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This report provides key information on BSC Changes covering the period between the **August 2018** and the **September 2018** Panel meetings. Further information on BSC Changes can be found in the [Change Register](#) or on the [Change pages](#) of our website.

This report contains updates on:

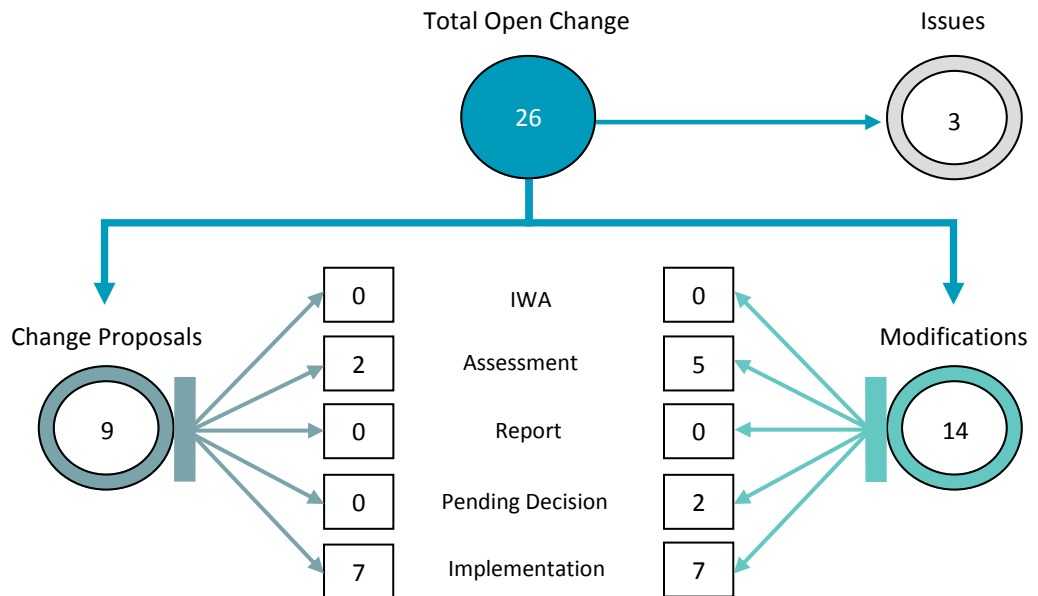
- P332, P344, P355, P359, P361, P362, P363, P364, P366, P369 and P370
- CP1505 and CP1508
- Issue 69, Issue 70 and Issue 71

Decisions required by the Panel:

- CP1505

Change News

Summary of Open Change



New Changes

CP1508 was raised by ELEXON on 9 August 2018.

Approval, Rejections & Withdrawal

P344 was approved by the Authority on 24 August 2018, for implementation on 28 February 2019, as part of the February 2019 BSC Release.

P359 was approved by the Authority on 17 August 2018, for implementation on 28 February 2019, as part of the February 2019 BSC Release.

P362 was approved by the Authority on 20 August 2018 for implementation 5 Working Days after approval, as a standalone BSC release, on 28 August 2018.

P355 was withdrawn by the Proposer on Thursday 30 August 2018. Unless another BSC Party adopts it, P355 will formally close at 12.00 Friday 7 September 2018.

MODIFICATIONS - UPDATES & DECISIONS

<u>P332: Revisions to the Supplier Hub Principle</u>			No Update
Date Raised:	28 January 2016	Proposer:	Smartest Energy
Target Implementation Date:	Post 2020	Current Status:	Assessment Procedure
Latest Update:	P332 is currently 'on-hold', subject to the outcome of the Significant Code Review (SCR) on market-wide Half Hourly Settlement and Ofgem's policy decision on its Supplier Agent functions review. The Panel approved a seven-month extension to the Assessment Procedure at its 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.		
Next Event:	<u>December 2018:</u> Panel to review the P332 progression timetable. An update on Ofgem's policy decision for its Supplier Agent function review and the SCR will be provided. The P332 Proposer will also consider whether the TOMs have sufficiently addressed his defect.		
Issue:	The BSC when originally created was designed to support the Supplier hub principle and to this end is silent on the practice of 'Customer appointed Agents'. The 'appointment' of Agents by Customers , outside of the Supplier hub principle, makes managing Agent performance and delivery of obligations within the BSC difficult, resulting in a reduction in a Supplier's ability to manage performance against industry targets and risking non-delivery of specific obligations.		
Current Solution:	P332 proposes to amend the roles and responsibilities of Supplier Agents. This includes requiring Supplier Agents to become signatories to the Balancing and Settlement Code (BSC).		
History:			
P332 was raised by SmartestEnergy Limited on 28 January 2016 and seeks to address issues associated with Customer's contracting directly with Supplier Agents. 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. P332 is currently 'on-hold', subject to the outcome of the Significant Code Review (SCR) on market-wide Half Hourly Settlement and Ofgem's policy decision on its Supplier Agent functions review. The Panel approved a seven-month extension to the Assessment Procedure at its 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.			

