

Change

Process governing the code, subsidiary documents and systems.

BSC & Codes

The procedures that govern the electricity industry.

Risks

The techniques that confirm compliance or identify issues.

Committees

The groups that oversee changes and processes.

Market entry

Procedures for joining and leaving the market.

295/03 BSC Change Report: October 2019

Summary of Open Changes

Total open changes:

- Modifications – 18
- Change Proposals – 5
- Issues - 9

Modifications and Change Proposals

Initial Written Assessment:

- CP1521
- P392

Assessment

- Workgroups: P332 – TBC, P375 – 6 Nov, P376 – Nov, P379- Nov, P385- 30 Sep, P390- TBC
- Assessment reports: CP1519-8 Oct, CP1520-22 Oct, P385 - 10 Oct
- APC: None
- CPC batch: None

Report

- DMR: P382-10 Oct, P391-10 Oct
- RPC: None

Pending Ofgem decision

- Authority: P361, P371, P374, P383
- Self-governance: None

Pending implementation

- Approval: P365 – 1 Apr 20, P384 – 18 Dec 19, P386-7 Nov 19, P387-7 Nov 19, P388-1 Apr 20, CP1516-30 Nov 19, CP1517-Final TERRE Imp Date
- Rejections: None
- Withdrawals: None



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Key

Stage	Modifications	Change Proposals
Initial Written Assessment	Includes ELEXON’s Initial Written Assessment of the implications of each Modification Proposal and a recommendation of how the Modification should proceed.	Includes ELEXON’s Initial Written Assessment of the implications of each Change Proposal to seek Committee’s initial views and agree the consultation questions.
Assessment	Workgroups are held to develop and assess the proposal. The Workgroup recommendations are consulted on (Assessment Procedure Consultation), before being submitted to Panel (Assessment Report) to gather their initial views.	The proposals is consulted on in a Change Proposal Consultation Batch. The relevant Committee then decides whether to approve or reject the Change Proposal.
Report	The Panel’s initial views are consulted on (Report phase Consultation). The responses to the consultation are then presented to the Panel for their final views (Draft Modification Report). The Panel’s final views are then submitted to Ofgem (Final Modification Report). If the Modification is Self-Governance the Panel decide whether to approve or reject the Modification, otherwise Ofgem decide.	Not applicable.



<p>Pending Ofgem Decisions</p>	<p>Modifications that have been submitted to Ofgem for decision or Modifications that have been approved by the Panel under Self-Governance arrangements.</p>	
<p>Pending Implementation</p>	<p>Modifications that have been approved but not yet implemented and details of Modifications that have been rejected or withdrawn</p>	<p>Change Proposals that have been approved but not yet implemented and Change Proposals that have been rejected.</p>



Modifications Updates and Decisions

P332: Revisions to the Supplier Hub Principle		Update	
Date Raised:	28 January 2016	Proposer:	Smartest Energy
Target Implementation Date:	Post 2020	Current Status:	Assessment Procedure – On Hold
Latest Update:	On 12 September 2019, the Panel sought Ofgem’s views as to whether P332 is in line with Ofgem’s current strategic direction and the extent to which Ofgem believe the issue exists and requires recourse. The Panel are also seeking to understand whether P332 is or will be within scope of any of Ofgem’s programmes of work.		
Next Event:	The Panel will decide how to proceed at its meeting on 12 October 2019.		
Recommendation:	The P332 Assessment Procedure ends in October 2019. The Panel will therefore need to determine a new P332 Progression Plan, taking into consideration the Ofgem response. As at the time of writing an Ofgem response has not been received. A verbal update and recommendation will be given at the Panel meeting.		
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:	<p>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.</p> <p>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 – P332 was effectively placed on hold. 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 were scheduled to check whether P332 should re-start, remain on-hold or be withdrawn.</p> <p>The Panel approved a 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. The Panel approved a nine-month extension to the P332 Assessment Procedure at its meeting on 13 December 2018, returning with the</p>		



	<p>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. 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.</p> <p>At the September 2019 Panel meeting, the Proposer provided his view that his issue has not yet been addressed in any of the wider Ofgem initiatives.</p>
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<u>P361</u>: Revised treatment of BSC Charges for Lead Parties of Interconnector BM Units		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:	Further ELEXON analysis suggests that P361 has ‘timed out’ and therefore an Authority decision can no longer be made. ELEXON provided its assessment to the Authority, and subsequently explained such assessment to the BSC Panel at its meeting on 12 September 2019. The Authority is making a determination on whether it believes P361 has timed out.		
Next Event:	P361 is awaiting further information from Ofgem.		
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.

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.

Following the submission of the Final Modification Report to Ofgem in July 2018, Ofgem requested a revised BSC impact assessment and Implementation Date in May 2019, as the original Implementation Date expired. ELEXON provided the revised impact assessment and a suggested Implementation Date of 27 February 2020, where an Ofgem decision is received by 31 August 2019.



	Ofgem indicated at the Panel on 11 April 2019 that it was minded to approve P361. As a result Ofgem have asked ELEXON for an updated impact assessment, as the proposed Implementation Date of 28 February 2019 has now passed.
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<u>P371: Inclusion of non-BM Fast Reserve actions into the Imbalance Price calculation</u>		Update	
Date Raised:	11 September 2018	Proposer:	UK Power Reserve
Target Implementation Date:	25 June 2020 (June 2020 Release)	Current Status:	With Authority
Latest Update:	The P371 Draft Modification Report was presented to the BSC Panel on 12 September 2019, where it recommended P371 be approved		
Next Event:	The P371 Final Modification Report was sent to the Authority for decision on 19 September 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 include non-BM Fast Reserve actions in the calculation of the Imbalance Price, by including them in the Balancing Service Adjustment Data file. This will make the Imbalance Price more reflective of the actions taken by the System Operator.		
History:	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		



