

Quality Delivery

Actively managing our services to ensure that we deliver in a reliable, economic and efficient way.

Innovation

Enhancing and evolving our services to support industry changes and development of the energy market.

Customer Centric

Improving the customer experience and developing richer customer relationships.

Simplification & Consolidation

Reducing complexity and fragmentation.

Digital Platform

Creating an agile digital platform to meet the changing energy market.

BSC Change Report

Date of meeting	12 November 2020
Paper Number	308/03
Owner/author	Lawrence Jones
Purpose of paper	For Information
Classification	Public
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.

Summary of Open Changes

Total open changes*

- Modifications - 20
- Change Proposals - 11
- Issues - 5

Initial Written Assessment

- None

Assessment Procedure

- **Next Workgroups:** P402 - 2 Nov, P413 - 3 Nov, P376 – early Nov, P332 - Nov TBC, P407 - 3 Nov, P410 - Mid Nov, P412 – 29 Oct, Issue 88 - 25 Nov, P395 – Nov, P415 – late Nov
- **Assessment Consultations:** P376 – Nov, P379 CBA – Nov, P402 - Oct
- **Assessment reports:** CP1536, CP1530, CP1537, P402
- **CPC batch:** CP1530

Report Phase

- **RPC:** P375, P398, P399, P414
- **DMR:**

Awaiting decision

- **Authority:** P390
- **Self-Governance:** None

Awaiting implementation

- **Nov 20:** P396, P409, P411, CP1528, CP1529
- **Dec 20:** P408, CP1535
- **Feb 21:** CP1533, CP1534, CP1536
- **Apr 21:** P383, CP1531
- **Feb 22:** CP1532
- **June 22:** CP1527

Please note that BSC Changes, as agreed by the BSC Panel, are being prioritised while the industry manages the impact of COVID-19. Details of the impacts of this agreed approach are summarised in section I and detailed in sections II and III. You can also find details on our webpage here: <https://www.elexon.co.uk/about/about-elexon/coronavirus-covid-19-latest-information/covid-19-impact-on-bsc-changes/>

This report was accurate as of 28 October 2020.

* inclusive of both changes progressing through the BSC Change pipeline and changes pending implementation.

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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.

I. COVID-19: Managing changes to the Balancing and Settlement Code

End of Change COVID-19 Prioritisation

From January 2021, we will no longer plan BSC Changes in accordance with the COVID-19 prioritisation criteria.

The Panel has reviewed this approach at its June, August and October 2020 meetings. The Panel agreed at its October 2020 meeting that this approach will end at the end of 2020, subject to feedback and the evolving situation.

The Panel noted that a new 'normal' has been found despite the situation remaining challenging and uncertain. This three month 'notice period' is consistent with the PAB decision on 24 September 2020, in relation to ending the COVID-19 lockdown derogations.

Changes during COVID-19

Changes to the BSC (and its subsidiary documents) will continue to be progressed, but will be prioritised based on whether the change:

- Is required to mitigate risks and issues caused by COVID-19
- Is required to be implemented by a fixed deadline, and
- Has minimal impact on market participants, unless required for the previous two points.

The Panel recognises and agreed to these steps because the COVID-19 situation is challenging and unprecedented for market participants, and that it has resulted in significant operational challenges and changes to the way that they run their business.

Modification and Issue Workgroups

Workgroups will continue, unless (or until) Members report that they cannot attend meetings.

Since the Government's lockdown was introduced, Workgroups have continued as planned, with no impacts or issues reported by the Members. Elexon remains able and willing to support the progression of change.

Change consultations

Some will be issued in line with the three principles above, but most will be staggered to reduce the burden on market participants.

The Panel agreed in principle (and subject to the points above) to delay consultations where the change is likely to have significant impacts on market participants. Details of these impacts can be found in this report below.

New changes

The Panel agreed that any new changes should be progressed in line with the agreed principles.

The Panel and Elexon will monitor the situation and keep this approach under review. They also welcome any feedback you may have on this approach. Please send any comments or questions to bsc.change@elexon.co.uk.

COVID-19: Modification Prioritisation

Modification	Needed to tackle COVID-19	Needed to meet fixed timeline	Minimal impact on market participants	Result (▲ prioritised, ▼ de-prioritised)
P332: Revision to the Supplier Hub				▼ Stagger
P375: Behind the Meter				▼ Stagger
P376: Baselining methodology				▼ Stagger
P379: Multiple Suppliers				▼ Stagger
P395: Final Consumption Levies				▼ Stagger
P398: Open Data			X	▲ Continue
P399: BSAD transparency			X	▲ Continue
P402: BSC Data for targeted Charging Review		X		▲ Continue
P407: Project MARI		X		▲ Continue
P410: European Imbalance Harmonisation'		X		▲ Continue
P412: Non-BM Balancing Services providers pay for non-delivery imbalances		X		▲ Continue
P413: Elexon to be the Programme Manager for MHHS		X		▲ Continue
P414: Allowing a Party to Withdraw from the BSC and transfer outstanding liabilities to another Party			X	▲ Continue
P415: Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties'		X*		▲ Continue

* Subject to Government translating Clean Energy Package Directive into UK law

II. Modification Updates – up until decision

P332: Revisions to the Supplier Hub Principle			Update
Date Raised:	28 January 2016	Proposer:	Smartest Energy
Target Implementation Date:	5WDs after Authority decision	Current Status:	Assessment Procedure
Latest Update:	A Workgroup meeting was held on 25 September 2020 to agree the legal text and side letter. A further Workgroup meeting was held on 22 October 2020 to review the revised legal text and side letter, incorporating changes requested at the previous Workgroup meeting, to better meet the requirements of the solution.		
Next Event:	A further Workgroup meeting will be held in November 2020 to agree the revised legal text, side letter and Terms of Reference before P332 is sent out for Assessment Procedure Consultation.		
Issue:	The BSC when originally created was designed to support the Supplier Hub principle and to this end is silent on the practice of 'Customer appointed Agents'. The 'appointment' of Agents by Customers, outside of the Supplier Hub principle, makes managing Agent performance and delivery of obligations within the BSC difficult, resulting in a reduction in a Supplier's ability to manage performance against industry targets and risking non-delivery of specific obligations.		
Current Solution:	P332 proposes to require all existing and new SVA Meter Operator Agents (MOAs) and Data Collectors (DCs) to sign a side letter to maintain Qualification status. The letter will require SVA MOAs and DCs to agree to treat all appointments the same regardless of contract status, such that they meet all relevant BSC requirements.		
History:	<p>P332 was raised by Smartest Energy Limited on 28 January 2016 and seeks to address issues associated with Customers contracting directly with Supplier Agents.</p> <p>The progression of P332 was delayed from September 2017 to consider whether the issues would be addressed in Ofgem's Significant Code Review on Half Hourly Settlement or any other Ofgem initiatives. The Workgroup subsequently reviewed case studies provided by members for instances where Customer Preferred Agents (CPAs) have been the cause of, or a factor in, issues resulting in BSC underperformance. The Workgroup concluded that the issues identified are common to CPA and non-CPA sites, however, the amount of time and effort needed to resolve these issues for CPA sites is often higher than for non-CPA sites. The Proposer confirmed their preferred solution would be a side letter as part of the Qualification process, requiring Agents to treat all appointments the same regardless of contract status, such that they meet all relevant BSC requirements.</p> <p>The Panel approved a three month extension to the Assessment Procedure at its September 2020 meeting, to help stagger the number of consultations in accordance with the COVID-19 prioritisation. Elexon plan to present the Assessment Report by the January 2021 Panel meeting.</p>		

P375: Settlement of Secondary BM Units using metering behind the site Boundary Point			Update
Date Raised:	10 December 2018	Proposer:	Flexitricity
Target Implementation Date:	24 February 2022	Current Status:	Report Phase
Latest Update:	The Assessment Report was presented to the BSC Panel at its meeting on 8 October 2020 where it was progressed to the Report Phase with a recommendation for approval.		
Next Event:	Due to EBGL impacts, the consultation will close on 16 November and the Draft Modification Report will be presented to the Panel at its meeting on 10 December.		
Issue:	The BSC currently only allows metering at the defined Boundary Point to be used for Settlement purposes. However, with the future ability for consumers to participate in the BM and other alternative balancing products, which will be settled under the BSC framework, there is a need to allow Settlement from metering behind the Boundary Point at the asset which is delivering the Balancing Service. This Issue arose through the development of the Project TERRE arrangements through BSC Modification Proposal P344 'Project TERRE implementation into GB market arrangements', but may become relevant to other Balancing Services in the future. The need to allow Settlement from metering behind the Boundary Point is due to the desire to further reduce any potential (either perceived or due to operational reasons) barriers to entry to participate in balancing products.		
Current Solution:	P375 proposes to settle Secondary Balancing Mechanism (BM) Units (to be introduced by P344 'Project TERRE' (Trans European Replacement Reserves Exchange)) using metering equipment behind the defined Boundary Point for Balancing Services (known as 'behind the Meter'), rather than settling using Metering Equipment at the Boundary Point as per current BSC obligations. This will allow balancing-related services on site to be separated from imbalance-related activities, more accurately reflecting the balancing-energy volumes provided by the Balancing Service Provider (BSP).		
History:	<p>P375 was raised by Flexitricity on 10 December 2018. The Initial Written Assessment was presented to the Panel on 13 December 2018 and was entered into the Assessment Procedure.</p> <p>The first Workgroup meeting, held jointly with P376, was on 25 January 2019. The Workgroup discussed possible effects on the Boundary Site and how links with National Grid would affect the eventual solution.</p> <p>The second Workgroup meeting was on 18 March 2019 in conjunction with P376. The Workgroup discussed metering standards and processes for secondary asset metering for use for balancing services and settlement as well as the line loss methodology to be applied. The Workgroup also considered how asset meters should be registered.</p> <p>The third Workgroup meeting was on 16 May 2019. The Workgroup reviewed the draft Code of Practice for Asset Metering behind the Boundary Point and the work in progress Business Requirements. The Workgroup agreed that further consideration of the assurance regime, reporting and the types of behind the Boundary Point meters that should be included in the P375 solution are required..</p> <p>The BSC Panel approved a six-month extension to the P375 Assessment Procedure at their meeting on 13 June 2019. It agreed that</p>		

the P375 Assessment Report would be presented to Panel at its January 2020 Panel meeting.