MODIFICATIONS - UPDATES & DECISIONS

P344 : Project TERRE implementation into GB market arrangements			Update
Date Raised:		1 June 2016	Proposer: National Grid
Target Implementation Date:		22 February 2019 (Feb 19 BSC Release)	Current Status: Awaiting implementation
Latest Update:	The Authority determined on 24 August 2018 that the P344 Proposed Modification (customer consent required for the sharing of HH delivered volumes with the customer’s Supplier) be approved for implementation on 28 February 2019 as part of the February 2019 BSC Release. The Authority’s decision letter can be found on the P344 webpage. This aligns with the Authority’s decision on P354, in that customer consent will be required to share relevant customer data with the Supplier.		
Next Event:	P344 will be implemented on 28 February 2019 as part of the February 2019 BSC Release.		
Issue:	P344 seeks to align the Balancing and Settlement Code (BSC) with the European Balancing Project TERRE (Trans European Replacement Reserves Exchange) requirements. This is in order to allow the implementation of the TERRE balancing product at national level and hence ensure compliance with the European Electricity Balancing Guideline (EB GL).		
Current Solution:	The full detailed solution can be found on the P344 webpage.		
History:			
<p>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.</p> <p>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.</p> <p>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</p>			

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meeting on 14 June 2018. The Final Modification Report was issued to Ofgem on 19 June 2018.

P355 : Introduction of a BM Lite Balancing Mechanism			Update
Date Raised:		21 June 2017	Date Raised: 21 June 2017
Target Implementation Date:		TBC	Target Implementation Date: TBC
Latest Update:	P355 was withdrawn by the proposer, Peak Gen Power, on Thursday 30 August 2018. Following the approval of P344 'Project TERRE implementation into GB market arrangements', the Proposer is content that P344 addresses the primary P355 defect, to allow greater participation from smaller generators and aggregators in the Balancing Mechanism.		
Next Event:	P355 will officially close at 12:00, Friday, 7 September 2018, unless adopted. P355 is subject to a period where the withdrawn Modification Proposal shall remain open for a period of five Working Days to be adopted. After this period, unless adopted, P355 will close.		
Issue:	Under the current energy balancing regime, it is difficult for smaller parties to compete directly with larger generators for the provision of energy to National Grid (NG), as the GB System Electricity Operator (ESO), for balancing.		
Current Solution:	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.		
History:			
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 contacted ELEXON at the end of 2017 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 was due to be presented to the Panel. At its meeting on 14 December 2017, the Panel therefore approved a three-month extension to the P355 timetable to June 2018. Subsequently, the Proposer asked that P355 be paused until a P344 decision was made before deciding the next steps for P355. Consequently, a two-month extension to the P355 Assessment Procedure was granted by the Panel at its June 2018 meeting until the end of July 2018, to align with Ofgem's expected P344 decision. As an Ofgem decision was not received by the end of July 2018, a further two month extension was granted by the Panel on 9 August 2018.			

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P359: Mechanised process for GC/DC declarations			Update
Date Raised:		6 September 2017	Proposer: SSE Ltd
Target Implementation Date:		22 February 2019 (Feb 19 BSC Release)	Current Status: Awaiting implementation
Latest Update:	The Authority approved P359 on 17 August 2018, for implementation on 28 February 2019, as part of the February 2019 BSC Release.		
Next Event:	P359 will be implemented on 28 February 2019, as part of the February 2019 BSC Release.		
Issue:	There is a concern that the current arrangements for re-declaring Generation Capacity (GC) and Demand Capacity (DC) values, using estimates of Balancing Mechanism (BM) Unit Metered Volumes provided by the Lead Party, are ambiguous; resulting in low levels and/or inaccurate re-declared values. Failure to re-declare can result in underestimated Credit Cover requirements.		
Current Solution:	P359 seeks to introduce a new mechanised process for Generation Capacity (GC) and Demand Capacity (DC) declarations.		
History:			
P359 was raised by SSE Ltd on 6 September 2017.			
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 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			

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

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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.

The Draft Modification Report was presented to the BSC Panel on 14 June 2018. The BSC Panel recommended that P359 should be approved. The Final Modification Report was issued to the Authority for decision on 15 June 2018.

<u>P361</u>: Revised treatment of BSC Charges for Lead Parties of Interconnector BM Units			Update
Date Raised:		31 October 2017	Proposer: Nord Pool Spot AS
Target Implementation Date:		22 February 2019 (Feb 19 BSC Release)	Current Status: With Authority
Latest Update:	P361 is with the Authority for decision. Ofgem initially published an indicative decision date of 17 August 2018 but they have since been in contact notifying ELEXON that this decision date could not be met due to further legal analysis of the issue.		
Next Event:	We are awaiting the Authority’s decision. Further consideration of the Implementation approach will be needed, as the P361 cut-off for the February 2019 Release has now lapsed.		
Issue:	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 is not aligned with the EU Third Package.		
Current Solution:	This Modification Proposal seeks to exclude Interconnector Balancing Mechanism (BM) Units from the Main Funding Share and SVA (Production) Funding Share BSC Charges, in order to better facilitate the EU Third Package.		
History:			
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			

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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 by 15 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.

