
Date Raised:	6 June 2024		Proposer:	The Authority	
Target Implementation Date:	1 October 2024		Current Status:	Report Phase	
Progression:	IWA Jun 24	RPC Jul 24	DMR Aug 24	FMR Aug 24	I Oct 24
Latest Update:	The Draft Authority Led SCR Modification Report was presented to the BSC Panel on 8 August 2024. The Panel unanimously recommended that the Modification should be approved. The P474 Final Authority Led SCR Modification Report was submitted to the Authority on 12 August 2024.				
Next Event:	P474 is with Ofgem for decision. If the Modification is approved on or before 17 September then it will be implemented on 1 October 2024.				
Issue:	The implementation of Market-wide Half Hourly Settlement (MHHS) will result in an increase in the volume of data being sent and received across the retail electricity industry. In order to facilitate this, Ofgem determined that a new system to support data transfer was required. The Data Integration Platform (DIP) has been designed to provide an improved architecture for industry data transfer. Ofgem selected Elexon to govern the DIP through the Balancing and Settlement Code (BSC) as the DIP Manager, and the intention of P474 is to implement the arrangements for the ongoing governance, funding and operation of the DIP.				
Current Solution:	<p>P474 proposes creation of the DIP Rules - a new section to the Code known as the DIP Supplement, and seven new DIP Subsidiary Documents (DSDs). The proposed changes will place specific obligations on BSCCo in its role as the DIP Manager, and on DIP Users. DIP Users will include both BSC and non-BSC Parties.</p> <p>The proposed governance structure involves the vast majority of decisions surrounding the DIP being made by the DIP Manager, including decisions on on-boarding, assurance, and change. The DIP Change and Advisory Board (DCAB), a specialist user group, will be created from industry representatives to make decisions on material changes and advise the DIP Manager and, in limited circumstances, the BSC Panel, regarding the DIP. The BSC Panel's only involvement will be in relation to changes to the DIP Supplement and parts of the BSC that are considered as part of the DIP Rules.</p>				
History	<p>P474 was raised by Ofgem on 6 June 2024. This is an Authority Led SCR Modification and will not follow the standard Modification Procedure. Instead, it will follow the timetable set by the Authority and the Authority Led SCR Modification Proposal procedure detailed in Section F5.3A. This Modification was presented to the BSC Panel on 13 June 2024. This Modification was presented to the BSC Panel on 13 June 2024. The BSC Panel agreed with all recommendations. P474 was issued for a one month long Authority Led SCR Modification Consultation on 17 June 2024, 13 consultation responses were received – seven from Distributors, three from Suppliers, one from a Supplier Agent, one from a Code Body, and one from the MHHS Programme Codes Workstream. These included two confidential responses.</p> <p>The consultation responses were presented to the BSC Panel on 8 August 2024. The P474 Final Authority Led SCR Modification Report was submitted to the Authority on 12 August 2024.</p>				

P475: Allowing All Storage Sites to set and fix their own Production/Consumption Flags				Update	
Date Raised:	6 June 2024		Proposer:	HD143OCK Ltd	
Target Implementation Date:	27 February 2025		Current Status:	Authority Decision	
Progression:	IWA Jun 24	RPC Jul 24	DMR Aug 24	FMR Aug 24	I Feb 25
Latest Update:	<p>Elxon presented the P475 Draft Modification Report to the Panel on 8 August 2024. Elxon also presented the Report Phase Consultation Responses. There were 3 responses to the consultation, all of which agreed with the solution of P475. At their meeting in August the BSC Panel made their final recommendation to the Authority that P475 should be approved. The P475 Final Modification Report was issued to the Authority on 9 August 2024 for decision.</p>				
Next Event:	<p>The P475 Final Modification Report is with the Authority. We are awaiting their final decision on the Modification. If a decision is reached before 30th September 2024, P475 will be implemented on 27 February 2025 as part of the standard February BSC Release. If a decision is received after 30 September 2024, P475 will be implemented on 26 June 2025 as part of the standard June BSC Release.</p>				
Issue:	<p>Each BM Unit has a P/C Status which, on any given Settlement Day, is either Production or Consumption. Because storage is different from other types of asset, it's possible for it to flip between P/C Status.</p> <p>The requirement to have separate Production and Consumption statuses was intended (at the time) to ensure demand assets and generation were on separate accounts, but storage naturally moves between the two states, if you apply those rules to it (as is currently in the BSC), storage is susceptible to flipping between the two accounts more frequently, which wasn't the intention and was problematic for lead parties due to the MVRN requirement.</p> <p>This applies to any storage that registers its own BMU, but <50MW they have the option to not register their own BMU – they could go into a bigger Supply BMU which are always Consumption and therefore the the flipping risk wouldn't apply to them. Its more of an issue for storage about >50MW which is required to have its own BMU.</p> <p>Elxon can operate a manual intervention to let the Party know they are about to 'flip' and allow them to fix the P/C status and stop it flipping. However, above 50MW that workaround is not necessarily available and they don't get to choose their P/C status.</p> <p>This is believed to be a nascent issue, but expected to become increasingly problematic as more large storage comes online and should be addressed in a timely manner.</p>				
Current Solution:	<p>P475 seeks to modify the Balancing and Settlement Code (BSC) to allow all storage Balancing Mechanism (BM) Units to fix their Production/Consumption (P/C) status. To implement this, proposed amendments will be made to Section K of the BSC, with updates applied to BSCP15 and associated processes. These changes include adding provisions for Storage BM Units to fix their P/C Flag at the time of first registration or to change it once registered to BSCP15, adding definitions for Storage BM Unit, Consumption BM Unit, and Production BM Unit into Section X-1 of the BSC, and extending BSC Section K3.5.5 to cover Storage BM Units as well as Exempt Export BM Units. Additionally, P475 addresses potential impacts on BSC systems, including the Elxon Kinnect customer solution and the Central Registration Agent (CRA). By eliminating the need for manual interventions to manage flipping, this solution enhances efficiency and reliability in the administration of the BSC, providing a stable and predictable trading environment for storage operators.</p>				
History:	<p>The Initial Written Assessment for P475 was presented to the BSC Panel at its meeting on Thursday 13 June 2024 in order for them to determine the Progression route for the Modification. The Panel agreed to defer P475 for one month in order for Elxon to update the solution and provide a detailed reflection of the costs and impacts of the Modification at the Panel's next meeting on 11 July 2024.</p> <p>P475 was presented to the Panel in July to discuss the costs and impacts of the Modification. The Panel unanimously agreed an initial recommendation that P475 should be approved. The Panel agreed to send P475 to the Report Phase. The Report Phase Consultation was issued on 15 July 2024 with responses due by 5pm on 26 July 2024. The Report Phase Consultation was issued on 15 July 2024 with responses due on 28 July. There were 3 responses to the consultation, from a Generator, a Supplier and a Party that</p>				

represented a Supplier and Supplier Agent. All three respondents were unanimously in agreement that P475 should be approved. No ongoing or implementation costs were mentioned. Regarding impacts, 2 of the respondents mentioned that they would be impacted highly if P475 was not approved, further justifying the benefits of P475.

