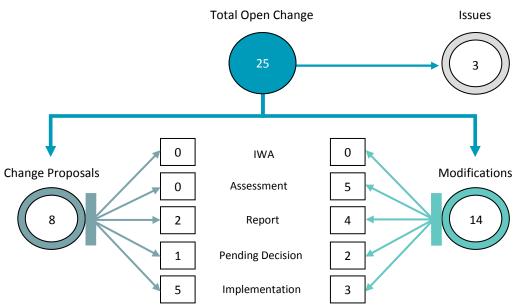
280/03 - BSC Change Report (July 2018)

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ELEXON

Change News

Summary of Open Change



New Changes

Issue 70 was raised by Flexitricity on 15 June 2018. It aims to look into Settlement of Secondary Balancing Mechanism (BM) Units using metering at the asset.

Issue 71 was raised by ELEXON on 15 June 2018. It seeks to investigate the possible introduction of a baselining methodology as an alternative to Physical Notifications (PNs).

Approval, Rejections & Withdrawal

<u>P354</u> Proposed Modification was approved by the Authority on 18 June 2018, for implementation on 1 April 2020 as a standalone BSC Release.

<u>P356</u> was approved by the Authority on 14 June 2018, for implementation on 1 November 2018 as part of the November 2018 BSC Release

<u>P367</u> was approved by the Panel at its meeting on 14 June 2018.

This report provides key information on BSC Changes covering the period between the **June 2018** and the **July 2018** Panel meetings. Further information on BSC Changes can be found in the <u>Change Register</u> or on the <u>Change pages</u> of our website.

This report contains updates on:

- P332, P344, P354,
 P355, P356, P359,
 P361, P362, P363,
 P364, P366 and P367.
 P368
- CP1505, CP1506 and CP1507.
- Issue 69. Issue 70 and Issue 71

Decisions required by the Panel:

•P361, P362, P368 and CP1506

<u>P332</u>: Revisions to the Supplier Hub Principle

Date Raised:		28 January 2016	Proposer:	Smartest Energy
Target Implementation Date:		Post 2020	Current Status:	Assessment Procedure
Latest Update:	(SCR) on ma	ntly `on-hold', subject to <u>rket-wide Half Hourly Sent</u> Int functions review.		
	The Panel approved a seven-month extension to the Assessment Procedure at meeting on 10 May 2018. The rationale for the extension was to allow enough time for the outcome of Ofgem's policy work to be known and for the Target Operating Models (TOMs), which are being developed as part of the SCR, to be further developed.			as to allow enough nd for the Target
Next Event:	Ofgem's polic provided. The	<u>)18:</u> Panel to review the cy decision for its Supplie e P332 proposer will also ddressed his defect.	er Agent function review	w and the SCR will be

History:

P332 was raised to address issues associated with Customer's contracting directly with Supplier Agents. To address this issue, P332 proposes to amend the roles and responsibilities of Supplier Agents. This includes requiring Supplier Agents to become signatories to the Balancing and Settlement Code (BSC).

The Panel, at its meeting on 14 September, directed (in accordance with F2.6.10) the P332 Workgroup to pause work on the P332 solution. The Panel believed the Significant Code Review (SCR) on Half Hourly Settlement (HHS) could change the baseline against which P332 was being developed and assessed. The Panel agreed the May 2018 Panel meeting would be an appropriate review point for P332.

P344: Project TERRE implementation into GB market arrangements

Date Raised:		1 June 2016	Proposer:	National Grid
Target Imple Date:	mentation	22 February 2019 (Feb 19 BSC Release)	Current Status:	With Authority
Latest Update:	The BSC Panel recommended to the A Modification (mandatory sharing of HH Supplier) be approved and the Propos for sharing of HH delivered volumes w		H delivered volumes w sed Modification (custo	ith the customer's mer consent required
	The Final Mo	dification Report was iss	ued to Ofgem on 19 Ju	ne 2018.

Next Event: An Authority decision on P344 is expected by 31 July 2018.

History:

P344 proposes to align the BSC with the European Balancing Project Trans European Replacement Reserves Exchange (TERRE) requirements. This will facilitate the implementation of the TERRE product at a national level and will enable compliance with the first tranche of obligations in the European Electricity Balancing Guidelines (EB GL), stemming from the European Network Codes (ENCs). Consequently, National Grid will be able to offer the market a new Replacement Reserve (RR) balancing product.

The P344 Workgroup convened for its final meeting on 22 March 2018 in order to finalise the solution. The P344 Workgroup voted to recommend that the Alternative solution (without customer consent) be approved as they believe it better facilitates the Applicable BSC Objective compared to the Proposed solution (with customer consent). The Workgroup requested that National Grid provide its justification for the anticipated £25-28 million development costs (attributable to both P344 and Grid Code equivalent Modification GC0097 'Grid Code Processes Supporting TERRE'). The Workgroup deemed that the respective Code Panels should be presented with this justification in order to make fully informed initial recommendations on the Modifications. The BSC Panel approved a one-month extension to the Assessment Report, in order that National Grid had the opportunity to provide this justification as part of the P344 Assessment Report, which was presented at the May 2018 Panel meeting.

In consideration of the cost justification and Workgroup Report, at its meeting on 26 April 2018, the Grid Code Panel agreed to progress GC0097 to the Code Admin Consultation phase, equivalent to the BSC's Report Phase Consultation.

The BSC Panel initially recommended approval of the P344 Proposed Modification (customer consent required for sharing of HH delivered volumes with the customers' Supplier) and rejection of the Alternative Modification (mandatory sharing of such data). The BSC Panel progressed P344 to the Report Phase at its meeting on 10 May 2018. The P344 Report Phase Consultation closed at 5pm Friday 1 June 2018 and the Draft Modification Report was presented to the Panel at its meeting on 14 June 2018.

P354: Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level

Date Raised:		11 January 2017	Proposer:	ENGIE
Target Imple Date:	mentation	1 April 2019 (Standalone BSC Release)	Current Status:	Pending Implementation
Latest Update:		posed Modification (cus on 18 June 2018.	tomer consent required	l) was approved by

Next Event: P354 is schedled for implementation on 1 April 2020 as a standalone BSC Release.

History:

P354 seeks to allow the Transmission Company to provide Applicable Balancing Services Volume Data (ABSVD) for non-BM Balancing Services to BSC Central Systems for allocation to the appropriate Supplier BM Units to correct Suppliers' Energy Imbalance positions.