The Assessment Report was presented to the Panel on 14 June 2018. The Panel initially recommended that both the Proposed and Alternative Modifications be rejected. The Report Phase Consultation was subsequently issued on 20 June 2018, with responses due by 3 July 2018.

The Draft Modification Report was presented to the Panel on 12 July 2018. The Panel recommended that both the Proposed and Alternative Modifications be rejected. The Final Modification Report was submitted to the Authority on 13 July 2018.

<u>P362</u>: Introducing BSC arrangements to facilitate an electricity market sandbox			Update
Date Raised:	9 November 2017	Proposer:	BSC Panel
Target Implementation Date:	5 WDs after approval	Current Status:	Implemented
Latest Update:	The Alternative solution (Transmission Company can also apply for and participate in the Sandbox) for P362 was approved by the Authority on 20 August 2018 for implementation 5 Working Days after approval, as a standalone BSC release. The Alternative solution has been implemented and the Modification is now closed.		
Next Event:	The Modification is now closed. Ofgem have expressed their desire to coordinate future external communications with Elexon regarding P362 Sandbox.		
Issue:	Appropriate provisions do not exist to enable pre-competitive or proof of concept testing for innovative products/services in the live BSC Settlement environment.		
Current Solution:	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.		

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History:

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.

The P362 Assessment Report was presented to the panel on 12 June 2018. The BSC Panel initially recommended that the P362 Alternative Modification should be approved and the P362 Proposed Modification should be rejected. The Report Phase Consultation was issued on 19 June 2018 with responses due on 3 July 2018.

The majority of respondents to the Report Phase Consultation agreed that P362 Alternative modification proposal should be approved. The BSC Panel made its unanimous final recommendation to approve the Alternative Modification on 12 July 2018. The Final Modification Report was issued to the Authority for decision on 18th July 2018.

P363: Simplifying the registration of new configurations of BM Units			Update
Date Raised:	7 December 2017	Proposer:	Green Frog Power
Target Implementation Date:	TBC	Current Status:	Assessment Procedure
Latest Update:	At the Panel's meeting in August, a three month extension was granted for P363 and P364, meaning both Modifications will return to the Panel in November to present the Assessment Report. An extension was requested, as both Modifications were put on hold following requests from Workgroup members, due to a potential overlap with Issue 70 and 71. Following Issue group's meeting, Workgroup members are of the opinion that there will now be no overlap and both Modifications can progress as planned.		

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Next Event:	The fifth Workgroup meeting is scheduled for 10 September 2018.
Issue:	The issue is that the current non-standard BM Unit application process is inefficient and time-consuming for each site, with each application being assessed on its own merits. Particularly in the last two years, ELEXON has progressed an increasing number of non-standard BM Unit applications and as it stands this is projected to continue as the electricity industry undergoes considerable change brought about by new technologies, business models and regulatory arrangements.
Current Solution:	The latest version of this proposal seeks to modify Section K to identify principles that standard BMUs must satisfy. Any BM Unit meeting the principles would be registered without needing to go through the current non-standard BM Unit process. There will be an appeals process. Long term, this will simplify the existing process, and result in faster Registration, particularly for new designs of Plant and Apparatus.
History:	<p>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).</p> <p>The IWA was presented to the Panel in December 2017. Given the synergies between P363 and P364, they are being progressed together with combined Workgroups, but will have separate consultations and reports.</p> <p>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.</p> <p>The solution the Workgroup has been developing is notably different from the original 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).</p> <p>The newly proposed solution to this Modification would introduce new opportunities to register standard BM Units that ELEXON, CDCA and CRA will need to bear in mind when considering applications to register BMUs. Furthermore, the development of this change should bear in mind technical constraints and implications under the Grid Code and Distribution Code – these may require changes if the BSC Proposal is considered appropriate, to ensure consistency across the codes.</p> <p>The fourth Workgroup meeting was held on Monday 18 June 2018. Discussions focused on the draft legal text and business requirements. Following discussion, it was decided to put the Modification temporarily on hold. This was due to the fact the newly raised Issue 70 and 71 could impact P363/P364.</p>

<u>P364</u>: Clarifying requirements for registering and maintaining BM Units			Update
Date Raised:	7 December 2017	Proposer:	Green Frog Power

