

Quality Delivery

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

Innovation

Enhancing and evolving our services to support industry changes and development of

Customer Centric

Improving the customer experience and developing richer customer relationships.

Simplification & Consolidation

Reducing complexity and

Digital Platform

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

Please see Appendix A for an explanation of the different phases and reports.

BSC Change Report

Date of Panel meeting **8 July 2021**

Paper number **316/02**

Owner/author **Lawrence Jones**

Purpose of paper **For Decision**

Classification **Public**

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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 26 May up until 24 June 2021.

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: 11
- Change Proposal: 6
- Issues: 6

New changes since last month

Two new Change Proposals have been raised: CP1544 'Category A BSC Signatory or Company Director sign-off required for any EFR plan following escalation' and CP1545 'Introducing Technical Assurance of Metering (TAM) Central Volume Allocation (CVA) Specific Sample audits'

Workgroups

- Workgroups held since last month's report: None
- Workgroups coming up: P419 – 23 July; Issue 91 – 2 July, P415 – late July, P395 – early August, Issue 94 – 5 August

Consultations

- P332 (AC) – June/July 21, CP1544 – 7 June – 2 July, CP1545 – 7 June – 2 July.

Awaiting decision

- Authority: P376, P416
- In Self-Governance window: None

Decisions since last month

- Approved: None
- Rejected: None

Awaiting Implementation

- **Nov 21:** P399, CP1541
- **Feb 22:** P402, CP1532
- **Jun 22:** P375, CP1527

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

End of Change COVID-19 Prioritisation

The Panel agreed, at its meeting on 10 June 2021, to end the COVID-19 prioritisation approach on 30 June 2021.

The Panel has reviewed this approach at its June, August, October and December 2020 meetings. At its March 2021 meeting it agreed the approach should end in June 2021, subject to feedback, the evolving situation and returning to the June 2021 Panel meeting for agreement.

In coming to this most recent decision, the Panel took into consideration the Government's roadmap to easing lockdown and the significant headway made with vaccinations. The Panel noted that the final stage of the Government's roadmap may be delayed, but believed sufficient progress had been made.

Changes during COVID-19

Changes to the BSC (and its subsidiary documents) will continue to be progressed, but will be prioritised, until 30 June 2021, 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
P395: Final Consumption Levies				▼ Stagger
P410: European Imbalance Harmonisation'		X		▲ Continue
P412: Non-BM Balancing Services providers pay for non-delivery imbalances		X		▲ Continue
P415: Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties'		X*		▲ Continue
P419 – Enhanced Reporting of Demand Data to the NETSO to facilitate BSUoS Reform		X		▲ Continue
P420 - Retail Code Consolidation Significant Code Review		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:	<p>The BSC Panel approved a three month extension to the Assessment Procedure at its meeting on 13 May 2021.</p> <p>The Workgroup met on 25 May 2021 to discuss the change to the P332 solution due to the impact of metering activities moving to the Retail Energy Code (REC) on 1 September 2021. The Workgroup agreed that P332 can be sent for Assessment Consultation, subject to some amendments from Workgroup review.</p>		
Next Event:	<p>The Assessment Consultation will be issued for industry consultation on in July 2021, following amendments to the Assessment Consultation to draw out the evidence that has been collected.</p>		
Issue:	<p>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.</p>		
Current Solution:	<p>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.</p>		
History:	<p>For full details visit the P332 webpage.</p> <p>P332 was raised on 28 January 2016. The Initial Written Assessment was presented to the Panel on 11 February 2016 and entered into the Assessment Procedure.</p> <p>The first Workgroup meeting was held on 30 March 2016 and discussed P332 Proposed Modification and the Terms of Reference items. The Workgroup agreed to request information from industry to help in its assessment of P332 by issuing a Request for Information (RFI) paper.</p> <p>The second Workgroup meeting was held on 15 August 2016 to discuss the responses to the RFI. The Workgroup agreed Elexon and Proposer would start to draft the approach to the Proposed Modification and investigate the interaction with the Performance Assurance Framework (PAF) review.</p> <p>The BSC Panel approved an eight month extension to the P332 Assessment Procedure at its meeting on 8 September 2016.</p> <p>The third Workgroup meeting was held on 26 April 2017 and discussed 14 alternative solution options.</p> <p>The fourth Workgroup meeting was held on 31 May 2017 and focused on gathering Workgroup views for the interim report.</p> <p>The fifth Workgroup meeting was held on 16 August 2017 to review and consider responses to the data request.</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 BSC Panel approved a three month extension to the P332 Assessment Procedure at its meeting on 10 October 2019.

The sixth Workgroup meeting was held on 27 November 2019 to discuss the P332 issue and progress so far.

The seventh Workgroup meeting was held on 6 February 2020 to review case studies provided by Workgroup Members. The Proposer confirmed their preferred solution would be a side letter as part of the Qualification process.

The BSC Panel approved a three month extension to the Assessment Procedure at its meeting on 10 September 2020.

The eighth Workgroup meeting was held on 25 September 2020. The Workgroup reviewed the draft legal text and side letter.

The ninth Workgroup meeting was held on 22 October 2020. The Workgroup reviewed the draft legal text and side letter, incorporating amendments discussed at the previous Workgroup meeting, and gave their initial views against the Applicable BSC Objectives.

The tenth Workgroup meeting was held on 7 December 2020 and agreed to proceed to Assessment Consultation.

The BSC Panel approved a three month extension to the Assessment Procedure at its meeting on 10 December 2020.

The BSC Panel approved a two month extension to the Assessment Procedure at its meeting on 11 March 2021.