The IWA was presented to the BSC Panel at its meeting on 9 February 2017. Due to the concerns

the Workgroup members raised over the feasibility of the proposed solution, ELEXON asked the Panel to approve an additional three month extension to the Assessment Procedure, which was granted on 13 July 2017.

At the fourth Workgroup meeting on 20 July 2017 the Workgroup agreed by majority that the P354 Assessment Procedure Consultation should be issued at the same time as the C16 informal consultation in October 2017. The C16 informal consultation aimed to capture the views of the Industry before issuing the formal C16 consultation.

Subsequently, at its meeting on 13 August 2017, the Panel approved a three month extension to the Assessment Procedure with the Assessment Report due in February 2018. The P354 Assessment Consultation and C16 informal consultation were both issued on 16 November 2017, with 17 responses received. A Workgroup meeting was held on 9 January 2018, where the Workgroup considered the responses received to the P354 Assessment Procedure Consultation.

The Workgroup had asked a number of questions in the consultation to help it develop a solution that was robust for both BM and Non-BM Balancing Services providers. However, one respondent highlighted that aggregating ABSVD to Supplier Account level would create a distortion in Settlement between:

- Suppliers as BM Unit Lead Parties; and
- Suppliers or Trading Parties as subsidiary parties to Metered Volume Reallocations Notifications (MVRNs).

Based on this comment, the Workgroup decided to change the solution to allocate ABSVD at the BM Unit level rather than the Supplier Account level. This was a material change to the solution and as such a second Assessment Procedure Consultation was issued on 15 January 2018, with responses due by 29 January 2018. An eighth Workgroup meeting was held on 1 February 2018.

ELEXON presented the P354 Assessment Report to the Panel at its meeting on 8 February 2018. The majority of the Panel (five out of 10 members plus the casting vote of the Chairman) initially believed that the P354 Alternative Modification is better than the P354 Proposed Modification and therefore recommended that the P354 Alternative Modification should be approved.

The P354 Report Phase Consultation was issued on 9 February 2018, with responses due by 23 February 2018. The P354 Draft Modification Report was presented to the Panel at its meeting on 8 March 2018. The Panel unanimously agreed that the P354 Proposed Modification (customer consent) would better facilitate Applicable BSC Objectives (a), (b), (c), (d) and (e) compared to the current baseline and the P354 Alternative Modification should therefore be rejected. The P354 Final Modification Report was submitted to the Authority for decision on 9 March 2018.

P355: Introduction of a BM Lite Balancing Mechanism (on hold – no July update)

Date Raised:		21 June 2017	Proposer:	PeakGen
Target Imple Date:	mentation	ТВС	Current Status:	On Hold
Latest	P355 is curre	ntly `on-hold', as the I	Proposer is waiting for a	decision on P344. He
Update:	believes that the Virtual BM Unit eler what was intended by P355. However concerns regarding National Grid des P355 could be used as a mechanism		ver, the Proposer has ind espatch processes and is	licated ongoing considering whether industry. The

before making a decision on whether to withdraw P355. A two-month extension to the P355 Assessment Procedure was granted by the Panel; we expect an Ofgem decision on P344 by the end of July 2018.

Next Event: The Proposer will make a determination on whether to withdraw P355 or resume the Assessment Procedure either following the submission of the P344 Modification Report to the Authority, or following Authority decision.

History:

P355 seeks to introduce a new BM Lite classification to allow smaller Generators to offer energy to the System Operator for energy balancing, in competition with the larger BM Units already in the market. This will create direct BM access to parties Parties without the need for a party Party becoming a full BSC member.

This Modification is noteworthy by the fact that the Authority granted a designation to a non-BSC Party for the purposes of raising a Modification to the Code.

The IWA was presented to the BSC Panel at its meeting on 13 July 2017. The first Workgroup meeting was held on 2 August 2017 with further Workgroup meetings held on 20 September 2017 and 23 October 2017.

The P355 Proposer has since contacted ELEXON to confirm that he believes that the Virtual BM Unit element of the P344 solution covers much of what was intended by P355. He therefore requested that we put on hold any further work for P355 until June 2018, when the Draft Modification Report for P344 is presented to the Panel. The Proposer can then make a decision as to how P355 should proceed depending on what the P344 solution is at this point. At its meeting on 14 December 2017, the Panel approved a three-month extension to the P355 timetable to June 2018.

<u>P356</u>: Aligning the BSC with Grid Code Modification GC0099 'Establishing a common approach to interconnector scheduling consistent with the single intraday market coupling processes set out within Regulation (EU) 2015/1222 (CACM)'

Date Raised:		3 July 2017	Proposer:	National Grid
Target Imple Date:	mentation	1 November 2018 (Nov 18 BSC Release)	Current Status:	Pending Implementation
Latest Update:	The Authority	v approved P356 on 14 J	une 2018	
Next Event:	P356 will be i BSC Release	mplemented on 1 Nover	nber 2018 as part of th	ne November 2018

History:

P356 proposes to align the BSC with Grid Code Modification GC0099, which seeks to introduce the interconnector scheduled transfer process to the Grid Code. This is in order to establish common, cross-code provisions which are compatible with both the EU single intraday market coupling processes, and GB and EU balancing processes.

The IWA was presented to the Panel at its meeting on 13 July 2017. The first Workgroup meeting was held on 25 July 2017. P356 was issued for consultation on 9 October 2017, with responses

due 27 October. ELEXON and National Grid (NGET) consultation documents were issued simultaneously with the same questions to the same audience. Respondents only needed to respond to one consultation, with replies being shared between NGET and ELEXON.

The Second Workgroup took place on 7 November 2017. At the meeting, two alternate solutions for GC0099 were suggested. In order to allow NGET to assess the two alternates and so keep P356 aligned with GC0099 in terms of progression, a two month extension to the Assessment Phase was agreed at the November 2017 Panel.

Grid Code hosted a workshop on 24 January 2018 to discuss the potential WACMs. This did not affect the planned progression and as such, the Assessment Report was presented to the BSC Panel on 8 February 2018. The P356 Report Phase Consultation was issued on 14 February 2018, with responses due by 27 February 2018. The P356 Draft Modification Report was presented to the Panel at its meeting on 8 March 2018 and the Final Modification Report was submitted to Ofgem for Authority approval on 12 March 2018. Ofgem published an indicative decision date of 20 April 2018, but have since confirmed that they are awaiting the submission of GC0099 before making a decision. P356 and GC0099 were intended to be submitted to the Authority at the same time, however, GC0099 was delayed in being submitted to the Grid Code Panel, which has had knock on effects. GC0099 was presented to the Grid Code Panel on 26 April 2018 and was submitted to the Authority on 9 May 2018.

