

288/03 - BSC Change Report (April 2019)

ELEXON

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This report provides key information on BSC Changes covering the period between the **March 2019** and the **April 2019** 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:

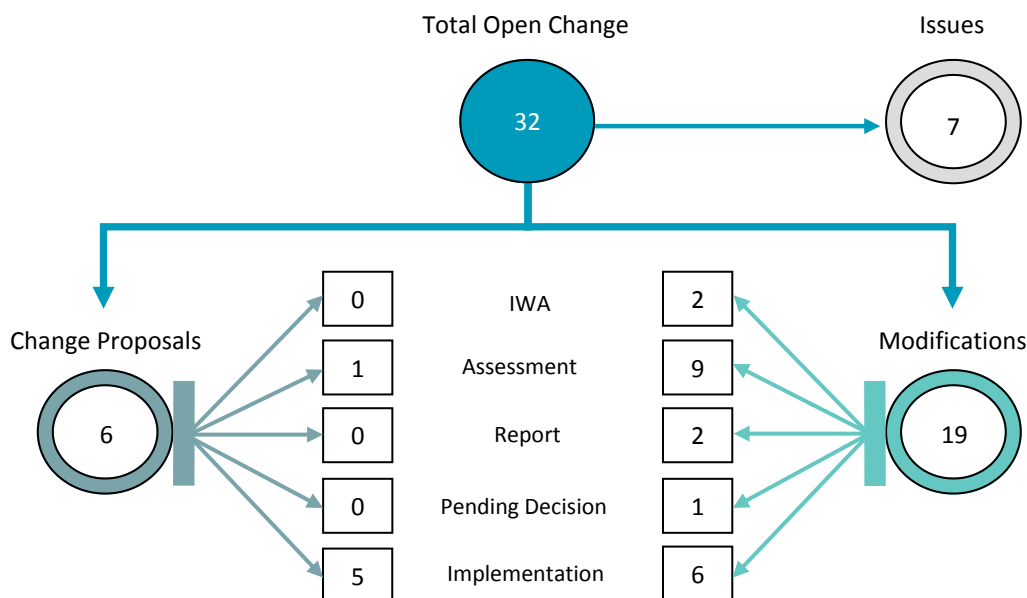
- P332, P364, P366, P370, P371, P372, P373, P374, P375, P376, P377, P379, P380, P381, P382, P383, P384 and P385.
- CP1515 and CP1516
- Issue 72, Issue 73, Issue 74, Issue 75, Issue 77 and Issue 78.

Decisions required by the Panel:

- P364, P372, P374, P382, P384 and P385.

Change News

Summary of Open Change



New Changes

P383: Raised by Engie on 6 March 2019.

P384: Raised by National Grid ESO on 4 March 2019.

P385: Raised by Centrica on 3 April 2019.

CP1516: Raised by National Grid ESO on 7 March 2019.

Issue 77: Raised by ELEXON on 29 March 2019.

Issue 78: Raised by Opus Energy Limited on 29 March 2019.

Approval, Rejections & Withdrawal

P370: On 27 March 2019 the Authority approved P370 for implementation on 3 April 2019 (5 WD following Authority decision).

P377: On 14 March 2019 the Authority approved P377 for implementation on 18 April 2019 (5 WD following Authority decision).

MODIFICATIONS - UPDATES & DECISIONS

<u>P332</u>: Revisions to the Supplier Hub Principle			No Update
Date Raised:	28 January 2016	Proposer:	Smartest Energy
Target Implementation Date:	Post 2020	Current Status:	Assessment Procedure – On Hold
Latest Update:	The Panel approved a nine-month extension to the P332 Assessment Procedure at its meeting on 13 December 2018, returning with the Assessment Report to the September 2019 Panel meeting. This was on the basis that the preferred Target Operating Model (TOM) to be taken forward in Ofgem’s Significant Code Review (SCR) on Electricity Settlement Reform represents a material change from the current baseline against which P332 would be assessed. The preferred TOM was identified by the Design Working Group (DWG), and included in its final report to Ofgem in January 2019 for Ofgem’s approval. Further, Ofgem is also considering two areas of policy which will have an impact on P332: Consultation on supplier agent functions under market-wide settlement reform and Future of supply market arrangements – call for evidence (includes Supplier Hub) . The Proposer is monitoring the development of the SCR and these policy areas to consider whether P332 should be withdrawn or work restarted.		
Next Event:	A further update will be presented to the Panel at its meeting in September 2019.		
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 Smartest Energy 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 2017, 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. Periodic checkpoints have been scheduled to check whether the Workgroup should start work again, P332 should continue to be on-hold or whether the proposer believes his defect has been addressed and P332 should therefore be withdrawn.			

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P332 was effectively placed 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 further 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.

P361: Revised treatment of BSC Charges for Lead Parties of Interconnector BM Units			No update
Date Raised:	31 October 2017	Proposer:	Nord Pool Spot AS
Target Implementation Date:	TBC	Current Status:	With Authority (submitted 13 July 2018)
Latest Update:	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, meaning there is no longer enough time to deliver P361 in the February 2019 Release. Should Ofgem wish to approve P361, ELEXON will need to conduct a further impact assessment to re-determine the implementation costs and the next available release. Further industry consultation may also be required because of the intrinsic associated between the Implementation Date and the P361 solution. We continue to engage with Ofgem as the Authority regarding P361.		
Next Event:	Authority decision on whether to approve or reject P361.		
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 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.			

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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.

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.

P364: Clarifying requirements for registering and maintaining BM Units			Update
Date Raised:	7 December 2017	Proposer:	Green Frog Power
Target Implementation Date:	27 June 2019	Current Status:	Report Phase
Latest Update:	The Assessment Report was presented to the Panel on 14 March 2019. The Panel agreed to amalgamate P363 into P364, as one solution could address both the P363 and P364 issues. The Panel initially agreed with the Workgroup that P364 did better facilitate the Applicable BSC Objectives and so should be approved. The P364 Report Phase Consultation was held in March 2019. We received two responses, who both agreed with the initial Panel views.		
Next Event:	The P364 draft Modification Report will be presented to the Panel on 11 April 2019.		
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		

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	<p>of Section K3.1 may not best reflect the current and changing ways in which parties participate in the electricity industry.</p> <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>
Current Solution:	<p>The BSC requires that an application for BM Unit registration must be one of a series of specified configurations otherwise it is classed as non-standard and must receive Panel (ISG) approval prior to registration. The proposed solution will be that an application for BM Unit registration must either be on the (expanded) list of approved configurations or meet the principles for what is considered a BM Unit. The non-standard process will remain but, this will cut the application process in half for a growing number of non-standard configurations thus saving time for the applicant, ISG and ELEXON.</p>
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 Workgroup met on 10 September 2018 and agreed the proposed solution and Business Requirements. Finalising the proposed solution has taken longer than expected as we are introducing a principles based approach to BM Unit registration alongside standard configurations. This is a new, more innovative, solution than the original solution and refining the solution has</p>	

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therefore taken longer than planned. This, coupled with long-term sickness of the lead analyst has meant that Assessment Procedure is taking longer than expected.

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. 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.

The Workgroup met on 10 September 2018 and agreed the proposed solution and Business Requirements. Finalising the proposed solution took longer than anticipated due to the introduction of a principles based approach to BM Unit registration alongside standard configurations. This is a new, more innovative, solution than the original solution and refining the solution has therefore taken longer than planned. Consequently, the Panel approved a two-month extension to the P363 Assessment Procedure at its meeting on 13 December 2018. The Assessment Phase Consultation was issued 8 – 28 Feb 19. The Assessment Report was presented on 14 March 2019 and the Report Phase consultation issued 19 March – 1 April 2019.