P376: Utilising a Baselining Methodology to set Physical Notifications for Settlement of Applicable Balancing Services			No Update
Date Raised:	11 December 2018	Proposer:	Enel Trade S.P.A.
Target Implementation Date:	February 2023	Current Status:	Awaiting Ofgem decision
Latest Update:	The Draft modification Report was presented to the Panel on 12 May 2021 where the Panel recommended approval of P376 to the Authority for implementation in February 2023.		
Next Event:	P376 is currently awaiting approval by the Authority.		
Issue:	Elexon 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>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 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>P376 proposes to allow the Virtual Lead Party of the Secondary BM Unit, or Supplier for an Additional BM Unit, to use a baselining methodology to determine the expected energy flows for an MSID Pair in the calculation of Non-Delivery Charges and Delivered Volumes. This will decouple the expected volume used in Settlement from the Physical Notification used by the NETSO for dispatch. This change will allow Balancing Service Providers to be fully recompensed for their actual change from normal usage and the impact this change has on the system, thus enabling greater participation.</p>
History:	<p>For full details visit the P376 webpage.</p> <p>Raised by Enel Trade S.P.A. on 11 December 2018.</p> <p>IWA – presented 13 December 2018 and submitted into Assessment Procedure.</p> <p>Workgroup 1 held 25 January 2019 with P375 - discussed possible effects on the Boundary Point and links with National Grid ESO would .</p> <p>Workgroup 2 held 18 March 2019 with P375 - designing solution and exploring assurance methods.</p> <p>Workgroup 3 held 3 June 2019 - considered baseline methodologies.</p> <p>Workgroup 4 held the 14 August 2019 - develop the Business Requirements.</p> <p>Request for Information to support analysis on 23 September 2019 with responses due 11 October 2019.</p> <p>Workgroup 5 held 10 December 2019 - review Request for Information and consider updated Business Requirements.</p> <p>Workgroup 6 held 14 September - consider the impacts and agree the solution that will be consulted on through the Assessment Procedure Consultation. Short mop up session held 2 October, but the Workgroup was unable to reach consensus to issue its consultation.</p> <p>Workgroup 7 meeting was held 6 November - finalise solution for consultation.</p> <p>Workgroup 8 meeting was held 30 November</p> <p>Assessment Procedure Consultation 12 January – 2 February</p> <p>Workgroup 9 meeting was held 15 February – consider consultation responses</p> <p>The Assessment Report was presented to the Panel on 11 March 2021. The Panel progressed P376 to the Report Phase, with an initial recommendation to approve.</p> <p>The Report Phase Consultation was issued on 25 March 2021 and ran till 25 April 2021.</p>

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:	Elxon are finalising the Business Requirements and preparing to draft Legal Text and Impact Assess P395.		
Next Event:	Elxon will seek the Workgroup's views on the costs, impacts and Legal Text, aiming to issue the Assessment Consultation in late August 2021.		
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-I042 '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 license 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:	<p>For full details visit P395 webpage.</p> <p>Raised by Centrica on 7 November 2019.</p> <p>IWA – presented 14 November 2019 and progressed to the Assessment Phase.</p> <p>There was a delay in holding the first P395 Workgroup meeting caused by the urgent request to progress P397</p> <p>Workgroup 1 – held 19 February 2020 and discussed Elxon'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.</p> <p>The Panel approved a six month extension to the Assessment Procedure to P395 on 9 April 2020 to allow for further solution development.</p> <p>Due to resource constraints and deprioritisation under the Panel's Covid-19 prioritisation approach, work on the Modification was paused until October 2020.</p> <p>The Panel approved an eight month extension to the Assessment Procedure for P395 on 10 September 2020. Elxon will return with the P395 Assessment Report at the June 2021 Panel meeting.</p> <p>Workgroup 2 – held 4 December 2020 and the Workgroup considered draft Business Requirements.</p>		

Workgroup 3 held 25 February 2021, where the group discussed some recommendations by the Low Carbon Contracts Company (LCCC) to expand the solution.

Workgroup 4 held 24 May 2021, where the Workgroup agreed remaining areas needed to impact assess, develop Legal Text and issue the Modification for consultation.

P410: Changing imbalance price calculations to comply with the Imbalance Settlement Harmonisation regulations			Update
Date Raised:	3 July 2020	Proposer:	NGESO
Target Implementation Date:	TBC	Current Status:	Assessment Procedure
Latest update	<p>The National Grid ESO led industry consultation on the EBGL Article 52 Imbalance Settlement Harmonisation Amendment proposals related to the progression of P410 concluded on 21 June 2021.</p> <p>NGESO (the Proposer of P410), intends to submit a revised harmonisation methodology for approval by Ofgem imminently, as required to comply with EBGL. This will allow the continued use of the Market Index Price and remove the defect being addressed by P410. Subject to Ofgem approval, NGESO will withdraw P410.</p> <p>Extension Request: Due to the unknown timescales for Ofgem's decision (there is no precedent or defined process for approving the methodology), we request a further four month extension to the P410 Assessment Procedure, meaning the Assessment Report will be delivered to the Panel no later than December 2021 (subject to P410 not being closed prior).</p>		
Next Event:	The Proposer expects P410 to be withdrawn in due course. Work on P410 is therefore effectively paused whilst NGESO revises its harmonisation methodology for Ofgem to consider.		
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:	<p>For full details visit P410 webpage.</p> <p>NGESO raised P410 on 3 July 2020.</p> <p>The Panel considered the IWA at its meeting on 9 July and agreed to progress P410 to the Assessment Procedure.</p> <p>Workgroup 1 held on 6 August - agreed principles for calculating a Value of Avoided Activation.</p> <p>Workgroup 2 held 9 October - considered updated proposals. The Workgroup expressed concerns that any VOAA that is complaint with the ISHP would be detrimental to BSC Objectives.</p> <p>Workgroup 3 held 17 December – unable to agree suitable solution and requested additional analysis</p>		

P412: Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a price that reflects the real-time value of energy			No Update
Date Raised:	3 September 2020	Proposer:	NGESO
Target Implementation Date:	TBC	Current Status:	Assessment Procedure
Latest Update:	The fourth Workgroup meeting was held on 7 April 2021. The Proposer requested the Workgroup Members provide some analysis on the impacts that the solution options may have, which is expected to take 1-2 months. The BSC Panel approved a six month extension to the Assessment Procedure at its meeting on 8 April 2021 for this analysis to take place.		
Next Event:	The Proposer and Workgroup will then need to consider next steps, which may include withdrawing the Modification, if a solution can be found outside the BSC, or exploring compliance options with BEIS and Ofgem, which could take at least 3-4 months.		
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:	<p>For full details visit the P412 webpage.</p> <p>P412 was raised on 3 September 2020. The Initial Written Assessment was presented to the BSC 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>		

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 Procedure
Latest Update:	Elexon are engaging with a service provider to deliver a 'Cost Benefit Analysis Options Paper' that will outline several approaches for the Workgroup and Panel's consideration.		
Next Event:	Elexon and the service provider will present the 'Cost Benefit Analysis Options Paper' at the next Workgroup meeting, provisionally scheduled for late July 2021. We		

	currently expect the Workgroups recommend option to be presented to the Panel in September 2021.
Issue:	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 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:	<p>For full details visit P415 webpage.</p> <p>Raised by Enel X UK Ltd on 30 September 2020.</p> <p>Presented on 8 October 2020, where the Panel agreed to progress P415 to the Assessment Phase.</p> <p>Workgroup 1 – held on 11 December and discussed the principles behind the Modification.</p> <p>Workgroup 2 – held on 9 February and discussed more complex worked examples.</p> <p>Workgroup 3 – held 25 March where the group considered how best to incorporate P376 functionality and considered network charging.</p> <p>Workgroup 4 - held on 27 May 2021 where the Workgroup discussed current network charging arrangements, VLP's role in the market and imbalance settlement.</p>