P476: Exemption from MHHS Requirements for SMS				Update	
Supplier Qualification					
Date Raised:	11 July 2024		Proposer:	BSC Panel	
Target Implementation Date:	2 December 2024		Current Status:	Report Phase	
Progression:	IWA	RPC	DMR	FMR	I
	Jul 24	Jul 24	Aug 24	Aug 24	Dec 24
Latest Update:	<p>Elexon presented the Draft Modification Report and Report Phase Consultation Responses to Panel in August which Elexon have further provided a rationale/view for the parties who disagree with the Solution for P476, this can be seen in the P476 Final Modification Report. Subsequently, the P476 Final Modification Report was sent to Ofgem for approval. The Panel provided their final views against the Applicable BSC Objectives, the Proposed Implementation Date, Draft BSC Legal Text, EBGL impacts and whether P476 should be approved, and unanimously agreed with all initial recommendations.</p>				
Next Event:	<p>Elexon are waiting for the Authority to make a final decision on this Modification. If approved by 2 November 2024, this Modification will be implemented on 2 December 2024.</p>				
Issue:	<p>During industry engagement conducted by the Performance Assurance Board (PAB), and documented in the paper PAB279/07, several Suppliers participating in the MHHS Programme have requested exemptions from the Market-wide Half-Hourly Settlement (MHHS) requirements as part of the MHHS Qualification.</p> <p>These Suppliers do not operate, nor do they intend to operate, within the Smart Market Segment. The Smart Market Segment covers smart meters serviced by the Data Communications Company (DCC) that includes smart meters with Settlement Period level data available and smart meters where only Register Readings are available. These Suppliers primarily serve the Industrial and Commercial (I&C) sector and are only certified to handle Half-Hourly (HH) meter points. They focus exclusively on managing a portfolio of Advanced Meters and plan to maintain this focus moving forward. As they only hold a Non-Domestic Supply Licence, these Suppliers are not registered with the DCC to manage smart meters enrolled in the DCC system.</p> <p>Given the Suppliers niche in the market and the specific nature of their Advanced Meters portfolio, these Suppliers argue that the MHHS requirements, designed primarily for the smart meter market, are not applicable to their operations. Consequently, they are seeking exemptions to avoid unnecessary compliance obligations that do not align with their operational model.</p>				
Current Solution:	<p>The proposed solution is to permit an exemption for the Smart Market Segment for MHHS Qualification. This would require changes to BSC Section J to establish eligibility criteria detailing the conditions that parties must meet to qualify for these exemptions. Additionally, the Qualification Assessment Document (QAD) would be amended to outline the processes and controls that suppliers must implement to ensure they do not acquire any Meter Points outside of the Advanced Market Segment. Any affected Supplier and Agent Testing documentation would also be updated accordingly. As part of industry consultation, Elexon convened two PAB Workgroups, attended by members of both the BSC PAB and REC (Retail Energy Code) PAB. Following consensus with PAB members, the agreed position was brought forward to the MHHS Qualification Working Group for additional consultation.</p> <p>Subsequently, we sought endorsement from the QAG to present the BSC PAB paper and Modification Proposal form to the BSC PAB. Additionally, we are presenting this Modification Proposal form to REC PABs for their awareness.</p> <p>This comprehensive approach ensures that exemptions are granted under strict conditions and that robust monitoring and control measures are in place to maintain the integrity of the Smart Market Segment. P476 was presented to the Panel on 11 July 2024 as the IWA, subsequently the Report Phase Consultation was issued on 15 July 2024 until 26 July 2024.</p>				

P477: Data Protection Provisions for Market-wide Half Hourly Settlement				New	
Date Raised:	8 August 2024		Proposer:	BSC Panel	
Target Implementation Date:	7 March 2025		Current Status:	Report Phase	
Progression:	IWA Aug 24	RPC Aug 24	DMR Oct 24	FMR Oct 24	I Mar 25
Latest Update:	P477 was raised by BSC Panel at its meeting on 8 August 2024. The BSC Panel agreed with all the recommendations and P477 was submitted to a one calendar month Report Phase Consultation due to the EBGL impacts (19 August 2024 – 19 September 2024).				
Next Event:	Elexon will present the Draft Modification Report to the BSC Panel on the 10 October 2024, following this the Panel will issue the Final Modification report to the Authority.				
Issue:	<p>Under the current settlement arrangements Elexon receives meter volume data that is aggregated, meaning that this does not constitute personal data. The BSC currently does not include anything other than generic data protection provisions that require Parties to comply with data protections laws.</p> <p>Once the Market-wide Half Hourly Settlement (MHHS) operating model is in place, and BSC Parties (specifically Suppliers and Distribution System Operators (DSOs)) will be required to submit personal data to BSC central systems, these provisions will no longer be fit for purpose. The personal data will include MPAN Core data, MPAN address and Meter ID data.</p> <p>Data protections laws create certain obligations in this scenario, including a requirement for there to be a written contract setting out the basis on which that personal data may be processed. In addition, data protection laws require that written contract to include certain provisions that are specified in the UK General Data Protection Regulation (GDPR) . In order to remain compliant with data protection laws, the BSC needs to include provisions that set out the terms on which this personal data is being shared.</p>				
Current Solution:	<p>In order to reflect this, the BSC needs to include more detailed data protection provisions to ensure that:</p> <ul style="list-style-type: none"> The BSC contains data protection provisions that reflect the new settlement arrangements, and which enable the processing of personal data to the extent necessary for BSC purposes. There are legally binding contractual arrangements in place between controllers and processors such that controllers can comply with their data protection obligations. <p>BSC Section H 'General' outlines the existing data privacy, confidentiality, and sharing requirements among BSC Parties. This Section, however, will need to be updated to include the additions of data controller and data processor obligations. A data controller is responsible for ensuring that data processing is compliant with the GDPR, providing information to data subjects about their processing activities, and implementing measures to protect the rights of data subjects. The responsibilities of a data processor include maintaining records of personal data and processing activities, implementing security measures, and notifying the controller of any data breaches.</p>				

II. Change Proposal Updates – up until decision

CP1597: 'BSCP513 Text Change – Bulk Change of Agent'					Update
Date Raised:	2 July 2024		Proposer:	Elexon	
Target Implementation Date:	7 November 2024		Current Status:	Assessment Report	
Progression:	PP Jul 24	CPC Jul 24	AR Sep 24	FR Sep 24	I Nov 24
Latest Update:	<p>The CP Progression Paper was presented to the SVG at its meeting on 2 July 2024. The SVG unanimously approved CP1597 for implementation on 7 November 2024 as part of the standard BSC November Release.</p> <p>CP1597 was issued for a Change Proposal Consultation on 8 July 2024 to Friday 2 August 2024.</p>				
Next Event:	CP1597 CP consultation responses and Assessment Report will be presented to SVG at its meeting on 2 September 2024 for decision.				
Issue:	<p>Recently, some unclear guidance was reported in BSC Procedure document BSCP513 relating to Bulk Change of NHH Supplier Agent which conflicts with information in the REC code. BSCP513 Paragraph 1.1 states: 'For the avoidance of doubt, appointment of Supplier Volume Allocation (SVA) Meter Operator Agents (MOAs) is not in scope for this BSCP as these appointments will take place in accordance with the Retail Energy Code (REC) Metering Operations Schedule'.</p> <p>However, REC Schedule 14 Section 11.2 states: 'For electricity bulk changes, the Energy Supplier shall submit a bulk change of agent application to the BSC Panel in accordance with BSCP513. Once the bulk change of agent application has been approved by the BSC Panel, the change of Metering Equipment Manager shall progress in accordance with this Paragraph 11'.</p> <p>This created confusion as to how Suppliers should progress Bulk Changes of SVA Non-Half Hourly (NHH) MOA.</p>				
Current Solution:	This CP proposes to remove references to NHH Agent roles, and the reference of excluding SVA NHH MOA appointments from BSCP513 to align with REC.				