The fourth Workgroup was held on 4 July 2019. The Workgroup discussed the customer journey registration process and the role of Meter Operator Agents. The Workgroup reviewed a use case to illustrate a 'metering by differencing' approach with multiple VLP actions on a site as well as Performance Assurance Techniques for VLPs.

The fifth P375 Workgroup was held on the 20 August 2019. The Workgroup conducted a detailed review of the business requirements and Asset Metering Code of Practice 11.

The sixth Workgroup meeting was held on 6 November 2019. The Workgroup reviewed the solution as an end-to-end solution, leading to tweaks being made once the component parts were reviewed in entirety.

Given the complexity of aligning solutions and legal text with P379, the Assessment Phase was extended by three months at the December 2019 Panel meeting. This was extended by a further six months in April 2020 due to the interactions with P392, Covid-19 and delays with legal text. The legal text was finalised and the Assessment phase consultation issued on 24 August 2020.

We received 21 responses to the Assessment phase consultation with all except one expressing clear support. The Workgroup met for the final time on 23 September and were unanimous in their recommendation to approve P375.

P376: Utilising a Baselining Methodology to set Physical Notifications for Settlement of Applicable Balancing Services			Update
Date Raised:	11 December 2018	Proposer:	Enel Trade S.P.A.
Target Implementation Date:	TBC	Current Status:	Assessment Procedure
Latest Update:	The sixth Workgroup meeting was held on 14 September to consider the impacts and agree the solution that will be consulted on through the Assessment Procedure Consultation. A short mop up session was held 2 October, but the Workgroup was unable to reach consensus to issue its consultation.		
Next Event:	We are considering actions from the last Workgroup meeting and plan to arrange the seventh meeting for early November, where we expect the Workgroup to be able to provide its views against the BSC Objectives and agree its Assessment Procedure Consultation.		
Issue:	<p>Elxon raised Issue 71 'Introduction of a baselining methodology as an alternative to Physical Notifications' on 15 June 2018. This Modification builds on the back of this Issue and formally raises a Modification Proposal relating to the same defect.</p> <p>Modification Proposal P344 'Project TERRE implementation into GB market arrangements' seeks to align the Balancing and Settlement Code (BSC) with the European Balancing Project TERRE (Trans European Replacement Reserves Exchange) requirements. The</p>		

	<p>solution developed by the P344 Workgroup allows customers (or independent aggregators acting on their behalf) to participate in TERRE (and the BM) independently of their electricity Supplier, by registering a 'Secondary BM Unit'.</p> <p>The P344 solution is intended to facilitate participation in the BM and TERRE by a wider range of industry market participants, including customers and independent aggregators. However, in the P344 solution, the existing BM Settlement arrangements remain unchanged.</p>
Current Solution:	<p>This Modification proposes to allow the Final Physical Notification which feeds into the Settlement of Trading Charges to be created via a Baseline Methodology. This Modification builds on the work of Issue 71.</p>
History:	<p>P376 was raised by Enel Trade S.P.A. on 11 December 2018. The Initial Written Assessment was presented to the Panel on 13 December 2018 and was entered into the Assessment Procedure.</p> <p>The first Workgroup meeting, held jointly with P375, was held on 25 January 2019, where the Workgroup explored the issue by discussing possible effects on the Boundary Point and how links with National Grid would affect the eventual solution.</p> <p>The second Workgroup for P376 was held in conjunction with P375 on 18 March 2019 to begin the process of designing a solution and exploring assurance methods in order to protect the integrity of the eventual solution.</p> <p>The third Workgroup was held on 3 June 2019, where the Workgroup considered baseline methodologies.</p> <p>The fourth Workgroup was held on the 14 August 2019 to consider and develop the Business Requirements.</p> <p>Elxon issued a Request for Information to support analysis on 23 September 2019 with responses due 11 October 2019.</p> <p>The fifth Workgroup was held 10 December 2019 to review an industry Request for Information and consider updated Business Requirements. Following the fifth Workgroup meeting, Elxon has amended the Business Requirements to account for feedback from Workgroup Members.</p> <p>We issued the P376 Business requirements to our service providers to understand the BSC central system impacts of the proposed solution. This has been returned and we are considering the Assessment in preparation to walk the Workgroup through potential impacts.</p>

<u>P379: Multiple Suppliers through Meter Splitting</u>			Update
Date Raised:	3 January 2019	Proposer:	GridBeyond
Target Implementation Date:	November 2022 (subject to impact assessment)	Current Status:	Assessment Procedure
Latest Update:	Update on progress of cost-benefit analysis (CBA) to be presented to Panel at its November 2020 meeting.		
Next Event:	The industry CBA consultation will go out in the last week of November. The CBA report is scheduled to be presented to the Panel in March 2021.		
Issue:	In the view of the Proposer, this Modification will address a significant barrier to competition in the market rules whereby multiple Trading		

	<p>Parties are unable to compete for behind the Meter energy volumes, measured at the same Settlement Meter at the BSC Boundary Meter Point. The Proposer outlines that the existing arrangements do not adequately facilitate the development of local energy markets and supply innovation, and effectively mean there is a monopoly of one Party, the default Supplier, over a consumer's energy volumes behind a Settlement Meter at any given time, restricting competition and innovation.</p>
Current Solution:	<p>This Modification will enable individual consumers to be supplied by multiple Trading Parties, including Suppliers through a Balancing and Settlement Code (BSC) Settlement Meter at the Boundary Point. It will amend the market rules to support development of non-traditional business models and innovation, expanding upon the solution to be implemented by BSC Modification P344 'Project TERRE implementation into GB market arrangements'. It will achieve this through the creation of a new Party Agent role, the Customer Notification Agent (CNA), who would reconcile power flows through the Settlement Meter, enabling accurate allocation of volumes and costs, which in turn will allow Trading Parties to reflect these volumes in their bills and payments to consumers.</p>
History:	<p>P379 was raised by New Anglia Energy on 3 January 2019 with the Initial Written Assessment presented to the BSC Panel at its meeting on 10 January 2019.</p> <p>An interim report was presented to the Panel on 13 June 2019, as agreed as part of the approved P379 progression plan. The Panel approved a six-month extension and advised the Workgroup to consider how the Modification could be scoped to deliver earlier.</p> <p>The P379 Work Group held 15 meetings following this meeting through 2019 and into 2020.</p> <p>At the March 2020 meeting, following the presentation of an Interim Report, the BSC Panel approved an eight month extension to allow Elexon to conduct a Cost Benefit Analysis (CBA) for P379. The Panel requested that Elexon carry out a Cost Benefit Analysis (CBA) to determine the merits in continuing with Modification P379, at its March 2020 BSC Panel meeting. At its May 2020 meeting, the Panel asked Elexon to consider the possibility of external consultants to carry out the Cost Benefit Analysis following a paper on the high-level scope and approach to the CBA.</p> <p>We are defining tender requirements to inform whether a third party should assist in the production of the CBA, including costs and timescales. We will present our findings at the July 2020 Panel meeting. We issued requests for proposals to five third parties to provide the Cost Benefit Analysis.</p> <p>Proposals were due to be returned by bidders by 12 August 2020. As per Elexon's communication concerning the impact of COVID-19 the timeline for P379 has been pushed back at least three months as it has</p>

	<p>a significant impact on Parties, particularly Suppliers, Data Collectors and parties looking to become secondary Suppliers.</p> <p>Bidder selection took place after the third party Cost-Benefit Analysis proposals were independently scored.</p> <p>The P379 Cost-Benefit Analysis (CBA) contract was awarded to CEPA.</p> <p>Five month extension granted by the Panel October 2020.</p>
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P390: Allowing extensions to Elexon's business and activities, subject to additional conditions		No Update	
Date Raised:	12 August 2019	Proposer:	E.ON
Target Implementation Date:	5 Working Days after Authority decision	Current Status:	With Authority
Latest Update:	<p>The Draft Modification Report was presented to the Panel at its May 2020 meeting. The Panel unanimously agreed to recommend to Ofgem that P390 be approved. The Final Modification Report was submitted to Ofgem for decision on 21 May 2020. At the August 2020 Panel meeting, Ofgem indicated a Decision on P390 may be forthcoming early September 2020. In mid-August, Ofgem also sought clarification on certain elements of the legal text and how they relate to data provisions already contained in the BSC, which was provided on 10 September.</p>		
Next Event:	Ofgem will determine whether to approve or reject P390.		
Issue:	<p>The BSC restricts the activities of Elexon and in the absence of a specific Modification any additional activities cannot be pursued by Elexon (even when those activities would be of benefit to BSC Parties, industry generally and/or the consumer). In the past specific Modifications have been necessary which have enabled Elexon to provide the Warm Homes Discount Reconciliation service, EMR settlement, and to participate in gas performance assurance framework and REC manager appointment processes.</p>		
Current Solution:	<p>Such individual Modifications to extend Elexon's vires are time consuming and can be an unnecessary distraction for industry. They can also result in Elexon being unable to pursue an opportunity within a required timeframe.</p>		
History:	<p>P390 was raised by E.ON on 12 August 2019. The IWA was presented to the Panel on 12 September 2019, and first P390 Workgroup was held on 18 November 2019, where discussions focused on finding the appropriate balance between enabling the Elexon Board to bid for appropriate opportunities of interest while ensuring that appropriate oversight and transparency remain for BSC Parties. Workgroup Members were generally comfortable with the proposed conditions for P390, however it was agreed to reintroduce the 'undue competitive advantage' Ofgem criteria, on the basis that it reaffirms conditions already present in the BSC and alleviates a concern raised by Ofgem. The second P390 Workgroup meeting was held on 18 December 2019, at the meeting Ofgem provided an update to the group that the Authority are currently considering the P390 solution against the Electricity Transmission Standard Licence Conditions. Elexon met with</p>		

Ofgem (15 January 20) to discuss their interpretation of the case for Authority consent for any expansion in Elexon vires. Elexon invited Ofgem to identify who they were seeking to protect and from what and how their concerns were not addressed in the proposed P390 conditions. On 22 January 20 Ofgem communicated a minded-to-position that the Authority should retain their role of consenting to expansions of Elexon's role. Ofgem believe it consistent with the licence which envisages a consent role for Ofgem. The Code Governance Review identified issues with the current framework including with accountability, and in this context Ofgem think that now is not the right time to change this role. The Assessment Procedure Consultation for P390 closed on Monday 2 March 2020. The Workgroup initially recommend approval.