<u>P366</u>: 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 Assessment Procedure Consultation was issued on 25 March 2019 for a 15 Working Day period, with responses due by 15 April 2019.		
Next Event:	A post-Consultation Workgroup will be held week commencing 15 April 2019 and the Assessment Report will be presented at the May 2019 Panel meeting.		
Issue:	The Proposer 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 Non Half Hourly 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:	The Proposed solution will exclude HTR volumes from the SP08a Supplier Charges calculation. The Supplier will instruct its Non Half Hourly Data Aggregator (NHHDA) which Metering Systems to exclude. The flagged Metering Systems will feed through to the Supplier Charges system (PARMS) via the Supplier Volume Allocation Agent. The Alternative		

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	solution is that the SP08a Supplier Charge is set to £0.00 for all types of Metering System. As such, there is no need to declare a Metering System HTR and no need to inform any one or 'note' HTR data or 'flag' HTR data when communicating.
History:	
<p>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.</p> <p>Ofgem did not determine whether P366 should be SCR exempt. Consequently, the Panel provided Ofgem with a SCR Suitability Assessment Report for P366. The Authority has not yet determined, nor are they obliged to determine, whether P366 is within scope of the three Significant Code Reviews (SCR) in the SCR Phase (as at the time P366 was raised). P366 will therefore progress in accordance with the approved Assessment Procedure timetable unless Ofgem determine that P366 should be a SCR subsumed Modification.</p> <p>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 System options to deliver the propose solution, it was agreed that IAs should be carried out to better inform the development of the solution.</p> <p>The second P366 Workgroup was held on 7 August 2018. ELEXON prepared Business requirements for three potential System options discussed at the second workgroup as well as a potential alternative solution raised by a Workgroup member post WG2. Views on the alternative (setting SP08a Supplier Charge to £0.00) were sought from WG members by correspondence.</p> <p>Impact Assessments were requested from CGI for three potential System changes as well as the alternate solution. A second potential alternative solution was raised in October and discussed with the proposer. The second alternative solution was to discount HTR data form the SP08a 97% target. As the system options to deliver this were almost identical to those of the proposed solution, it was decided not to ask for further CGI Impact assessments at this stage.</p> <p>The third workgroup was held on 22 Nov 18 to discuss the merits of the Proposed solution, the first alternative and the second alternative. Each potential was evaluated against various criteria. The three System options were also evaluated against various criteria. The proposer wishes to remain with their original proposed solution (exclude HTR data from SP08a Supplier Charge calculation – see above). The Workgroup however, felt that the first Alternative (SP08a = £0.00 – see above) would better facilitate the Applicable BSC Objectives. The second alternative (removing HTR from 97% target) was not taken forward.</p>	

<u>P370</u>: Allow the Panel to designate non-BSC Parties to raise Modifications			Update
Date Raised:	12 July 2018	Proposer:	BSC Panel
Target Implementation Date:	3 April 2019	Current Status:	Implemented
Latest Update:	On the 27 March 2019, the Authority approved the P370 Alternative Modification Proposal (designation process with appeal route to Ofgem).		

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Next Event:	P370 will have been implemented on 3 April 2019 (five Working Days after approval).
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 designation process is not in line with Ofgem's desire for Panels to become more self-governing and lacks transparency and clear process and timescales.
Current Solution:	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. 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.
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> <p>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.</p> <p>The third Workgroup meeting was postponed by two weeks due to quoracy issues. It was held on 4 October 2018. The P370 Assessment Consultation was issued on 23 October 2018 with responses provided by November 2018.</p> <p>At its last meeting on 23 November 2018, the Workgroup raised an Alternative Modification Proposal. The Alternative Modification Proposal is the same as the original solution that was consulted on in the Assessment Procedure Consultation. The Proposed Modification is exactly the same as the Alternative except that there is no right to appeal the Panel's designation decisions (for Parties or non-BSC Parties).</p> <p>The Assessment Report was presented to the Panel at its meeting on 13 December 2018. The majority of the Panel initially recommends that the P370 Alternative Modification be approved.</p> <p>The BSC Panel made its unanimous final recommendation to approve the Alternative Modification on 14 February 2019. The P370 Final Modification Report was submitted to the Authority for decision on 20 February 2019.</p>	

<u>P371:</u> Inclusion of non-BM Fast Reserve actions into the Imbalance Price calculation			Update
Date Raised:	11 September 2018	Proposer:	UK Power Reserve
Target Implementation Date:	TBC	Current Status:	Assessment Procedure
Latest Update:	The second Workgroup for P371 was held on 13 March 2019 to discuss the analysis and agree a solution for impact assessment.		

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Next Event:	ELEXON is drafting Business Requirements for two potential solutions that will be issued for Transmission Company and Service Provider Impact Assessments to inform Workgroup discussions at its next meeting in May 2019.
Issue:	<p>P305 proposed a new methodology for pricing reserve into the calculation of the imbalance price exclusively for Settlement Periods in BM and Non-BM STOR. The aim was to capture the value that that capacity is providing to the system at times of margin tightness.</p> <p>At the time the new methodology was limited to STOR because STOR was considered “the main source of reserve”, now the GB balancing system has undergone a range of changes, whereby Reserve products have been rationalised and harmonised. There is a lack of harmonised treatment between STOR and Fast Reserve and it is necessary to extend the application of the Reserve Scarcity Price (RSP) calculation methodology to Fast Reserve.</p> <p>The Proposer believes that there is no reason for a different treatment of the two Reserve products and Fast Reserve should have been captured already within P305.</p>
Current Solution:	This Modification Proposal aims to address the lack of harmonised treatment between STOR and Fast Reserve and therefore extend the application of the Reserve Scarcity Price (RSP) calculation methodology to Fast Reserve. This will guarantee fair and harmonised treatment of both products and will capture the value provided by Fast Reserve to the system.
History:	
<p>P371 was raised by UK Power Reserve on 11 September 2018. The Initial Written Assessment was presented to the Panel on 13 September 2018 and the Panel agreed to progress the Modification to the Assessment Procedure. The first industry Workgroup was held on 24 October 2018. 14 actions, including detailed analysis were identified for ELEXON and National Grid to jointly complete. Due to the level of analysis requested by the Workgroup in order that it can fully develop an appropriate solution, the Assessment Procedure has taken longer than initially anticipated. This resulted in the Panel extending the Assessment Procedure by four months at its February 2019 meeting.</p>	

<u>P372:</u> Speeding up the approval process for the publication of BSC data on the BMRS			Update
Date Raised:	13 September 2018	Proposer:	BSC Panel
Target Implementation Date:	27 June 2019	Current Status:	Assessment Procedure
Latest Update:	Following the closure of the Assessment Procedure Consultation, no new arguments were put forward and the respondent was supportive of all the elements of the Workgroup’s solution. At the final meeting of the Workgroup on 27 March 2019, the Workgroup confirmed that their views		

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	against the Applicable BSC Objectives had not changed and that no amendments to the proposed solution were required.
Next Event:	The Assessment Report will be presented to the BSC Panel at its April 2019 meeting, where the Panel will be asked to recommend that P372 be progressed to the Report Phase.
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 Proposal process. Furthermore, the scheduled delivery approach is overly restrictive for changes of this nature, which can result in longer implementation than necessary.
Current Solution:	Section V should be streamlined by removing requirements and obligations around the BMRS, and reporting in general, and leaving only the necessary high level obligations. The detail removed from Section V would instead be captured within an appropriate CSD or in an alternative BSC Panel controlled document, since it is important that the list of data and reports that should be published is documented, along with associated details such as frequency and recipient. The Workgroup has additionally called for the formation of a new Panel committee to provide governance of inconsequential BMRS Change.
History:	
<p>P372 was raised by the BSC Panel on 13 September 2018. The Initial Written Assessment was presented to the Panel on 13 September 2018 and the Panel agreed to progress the Modification to the Assessment Procedure. It was challenging and took longer than expected to get the quorate number of Workgroup Members. However, after additional engagement the necessary threshold was achieved.</p> <p>The first industry Workgroup was held on 15 November 2018 where a solution was agreed. The second industry Workgroup was held on 18 December 2018 to gather Workgroup initial views on the proposal before issuing the Assessment Consultation in January. As previously reported, it took over one month to find the minimum number of Workgroup Members (five). Consequently, an extension to the Assessment Procedure was required.</p> <p>The Panel approved a two-month extension to the P372 Assessment Procedure at its meeting on 10 January 2019. The Assessment Consultation will be issued for 15 Working Days to gather industry views on the proposed solution and supporting documents. We had planned to issue the Assessment Consultation in January 2019. However, we identified some further drafting and clarifications that are required before the consultation can be issued. ELEXON issued the Assessment Procedure Consultation for a 15 Working Day window on 27 February 2019.</p>	