CP1598: Define the change process for BSC Owned Interfaces in the REC's EMAR				Update	
Date Raised:	2 July 2024		Proposer:	Elexon	
Target Implementation Date:	7 November 2024		Current Status:	Assessment Report	
Progression:	PP Jul 24	CPC Jul 24	AR Sep 24	FR Sep 24	I Nov 24
Latest Update:	The CP1598 Progression Paper was presented to the SVG at their meeting on 2 July 2024. CP1598 was issued for a Change Proposal Consultation on 8 July 2024 and closed on 2 August 2024. One response was received, which was in support of the change.				
Next Event:	The CP1598 CP Assessment Report will now be presented to ISG and SVG for decision at their meetings on 3 September 2024. If approved, CP1598 will be implemented on 7 November 2024 as part of the standard November 2024 BSC release.				
Issue:	<p>BSCP603 'Meter Operations and Data Collection for Asset Metering Systems', which was introduced for P375 'Settlement of Secondary BM Units using metering behind the site Boundary Point', specified the new Scenario Variants of several existing Supplier Hub Market Messages for use in the Asset Metering Virtual Lead Party (AMVLP) Hub processes.</p> <p>BSC Panel Paper 318/06 'Approval of P375 Configurable Item changes for the June 2022 BSC Release' Attachment B specified changes required to the Energy Market Data Specification (EMDS) for P375.</p> <p>Approved BSC Modification P395 'Aligning BSC Reporting with EMR Regulations – an enduring solution' was implemented on 2 November 2023 and introduced a new Scenario Variant of the D0390, but no EMDS change was progressed at the time.</p> <p>Elexon has become aware that six Scenario Variants of Market Messages specified in BSCP603 were omitted in error from Panel paper 318/06 Attachment B.</p> <p>As these Scenario Variants are not captured in the EMDS, the relevant Market Participants won't be able to use the Data Transfer Network (DTN) to exchange the relevant data, which would result in them having to use a less secure mechanism to send and receive data.</p> <p>The Supplier Volume Allocation (SVA) Data Catalogue Volume 1 Data Interfaces also contains some references to BSCP502 'Half Hourly Data Collection for SVA Metering Systems Registered in SMRS' for HHDC Asset Metering Activities and some references to BSCP514 'SVA Meter Operations for Metering Systems Registered in SMRS' for Meter Operator Agent (MOA) Asset Metering Activities, which should be references to BSCP603.</p>				
Current Solution:	<p>This CP proposes to amend the SVA Data Catalogue Volume 1 'Data Interfaces' to add the missing Scenario Variants and correct the references to BSCP502 and BSCP514 for Asset Metering. As no new or amended Market Messages are being added to the SVA Data Catalogue Volume 1, only new Scenario Variants of existing Market Messages, there are no new Data Items, so there is no impact on the SVA Data Catalogue Volume 2 'Data Items'.</p> <p>It also proposes to amend the EMDS to add the missing Scenario Variants of the relevant Market Messages and amend the SVA Data Catalogue. As all impacted Market Messages are BSC-owned, a parallel Retail Energy Code (REC) Change Proposal is not required to effect these changes.</p>				

CP1599: Remove the requirement in BSCP602 to specify the Half Hourly Data Aggregator in Non-Final Demand Declarations				New	
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Date Raised:	6 August 2024	Proposer:	Elexon		
Target Implementation Date:	7 March 2025	Current Status:	Change Proposal Consultation		
Progression:	PP	CPC	AR	FR	I
	Aug 24	Sep 24	Nov 24	Nov 24	Mar 25
Latest Update:	CP1599 was raised by Elexon at the 6 August 2024 SVG meeting, where the CP1599 Progression Paper was presented.				
Next Event:	The CP consultation will go out on the 9 September 2024 – 4 October 2024, following the consultation the CP Assessment Report will be presented to the SVG for decision.				
Issue:	<p>BSCP602 ‘SVA Metering System and Asset Metering System Register’ requires that Non-Final Demand Declarations specify the Half Hourly Data Aggregator (HHDA) appointed to each Import Metering System Identifier (MSID) and Export MSID.</p> <p>The Elexon Kinnect Customer Solution Non-Final Demand Declarations page and the Elexon Website ‘Non-Final Demand Declarations’ page also include the Half Hourly Data Aggregator (HHDA) as a mandatory field to support the BSCP602 requirement.</p> <p>However, from the beginning of the Market Wide Half-Hourly Settlement (MHHS) Transition Period , HHDA’s will not be appointed to MSID’s that have been migrated to the MHHS Arrangements, so it will not be possible to specify the HHDA for all MSID’s registered in the Customer Solution’s ‘SVA Metering System and Asset Metering System Register’ as part of Non-Final Demand Declarations.</p> <p>Consequently, the obligation to specify the HHDA in Non-Final Demand Declarations should be removed from BSCP602, effective from the beginning of the MHHS Transition Period.</p>				
Current Solution:	<p>This CP proposes to amend BSCP602 to remove the requirement that Non-Final Demand Declarations specify the HHDA and HHDA Effective From Date (EFD) for each MSID, and amend the Customer Solution and the Elexon Website ‘Non-Final Demand Declarations’ page to facilitate the BSCP602 change.</p> <p>It should be noted that there will be no need to specify the HHDA in Non-Final Demand Declarations for MSID’s that are not migrated during the MHHS Transition Period, as the Customer Solution will check the migration status of each MSID stored in the ‘SVA Metering System and Asset Metering System Register’ against data held in the Electricity Enquiry Service (EES) on a daily basis to identify when the migration status has changed, and will return the HHDA for non-migrated MSID’s as part of that check.</p>				