P416: Introducing a route of appeal for the Annual Budget in line with the proposals for the Retail Energy Code			Update
Date Raised:	5 November 2020	Proposer:	British Gas Ltd
Target Implementation Date:	5WD after Ofgem Approval	Current Status:	Awaiting Authority decision
Latest Update:	P416 was presented to the Panel at its meeting on 10 June 2021 where the Panel recommended rejection of the Modification.		
Next Event:	Awaiting Authority determination		
Issue:	If Parties' concerns over the Balancing and Settlement Code Company (BSCCo) Annual Budget are not being satisfactorily addressed by the BSCCo Board, the mechanism for further contesting them would be by raising a Resolution to the BSCCo Board. If that Resolution does not reach a satisfactory conclusion, the Party could raise further Resolutions to remove Board members. The Proposer contends that these are inefficient and disproportionate processes for Parties to address their concerns with the BSCCo budget.		
Current Solution:	P416 seeks to amend the BSC to include an appeals mechanism to Ofgem that could be used to challenge items in the Annual Budget in line with the appeals mechanism detailed in proposals for the Retail Energy Code (REC). The Proposed Solution contains the following key features:		

	<ul style="list-style-type: none"> Any BSC Party can raise an appeal against an Annual Budget line item within 10 WDs of the BSCCo Board issuing approval of the Annual Budget Provisions to allow the Authority to respond to appeals by referring individual items back to the Board for reconsideration, powers to change costings or remove individual items from the Annual Budget, and powers to dismiss appeals that are trivial or vexatious or has no reasonable prospect of success. Provisions to stop all of part of spend against appealed Annual Budget line items if specified conditions are met.
History:	<p>For full details visit the P416 webpage.</p> <p>P416 was raised by British Gas Ltd on 5 November 2020</p> <p>IWA - The BSC Panel considered the Proposed Modification at its meeting on 12 November 2020 and agreed to Progress the Modification to the Assessment Procedure Phase.</p> <p>Workgroup 1 - Held on 14 December 2020 where the Terms of Reference and background to the Modification were considered.</p> <p>Workgroup 2 - Held on 22 December 2020 where the focus was to discuss key terms of reference questions and to further develop the Modification. At this meeting the Workgroup identified additional solution options that would require an additional Workgroup meeting.</p> <p>Workgroup 3 - held on 15 March 2021. Workgroup Members further considered the Proposed Solution, considered whether the Proposed Solution better facilitates the Applicable BSC Objectives over the current baseline and agreed the Assessment Phase Consultation questions</p> <p>The Assessment Procedure Consultation was issued on 7 April 2021 and closed on 22 April 2021.</p> <p>A Workgroup Meeting was held on 27 April 2021 to discuss the consultation responses and finalise the Proposed Solution. The Workgroup recommend P416 is approved.</p> <p>The Assessment Report was presented to the Panel on 13 May 2021 and the Panel sent P416 to the Report Phase with an initial recommendation to reject.</p> <p>The Report Phase consultation for P416 ran between 19 May 2021 and 3 June 2021.</p>

P419: Enhanced Reporting of Demand Data to the NETSO to facilitate BSUoS Reform			No Update
Date Raised:	6 May 2021	Proposer:	NGESO
Target Implementation Date:	23 February 2023	Current Status:	Assessment Procedure
Latest Update:	P419 was raised by NGESO on 6 May 2021.		

	The IWA was presented to the Panel at its meeting on 13 May, where it was progressed to the Assessment Procedure.
Next Event:	The first Workgroup for P419 will be held Friday 23 July. We are preparing draft Business Requirements for review at the first Workgroup meeting.
Issue:	The Second BSUoS Taskforce concluded Final Demand should pay all BSUoS Charges subject to sufficient notice to industry. To take this recommendation forwards, Connection and Use of System (CUSC) Modification CMP308 'Removal of BSUoS Charges from Generation' is being utilised which seeks to amend the BSUoS Charging Base to include Final Demand only. This Modification will allow NETSO the capability to do so.
Current Solution:	This Modification seeks to ensure that BSC Systems are responsible for managing the declaration of eligible facilities and that National Grid ESO receives Supplier BMU Metered Data that excludes Imports to declared eligible facilities.
History:	

P420: Retail Code Consolidation Significant Code Review			Update
Date Raised:	10 May 2021	Proposer:	Ofgem
Target Implementation Date:	1 September 2021	Current Status:	Authority Led SCR Final Modification Report
Latest Update:	The Authority Led SCR Modification Report Consultation closed on 17 June 2021 with six responses received.		
Next Event:	The Final Authority Led SCR Modification Report will be presented to the BSC Panel at its meeting on 8 July 2021, following which P420 will be submitted to Ofgem for decision.		
Issue:	P420 makes the necessary changes to reflect the close down of the Master Registration Agreement (MRA) and the transition of Supplier Volume Allocation (SVA) Metering arrangements from the Balancing and Settlement Code (BSC) to the Retail Energy Code (REC), as part of the Retail Code Consolidation Significant Code Review (SCR). It also inserts the required drafting to give effect to the new Cross Code Steering Group (CCSG) and cross-code modification arrangements, as part of the SCR.		
Current Solution:	<p>P420 makes the necessary changes to reflect the code governance changes implemented through the Retail Code Consolidation SCR. Specifically, it will:</p> <ol style="list-style-type: none"> 1. Ensure the BSC reflects the close down of the MRA. 2. Transfer operational procedures relating to Metering Point Lifecycle from the MRA to the BSC. 3. Make the necessary changes to transfer SVA Metering arrangements to the REC, and facilitate a transition period for metering assurance. 4. Insert the required drafting to give effect to the CCSG, which will be established under the REC to better facilitate cross-code change 		
History:	<p>P420 was raised by Ofgem on 10 May 2021. The draft Authority Led SCR modification Report was presented to the Panel on 13 May 2021. The panel initially recommend P420 is approved.</p> <p>The Authority Led SCR Modification Report Consultation was issued on 17 May 2021 with responses invited by 17 June 2021.</p>		