P359: Mechanised process for GC/DC declarations

Date Raised:		6 September 2017	Proposer:	SSE Ltd
Target Imple Date:	mentation	22 February 2019 (Feb 19 BSC Release)	Current Status:	With Authority
Latest		dification Report was pro		
Update:		el recommended that P3 Report was issued to the		
	mounication		Authority for decision	011 13 June 2010.

Next Event: P359 is currently with the Authority and a decision is expected by 20 July 2018.

History:

P359 was raised by SSE Ltd on 6 September 2017. The Modification seeks to introduce a new mechanised process for Generation Capacity (GC) and Demand Capacity (DC) declarations.

At its meeting on 14 September 2017, the Panel agreed with ELEXON's recommendation to send this Modification to Assessment Phase. ELEXON was not able to attract the minimum number of five members to join the P359 Workgroup, which resulted in a one month delay.

The first Workgroup meeting was held on 19 October 2017. As part of the solution development, the Workgroup requested that ELEXON conduct further analysis on eight different areas.¹ The Workgroup agreed that the next meeting should be held following the completion of the analysis, to ensure that the work could be considered in its totality.

ELEXON discussed the impact this would have on the timeline with the Workgroup. Based on the required analysis, the festive period and the competing commitments from other Industry

¹ Estimated effort equivalent to two days a week for 10.5 weeks.

Workgroups, the Workgroup agreed that it would be sensible to hold the next meeting in the new year, which would result in a three-month delay.

Due to the delay in forming the first Workgroup, and the length of time required to complete the analysis, the BSC Panel agreed a four-month extension to the Assessment Procedure at its November 2017 meeting.

The second P359 Workgroup was held on 23 January 2018. In the meeting, the Workgroup agreed two sets of business requirements; one for an automated solution, another for an in-house solution. Following the meeting, ELEXON circulated draft business requirements to the Workgroup and service providers for impact assessment. ELEXON's service providers provided a response and costings to both sets of business requirements. In their response, ELEXON's service providers highlighted a number of enhancements to the automated solution for ELEXON to consider. As such, the business requirements for the automated solution were re-issued for a second impact assessment, to ensure that the solution is costed correctly ahead of the next Workgroup meeting. This resulted in the pre-arranged meeting being postponed by a fortnight. The Panel approved a one-month extension at its March 2018 meeting, resulting in the Assessment Report being presented to the Panel at its May 2018 meeting.

The third P359 Workgroup was held on 6 March 2018. The Workgroup agreed the automated solution as the Proposed Solution.

The P359 Assessment Procedure Consultation was issued on 19 March 2018, with responses due by 6 April 2018.

The fourth P359 meeting took place on 20 April 2018, where the Workgroup considered the responses to the Assessment Procedure Consultation. The majority of the Workgroup believed that P359 would better facilitate Applicable BSC Objectives (c) and (d) compared to the current baseline and so should be approved.

The Assessment Report was presented to the BSC Panel on 10 May 2018. The Panel unanimously recommended that P359 should be approved.

P361: Revised treatment of BSC Charges for Lead Parties of Interconnector BM Units

Date Raised:		31 October 2017	Proposer:	Nord Pool Spot AS
Target Imple Date:	mentation	22 February 2019 (Feb 19 BSC Release)	Current Status:	Report Phase
Latest Update:	initially recon rejected. The	ent Report was presente nmended that both the P Report Phase Consultat sponses due by 3 July 20	roposed and Alternativ ion was subsequently i	e Modifications be

Next Event: The Draft Modification Report will be presented at the July 2018 Panel meeting.

History:

P361 seeks to exclude Interconnector BM Unit's Credit Energy Volumes from the BSC Charges calculations, in order to align with the EU Third Package. The EU Third Package (Article 2 of Regulation 714/2009) expects Interconnectors to be treated as an extension of the Transmission

System and not as Production or Consumption. However, for the purposes of calculating BSC Charges, BM Units in Great Britain are currently treated as either a Production BM Unit (generation) or a Consumption BM Unit (demand). The Proposer asserts that the treatment of Interconnector BM Units in the BSC Charges calculations are not aligned with the EU Third Package.

The first P361 Workgroup meeting was held on Monday 8 January 2018. The Workgroup discussed the issue and the proposed solution. The Workgroup agreed to seek additional legal guidance on the defect. A second Workgroup meeting was held on 12 February 2018. The Workgroup discussed the legal guidance provided by ELEXON and agreed to seek additional external legal advice on the issues and EU law.

On 22 February 2018 Ofgem rejected the Proposer's request to treat P361 as an Urgent Modification Proposal. Ofgem did not believe the case for urgency had been clearly demonstrated.

A third Workgroup meeting was held on 13 March where external legal guidance was presented and discussed. Subsequently, the Proposer amended his solution to only exclude Interconnector BM Units Credit Energy Volumes from the Main Funding Share and SVA (Production) Funding Share calculations.

A fourth Workgroup meeting was held on 18 April 2018, where the service provider impact assessment of the Proposed solution was discussed and the Assessment Procedure Consultation documentation finalised. The Assessment Procedure Consultation was issued on the 26 April 2018, with responses due by15 May 2018.

The fifth Workgroup was held on 24 May 2018, where the Assessment Consultation responses were discussed. The Workgroup raised an Alternative Modification, whereby the revised formula for the Main Funding Share and SVA (Production) Funding Share would be effective from the date of Authority decision. The formal implementation date would still remain as previously discussed, as the 28 February 2019.

P362: Introducing BSC arrangements to facilitate an electricity market sandbox

Date Raised:		9 November 2017	Proposer:	BSC Panel
Target Imple Date:	mentation	5 WDs after approval	Current Status:	Report Phase
Latest Update:	19 June 2018 recommende	presented to the panel on 12 June 2018 and issued for consultation 018 with responses due on 3 July 2018. The BSC Panel initially oded that the P362 Alternative Modification should be approved an osed Modification should be rejected.		Panel initially
Next Event:	The Draft Mo meeting.	dification Report will be	presented to the Panel	at its 12 July 2018

History:

Appropriate provisions do not exist to enable pre-competitive or proof of concept testing for innovative products/services in the live BSC Settlement environment. This Modification seeks to enable the Panel to grant derogation, for a limited time, of certain BSC obligations, to participants

of ELEXON's BSC sandbox.