The Assessment Report for P390 was presented to the Panel at their April 2020 meeting. The Panel initially believe P390 should be approved. The Report Phase Consultation was issued on 14 April 2020 and closed on 29 April 2020. All three respondents agreed with the Panel views.

P395: Excluding generators from BM Unit Gross Demand and the calculation of EMR Supplier Charges			Update
Date Raised:	7 November 2019	Proposer:	Centrica
Target Implementation Date:	TBC	Current Status:	Assessment Procedure
Latest Update:	Further to Covid prioritisation, and due to consequential BSC changes for Ofgem's Significant Code Review Trading Charging Review (P402), progression on P395 has been paused. While one Workgroup meeting has been held, further work to develop the solution and associated requirements is required before impact assessment can occur.		
Next Event:	We are ascertaining availability for the next P395 Workgroup in mid November 2020 working with the Issue 88 change team to ensure both groups are aligned.		
Issue:	Currently the BM Unit Gross Demand Report attributes to Suppliers electricity they have provided to generators (including storage facilities) operated by Generation Licensees, which falls outside the definition of 'supply' in the Electricity Act 1989.		
Current Solution:	P395 proposes to amend BSC systems and processes so that the SAA-1042 'BM Unit Gross Demand Report' only includes electricity 'supplied' to premises by licensed Suppliers, and therefore excludes electricity imported by Generators operated by a licensee for generation activities (i.e. those activities authorised by their generation licence to carry on). To facilitate this outcome, P395 proposes that the BSC incorporates the interim solution and extends it to cover complex sites too. This solution would cover sites connected to both the distribution and transmission systems, and where the sites Metering Systems are registered in Supplier Meter Registration Service (SMRS) or Central Meter Registration Service (CMRS). P395 will build on top of capabilities being introduced by P344, P375 and P383.		
History:	P395 was raised by Centrica on 7 November 2019. The Panel considered the IWA on 14 November 2019 and agreed to advance the Modification to the Assessment Procedure. There was a delay in		

holding the first P395 Workgroup meeting caused by the urgent request to progress P397.

The first meeting of the P395 Workgroup was held on 19 February 2020, with the Workgroup and Proposer agreeing with Elexon's interpretation of ToR A) 'Which imports should be chargeable?' The Workgroup noted that answering the P395 problem satisfactorily will involve consideration of scalability, practicality and cost to ensure that the solution is truly enduring, consistent with regulations and scalable to domestic level. The Panel approved a six month extension to the Assessment Procedure to P395 to allow for further solution development, returning with the Assessment Report at the October 2020 meeting.

Given the complexity of the Modification and dependencies on P375 and P379, which are still in assessment, we believe that five more industry Workgroups are necessary, including industry and service provider consultations, to adequately develop the solution and assess its impacts on BSCCo and the wider industry. At its September 2020 meeting, the Panel agreed an eight month extension to the P395 Assessment Procedure. Elexon will return with the P395 Assessment Report at the May 2021 Panel meeting.

P398: Increasing access to BSC Data			Update
Date Raised:	12 December 2019	Proposer:	BSC Panel
Target Implementation Date:	TBC	Current Status:	Report Phase
Latest Update:	The P398 Assessment Report was presented to the Panel at its meeting on 8 October where it was progressed unanimously to the Report Phase with a recommendation to approve.		
Next Event:	Due to EBGL impacts, the P398 Report Phase Consultation will close on 16 November, and the Draft Modification Report will be presented to the BSC Panel at its meeting on 10 December.		
Issue:	<p>In June 2019 the Energy Data Task Force (EDTF) published its report 'A Strategy for a Modern Digitalised Energy System'. One of its recommendations was that the energy sector should 'adopt the principle that Energy System Data should be Presumed Open'. The EDTF report recommends that BEIS and/or Ofgem should use legislative and regulatory powers to achieve this recommendation.</p> <p>The BSC does not currently fully support the open data principles as recommended by the EDTF. This Modification seeks to implement market leading working practises regarding data availability within the BSC.</p>		
Current Solution:	<p>P398 proposes amending the BSC so that all data is assumed open unless there is a reason otherwise. The BSC will be amended to require the Panel to establish the BCB and for the BCB to have responsibility for publishing data. The detailed responsibilities will be captured in a new Cat3 document.</p> <p>This will be done based on a transparent process of triage and categorisation. In the longer term, we will look at an IT solution to make</p>		

	accessing BSC data even easier than having to make a formal request for release/publication.
History:	<p>P398 was raised by the BSC Panel at its meeting on 12 December 2019. The first Workgroup meeting was held in January 2020. We have been liaising with Ofgem since P398 was raised.</p> <p>The Panel approved a two month extension at its April 2020 meeting. The Assessment Report will be presented at the July 2020 Panel meeting. This was granted to allow time to finalise legal text drafting and follow-up work from the previous Workgroups that is taking longer than expected. A further extension to October 2020 was granted to recognise the delay, and consequential impact caused by the cyber-attack and re-prioritisations. The Assessment Phase consultation was issued on 24 August 2020 with responses due by the 14 September 2020. We received 8 responses with clear support, barring a few issues with the legal text to be reviewed. The Workgroup met for the final time on 25 September to agree their recommendations.</p>

P399: Making the identity of Balancing Service providers visible in the Balancing Services Adjustment Data			Update
Date Raised:	24 December 2019	Proposer:	Sutton Bridge Power Generation
Target Implementation Date:	June 2021	Current Status:	Report Phase
Latest Update:	The P399 Assessment Report was presented to the Panel at its meeting on 8 October where it was progressed to the Report Phase with a recommendation to approve.		
Next Event:	Due to EBGL impacts, the P399 Report Phase Consultation will close on 16 November, and the Draft Modification Report will be presented to the BSC Panel at its meeting on 10 December.		
Issue:	Currently, each Balancing Adjustment Action taken outside the Balancing Mechanism is reported with a unique sequential number. The Proposer contends that this does not identify the counterparty to the bilateral trade and creates an information advantage to those counterparties, reducing transparency in the operation of the system creating a barrier to effective competition.		
Current Solution:	P399 seeks to create a level-playing field for information relating to BM and non-BM trades. It seeks to include four new data fields to the BSAD file to subsequently be published on the BMRS: BSAD Party ID; BSAD Asset ID; Service Type; and Tendered Status.		
History:	<p>P399 was raised by Sutton Bridge Power Station on behalf of Calon Energy on 24 December 2019 and the IWA was presented to the BSC Panel on 16 January 2020, where it was approved for progression to the Assessment Phase.</p> <p>The first Workgroup meeting was held on 27 January 2020 where the Workgroup agreed two possible solutions. The two potential solutions were impact assessed by Elexon and National Grid ESO, which were subsequently returned prior to the second Workgroup meeting, held on 27 March 2020.</p> <p>The outcomes of the Impact Assessments were presented to the Workgroup at its meeting on 27 March 2020. National Grid ESO noted</p>		

that in its current state, P399 would cost ~£2 million to implement and so proposed an alternative route forward that could significantly reduce costs and lead times. The Workgroup agreed that this would be the best way forward and NGESO committed to completing the relevant Impact Assessments and to provide a timeline as to how quickly this would be completed.

The Panel granted a two month extension to P399 at its meeting in April 2020 to allow time for NGESO to conduct this impact assessment and the outcomes of it were presented to the WG at its third meeting on 17 July 2020.

The WG agreed a solution and the P399 Assessment Procedure Consultation was issued for 15 WD on 17 August 2020 with responses due by 8 September. The fourth P399 WG meeting was held on 18 September where the responses to the consultation were considered and the solution finalised. The Workgroup recommended that P399 is approved.

P402: Enabling reform of residual network charging as directed by the Targeted Charging Review

Update

Date Raised:	5 March 2020	Proposer:	NGESO
Target Implementation Date:	February 2022 BSC Release	Current Status:	Assessment Procedure
Latest Update:	<p>The Assessment Consultation for P402 closed on 27 October 2020. Shortly prior to the 5th Workgroup, and after the issuing of the P402 Consultation, Elexon learned that an alternative approach to the handling of the TCR Decision had been developed by some LDSOs and referenced in replies to the P402 Consultation - centering around LDSOs issuing data directly to National Grid, rather than centrally via SVAA. The last Workgroup meeting took place on Monday 2 November, where the Workgroup voted to raise an Alternative Modification. They acknowledge that the raising of the Alternative at this late stage impacts the delivery of P402 to TCR timescales but felt that the potential benefits of a simplified new approach outweigh this concern. This Alternative involves LDSOs sending the necessary data directly to National Grid, with high level obligations captured in the BSC. Elexon need to develop Business Requirements, Legal Text and capture industry costs for this Alternative before the Assessment Report can be submitted.</p>		
Next Event:	<p>We are aiming to bring the Assessment Report for P402 to the December 2020 Panel meeting. Elexon are developing the Alternative Solution, its Business Requirements and Legal Text and considering the best way to capture industry costs so that the Original and Proposed Solution may be assessed against one another.</p>		
Recommendation:	<p>Due to the need to develop requirements and capture industry costs and views for the Alternative Solution, we do not believe it likely that we will be able to bring the Assessment Report to the December 2020 Panel meeting, and request a two month extension. Elexon will endeavour to deliver the report in January 2021 if possible, but</p>		