III. Change Proposal Updates – up until Decision

CP1543: Use of DTC dataflow D0051 in the Half Hourly sector for Data Collectors to confirm the Data Retrieval method to Suppliers			Update
Date Raised:	6 April 2021	Proposer:	Centrica
Target Implementation Date:	4 November 2021	Current Status:	Consultation
Latest Update:	CP1543 was submitted for Industry consultation on 12 April 2021 with consultation responses invited by 10 May 2021. Half of consultation responses indicated respondents felt the solution could be improved by reordering the redlining to send a D0051 on receipt of a D0268 as opposed to D0155.		
Next Event:	Elexon are working on a new solution with the proposer and aim to present the CP Assessment Report to SVG on 3 August 2021		
Issue:	<p>There is currently no prescribed mechanism for HHDCs to inform a Supplier, via a dataflow, how they retrieve consumption data. This process currently relies on bilateral discussions between Half Hourly Data Collectors (HHDCs) and Suppliers rather than a consistent Industry-wide process.</p> <p>Without receipt of a D0051 (Affirmation of Half Hour Data Retrieval Method and Associated Details), Suppliers are reliant on informal methods of communication to understand if a Meter can be dialed remotely or not. Although not prescribed in BSCP502 (Half Hourly Data Collection for SVA Metering Systems Registered in SMRS) some HHDCs will send a D0051 as part of the appointment process currently, but it is not an existing requirement for all to do this. This can result in Suppliers having different processes if they appoint multiple HHDCs, increasing the manual effort required to manage their portfolio.</p>		
Current Solution:	CP1543 proposes to update BSCP502 to require HHDCs to send a D0051 in response to a D0155 (Notification of Meter Operator or Data Collector Appointment and Terms).		
History:	<p>For full details visit the CP1543 webpage.</p> <p>CP1543 was raised by Centrica on 6 April 2021.</p> <p>The CP Progression Paper was presented to SVG on 6 April 2021 with the committee unanimously agreeing to progress to the Consultation phase.</p>		

CP1544: Category A BSC Signatory or Company Director sign-off required for any EFR plan following escalation			Update
Date Raised:	2 June 2021	Proposer:	Elexon
Target Implementation Date:	4 November 2021	Current Status:	Consultation
Latest Update:	CP1544 was submitted for Industry consultation on 7 June 2021 with consultation responses invited by 2 July 2021.		
Next Event:	The consultation will end on 2 July and Elexon will present the Assessment Report for decision to the PAB on 29 July 2021 and the ISG and SVG on 3 August.		
Issue:	Error and Failure Resolution is not applied in the case of immaterial non-compliances. Therefore any error or failure which has justified the application of EFR is by its nature		

	<p>introducing material error into Settlement. Further, the majority of such issues present risk or on-going impact to other market participants and consumers.</p> <p>One of the issues identified by the PAF review was that EFR plans are often not resolved in a timely manner, the PAF review project noted that the majority of EFR plans take over a year to be resolved. Industry and committee feedback supported a view that this was at least in part due to operational teams not being able to secure the resource necessary to resolve non-compliances and implement enduring controls and mitigations.</p>
Current Solution:	<p>Following escalation to the PAB, sign off by a Category A Signatory or Company Director within the escalated PAP should be required prior to the updated EFR plan being approved.</p> <p>This solution would require clear consequences for non-compliance. Therefore a requirement to comply would need to be enshrined within the. This change should increase focus on issues in EFR at a corporate level. This should result in more resource within PAPs being devoted to EFR issues which would therefore be resolved more quickly.</p>
History:	<p>For full details visit the CP1544 webpage.</p> <p>CP1544 was raised by Elexon on 6 April 2021.</p> <p>The CP Progression Paper was presented to PAB on 27 May 2021 and ISG and SVG on 1 June 2021 with the committees unanimously agreeing to progress to the Consultation phase.</p>

CP1545: Introducing Technical Assurance of Metering (TAM) Central Volume Allocation (CVA) Specific Sample audits			Update
Date Raised:	2 June 2021	Proposer:	Elexon
Target Implementation Date:	4 November 2021	Current Status:	Consultation
Latest Update:	CP1545 was submitted for Industry consultation on 7 June 2021 with consultation responses invited by 2 July 2021.		
Next Event:	The consultation will end on 2 July and Elexon will present the Assessment Report for decision to the ISG and SVG on 3 August.		
Issue:	The PAB have the option to request a Specific Sample through the TAM, which focuses on an area of perceived risk to Settlement. However, Elexon is currently only able to undertake a Specific Sample on Supplier Volume Allocation (SVA) Metering Systems, which limits our ability to assure the integrity of Settlement and provide targeted Assurance on Central Volume Allocation (CVA) Metering Systems.		
Current Solution:	Removal of the 'SVA only' clause from BSCP27 - Technical Assurance of Half Hourly Metering Systems for Settlement Purposes. In place, wording will be amended to 'CVA and SVA' to make clear that Specific Samples under the TAM technique can be a mix of both CVA and SVA sites.		
History:	<p>For full details visit the CP1545 webpage.</p> <p>CP1545 was raised by Elexon on 2 June 2021.</p> <p>The CP Progression Paper was presented to ISG and SVG on 1 June 2021 with the committees unanimously agreeing to progress to the Consultation phase.</p>		

IV. Issue Updates

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:	Elxon tabled the Issue 87 report at the June 2021 Panel meeting – the Panel made no additional comments.		
Next Event:	Issue 87 is now closed and the recommendation to raise a change will be fed into change planning, subject to outcomes from the CoP review.		
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.		

Issue 91: Registration and Settlement of Smart Export Guarantee (SEG) sites			Update
Date Raised:	5 November 2020	Proposer:	EDF
Latest Update:	A meeting was held on 5 March 2021 with volunteers from the Issue Group to further develop the proposed redlining to BSCP514 'SVA Meter Operations for Metering Systems Registered in SMRS' to present to the Issue Group at its next meeting. The scheduling of the third meeting was delayed due to competing priorities and resource constraints due to work on MHHS and REC.		
Next Event:	The third Issue Group meeting is due to be held on 2 July 2021, to review relevant processes in BSCP504 'Non Half Hourly Data Collection for SVA Metering Systems Registered in SMRS'.		
Issue:	<p>The Smart Export Guarantee (SEG) is an obligation set by the government for licensed electricity Suppliers to offer a tariff and make payment to small-scale low-carbon generators for exported electricity. The SEG came into force on 1 January 2020 and has introduced the need to register and settle export MPANs (Meter Point Administration Number), in accordance with the Balancing and Settlement Code (BSC) arrangements, for generators with capacity up to 5MW. For these smaller scale exports sites there is no established market and therefore the arrangements for Non Half Hourly (NHH) sites introduced by BSC Modification P081 'Removal of the Requirement for Half Hourly Metering on Third Party Generators at Domestic Premises' have not been fully tested.</p> <p>These arrangements are described in BSC Procedure (BSCP) 504 'Non Half Hourly Data Collection for SVA Metering Systems Registered in SMRS' and BSCP514 'SVA Meter Operations for Metering Systems Registered in SMRS'. There are a number of scenarios arising which question whether these existing processes established for the import market are fit for purpose for the export market and for the use of shared smart Meters.</p>		