	<p>longer than initially anticipated. This resulted in the Panel extending the Assessment Procedure by four months at its February 2019 meeting. The second Workgroup for P371 was held on 13 March 2019 where the Workgroup agreed two possible solutions to P371. ELEXON undertook Impact Assessments to assess the costs and implementation times of potential solutions.</p> <p>The Third P371 Workgroup was held on 5 June 2019 where the Workgroup agreed its preferred solution. The Assessment Procedure Consultation was Issued on 17 June 2019 for 15WD.</p> <p>Responses to the Assessment Procedure Consultation were due on 5 July 2019. The final Workgroup was held on 16 July for the Workgroup to consider consultation responses.</p> <p>The Assessment Report was presented to the Panel on 8 August 2019.</p> <p>The P371 Report Phase Consultation was issued 13 August with responses due by 27 August 2019.</p>
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<u>P374: Aligning the BSC with the EB GL change process and derogation approach</u>			Update
Date Raised:	5 November 2018	Proposer:	SSE
Target Implementation Date:	5WD following Authority decision	Current Status:	With Authority
Latest Update:	At its meeting on 12 September, the BSC Panel unanimously recommended to the Authority that the P374 Alternative Modification be approved and the Proposed Modification rejected. The P374 Final Modification Report was submitted to the Authority for decision on 18 September 2019.		
Next Event:	Ofgem will determine whether to approve the Alternative or Proposed P374 Modifications for implementation 5WD following authority decision.		
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		



	<p>changes to certain parts of the BSC will have to go through a revised change process, in accordance with EB GL Articles.</p> <p>At its third meeting, P374 Workgroup members voted to raise an Alternative Modification that is identical to the Proposed, except in that it will not explicitly preclude derogations from BSC provisions that constitute Article EBGL Article 18 terms and conditions related to balancing. Instead, it will allow each derogation application to be assessed on a case-by case basis against the existing derogation criteria set out in BSC Section H 10.4.3(d), which do allow derogations to be granted from any BSC provision which constitutes Legal Requirement or Relevant European Legal Requirement as defined in the BSC.</p>
<p>History:</p>	<p>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. 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. The second Workgroup meeting was scheduled to take place on 12 March but was cancelled due to quoracy issues. We updated the Panel verbally on 14 March 2019 and achieved quoracy for the second Workgroup, held on 24 April 2019. ELEXON asked for an extension for P374 at the 11 April BSC Panel meeting, this was due to quoracy issues. The BSC Panel granted P374 with a two month extension until July 2019. The second Workgroup was held on 24 April 2019 to discuss solution options. During the course of the Workgroup it became clear that further work was required to amend the legal text and as such another meeting was required to further develop the solution.</p> <p>The third Workgroup meeting was held on Friday 7 June 2019 to review proposed legal text for two options. The Workgroup agreed to raise an Alternative solution. The Workgroup also requested a one-month extension to P374, which was approved by the BSC Panel at its meeting on 13 June 2019. This was due to the agreement of the solutions taking one more meeting to agree than planned.</p> <p>However, the Workgroups were delayed due to quoracy issues. Further delays were experienced as the agreement of the solution took longer than anticipated.</p> <p>The final P374 Workgroup was held on Thursday 25 July whereby the majority of the Workgroup voted for the alternative solution. They also</p>



	<p>unanimously agreed the BSC legal text, BSC Applicable Objectives and that it should not be progressed as Self-Governance.</p> <p>P374 was issued for Report Phase consultation over the period 13 August 2019 to 27 August 2019. The Panel initially believe the P374 Alternative Proposal should be approved.</p>
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P375: Settlement of Secondary BM Units using metering behind the site Boundary Point			Update
Date Raised:	10 December 2018	Proposer:	Flexitricity
Target Implementation Date:	November 2020	Current Status:	Assessment Procedure
Latest Update:	The fifth P375 Workgroup was held on the 20 August 2019. The Workgroup conducted a detailed review of the business requirements and Asset Metering Code of Practice 11.		
Next Event:	The next Workgroup will be held on 6 November to conduct a detailed review of the draft redline changes and Assessment Consultation questions.		
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:	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.		



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.

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.

The third Workgroup meeting was held on 16 May 2019. The purpose of the meeting was to review the draft Code of Practice for Asset Metering behind the Boundary Point and the work in progress Business Requirements. The Workgroup agreed that further consideration of the assurance regime, reporting and the types of behind the Boundary Point meters that should be included in the P375 solution are required. In particular, whether the types of measuring devices envisaged under P379 are included. Minor updates to the new Code of Practice were also identified.

It was clear that these elements required at least three more Workgroup meetings, in addition to Workgroup meetings to finalise and review the business requirements and legal text before the Assessment Consultation is issued. This will not be possible in the time available under the existing P375 timetable. A six-month extension was therefore requested by the Workgroup.

The BSC Panel approved a six-month extension to the P375 Assessment Procedure at their meeting on 13 June 2019. The P375 Assessment Report will be presented to Panel at its January 2020 Panel meeting.

The fourth Workgroup was held on 4 July 2019. Discussions focussed on the customer journey registration process and the role a Meter Operator Agent should play. The Workgroup reviewed a use case to illustrate a 'metering by differencing' approach with multiple VLP actions on a site. The Workgroup also reviewed appropriate Performance Assurance Techniques for VLPs.



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	Current Status:	Assessment Phase
Latest Update:	The fourth Workgroup was held on the 14 August 2019 to consider and develop the Business Requirements. ELEXON issued a Request for Information to support analysis on 23 September 2019.		
Next Event:	The next Workgroup will be held early November 2019 to review an industry Request for Information and finalise the Business Requirements.		
Recommendation	We therefore request a four month extension to the P376 Assessment Procedure, returning with the Assessment Report in March 2020. This is to allow time for analysis of various baselines to be done with GB data and for a more complex solution requested by the Workgroup to be fully developed.		
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:	<p>The Initial Written Assessment was presented to the Panel on 13 December 2018 and was entered into the Assessment Procedure.</p> <p>P376 was raised by Enel Trade S.P.A. on 11 December 2018.</p> <p>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.</p>		



