







| BSC Modification Proposal Form   |   | At what stage is this document in the process?  |
|--|---|---|
| <p><b>Mod Title: Speeding up the process for the publication of data on the BMRS</b></p>   |   | <div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="border: 1px solid green; padding: 2px; margin-bottom: 2px;">01 Modification</div> <div style="border: 1px solid blue; padding: 2px; margin-bottom: 2px;">02 Workgroup Report</div> <div style="border: 1px solid purple; padding: 2px; margin-bottom: 2px;">03 Draft Modification Report</div> <div style="border: 1px solid orange; padding: 2px;">04 Final Modification Report</div> </div> |
| <p><b>Purpose of Modification:</b></p> <p>To simplify the governance arrangements and reduce the timescales for the publication of new or amended data associated with the Balancing Mechanism Reporting Service (BMRS).</p> |   |   |
|   | <p>ELEXON recommends that this Modification should:</p> <ul style="list-style-type: none"> <li>• be raised by the Panel in accordance with the provisions of Section F2.1.1(d)(i);</li> <li>• <b>not</b> be treated as a Self-Governance Modification Proposal; and</li> <li>• be assessed by a Workgroup and submitted into the Assessment Procedure.</li> </ul> <p>This draft Modification Proposal will be presented to the BSC Panel on <b>13 September 2018</b>. The Panel will determine how best to progress the Modification.</p> |   |
|   | <p>High Impact:<br/>N/A</p>   |   |
|   | <p>Medium Impact:<br/>N/A</p>   |   |
|   | <p>Low Impact:</p> <p>This Modification Proposal will impact Section V: 'Reporting', the Reporting Catalogue, the Interface Definition and Design Documents (IDDs)</p> <p>This Modification is not expected to have any impact on BSC Party/Party Agent systems.</p>  |   |

| Contents  |                                |  Any questions? |
|---|--------------------------------|--|
| 1   | Summary                        | 3  |
| 2   | Governance                     | 5  |
| 3   | Why Change?                    | 5  |
| 4   | Code Specific Matters          | 6  |
| 5   | Solution                       | 6  |
| 6   | Impacts & Other Considerations | 7  |
| 7   | Relevant Objectives            | 9  |
| 8   | Implementation Approach        | 11   |
| 9   | Legal Text                     | 11   |
| 10  | Recommendations                | 11   |
| Timetable   |                                |  |
| <b>The Proposer recommends the following timetable:</b> |                                |  |
| Initial consideration by Workgroup                      | W/C 8 Oct 2018                 |  0207 380 4270  |
| Assessment Procedure Consultation                       | 6 Dec 2018 – 2 Jan 2019        |                 |
| Workgroup Report presented to Panel                     | 14 Feb 2019                    |                 |
| Report Phase Consultation                               | 19 Feb 2019 – 5 Mar 2019       | Proposer's representative:   |
| Draft Modification Report presented to Panel            | 14 Mar 2019                    |                 |
| Final Modification Report submitted to Authority        | 21 Mar 2019                    |               |
|   |                                | Other:   |
|   |                                |               |
|   |                                |               |

# 1 Summary

## What is the issue?

The requirement to raise a Modification to make additions or changes to the data reported via BMRS is contributing to extended timescales for implementing these updates. The BSC is constructed in such a way that means the burden of governance can be reduced while maintaining appropriate oversight, by replacing the Modification process with the Change process. Furthermore, the scheduled delivery approach is overly restrictive for changes of this nature, which can result in longer implementation than necessary.

The BMRS has, over time, evolved into industry's one-stop-shop for the publication of electricity market information. The scope of the reports to be published on the BMRS is set out in BSC Section V: 'Reporting' with some of the detail (data and settlement periods, publication, frequency and format) available in each report set out in Annex V-1. Lower level detail is captured in the Reporting Catalogue or Interface Definition and Design Documents (IDDs); documents that are subject to the change control arrangements (Change Proposals) set out in BSCP 40 – 'Change Management'.