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<u>P374</u>: Aligning the BSC with the EB GL change process and derogation approach			Update
Date Raised:	5 November 2018	Proposer:	SSE
Target Implementation Date:	5WD following Authority decision (subject to Assessment Procedure solution development)	Current Status:	Assessment Procedure
Latest Update:	The second Workgroup meeting was scheduled to take place on 12 March but was cancelled due to quoracy issues. We are currently seeking further Workgroup membership and updated the Panel verbally on 14 March 2019.		
Recommendation:	Due to quoracy challenges, we invite the Panel to approve a 2 month extension to the P374 Assessment Procedure, meaning the Assessment Report will be presented to the Panel at its meeting on 11 July 2019.		
Next Event:	We are currently compiling a summary of expected resource requirements for the Panel so it can advise whether it can support the further progression of P374 through the Assessment Procedure.		
Issue:	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 that 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.		
Current Solution:	To amend BSC Derogation arrangement to make clear the parts of the BSC that form the terms and conditions related to balancing - which then cannot be subject to a BSC Derogation, in accordance with EB GL Articles. Additionally amending BSC change procedure to reflect that changes to certain parts of the BSC will have to go through a revised change process, in accordance with EB GL Articles.		
History:			
P374 was raised by SSE on 5 November 2018. The Initial Written Assessment was presented to the Panel on 8 November 2018. The Panel believed there was insufficient information to decide how to proceed (options included to proceed to the Definition, Assessment or Report phase). The Panel, therefore, deferred its decision and wrote to Ofgem to seek further information to enable it to make a decision at its next regular meeting on 13 December 2018. The Panel determined at its meeting on 13 December 2018 that P374 should be submitted to the Assessment Procedure. The first Workgroup was held on 20 February 2019. The first Workgroup meeting was held on 20 February 2019. Discussions focused on the scope of the Modification, ELEXON took an action to draft an Alternative solution regarding how EBGL Article 62 impacts BSC Section H.			

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<u>P375: Settlement of Secondary BM Units using metering behind the site Boundary Point</u>			Update	
Date Raised:		10 December 2018	Proposer:	Flexitricity
Target Implementation Date:		April 2020 (subject to Assessment Procedure solution development)	Current Status:	Assessment Procedure
Latest Update:	The second Workgroup meeting was held on 18 March 2019 in conjunction with P376. Discussions focussed on metering standards and processes for secondary asset metering for use for balancing services and settlement, and the line loss methodology to be applied. The Workgroup also considered how the asset meters should be registered and it was agreed that SVAA would best fulfil the registration role, building on the TERRE solution. ELEXON took a number of actions to start to develop the business requirements, which will be used to conduct impact assessments.			
Next Event:	We are seeking Member’s availability for the next Workgroup meeting the week commencing 13 May 2019. The purpose of the next meeting will be to review the strawman requirements and metering standards.			
Issue:	The BSC currently only allows metering at the defined Boundary Point to be used for Settlement purposes. However, with the future ability for consumers to participate in the BM and other alternative balancing products, which will be settled under the BSC framework, there is a need to allow Settlement from metering behind the Boundary Point at the asset which is delivering the Balancing Service. This Issue arose through the development of the Project TERRE arrangements through BSC Modification Proposal P344 ‘Project TERRE implementation into GB market arrangements’, but may become relevant to other Balancing Services in the future. The need to allow Settlement from metering behind the Boundary Point is due to the desire to further reduce any potential (either perceived or due to operational reasons) barriers to entry to participate in balancing products.			
Current Solution:	P375 proposes to settle Secondary Balancing Mechanism (BM) Units (to be introduced by P344 ‘Project TERRE’ (Trans European Replacement Reserves Exchange)) using metering equipment behind the defined Boundary Point for Balancing Services (known as ‘behind the Meter’), rather than settling using Metering Equipment at the Boundary Point as per current BSC obligations. This will allow balancing-related services on site to be separated from imbalance-related activities, more accurately reflecting the balancing-energy volumes provided by the Balancing Service Provider (BSP).			
History:				
The first Workgroup meeting, held jointly with P376, was held on 25 January 2019, where the Workgroup explored the issue by discussing possible effects on the Boundary Site and how links with National Grid would affect the eventual solution. The representative from Flexitricity acting as the Proposer for this Modification has changed, with another representative assuming the duties of the Proposer going forward.				

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P375 was raised by Flexitricity on 10 December 2018. The Initial Written Assessment was presented to the Panel on 13 December 2018 and was entered into the Assessment Procedure. P375 and P376 are being progressed separately, but with the same Workgroup Members and being held on the same day, where appropriate.

P376: Utilising a Baselining Methodology to set Physical Notifications for Settlement of Applicable Balancing Services			Update
Date Raised:	11 December 2018	Proposer:	Enel Trade S.P.A.
Target Implementation Date:	TBC during the Assessment Procedure	Current Status:	Assessment Phase
Latest Update:	The second Workgroup for P376 was held in conjunction with P375 on 18 March 2019 to begin the process of designing a solution and exploring assurance methods in order to protect the integrity of the eventual solution.		
Next Event:	ELEXON is working with the Proposer to identify characteristics of baseline methodologies currently used in other markets, so that the Workgroup can consider the pros and cons at its next Workgroup meeting to define what solution should fit in the BSC. The next meeting is targeting the week commencing 13 May 2019.		
Issue:	<p>ELEXON raised Issue 71 'Introduction of a baselining methodology as an alternative to Physical Notifications' on 15 June 2018. This Modification builds on the back of this Issue and formally raises a Modification Proposal relating to the same defect.</p> <p>Modification Proposal P344 'Project TERRE implementation into GB market arrangements' seeks to align the Balancing and Settlement Code (BSC) with the European Balancing Project TERRE (Trans European Replacement Reserves Exchange) requirements. The solution developed by the P344 Workgroup allows customers (or independent aggregators acting on their behalf) to participate in TERRE (and the BM) independently of their electricity Supplier, by registering a 'Secondary BM Unit'.</p> <p>The P344 solution is intended to facilitate participation in the BM and TERRE by a wider range of industry market participants, including customers and independent aggregators. However, in the P344 solution, the existing BM Settlement arrangements remain unchanged.</p>		
Current Solution:	This Modification proposes to allow the Final Physical Notification which feeds into the Settlement of Trading Charges to be created via a Baselining Methodology. This Modification builds on the work of Issue 71 .		
History:			
The Initial Written Assessment was presented to the Panel on 13 December 2018 and was entered into the Assessment Procedure.			
P376 was raised by Enel Trade S.P.A. on 11 December 2018.			

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The first Workgroup meeting, held jointly with P375, was held on 25 January 2019, where the Workgroup explored the issue by discussing possible effects on the Boundary Point and how links with National Grid would affect the eventual solution.

<u>P377:</u> Amending Gate Closure references in Market Index Data to include trades up to the Submission Deadline in the Market Index Data Calculations			Update
Date Raised:	13 December 2018	Proposer:	BSC Panel
Target Implementation Date:	18 April 2019	Current Status:	Awaiting implementation
Latest Update:	The Authority approved P377 on 14 March 2019 for implementation on 18 April 2019. EPEX SPOT confirmed that they will no longer be charging £28,000 to implement P377.		
Next Event:	This Modification will be implemented on 18 April 2019.		
Issue:	The 2018 Market Index Definition Statement (MIDS) Review concluded that the Market Index Data Providers (MIDPs) should include trades made post-Gate Closure and prior to the Submission Deadline. Without the inclusion of these trades the Market Index Price will not be as cost-reflective as it could be.		
Current Solution:	This Modification seeks to implement the recommendations from the 2018 MIDS Review, which recommended including trades post-Gate Closure in the calculation of the Market Index Price and amending Timeband six weighting from '1' to '0' if changes are made between Gate Closure and Submission Deadline.		
History:			
P377 was raised by the BSC Panel on 13 December 2018 as a vehicle to deliver the MIDS Review 2018 findings. The Panel agreed to raise P377 and to submit it direct to the Report Phase at its meeting on 13 December 2018, with an initial recommendation to approve. The Report Phase consultation was issued for a 10 Working Day consultation starting 17 December. We presented the Draft Modification Report to the BSC Panel at its meeting on 10 January 2019, whereby it unanimously recommended to the Authority that P377 be approved. We submitted the Final Modification Report to the Authority on 16 January 2019 for decision.			