	<p>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.</p> <p>ELEXON worked with the Proposer to identify characteristics of baseline methodologies currently used in other markets.</p> <p>The third Workgroup was held on 3 June 2019, where the Workgroup considered baseline methodologies.</p> <p>ELEXON worked with the Proposer to draft initial Business Requirements and considered what analysis, if any, should be undertaken on preferred baselining methodologies.</p>
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P379: Multiple Suppliers through Meter Splitting		Update	
Date Raised:	3 January 2019	Proposer:	New Anglia Energy
Target Implementation Date:	November 2020 (subject to Assessment of Modification and associated delivery timescales through impact assessment)	Current Status:	Assessment Procedure
Latest Update:	The P379 Workgroup 9 meeting was held on 24 September 2019. At the meeting Ofgem presented on Key design considerations. The Workgroup discussed the P379 high level Business Requirements, the Policy and Regulatory Log and complex use cases. ELEXON is in the process of drafting the detailed Business Requirements to be reviewed by the WG at the next meeting to be held in November 2019.		
Next Event:	The next P379 meeting will be held in November 2019 to review the detailed P379 Business Requirements.		
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		



	<p>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.</p>
<p>History:</p>	<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> <p>Following the first Workgroup discussions ELEXON updated and issued two use cases for the Workgroups review prior to the next meeting.</p> <p>The second P379 meeting was held on 3 April 2019. The purpose of the meeting was to:</p> <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 <p>For Ofgem to provide an overview on Network Access and Forward-Looking Charge Arrangements Significant Code Review.</p> <p>The third P379 Workgroup was held on 18 April 2019. The purpose of the meeting was to finish discussions on the Exempt Supply Use Case. To provide more background information on Exempt Supply requirements Ofgem presented on the Exempt Supply framework and how this works within the current market. In addition ELEXON provided an overview of the existing options for non-licenced entities selling power over the Distribution Network Operator’s (DNO) network and how the P379 solution could potentially work.</p> <p>An interim report was presented to the Panel on 13 June 2019, as agreed as part of the approved P379 progression plan. The Panel approved a six-month extension and advised the Workgroup to consider how the Modification could be scoped to deliver earlier. A meeting was held on 27 June 2019 to finish discussing balance responsibility and the Party Agent Role.</p> <p>The P379 WG6 and WG7 meetings were held on 23 and 24 July 2019 respectively. The Workgroup considered two ‘operating models’ for the P379 solution, highlighting the key priorities and areas of concern. A key part of P379 is the provision of metered data for assets (e.g.</p>



	<p>electric vehicle) behind the Boundary Point Meter. ELEXON provided an update on P375, which is looking at metering systems not installed at the Boundary Point. Further P375 updates will be provided to the P379 Workgroup.</p> <p>The P379 Workgroup 8 meeting was held on 13 August 2019. ELEXON presented the detailed proposed, and alternative models covering the different entities and functions involved in multiple supply. The Workgroup agreed with processes in both models. The Workgroup also considered the following items: P379 FAQ, Performance assurance, data flows and whether multiple supply will be optional or mandatory.</p>
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P382: 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:	To be confirmed pending outcome of Brexit	Current Status:	Report Phase
Latest Update:	<p>The Panel reviewed the draft Modification Report at their meeting on 11 April 2019 and deferred making a decision until there is more certainty around the UK’s exit from the EU. The UK’s exit day from the European Union was amended early in the morning of 11 April 2019 until 31 October 2019 at the latest. The Panel felt that as there is a reasonable possibility that the P382 proposed draft legal text may need amending before then e.g. as a result of other Modifications being implemented in the meantime or changes to legislation by the Government.</p> <p>Coupled with uncertainty over whether P382 will be required (N.B. P382 is only required in the event of a no-deal exit from the EU), the Panel determined that the most economic and efficient thing to do would be to defer their decision.</p>		
Next Event:	<p>The revised P382 draft Modification Report will be presented to the Panel on 10 October 2019. The Panel will be asked to determine how best to proceed with P382 based on the latest information at the time of the Panel meeting.</p>		
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. not used but still there) may be more appropriate depending on the circumstances.
History:	<p>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.</p> <p>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.</p>

P383: 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:	April 2021	Current Status:	Assessment Procedure
Latest Update:	The P383 Draft Modification Report was presented to the BSC Panel on 12 September 2019. The BSC Panel recommended that P383 should be approved. The P383 Final Modification Report was sent to the Authority for a decision on 20 September 2019.		
Next Event:	P383 is awaiting Authority decision. If the Authority approve P383 then the Modification will be implemented on 1 April 2021.		
Issue:	<p>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.</p>		
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:	<p>P383 was raised on 6 March 2019 by Innogy. The P383 IWA was presented to the BSC Panel on 14 March 2019, who submitted it into the Assessment Procedure.</p> <p>The first Workgroup was held on 29 April 2019. The Workgroup have identified a solution, agreed on the Applicable BSC objectives, and agreed that it should not be progressed as Self-Governance.</p> <p>ELEXON held the second Workgroup meeting on 11 June 2019 where they discussed the legal text, business requirements and the Service Provider Impact Assessment.</p> <p>P383 was sent out for Assessment Procedure Consultation on 2 July 2019, with responses due by 22 July 2019.</p> <p>The final P383 Workgroup was held on Monday 29 July 2019. The Workgroup agreed on the Applicable BSC Objectives, the draft legal text, that P383 should not be progressed as Self-Governance, the proposed Implementation Date, and that there were no alternative solutions.</p> <p>P383 was issued for Report Phase Consultation on 13 August 2019, with responses due by 27 August 2019. The Panel initially believe P383 should be approved.</p>
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<u>P385: Improving the efficacy and efficiency of the Section H Default provisions</u>		Update	
Date Raised:	3 April 2019	Proposer:	Centrica
Target Implementation Date:	Feb 2020 BSC Release	Current Status:	Assessment Procedure
Latest Update:	The third and final P385 Workgroup meeting took place on 30 September, where Members will consider responses to the Consultation and provided final views on the P385 solution. The Workgroup have unanimously recommended the Solution with no alternatives identified. They recommend that P385 be governed under the Self Governance Criteria.		
Next Event:	The Assessment Report will be presented to the BSC Panel on 10 October 2019.		
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 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:	<p>On 3 April 2019, Centrica raised P385. ELEXON presented the Initial Written Assessment at the 11 April BSC Panel meeting, where the Panel agreed to progress P385 to the Assessment Procedure.</p> <p>Following experiencing difficulty confirming a date for the first Workgroup meeting, due to quoracy issues, ELEXON externally engaged prospective Members and secured the necessary number of voting Workgroup Members.</p> <p>The first Workgroup for P385 was on 17 June 2019. The Workgroup developed a large amount of the solution, identifying an approach where parameters for certain Events of Default are placed under Panel control.</p> <p>The second Workgroup for P385 took place on 15 July 2019, where all remaining areas of the solution were agreed. The Workgroup is currently reviewing the draft Assessment Procedure Consultation. The Assessment Procedure Consultation closed on 21 August 2019. There were 3 responses from Suppliers, all of whom are supportive of the proposal and its recommendation as a Self-Governance Modification.</p>