ELEXON recommended to the Panel, at its meeting on 9 November 2017 that a Modification should be raised to introduce an electricity market sandbox into the BSC arrangements. The Panel agreed to raise the Modification Proposal in accordance with Section F2.1.1(d)(i).

A one-month extension was approved by the Panel to allow for two additional Workgroup meetings. One additional meeting was required to finish material that was outstanding from the first meeting, and a second additional meeting was needed to revise the solution following Ofgem's decision to co-ordinate sandboxes across code administrators.

Ofgem confirmed they would coordinate a common sandbox process across all code administrators who would like to participate. Ofgem held a second sandbox cross-code meeting on 16 February 2018 where it highlighted how ELEXON was taking the lead by initiating its own regulatory sandbox with P362.

The P362 Assessment Procedure Consultation was issued on 20 March 2018, with responses due by 12 April 2018. The Workgroup met on 23 April 2018 to discuss the responses. In response to the first Assessment Consultation, the Workgroup raised an Alternative Modification Proposal. The Alternative solution is identical to the Proposed solution, except that the Transmission Company will be permitted to apply for, and be granted, BSC derogation. Consequently, a second Assessment Consultation was issued on 8 May 2018 and a one month extension was approved by Panel to allow for this. This resulted in the Assessment Report being presented at the June 2018 Panel meeting.

P363: Simplifying the registration of new configurations of BM Units

Date Raised:		7 December 2017	Proposer:	Green Frog Power
Target Imple Date:	mentation	ТВС	Current Status:	Assessment Procedure
Latest Update:	The fourth Workgroup meeting was held on Monday 18 June 2018. Discussions focused on the draft legal text and business requirements.			e 2018. Discussions

Next Event: ELEXON is planning the fifth Workgroup meeting to be held at the end of July 2018, where ELEXON intend to further develop the solution and business requirements.

History:

P363 proposes to amend BSC Section K 'Classification and registration of Metering Systems and BM Units' to simplify the registration of new configurations of BM Units.

The Modification originated from an ELEXON review of Metering Dispensations and non-standard BM Units, with the findings and recommendations being presented to the Panel at its March 2017 meeting (Panel 264/08 Review of Metering Dispensations and Non-Standard BM Units).

The IWA was presented to the Panel in December 2017. Given the synergies between P363 and P364, they will progress together with a combined Workgroup, but will have separate consultations and reports.

The first Workgroup meeting for both Modifications was held on 5 February 2018. The second

Workgroup meeting was held on Monday 5 March 2018. The third Workgroup was held on Tuesday 1 May 2018. It was planned to hold the third Workgroup early to mid-April, but this was not possible due to Workgroup member availability. The fourth Workgroup will be held late June/early July (workgroup availability has necessitated re-arrangement of the fourth Workgroup meeting) prior to issuing the Assessment Procedure Consultation. A fifth Workgroup meeting will be held after consulting.

The solution the Workgroup is developing is notably different from the originally proposed solution (albeit rectifying the same defect) and it is intended that it will be the same solution for P364 (as it will address the P364 defect too).

We originally intended to hold three Workgroup meetings, but it has become apparent that we will need five meetings for the Workgroup to fully develop the solution. As such, it is likely that we will not be able to present the Assessment Report to the Panel in August 2018 as originally planned. We shall review the situation ahead of the August Panel meeting.

<u>P364</u>: Clarifying requirements for registering and maintaining BM Units

Date Raised:		7 December 2017	Proposer:	Green Frog Power
Target Imple Date:	mentation	TBC	Current Status:	Assessment Procedure
Latest Update:		'orkgroup meeting was h he draft legal text and b	•	e 2018. Discussions

Next Event: ELEXON is planning the fifth Workgroup meeting to be held at the end of July 2018, where ELEXON intend to further develop the solution and business requirements.

History:

P364 proposes to amend BSC Section K such that:

- the registration of BM Units by BSC Parties is simplified and more efficient;
- it allows a single Party to register separate BM Units for Import and Export for a Plant and Apparatus; and
- Plant and Apparatus is not considered as non-standard when more than one BSC Party is involved, but the Plant and Apparatus would otherwise be classified as a standard BM Unit e.g. where separate Parties are responsible for Import and Export of the same Plant and Apparatus.

Furthermore, this Modification proposes to amend the BSC (and associated CSDSs) to make it more apparent when registration details need to be updated.

The IWA was presented to the Panel in December 2017. The progression history for P364 is the same as P363 and they are being progressed together. However, they will have separate consultations and reports.

The solution the Workgroup developed is notably different from the originally proposed solution (albeit rectifying the same defect) and it is intended that it will be the same solution for P363 (as it will address the P363 defect too).

We originally intended to hold three Workgroup meetings, but it has become apparent that we will need five meetings for the Workgroup to fully develop the solution. As such, it is likely that we will not be able to present the Assessment Report to the Panel in August 2018 as originally planned. We shall review the situation ahead of the August Panel meeting.

P366: Amending Supplier Charge SP08a to exclude hard-to-read sites

Date Raised:		26 April 2018	Proposer:	Orsted
Target Imple Date:	ementation	ТВС	Current Status:	Assessment Procedure
Latest Update:	In the absence of the Authority's determination within scope of the three SCRs in the SCR Phas with the approved Assessment Procedure timet was held on 7 June 2018 to develop the propose allow further impact assessment and analysis.		SCR Phase, P366 will dure timetable. The firs the proposed solution t	progress in accordance st P366 Workgroup
Next Event:	The second F	366 Workgroup is plann	ed for early July 2018	to review analysis

called for after the first Workgroup meeting.

History:

The Modification proposes to amend how Supplier Charge SP08a is applied to Non Half Hourly non-domestic Meters that are hard-to-read (HTR). This will be achieved in two parts. Firstly, P366 will create a process to identify and approve HTR sites. Secondly, P366 will create a process whereby HTR sites, identified at Metering System Identification (MSID) level, will be excluded from SP08a calculations. Only SP08a Supplier Charges will be affected. HTR sites will still be included in all other Settlement and PARMS calculations, where relevant. P366 will not affect the management of Settlement Risk.

The IWA was presented to the Panel on 10 May 2018. The Panel approved P366 to proceed to the Assessment Phase and the associated timetable. They agreed the Workgroup membership and Workgroup's Terms of Reference pending some additions suggested during the meeting.