III. Issue Updates

Issue 103: Meter Registrants and Settlement Risk – A New Way		No Update	
Date Raised:	24 August 2022	Proposer:	Western Power Distribution
Latest Update:	There are a number of actions and potential actions raised by the Issue 103 Workgroup that Elexon have been investigating and progressing. These include potential improvements to current data estimation methods, potential improvements to data storage, and the potential for improved sharing of best practice.		
Next Event:	The fifth Workgroup meeting will aim to review the Workgroup views against the Terms of Reference, agree recommendations, and agree ways of working going forward regarding any outstanding actions. The Workgroup meeting will be scheduled once Elexon has progressed the actions from the Workgroup meetings.		
Issue:	<p>The Proposer believes that there would be value in reviewing existing controls for Settlement error prevention. It is critical to the Proposer that we address these problems prior to the Settlement timetable being shortened by Market-wide Half Hourly Settlement (MHHS) as the opportunities to readdress will be reduced thereafter.</p> <p>The Settlement system is crucial to the smooth operation of the GB energy market. Data used within that system is fundamental to Settlement accuracy. Preventative and detective assurance of the Settlement data is required at all stages of Settlement from Metering and Registration onwards to maintain accuracy and reduce the variation of data at later stages of the Settlement process. This assurance is required as Settlement errors can have a significant financial impact on Parties where they have over/under paid Settlement charges.</p>		

Issue 110: Modernising ECVN/MVRN submission and acknowledgement processes		No Update	
Date Raised:	11 January 2024	Proposer:	Elexon
Latest Update:	The second Workgroup meeting for Issue 110 was held on 17 April 2024. At this meeting the Workgroup discussed a proposed solutions.		
Next Event:	The third Workgroup will occur once Elexon have completed an Impact Assessment to determine the impacts on systems and the BSC of potential solutions.		
Issue:	The method of Energy Contract Volume Notification (ECVN) submission has remained the same since New Electricity Trading Arrangements (NETA) go-live in March 2001 with Section P of the BSC allowing for 20 minutes from submission to acknowledgement (after which an ECVA System Failure is declared). The current practice of notification can put Trading Parties and their counterparties at financial risk, particularly when notifying close to the Submission Deadline. This is because the rejection feedback can be close to or after the Submission Deadline leaving insufficient time to make a correction.		

Issue 111: SMRA Liquidated Damages in MHHS Arrangements		Update	
Date Raised:	26 February 2024	Proposer:	Elexon
Latest Update:	First Workgroup meeting was held on 23 August 2024, Elexon have actions to consider scope of assurance of SMRAs and financial impacts of Liquidated Damages in MHHS. Elexon to present analysis at the next meeting for the Workgroup to consider.		
Next Event:	Elexon aim to hold second workgroup meeting in October 2024.		

Issue:	<p>The Supplier Meter Registration Agent (SMRA) is a vital service under the Market Wide Half Hourly Settlement (MHHS) Target Operation Model (TOM) and the need to process messages and issue notifications within defined timescales is integral to enable downstream activities to take effect.</p> <p>Service Level Agreements (SLAs) for SMRAs arrangements were added to the BSC as part of version 3.0 of the Retail Energy Code implementation, having originally been a part of the Master Registration Agreement. These SLAs are self-policed with the SMRAs distributing Service Credits to participants if not met and are not part of the BSC Performance Assurance Framework.</p> <p>Whilst the concept of SLAs is still required, the current mechanism set out in Annex K-1 and BSCP501 is no longer appropriate due to the implementation of the MHHS Target Operating Model (TOM), with faster response times required. The MHHSP TOM does not address the concept of SLAs in relation to liquidated damages, therefore, BSCCo has raised Issue 111 to consider the best future approach.</p>
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Issue 112: Clarifying Half Hourly Data Collector (HHDC) obligations within BSCP502 regarding the fault investigation process.		Update
Date Raised:	4 March 2024	Proposer: Elexon
Latest Update:	The Second Workgroup was held to discuss the following action from the first Workgroup: To create a list of the codes/alarm flags and the obligations for the HHDC to do when sending this to a Supplier. This Workgroup was held on 15 August 2024	
Next Event:	Currently there is no date set for the third Workgroup, Elexon are aiming for a mid-September date. This Workgroup will be to further discuss the current Alarm Flags, and which ones need to be reported.	
Issue:	<p>At the May 2023 Performance Assurance Board (PAB) meeting, Elexon presented the findings report for an Assurance Information Request (AIR) on SVA Risk 005 (Fault Resolution). The PAB responded with questions around some of these findings, specifically around: The reporting of alarm flags through Hand Held Reads (HHR); Differing approaches to dealing with several types of alarm flags and which alarm flags the Half-Hourly Data Collectors (HHDCs) choose to report on; and General concerns around HHDC non-compliance with the BSC.</p> <p>Elexon reviewed the findings report for an Assurance Information Request on SVA Risk 005. The Performance Assurance Board (PAB) responded with questions around HHDC obligations and general concerns around HHDC non-compliance. Elexon further reviewed party responses and concluded that three of the five concluded findings were compliant with the BSCP502 but are not adequate for purpose and required an additional review.</p> <p>Elexon considers that leaving this issue unresolved could lead to impacts on Settlement, this could lead to a further occurrence of this issue happening and a high materiality impact if left unresolved.</p>	
History	The first Issue 112 Workgroup was held on 10 April 2024. During the first Issue Workgroup meeting there was discussion on the Current non-compliances for HHDC's not reporting all fault flags to Meter Operator Agents' (MOA) request. During the workgroup it was found that not all fault flags need to be reported and only the ones that affect settlement should be prioritised. Also, further discussion led to the reporting timescales of fault flags need to be re-formatted to importance as it was mentioned that the focus on reporting on fault flags that impact Settlement, to avoid a backlog of reporting.	

Issue 113: Introduction of a Radio Teleswitch System (RTS) user charge		Update	
Date Raised:	27 June 2024	Proposer:	Elexon
Latest Update:	After conversations with the Proposer it was decided that no further action is needed.		
Next Event:	The Issue Report will be presented to Panel in September.		
Issue:	<p>The contract between Elexon and the Energy Networks Association (ENA) currently passes the operational costs for the Radio Teleswitch Service (RTS) through the BSC as 'BSC Costs.' These costs amount to approximately £3.5 million, with around 1 million RTS devices (Radio Teleswitches and Radio Telemeters) in use. Under the existing arrangement, all BSC Trading Parties contribute to these costs based on their Funding Share.</p> <p>However, Ofgem wishes to explore ways to incentivise Suppliers to promptly replace RTS meters. Ofgem has requested Elexon revisit a solution proposed in Issue 108. This solution aims to target RTS cost recovery specifically toward the relevant Suppliers. Additionally, considerations should be made regarding the reporting provided to impacted parties and publishing the relevant information in the interests of transparency.</p>		
	<p>The first Workgroup was held on the 14 June where the Workgroup discussed the problem and its background as well as the proposed solution. The Workgroup considered the following:</p> <ul style="list-style-type: none"> • What is the status quo and how it will impact Parties. <p>Solutions to ensure fairness and encourage switch-over.</p>		