<u>P390: Allowing extensions to ELEXON’s business and activities, subject to additional conditions</u>			Update
Date Raised:	12 August 2019	Proposer:	E.ON
Target Implementation Date:	5 Working Days after Authority decision	Current Status:	Assessment Phase
Latest Update:	P390 was raised by E.ON on 12 August 2019. ELEXON have been working to reach a quorate Workgroup in order to hold the first P390 Workgroup meeting. This has involved direct engagement with industry members with experience as a Workgroup member for similar modifications, as well as reminding industry about the Modification via communications channels.		
Next Event:	ELEXON will look to set a date for the first Workgroup following sufficient membership and will continue to promote the Workgroup until the quoracy threshold is reached		
Issue:	<p>The BSC restricts the activities of ELEXON and in the absence of a specific Modification any additional activities cannot be pursued by ELEXON (even when those activities would be of benefit to BSC Parties, industry generally and/or the consumer).</p> <p>In the past specific Modifications have been necessary which have enabled ELEXON to provide the Warm Homes Discount Reconciliation service, EMR settlement, and to participate in gas performance assurance framework and REC manager appointment processes.</p>		



	Such individual Modifications to extend ELEXON’s vires are time consuming and can be an unnecessary distraction for industry. They can also result in ELEXON being unable to pursue an opportunity within a required timeframe.
Current Solution:	A framework into the BSC that allows the ELEXON Board to determine whether ELEXON can undertake additional activities provided certain conditions are met. All of the conditions introduced in previous Modifications to ELEXON’s vires, P330 ‘Allowing ELEXON to tender for the Uniform Network Code Gas Performance Assurance Framework Administrator (PAFA) role’ and P365 ‘Enabling ELEXON to tender for the Retail Energy Code (REC)’ are included, plus some additional conditions to safeguard the interests of BSC Parties.
History:	P390 was raised by E.ON on 12 August 2019. The IWA was presented to the Panel on 12 September 2019. ELEXON are ascertaining the most appropriate date for the first Workgroup, proposed for early October 2019 subject to the availability of the minimum number of members to be quorate.

P391: Introducing Desktop Audits		Update	
Date Raised:	12 September 2019	Proposer:	BSC Panel
Target Implementation Date:	Feb 2020 BSC Release	Current Status:	Report Phase
Latest Update:	<p>P391 was raised by the BSC Panel on 12 September 2019 who agreed that P391 meets the Self-Governance criteria and should be progressed straight to the Report Phase.</p> <p>P391 was issued for Report Phase Consultation on 16 August 2019, with industry invited to respond by 5pm 27 September 2019.</p>		
Next Event:	The BSC Panel will consider these responses as part of the Draft Modification Report at its meeting on 10 October 2019, where it will agree its final recommendations.		
Issue:	<p>When a Metering System is selected for audit, the requirement for Inspection Visits to be carried out on-site (and for the Registrant and the Meter Operator Agent (MOA) to attend the Inspection Visit), is resource intensive for both the Technical Assurance Agent (TAA) to undertake and audited Parties to support. The PAF Review reviewed the TAM technique from November 2018 to February 2019, with the findings of the review presented to the PAB on 28 February 2019. The PAB approved the review’s recommendations (TAM Recommendations Report (217/13)). One of the recommendations was to introduce Desktop Audits, as a lower intensity audit check. These would supplement onsite Inspection Visits as directed within the annual audit scope.</p>		
Current Solution:	This Modification proposes to amend the BSC to expand the scope of the TAM technique to allow for Desktop Audits to act as a supplement to existing on-site Inspection Visits.		
History:	P391 was raised by the BSC Panel on 12 September 2019.		



P392: Amending BSC Change Process for EBGL Article 18		Update	
Date Raised:	2 October 2019	Proposer:	National Grid ESO
Target Implementation Date:	4 April 2020	Current Status:	Initial Written Assessment
Latest Update:	P392 was raised by National Grid ESO on 2 October 2019.		
Next Event:	The P392 Initial Written Assessment will be presented to the BSC Panel on 10 October 2019, where they will decide how best to progress with this Modification.		
Issue:	National Grid Electricity System Operator (NGESO) is delegating some of its powers and obligations under European Electricity Balancing Guideline (EBGL) Articles 4, 6 and 10 to either of the Balancing and Settlement Code Company (BSCCo), or the BSC Panel. The BSC therefore needs to be amended to reflect the BSCCo's and BSC Panel's increased powers and obligations under the delegation to facilitate the EBGL change process within existing BSC change processes.		
Current Solution:	Update the relevant BSC processes to capture the specific powers and obligations delegated to the BSCCo or the BSC Panel (as relevant) from NGESO, and clearly set out the change process that shall apply to any BSC Modification proposal seeking to amend any of the EBGL Article 18 terms and conditions.		
History:	P392 was raised by National Grid ESO on 2 October 2019.		