P367: Removal of obsolete Supplemental Balancing Reserve (SBR) and Demand Side Balancing Reserve (DSBR) arrangements

Date Raised:		10 May 2018	Proposer:	BSC Panel					
Target Implementation Date:		27 June 2019 (Jun 19 BSC Release)	Current Status:	Report Phase					
Latest	The Draft Mo	dification Report was pro	esented to the Panel or	n 14 June 2018. The					
Update:	Panel determ	ined P367 as a Self-Gov	ernance Modification a	nd unanimously					
	approved the Modification. In accordance with Section F6.4, Parties have until 5								
	July 2018 to appeal the Panel's determination.								

Next Event: If no appeals are received by 5 July 2018, the Modification will be implemented on 27 June 2019, as part of the June 2019 BSC Release.

History:

This Modification proposes to remove all SBR and DSBR requirements, definitions, and references from the BSC and subsidiary documents.

The BSC currently requires ELEXON to ensure imbalance prices calculated for Settlement Periods reflect the value of SBR and DSBR actions where they are taken.

As a result of the government's decision to bring forward the delivery of the Capacity Market to 2017/18, SBR and DSBR arrangements no longer apply and have been removed from the National Grid Electricity Transmission (NGET) Licence. Ofgem confirmed to ELEXON that the Transmission Company no longer has SBR and DSBR services available to them and as such, requested that these provisions be removed from the BSC.

At its meeting on 10 May 2018, ELEXON recommended to the Panel that a Modification should be raised to remove SBR and DSBR provisions from the BSC. The Panel agreed to raise the Modification Proposal in accordance with Section F2.1.1(d)(iv) and agreed for the Modification to proceed directly to the Report Phase.

The Report Phase Consultation was issued on 15 May 2018 and closed on 30 May 2018.

P368: Amendments to Section Z to better facilitate the production of the Risk Evaluation Methodology, Risk Evaluation Register and Risk Operating Plan'

Date Raised:		14 June 2018 Proposer:		BSC Panel					
Target Imple Date:	mentation	1 November 2018 (Nov 18 BSC Release)	Current Status:	Report Phase					
Latest	The Initial W	ritten Assessment was p	resented to the Panel o	on 14 June 2018. The					
Update:	directly to Re								
Next Event:	The Draft Mo	dification Report will be	presented to the Panel	for decision on 12					

July 2018.

History:

The Risk Evaluation Methodology (REM), Risk Evaluation Register (RER) and Risk Operating Plan (ROP) are produced annually in accordance with the Annual Performance Assurance Timetable (APAT). This proposal is to amend provisions in the timing and revision of the three documents in order to better meet the objectives of the PAF Review.

At its meeting on 14 June 2018, ELEXON presented the Performance Assurance Board's recommendation to the Panel that a Modification should be raised to amendments Section Z to better facilitate the production of the REM, RER and ROP. The Panel agreed to raise the Modification Proposal in accordance with Section F2.1.1(d)(vi) and agreed for the Modification to proceed directly to the Report Phase.

The Report Phase Consultation was issued on 18 June 2018 with responses due by 2 July 2018..

CHANGE PROPOSALS - UPDATES & DECISIONS

<u>CP1505:</u> Allowing `off site' Commissioning of current transformers preinstalled in cut outs or switchgear at manufacture for use in low voltage (LV) installations`

Date Raised:		12 March 2018	Proposer:	GTC					
Target Implementation Date:		1 November 2018 (Nov 18 BSC Release)	Pending Decision						
Latest	The ISG deferred their decision on CP1505 on 19 June 2018 pending further								
Update:	The ISG were to be explore	e conducted into the pos e concerned CP1505 cou d by a forthcoming issue of the Commissioning te	ld exacerbate an existine) regarding the accour	ng CoP4 problem (due					
Next Event:		conduct analysis into the or decision on 21 August	•	before returning to the					

History:

CoP4 details the requirements of Commissioning Metering Equipment for Settlement purposes in LV installations to be done 'on site'. This is not always reasonably practical or physically possible and should be updated to allow 'off site' Commissioning of current transformers. In some installations current transformers are delivered in sealed units and have already been tested (and certain requirements of CoP4 confirmed) by the manufacturer 'off site'. In these instances it may not be cost effective to complete all Commissioning tests 'on site'. Furthermore for some sealed units it may not possible to access the current transformers and so meaningful Commissioning tests cannot be completed 'on site'.

CP1505 was presented to the ISG for information on 20 March 2018 and to the SVG for information on 27 March 2018. It was issued for CP Consultation on 9 April 2018, with responses due by 4 May 2018. CP1505 was approved by the SVG on 29 May 2018. On the 19 June 2018 CP1505 was presented to the ISG. The ISG were concerned CP1505 could exacerbate an existing CoP4 problem (due to be explored by a forthcoming issue) regarding the accountability within a certain stage of the Commissioning testing process. The ISG therefore deferred their decision pending further research to be conducted into the possible exacerbation of the issue by ELEXON. CP1505 shall return to the ISG for decision on 21 August 2018.

<u>CP1506</u>: New Interconnector fuel type

Date Raised:		3 May 2018	Proposer:	National Grid		
Target Implementation Date: Latest CP1506 wa		1 November 2018 (Nov 18 BSC Release)	Current Status:	Pending Decision		
Latest Update:		issued for CP Consultation One response was receive	•	• •		

Next Event: CP1506 will be presented to the Panel for decision on 12 July 2018.

CHANGE PROPOSALS - UPDATES & DECISIONS

History:

The Balancing Mechanism Reporting Service (BMRS) is used for reporting operational data, relating to the Great Britain (GB) electricity Balancing and Settlement arrangements. The BMRS contains information and data on historical generation, actual generation and forecasted generation. The BMRS provides market transparency, and to do so it is important that the contributions of all active Interconnectors are reflected accurately.

CP1506 seeks to enable the BMRS to receive, store and publish data relating to the forthcoming Nemo Link Interconnector, by amending the Interface Design Document (IDD): Part 1 – Interfaces with BSC Parties and their Agents, with the proposed new Fuel Type Category. A new Fuel Type Category will be created for the Nemo Link Interconnector. This CP facilitates the current provisions, by ensuring that systems and processes are in place such that data relating to the Nemo Link Interconnector (if approved by the Panel as a Fuel Type Category under Section Q) can be reported on the BMRS.