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Target Implementation Date:	TBC	Current Status:	Assessment Procedure
Latest Update:	At the Panel's meeting in August, a three month extension was granted for P363 and P364, meaning both Modifications will return to the Panel in November to present the Assessment Report. An extension was requested, as both Modifications were put on hold following requests from Workgroup members, due to a potential overlap with Issue 70 and 71. Workgroup members are of the opinion that there will now be no overlap and both Modifications can progress as planned		
Next Event:	The fifth Workgroup meeting is scheduled for 10 September 2018.		
Issue:	BSC Section K3.2.1 requires that BSC Parties register BM Units comprising the Plant and Apparatus for whose Exports and/or Imports they are responsible. BSC Section K3.1 sets out requirements that determine the configuration of BM Units. Taking account of ELEXON's review of Metering Dispensations and non-standard BMUs, we believe that the requirements of Section K3.1 may not best reflect the current and changing ways in which parties participate in the electricity industry.		
Current Solution:	<p>The issue is that the current non-standard BM Unit application process is inefficient and time-consuming for each site, with each application being assessed on its own merits.</p> <p>Particularly in the last two years, ELEXON has progressed an increasing number of non-standard BM Unit applications and as it stands this is projected to continue as the electricity industry undergoes considerable change brought about by new technologies, business models and regulatory arrangements.</p>		
History:			
<p>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.</p> <p>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).</p> <p>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.</p> <p>The fourth Workgroup meeting was held on Monday 18 June 2018. Discussions focused on the draft legal text and business requirements. Following discussion, it was decided to but the Modification temporarily on hold. This was due to the fact the newly raised Issue 70 and 71 could impact P363/P364.</p>			

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P366 : Amending Supplier Charge SP08a to exclude hard-to-read sites (HTR)			Update	
Date Raised:		26 April 2018	Proposer:	Orsted
Target Implementation Date:		TBC	Current Status:	Assessment Procedure
Latest Update:	The second P366 Workgroup was held on 7 August 2018. ELEXON are preparing business requirements for three potential solutions.			
Next Event:	Once the Workgroup have agreed the draft business requirements ELEXON will issue service provider Impact Assessments (IAs) for each of the potential solutions. The Workgroup will reconvene in October to discuss the IA findings and determine the way ahead			
Issue:	The Proposer has defined HTR sites as small industrial sites that are unattended and located in remote areas. They have no telecom infrastructure or equivalency available for Advanced Meters or smart Meters. Despite making all practicable effort, it is often not possible for Suppliers to obtain Meter readings at these locations. Due to the nature of the NHH performance requirements, small Suppliers are most susceptible to HTR related SP08a Supplier Charges. The Proposer believes they are unfairly disadvantaged and are less able to compete competitively for customers with HTR sites.			
Current Solution:	This Modification seeks to remove HTR volumes from the SP08a Supplier Charge calculations. The Workgroup is considering several options to do this and have developed some draft HTR criteria.			
History:				
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.				
In the absence of the Authority's determination in regard to whether P366 is within scope of the three Significant Code Reviews (SCR) in the SCR Phase, P366 progresses in accordance with the approved Assessment Procedure timetable.				
The first P366 Workgroup was held on 7 June 2018 to develop the proposed solution to such an extent to allow further impact assessment and analysis. Following analysis of potential options it was agreed that IAs should be carried out to better inform the development of the solution.				

<u>P369</u>: National Grid Legal Separation changes to BSC			No update
Date Raised:	5 July 2018	Proposer:	National Grid
Target Implementation Date:	29 March 2019	Current Status:	With Authority

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Latest Update:	The Draft Modification Report was presented to the Panel for decision on 9 August 2018. The Panel recommended approval of P369; directing changes to the legal text to use 'National Electricity Transmission Operator (NETSO)' instead of 'Transmission Company'. The Final Modification Report was submitted to the Authority on 20 August 2018.
Next Event:	P369 is with the Authority decision. No indicative decision date has been published as of yet.
Issue:	The Balancing and Settlement Code (BSC) as well as the Code Subsidiary Documents (CSDs) include multiple references to NGET in terms of the ESO functions set out in its Transmission Licence. Each of these references need to be reviewed to ensure that the references continue to remain accurate following the legal separation of the ESO functions from NGET and their transfer to NGESO.
Current Solution:	This Modification proposes to introduce a definition for the term 'National Electricity Transmission System Operator' and abbreviation 'NETSO' to refer to the entity named National Grid Electricity System Operator Limited. It also seeks to amend all references which refer to ESO functions to become 'National Electricity Transmission System Operator' or 'NETSO'. P369 will also amend all references of Transmission Company to 'NETS
History:	
The Initial Written Assessment was presented to the Panel on 12 July 2018. The Panel agreed to progress P369 directly to Report Phase not as a Self-Governance Modification. The Report Phase Consultation was issued on 18 July 2018 with responses due by 31 July 2018. The Draft Modification Report will be presented to the Panel for decision on 9 August 2018.	