Change Proposals Updates and Decisions

CP1516: New Interconnector Fuel Type Categories: ElecLink & IFA2			Update
Date Raised:	7 March 2019	Proposer:	National Grid
Target Implementation Date:	18 December 2019	Current Status:	Awaiting Implementation
Latest Update:	<p>ElecLink informed ELEXON that the ElecLink Interconnector will not be energised in December 2019. Therefore, the previous dependency to implement on 30 November 2019 is no longer relevant. As P384 (due for implementation on 18 December 2019) also impacts the BRMS system, there are efficiencies from aligning the two Implementation Dates.</p>		
Next Event:	<p>The request to change the CP1516 Implementation Date will be presented to the BSC Panel at its meeting on 10 October 2019 as part of paper 295/18. Subject to BSC Panel approval of an extension to the CP1516 Implementation Date, it will be implemented on 18 December 2019 as part of an ad-hoc December 2019 BSC Release.</p>		
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:	<p>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. The solution proposed for implementing CP1516 is an interim solution whereby aggregated data for ElecLink and IFA2 will be included within the existing IFA field (INTFR) on BMRS. Disaggregated data will be published on a new webpage on the BMRS, from which market participants will be able to pull data via an API, on the same timescales as currently available on the BMRS. The reason for this interim solution, which we expect to be in place until at least November 2020 is because P344 ‘Project TERRE implementation into GB market arrangements’, P384 ‘The publication of European Electricity Balancing Guideline (EB GL) balancing data by BMRS’ and CP1516 all require</p>		



	changes to BMRS for implementation in the November-December 2019 time period. The delivery of these changes over the same timeframe created constraints, that if not addressed would have impacted the delivery of P344.
History:	<p>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).</p> <p>CP1516 was published for consultation on 17 May 2019, with responses due by 5pm Thursday 13 June.</p> <p>CP1516 was presented to the BSC Panel for decision on 11 July 2019. The Panel approved CP1516 for implementation on 30 November 2019.</p> <p>As the Panel are required to approve new Fuel Types, it was efficient for the Panel to also approve the changes to the BSC subsidiary documents at the same time, which are being amended via CP1516.</p>

CP1519: Treatment of Low Capacity Connections for Site Specific Line Loss Factor Calculations			Update
Date Raised:	16 July 2019	Proposer:	UK Power Networks
Target Implementation Date:	27 February 2019	Current Status:	Committee decision
Latest Update:	CP1519 was approved by the ISG on 17 September 2019		
Next Event:	CP1519 will be presented for decision to the SVG on 8 October 2019 for Implementation on 27 February 2020 as part of the February 2020 release.		
Issue:	<p>Line Loss Factors (LLFs) are calculated and applied to Metered Volumes to account for distribution losses. LLFs are calculated on an individual basis for sites connected at Extra High Voltage (EHV) and on a generic basis for other connections.</p> <p>There are an increasing number of EHV Sites with a ‘main’ connection and a subordinate small-scale connection. The subordinate connection is often 1 MVA or less and the majority are ancillary import connections for Generating Plant and Apparatus e.g. to power aircraft avoidance lights on wind turbines when the turbine is not Generating its own power. Subordinate connections have low maximum demand and consumption and, if they were single connections in their own right, would be connected at lower voltage levels with generic LLFs.</p>		
Current Solution:	CP1519 proposes to apply Generic LLFs appropriate to the voltage of connection to sites with a capacity less than 1 MVA. This would formalise a default replacement process for low consumption sites within Principle 17 of the LLF calculation principles within BSCP128.		
History:	CP1519 was raised on 16 July 2019 and the progression paper presented to the ISG on 23 July 2019 and SVG on 6 August 2019.		



CP1520: Clarification to 'Change of Ownership' process in BSCP537			Update
Date Raised:	8 August 2019	Proposer:	ELEXON
Target Implementation Date:	18 December 2019	Current Status:	Assessment
Latest Update:	CP1520 was issued for industry consultation on 9 September 2019, with responses due by 4 October 2019.		
Next Event:			
Issue:	The change of ownership process in BSCP537 is not fit for purpose; leading to confusion around the requirements following a change of ownership.		
Current Solution:	<p>CP1520 proposes to introduce a new Change of Ownership letter template into BSCP537, which will be used for the Qualified Person to confirm that it will continue to fulfil its obligations, despite the Change of Ownership of the company.</p> <p>In addition to the Change of Ownership letter, Qualified Persons (other than Suppliers and VLPs) will be required to provide a separate statement confirming whether a Material Change has been made as per BSCP537 section 2.6.1.</p> <p>The solution to this CP will amend section 2.6 of BSCP537 to reflect the revised process. This includes changing 'Applicant' to 'Qualified person' and citing the Change of Ownership letter.</p> <p>CP1520 also proposes to allow PAB to make a decision on whether the Qualified Person needs to:</p> <ul style="list-style-type: none"> a) Re-Qualify; or b) Not Re-Qualify; 		
History:	<p>CP1520 was raised on 8 August 2019 by ELEXON.</p> <p>CP1520 was presented to the ISG on 20 August 2019, PAB on the 29 August 2019 and SVG on 3 September 2019. All three committees noted that CP1520 had been raised and the proposed progression timetable.</p>		

CP1521: BSCP70 Amendments for IA and IEA			Update
Date Raised:	27 August 2019	Proposer:	ELEXON
Target Implementation Date:	February 2020	Current Status:	Assessment



Latest Update:	The CP Progression Paper was presented to the ISG on 17 September 2019.
Next Event:	CP1521 will be issued for industry consultation from 14 October to 8 November in CPC batch CPC00798.
Issue:	BSCP70 currently omits Interconnector Administrator (IA) and Interconnector Error Administrator (IEA) from being required to undergo CVA Qualification Testing. As there are four new Interconnectors scheduled to go live over the next four years (with a further seven planned) there is a potential risk to Settlement if the IAs and IEAs for the new Interconnectors have not demonstrated that they are able to send and receive the relevant Settlement data flows to/from BSC Central Systems.
Current Solution:	BSCP70 is amended to include IA and IEA in the data flows relevant to IEAs and IAs for CVA Qualification Testing.
History:	CP1521 was raised by ELEXON on 27 August 2019. The CP Progression Paper was presented to the SVG on 3 September 2019 for information.