Furthermore, as the Interconnector capacity is set to increase over the coming years, the BMRS will need to remain a clear source of market data and as such the website graphical user interface (GUI) should be updated to remain clear and user friendly, following the inclusion of the new Interconnector fuel type. To achieve this, the BMRS will also publish the aggregation of interconnector flows by bidding zone.

CP1506 was presented as a verbal update at ISG 203, where an outline was given on the intentions of the proposed CP. It was issued for CP Consultation on 8 May 2018, with responses due by 1 June 2018.

<u>CP1507</u>: Updates to BSCP520 to align with working practices and UMSUG recommendations

Date Raised:		15 May 2018	Proposer:	ELEXON			
Target Implementation Date:		1 November 2018 (Nov 18 BSC Release)	Current Status:	Pending Decision			
Latest Update:		issued for CP Consultation even responses were rec	•	n responses due by 29			

Next Event: CP1507 will be presented to the SVG for decision on 31 July 2018.

History:

CP1507 seeks to align BSCP520 'Unmetered Supplies Registered in SMRS' it with working practices of Meter Administrators (MAs), following issues identified by the Unmetered Supplies User Group (UMSUG). These issues relate to removal of unwanted data flows to Unmetered Supply Operators, Equivalent Meter (EM) Operation, Electric Vehicle (EV) charging and an issue highlighted by the BSC Auditor. These changes will support, clarify and remove potential inefficiencies in the BSC's Unmetered Supplies (UMS).CP1507 was raised on 15 May 2018 and it was presented to the SVG for information on 29 May 2018. It was issued for CP Consultation on 4 June 2018, with responses due by 29 June 2018.

ISSUES - UPDATES & DECISIONS

Issue 69: Performance Assurance Framework Review

Date Raised:	30 March 2017	Proposer:	ELEXON
Latest	Modification P368 'Amendments t		
Update:	the Risk Evaluation Methodology,		
	<u>Plan'</u> was raised by the Panel on 3 following a recommendation from		rdance with BSC Section F,

Next Event: The next Issue Group is scheduled to be held on 25 July 2018

History:

The current Performance Assurance Framework (PAF) provides for a flexible, integrated approach to the deployment of Performance Assurance Techniques. ELEXON and the Performance Assurance Board (PAB) are aware of opportunities to further enhance the application of the risk-based PAF envisaged in <u>P207 'Introduction of a new governance regime to allow a risk based</u> <u>Performance Assurance Framework (PAF)</u>' to utilise and reinforce its effectiveness to address the challenges of a changing industry.

At its March 2017 meeting, the BSC Panel approved the scope and delivery approach of the PAF review, which has been divided into the following four work streams.

- Smart Metering;
- PAF procedures;
- Data Provision; and
- Performance Assurance Techniques.

This Issue Group will explore the issues and identify possible solutions for each work stream.

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. ELEXON took a paper to the November 2017 PAB meeting that provided recommendations on mitigating the key smart risk areas identified. A high risk area was identified in relation to the Supplier-Agent interface and as a result <u>CP1500 'Amend</u> the BSCP537 Appendices to add a requirement for Suppliers and MOAs to demonstrate the ability to send and receive Smart Meter Configuration details' was raised, seeking to include the D0367 data flow in the Qualification process.

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.

The first Workgroup on PAF procedures was held on 17 January 2018. In the meeting, ELEXON 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. Additionally, ELEXON presented a related draft Modification Proposal ('Amendments to Section Z to better facilitate the production of the Risk Evaluation Methodology, Risk Evaluation Register and Risk Operating Plan') and associated draft redlined Legal text to the Workgroup in order to gain their endorsement toward its principles. The third meeting for this work stream was held on 12 June 2018 where the Workgroup discussed a newly drafted version of the RER. At this

ISSUES - UPDATES & DECISIONS

meeting, as the Workgroup consisted of SVA experts only, they could not provide feedback on the CVA risks listed within the RER. Therefore, a dedicated session for CVA experts to provide feedback on the RER has been organised for 25 July 2018.

The Panel raised P368 at its meeting in June 2018.

Issue 70: Settlement of Secondary BM Units using metering at the asset

Date Raised:	15 June 2018	Proposer:	Flexitricity
Latest Update:	Flexitricity raised Issue 70 was raised	l on 15 June 201	8 by Flexitricity.

Next Event: The first Issue Group is scheduled for 11 July 2018.

History:

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. A final Ofgem decision is expected by 31 July 2018.

During the P344 Workgroup process, 'Behind the Meter' assets and energy flows were discussed with regard to two points:

- The location of the meters used for Settlement i.e. at the Asset level or at the Boundary point, and associated difficulties Parties may experience in providing accurate Final Physical Notifications (FPNs); and
- Ensuring payment for delivery corresponds to the service provided.

Issue 70 aims to look into whether data from Operational Metering can be used for Settlement purposes and if not, whether the customer will need to install additional metering at the asset for Settlement purposes. Further details can be found in the paper 'Extending the P344 Solution to allow Settlement of Secondary BM Units using metering at the asset' below.

Due to the complementary nature of Issue 70 and 71, the Issue Groups will be held on the same day for progression efficiency.

<u>Issue 71:</u> Introduction of a baselining methodology as an alternative to Physical Notifications

Date Raised:	15 June 2018	Proposer:	ELEXON
Latest Update:	ELEXON raised Issue 71 on 15 Ju	ıne 2018.	

Next Event: The first Issue Group is scheduled for 11 July 2018.

History:

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. A final Ofgem decision is expected by 31 July 2018.

The P344 solution is intended to facilitate participation in the Balancing Mechanism (BM) and TERRE by a wider range of market participants, including customers and independent aggregators. It is envisaged that the existing BM Settlement arrangements will remain unchanged. Under the BM, National Grid can issue MW profile instructions to a BM Unit to deviate from a MW baseline.

Balancing Service providers that want to participate in the BM must indicate at what MW level they expect their BM Unit to be at for any given Settlement Period. This is known in the Grid Code as a Physical Notification (PN). At Gate Closure this MW level is finalised and sent to Settlement where it is termed the BM Unit's Final Physical Notification (FPN) and acts as a baseline for any future deviation instructions from National Grid.

P344 Workgroup members noted the requirement to provide a Physical Notification (ahead of Gate Closure) may be problematic for customers and independent aggregators, where the asset they control (and whose output they can forecast accurately) may share a network connection with other Demand or Generation whose output is outside of their control. In this situation, the expertise for new market entrants lies in calculating the cumulative change for the customer's sites but not the cumulative change relative to total Demand for those customer sites.