	recognise that further work to develop and explore the Alternative may reveal gaps and result in unexpected work in this regard.
Issue:	Following the conclusion of its Targeted Charging Review Significant Code Review, Ofgem directed National Grid and certain LDSOs to make changes to how residual revenues are recovered through Distribution Use of System (DUoS) and Transmission Network Use of System (TNUoS) demand charges. Elexon understands that the LDSOs have or can procure all data necessary to implement the TCR SCR changes in relation to demand residual charging. However, NETSO does not have access to the relevant data.
Current Solution:	P402 will introduce new reporting requirements on LDSOs and BSCCo that will ensure the provision of data to enable the NETSO to set TNUoS demand residual tariffs and enable accurate billing of subsequent charges.
History:	National Grid ESO raised P402 on 5 March 2020. The BSC Panel considered the IWA at its meeting on 12 March 2020 and approved a 3 month Assessment Procedure, noting the challenging timeline to meet the Ofgem set implementation date of 1 April 2021. The first P402 Workgroup meeting took place on 31 March to review the draft business requirements. Following a revised implementation plan by Ofgem, delivery of TCR changes has been pushed to April 2022 – one year later than previously required. The Panel approved a three month extension to the P402 Assessment Procedure at its May 2020 meeting to allow the Workgroup to consider alternative approaches to solving the P402 issue. The second P402 Workgroup meeting took place on 6 May to consider alternative approaches to P402. The third Workgroup took place on 5 August 2020. The group discussed how P402 has a soft dependency for the related CUSC modifications – they will rely on a solution that provides NETSO with data for billing and tariff setting being implemented by April 2022 - but agreed that whilst P402 enables the TNUOS TCR arrangements, it doesn't implement any of the core requirements of Ofgem's TCR SCR. At the October Panel meeting, a one month extension was granted to P402 to allow for contingency in the case that material changes to the solution emerged from the Consultation. As per Elexon's communication concerning the impact of COVID-19, P402 has been staggered, despite being a priority, as it reduces the burden on industry in the short term, whilst allowing sufficient time for the Modification to conclude in good time. The 4 th Workgroup for P402 took place on 28 September 2020.

P407: Project MARI		Update	
Date Raised:	4 May 2020	Proposer:	NGESO
Target Implementation Date:	By July 2020	Current Status:	Assessment Procedure
Latest Update:	NGESO has been continuing to work on solutions required for areas where Elexon has dependencies.		
Next Event:	The next P407 Workgroup meeting will be held on 3 November 2020 at which point further detail should be forthcoming from NGESO.		
Issue:	Article 20 of the EBGL (Commission Regulation (EU) 2017/2195) requires Transmission System Operators (TSOs) to establish a platform		

	for the exchange of balancing energy from manually activated frequency restoration reserves (mFRR) by July 2022. To achieve this, the European Network of Transmission System Operators for Electricity (ENTSO-E) launched the Manually Activated Reserves Initiative (MARI) to deliver the European wide mFRR platform. P407 will ensure that the BSC, and associated systems, are amended ahead of go-live.
Current Solution:	P407, along with the NGESO changes, will enable GB participants to participate in MARI.
History:	<p>The third Workgroup planned for 21 July was postponed in order to ensure answers could be provided for all the questioned raised at the previous Workgroup. Instead the workgroup took place on 20 August 2020. The fourth workgroup took place soon after on the 26 August 2020. Both Workgroups discussed Dispatch and Settlement processes. The first Workgroup took place on 23 June 2020. This Workgroup was intended as a soft introduction to Project MARI. The meeting focused on providing an overview of MARI, the Registration process, Qualification and testing. Workgroup members suggested revisions to the Grid Code terms of reference. Workgroup members also requested clarification around existing Interconnector issues.</p> <p>The Panel determined that P407 should progress to the Assessment Procedure at its meeting on 14 May 2020.</p> <p>National Grid Electricity System Operator raised P407 'Project MARI' on 4 May 2020.</p> <p>The second Workgroup was held 7 July 2020 and covered Bid Submission and Acceptance. The purpose of the meeting was to consider outcomes of actions from Workgroup meeting 1 and to assess the submission and acceptance options for P407/GC0145 and agree the way forward. A number of questions were asked about the detail of NGESO's solution which were taken away with a view to bring answers to the next Workgroup.</p> <p>The fifth Workgroup meeting was held on 15 September 2020 to further discuss the Dispatch and Settlement processes alongside the BSC solution. There are a number of dependencies on NGESO which don't allow Elexon to complete the BSC solution. Consultation was due to start in October 2020 though Elexon will not have the desired detail and legal text to meet this milestone.</p> <p>In order to address the outstanding dependencies NGESO and Elexon have agreed to pause Workgroup meetings and discuss solutions internally. Current plan is to resume Workgroups once strawman solutions are ready to present to Workgroup members. Replanning of the progression timeline will take place once timescales are understood.</p>

P410: Changing imbalance price calculations to comply with the Imbalance Settlement Harmonisation regulations **Update**

Date Raised:	3 July 2020	Proposer:	NGESO
Target Implementation Date:	4 November 2021	Current Status:	Assessment Procedure

Latest Update:	We worked with the Proposer to further develop the P410 solution to account for Workgroup comments from the first meeting. The Workgroup considered the updated proposals at its meeting on 9 October 2020, where it expressed concerns that any VOAA that is complaint with the ISHP would be detrimental to BSC Objectives.
Next Event:	We are working with Ofgem to determine how best to deliver a solution that is complaint with ISHP within the allowed time that does not distort the market. The next Workgroup meeting will be held in November.
Issue:	P410 will introduce changes to the imbalance price calculations to ensure BSC compliance with the European Imbalance Settlement Harmonisation regulations.
Current Solution:	P410 will replace the Market Index Price in the Imbalance Calculation with a new Value of Avoided Activation of balancing energy as required by the European Regulations.
History:	NGESO raised P410 on 3 July 2020. The Panel considered the IWA at its meeting on 9 July and agreed to progress P410 to the Assessment Procedure. The first Workgroup was held on 6 August where the Workgroup agreed principles for calculating a Value of Avoided Activation

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
Latest Update:	The P412 Workgroup has been formed and we now have enough Members to ensure that the Workgroup is quorate.		
Next Event:	The first Workgroup meeting will be held on 29 October 2020 to discuss the issue and the proposed solution.		
Issue:	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.		
Current Solution:	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.		
History:	NGESO raised P412 on 3 September 2020. The Panel considered the Initial Written Assessment at its meeting on 10 September 2020 and agreed to progress P412 to the Assessment Procedure.		

P413: Enable Elexon to be the Programme Manager for the implementation of Market-wide Half Hourly Settlement				Update
Date Raised:	7 September 2020	Proposer:	Scottish Power	

Target Implementation Date:	5 Working Days following Ofgem approval	Current Status:	Assessment Procedure
Latest Update:	A second Workgroup was held on 12 October 2020 where Members agreed the initial business requirements and decided that the Modification should enable Elexon to be the programme manager rather than require Elexon to be the programme manager.		
Next Event:	An ad-hoc Workgroup meeting is scheduled for 3 November to discuss possible funding mechanisms and a 3rd Workgroup meeting is scheduled for 20 November where the focus will be to review key documentation prior to Assessment Consultation.		
Issue:	If the BSC is not amended to require Elexon to perform the implementation Programme Manager function for Market-wide Half Hourly Settlement (MHHS), there is a risk that this results in longer implementation timescales, higher costs for the industry and a longer period to see the benefits outlined in Ofgem's Draft Impact Assessment Consultation.		
Current Solution:	Enable Elexon, as the BSC Company (BSCCo), to provide the Programme Management (PM) function for the implementation of MHHS.		
History:	<p>Scottish Power raised P413 on 7 September 2020.</p> <p>P413 was approved to progress to the Assessment Procedure by the BSC Panel on 10 September 2020. The initial Workgroup was held on 22 September 2020 which focused primarily on the context and background for the change as well as gathering initial views on the Workgroup Terms of Reference.</p>		

P414: Allowing a Party to Withdraw from the BSC and transfer outstanding liabilities to another Party			Update
Date Raised:	29 September 2020	Proposer:	RWE Supply & Trading GmbH
Target Implementation Date:	February 2021	Current Status:	Report Phase
Latest Update:	The Panel considered the Initial Written Assessment at its meeting on 8 October 2020 and agreed to progress P414 to the Report Phase with an initial recommendation to approve. We issued P414 for a one month consultation on 15 October 2020.		
Next Event:	The Report Phase consultation will close 16 November 2020. We will present the Draft Modification Report to the Panel at its meeting on 10 December 2020.		
Issue:	The requirement for a Party to wait at least 14 months between its last day of trading and being able to withdraw from the Code is inefficient as it can prevent the withdrawing party undertaking administrative tasks, such as dissolving the associated legal entity.		
Current Solution:	This Modification seeks to improve the BSC exit arrangements. It will allow a BSC Party to withdraw from the Code as soon as practicable after serving a notice of withdrawal provided that all liabilities under the Code are satisfied or transferred to another BSC Party through a transfer of its BSC party ID to that legal entity.		
History:	RWE Supply & Trading GmbH raised P414 on 29 September 2020.		

P415: Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties			Update
Date Raised:	30 September 2020	Proposer:	Enel X UK Ltd
Target Implementation Date:	TBC	Current Status:	Assessment Phase
Latest Update:	The Panel considered the Initial Written Assessment for P415 on 8 October 2020, where it agreed to progress P415 to the Assessment Phase.		
Next Event:	We are seeking availability for the first P415 Workgroup in late November 2020.		
Issue:	Customers (consumers of electricity) who are able to be flexible about their consumption cannot currently obtain any value from that flexibility from the Wholesale Energy Market, except if they work with their Supplier to do so. This is because the BSC assigns all flexibility delivered by a customer to their Supplier, with the exception of flexibility instructed by National Grid in the Balancing Mechanism or Replacement Reserve market (TERRE), which can be assigned to a third party (referred to in the BSC as a "Virtual Lead Party"). As a result, customers can only access power exchanges (and other markets that require notification of contracts under the BSC) through their Supplier. This contrasts with Balancing Services, the Balancing Mechanism, and the Capacity Market, all of which allow a customer's flexibility to be offered by an aggregator without the involvement of the Supplier.		
Current Solution:	This Modification seeks to allow Virtual Lead Parties to obtain value from flexibility within the Wholesale Energy Market.		
History:	Enel X UK Ltd raised P415 on 30 September 2020.		