Issues Updates and Decisions

Issue 69: Performance Assurance Framework Review		Update
Date Raised:	30 March 2017	Proposer: ELEXON
Latest Update:	<p>The main review of the Supplier Charges technique has commenced. The Issue 69 Working Group meeting on 19 September 2019 will review our initial ideas for change.</p> <p>The recommendation of the Qualification workshop was presented to PAB (224/06) at its meeting on the 26 September 2019. PAB approved the recommendation to raise a number of Modifications and Change Proposals with a view to implement them in approximately 18 months.</p>	
Next Event:	A Further Issue 69 Working Group- to review Supplier Charges- will be held in November with a view to further refine the ideas towards a set of recommendations for the PAB.	
Issue:	<p>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.</p>	
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>	



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.

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.

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



	<p>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.</p> <p>The first working group for this work stream took place on 3 October 2018, with subsequent working groups scheduled for roughly every quarter.</p> <p>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.</p> <p>The Performance Assurance Board (PAB) suggested engagement with the Issue 69 workgroup (in particular Suppliers) on Supplier Charges review.</p> <p>The dates for workstreams on Supplier Charges review and BSC Audits as part of Issue 69 have been confirmed. Engagement with Issue 69 stakeholders for both the Performance Assurance Techniques Review and Data Provision workstreams is expected in spring 2019.</p> <p>The workstreams for the Supplier Charges review and the BSC Audit was held on Tuesday 14 May and Wednesday 15 May 2019 respectively.</p> <p>Issue 69 will now be focussing on Qualification and Re-Qualification well as Supplier Charges.</p> <p>The Issue 69 Qualification and Re-Qualification Workshop was held on Tuesday 2 July 2019. Following this Workshop a paper was presented to PAB providing an update on the review of the Qualification and re-Qualification Performance Assurance Technique. The PAB noted the updates and agreed to a sub-group to discuss options to include in the final Qualification and Re-Qualification PAF Review recommendations report. Following the meeting of the sub group the PAF team presented their recommendation at September PAB meeting on 26 September 2019.</p>
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<u>Issue 73: Review of fault management and resolution timescales</u>			Update
Date Raised:	12 October 2018.	Proposer:	SSE Ltd
Latest Update:	ELEXON held a teleconference on 27 September 2019 for the Issue Group to reach consensus and vote on the solutions that will be recommended in the Issue Report. The Issue Group recommends three CPs be raised to progress changes to the communication process, Service Level Agreements, and LDSO involvement on the fault rectification process.		
Next Event:	The Issue Report will be tabled for the Panel on 8 November 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 compliant with the BSC. The notification process used in the faults process should 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> <p>ELEXON has used data from Workgroup members to help define service level agreements for resolving faults and draft redlining to carry forward proposed changes .</p> <p>The third Workgroup for Issue 73 was held on 13 June 2019, for the Workgroup to consider the proposed SLAs and process for involving Distributors in the fault resolution process.</p> <p>ELEXON adapted the draft redlining for the proposed Change Proposals to take account of comments made by the Issue 73 Workgroup.</p> <p>ELEXON presented an update to the Issue Resolution Expert Group in August 2019, following which it will determine whether another Issue Group meeting is required.</p>		

<u>Issue 78: Measurement and monitoring of Settlement performance</u>			Update
Date Raised:	29 March 2019	Proposer:	Opus Energy Limited
Latest Update:	Having allowed the PAF review work to progress over the summer an Issue Group meeting was held on 28 August 2019. All matters		



	discussed by the Issue Group have been deferred to the PAF review with a caveat that if it is felt that PAF Review actions do not address the issues raised, subsequent changes can be raised at a later date.
Next Event:	The Issue Report will be presented to the Panel on 10 October 2019.
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:	<p>Issue 78 was raised by Opus Energy Limited on 29 March 2019.</p> <p>The first meeting was exceptionally well attended (25+ attendees) on 24 April 2019. ELEXON analysed Supplier Charge data from various sources and modelling various options to assess potential material impacts. Options being investigated include, but are not limited to: Amending Supplier Charge rates to various values. Removing all Supplier Charges, removing some Supplier Charges, increasing and decreasing target levels to between 0% and 100% and combinations of each of these options.</p> <p>Following discussion with the Proposer in terms of how Issue 78 overlaps with the PAF Review, the Proposer expressed their intent to continue with I78 with a view to investigating if there are any short term solutions to ‘fill the gap’ ahead of any PAF Review changes being made. It was agreed that any synergies between I78 and the PAF Review should continue to be explored and pursued where applicable once the PAF review had time to formulate some initial ideas and as such there was some delay between the first and second Issue Group meetings to allow for PAF review work to feed into Issue 78.</p>

<u>Issue 80:</u> Increase in minimum data storage requirements within the relevant Metering CoPs		Update
Date Raised:	16 April 2019	Proposer: Association of Meter Operators (AMO)
Latest Update:	<p>An Issue 80 meeting was held on 19 September 2019. The Workgroup discussed Meter manufacturer feedback and clarified the proposed Change Proposals to be raised as an outcome of Issue 80. The Workgroup are seeking a Party to raise two CPs. In the event that a BSC Party does not volunteer ELEXON will raise the CPs on behalf of the Issue 80 Workgroup.</p>	



Next Event:	The Issue 80 Final Report to be submitted to the October 2019 BSC Panel meeting.
Issue:	The minimum data storage requirements within the Half Hourly Metering Codes of Practice (CoPs) are regarded as very low and should be increased.
History:	<p>Issue 80 was raised by AMO on 16 April 2019.</p> <p>The first Issue 80 meeting date was scheduled for 24 June 2019. A Request for Information inviting Meter Manufacturer, Party Agents, Parties and other interested parties views of the proposed change was issued prior to the meeting for group’s consideration.</p> <p>The first Issue 80 Workgroup was held on 24 June 2019. The Workgroup discussed the issue and reviewed the RFI responses. The Workgroup agree there is a need to increase meter memory and a Change Proposal should be raised. Before raising the change ELEXON will further engage with meter manufactures to determine the impact of increasing meter memory.</p> <p>Given the Issue 80 Workgroup recommendation, ELEXON with Meter Manufacturers to determine the impact of increasing meter memory. Meter Manufacturer feedback and discussed with the Workgroup before finalising the Issue 80 Report.</p>