<u>P379:</u> Multiple Suppliers through Meter Splitting			Update
Date Raised:	3 January 2019	Proposer:	New Anglia Energy
Target Implementation Date:	TBC through the Assessment Procedure	Current Status:	Assessment Procedure
Latest Update:	Following the first Workgroup discussions ELEXON have updated and issued two use cases for the Workgroups review prior to the next meeting. The second P379 meeting has been scheduled for 3 April 2019. The purpose of the meeting is:		

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	<ul style="list-style-type: none"> To clarify the P379 issue and scope; To discuss Workgroup views and feedback on use cases 1 (Electric Vehicle) and 2 (Exempt supply);and For Ofgem to provide an overview on Network Access and Forward-Looking Charge Arrangements Significant Code Review.
Next Event:	The second meeting has been scheduled for 3 April 2019.
Issue:	In the view of the Proposer, this Modification will address a significant barrier to competition in the market rules whereby multiple Trading Parties are unable to compete for behind the Meter energy volumes, measured at the same Settlement Meter at the BSC Boundary Meter Point. The Proposer outlines that the existing arrangements do not adequately facilitate the development of local energy markets and supply innovation, and effectively mean there is a monopoly of one Party, the default Supplier, over a consumer's energy volumes behind a Settlement Meter at any given time, restricting competition and innovation.
Current Solution:	This Modification will enable individual consumers to be supplied by multiple Trading Parties, including Suppliers through a Balancing and Settlement Code (BSC) Settlement Meter at the Boundary Point. It will amend the market rules to support development of non-traditional business models and innovation, expanding upon the solution to be implemented by BSC Modification P344 'Project TERRE implementation into GB market arrangements'. It will achieve this through the creation of a new Party Agent role, the Customer Notification Agent (CNA), who would reconcile power flows through the Settlement Meter, enabling accurate allocation of volumes and costs, which in turn will allow Trading Parties to reflect these volumes in their bills and payments to consumers.
History:	
<p>P379 was raised by New Anglia Energy on 3 January 2019 with the Initial Written Assessment presented to the BSC Panel at its meeting on 10 January 2019. The Panel determined that P379 should be submitted to the Assessment Procedure, with the Assessment Report to be presented to the Panel at its meeting on 12 September 2019. The Panel requested an interim report on P379 at its June 2019 meeting.</p> <p>The first P379 Workgroup meeting was held on 27 February 2019. The group considered the Terms of Reference and discussed views on the proposal. ELEXON took a number of actions arising from the meeting, including further areas for consideration.</p>	

<u>P380:</u> Revision to the Replacement Reserve Bid Data submission requirements			Update
Date Raised:	6 February 2019	Proposer:	National Grid
Target Implementation Date:	27 June 2019 (June 2019 BSC Release)	Current Status:	Awaiting implementation
Latest Update:	The Draft Modification Report for P380 was approved by the BSC Panel on 14 March 2019. The Self-Governance window lasted from 14 March to 3 April and the Final Mod Report was submitted on 18 March.		

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Next Event:	The Modification will be implemented on 27 June 2019 as part of the June 2019 BSC Release.
Issue:	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 the BSC legal text for the TERRE balancing product no longer fully aligns with the RRIF approved for the GB market by the regulator Ofgem on 18 December 2018. The approved changes to BSC Section Q for TERRE (Trans European Replacement Reserves Exchange) requires the data to be sent to the Balancing Mechanism Reporting Agent 15 minutes after Gate Closure, which equates to 45 minutes before the start of the RRAP for the first 12 months, and 40 minutes thereafter. This requires amendment to ensure the data is sent to the BMRA 40 minutes before the start of the RRAP.
Current Solution:	This Modification proposes to modify the P344 wording of BSC Section Q 'Balancing Mechanism Activities' to avoid National Grid ESO being non-compliant with BSC Section Q 'Balancing Mechanism Activities' during the initial 12 months of the TERRE balancing product being operational. Therefore, the wording of paragraph Q 6.1.11A needs to be revised. By amending the legal text to state '40 minutes before the start of each RRAP' instead of '15 minutes following Gate Closure', National Grid ESO will be able to comply with the RRIF.
History:	
National Grid Electricity System Operator raised P380 on 6 February 2019.	
The IWA was presented to the BSC Panel for initial recommendation on 14 February 2019. The Panel unanimously gave their approval to advance to the Report Phase.	
The Report Phase Consultation was issued on 18 February 2019 and will be ending on 4 March 2019.	

<u>P381: Removal of Quarterly Reports</u>			Update
Date Raised:	14 February 2019	Proposer:	BSC Panel
Target Implementation Date:	27 June 2019 (June 2019 BSC Release)	Current Status:	Awaiting Implementation
Latest Update:	Following the Panel's Approval of the P381 Draft Modification Report under Self-Governance, P381 was subject to a 15 Working Day appeal window, which closed on Wednesday 3 April 2019 with no objections raised.		
Next Event:	P381 will be implemented on 27 June 2019 as part of the June 2019 scheduled BSC Release.		
Issue:	Currently, under BSC Section C 3.9.1 'BSCCo and Its Subsidiaries', ELEXON is required to provide to the Panel, BSC Parties and the Authority, quarterly reports. However, the quarterly reports are not read by BSC Parties or interested third parties, and offer little value as the information in the quarterly reports is made		

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	readily available in a more timely and accessible manner elsewhere on the BSC Website.
Current Solution:	This Modification proposes to remove Section C3.9.1 of the BSC in respect of 'quarterly reports' Therefore, the ELEXON resource that currently quarterly reports process utilises could be better used adding greater value for our customers.
History:	
P381 was raised by the BSC Panel on 14 February 2019 who agreed that P381 meets the Self-Governance criteria and should be progressed straight to Report Phase. The Panel also recommended the draft legal text and a proposed Implementation Date of 27 June 2019 as part of the June 2019 BSC Release. The Report Phase Consultation was issued on 19 February 2019 with responses due on 4 March 2019. The Draft Modification Report was presented to Panel for decision on 14 March 2019. The Panel unanimously approved the P381 Draft Modification Report under Self-Governance.	

<u>P382:</u> Amendments to the BSC to reflect the United Kingdom's withdrawal from the European Union without a deal			Update
Date Raised:	4 March 2019	Proposer:	National Grid ESO
Target Implementation Date:	16 WDs after Panel approval (after Self-Governance window expires)	Current Status:	Report Phase
Latest Update:	The Panel agreed, at its meeting on 14 March 2019, to progress P382 directly to the Report Phase and initially agreed that P382 should be approved. The Report Phase Consultation was issued on 18 March 2019 and closed on 29 March 2019. One response was received and agreed with the Panel's initial recommendations.		
Next Event:	We will present the P382 Draft Modification Report on 11 April 2019. The implementation of P382 is predicated on a 'no-deal' Brexit.		
Issue:	<p>The European Union Withdrawal Act (2018) will allow the BSC to remain operative immediately following exit day. However, there will be technical inaccuracies, which may lead to confusion for anyone not familiar with the relevant Brexit legislations, and will need updating as soon as possible.</p> <p>It should be noted that some revoked EU Legislation may not lead to the BSC being amended as it is more efficient for these parts of the BSC to remain 'dormant' until further details emerge of the UK's future relationship with the EU post-Brexit. An example would be parts of the Code dealing with P344 'Project TERRE' which won't become 'active' until December 2019.</p>		
Current Solution:	The BSC will be amended to reflect where EU regulations will not be retained in EU law and will make the BSC inoperable/confusing. If parts of the BSC are no longer applicable (as the associated EU regulation will not be retained), they may however, not necessarily need to be changed as allowing them to be dormant (i.e.		