In most cases the requirement for new reports to be published or current ones to be amended on the BMRS can only be met through the BSC Modification Procedures, set out in BSC Section F 'Modification Procedures'. Once approved new or amended publication requirements are implemented within the scope of a scheduled BSC Systems Release which occur three times each year in February, June and November.

The timescales for raising, assessing, approving and implementing Modifications can be lengthy, with the end-to-end timescales for raising and implementing a Modification to publish new or amended BMRS data is on average 17 months (average taken from the previous eight Modifications, excluding P297, related to BMRS reporting). Breaking this time period down, on average approximately 25% was due to assessment, with the remaining time making up the implementation and delivery timescale.

Due to this elongated timescale, some industry participants are making their own publication arrangements rather than using the BMRS. This results in fragmentation of information across various reporting platforms which can create confusion for the end user wishing to access data about the electricity market. It would be beneficial it were published from one central source; improving transparency over multiple locations of data.

In addition, the current Release schedules and operational processes associated with them could potentially be restrictive, in regard to the aim of ensuring efficient and swift implementation of amended publication requirements.

## What is the proposed solution?

This Modification proposes to move a selection of reports, to be determined by the Modification Workgroup, currently set out in Annex V-1, to the Reporting Catalogue and/or IDD; or alternatively place certain reports in a separate BSC Panel controlled document. This would remove the need to progress a Modification. Instead, a Change Proposal would be progressed. These typically take around 3 months to get a decision. Alternatively, if using a Panel controlled document new items could be added immediately, leaving only implementation time.

It is further proposed that the operational processes followed by ELEXON to determine the scope and content of BSC Systems Releases are reviewed to determine whether new and amended publication

requirements could be delivered outside of the normal release schedule in a more agile, responsive and flexible manner.

## 2 Governance

This Modification should not be considered suitable for treatment as Urgent, Fast Track or Self-Governance.

### Justification for proposed progression process

The proposal **not** to treat this Modification as a Self-Governance Modification Proposal has been taken because it does not meet the Self-Governance Criteria (as set out in the Transmission Licence and repeated in BSC Annex X-1: 'General; Glossary'). Specifically, criterion (a) (v) which relates to the impact on "the Code's governance or Modification Procedures".

This Modification, if implemented, will alter the decision making capacity of the Panel and the Authority in relation to BSC Modification Procedures as such proposals (to publish new or amend existing reports on the BMRS) will no longer be progressed through the Modification Procedures and, should the Self-Governance criteria not be met, submitted for decision to the Authority. For information, seven of the last nine BMRS Modifications were deemed and progressed as not meeting the Self-Governance Criteria.

### Requested Next Steps

This Modification should:

- be assessed by a Workgroup and submitted into the Assessment Procedure.

## 3 Why Change?

### What is the issue?

The requirement to raise a Modification to make additions or changes to the data reported via BMRS is contributing to extended timescales for implementing these updates. This procedure does not provide benefit and value to customers and furthermore the scheduled delivery approach is overly restrictive for changes of this nature.

The BMRS has, over time, evolved into industry's one-stop-shop for the publication of electricity market information. The scope of the reports to be published on the BMRS is set out in BSC Section V: 'Reporting' with some of the detail (data and settlement periods, publication, frequency and format, to be made available in each report, set out in Annex V-1). Lower level detail is captured in the Reporting Catalogue or Interface Definition and Design Documents (IDDs); documents that are subject to the change control arrangements are set out in BSCP 40 – 'Change Management'.

In most cases the requirement for new reports to be published on the BMRS can only be met through the BSC Modification Procedures. Once approved new or amended publication requirements are implemented within the scope of a scheduled BSC Systems Release which occur three times each year in February, June and November. There have been previous exceptions to this process such as the electricity summary page and Triad, credit default, where these are data items did not lie under BSC governance and a Modification was not initially required to make the change.