<u>Issue 81: Determining the benefits of Run-up/Run-down rates and Last Time to Cancel Synchronisation (LTCS) publication on BMRS</u>		Update
Date Raised:	12 June 2019	Proposer: National Grid ESO
Latest Update:	We are seeking availability of Issue Group Members for the first meeting. Issue 81 struggled to find Members to be quorate but recently reached the minimum five Members.	
Next Event:	ELEXON is planning to hold the first Issue 81 meeting in late October or early November.	
Issue:	In the National Grid Electricity System Operator (NGESO) Cost Benefit Analysis on P297. NGESO received feedback that there may be an opportunity to identify consumer benefits, by exploring how the data items originally in P297 might be assessed to support the development of Run-up/Run-down rates and Last Time to Cancel Synchronisation (LTCS) publication on BMRS, and how these can fit in with the BSC and Grid Code.	
History:	Issue 81 was raised by National Grid ESO on 12 June 2019.	



Issue 82: Expand the BSC Panel’s ability to raise Modification Proposals			Update
Date Raised:	19 June 2019	Proposer:	ELEXON
Latest Update:	The Issue 82 meeting was held on 20 August 2019. The Workgroup considered whether the BSC Panel’s ability to raise Modifications should be expanded. The Workgroup recommended that no Modification be raised to expand the BSC Panel’s ability to raise Modifications.		
Next Event:	The Issue 82 Final Report will be submitted to the October 2019 BSC Panel meeting.		
Issue:	<p>Currently BSC Section F2.1.1 restricts the BSC Panel’s ability to raise Modification Proposals. Issue 82 seeks to expand the Panel’s ability to raise Modification Proposals. ELEXON believes that expanding the Panel’s ability to raise Modification Proposals would:</p> <ul style="list-style-type: none"> • Increase the effectiveness of the Panel, and thereby the BSC; • Reduce the burden on BSC Parties to be Proposers; • Promote improvements in the BSC’s self-governance arrangements; and • Help maintain consistency with the Panel’s objectives as set out in the BSC. 		
History:	Issue 82 was raised by ELEXON on 19 June 2019.		

Issue 83: Ensuring that the Buy Price Adjustment reflects all additional balancing costs incurred by NGENO			No Update
Date Raised:	1 July 2019	Proposer:	Sebmcorp UK
Latest Update:	The first Workgroup was held on 7 August 2019, where it discussed the components that are incorporated in the Buy Price Price Adjustment and how these could continue to be reflected in the Imbalance Price.		
Next Event:	The second meeting for Issue 83 will be held 11 October 2019 for the Issue Group to further consider what components make up the BPA and how it can continue to be reflected in pricing.		
Issue:	The Issue will consider the principles set out in Article 52(2) of the Commission Regulation (EU) 2017/2195 of 23 November 2017, establishing a guideline on electricity balancing to assess how the components of the Buy Price Price Adjustment can continue to be used in the Imbalance Price calculation. This will aim to ensure that it		



	<p>continues to be reflective of the actions taken by National Grid Electricity System Operator.</p> <p>In addition to this, Issue 83 will consider what components are included in the Buy Price Price Adjustment, including reserve actions, to ensure that it continues to be properly reflective.</p>
History:	Issue 83 was raised by Sebmcorp UK on 1 July 2019.

Issue 84: Enable the cost recovery of the Radio Teleswitch Service (RTS) arrangements extension		Update
Date Raised:	10 July 2019	Proposer: SSE Electricity Limited
Latest Update:	<p>The Issue 84 Report was presented at the September BSC Panel meeting. The BSC Panel:</p> <ul style="list-style-type: none"> • Noted the Issue 84 draft report. • Noted that the RTS should continue to support customers and the BSC is the correct mechanism to support RTS costs recovery. • Supports a contract change between ELEXON and the ENA for the recovery of operational RTS costs under the BSC. <p>Industry Parties have been formally notified of the Issue 84 Outcome. ELEXON to agree contract changes with the ENA; and the industry will be notified once contract changes between the ENA and ELEXON have been agreed.</p>	
Next Event:	ELEXON has started engaging with the ENA to discuss the RTS Contract changes. The industry will be notified once contract changes are agreed.	
Issue:	The current billing and cost recovery of teleswitch payments for Suppliers, operated by the ENA, is not fit for use. There is not sufficient default arrangements, including a mutualisation process. Further, new suppliers entering the market are not obliged to pay. There is an opportunity for ELEXON to support Energy UK in resolving this common industry issue.	
History:	<p>Issue 84 was Raised by SSE Electricity Limited on 10 July 2019. The Issue 84 meeting was held on 31 July 2019.</p> <p>At the 31st of July meeting the Issue Group considered options to extend the existing RTS Contract between the ENA and ELEXON, to facilitate RTS cost recovery across all Trading Parties.</p>	