III. Change Proposal Updates – up until decision

CP1530: Introduction of a formalised process for the validation of measurement transformer ratios by Elexon		Update	
Date Raised:	30 June 2020.	Proposer:	Elexon
Target Implementation Date:	25 February 2021	Current Status:	Change Proposal Circular Consultation
Latest Update:	Elexon presented a draft Assessment Report to SVG at its meeting on 6 October, which recommended CP1530 be issued for a second consultation, having addressed previous SVG comments. The SVG agreed to issue CP1530 for a second consultation, which was issued on 12 October 2020, with responses due by 6 November 2020.		
Next Event:	The CP1530 Assessment Report will be presented to the SVG on 1 December 2020 for decision.		
Issue:	Licensed Distribution System Operators (LDSOs) currently submit transformer ratios for measurement transformers as free text, where any value can be entered. There is currently no list of valid transformer ratios or a process for the validation of the transformer ratios submitted by LDSOs. This can at times lead to erroneous data being entered which will manifest itself as erroneous Settlement data.		
Current Solution:	CP1530 proposes to create a national valid list of transformer ratios and introduce a process where LDSOs and Meter Operator Agents (MOAs) submit transformer ratios to ELEXON. On receipt, ELEXON will check that the submitted ratios meet the valid format and establish a list of valid transformer ratios, to be used by LDSOs and MOAs, on the ELEXON Portal. A corresponding change to the Master Registration Agreement (MRA), which requires all registrations of metering systems to use a ratio selected from the valid set published on the ELEXON Portal, has been raised: DTC CP 3576 - Introduction of Valid Sets for J0454 (CT Ratio) and J0455 (VT Ratio). A corresponding change to the Master Registration Agreement (MRA), which requires all registrations of metering systems to use a ratio selected from the valid set published on the ELEXON Portal, has been raised: DTC CP 3576 – Introduction of Valid Sets for J0454 (CT Ratio) and J0455 (VT Ratio)		
History:	CP1530 was raised by Elexon on 30 June 2020. The CP1530 Progression Paper was presented to the Supplier Volume Allocation Group (SVG) at its meeting on 7 July 2020. The SVG noted CP1530 had been raised and the proposed progression timetable. CP1530 was issued for industry consultation on 14 July 2020 with responses due by Monday 10 August. An update was provided to the SVG on 1 September 2020 on the outcome of the first CP1530 consultation. Elexon explained CP1530 consultation responses highlighted the need for amendments to the CP1530 solution. Some aspects of the updates constitute to material amendments; therefore, Elexon recommended CP1530 be re-issued for a second industry consultation. The SVG deferred its decision on whether to issue CP1530 for a second consultation and highlighted a number of concerns it believed would first need to be addressed before a second consultation was issued.		

CP1536: Use of DTC data flow D0379 for submission of unmetered Half Hourly data			Update
Date Raised:	27 July 2020	Proposer:	Elxon
Target Implementation Date:	25 February 2021	Current Status:	Awaiting Implementation
Latest Update:	The CP1536 Assessment report was presented to the SVG at its meeting on 6 October 2020. The SVG unanimously approved CP1536.		
Next Event:	CP1536 will be implemented on 25 February 2021.		
Issue:	BSCP520 'Unmetered Supplies Registered in SMRS' permits the use of 'Electronic or other agreed method' for the sending of unmetered Half Hourly (HH) data from Meter Administrators (MAs) to Half Hourly Data Collectors (HHDCs) via the Data Transfer Catalogue (DTC) D0003 data flow 'Half Hourly Advances'. However, MAs are not currently able to send D0003 flows across the Data Transfer Network (DTN) to send unmetered HH data, as 'MA' is not specified as a 'Data Transfer Participant' in Annex A of the DTC. As a result, MAs currently send the unmetered HH data to HHDC via email.		
Current Solution:	The proposed CP1536 solution will amend BSCP520 to allow MAs to send unmetered HH data across the DTN using the existing DTC data flow D0379 – Half Hourly Advances UTC		
History:	On 27 July 2020, Elxon raised CP1536 following the recommendation from the Unmetered Supplies User Group (UMSUG) (UMSUG125/02D). The CP1536 Progression Paper was presented to the SVG on 4 August 2020 for information. The SVG noted CP1536 had been raised and the proposed progression timetable. CP1536 was issued for industry consultation on 10 August 2020 with responses due by Monday 7 September 2020. Seven Market Participants responded to the CP1536 consultation. All in the role of Supplier Agent with one additionally responding also as a Supplier.		

CP1537: Extending the Timescales for agreeing Technical Assurance of Performance Assurance Parties (TAPAP) Findings Reports			Update
Date Raised:	21 August 2020	Proposer:	Elxon
Target Implementation Date:	25 February 2021	Current Status:	Change Proposal Circular Consultation
Latest Update:	An industry consultation was issued for CP1537 on 7 September. In all, five Market Participants responded, with roles covering Suppliers, Supplier agents, and one Distributor. All respondents supported the solution, redlining, and implementation date of the Change Proposal.		
Next Event:	CP1537 will be presented to the PAB on 29 October 2020, and to the SVG on 3 November 2020 for decision.		
Issue:	Under Balancing and Settlement Code Procedure (BSCP) 535 section 3.2.6, PAPs have two Working Days (WD) to respond to a TAPAP audit check findings report, either by accepting the findings, or by appealing them. If the PAP appeals the findings, it must provide a reason for the appeal within the same two WD period after receiving the TAPAP results notification. This time frame is insufficient to allow for multiple levels of stakeholder review, and therefore Parties are unable to fully consider the findings of the report nor compose a fully justified and		

	evidenced appeal. This results in an unnecessary burden on the PAP in addition to that caused by COVID-19, industry change, and other code body work.
Current Solution:	CP1537 proposes to increase the time allowed to respond to a TAPAP findings report from two working days to five working days. It also proposes to clarify the timescale allowed for providing evidence in support of an appeal, providing an additional five working days for this step.
History:	Elexon raised CP1537 on 21 August 2020. CP1537 was presented to the PAB on 27 August 2020, and to the SVG on 1 September 2020. Both committees noted that CP1537 had been raised, and the proposed progression timetable. CP1537 was issued for industry consultation on 7 September, with responses due by 2 October.

IV. Issue Updates

Issue 69: Performance Assurance Framework Review			Update
Date Raised:	30 March 2017	Proposer:	Elxon
Latest Update:	The final Issue 69 meeting was held on Tuesday 31 March. The workshop looked at Data and reporting under the PAF including the data-centric techniques (Performance Assurance Reporting and Monitoring System (PARMS) and Material Error Monitoring (MEM). Elxon will present the final PAF Review recommendations at the September 2020 PAB meeting.		
Next Event:	There are no more planned Issue 69 Workgroups. The Issue 69 Report will be presented to the BSC Panel at its meeting on 12 November 2020.		
Issue:	Elxon and the Performance Assurance Board (PAB) are aware of opportunities to further enhance the application of the risk-based Performance Assurance Framework (PAF) envisaged in P207 'Introduction of a new governance regime to allow a risk based Performance Assurance Framework (PAF)' to utilise and reinforce its effectiveness to address the challenges of a changing industry. This Issue Group will explore the issues and identify possible solutions for each work stream: Smart Metering, PAF procedures, data provision and Performance Assurance Techniques.		
History:	<p>The first work stream was Smart Metering, with two meetings held on 25 April 2017 and 24 May 2017 respectively. The interim Issue Report for Smart Metering was presented to the PAB in June 2017, and tabled at the BSC Panel in July 2017.</p> <p>The second work stream is on PAF procedures. This work stream will focus on a new design for the PAF, covering what is currently the Risk Evaluation Methodology (REM), Risk Evaluation Register (RER), Risk Operating Plan (ROP) and the reporting.</p> <p>The first Workgroup on PAF procedures was held on 17 January 2018. In the meeting, Elxon presented a proposed design to the group for review and comment. The second meeting was held on 10 April 2018 to align with work we are doing for the Performance Assurance Framework review.</p> <p>The third meeting for this work stream was held on 12 June 2018 where the Workgroup discussed a newly drafted version of the RER. The fourth meeting for the PAF Procedures Work Stream was held on 15 August 2018. At this meeting the Elxon presented the final design of the PAF along with its component parts.</p> <p>The third work stream, the Review of the PATs, aimed to catalogue the current performance assurance techniques (PATs), identify limitations or areas for improvement (based on stakeholder feedback and further discussion with technique owners), and integrate those improvements into a set of new PATs.</p> <p>Two Work Groups discussed audit techniques and data provisions.</p> <p>The PAB approved the new Risk Register on 31 January 2019.</p> <p>The Performance Assurance Board (PAB) suggested engagement with the Issue 69 workgroup (in particular Suppliers) on Supplier Charges review.</p>		

Issue 69 will now be focussing on Qualification and Re-Qualification well as Supplier Charges.

The Issue 69 Qualification and Re-Qualification Workshop was held on Tuesday 2 July 2019. Following the meeting of the sub group the PAF team presented their recommendation at September PAB meeting on 26 September 2019.

The Issue 69 Working Group met on 19 September 2019 to review our initial ideas for change. The recommendation of the Qualification workshop was presented to PAB (224/06) at its meeting on the 26 September 2019. PAB approved the recommendation to raise a number of Modifications and Change Proposals with a view to implement them in approximately 18 months.

The final workstream under Issue 69 looked at Data and Reporting. The workstream included the data-centric techniques (Performance Assurance Reporting and Monitoring System (PARMS) and Material Error Monitoring (MEM)) and assessed:

- Different approaches to future assurance data provision;
- Which options to obtain data are cost-effective and whether required change/development is proportionate to the level of risk they mitigate and automation they provide; and
- General working practices that Elexon and the Performance Assurance Board (PAB) adopt when using new data sources.