The timescales for raising, assessing, approving and implementing Modifications can be lengthy, with the end-to-end timescales for raising and implementing a Modification to publish new or amended BMRS data being on average 17 months (average taken from the previous eight Modifications, excluding P297, related to BMRS reporting). Breaking this time period down, on average approximately 25% was due to assessment, with the remaining time making up the implementation and delivery timescale.

Due to this elongated timescale some industry participants are making their own publication arrangements rather than using the BMRS.

Over the last six to nine months we have observed increasing public criticism of the timescales for the publication of data on the BMRS. Set out below are some of the comments received recently:

- at National Grid's (NGs) October 2017 Operational Forum NG stated that it had considered using the BMRS as a publication route for its balancing services trades but had rejected the BMRS as being too slow to implement when coupled with the BSC Modification process;
- in their draft Forward Work Plan published on 12 February 2018, the National Grid Electricity System Operator (NG ESO) state that "Stakeholders have told us that they want information about trades enacted by the ESO to be published more quickly than via ELEXON"; and
- at National Grid's April 2018 Operational Forum NG stated that it is considering moving away from the BMRS because the change cycle takes too long.

A proliferation of websites all purporting to be the definitive source of electricity market information is wasteful, inefficient and particularly confusing and unhelpful for both existing industry members but also for new market entrants.

Whilst we cannot demand that industry publish its electricity market data on the BMRS, we can ensure, through proportionate and flexible BSC Change Management processes that the BMRS is accessible and provides for a cost effective and timely publication mechanism.

It is further proposed that the operational processes followed by ELEXON to determine the scope and content of BSC Systems Releases are reviewed to determine whether new and amended publication requirements could be delivered outside of the normal release schedule in a more agile, responsive and flexible manner.

## 4 Code Specific Matters

### Technical Skillsets

We recommend that the Workgroup assessing this Modification Proposal has expertise in the following areas:

- Electricity data reports and information; and
- Delivery of changes.

### Reference Documents

No particular reference documents need to be considered.

## 5 Solution

### Proposed Solution

This Modification proposes to move the list of reports currently set out in Annex V-1, to the Reporting Catalogue and the Interface Definition and Design Documents (IDDs) or alternatively a BSC Panel controlled document. This will make it easier to make changes to existing data items and enable new and amended publication requirements to be managed through the BSCP 40 – Change Management process or alternatively a yet to be established procedure in which the Panel or delegated committee approves the addition and publication of new reports which will:

- improve the timescales for proposing and assessing proposals to publish new or amend existing data on the BMRS;
- address the public perception that, when coupled with BSC Modification Procedures, changes to the BMRS are slow to implement; and
- introduce a more proportionate arrangement for the progression and implementation of changes that are determined to be of low risk and impact.

It should be noted that if implemented, and reporting requirement are moved to a specified CSD(s), proposals for new and amended publication requirements, managed through the BSCP 40 – ‘Change Management’ will be assessed and determined by the relevant Panel Committee (as set out in the [Baseline Statement](#)) rather than the Panel.

In addition, where inclusion of additional data items on the BMRA would not require a BSC Modification or amendment to a CSD, the Panel (or delegated authority) shall evaluate and approve for the new or amended data item to be published on the BMRA.

It is further proposed that the operational processes followed by ELEXON to determine the scope and content of BSC Systems Releases are reviewed to determine whether new and amended publication requirements could be delivered outside of the normal release schedule, in a more agile and flexible manner. This would:

- further improve publication timescales; and
- provide for a more flexible and proportionate implementation approach.

The approach proposed here is not new; the 2013 BSC Review report<sup>1</sup> made similar proposals. However, the report’s proposals did not achieve sufficient traction with Panel and industry and a Modification was not raised.