Issue 114: Settlement of ABSVD for ancillary services delivered through independent aggregators		Update	
Date Raised:	27 June 2024	Proposer:	Elexon
Latest Update:	Issue 114 was raised by Elexon on Thursday 27 April 2024.		
Next Event:	The first Workgroup meeting is to be held on 10 September 2024. Issue 114 WG 1 aims to consider seven outstanding Issues related to ABSVD with different solutions proposed to them all.		
Issue:	<p>Issues relating to Settlement of ABSVD for ancillary services delivered through independent aggregators. Applicable Balancing Services Volume Data (ABSVD) is provided by NGENSO to Settlement, in order to ensure that Lead Parties' Energy Imbalance positions are adjusted to reflect ancillary services that the assets within their BM Units provide to NGENSO.</p> <p>Issue 1 – Supplier Compensation for ABSVD Payments</p> <p>Issue 2 – Inconsistency in whether to adjust Suppliers' positions for BM Unit ABSVD submitted against Secondary BM Units</p> <p>Issue 3 – Settlement does not correctly consider interaction of non-BM Unit ABSVD with Bid Offer Acceptances or Deviation Volumes</p> <p>Issue 4 – Requirement for advance notice of MSID Pairs providing non-BM Unit ABSVD</p> <p>Issue 5 – Imbalance adjustments for flexibility provided to Distribution System Operators</p> <p>Issue 6 – Imbalance adjustments for sites with multiple Import and/or Export MSIDs</p> <p>Issue 7 – Increased number of MSIDs wanting to use P354 ABSVD route due to data availability issue</p>		

IV. Progression of Modifications – up until implementation

Key	Initial Written Assessment:	Assessment Procedure: AR: Assessment Report APC: Assessment Procedure Consultation	Report Phase: RPC: Report Phase Consultation DMR: Draft Modification Report FMR: Final Modification Report	WA: With Authority Awaiting Decision	AI: Awaiting Implementation	I: Implementation	CBA: Cost/Benefit Analysis
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Note: The progression plans below reflect the approved timetables.

Mod	Title	Proposer	Date Raised	Urgent		June	July	Aug	Sep	Oct	Nov	Dec
P412	Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a price that reflects the real-time value of energy	NGESO	3 Sep 2020	No								
P415	Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties	Enel X	30 Sep 2020	No							I	
P441	Creation of Complex Site Classes	Green Energy	14 Jul 2022	No							AR	RPC
P442	Reporting chargeable volumes for exempt and licensed supply	UC Energy Ltd	7 Jul 2022	No								

Mod	Title	Proposer	Date Raised	Urgent		June	July	Aug	Sep	Oct	Nov	Dec
P444	Compensation for Virtual Lead Party actions in the Balancing Mechanism	BSC Panel	8 Sep 2022	No								
P455	On-Site Aggregation as a method to facilitate Third Party Access	Emergent Energy	8 Jun 2023	No		I						
P459	Allowing different Supplier Agents to be appointed to Import and Export MSIDs	Good Energy	1 Aug 2023	No								
P461	Accurate Reporting of Customers Delivered Volumes to Suppliers	EnDCo	5 Oct 2023	No				R				
P462	The removal of subsidies from Bid Prices in the Balancing Mechanism	National Grid Electricity System Operator	27 October 2023	No							APC	
P463	Introduce a Standard Change Process	BSC Panel	9 November 2023	No		APC	AR	DMR/ FMR	WA		I	
P465	Correction to P415 legal text to amend Credit Cover requirements for Virtual Trading Parties	BSC Panel	9 November 2023	No							I	
P466	BSC Section N Modernisation	BSC Panel	11 January 2024	No							I	

Mod	Title	Proposer	Date Raised	Urgent		June	July	Aug	Sep	Oct	Nov	Dec
P467	Enduring Solution in an event of a Gas Deficit Emergency (GDE)	NGESO	1 February 2024	No		I						
P469	Credit Default Refusal and Rejection Period	European Commodity Clearing (ECC)	29 February 2024	No		APC	AR	RPC	DMR/FMR	WA		
P470	Protecting the Imbalance Price from IOLC related distortions	VPI Immingham LLP	7 March 2024	No								
P471	Amendment to BSC Section E to allow more flexibility in procurement of BSC Agents	BSC Panel	11 April	No		Interim AR	RPC	DMR/FMR	WA		I	
P472	Amendment to provisions for Parties to bring claims against BSC Agents in BSC Section E	BSC Panel	11 April 2024	No				APC	AR	RPC	DMR/FMR	WA
P473	Correcting inconsistencies in the P415 Legal Text	BSC Panel	9 May 2024	No		RPC	DMR/FMR	WA			I	
P474	Governance, funding and operation of the DIP	The Authority	13 June 2024	No		IWA	RPC	DMR/FMR	WA	I		

Mod	Title	Proposer	Date Raised	Urgent		June	July	Aug	Sep	Oct	Nov	Dec
P475	Allowing All Storage Sites to set and fix their own Production/Consumption Flags	HD143OCK Ltd	6 June 2024	No			IW A	RP C	DMR/FMR	WA	I	
P476	Exemption from MHHS Requirements for SMS Supplier Qualification	BSC Panel	11 July 2024	No			IW A	RP C	DMR/FMR	WA		I
P477	Data Protection Provisions for Market-wide Half Hourly Settlement	BSC Panel	8 August 2024	No				IW A	RP C		DMR/FMR	

V. Progression of Change Proposals – up until implementation

Key	Assessment Procedure: PP: Progression Paper	CPC: Change Proposal Circular Consultation	Committee Decision: AR: Assessment Report FR: Final CP Report	AI: Awaiting Implementation	I: Implementation	W: Withdrawn
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Mod	Title	Proposer	Date Raised	May	June	July	Aug	Sep	Oct	Nov	Dec
CP1592	Upgrade of NHHDA and EAC/AA systems from Oracle 12c to version 19.21	Elexon	6 February 2024								
CP1593	New Interconnector Fuel Type Category: Greenlink	National Grid	6 February 2024	AI			I				
CP1594	Creating an Approval Process for New and Legacy Communication Types	Elexon	2 April 2024	AR/FR	I						
CP1595	Correcting the D0148 flow in BSCP520 – CP1590 fix	Elexon	2 April 2024	W							
CP1596	Define the change process for BSC Owned Interfaces in the REC's EMAR	Elexon	7 May 2024	PP	CPC	AR/FR	AI			I	
CP1597	BSCP513 Text Change – Bulk Change of Agent	Elexon	2 July 2024			PP	CPC	CPC	AR/FR	AI	I

Mod	Title	Proposer	Date Raised	May	June	July	Aug	Sep	Oct	Nov	Dec	
CP1598	Amending the EMDS to add missing Scenario Variants for P375	Elexon	2 July 2024			PP	CPC	CPC	AR/FR	AI	I	
CP1599	Remove the requirement in BSCP602 to specify the Half Hourly Data Aggregator in Non-Final Demand Declarations	Elexon	6 August 2024				PP	CPC	AR/FR	AI		

VI. BSC Releases Road Map

The tables below summarise the scope of each BSC Release. Further information can be found on the [Releases](#) page of our website.

