ELEXON

Proposed Performance Assurance Framework (PAF) Changes for Market-wide Half Hourly Settlement (MHHS): Supplier Charges and Performance Standards

Performance Assurance Board (PAB)

Date of meeting	**25 January 2024**	Paper number	**PAB276/03**
Owner/author	**Derek Weaving**	Purpose of paper	**Decision**
Classification	**Public**	Document version	**1.0**

Summary **This paper outlines the proposed code changes to incorporate the revised MHHS Supplier Charges and Performance Standards**

1. Introduction

1.1 At the December 2023 PAB Meeting, Elexon presented the proposed changes to Section S and Section S-1 of the BSC and a proposed new BSCP to update the current Supplier Charges and Performance Standards processes to align with the MHHS Target Operating Model (TOM) (PAB275/07).

1.2 The paper, original proposed changes and the PAB Headline Report can be found on the PAB275 webpage.

1.3 At the meeting, the PAB provided a number of comments on the proposed changes.

1.4 Elexon subsequently presented updated versions to the Extraordinary PAB Meeting on 11 January 2024 (PAB75A/02), to which the PAB again provided further comments and requests for changes. These papers can be found on the PAB275A webpage.

1.5 Elexon has further updated the documents following these comments.

1.6 To align with these latest updates, Elexon has also revised the previously endorsed new BSCP Appendix A for the Performance Assurance Monitoring (PAM).

1.7 This paper seeks endorsement from the PAB for the (revised) attached code changes, where Endorsement is defined as follows:

a) Endorsement is an action which shows the PAB's support for the PAF related MHHS code changes, reflecting the design principles discussed within the Performance Assurance Working Group.

b) Endorsement for MHHS related code changes is a feedback exercise to allow the PAB to provide commentary around PAF changes prior to the MHHSP consultation stage.

c) Endorsement is **not** an approval of the code drafting.

d) Endorsement does **not** prohibit further comments being made by PAB Members during the MHHSP consultation stage, either as PAB representatives, industry representatives, or representatives of their respective companies.

2. Recommendations

2.1 We invite the PAB to:

a) **ENDORSE** the amendments made to Section S;

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b) **ENDORSE** the amendments made to Section S-1 in respect of Supplier Charges and Performance Standards; and

c) **ENDORSE** the creation of a new BSCP for MHHS Supplier Charges.

Attachments

Attachment A – Section S: Supplier Volume Allocation redlined

Attachment B – Section S-1: Performance Levels and Supplier Charges redlined

Attachment C – BSCPXXX MHHS Supplier Charges

Attachment D – Supplier Charges Principles PAWG

Attachment E – Supplier Performance Standards PAWG

Attachment F – BSCPXXX Appendix A Performance Assurance Monitoring (PAM)

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