Issue 92: Reserve Scarcity Pricing Review			Update
Date Raised:	11 December 2020	Proposer:	NGESO
Latest Update:	The third Issue 92 Workgroup meeting was held on 2 June 2021. The Workgroup discussed the RFI responses and how they affected the options for recommendations.		
Next Event:	The Issue Group is to be kept open and reconvened when above information is received to help shape recommendations, including NGESO confirming the opportunity cost and cost benefit analysis of implementing a change to RSP – how long would a change take, what the monetary cost would be and where this sits with NGESO's other priorities.		
Issue:	Reserve Scarcity Pricing was introduced in 2015 via P305 'Electricity Balancing Significant Code Review Developments'. Since then, the way the British electricity system is balanced has changed significantly. Over the past 5 years the volume of renewables on the system has increased dramatically as has new and planned interconnection with Europe. We think that due to the changing system conditions the Reserve Scarcity Price (RSP) mechanism requires review. This should consider the issues RSP intended to solve, how they have evolved and if/what scarcity mechanism is required to incentivize market participants to support the system in tight margin situations.		

Issue 93: Review of the BSC metering Codes of Practice			Update
Date Raised:	15 January 2021	Proposer:	Association of Meter Operators
Latest Update:	Issue 93 was reconvened on June 14 2021, following a short pause to allow REC Consolidation SCR work to conclude. The WG reviewed initial redlining drafted by Elexon and prioritized the next set of aspects to be looked at.		
Next Event:	The next Issue group will be held in late July/early August.		
Issue:	<p>Issue 93 will review the BSC metering Codes of Practice (CoPs), which have not been reviewed in totality before. Meter Operators from the Association of Meter Operators (AMO) believe they would benefit from improvement and/or clarification on a number of aspects to be identified and confirmed by this Issue.</p> <p>To optimise the activity of the Issue Group, a series of known aspects impacting the metering CoPs are combined in this single Issue (e.g. the use of Half-Hourly and Non-Half hourly as the market arrangements transition to Market-wide Half Hourly Settlement). A full list of these identified issues and considerations can be found on the proposal form, though this is not exhaustive as some issues may be consolidated, or new issues added, as part of the Issue Group process.</p>		

Issue 94: Assessing barriers to entry to the Balancing Mechanism for sub 1MW providers and decimal bids			Update
Date Raised:	6 April 2021	Proposer:	National Grid ESO
Latest Update:	The first Issue Group meeting was held on 26 May 2021. The Workgroup discussed existing barriers to entry to the Balancing Mechanism for sub 1MW providers.		
Next Event:	The second Issue Group meeting is due to be held on 5 August 2021, to further consider the existing barriers to entry. This was the earliest possible date for the meeting to allow time for NGESO to address the actions from the first meeting and given diary availability for Workgroup Members, including additional representatives from NGESO invited to the second meeting at the request of the Workgroup.		
Issue:	National Grid Electricity System Operator (NGESO) conducted an impact assessment to understand the barriers to entry to joining the Balancing Mechanism (BM) for sub 1MW participants and users with decimal bids across a range of internal areas including Industry Codes, control room, IT and Settlement. The assessment concluded that further participation by small scale flexibility providers will help to enable zero carbon system operation. Further, the 1MW threshold and GSP level constraint has been noted by Market Participants as a blocker to participation.		

Issue 95: Assessing the continued use of TIBCO service as a source of data for market participants			Update
Date Raised:	17 June 2021	Proposer:	Elexon
Latest Update:	Issue 95 was raised by Elexon on 17 June 2021.		
Next Event:	We are inviting members to join the group. The first Issue 95 meeting is likely to be during week commencing (W/C) 2 August 2021		
Issue:	This Issue Group seeks to establish the future of the TIBCO messaging service with the migration of BMRS as part of Elexon's transformation programme. Elexon is building a new Solution for BMRS and need to understand views from BSC Parties to improve value with regards to data publications. Elexon believe it is now important to re-examine the requirements of BSC Parties and BMRS users in relation to the longevity and current implementation of the BSC obligations with respect to TIBCO.		

V. Progression of Modifications – up until implementation

Key	<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 Raised	Urgent		May	Jun	Jul	Aug	Sep	Oct	Nov
P332	Revisions to the Supplier Hub Principle	Smartest Energy	28 Jan 2016	No				APC		AR RC	RC	DMR FMR
P375	Settlement of Secondary BM Units using metering behind the site Boundary Point	Flexitricity	10 Dec 2018	No								
P376	Utilising a Baseline Methodology to set Physical Notifications for Settlement of Applicable Balancing Services	Enel Trade S.P.A.	11 Dec 2018	No		DMR	WA	AI				

Mod	Title	Proposer	Date Raised	Urgent		May	Jun	Jul	Aug	Sep	Oct	Nov
P390	Allowing extensions to Elexon's business and activities, subject to additional conditions	E.ON	12 Aug 2019	No								
P395	Excluding generators from calculation of EMR Supplier Charges	Centrica	7 Nov 2019	No								
P398	Improving access to Open Data	BSC Panel	12 Dec 2019	No			I					
P399	Making the identity of Balancing Service providers visible in the Balancing Services Adjustment Data	Sutton Bridge Power Station	24 Dec 2019	No								I
P402	Enabling reform of residual network charging as directed by the Targeted Charging Review	National Grid ESO	5 Mar 2020.	No		WA						

Mod	Title	Proposer	Date Raised	Urgent		May	Jun	Jul	Aug	Sep	Oct	Nov
P410	Changing imbalance price calculations to comply with the Imbalance Settlement	National Grid ESO	3 July 2020	No						AR	RPC	
P412	Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a	National Grid ESO	3 September 2020	No								
P415	Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties	Enel X	30 September 2020	No								
P416	Introducing a route of appeal for the Annual Budget in line with the proposals for the Retail	British Gas	5 November 2020	No		RPC	DMR	WA	I			
P419	Enhanced Reporting of demand data to NETSO to facilitate BSUoS Reform	NGESO	6 May 2021	No			IWA				AR	RPC
P420	Retail Code Consolidation Significant Code Review	Ofgem	10 May 2021	No			DMR	RPC	FMR	AI	I	