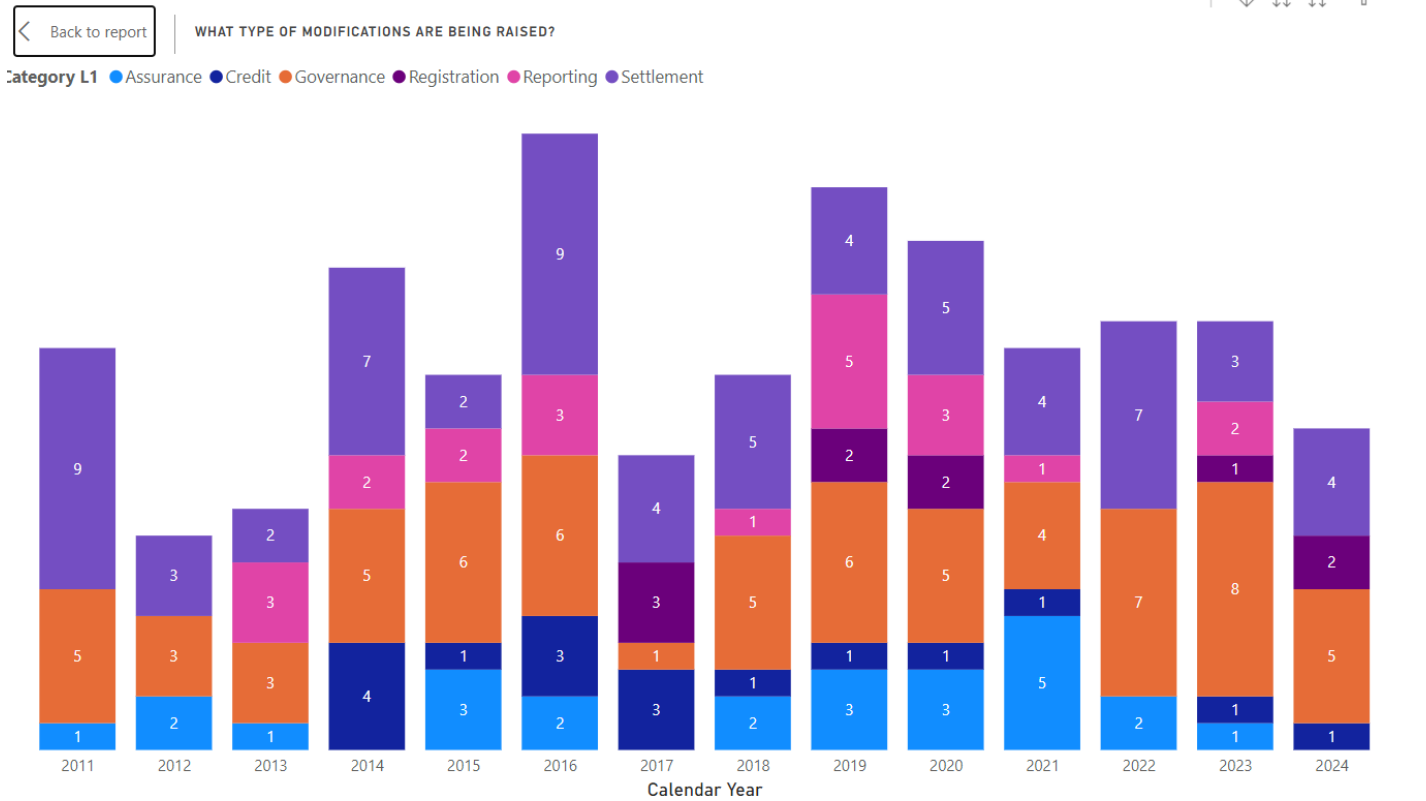
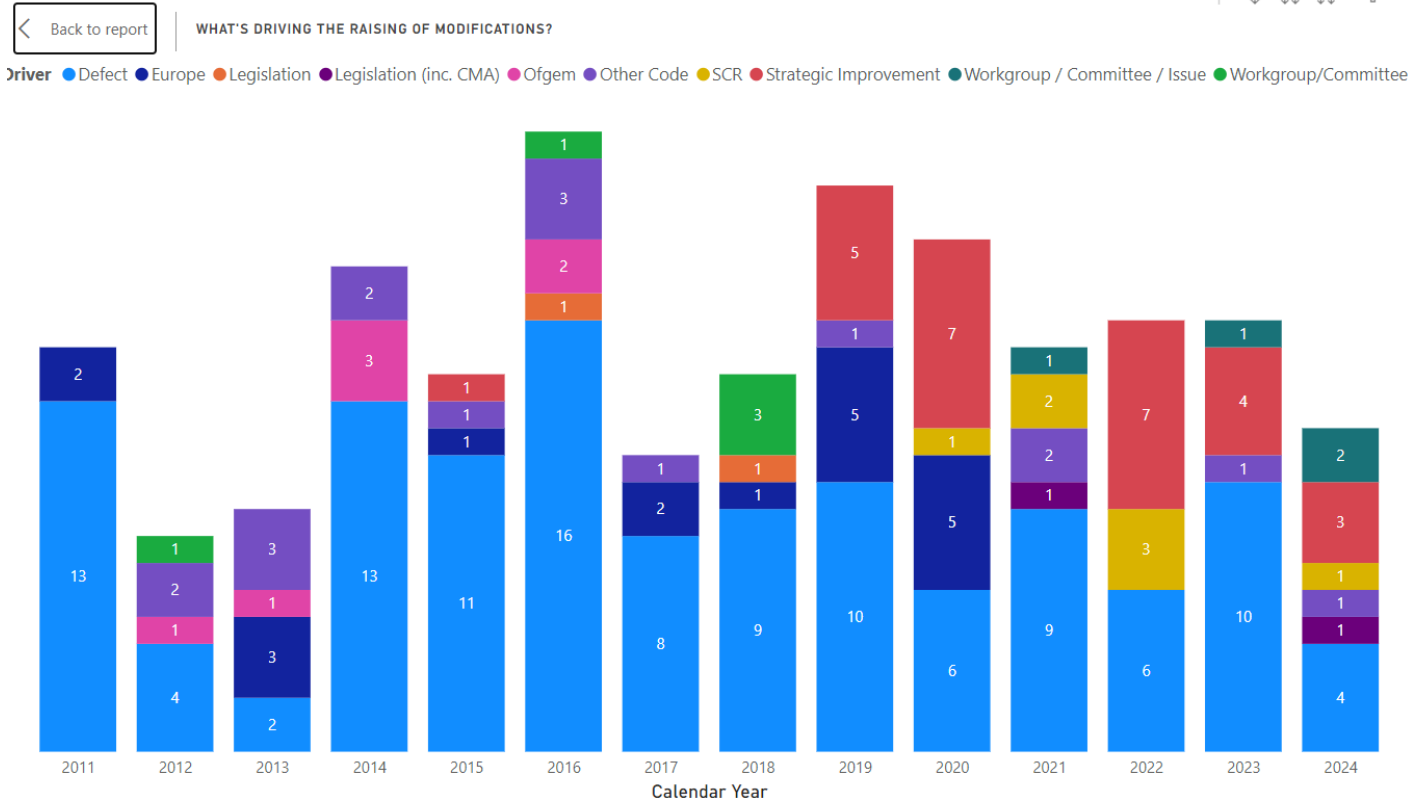
November 2024 Release			
Change Number	Title of Change	BSC Central Systems/Document only impact	Current Status of Change
P415	Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties	System	7. Implementation Phase
P442	Reporting to EMRS of chargeable volumes for SVA Metering Systems that record both exempt and licensed supply	System	7. Implementation Phase
P465	Correction to P415 legal text to amend Credit Cover requirements for Virtual Trading Parties	Document Only	7. Implementation Phase
P473	Corrections to align P415 Legal Text with intended solution	Document Only	6. Authority Decision / SG Appeal Window