Issue 71 seeks to examine the possibility of a PN for a site being created via an alternative baselining methodology.

Due to the complementary nature of Issue 70 and 71, the Issue Groups will be held on the same day for progression efficiency.

PROGRESS OF MODIFICATIONS – The below provides a summary of all open modifications. Full details can be found in the Change Register

<u>Key</u>	IWA: Initial	AP:	AR:	DMR: Draft	AI: Awaiting	I: Implementation
	Written	Assessment	Assessment	Modification	Implementation	
	Assessment	Procedure	Report	Report		

Mod	Title	Proposer	Date Raised	Urgent	Jun	Jul	Aug	Sep	Oct	Nov
P297	Receipt and Publication of New and Revised Dynamic Data items	National Grid	24 Jul 13	No	AI					
P332	Revisions to the Supplier Hub Principle	Smartest Energy	28 Jan 16	No	AP					
P344	Project TERRE implementation into GB market arrangements	National Grid	01 Jun 16	No	DMR					
P354	Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level	ENGIE	11 Jan 17	No	AI					
P355	Introduction of a BM Lite Balancing Mechanism	PeakGen	21 Jun 17	No	AP					

PROGRESS OF MODIFICATIONS – The below provides a summary of all open modifications. Full details can be found in the Change Register

Mod	Title	Proposer	Date Raised	Urgent		Jun	Jul	Aug	Sep	Oct	Nov
P356	Aligning the BSC with Grid Code Modification GC0099	National Grid	03 Jul 17	No		AI					I
P359	Mechanised process for GCDC declarations	SSE	06 Sep 17	No	-	DMR	AI				
P361	Revised treatment of BSC charges for Lead Parties of Interconnector BM Units	Nord Pool Spot AS	31 Oct 17	No	-	AR	DMR				
P362	Introducing BSC arrangements to facilitate an electricity market sandbox	BSC Panel	09 Nov 17	No	-	AR	DMR				
P363	Simplifying the registration of new configurations of BM Units'	Green Frog Power	07 Dec 17	No		AP		AR	DMR		
P364	Clarifying requirements for registering and maintaining BM Units	Green Frog Power	07 Dec 17	No		AP		AR	DMR		

PROGRESS OF MODIFICATIONS – The below provides a summary of all open modifications. Full details can be found in the Change Register

Mod	Title	Proposer	Date Raised	Urgent	Jun	Jul	Aug	Sep	Oct	Nov
P366	Changes to Supplier Charges on 'hard-to-read' NHH sites	Orsted	26 Apr 18	No	AP					AR
P367	Removal of obsolete Supplemental Balancing Reserve (SBR) and Demand Side Balancing Reserve (DSBR) arrangements	BSC Panel	10 May 18	No	IWA	DMR	AI			
P368	Amendments to Section Z to better facilitate the production of the Risk Evaluation Methodology, Risk Evaluation Register and Risk Operating Plan	BSC Panel	14 June 2018	No	IWA	DMR	AI			

PROGRESS OF CHANGE PROPOSALS – The below provides a summary of all open modifications. Full details can be found in the Change Register

Key CPC: Change Proposal Circular

AI: Awaiting Implementation I: Implementation

СР	Title	Proposer	Date Raised	Jun	Jul	Aug	Sep	Oct	Nov
CP1495	Introduction of a rejection response dataflow for a D0170 request from the Meter Operator Agent to the Licenced Distribution System Operator where a D0215 response is required.	ELEXON	03 Oct 17	AI					I
CP1496	Introduction of two data flows for the Commissioning process for Half Hourly (HH) Supplier Volume Allocation (SVA) Current Transformer (CT) operated Metering Systems	ELEXON	16 Oct 17	AI					I
CP1497	Introduction of data flows for Half Hourly Meter Operator Agents to pass on Commissioning information when there is a Change of Agent	ELEXON	16 Oct 17	AI					I
CP1498	Updates to BSCP537 Appendix 1 'Self- Assessment Document' to incorporate an additional question for Meter Operator Agents on Meter Operation Code of Practice Agreement Accreditation	ELEXON	23 Nov 17	I					

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PROGRESS OF CHANGE PROPOSALS - The below provides a summary of all open modifications. Full details can be found in the Change Register

СР	Title	Proposer	Date Raised	Jun	Jul	Aug	Sep	Oct	Nov
CP1499	Updates to BSCP537 Appendix 1 to incorporate an additional question for Suppliers on Meter Operation Code of Practice Agreement Accreditation for Meter Operator Agents	ELEXON	23 Nov 17	I					
CP1500	Amend BSCP537 to add a requirement for Suppliers and MOAs to demonstrate the ability to send and receive Smart Meter Configuration details	ELEXON	08 Jan 17	I					
CP1501	Correction to P302 footnote in BSCP504	ELEXON	19 Jan 18	I					
CP1502	Removal of the requirement to submit sampling data for Profile Classes 5-8 following the implementation of P272	ELEXON	19 Jan 18	I					
CP1503	Changes to European Transparency Regulation data to align with latest ENTSO-e Manual of Procedures	National Grid	12 Feb 18	AI					Ι

PROGRESS OF CHANGE PROPOSALS - The below provides a summary of all open modifications. Full details can be found in the Change Register

СР	Title	Proposer	Date Raised	Jun	Jul	Aug	Sep	Oct	Nov
CP1504	Amend BSCP201's references to dual/single pricing following implementation of P305	ELEXON	02 Mar18	AI					Ι
CP1505	Allowing "off-site" Commissioning of current transformers preinstalled in cut outs or switchgear at manufacture for use in low voltage (LV) installations	GTC (ETCL & IPNL)	12 Mar 18	ISG and SVG	ISG	AI			I
CP1506	New Interconnector fuel type	National Grid	03 May 18		Panel	AI			I
CP1507	Updates to BSCP520 to align with working practices and UMSUG recommendations	ELEXON	15 May 18	CPC	SVG	AI			I

This section provides details on upcoming Panel decisions, Consultations and Impact Assessments.

Panel Decisions

P361: Draft Modification Report will be presented to the Panel at its meeting on 12 July 2018.

P362: Draft Modification Report will be presented to the Panel at its meeting on 12 July 2018.

P368: Draft Modification Report will be presented to the Panel at its meeting on 12 July 2018.

Authority Decisions

P359: Final Modification Report was issued to the Authority for decision on 15 June 2018.