<u>P370: Allow the Panel to designate non-BSC Parties to raise Modifications</u>			Update
Date Raised:	12 July 2018	Proposer:	Panel
Target Implementation Date:	5 Working days following implementation	Current Status:	Assessment Procedure
Latest Update:	P370 has held two Workgroup meetings in August. On 3 August 2018 the first Workgroup meeting was held, where members discussed the majority of the terms of reference. On 28 August 2018, the Workgroup discussed the remaining terms of reference, and draft legal text and business requirements.		
Next Event:	A third Workgroup meeting is being arranged for week commencing 17 September 2018, to finalise the solution for Assessment Consultation, which is expected to be issued in later September or early October 2018. An extension will likely to be required due to the additional Workgroup meetings that were required to discuss the solution and will be requested no later than the October 2018 panel meeting.		
Issue:	In March 2017, the Authority's designation process was tested (the first time since the BSC was introduced in 2001) and proved to be overly time consuming, adding almost 12 weeks to the front-end of the Modification Procedure. The current		

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	designation process is not in line with Ofgem's desire for Panel's to become more self-governing and lacks transparency and clear process and timescales.
Current Solution:	<p>The main features of the solution are to move responsibility for the operation of the current designation process from the Authority to the BSC Panel and for the Authority to become the body to whom appeals may be made.</p> <p>The Workgroup also believe that Issues, acting as a 'pre-change' stage should be open to all and is required as part of this solution.</p>
History:	
<p>At its meeting on 12 July 2018, ELEXON recommended to the Panel to raise P370. The Panel agreed to raise the Modification Proposal in accordance with Section F2.1.1(d)(i) and agreed for the Modification to proceed directly to the Assessment.</p>	

CHANGE PROPOSALS - UPDATES & DECISIONS

<u>CP1505: Allowing 'off site' Commissioning of current transformers preinstalled in cut outs or switchgear at manufacture for use in low voltage (LV) installations`</u>				
Date Raised:		12 March 2018	Proposer:	GTC
Target Implementation Date:		1 November 2018 (Nov 18 BSC Release)	Current Status:	Pending Decision
Latest Update:	ELEXON presented the Assessment Report to the ISG for decision at its meeting on 21 August 2018. The responses from the Request for Information (RFI) and further views from the SVG were presented to help support the ISG in its decision making process. The ISG by majority (all bar one) determined that CP1505 should be rejected, disagreeing with the SVG's view that it should be approved.			
Next Event:	ELEXON will present the CP1505 Assessment Report to the BSC Panel at its meeting on 13 September 2018 for decision, as the ISG and SVG did not agree whether the CP should be approved or rejected.			
Issue:	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'.			
Current Solution:	This change proposes to add and amend text in CoP4 to specify that CTs preinstalled in cut outs or switchgear may be Commissioned 'off site'. This is conditional on the 'off site' tests being completed in line with requirements detailed in Sections 5.5 and 6.2 (HH and NHH respectively) of CoP4.			
History:				
<p>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 Code of Practice (CoP) 4 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 into the possible exacerbation of the issue.</p> <p>On 16 July 2018, ELEXON issued a request for information (RFI) to the industry with responses due on the 24 July in order to gain further information for a concern held by the ISG. The ISG were concerned CP1505 could exacerbate an existing Code of Practice (CoP) 4 problem (due to be explored by a forthcoming issue) regarding the accountability within a certain stage of the Commissioning testing process. The Proposer and SVG did not hold the same concern as they believed it was a separate, pre-existing condition outside the scope of CP1505.</p> <p>The SVG discussed the ISG's concern at their Committee meeting on 31 July 2018 in order to help inform the ISG's decision; it was commented that the ISG's concern was a separate matter and</p>				

CHANGE PROPOSALS - UPDATES & DECISIONS

should be treated as such.

CP1508: Updating references to the British and International Standards within the relevant Code Subsidiary Documents.

Date Raised:	9 August 2018	Proposer:	ELEXON
Target Implementation Date:	27 June 2019 (Jun 19 BSC Release)	Current Status:	CP Consultation
Latest Update:	CP1508 was presented to the Imbalance Settlement Group (ISG) and the Supplier Volume Allocation Group (SVG) for information on 21 August 2018 and 4 September 2018, respectively.		
Next Event:	CP1508 will be issued for industry consultation on 10 September 2018, with responses due by 28 September 2018.		
Issue:	Many of the standards referenced in the CSDs are outdated, have been withdrawn or superseded. Whilst parties can install Metering Equipment tested and stamped to the latest standards that are not currently referenced in the CSDs, due to a generic Metering Dispensation (D/477), the CSDs should be updated to ensure alignment to current applicable standards.		
Current Solution:	CP1508 proposes to update all references to standards within the CSDs to their latest published equivalent.		
History:			
CP1508 was raised by ELEXON on 9 August 2018.			