Issue 83: Ensuring that the Buy Price Adjustment reflects all additional balancing costs incurred by NGESO		No Update	
Date Raised:	1 July 2019	Proposer:	Sebmcorp UK
Latest Update:	Issue 83 is effectively on hold until December 2020. At the second Workgroup meeting, on 11 October, NGESO agreed to consider how the inclusion and distribution of balancing costs incurred by NGESO would affect the value of the BPA, and consequently the Imbalance Price.		
Next Event:	The Proposer agreed that Issue 83 should be paused until there was greater certainty around the future of the Buy Price Price Adjustment. This will follow the development of the solution to implement the Imbalance Settlement Harmonisation Regulations into the GB trading arrangements. This is being done by P410 which is required to be implemented no later than December 2021.		
Issue:	The Issue will consider the principles set out in Article 52(2) of the Commission Regulation (EU) 2017/2195 of 23 November 2017, establishing a guideline on electricity balancing to assess how the components of the Buy Price Price Adjustment can continue to be used in the Imbalance Price calculation. This will aim to ensure that it continues to be reflective of the actions taken by National Grid Electricity System Operator.		

	In addition to this, Issue 83 will consider what components are included in the Buy Price Price Adjustment, including reserve actions, to ensure that it continues to be properly reflective.
History:	Issue 83 was raised by Sebmcorp UK on 1 July 2019. The first Workgroup was held on 7 August 2019, where it discussed the components that are incorporated in the Buy Price Price Adjustment and how these could continue to be reflected in the Imbalance Price. The second meeting for Issue 83 was held on 11 October 2019 where the Issue Group further considered what components make up the BPA and how it could continue to be reflected in pricing.

Issue 86: Review of processes potentially impacted by Ofgem's Faster Switching Programme.			No Update
Date Raised:	9 October 2019	Proposer:	Elxon
Latest Update:	The agreed outstanding items have been sent to Ofgem. Ofgem has provided feedback on documents submitted as well as a view on how their work is being impacted by Covid-19.		
Next Event:	We are making the necessary changes to the draft redlining to account for Ofgem's comments ahead of the Retail Code Consolidation Consultation this autumn.		
Issue:	<p>The Retail Energy Code (REC) and Central Switching Service (CSS) are key components of Ofgem's Faster Switching Programme. The Retail Code Consolidation (RCC) Significant Code Review (SCR) will consolidate existing Industry Codes into the REC. RCC changes are expected to be implemented on 1 September 2021 and CSS changes in Spring 2022.</p> <p>Elxon, on behalf of the BSC Panel, is required to inform Ofgem how processes relating to Change of Supplier (CoS) and Change of Agent (CoA) may be impacted. These processes will likely impact:</p> <ul style="list-style-type: none"> • Data Collectors (DCs); • Data Aggregators (DAs); • Meter Operator Agents (MOAs); and • Suppliers 		
History:	<p>The first Issue group was held on 29 October 2019. The Issue Group discussed changes required to the switching process in BSCP501 and BSCP537 Appendix one to align with the Retail Energy Code (REC) and Central Switching Service (CSS) planned go-live date of 1 April 2021.</p> <p>The Issue Group started to discuss whether the Settlement time lines will be compatible with Faster Switching. The second Issue group was held on 13 December 2019 to finish reviewing the core BSC changes for faster switching. The third Issue Group was held on 30 January 2020 to wrap up outstanding matters from the original scope and agree how the Issue Group will support preparation of the RCC redlining. Ofgem asked for further redlining to be provided for the Retail Code Consolidation Significant Code Review (SCR). Issue 86 was raised to consider the redlining needed for the Faster Switching SCR and has been extended, and the scope widened, to facilitate the new SCR.</p> <p>The fourth Issue Group was held on 6 March 2020 to review progress/direction of travel regarding SCR document drafting as well as to agree way ahead with interim quick wins. Draft redlining was</p>		

submitted on 31 March 2020 as agreed between the BSC Panel and Ofgem.

Exelon submitted the redlining for the Faster Switching and Retail Code Consolidation SCRs on 31 March 2020 as per the correspondence between the BSC Panel and Ofgem late February/early March 2020. Ofgem's work on their faster switching programme has been delayed by Covid-19 and we are seeking guidance on new timelines.

Issue 87: Busbar voltage transformer metering for Offshore wind farms under OFTO arrangements			Update
Date Raised:	3 March 2020	Proposer:	Siemens Transmission and Distribution Limited
Latest Update:	Following the 2nd meeting of the Issue 87 Group on 22 September, where the Proposer and group considered outcomes of the actions and agreed to extend the scope of the solution to cover onshore arrangements, Exelon have been preparing a 'one pager' document explaining the Issue and its expansion of scope to onshore sites. Issue 87 struggled to attract a large group, but the group believe that the extended solution may attract further interest and have directed Exelon to prepare a 'one pager' and disseminate this via its communication channels.		
Next Event:	Further industry engagement with a wider range of Parties will be sought via a 'one pager' document. If the outcomes of this engagement materially affect the proposed solution, another Issue meeting will be held to consider feedback, if there is no interest then the Issue Report will be presented at the next appropriate Panel meeting.		
Issue:	The size and weight of VTs used in Metering Systems of Offshore wind farms can add significant weight and space requirements to a project. This in turn can make developing new wind farms more complex and costly, which ultimately will have a negative effect for end consumers who will have to fund this through their energy bills. The Proposer believes that there are effective alternatives to this metering set up, which can reduce the number of VTs (and hence weight) required, without impacting on the quality of data used in Settlement.		
History:	Siemens Transmission and Distribution Limited raised Issue 87 on 3 March 2020. After delays to holding the first Issue Group due to quorum challenges, Exelon scheduled a meeting for 21 May 2020. The first meeting was postponed due to a cyber-attack on Exelon's IT systems. The first Issue group meeting took place on 6 July, where the group considered potential solutions to the Issue. The group wished to consider whether the solution may be extended to cover onshore sites, and have requested some clarifications for consideration at the next meeting. The 2nd meeting of the Issue 87 Group took place on 22 September.		

Issue 88: Clarification of BSC Arrangements relating to Complex Sites			Update
Date Raised:	18 March 2020	Proposer:	Exelon

Latest Update:	The RFI was issued on 29 September for 15WD and closed on 21 October. The Panel was given an update on Issue 88 at its meeting in October, mainly noting that up to that point the Issue Group had mainly worked to determine mutual understanding of the Complex Site arrangements and the scope of the issue.
Next Event:	The responses to the RFI will be considered by the Issue Group at its next meeting on 25 November.
Issue:	It has become clear that there are a number of issues and ambiguities relating to the complex site arrangements, which this issue seeks to address.
History:	<p>Issue 88 was raised on 18 March 2020 by Elexon. The first Issue Group meeting was held on 29 April 2020. The aim of the meeting was to outline the issues currently experienced with the Complex Sites arrangements and to determine the best way forward. Elexon took actions to provide potential solutions to the Issue Group at its next meeting.</p> <p>The second Issue Group meeting was held on 27 July 2020. Elexon took several actions, including issuing a Request for Information (RFI) to industry to get a clearer picture of the current complex site portfolio in GB and the drafting of a new guidance document.</p>

Issue 89: Ensuring Demand Control Event (DCE) procedures remain fit for purpose			Update
Date Raised:	23 March 2020	Proposer:	Elexon
Latest Update:	The third Issue 89 meeting was held on 26 August and members agreed to recommend process improvements to the Settlement Adjustment Processes as a result of this Issue.		
Next Event:	The Issue 89 Report will be tabled at the Panel's December meeting.		
Issue:	<p>This Issue seeks to examine efficacy of the Settlement Adjustment Processes (SAP) introduced by P305 'Electricity Significant Code Review Developments' in 2015. The intent of the SAP is to amend participants' imbalance positions following a DCE.</p> <p>The SAP were used for the first time following the DCE on 9 August 2019 and the majority of positions have been adjusted accordingly. However, difficulties were faced and this Issue will in part act as a lessons learned exercise for the SAP and seek potential improvements and efficiencies.</p> <p>Additionally, questions were raised by the BSC Panel as to whether the costs of running the processes were commensurate with the benefits of doing so. As such, the Panel raised P397 'Assessing the costs and benefits of adjusting Parties' Imbalances following a demand disconnection' as a means to introduce a materiality threshold wherein the processes are only performed where the estimated benefits outweigh the expected costs.</p> <p>On 3 March 2020, Ofgem sent back P397 citing a lack of evidence in regards to the costs of operating the processes, noting this was not fully</p>		

	available at the time. As well as performing a lessons learned exercise, over the course of this Issue Group we aim to gather that information.
History:	Issue 89 was raised on 23 March 2020 by Elexon. The first Issue Group meeting was held on 22 April 2020. The meeting looked to determine the key difficulties experienced whilst performing the Settlement Adjustment Processes, and to establish the questions the group wanted to ask Industry in a formal Request for Information. The necessary questions have been included in the RFI, which was circulated for 15 WD with responses due by the 6 May 2020. The third meeting for Issue 89 was held on 26 August.

