

HEADLINE REPORT

MEETING NAME BSC Panel

Meeting number 284

Date of meeting 8 November 2018

Purpose of paper For information

Classification Public

Synopsis This report sets out the headlines and key decisions of the most recent BSC Panel meeting.

MODIFICATION AND CHANGE BUSINESS (OPEN SESSION)

1. Change Report and progress of Modification Proposals - (284/03)

1.1 The Modification Secretary provided an update on open Modifications and Change Proposals.

1.2 The BSC Panel:

a) **NOTED** the contents of the October Change Report.

2. P374 'Aligning the BSC with the EB GL change process and derogation approach' – (284/14)

2.1 [P374](#) seeks to ensure that the BSC is aligned with the European Electricity Balancing Guideline (EB GL – Regulation 2017/2195) derogation and change process by ensuring that BSC Modifications are not implemented until the EB GL change process has completed; and BSC Derogations cannot be granted for provisions that meet the EB GL balancing terms and conditions. Specifically, P374 aims to reflect changes to the Code Governance arising from the application of the terms and conditions related to balancing from Articles 4, 5, 6, 10 and 18 of the EB GL.

2.2 The BSC Panel:

a) **DEFERRED** consideration of P374, pending the request of information detailed in option 3 of the IWA; and

b) **NOTED** that ELEXON will update the Panel on the status of the required information on 13 December 2018.

3. P373 'Reversing the changes relating to Approved Modification P297' – (284/04)

3.1 [P373](#) proposes to reverse the changes to the BSC for Approved Modification [P297 'Receipt and Publication of New and Revised Dynamic Data Items'](#).

3.2 The BSC Panel:

a) **AGREED** a recommendation to the Authority that P373 should be approved;

b) **AGREED** that P373:

- o **DOES** better facilitate Applicable BSC Objective (a); and
- o **DOES** better facilitate Applicable BSC Objective (d);

c) **APPROVED** an Implementation Date of:

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- o 5WD following Authority decision;
- d) **APPROVED** the draft legal text;
- e) **APPROVED** the P373 Modification Report.

4. Issue 69 Interim Report 'Performance Assurance Framework Review' – (284/05)

- 4.1 [Issue 69 'Performance Assurance Framework Review'](#) Interim Report outlines the recent changes to the Performance Assurance Framework (PAF) Procedures facilitated through the Issue 69 workgroup. These include changes to the Risk Register to capture Settlement Risks for efficiency, Modification [P368 "Amendments to Section Z to better facilitate the production of the Risk Evaluation Methodology, Risk Evaluation Register and Risk Operating Plan"](#) which allows for in-period revisions to the Risk Evaluation Methodology, and a new scoring approach that focuses on materiality figures rather than impact and probability ratings.
- 4.2 The BSC Panel:
- a) **NOTED** the Issue 69 Interim Report.

NON MODIFICATION BUSINESS (OPEN SESSION)

5. Scoping paper for a review of Section D charges – (284/06)

- 5.1 Following discussion of Specified BSC Charges at the 13 September 2018 Panel meeting, ELEXON was tasked with bringing a paper back to the Panel meeting on 11 October 2018, identifying Terms of Reference for a full review of Section D charges, initially via an Issue Group. Following the Panel meeting, the Panel requested an overview of current charges and historic principles to enable it to assess the size and scope of any review before it could agree the Terms of Reference. ELEXON presented a paper to address this action.
- 5.2 The BSC Panel:
- a) **AGREED** that the review should consider whether the current charging structure within BSC Section D is fit for purpose; and to focus on those charges which are not, or have no cost driver.
 - b) **AGREED** to include simplicity, and cost reflectivity to the Terms of Reference for an Issue Group; and
 - c) **AGREED** for ELEXON to submit the draft Terms of Reference to the Panel ex-Committee and subject to Panel approval or no objections, raise an Issue Group to review the recovery of ELEXON's costs.

6. Aligning BSC Reporting with EMR Regulations – (284/07)

- 6.1 ELEXON provided the Panel with details of responses to our recent consultation on '[Aligning BSC Reporting with EMR Regulations](#)', and asked the Panel to approve our approach to implementing interim and enduring solutions to the issues identified in the consultation document.
- 6.2 The BSC Panel:
- a) **NOTED** that the consultation responses strongly supported the principle that BSC processes should be amended to provide the EMR SSP with gross demand values that exclude any electricity provided to Licensed Generators for the purpose of licensed generation (see paragraph 3.1);
 - b) **NOTED** that the consultation responses supported use of the BSC Modification process to assess and implement an appropriate enduring solution (see paragraph 3.5);
 - c) **AGREED** that, as an interim solution (prior to Modification of the BSC), a process should be established for identifying Boundary Point Metering Systems that are recording only Imports provided to Licensed

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Generators for the purpose of licensed generation (and which therefore fall outside the Electricity Act definition of 'supply', and are not subject to EMR charges);

- d) **AGREED** that, in order to facilitate timely implementation of this interim process, it should be delivered by LCCC and EMRS (using existing EMR settlement systems and industry data flows), and rely on self-declaration by Licensed Suppliers of eligible Metering Systems (see paragraph 4.1);
- e) **NOTED** that the interim solution will not be able to address Licensed Generation that sits 'behind the Settlement meter', and therefore shares a Boundary Point Metering System with other demand (see paragraph 4.3);
- f) **NOTED** that we intend to investigate further with LCCC how processes can be put in place to detect erroneous data submitted into the interim solution (see paragraph 5.4);
- g) **AGREED** that, in order to support ongoing trials of community energy (such as the Smart Energy Islands project on the Isles of Scilly), there should be a process for the BSC Panel to agree that certain SVA Metering Systems should be treated (for purposes of the BSC, and specifically the provision of charging data to EMR) as recording volumes of exempt supply (see paragraph 6.1);
- h) **NOTED** that the BSC Sandbox process (introduced by Modification P362) represents a potential route for agreeing to treat SVA Metering Systems in this way (see paragraph 6.4);
- i) **AGREED** to delegate to SVG the power to agree that SVA Metering Systems (outside the BSC Sandbox process) should be treated in this way (see paragraph 6.4); and
- j) **AGREED** that ELEXON reports back to the BSC Panel (in nine months, or sooner if appropriate) on the level of take-up and the learning achieved (see paragraph 6.4).

7. Ofgem's Code Administrator Performance Survey - (284/08)

7.1 ELEXON presented to the Panel the BSC results and those compared to other Code Administrators' results in relation to Ofgem's second Code Administrator's Performance Survey.

7.2 The BSC Panel:

- a) **NOTED** the results of Ofgem's Code Administrator Customer Satisfaction Survey and that we will be analysing those results further in order to identify and take forward actions to further improve our service.