ISSUES - UPDATES & DECISIONS

<u>Issue 69: Performance Assurance Framework Review</u>				
Date Raised:		30 March 2017	Proposer:	ELEXON
Latest Update:	The last Issue Group for the PAF Procedures work stream was held on 15 August 2018, with subsequent teleconference meetings held on 30 and 31 August 2018. During these sessions, ELEXON presented the final design of the PAF along with its component parts, on which the Issue Group members provided guidance and comment.			
Next Event:	ELEXON will present the PAF Procedures work stream findings and recommendations report to the Performance Assurance Board (PAB) at its meeting on 27 September 2018. The first Issue Group meeting for the data provision work stream will be held in mid-October 2018.			
Issue	ELEXON and the Performance Assurance Board (PAB) are aware of opportunities to further enhance the application of the risk-based Performance Assurance Framework (PAF) envisaged in P207 'Introduction of a new governance regime to allow a risk based Performance Assurance Framework (PAF)' to utilise and reinforce its effectiveness to address the challenges of a changing industry. This Issue Group will explore the issues and identify possible solutions for each work stream: Smart Metering, PAF procedures, data provision and Performance Assurance Techniques.			
History:				
<p>The first work stream was Smart Metering, with two meetings held on 25 April 2017 and 24 May 2017 respectively. The interim Issue Report for Smart Metering was presented to the PAB in June 2017, and tabled at the BSC Panel in July 2017. 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 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' was raised, seeking to include the D0367 data flow in the Qualification process.</p> <p>The second work stream is on PAF procedures. This work stream will focus on a new design for the PAF, covering what is currently the Risk Evaluation Methodology (REM), Risk Evaluation Register (RER), Risk Operating Plan (ROP) and the reporting.</p> <p>The first Workgroup on PAF procedures was held on 17 January 2018. In the meeting, 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.</p> <p>The third meeting for this work stream was held on 12 June 2018 where the Workgroup discussed a newly drafted version of the RER. At this meeting, as the Workgroup consisted of SVA experts only, they could not provide feedback on the CVA risks listed within the RER. Therefore, a</p>				

ISSUES - UPDATES & DECISIONS

dedicated session for CVA experts to provide feedback on the RER was held on 25 July 2018. The fourth and final meeting for the PAF Procedures Work Stream will be held on 15 August 2018. At this meeting the ELEXON will present the final design of the PAF along with its component parts.

Modification [P368 'Amendments to Section Z to better facilitate the production of the Risk Evaluation Methodology, Risk Evaluation Register and Risk Operating Plan'](#) was approved by the BSC Panel at its meeting on 12 July 2018 and will be implemented in the November 2018 BSC Release. This Modification arose from work completed by the Issue 69 group relating to PAF procedures.

On the 25 July, a dedicated session was held for CVA experts to provide feedback on the newly drafted risk register. Attendees were invited to attend the forthcoming data provision work stream.

Issue 70: Settlement of Secondary BM Units using metering at the asset				
Date Raised:		15 June 2018	Proposer:	Flexitricity
Latest Update:		ELEXON are finalising the report and it is going out to the Issue Group members for review and comment. Following this, the report will be presented at the next Panel meeting.		
Next Event:		ELEXON will aim to present the Issue Report to the Panel at its meeting on 11 October 2018.		
Issue		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'.		
History:				
Flexitricity raised Issue 70 was raised on 15 June 2018 by Flexitricity.				
Due to the complementary nature of Issue 70 and 71, the Issue Groups were held on the same day for progression efficiency.				
The first Issue Group was held on 11 July 2018. The scope of the Issue was discussed and an Issue Report will be drafted; incorporating any Issue Group members' comments, following review. It is ELEXON's opinion that no further Issue Groups will be required.				

Issue 71: Introduction of a baselining methodology as an alternative to Physical Notifications			
Date Raised:	15 June 2018	Proposer:	ELEXON

ISSUES - UPDATES & DECISIONS

Latest Update:	ELEXON are finalising the report and it is going out to the Issue Group members for review and comment. Following this, the report will be presented at the next Panel meeting.
Next Event:	ELEXON will aim to present the Issue Report to the Panel at its meeting on 11 October 2018.
Issue:	<p>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.</p> <p>Issue 71 seeks to examine the possibility of a PN for a site being created via an alternative baselining methodology.</p>
History:	
<p>ELEXON raised Issue 71 on 15 June 2018.</p> <p>Due to the complementary nature of Issue 70 and 71, the Issue Groups were held on the same day for progression efficiency.</p> <p>The first Issue Group was held on 11 July 2018. The scope of the Issue was discussed and an Issue Report will be drafted; incorporating any Issue Group members' comments, following review. It is ELEXON's opinion that no further Issue Group will be required.</p>	

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

Key	Initial Written Assessment:	Assessment Procedure: AR: Assessment Report APC: Assessment Procedure Consultation	Report Phase: RC: Report Phase Consultation DMR: Draft Modification Report FMR: Final Modification Report	WA: With Authority Awaiting Decision	AI: Awaiting Implementation	I: Implementation
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Mod	Title	Proposer	Date Raised	Urgent	Sep	Oct	Nov	Dec	Jan	Feb
P297	Receipt and Publication of New and Revised Dynamic Data items	National Grid	24 Jul 13	No						
P332	Revisions to the Supplier Hub Principle	Smartest Energy	28 Jan 16	No				AR	DMR FMR	
P344	Project TERRE implementation into GB market arrangements	National Grid	01 Jun 16	No						
P354	Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level	ENGIE	11 Jan 17	No						
P355	Introduction of a BM Lite Balancing Mechanism	PeakGen	21 Jun 17	No	Withdrawn – pending formal closure 1200 Fri 7 Sep 18					