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 Raised		May	Jun	Jul	Aug	Sep	Oct	Nov
CP1527	Increase the minimum data storage capacity for Settlement Outstations and mandate specific selectable integration periods for Metering Codes of Practice	Elexon	27 January 2020								
CP1530	Introduction of a formalised process for the validation of measurement transformer ratios by Elexon	Elexon	30 June 2020			I					
CP1532	Reduce Half Hourly Change of Supplier timelines to meet the Initial Settlement Run	Elexon	8 July 2020								

CP	Title	Proposer	Date Raised		May	Jun	Jul	Aug	Sep	Oct	Nov
CP1539	Inclusion of LCCC as an Affected party for Metering Dispensations	LCCC	16 November 2020		AI	I					
CP1540	Strengthening the Qualification – Change of Ownership process	Elexon	13 February		AR	I					
CP1541	Use of DTC data flow D0004 in Half Hourly Sector to inform Suppliers that a manual download	Centrica	22 February 2021		CPC	AR	AI				I
CP1542	Transfer the obligation to visit de-energised sites annually from Data Collector to Supplier	Elexon	23 February 2021		CPC	AR					
CP1543	Use of DTC dataflow D0051 in the Half Hourly sector for Data Collectors to confirm the Data	Centrica	6 April 2021		PP	CPC	AR	AR	AI		I
CP1544	Category A BSC Signatory or Company Director sign-off required for any EFR plan				PP	CPC	CPC	AR	AI		I
CP1545	Introducing Technical Assurance of Metering (TAM) Central Volume Allocation (CVA) Specific				PP	CPC	CPC	AR	AI		I

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 2021 Release			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change
P399	Making the identity of Balancing Service providers visible in the Balancing Services Adjustment Data	System	7. Implementation Phase
CP1541	Use of DTC data flow D0004 in Half Hourly Sector to inform Suppliers that a manual download to obtain data was not successful	Doc Only	7. Implementation Phase

February 2022 Release			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change
P402	TCR SCR - implementing Ofgem's policy decision	Doc Only	7. Implementation Phase
CP1532	Review Appointment of Agent Timelines	Doc Only	7. Implementation Phase

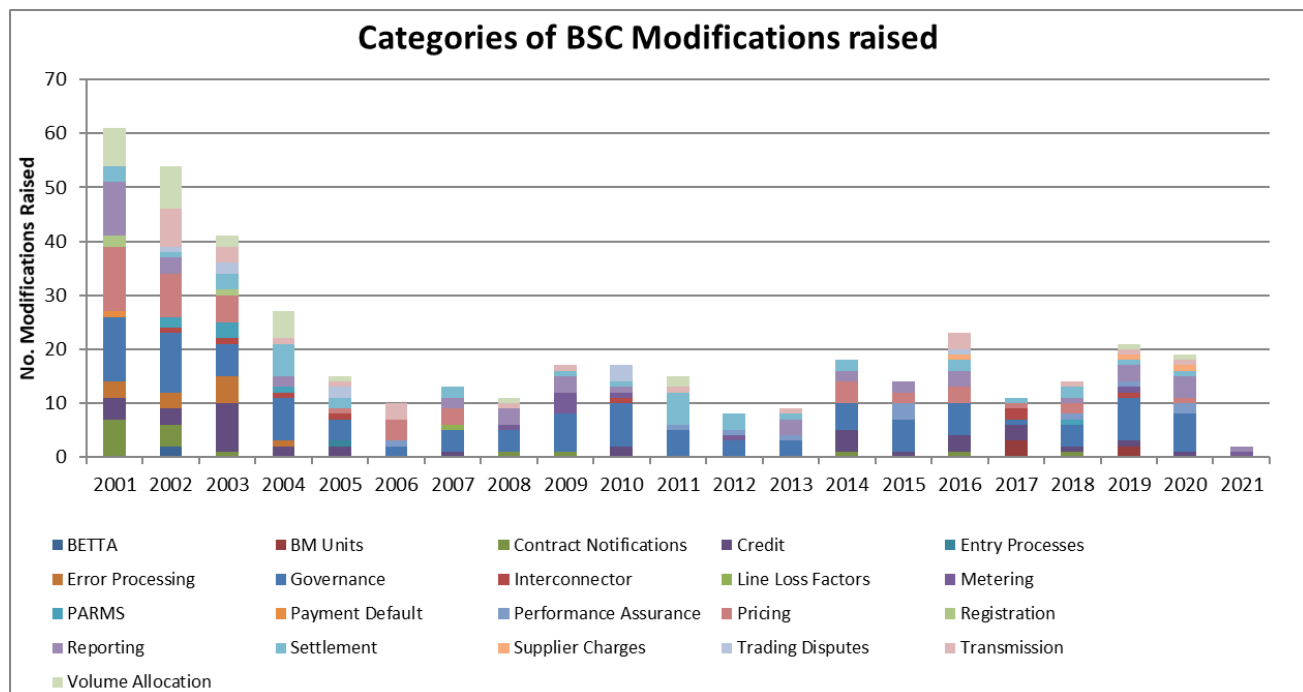
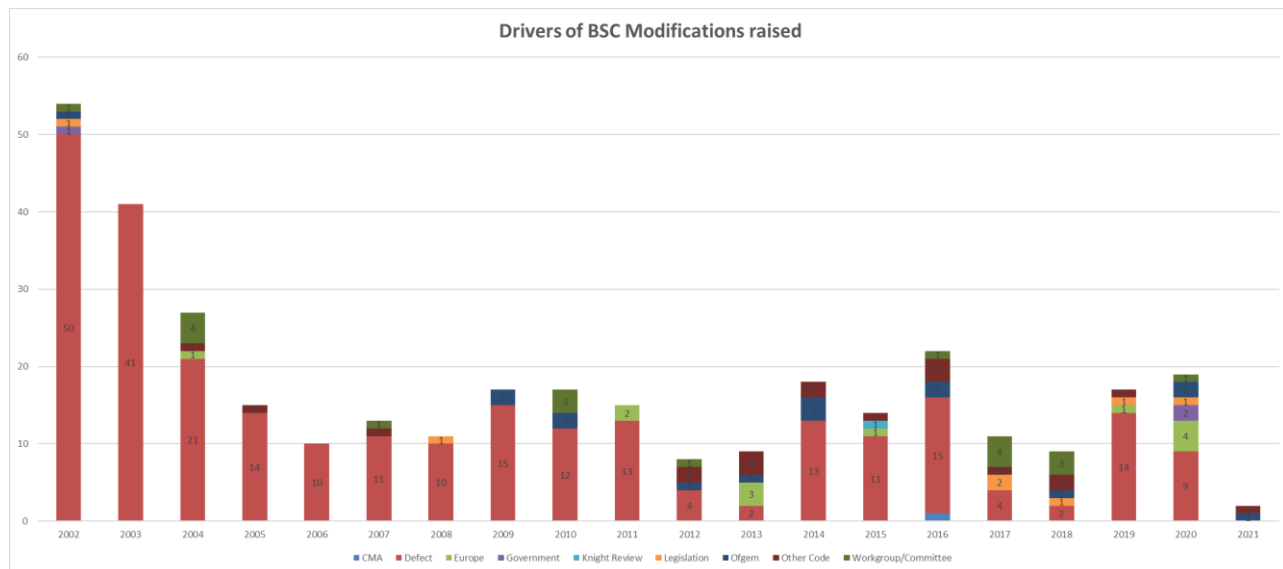
June 2022 Release			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change
P375	Settlement of Secondary BM Units using metering at the asset	System	7. Implementation Phase
CP1527	Increase the minimum data storage capacity for Settlement Outstations and Mandate specific selectable DPs for CoPs 3, 5, and 10	Doc Only	7. Implementation Phase