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	not used but still there) may be more appropriate depending on the circumstances.
History:	
P382 was raised on 4 March 2019 by National Grid ESO and the Initial Written Assessment was presented to the Panel on 14 March 2019.	

<u>P383:</u> Enhanced reporting of demand data to the NETSO to facilitate CUSC Modifications CMP280 and CMP281			Update
Date Raised:	6 March 2019	Proposer:	Innogy
Target Implementation Date:	February 2020	Current Status:	Assessment Procedure
Latest Update:	The P383 IWA was presented to the BSC Panel on 14 March 2019. The BSC Panel have approved this change to enter the Assessment Phase.		
Next Event:	P383 is now in the Assessment Procedure with the first Workgroup scheduled for 29 April 2019.		
Issue:	Connection and Use of System Code (CUSC) Modification Proposal CMP281 and ELEXON's Workgroup Alternative CUSC Modification to CMP280 both require aggregated metered data from specific storage facilities' half-hourly (HH) Metering Systems, should they be approved. However, the BSC does not currently specify processes or rules for collecting and aggregating metered data from HH Metering Systems that measure the Imports (and Exports) for specific storage facilities that would be required for CMP280 and CMP281. Therefore, for the BSC to continue to support the Transmission Company () with its network charging, new BSC processes will be required to enable the identification, aggregation and reporting of metered data, and to enable the BSC Panel to establish appropriate assurance.		
Current Solution:	The Proposer suggests a Modification of the BSC and a certain number of its Code Subsidiary Documents so that they describe processes that enable Imports and Exports from Half Hourly (HH) Metering Systems for specific SVA registered storage facilities to be aggregated and reported to the Transmission Company.		
History:			
P383 was raised on 6 March 2019 by Innogy. The P383 IWA was presented to the BSC Panel on 14 March 2019, who recommended it go to the Assessment Procedure.			

<u>P384:</u> The publication of European Electricity Balancing Guideline (EB GL) balancing data by BMRS			Update
Date Raised:	6 March 2019	Proposer:	National Grid ESO

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Target Implementation Date:	18 December 2019	Current Status:	Initial Written Assessment
Latest Update:	The Initial Written Assessment was presented to the BSC Panel on 14 March 2019. The Panel deferred its decision (in accordance with BSC Section F2.2.5) as it believed it had insufficient information available to enable it to decide how P384 should be progressed. ELEXON informed the Panel that since the IWA was submitted it had come to light the costs and lead times will increase. A new impact assessment would be needed to finalise the costs and lead times. Further, ELEXON highlighted that delivering P384 at the same time as P344 'Project TERRE' would significantly increase the delivery risk profile. The Panel is therefore seeking further clarification on the costs, lead times and impacts of P384, the risks P384 may have on P344 delivery, and the interactions with National Grid ESO. ELEXON and National Grid ESO agreed to provide this information and present an update at the next Panel meeting on 11 April 2019.		
Next Event:	ELEXON will provide an update on the costs and impacts at the next scheduled Panel meeting on 11 April 2019. The Panel will decide how to progress P384.		
Issue:	The BSC will be non-compliant with the European Electricity Balancing Guideline (EB GL) Article 12.5 and the European Transparency Regulation (ETR) Article 17 unless changes to the BSC are made by 18 December 2019.		
Current Solution:	P384 will ensure the BSC remains compliant with EB GL and ETR for publishing balancing related information.		
History:			
On 6 March 2019, National Grid ESO raised P384. ELEXON and National Grid ESO presented the IWA to the BSC Panel on 14 March 2019.			

<u>P385:</u> Improving the efficacy and efficiency of the Section H Default provisions			Update
Date Raised:	3 April 2019	Proposer:	Centrica
Target Implementation Date:	20 Working Days following Authority Decision	Current Status:	Initial Written Assessment
Latest Update:	On 3 April 2019, Centrica raised P385.		
Next Event:	We will present the Initial Written Assessment at the 11 April BSC Panel meeting.		
Issue:	The frequency of Balancing and Settlement Code (BSC) Parties failing to pay their debts and defaulting on the BSC has increased in 2018. After a period of 10 years without a Supplier of Last Resort event, there was a single occurrence in 2016 followed by an unprecedented 7 events in 2018. This has resulted in greater exposure to unpaid Trading Charges which are then mutualised across other BSC Parties. The BSC Panel has the ability to take mitigating action and provide		

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	financial protection when an Event of Default is triggered, but the current arrangements in BSC Section H 'General' are overly complex and prolong the period before an Event of Default is declared.
Current Solution:	P385 proposes amendments to the Default arrangements in BSC Section H 3 'Default' in order to increase visibility to industry of Parties at risk and to potentially allow for earlier remedial action by the BSC Panel.
History:	
On 3 April 2019, Centrica raised P385.	

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CP1515: Meter Operator Agents to send Metering System Data to SMRS instead of ECOES for the Faster Switching Programme				
Date Raised:		4 January 2019	Proposer:	ELEXON
Target Implementation Date:		27 June 2019 (June 2019 Release)	Current Status:	Awaiting Implementation
Latest Update:	The Supplier Volume Group (SVG) approved CP1515 on 2 April 2019. The second CP1515 consultation closed on 14 March 2019. ELEXON updated the redlining in response to the second consultation. Further to this, ELEXON directly contacted all market participants who highlighted issues with the solution, redlining and implementation date and after discussion, all respondents confirmed they were comfortable with this change.			
Next Event:	CP1515 will be implemented on 27 June 2019, as part of the scheduled June 2019 Release.			
Issue:	This CP is required to comply with the requirements of Stage 0 of Ofgem’s Faster Switching Programme, which will be implemented on 27 June 2019. The MRASCo Development Board (MDB) has approved v2.0 of DTC CP3554 for implementation on 27 June 2019. BSCP501 ‘Supplier Meter Registration Service’ and BSCP514 ‘SVA Meter Operations for Metering Systems registered in SMRS’ must be amended to place obligations on MOAs (to send the D0312 to SMRAs) and on SMRAs (to receive the D0312). The obligations to send and receive the D0268 are unchanged).			
Current Solution:	BSCP501 ‘Supplier Meter Registration Service’ and BSCP514 ‘SVA Meter Operations for Metering Systems registered in SMRS’ must be amended to place obligations on MOAs (to send the D0312 to SMRAs) and on SMRAs (to receive the D0312). As a result of material changes the two working day resolution timescale that was originally described in BSCP514 has now been altered to read “Where the rejection is of a type the HHMOA can resolve, a revised D0312 shall be sent within 5 WDs. But, if it is necessary to involve other industry parties to resolve the issue, then the HHMOA shall use reasonable endeavours to get a revised D0312 sent as soon as possible”.			
History:				
CP1515 was raised on 4 January 2019. CP1515 was presented to SVG as a verbal update on 8 January 2019 and included in the January 2019 CPC batch. The CPC consultation for CP1515 closed on 1 February 2019 and was due to be presented to the SVG for decision on 5 February 2019. We received a number of responses, which required clarification and investigation. ELEXON investigated the consultation responses to determine how to progress the Change Proposal. Following responses to the CP1515 consultation a material change to the redlining was required. Consequently, and following industry engagement, a second consultation was issued to industry for a 10 Working Day consultation period on 1 March 2019.				