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	Sep	Oct	Nov	Dec	Jan	Feb
P356	Aligning the BSC with Grid Code Modification GC0099	National Grid	03 Jul 17	No						
P359	Mechanised process for GCDC declarations	SSE	06 Sep 17	No						
P361	Revised treatment of BSC charges for Lead Parties of Interconnector BM Units	Nord Pool Spot AS	31 Oct 17	No						
P362	Introducing BSC arrangements to facilitate an electricity market sandbox	BSC Panel	09 Nov 17	No	5 WDs after approval					
P363	Simplifying the registration of new configurations of BM Units'	Green Frog Power	07 Dec 17	No	DMR FMR					
P364	Clarifying requirements for registering and maintaining BM Units	Green Frog Power	07 Dec 17	No	DMR FMR					

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		Sep	Oct	Nov	Dec	Jan	Feb
P366	Changes to Supplier Charges on 'hard-to-read' NHH sites	Orsted	26 Apr 18	No		APC		AR	DMR FMR		
P367	Removal of obsolete Supplemental Balancing Reserve (SBR) and Demand Side Balancing Reserve (DSBR) arrangements	BSC Panel	10 May 18	No							
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							
P369	National Grid Legal Separation changes to BSC	National Grid	05 July 2018	No							
P370	Allow the Panel to designate non-BSC Parties to raise Modifications	BSC Panel	12 July 2018	No		APC		AR	DMR FMR	5 WDs after approval	

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

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	Sep	Oct	Nov	Dec	Jan	Feb
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						
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						
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						
CP1503	Changes to European Transparency Regulation data to align with latest ENTSO-e Manual of Procedures	National Grid	12 Feb 18						

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

CP	Title	Proposer	Date Raised
CP1504	Amend BSCP201's references to dual/single pricing following implementation of P305	ELEXON	02 Mar 18
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
CP1506	New Interconnector fuel type	National Grid	03 May 18
CP1507	Updates to BSCP520 to align with working practices and UMSUG recommendations	ELEXON	15 May 18

Sep	Oct	Nov	Dec	Jan	Feb
AR					

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

Panel Decisions

[CP1505:](#) CP Assessment Report will be presented to the Panel at its meeting on 13 September 2018.

Authority Decisions

[P361:](#) Final Modification Report was issued to the Authority for decision on 16 July 2018. As of yet, no decision has yet been received.

[P369:](#) Final Modification Report was issued to the Authority for decision on 20 August 2018. As of yet, no decision has yet been received.

Industry Consultations

There are no Industry Consultations for this month's Change Report.

BSC SYSTEMS ROADMAP – SCOPE & DELIVERY UPDATES

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

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	Confirmed
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	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	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/sing	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	Confirmed
CP1507	Updates to BSCP520 to align with working practices and UMSUG recommendations	Document	Confirmed

BSC SYSTEMS ROADMAP – SCOPE & DELIVERY UPDATES

February 2019 BSC Release - 28 February 2019

Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/ BSC Panel/ Panel Committee Approval Status
P344	Project TERRE implementation into GB market arrangements	System	Confirmed
P359	Mechanised process for GC/DC declarations	System	Confirmed
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	BSC Central Systems/Document only impacts	Ofgem/ BSC Panel/ Panel Committee Approval Status
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	Confirmed

Ad-hoc Releases

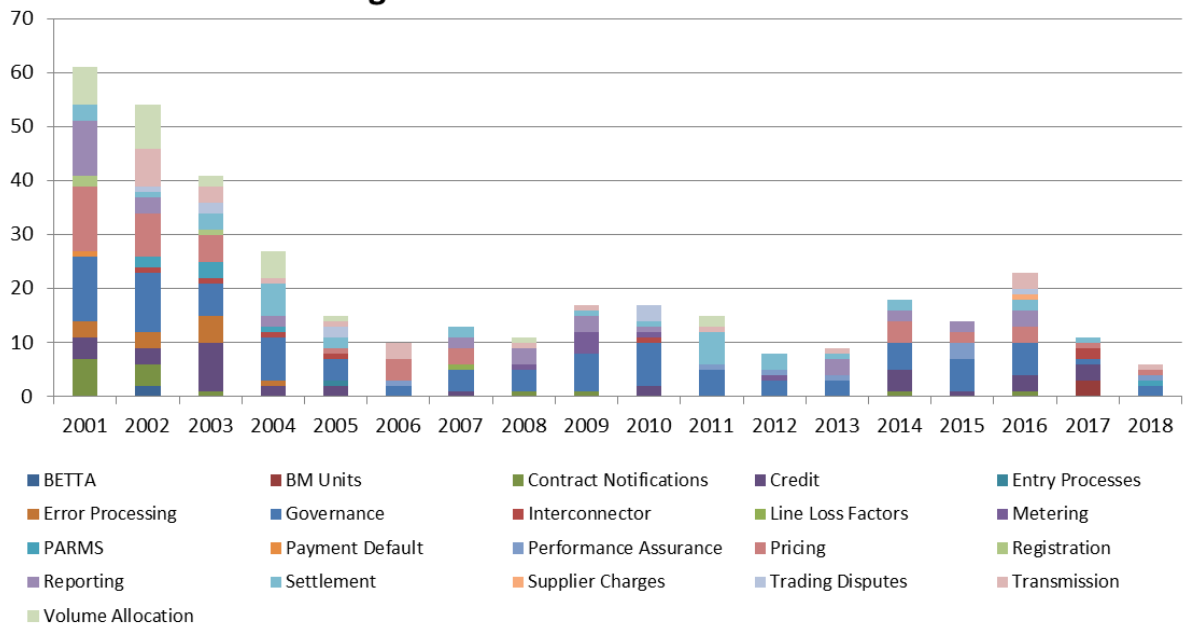
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/ BSC Panel/ Panel Committee Approval Status	Implementation date
P362	Introducing BSC arrangements to facilitate an electricity market sandbox	Document	Confirmed	5WDs after approval
P354	Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level	System	Confirmed	1 April 2020 effective, Release Feb 20