V. Progression of Modifications – up until implementation

<u>Key</u>	<u>Initial Written Assessment:</u>	<u>Assessment Procedure:</u> AR: Assessment Report APC: Assessment Procedure Consultation	<u>Report Phase:</u> RC: Report Phase Consultation DMR: Draft Modification Report FMR: Final Modification Report	<u>WA:</u> With Authority Awaiting Decision	<u>AI:</u> Awaiting Implementation	<u>I:</u> Implementation	<u>D:</u> Delayed due to COVID-19	<u>CBA:</u> Cost/Benefit Analysis
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Mod	Title	Proposer	Date	Urgent	Aug	Sept	Oct	Nov	Dec	Jan	Feb
P332	Revisions to the Supplier Hub Principle	Smartest Energy	28 Jan 2016	No	D			APC			AR
P375	Settlement of Secondary BM Units using metering behind the site Boundary Point	Flexitricity	10 Dec 2018	No			AR	RPC	DMR FMR	WA	
P376	Utilising a Baseline Methodology to set Physical Notifications for Settlement of Applicable Balancing Services	Enel Trade S.P.A.	11 Dec 2018	No				APC		AR	RPC
P379	Multiple Suppliers through Meter Splitting	New Anglia Energy	3 Jan 2019	No	D	CBA	APC/AR	APC/AR			

Mod	Title	Proposer	Date	Urgent		July	Aug	Sept	Oct	Nov	Dec	Jan
P390	Allowing extensions to Elexon's business and activities, subject to additional conditions	E.ON	12 Aug 2019	No						WA		
P395	Excluding generators from calculation of EMR Supplier Charges	Centrica	7 Nov 2019	No								
P396	Revised treatment of BSC Charges for Lead Parties of Interconnector BM Units	Nord Pool AS	10 Dec 2019	No					AI	I		
P398	Improving access to Open Data	BSC Panel	12 Dec 2019	No		RPC DMR FMR	RPC DMR FMR		WA			
P399	Making the identity of Balancing Service providers visible in the Balancing Services Adjustment Data	Sutton Bridge Power Station	24 Dec 2019	No					AR	RPC DMR FMR	WA	
P402	Enabling reform of residual network charging as directed by the Targeted Charging Review	National Grid ESO	5 Mar 2020.	No					AR	DMR/F MR	WA	

Mod	Title	Proposer	Date	Urgent	Aug	Sept	Oct	Nov	Dec	Jan	Feb
P407	Project MARI	National Grid ESO	4 May 2020	No			APC	AR			
P408	Simplifying the Output Usable Data Process	National Grid ESO	5 May 2020	No	AI	AI	AI		I		
P410	Changing imbalance price calculations to comply with the Imbalance Settlement	National Grid ESO	3 July 2020	No				APC			
P411	Including new LDSOs in Qualification to mitigate potential risks to Settlement	BSC Panel	9 July 2020	No	DMR FMR	AI	AI	I			
P412	Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a	National Grid ESO	3 September 2020	No		IWA					APC
P413	Enable Elexon to be the Programme Manager for the implementation of Market-wide Half Hourly										
P414	Allowing a Party to Withdraw from the BSC and transfer outstanding liabilities to another						IWA	RPC	DMR FMR		

P415	Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties	Enel X	30 September 2020	No								
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VI. 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
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CP	Title	Proposer	Date	July	Aug	Sep	Oct	Nov	Dec	Jan
CP1527	Increase the minimum data storage capacity for Settlement Outstations and mandate specific selectable integration periods for Metering Codes of Practice	Elexon	28 January 2020	AI	AI	AI	AI	AI	AI	AI
CP1528	CoP4 clarification of BSC Party responsibility for Commissioning of measurement transformers that the BSC Party adopts	Elexon	28 January 2020	AI	AI	AI	AI	I		
CP1529	Earlier initiation of Supplier Agreed Meter Readings process	Elexon	6 May 2020	AR	AI			I		
CP1530	Introduction of a formalised process for the validation of measurement transformer ratios by Elexon	Elexon	30 June 2020	PP	CPC	AR	AI	AI	AI	AI

CP	Title	Proposer	Date		July	Aug	Sep	Oct	Nov	Dec	Jan
CP1531	Additionally provide the TUoS Report to National Grid ESO at the II Settlement Run	National Grid ESO	30 June 2020		PP	CPC	AR FR	AI	AI		
CP1532	Reduce Half Hourly Change of Supplier timelines to meet the Initial Settlement Run	Exelon	8 July 2020		PP	CPC	AR	AI	AI		
CP1533	Mandatory Sending of D0052 for DCC serviced SVA NHH Metering Systems	Exelon	8 July 2020.		PP	CPC	AR	AI	AI		
CP1534	Introduce Change of Supplier (CoS) – No Meter Process	Exelon	8 July 2020.		PP	CPC	AR	AI	AI		
CP1535	Interconnector Fuel Type Category update to BMRS	Exelon	13 July 2020		PP	CPC	AR	AI	AI		
CP1536	Use of DTC data flow D0379 for submission of unmetered Half Hourly data	National Grid ESO	27 July 2020			PP	CPC	AR	AI		
CP1537	Extending the Timescales for agreeing Technical Assurance of Performance Assurance Parties	Exelon	21 August 2020				PP	CPC	AR	AI	

VII. 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 2020 BSC Release - 20 November 2020			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status
CP1528	Clarifying responsibility for the Commissioning of measurement transformers that will be later adopted	Document	Confirmed
P396	Revised treatment of BSC Charges for Lead Parties of Interconnector BM Units	System	Confirmed
P409	Aligning BMRS Reporting Requirements with the Clean Energy Package	Document	Confirmed
P411	Including new LDSOs in Qualification to mitigate potential risks to Settlement	Document	Confirmed

February 2021 BSC Release - 25 February 2021			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status
CP1532	Reduce Half Hourly Change of Supplier timelines to meet the Initial Settlement Run	Document	Confirmed
CP1533	Mandatory Sending of D0052 for DCC serviced SVA NHH Metering Systems	Document	Confirmed
CP1534	Introduce Change of Supplier (CoS) – No Meter Process	Document	Confirmed
CP1536	Use of DTC data flow D0379 for submission of unmetered Half Hourly data	Document	Confirmed
P398	Increasing access to BSC Data	Document	Pending Authority Approval

June 2021 BSC Release – 25 June 2021			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Implementation Date
P399	BSAD Data Change – C16 Statement - Addition of counterparty identification data to existing Balancing Services Adjustment Action notification	System	Pending Authority Approval
P398	Allowing extensions to ELEXON's business and	Document	5WDs after Authority Decision

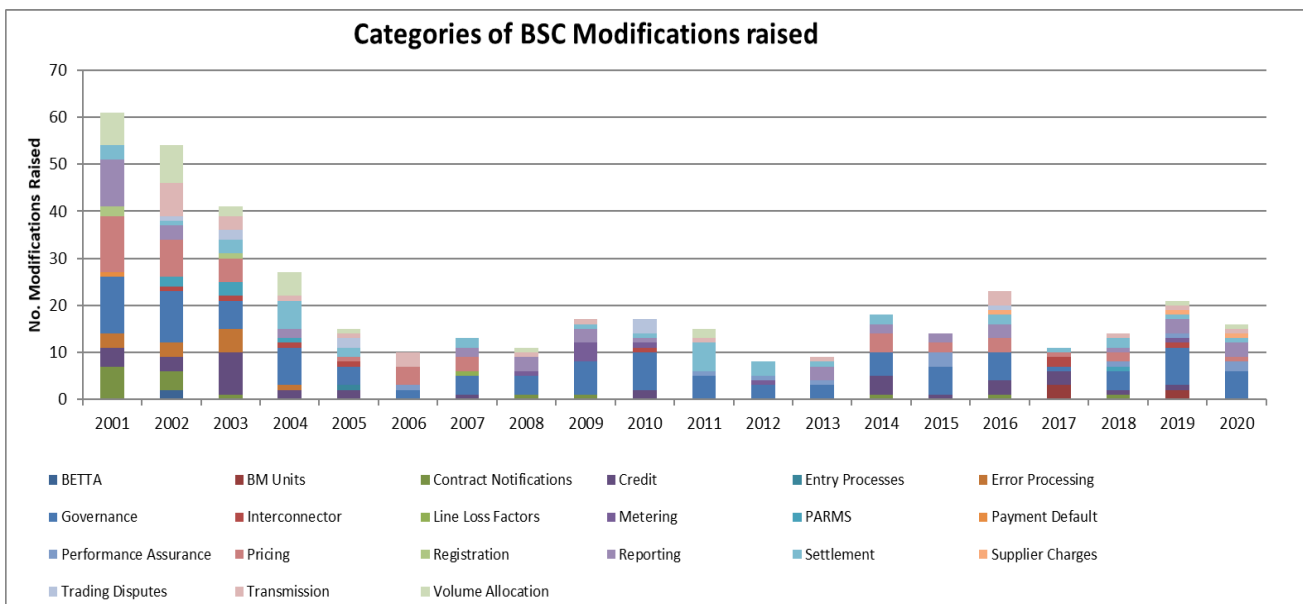
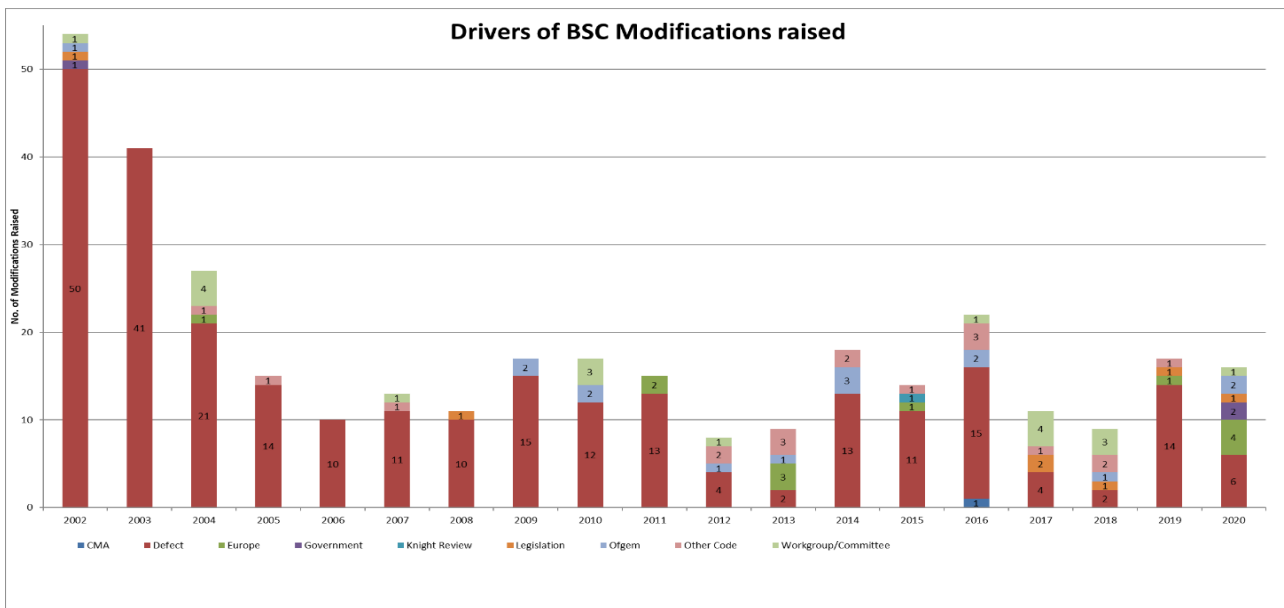
	activities, subject to additional conditions'		
CP1531	Additionally provide the TUoS Report to National Grid ESO at the II Settlement Run	System	01 Apr 21
CP1535	Interconnector Fuel Type Category update to BMRS	System	3 Dec 20