In assessing this Modification the workgroup may also wish to consider:

- whether there are circumstances, other than where the unanimous agreement of the Panel Committee cannot be reached and its decision is referred to the Panel, where the Panel may not wish to delegate its decision making powers, specifically in relation to the publication of data on the BMRS, to a Panel Committee; and
- the impact of implementing low risk changes outside the existing BSC Systems Release schedule.

## 6 Impacts & Other Considerations

### Impacts

This Modification will impact the roles undertaken by the Panel and the Authority to the extent that certain decisions that would have been made by the Panel or the Authority will now be made by the relevant Panel Committee.

This modification will impact the following BSC documentation:

- BSC Section V ‘Reporting’;
- BSC Section V, Annex V-1: ‘Table of Reports’;
- the Reporting Catalogue; and
- the Interface Definition and Design Documents (IDDs).

Additionally, this Modification may also impact ELEXON’s BSC Systems Release processes.

<sup>1</sup> [https://www.elexon.co.uk/wp-content/uploads/2012/09/215\\_07\\_BSC\\_Review\\_2013\\_v1-0.pdf](https://www.elexon.co.uk/wp-content/uploads/2012/09/215_07_BSC_Review_2013_v1-0.pdf)

No BSC Systems impacts have been identified.

### **Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?**

This modification does not impact any existing SCR or other significant industry change projects. The Proposer requests that this Modification be exempt from the SCR Process.

### **Consumer Impacts**

Day to day operation of Balancing and Settlement will be unaffected so there will be no direct cost on consumers. However, there may be indirect benefits for consumers if BMRS changes are assessed and implemented more efficiently. No negative consumer impacts have been identified.

### **Environmental Impacts**

No negative environmental impacts have been identified.



## 7 Relevant Objectives

| Impact of the Modification on the Relevant Objectives:   |                   |
|--|-------------------|
| Relevant Objective   | Identified impact |
| a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence  | Neutral           |
| (b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System   | Neutral           |
| (c) Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity            | <b>Positive</b>   |
| (d) Promoting efficiency in the implementation of the balancing and settlement arrangements  | <b>Positive</b>   |
| (e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]                  | Neutral           |
| (f) Implementing and administrating the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation | Neutral           |
| (g) Compliance with the Transmission Losses Principle  | Neutral           |

### **Objective (c)**

This Modification aims to simplify the process and reduce the timescales for the publication of data on the BMRS; inviting more data to be published on this service. A level playing field and equal access to market data will facilitate competition by:

- improving transparency and equal access to data; providing a level playing field for all current and future market participants.;
- getting closer to a single version of the truth, which also improves transparency over multiple locations of data; and
- avoiding the wasteful and inefficient proliferation of websites publishing electricity market information which is unhelpful for both existing industry members but also for new market entrants.

### **Objective (d)**

This Modification would have a positive impact on the efficiency of the implementation of the balancing and settlement arrangements as it would:

- shorten the timescales for proposing, assessing and (where approved) implementing proposals to publish new or amend existing data on the BMRS;

- introduce a more proportionate and flexible arrangement for the progression and implementation of changes that are determined to be of low risk and impact;
- improve and extend the scope of the Panel's Self-Governance arrangements as decision making would be delegated to a Panel Committee and an Authority decision would not, generally, be required;
- ensure, through proportionate and flexible BSC change management processes, that the BMRS is accessible and provides for a cost effective and timely publication mechanism.

## 8 Implementation Approach

As this is a “documentation only” change it is proposed that this Modification is to be implemented 5 working days following an Authority decision.

## 9 Legal Text

The legal text should be determined once the scope of the change has been discussed with the Workgroup and the extent to which reporting requirements should be captured in the Code Subsidiary Documents (CSDs) rather than in the Code itself.

## 10 Recommendations

### Proposer’s Recommendation to the BSC Panel

The BSC Panel is invited to:

- Agree that this Modification Proposal **not** be progressed as a Self-Governance Modification Proposal; and
- Agree that this Modification Proposal be sent into the Assessment Procedure for assessment by a Workgroup.