

HEADLINE REPORT

MEETING NAME BSC Panel

Meeting number 287

Date of meeting 14 February 2019

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 - (287/03)

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

1.2 The BSC Panel:

- a) **APPROVED** a four-month extension to the P371 Assessment Procedure;
- b) **APPROVED** a one-month extension to the P363/P364 Assessment Procedure
- c) **NOTED** the contents of the February Change Report.

2. P380 'Revision to Replace Reserve Bid Data Submission Deadline Requirements' – (287/04)

2.1 Recent changes to the Replacement Reserve Implementation Framework (RRIF), specifically the Transmission System Operator (TSO) energy bid submission gate closure time for Replacement Reserves (RR), mean that National Grid as the GB Electricity System Operator (ESO) will not be able to be compliant with the Balancing and Settlement Code (BSC) obligations introduced under Modification [P344 'Project TERRE implementation into GB market arrangements'](#). P380 proposes to modify the BSC Section Q 'Balancing Mechanism Activities' wording introduced by P344 to ensure National Grid ESO's continued compliance with the BSC and the RRIF.

2.2 The BSC Panel:

- a) **AGREED** that P380 progresses directly to the Report Phase;
- b) **AGREED** that P380:
 - o **DOES** better facilitate Applicable BSC Objective (a);
 - o **DOES** better facilitate Applicable BSC Objective (b);
 - o **DOES** better facilitate Applicable BSC Objective (d); and
 - o **DOES** better facilitate Applicable BSC Objective (e);
- c) **AGREED** an initial recommendation that P380 should be approved;
- d) **AGREED** an initial view that P380 should be treated as a Self-Governance Modification;
- e) **AGREED** the draft legal text;

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- f) **AGREED** an initial Implementation Date for P380 of:
 - o 27 June 2019 (June 2019 BSC Release); and
- g) **NOTED** that ELEXON will issue the P380 draft Modification Report (including the draft BSC legal text) for a 10 Working Day consultation and will present the results to the Panel at its meeting on 14 March 2019.

3. 'Removal of Quarterly Reports' – (287/05)

- 3.1 This Modification proposes to remove Section C3.9.1 of the BSC in respect of 'quarterly reports'. Currently, the quarterly reports are not viewed by market participants, as the information is made readily available in a more timely and accessible manner elsewhere on the BSC website. Therefore, the current quarterly reports process utilises ELEXON resource that could be better used adding greater value for our customers.
- 3.2 The BSC Panel:
 - a) **RAISED** the Modification Proposal in Attachment A (in accordance with F2.1.1(d)(i));
 - b) **AGREED** that the Modification Proposal progresses directly to the Report Phase;
 - c) **AGREED** that the Modification Proposal:
 - o **DOES** better facilitate Applicable BSC Objective (d);
 - d) **AGREED** an initial recommendation that the Modification Proposal should be approved;
 - e) **AGREED** an initial Implementation Date of:
 - o 27 June 2019 (June 2019 BSC Release)
 - f) **AGREED** the draft legal text;
 - g) **AGREED** an initial view that the Modification Proposal should be treated as a Self-Governance Modification; and
 - h) **NOTED** that ELEXON will, subject to Panel agreement, issue the Draft Modification Report, including the draft BSC legal text, for a 10 Working Day Report Phase Consultation and will present the results to the Panel at its meeting on 14 March 2019.

4. P370 'Allow the Panel to designate non-BSC Parties to raise Modifications' – (287/06)

- 4.1 [P370](#) proposes to move the body responsible for designating non-BSC Parties to be able to raise Modification Proposals from Ofgem to the BSC Panel. The Proposed solution has no route of appeal whereas the Alternative solution has a route of appeal to Ofgem.
- 4.2 The BSC Panel:
 - a) **AGREED** that the P370 Proposed Modification:
 - o **DOES** better facilitate Applicable BSC Objective (c);
 - o **DOES** better facilitate Applicable BSC Objective (d); and
 - b) **AGREED** that the P370 Alternative Modification:
 - o **DOES** better facilitate Applicable BSC Objective (c);
 - o **DOES** better facilitate Applicable BSC Objective (d); and
 - c) **AGREED** that the P370 Alternative Modification is better than the P370 Proposed Modification;
 - d) **AGREED** that the P370 Alternative Modification should be approved and that the P370 Proposed Modification should be rejected;

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- e) **APPROVED** an Implementation Date for the Proposed and Alternative Modification of:
 - o 29 March 2019, if an Authority decision is received on or before 22 March 2019, as an ad-hoc BSC Release; or
 - o five Working Days after an Authority decision, as a standalone BSC Release, if a decision is received after 22 March 2019.
- f) **AGREED** that P370 should not be treated as a Self-Governance Modification;
- g) **APPROVED** the draft legal text for the Proposed and Alternative Modification;
- h) **APPROVED** the draft redlining for BSCP40 for the Proposed and Alternative Modification;
- i) **APPROVED** the draft Issue Group Terms of Reference; and
- j) **APPROVED** the P370 Modification Report.