P344: Final Modification Report was issued to the Authority for decision on 19 June 2018, with a decision expected by 31 July 2018.

Industry Consultations

No industry consultations have been issued.

The tables below summarise the scope of each BSC Systems Release. Further information can be found on the <u>Releases</u> page of our website.

	June 2018 BSC Release - 28 June 2018							
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status					
CP1498	Updates to BSCP537 Appendix 1 'Self- Assessment Document' to incorporate an additional question for Meter Operator Agents on Meter Operation Code of Practice Agreement Accreditation	Document	Confirmed					
CP1499	Updates to BSCP537 Appendix 1 'Self- Assessment Document' to incorporate an additional question for Suppliers on Meter Operation Code of Practice Agreement Accreditation for Meter Operator Agents	Document	Confirmed					
CP1500	Amend the BSCP537 Appendices to add a requirement for Suppliers and MOAs to demonstrate the ability to send and receive Smart Meter Configuration details	Document	Confirmed					
CP1501	Correction to P302 footnote in BSCP504	Document	Confirmed					
CP1502	Removal of the requirement to submit sampling data for Profile Classes 5-8 following the implementation of P272	Document	Confirmed					

BSC SYSTEMS ROADMAP – SCOPE & DELIVERY UPDATES

November 2018 BSC Release - 1 November 2018							
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status				
P297	Receipt and Publication of New and Revised Dynamic Data items	System	Confirmed				
P356	Aligning the BSC with Grid Code Modification GC0099 'Establishing a common approach to interconnector scheduling consistent with the single intraday market coupling processes set out within Regulation (EU) 2015/1222 (CACM)'	Document	Confirmed				
P368	Amendments to Section Z to better facilitate the production of the Risk Evaluation Methodology, Risk Evaluation Register and Risk Operating Plan	Document	Pending				
CP1495	Introduction of a rejection response dataflow for a D0170 'Request for Meter System Related Details' request from the Meter Operator Agent to the Licenced Distribution System Operator where a D0215	Document	Confirmed				
CP1496	Introduction of two data flows for the Commissioning process (implemented with P283) for Half Hourly (HH) Supplier Volume Allocation (SVA) Current Transformer (CT) operated Metering Systems	Document	Confirmed				
CP1497	Introduction of data flows for Half Hourly Meter Operator Agents to (HHMOA) pass on Commissioning information when there is a Change of Agent (CoA)	Document	Confirmed				
CP1503	Changes to European Transparency Regulation data to align with latest ENTSO-e Manual of Procedures	System	Confirmed				
CP1504	Amend BSCP201's references to dual/single p	Document	Confirmed				
CP1505	Allowing "off-site" Commissioning of current transformers preinstalled in cut outs or switchgear at manufacture for use in low voltage (LV) installations	Document	Pending				
CP1506	New Interconnector fuel type	System	Pending				
CP1507	Updates to BSCP520 to align with working practices and UMSUG recommendations	Document	Pending				

BSC SYSTEMS ROADMAP – SCOPE & DELIVERY UPDATES

February 2019 BSC Release - 28 February 2019							
Change Number	BSC Central Title of Change Systems/Document only impacts		Ofgem/BSC Panel/Panel Committee Approval Status				
P344	Project TERRE implementation into GB market arrangements	System	Pending				
P359	Mechanised process for GC/DC declarations	System	Pending				
P361	Revised treatment of BSC charges for Lead Parties of Interconnector BM Units	System	Pending				

June 2019 BSC Release - 27 June 2019							
Change Number	Title of Change	tle of Change BSC Central Systems/Document only impacts					
P363	Simplifying the registration of new configurations of BM Units'	Document	Pending				
P364	Clarifying requirements for registering and maintaining BM Units	Document	Pending				
P367	Removal of Supplemental Balancing Reserve (SBR) and Demand Side Balancing Reserve (DSBR) cost recovery arrangements	Document	Pending				

Standalone Releases - 1 April 2020 effective, release Feb 20							
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status				
P354	Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level	System	Confirmed				

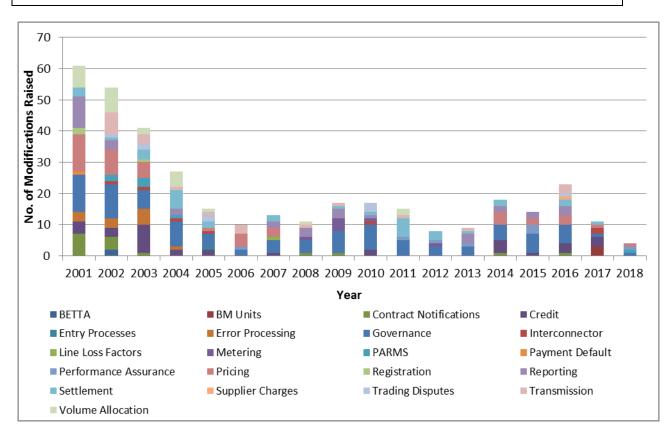
February 2019 BSC Release - 28 February 2019

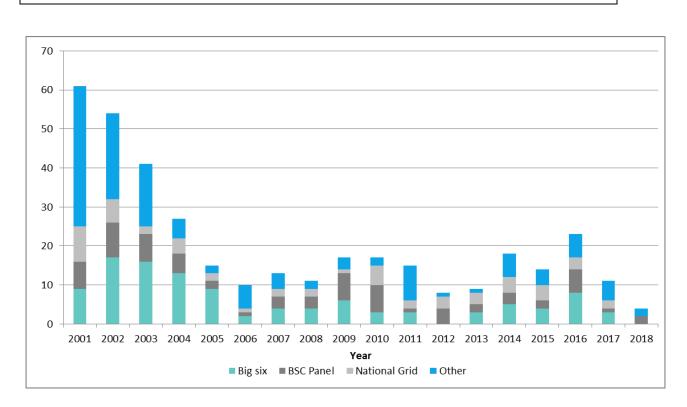
BSC SYSTEMS ROADMAP – SCOPE & DELIVERY UPDATES

TBC Release Date							
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status				
P332	Revisions to the Supplier Hub Principle	System	Pending				
P355	Introduction of a BM Lite Balancing Mechanism	System	Pending				
P366	Changes to Supplier Charges on 'hard-to- read' NHH sites	System	Pending				

Modification Trend Charts

Categories of Modifications Raised





Raising Party for Modifications

Modification Trend Charts

Drivers of Modifications Raised