Ad-Hoc Releases			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Implementation Date
P383	Enhanced reporting of demand data to the NETSO to facilitate CUSC Modifications CMP280 and CMP281	System	01 Apr 21
P408	Simplifying the Output Usable Data Process	System	3 Dec 20
CP1531	Additionally provide the TUoS Report to National Grid ESO at the II Settlement Run	System	01 Apr 21
P390	Allowing extensions to ELEXON's business and activities, subject to additional conditions'	Document	5WDs after Authority Decision
CP1535	Interconnector Fuel Type Category update to BMRS	System	3 Dec 20

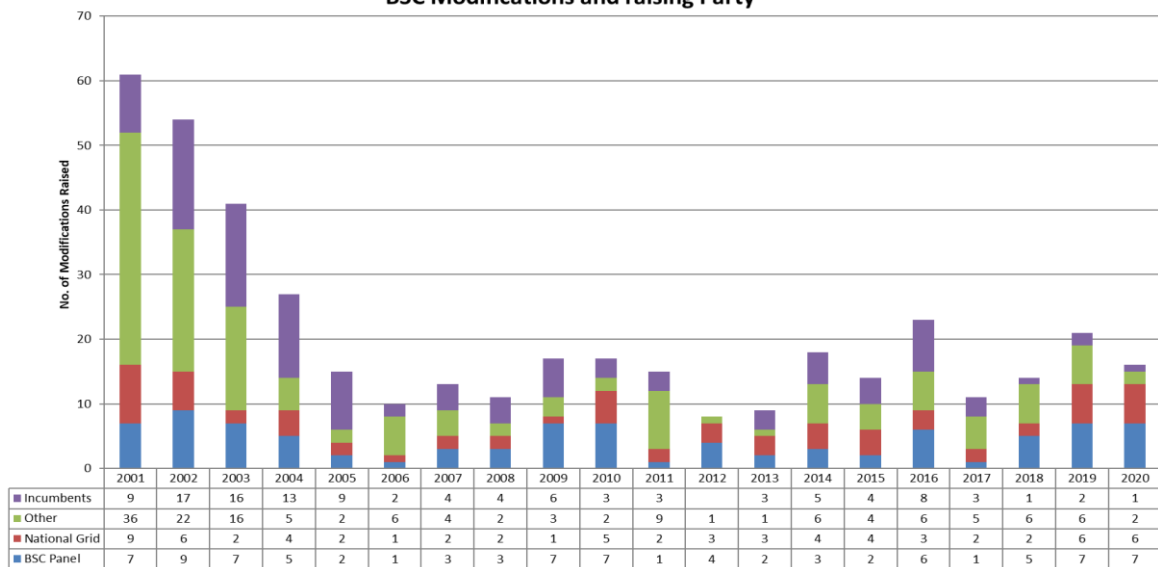
TBC Release Date			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Target Implementation Date
P332	Revisions to the Supplier Hub Principle	Document	Post 2020
P376	Utilising a baselining methodology as an alternative to Physical Notifications	System	post TERRE
P379	Enabling consumers to buy and sell electricity from/to multiple providers through Meter Splitting	System	November 2022

P375	Settlement of Secondary BM Units using metering at the asset	System	TBC APC proposing 24 February 2022 or 22 June 2022
P395	Excluding generators from BM Unit Gross Demand and the calculation of EMR Supplier Charges	System	TBC (targeted to coincide with P375)
P407	Project MARI	System	By July 2022
P402	TCR SCR - implementing Ofgem's policy decision	System	April 2022
P415	Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties	System	TBC following Workgroup assessment

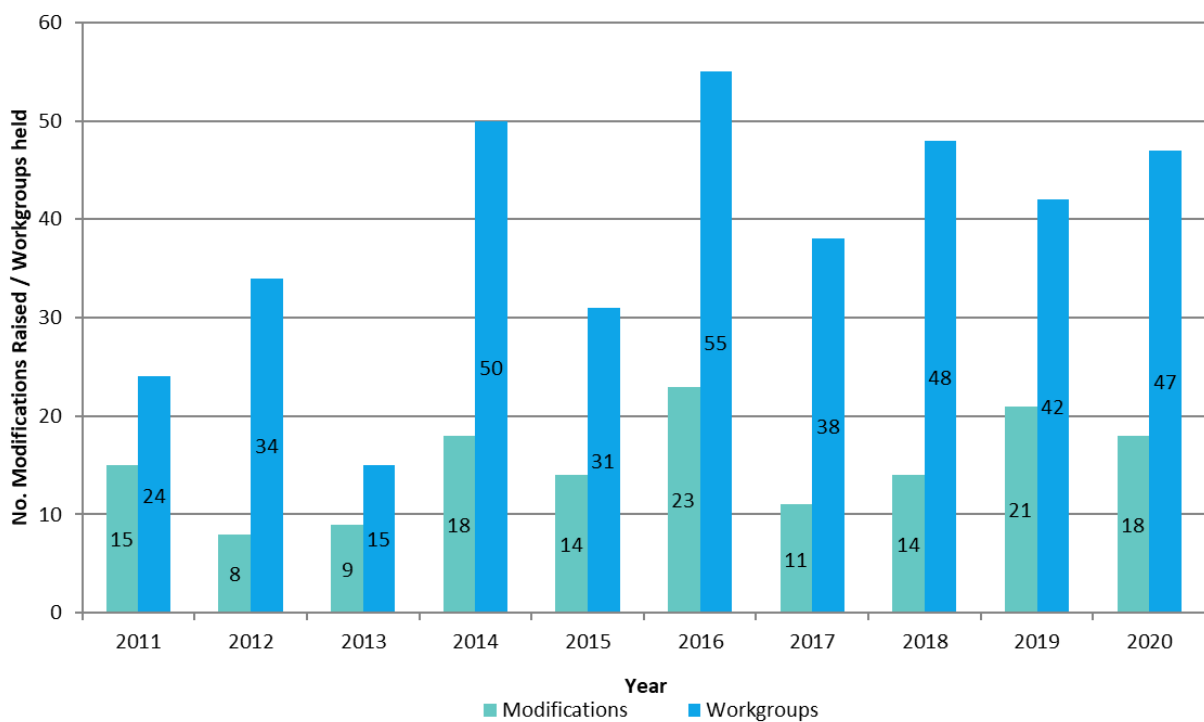
VIII. Modification Trend Chart

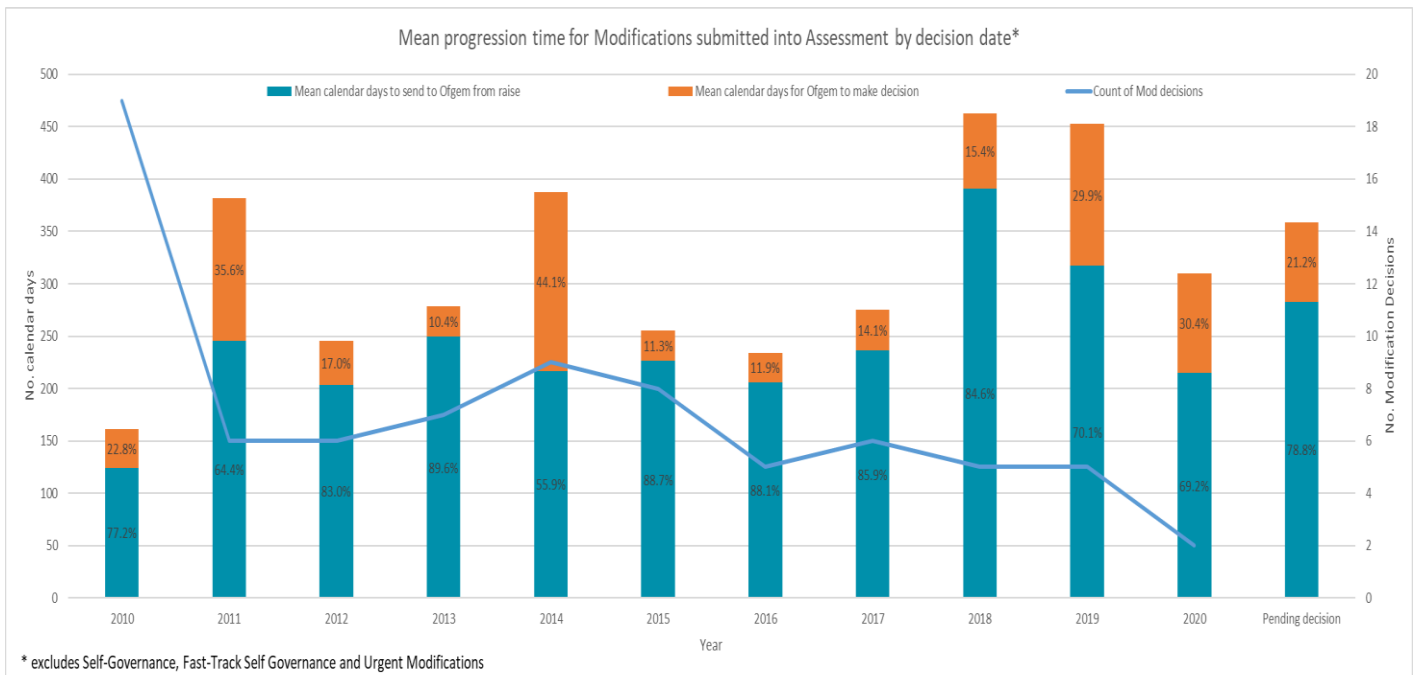


BSC Modifications and raising Party



BSC Modifications raised by year and Workgroups (excluding Issue groups) held





IX: Recommendations

We invite the Panel to:

- **NOTE** the contents of the November Change Report.

For more information, please contact:

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