5. Issue 76 'Using the BSC to support Suppliers and the Capacity Market Arrangements' – (287/07)

- 5.1 [Issue 76](#) was raised to consider how the BSC could be used to provide stability and certainty to Market Participants during the Capacity Market standstill.
- 5.2 The BSC Panel:
 - a) **NOTED** the Issue 76 Report.

NON-MODIFICATION BUSINESS (OPEN SESSION)

6. Review of Specified Charges – (287/08)

- 6.1 This paper reviewed the BSC Specified Charges as set out in BSC Section D which are determined by the Panel. ELEXON recommended that the flat charge levied of £0.00632/SVA MSID per month for both Half Hourly and Non Half Hourly, across all Measurement Classes increases to £0.00757 and the introduction of a £125 per month charge for Virtual Lead Parties and £60 per month for each Secondary BM Unit.
- 6.2 The BSC Panel:
 - a) **APPROVED** the new SVA Specified Charge of £0.00757/SVA MSID per month;
 - b) **APPROVED** the new Secondary BM Unit Charge of £60/SBMU per month; and
 - c) **APPROVED** the new Virtual Lead Party Monthly Charge of £125 per month.

7. Approval of the BSC Architectural Principles for document amended for CP1511 – (287/09)

- 7.1 ELEXON presented a revised version of the BSC Architecture Principles Document which had been amended for approved Change Proposal [CP1511 'Clarification of BSCP40 definitions and processes'](#).
- 7.2 The BSC Panel:
 - a) **NOTED** that version 5.2 of the BSC Architecture Principles Document has been produced to implement changes required by CP1511;
 - b) **APPROVED** version 5.2 of the BSC Architecture Principles Document to become effective as version 6.0 on 29 March 2019; and

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- c) **NOTED** that the BSC Architecture Principles Document will become a Category 3 Configurable Item in the BSC Baseline Statement on 29 March 2019.

8. Approval of updated BSCPs for the P344 solution – (287/10)

- 8.1 ELEXON presented further low materiality changes to BSC Configurable Items for P344 that have already been approved for inclusion in the February 2019 Release, and invited the Panel to approve the further changes.
- 8.2 The BSC Panel:
 - a) **NOTED** that we have made non-material changes to documents amended for the February 2019 Release;
 - b) **NOTED** the rationale for only seeking approval of revised versions of BSCP503 and BSCP602 for P344;
 - c) **APPROVED** the revised versions of BSCP503 and BSCP602 to become effective on 28 February 2019; and
 - d) **NOTED** that the revised versions of BSCP503 and BSCP602 supersede the versions previously approved by the Panel for P344.

9. Approval of Replacement Reserve Schedule Methodology – (287/11)

- 9.1 ELEXON invited the Panel to approve the new BSC Configurable Item 'Replacement Reserve (RR) Schedule Methodology' which had been developed for BSC Modification P344.
- 9.2 The BSC Panel:
 - a) **NOTED** the responses received to the consultation;
 - b) **APPROVED** version 0.4 of the RR Schedule Methodology Document to become effective as version 1.0 on 7 November 2019; and
 - c) **AGREED** that the RR Schedule Methodology Document will become a Category 3 Configurable Item in the BSC Baseline Statement on 7 November 2019.

10. Updates to Panel Committees' Terms of Reference – (287/12)

- 10.1 Changes to the Panel Committees' Terms of Reference are required following the approval of [P369 'National Grid Legal Separation changes to BSC'](#), scheduled to be implemented on 29 March 2019. In addition, amendments are required to the Performance Assurance Board (PAB)'s Terms of Reference to accommodate the recording of PAB meetings and the Supplier Volume Allocation Group (SVG)'s Terms of Reference to capture the new responsibility recently delegated to the SVG by the Panel, in relation to recording volumes of exempt supply. ELEXON invited the Panel to approve these amendments to the Panel Committees' Terms of Reference, to be effective immediately.
- 10.2 The BSC Panel:
 - a) **APPROVED** the proposed changes to the ISG's Terms of Reference;
 - b) **APPROVED** the proposed changes to the SVG's Terms of Reference;
 - c) **APPROVED** the proposed changes to the TDC's Terms of Reference; and
 - d) **APPROVED** the proposed changes to the PAB's Terms of Reference.