February 2025 Release			
Change Number	Title of Change	BSC Central Systems/Document only impact	Current Status of Change
P442	Reporting to EMRS of chargeable volumes for SVA Metering Systems that record both exempt and licensed supply	System	7. Implementation Phase

Ad Hoc Release			
Change Number	Title of Change	BSC Central Systems/Document only impact	Current Status of Change
P454	Removal of BSC obligations to provide BMRS Data via TIBCO and the High Grade Service	Document Only	7. Implementation Phase
P466	This Modification seeks to update BSC Section N 'Clearing Invoicing and Payment' to support the update of the Funds Administration Agent (FAA).	Document Only	6. Authority Decision / SG Appeal Window
P455	On Site Aggregation as a method to facilitate Third Party Access	Document Only	6. Authority Decision / SG Appeal Window

TBC Release Date			
Change Number	Title of Change	BSC Central Systems/Document only impact	Current Status of Change
P412	Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a price that reflects the real-time value of energy	System	4. Assessment / Consultation Phase
P441	Creation of Complex Site Classes	Document Only	4. Assessment / Consultation Phase
P444	Compensation for Virtual Lead Party actions in the Balancing Mechanism	System	6. Authority Decision / SG Appeal Window
P459	Allowing different Supplier Agents to be appointed to Import and Export MSIDs	Document Only	4. Assessment / Consultation Phase
P461	Accurate Reporting of Delivered Volumes to Suppliers	System	6. Authority Decision / SG Appeal Window
P462	Introduction of BSC arrangements to compensate renewable generators for Contracts for Difference (CfD) or Renewable Obligation (RO) subsidy payments lost as a result of Bid Acceptances.	System	4. Assessment / Consultation Phase
P463	Standard BSC Changes	Document Only	6. Authority Decision / SG Appeal Window
P475	Allowing all storage sites to set and fix their own Production/Consumption flags	Document Only	5. Report / Panel Decision Phase

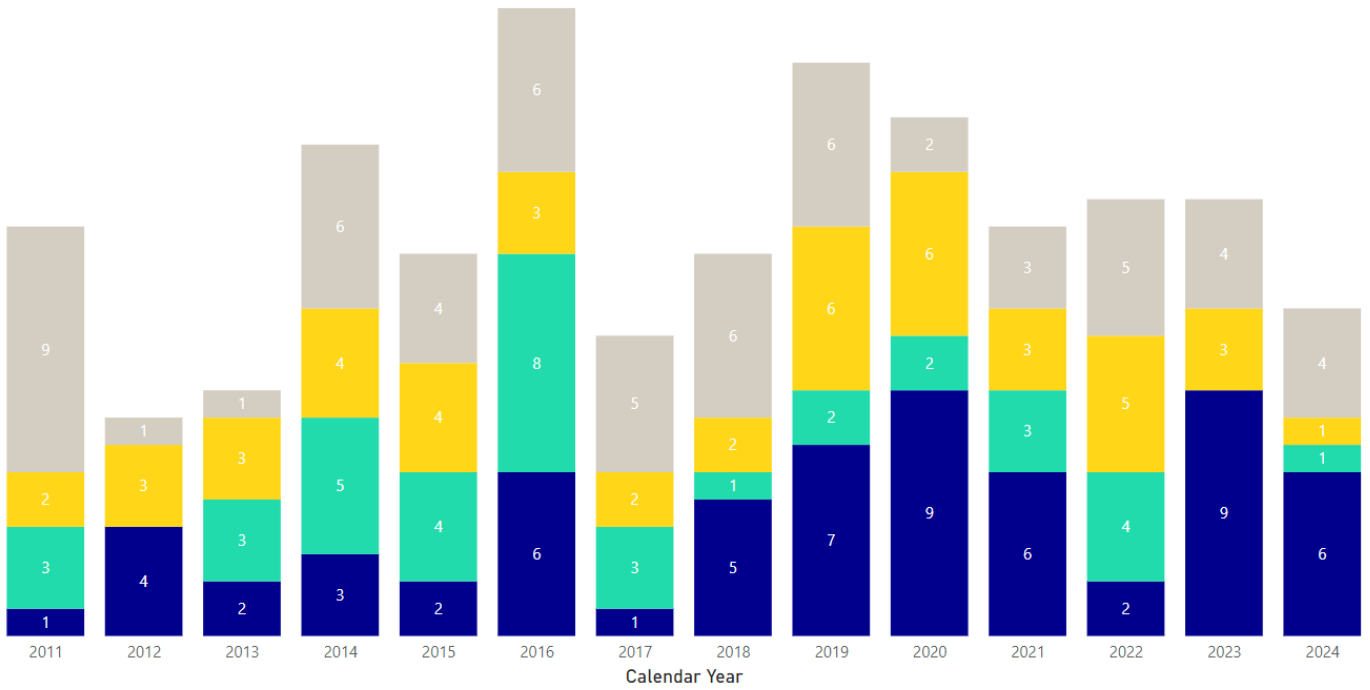
VII. Modification Trend Chart



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WHO IS RAISING MODIFICATIONS?

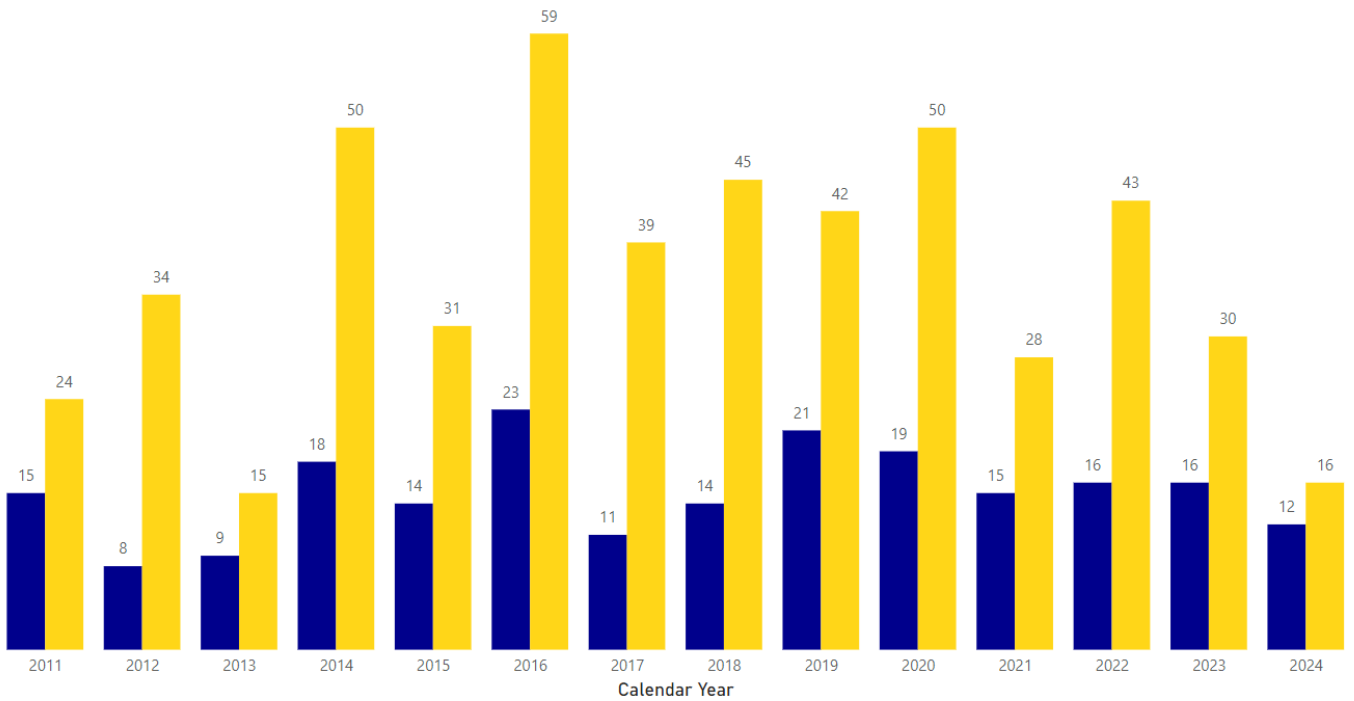
aiser ● BSC Panel ● Incumbents ● National Grid ● Other