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CP1516: New Interconnector Fuel Type Categories: ElecLink & IFA2

Date Raised:		7 March 2019	Proposer:	National Grid
Target Implementation Date:		TBC	Current Status:	Assessment Procedure
Latest Update:	CP1516 is currently on-hold pending further information regarding its system impacts and potential secondary effects on other scheduled changes. ELEXON are communicating with service providers and National Grid in this regard.			
Next Event:	Following receipt of the necessary information, CP1516 will be sent out for industry consultation. The CP will then be presented to the BSC Panel for decision.			
Issue:	<p>The Balancing Mechanism Reporting Service (BMRS) is used for reporting operational data, relating to the Great British (GB) electricity Balancing and Settlement Code (BSC) arrangements. In part, it receives, stores and publishes data relating to the Interconnectors to Great Britain (GB). This information is available to BMRS users via several graphs, tables and xml/csv downloads, along with API, Data Push services and TIBCO services.</p> <p>Two new High-voltage Direct Current (HVDC) Interconnectors connecting the GB bidding zone to other bidding zones are currently under construction. The ElecLink and IFA2 interconnectors between GB and France are due for commissioning in November 2019 and June 2020 respectively.</p>			
Current Solution:	The BSC arrangements require a separate 'Fuel Type Category' to be defined for each interconnector for reporting purposes on the BMRS. Therefore, it is necessary to make changes to the BMRS, to include the two new 'Fuel Type Categories', before ElecLink and IFA2 go live, in order to provide market participants data in a transparent manner.			
History:				
CP1516 was raised on 7 March 2019 after being presented to the Imbalance Settlement Group (ISG) for information as a verbal update on 19 February 2019 (ISG214).				

<u>Issue 69: Performance Assurance Framework Review</u>				
Date Raised:		30 March 2017	Proposer:	ELEXON
Latest Update:	The Performance Assurance Board (PAB) suggested engagement with the Issue 69 workgroup (in particular Suppliers) on Supplier Charges review.			
Next Event:	Further workstreams on Supplier Charges review and BSC Audits for are expected to occur in May 2019. Engagement with Issue 69 stakeholders for both the PAT Review and Data Provision workstreams is expected in spring 2019.			
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 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.</p>				

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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.

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.

The third work stream, the Review of the PATs, aimed to catalogue the current performance assurance techniques (PATs), identify limitations or areas for improvement (based on stakeholder feedback and further discussion with technique owners), and integrate those improvements into a set of new PATs.

The first working group for this work stream took place on 30 November 2018. The working group discussed the key ideas for change to the audit techniques, and identified some additional potential improvements

The final work stream aims to identify and test alternative methods of data provision that will place less burden on participants to provide data, and will help support more accurate risk appraisal.

The first working group for this work stream took place on 3 October 2018, with subsequent working groups scheduled for roughly every quarter.

ELEXON presented the latest version of the Risk Register to the Performance Assurance Board (PAB) at its meeting on 29 November 2018, requesting that the document be approved for public consultation. The PAB commented positively on the revisions made to the Register, including the introduction of a materiality (£) figure associated with each risk to measure its impact, and noted that the reduction in the number of distinct risks, whilst maintaining total coverage of all potential risk events, made the Register more accessible and easier to navigate. The first Issue 69 working group for the Performance Assurance Techniques work stream was held on 30 November 2018. Summary notes from the Workgroups were sent to members. Following the consultation period ending 21 December 2018, the PAB approved the new Risk Register on 31 January 2019.

Issue 72: Ensuring measurement transformer assets installed by a Non-BSC Party are successfully Commissioned within BSC timescales

Date Raised:	11 September 2018	Proposer:	SSE Ltd
Latest Update:	The third meeting of the Issue 72 group took place on 2 April 2019. Meeting objectives were to review a draft Change Proposal to amend CoP4 that ELEXON had prepared. Additionally, the outcomes of ELEXON attendance at Competiton in Connections Code of Practice (CICCoP) and the joint BSC-MRA Licence Exempt Network (LEN) workshop were also discussed and steps forward agreed.		
Next Event:	ELEXON are making amendments to the redlining Change Proposal following Issue Group Review in order to take forward the recommendations of Issue 72. At the time of writing (1 April) we are aiming to deliver the Issue Report at the May 2019		

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	Panel, subject to the Proposer's wishes regarding the continued operation of the Issue 72 group.
Issue:	Several issues have been identified in the Commissioning process where Measurement Transformers installed by a non-BSC Party are not owned by the Licensed Distribution System Operator (LDSO). This results in the Meter Operator Agent (MOA) being required to complete the full Commissioning testing, which may not be practical or possible in the case of high voltage (HV) and extra high voltage (EHV) connections.
History:	
<p>Issue 72 was raised by SSE Ltd on 11 September 2018. The first Issue Group meeting was held on Tuesday 16 October 2018. The Issue Group identified a possible solution to the issue of measurement transformers installed by Independent Connection Providers (ICPs) and identified several actions to take in order to progress this.</p> <p>The issue as it relates to Building Network Operators was deemed to be more complex and was considered as to be part of a wider industry problem. Several actions were identified to provide greater clarity of the scope of the problem.</p> <p>ELEXON have liaised with Competition in Connections Code of Practice (CiCCoP) regarding a response to the BSC Panel's letter dated 28 August 2018. The CiCCoP Panel considered and discussed the matters that relate to Issue 72, the outcomes for which are captured in the minutes.</p> <p>The second meeting of the Issue 72 group took place on 24 January 2019. The Issue group have identified several potential solutions to progress, including a clarification change to both CoP4 and the Competition in Connections Code of Practice (CiCCoP). The issue group has unanimously endorsed ELEXON to engage externally to initiate a cross-Code discussion related to challenges posed by working with Building Network Operators.</p> <p>Following unanimous endorsement by the Issue 72 group, ELEXON engaged externally to initiate a cross-Code discussion related to challenges posed by working with Building Network Operators. This involved raising the work of Issue 72 with the CACoP as well as holding a joint BSC-MRA Workshop on License Exempt Networks on 1 March 2019.</p>	

<u>Issue 73: Review of fault management and resolution timescales</u>			
Date Raised:	12 October 2018.	Proposer:	SSE Ltd
Latest Update:	ELEXON has requested data from Workgroup members to help define service level agreements for resolving faults. Following analysis ELEXON will look to schedule another meeting to agree SLAs and develop LDSO process.		
Next Event:	Once ELEXON has completed its analysis, it will seek agreement for its proposed SLAs from the Workgroup at a meeting in May 2019.		
Issue:	Several issues have been identified in the fault resolution process where a MOA is not best placed to rectify faults on Measurement Transformers owned by the Licensed Distribution System Operator (LDSO). This results in the Meter Operator Agent (MOA) being unable to resolve the fault in a timely manner to remain complaint with the BSC. The notification process used in the faults process should		

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	also be amended to reflect the recommendations of the Fault Investigation Review Group (FIRG).
History:	
<p>Issue 73 was raised by SSE on 12 October 2018.</p> <p>The first Workgroup was held on 22 November 2018 where amendments were proposed to the FIRG process.</p> <p>The second Workgroup was held on 7 February 2019 to agree the CP that would carry forward FIRG recommendations, discuss potential SLAs and begin defining LDSO process.</p>	

<u>Issue 74: Increased utilisation of non-BM STOR</u>				
Date Raised:		25 October 2018.	Proposer:	National Grid ESO
Latest Update:	National Grid has completed actions to enable next meeting to be scheduled for mid-April 2019. ELEXON have completed actions that came from the first meeting, and scheduled the second meeting for 15 April 2019.			
Next Event:	The second meeting will be held on 15 April 2019 for the Workgroup to review the actions arising from the first meeting and agree the recommendations on whether a Modification should be raised. The Issue report will be presented to the Panel in May 2019.			
Issue:	<p>The Electricity System Operator (ESO) has received feedback from stakeholders that increased utilisation of non-BM STOR is causing issues on service visibility by way of reduced visibility of non-BM STOR actions. This is compared to other actions taken in the market. This is making it harder for market Parties to react to signals in relation to non-BM STOR utilisation.</p> <p>Stakeholders have also identified that impacts are seen in cash out. Low non-BM STOR prices mean they are often cheaper than some bids the ESO has accepted, so the actions become arbitrated (taken out of the imbalance price stack). This can have an impact on the imbalance price. There have been times when all accepted offers in a short market are arbitrated, leaving no prices with which to generate the imbalance price. Therefore the imbalance price methodology reverts to using the Market Index Price.</p> <p>The ESO requires the Issue group to look into defining potential solutions and identifying if there is a firm need to address this Issue that would have a positive market impact while taking into account the upcoming implementation of P354.</p>			
History:				
Issue 74 was raised by National Grid ESO on 25th October 2018.				
ELEXON are currently progressing actions and analysis arising from the first meeting and determining an appropriate time to hold a second Issue Group. The Issue Group unanimously agreed in the first meeting that visibility of non-BM STOR would improve parties abilities to make informed decisions on whether to Bid in to the stack for STOR services and that this data would provide clear visibility of when non- BM STOR was being utilised by ESO.				