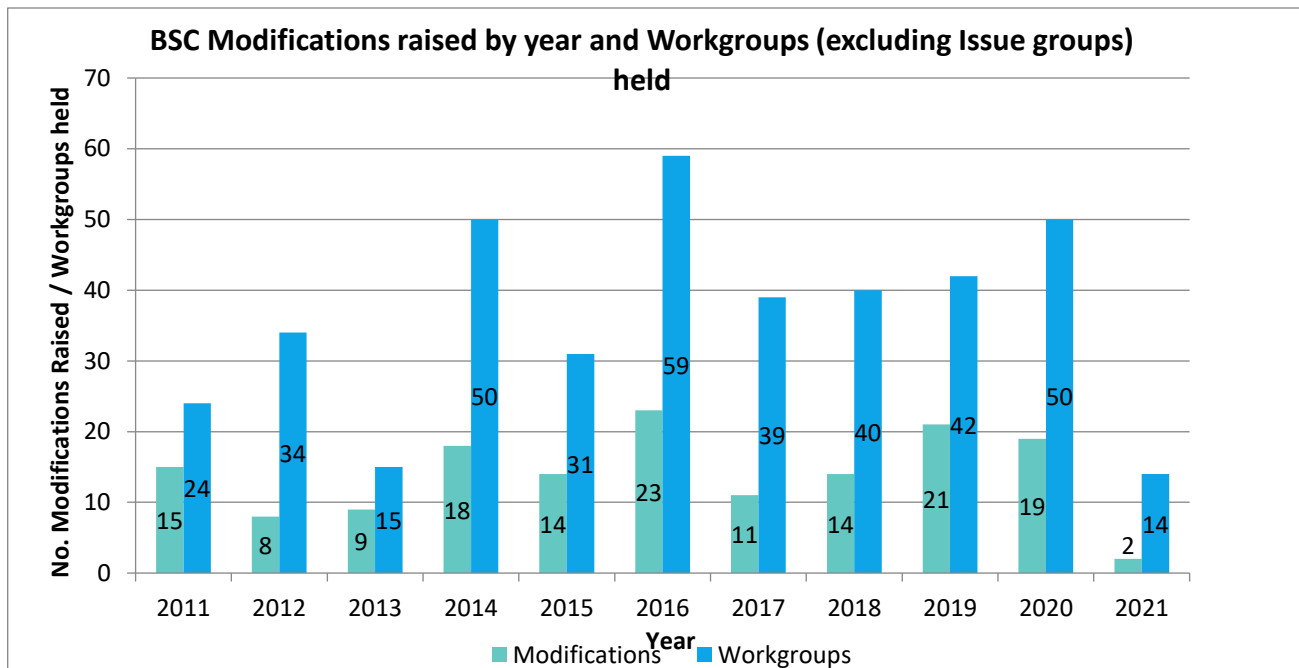
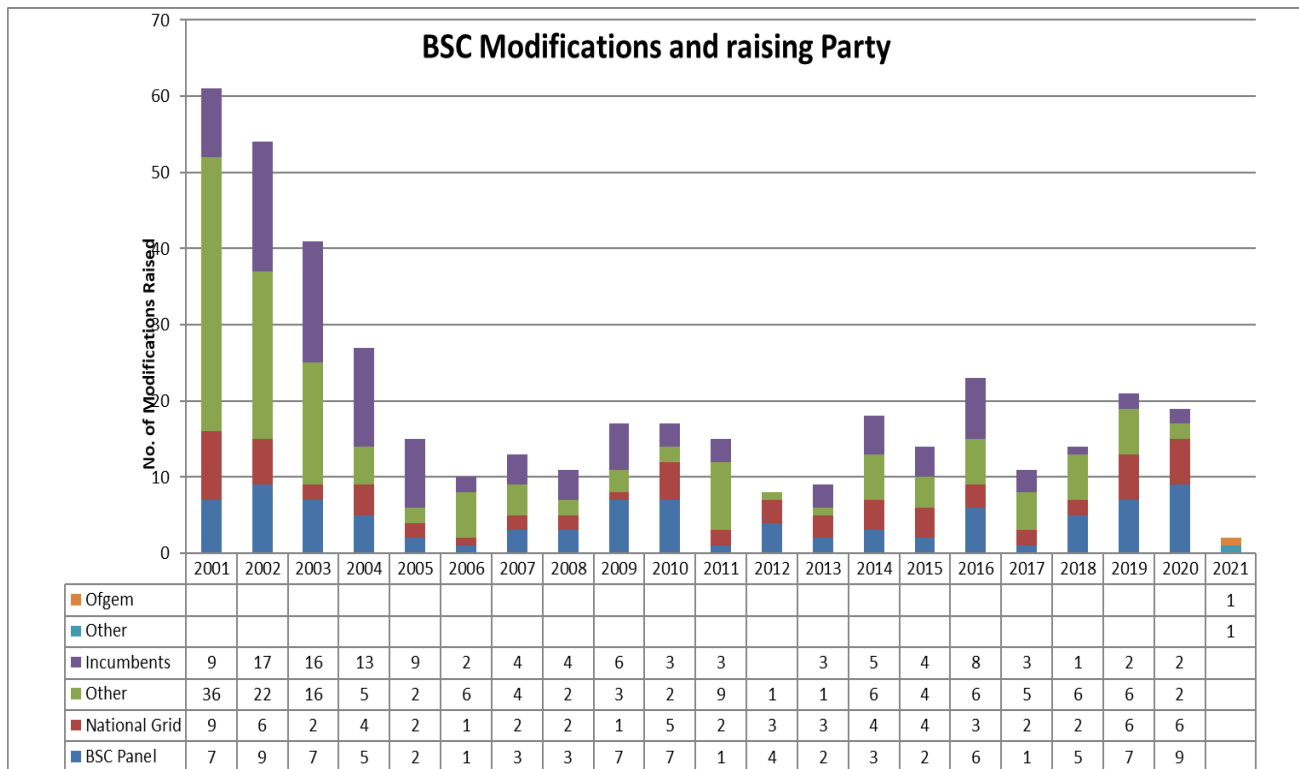
February 2023 Release			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change
P376	Utilising a baselining methodology as an alternative to Physical Notifications	System	6. Authority Decision / SG Appeal Window