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HOW MANY MODIFICATIONS RAISED AND WORKGROUPS HELD?

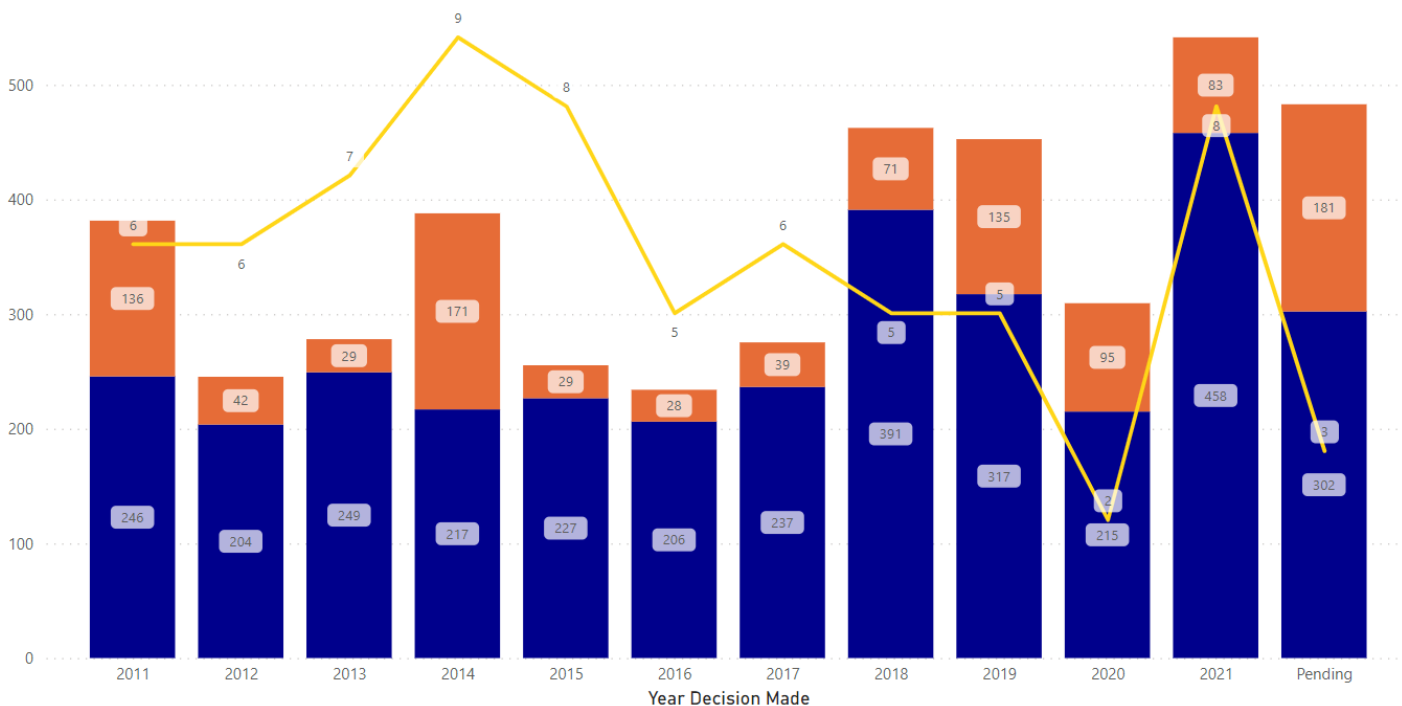
● Mods raised ● Workgroups (excl. Issues)



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MEAN CALENDAR DAYS TO SEND TO OFGEM, MEAN CALENDAR DAYS FOR OFGEM TO MAKE D... BY YEAR DECISION MADE

● Mean calendar days to send to Ofgem ● Mean calendar days for Ofgem to make decision ● Count of Mods decided



VIII: Recommendations

We invite the Panel to:

- a) **AGREE** a draft revised P466 Implementation Date for consultation; and
- b) **NOTE** the contents of the July 2024 Change Report.

For more information, please contact:

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020 7380 4270

Appendix A

Key

Stage	Modifications	Change Proposals
Initial Written Assessment	Includes Elexon's Initial Written Assessment of the implications of each Modification Proposal and a recommendation of how the Modification should proceed.	Includes Elexon's Initial Written Assessment of the implications of each Change Proposal to seek Committee(s) initial views and agree the consultation questions.
Assessment Procedure	Workgroups are held to develop and assess the proposal. The Workgroup recommendations are consulted on (Assessment Procedure Consultation), before being submitted to Panel with the Workgroup's recommendations on how to proceed (Assessment Report). The Panel initial views are gathered.	The proposal is consulted on in a Change Proposal Consultation Batch. The relevant Committee(s) then decide(s) whether to approve or reject the Change Proposal.
Report Phase	The Panel's initial views on whether to approve and timescales for implementation are consulted on (Report phase Consultation). The responses to the consultation are then presented to the Panel for their final views (Draft Modification Report). The Panel decide whether to approve or reject the Modification and publish the Final Modification Report. If the Modification cannot be approved under Self-governance, the Final Modification Report is sent to Ofgem for decision.	Not applicable.
Awaiting Decision	Modifications that have been submitted to Ofgem for decision or Modifications that have been decided on by the Panel under Self-Governance arrangements and are still subject to objection by BSC Parties (15 Working days after the Panel's decision).	Not applicable.
Awaiting Implementation	Modifications that have been approved but not yet implemented and details of Modifications that have been rejected or withdrawn.	Change Proposals that have been approved but not yet implemented and Change Proposals that have been rejected.
Rejected / Withdrawn	Modifications that have been rejected by the BSC Panel/ the Authority or withdrawn by the Proposer or the Pane	Change Proposals that have been rejected by the Panel or the relevant Panel sub-Committee.