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Following completion of the actions on the Proposer, ELEXON are confirming the best date to hold a second Workgroup, where the results of actions on both National Grid and ELEXON will be fed back to the Issue group and next steps agreed.

Issue 75: Use of Internet Protocol (IP) address based communication methods for Central Volume Allocation (CVA) Metering Systems

Date Raised:	28 November 2018.	Proposer:	SSE
Latest Update:	Following the Issue Group meeting on 31 January 2019, we issued a Service Provider Impact Assessment (IA) in line with the proposed solution developed by the Issue Group. This solution looks to alter ELEXON's contract with the Central Data Collection Agency (CDCA) to permit the use of Internet Protocol (IP) to communicate with Meters in the Central Volume Allocation (CVA) Market. Following the response to the first IA it became apparent that a further IA is required.		
Next Event:	A second Change Request will be issued for IA in April 2019. We are planning to hold a second Issue Group (via teleconference) to discuss potential processes for Virtual Private Network (VPN) installation in April 2019. This is dependent on the completion of the Service Provider Impact Assessment.		
Issue:	British Telecom (BT) has confirmed its intention to switch off the PSTN infrastructure by 2025. This is the currently used to Communicate with CVA Metering Systems. The Circuit Switch Data (CSD) capability over the GSM network (otherwise known as 2G), is also expected to become more and more unsupported over the coming years and to be switched off sometime between 2020 and 2025.		
History:			
Issue 75 was raised by SSE on 28 November 2018. The first meeting of the Issue 75 Issue Group was held on 31 January 2019 at ELEXON's offices.			

Issue 77: Assessing the suitability of Specified Charges without cost drivers

Date Raised:	29 March 2019	Proposer:	ELEXON
Latest Update:	Issue 77 was raised by ELEXON on behalf of the Panel on 29 March 2019.		
Next Event:	ELEXON are ascertaining industry availability for the first Issue 77 meeting.		
Issue:	The Specified Charge rate for Additional BM Unit's was challenged by a BSC Party in March 2018. Following this a series of papers that investigated Specified Charges were presented to the BSC Panel (282/10, 283/10 and 284/10). The BSC Panel at its 31 January 2019 meeting recommended the formation of an Issue group to consider Specified Charges without cost drivers.		

ISSUES - UPDATES & DECISIONS

	<p>BSC Specified Charge rates are set and approved by Panel on an annual basis. The methodology for the structure of charges was created in the year 2000, with many of the rates for Specified Charges without drivers unchanged, even though there has been substantial change within the industry.</p> <p>The lack of an evidence-based approach towards setting the rates of Specified Charges without cost drivers is inconsistent with the manner in which other charges (for example the Notified Volume Charge and SVA Metering System charge) are reviewed, determined and communicated to the Parties who have to pay them. Industry views on the perceived appropriateness and cost-reflectiveness of Specified Charges without cost drivers will be gathered, along with gauging industry appetite for change.</p>
History:	
Issue 77 was raised by ELEXON on 29 March 2019.	

<u>Issue 78:</u> Measurement and monitoring of Settlement performance				
Date Raised:		29 March 2019	Proposer:	Opus Energy Limited
Latest Update:		Issue 78 was raised by Opus Energy Limited on 29 March 2019.		
Next Event:		ELEXON are currently determining the best time for the first meeting.		
Issue:		<p>The Proposer believes that impending industry-wide challenges around Settlement Performance will stem from Suppliers' two-tiered customer portfolios:</p> <ul style="list-style-type: none">• Those with smart Meters and thus, in due course, Half-Hourly (HH) Settled; and• Those without, who will forever remain non-HH (NHH) <p>This Issue is already impacting a large number of Suppliers and that will increase with the smart Meter rollout and move to mandatory HH Settlement, as the remaining pot of non-smart and NHH customers will have a greater proportion of hard-to-read (HTR) sites.</p>		
History:				
Issue 78 was raised by Opus Energy Limited on 29 March 2019.				

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
P332	Revisions to the Supplier Hub Principle	Smartest Energy	28 Jan 16	No
P354	Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level	ENGIE	11 Jan 17	No
P364	Clarifying requirements for registering and maintaining BM Units	Green Frog Power	07 Dec 17	No
P366	Changes to Supplier Charges on 'hard-to-read' NHH sites	Orsted	26 Apr 18	No
P367	Removal of obsolete Supplemental Balancing Reserve (SBR) and Demand Side Balancing Reserve (DSBR)	BSC Panel	10 May 18	No

Apr	May	Jun	Jul	Aug	Sep
DMR FMR					
	AR	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
P371	Inclusion of non-BM Fast Reserve actions into the Imbalance Price calculation	UK Power Reserve	11 Sep 2018	No
P372	Speeding up the approval process for the publication of BSC data on the BMRS	BSC Panel	14 Sep 2018	No
P374	Aligning the BSC with the EB GL change process and derogation approach	SSE	5 Nov 2018	No
P375	Settlement of Secondary BM Units using metering behind the site Boundary Point	Flexitricity	10 Dec 2018	No

Apr	May	Jun	Jul	Aug	Sep
			AR	DMR FMR	
AR	DMR FMR	5 WDs after approval			
	AR	DMR FMR	5 WDs after approval		
			AR	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
P376	Utilising a Baseline Methodology to set Physical Notifications for Settlement of Applicable Balancing Services	Enel Trade S.P.A.	11 Dec 2018	No
P379	Multiple Suppliers through Meter Splitting	New Anglia Energy	3 January 2019	No
P380	Revision to the Replacement Reserve Bid Data submission requirements	National Grid	6 February 2019	No
P381	Removal of Quarterly Reports	BSC Panel	14 February 2019	No

Apr	May	Jun	Jul	Aug	Sep
				AR	DMR FMR
		Interim Report			
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
P382	Amendments to the BSC in the event of no-deal Brexit	National Grid ESO	4 March 2019	No
P383	Enhanced reporting of demand data to the NETSO to facilitate CUSC Modifications CMP280 and CMP281	Innogy	6 March 2019	No
P384	The publication of European Electricity Balancing Guideline (EB GL) balancing data by BMRS	National Grid ESO	6 March 2019	No
P385	Improving the efficacy and efficiency of Section H Default provisions	British Gas	3 April 2019	No

Apr	May	Jun	Jul	Aug	Sep
DMR FMR	16 WDs after approval				
				AR	DMR FMR
IWA					
IWA					

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	Apr	May	Jun	Jul	Aug	Sep
CP1508	Updating standards in the CoPs and BSCP601	ELEXON	9 Aug 2018						
CP1512	Improving the format of BSCP11 forms	ELEXON	26 October 2018						
CP1513	Updates removing inconsistencies within and between BSCP601, CoP3 and CoP5	ELEXON	12 Nov 2018						
CP1514	Number of register digits for smart Meters	ELEXON	17 Dec 2018						

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

CP1515	Amendments to BSCP514 for the Faster Switching Programme	ELEXON	4 January 2019	AR FR						
CP1516	New Interconnector Fuel Type Categories: ElecLink & IFA2	National Grid	7 March 2019	On Hold						

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

Panel Decisions

P372: The Assessment Report will be presented to the Panel at its meeting on 11 April 2019.

P364: The Draft Modification Report will be presented to the Panel at its meeting on 11 April 2019.