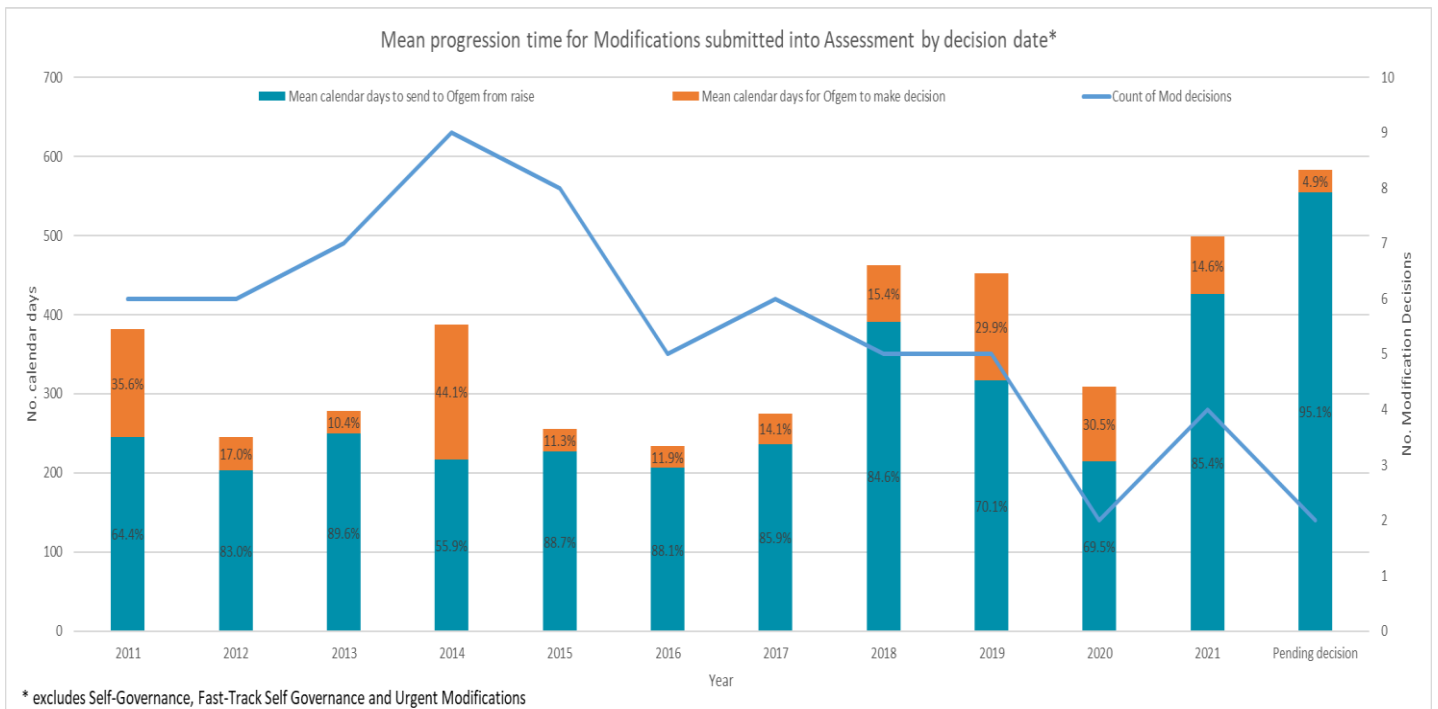
Ad Hoc Releases				
Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change	Implementation Date
P416	To introduce a route of appeal for the BSC Annual Budget	Doc Only	5. Report / Panel Decision Phase	5 WDs after Authority decision
P420	Retail Code Consolidation SCR Mod	Doc Only	5. Report / Panel Decision Phase	01 Sep 21

TBC Release Date				
Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change	Target Implementation Date
P332	Revisions to the Supplier Hub Principle	Doc Only	4. Assessment / Consultation Phase	5 WDs after Authority decision
P395	Final Consumption Levies (FCLs)	System	4. Assessment / Consultation Phase	Nov 23
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	Jun 22
P415	Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties	System	4. Assessment / Consultation Phase	Nov 22
P419	Enhanced Reporting of demand data to NETSO to facilitate BSUoS Reform	System	4. Assessment / Consultation Phase	Mar 23
CP1543	Use of DTC data flow D0051 in the Half Hourly Sector to inform Suppliers that the Data Collector affirms the Data Retrieval methodology	Doc Only	5. Report / Panel Decision Phase	Nov 21
CP1544	Category A BSC Signatory or Company Director sign-off required for any EFR plan following escalation	Doc Only	4. Assessment / Consultation Phase	Nov 21
CP1545	Introducing Technical Assurance of Metering (TAM) Central Volume Allocation (CVA) Specific Sample audits	System	4. Assessment / Consultation Phase	Nov 21

VIII. Modification Trend Chart







IX: Recommendations

We invite the Panel to:

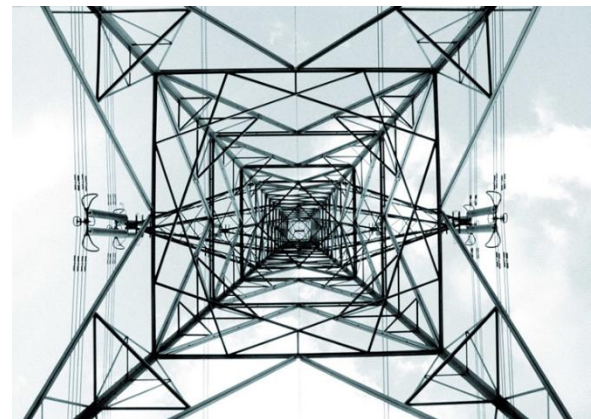
- **AGREE** a four month extension to the P410 Assessment Procedure; and
- **NOTE** the contents of the July 2021 Change Report.

For more information, please contact:

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Appendix A

Key

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.