BSC SYSTEMS ROADMAP – SCOPE & DELIVERY UPDATES

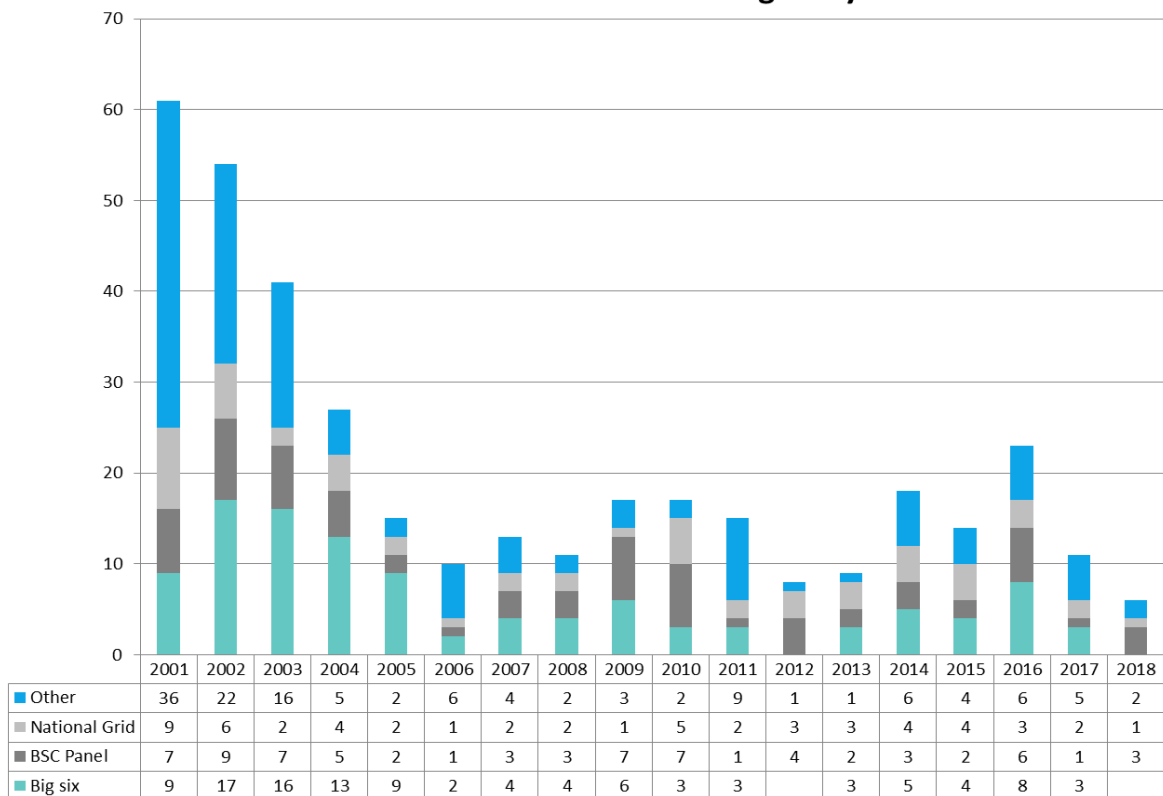
TBC Release Date				
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/ Panel Committee Approval Status	Target Implementation Date
P332	Revisions to the Supplier Hub Principle	System	Pending	
P355	Introduction of a BM Lite Balancing Mechanism	System	Pending	
P366	Changes to Supplier Charges on 'hard-to-read' NHH sites	System	Pending	27 Jun 20

Modification Trend Charts

Categories of BSC Modifications raised



BSC Modifications and raising Party



Modification Trend Charts