P382: The Draft Modification Report will be presented to the Panel at its meeting on 11 April 2019.

P384: The Initial Written Assessment will be presented to the Panel at its meeting on 11 April 2019.

P385: The Initial Written Assessment will be presented to the Panel at its meeting on 11 April 2019.

Extensions

P374: We invite the Panel to approve a 2 month extension to the P374 Assessment Procedure, returning with the Assessment Report to the July 2019 Panel meeting.

Authority Decisions

P361: The Final Modification Report was issued to the Authority for decision on 16 July 2018.

P370: On 27 March 2019 the Authority approved P370 for implementation on 3 April 2019 (5 WD following Authority decision).

P377: on 14 March 2019 the Authority approved P377 for implementation on 18 April 2019 (5 WD following Authority decision).

Industry Consultations

We are aiming to issue consultations for **CP1516** this month.

BSC SYSTEMS ROADMAP – SCOPE & DELIVERY UPDATES

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

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'	Amalgamated into P364	Amalgamated into P364
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
P372	Speeding up the approval process for the publication of BSC data on the BMRS'	Document	Pending
P381	Removal of Quarterly Reports	Document	Confirmed
P380	Revision to Replacement Reserve Bid Data deadline submission requirements	Document	Confirmed
CP1508	Updates to references in CoPs and BSCP601	Document	Confirmed
CP1512	Improve format of BSCP11 forms	Document	Confirmed
CP1513	Updates removing inconsistencies within and between BSCP601, CoP3 and CoP	Document	Confirmed
CP1514	Number of Register digits for smart Meters	Document	Confirmed
CP1515	Meter Operator Agents to send Metering System Data to Supplier Meter Registration Service (SMRS) instead of ECOES for the Faster Switching Programme	Document	Confirmed

BSC SYSTEMS ROADMAP – SCOPE & DELIVERY UPDATES

November 2019 BSC Release - 7 November 2019			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status
P384	The publication of European Electricity Balancing Guideline (EB GL) balancing data by BMRS	System	Pending
CP1516	New Interconnector Fuel Type Categories: ElecLink & IFA2	System	Pending
P366 Alternate	Changes to Supplier Charges on 'hard-to-read' NHH sites	System	Pending

Standalone Releases - 1 April 2020 effective, release Feb 20			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status
P354	Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level	System	Confirmed

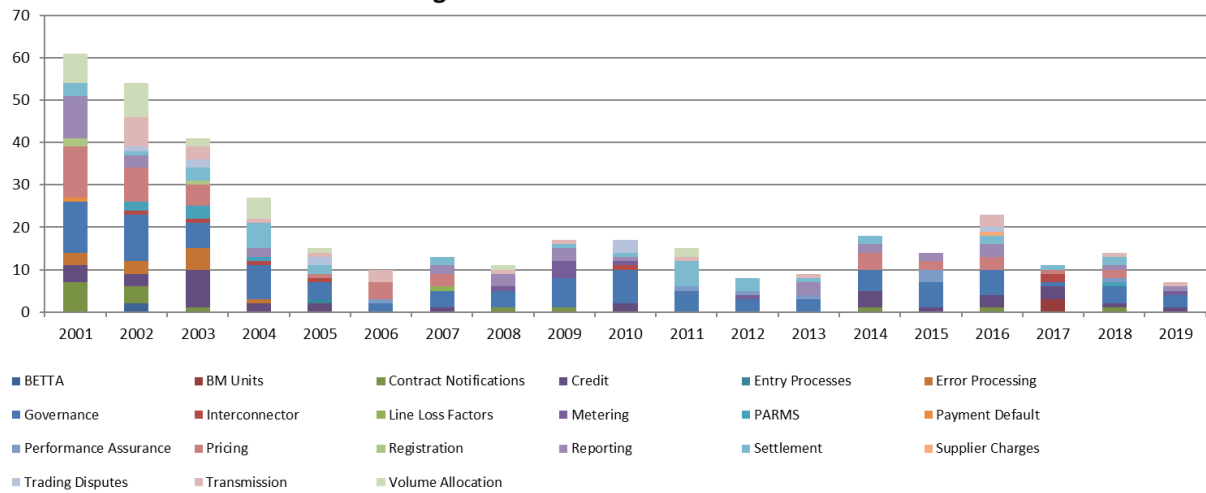
Ad Hoc Releases				
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status	Implementation date
P377	Amending Gate Closure References in Market Index Data	Document	Confirmed	18 April - 5 weeks after the 14 March 2019
P382	Amendments to BSC in no-deal Brexit	Document	Pending	5WD from Panel Decision

BSC SYSTEMS ROADMAP – SCOPE & DELIVERY UPDATES

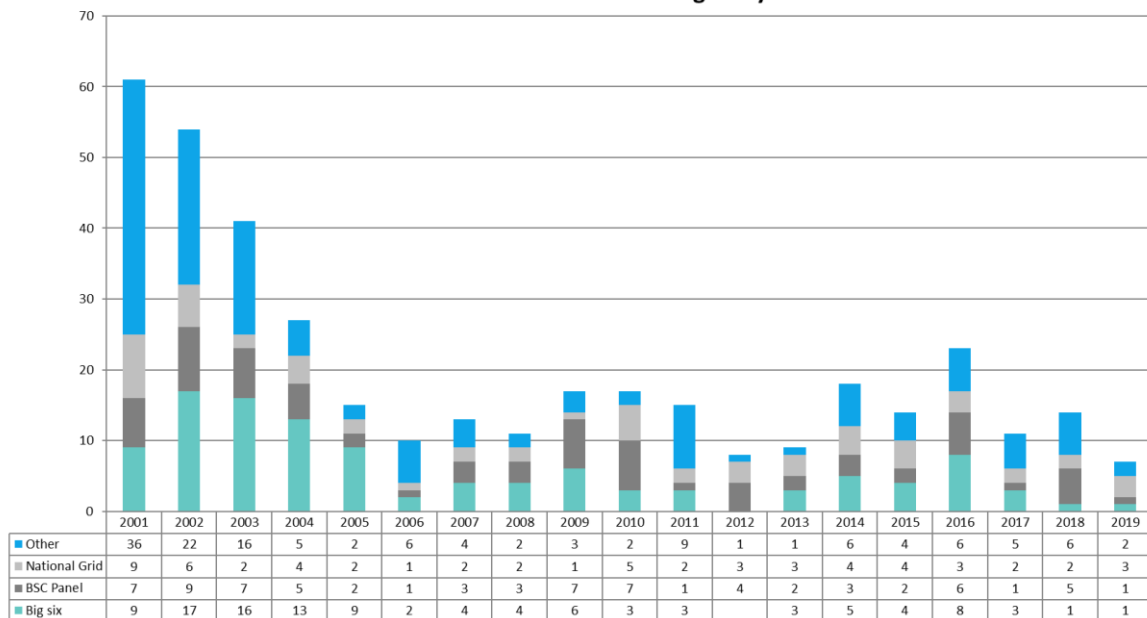
TBC Release Date			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/ Panel Committee Approval Status
P332	Revisions to the Supplier Hub Principle	System	Pending
P366 Proposed	Changes to Supplier Charges on 'hard-to-read' NHH sites	System	Pending
P361	Revised treatment of BSC charges for Lead Parties of Interconnector BM Units	System	Pending
P371	Inclusion of non-BM Fast Reserve actions into the Imbalance Price calculation	System	Pending
P374	Aligning the BSC with the EBGL change process and derogation approach	Document only	Pending
P376	Utilising a Baseline Methodology to set Physical Notifications	System	Pending
P379	Multiple Suppliers through Meter Splitting	System	Pending
P375	Settlement of Secondary BM Units using metering at the asset	System	Pending
P383	Enhanced reporting of demand data to the NETSO to facilitate CUSC Modifications CMP280 and CMP281	System and document	Pending
P385	Improving the efficacy and efficiency of Section H Default provisions	Document only	Pending

Modification Trend Charts

Categories of BSC Modifications raised



BSC Modifications and raising Party



Modification Trend Charts

