

UPDATE TO MODIFICATION WORKGROUP TERMS OF REFERENCE TO BETTER SUPPORT ENGAGEMENT WITH PARTIES

MEETING NAME BSC Panel

Date of meeting 13 September 2018

Paper number 282/07

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Purpose of paper Decision

Classification Public

Summary To invite the Panel to approve a new standard Terms of Reference (ToR) for Modification Workgroups. The ToR have been updated to better support participant Workgroup engagement by reducing the attendance threshold to maintain voting rights from 2/3 to 50% and allowing alternates.

1. Background

- 1.1 The Panel asked ELEXON to look into the voting arrangements for Modifications, particularly in the context of accommodating smaller Parties who may be kept informed on the progress of Modifications, but be unable to attend the requisite number of meetings.
- 1.2 We raised the issue of engagement with smaller participants at the CACoP meeting on 22 May 2018. CACoP acknowledged that engagement with smaller participants is challenging, both in terms of Workgroup attendance and consultation responses. CACoP recognised engagement with smaller participants as being an industry wide issue. The group decided that this should be considered as part of the CACoP communication strategy, which is currently being developed. The communication strategy will look to identify how to engage with different types of stakeholder, including smaller participants.
- 1.3 We have also looked at how five other Code Administrators (SEC, MRA, DCUSA, CUSC and UNC) vote at Workgroups and Panels to see if there is anything we learn and use under the BSC. Of the other codes that we looked at, many vote by class (e.g. Supplier or Distributor) or category (e.g. large Supplier, small Supplier). Some codes vote using a weighted vote, whilst others vote using a simple majority. We note that some code's workgroups do not require minimum attendance, whereas the CUSC requires 50% and the BSC two-thirds.
- 1.4 At its meeting on 9 August 2018, ELEXON provided a proposed solution to the Modification Workgroup voting arrangements, which require changes to the standard Workgroup ToR. The purpose of this paper is to outline the proposed solution and to ask the Panel to approve a new standard Modification Workgroup ToR.
- 1.5 The BSC (Section F2.4.12) requires the Panel to determine ToR for each Workgroup. The Panel has established a standard ToR, which applies to all Modification Workgroups. As part of each Initial Written Assessment, ELEXON ask the Panel to approve any specific ToR for that Modification Proposal. The specific ToR together with the standard ToR, form that Workgroups ToR.

2. Update to ToR

- 2.1 We believe having a minimum attendance is appropriate given that members are acting impartially and not for a particular class or category of party. It is important that members understand the reasons a solution has developed in a particular direction and do not just turn up to vote at the last meeting.

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- 2.2 We have identified two changes to the Workgroup Standard Terms of Reference that we believe could help. Firstly, reducing the attendance threshold to 50%, in line with the CUSC, in order to maintain voting rights. Secondly, allowing members to send an alternate, who will contribute and count towards the 50% threshold.
- 2.3 Further, we believe that ELEXON is in a unique position over other code administrators, as we have the OSM service which means we engage with smaller Suppliers and Supplier Agents on BSC changes. To this end, we are now highlighting more clearly in Modification reports when subsidiary documents will be developed and consulted upon, as this can often contain the detail needed to develop system changes.
- 2.4 We have also recently started to use Skype for Business to improve the Workgroup teleconference experience. Participants will be able to see the presenter's slides, and where needed, video conferencing will be available. We are also looking to publish Workgroup materials on our wwebsite.

3. Recommendations

- 3.1 We invite you to:
 - a) **APPROVE** the Workgroup standard Terms of Reference in Attachment A; and
 - b) **NOTE** the contents of this paper.

Attachments

Attachment A – Proposed Workgroup standard Terms of Reference

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