	<p>The Workgroup agreed for Solution 1 Option a) to be implemented and a Modification could be raised to progress Solution 2 Option b) or c).</p> <ul style="list-style-type: none"> • Solution 1 Option a) – This will result in a change to the existing RTS contract between the ENA and ELEXON to also facilitate the RTS operational cost recovery. • Solution 2 Option b) or c) - If a BSC Party wishes to do so, they can raise a Modification to introduce a requirement for the BSCCo to recover the costs of RTS under the BSC. Solution 2 could be delivered through one of the below options: <ul style="list-style-type: none"> ○ Option b) calculating costs proportionately across all Suppliers or; <p>Option c) calculating costs by RTS User market share basis.</p>
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Issue 85: Removal of obligation to visit de-energised sites once every 12 months from BSCP504		Update	
Date Raised:	27 August 2019	Proposer:	TMA
Latest Update:	Issue 85 was raised by TMA on 27 August 2019.		
Next Event:	We will be looking to hold the first Issue 85 Workgroup at the end of October 2019, subject to Issue Group Member’s availability.		
Issue:	There is an obligation on the NHHDC to visit de-energised sites annually (footnote 99 from BSCP404). Originally, the obligation only applied to sites where no remote communication was available. That was removed by CP1019 in 2005. The Obligation for regular site visits was removed from the Supplier Licence obligations in 2016 by the Authority as other obligations, such as LC 21b.4 would prompt the Supplier to use a risk based approach to ensure that sites are visited regularly enough to avoid health and safety issues. This leaves the NHHDC agents exposed; unless they are instructed by the Supplier to visit de-energised annually, they are in breach of BSCP504.		
History:	Issue 85 was raised by TMA on 27 August 2019.		



Progression of Modifications

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	Oct	Nov	Dec	Jan	Feb	Mar
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						
P361	Revised treatment of BSC Charges for Lead Parties of Interconnector BM Units	Nord Pool Spot AS	31 Oct 17	No						



P371	Inclusion of non-BM Fast Reserve actions into the Imbalance Price calculation	UK Power Reserve	11 Sep 2018	No	AI						
P374	Aligning the BSC with the EB GL change process and derogation approach	SSE	5 Nov 2018	No	5WDs after approval						



Mod	Title	Proposer	Date Raised	Urgent
P375	Settlement of Secondary BM Units using metering behind the site Boundary Point	Flexitricity	10 Dec 2018	No
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
P382	Amendments to the BSC in the event of no-deal Brexit	National Grid ESO	4 March 2019	No

Oct	Nov	Dec	Jan	Feb	Mar
	AR	DMR FMR	AI		
DMR FMR	AI				



Mod	Title	Proposer	Date Raised	Urgent
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
P386	Corrections and clarifications to the P344 'Project TERRE' legal text	ELEXON	7 May 2019	No
P387	Allowing email communications for the BSC Panel Elections process	BSC Panel	9 May 2019	No

Oct	Nov	Dec	Jan	Feb	Mar
AI					
		I			
DMR FMR	AI				
	I				
	I				



Mod	Title	Proposer	Date Raised	Urgent
P388	Aligning the P344 and P354 Solutions	NETSO	3 July 2019	No
P390	Allowing extensions to ELEXON's business and activities, subject to additional conditions	E.ON	12 August 2019	No
P391	Introducing Desktop Audits	BSC Panel	12 September 2019	No

Oct	Nov	Dec	Jan	Feb	Mar
			APC	RC	
DMR FMR					



Progress of Change Proposals

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
CP1516	New Interconnector Fuel Type Categories: ElecLink & IFA2	National Grid	7 March 2019
CP1517	Changes to BSC Configurable Items for the TERRE Final Implementation Date	ELEXON	17 May 2019
CP1518	Housekeeping change to address errors in the approved changes to BSCP514 for CP1515	ELEXON	23 May 2019
CP1519	Treatment of Low Capacity Connections for Site Specific Line Loss Factor Calculations	UK Power Networks	16 July 2019

Oct	Nov	Dec	Jan	Feb	Mar
	I				
	I				
FR	I				



CP	Title	Proposer	Date Raised
CP1520	Clarification to 'Change of Ownership' process in BSCP537	ELEXON	8 August 2019
CP1521	BSCP70 Amendments for IA and IEA	ELEXON	27 August 2019

Oct	Nov	Dec	Jan	Feb	Mar
CPC	FR	I			
CPC	FR	FR	AI	I	



BSC Systems Road Map

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

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
P386	Corrections and Clarifications to the P344 legal text	Document	Panel Approved - 13 June 2019
P387	Allowing email communications for the BSC Panel Elections process	Document	Panel Approved - 13 June 2019
P389	Resolution of Capacity Market and Balancing Mechanism registration conflicts	Document	Pending

Standalone Release - 30 November 2019			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status
CP1516	New Interconnector Fuel Type Categories: ElecLink & IFA2	System	confirmed

Ad hoc Release - 18 December 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	confirmed
CP1520	Clarification of ownership process in BSCP537	Document	Pending



Standalone Release - 30 November 2019			
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
P388	Aligning the P344 and P354 Solutions	System	Confirmed

Standalone Release - P344 Final Implementation Date Notice			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status
CP1517	Changes to BSC Configurable Items for the TERRE Final Implementation Date	Document	confirmed

February 2020 BSC Release - 27 February 2020			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status
CP1519	Treatment of Low Capacity Connections for Site Specific Calculations in relation to BSCP128	Document	pending
CP1521	BSCP70 Amendments for Interconnectors	Document	Not yet issued
P385	Reviewing BSC rules in regard to actions being taken by the BSC Panel in Events of Default relating to Payment Default and Credit Default	Document	Pending
P391	Introducing Desktop Audits	System	pending



June 2020 BSC Release - 27 June 2020			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status
P371	Inclusion of non-BM Fast Reserve actions into the Imbalance Price calculation	Document	Pending

Ad-hoc Releases				
Change Number	Title of Change	BSC Central Systems/Document only impacts	Ofgem/BSC Panel/Panel Committee Approval Status	Implementation date
P382	Amendments to the BSC to reflect the United Kingdom's withdrawal from the European Union without a deal	Document	Pending	16 WD from Panel approval - planned for 1 Nov 19
P383	Enabling the aggregation of storage Metering Sysytes for network charging	System	Pending	01 Apr 21
P374	Aligning the BSC with the EB GL change process and derogation approach	Document	Pending	5 WDs after Authority decision

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	Document	Pending
P361	Revised treatment of BSC Charges for Lead Parties of Interconnector BM Units	System	Pending
P376	Utilising a baselining methodology as an alternative to Physical Notifications	System	Pending
P379	Enabling consumers to buy and sell electricity from/to multiple providers through Meter Splitting	System	Pending
P375	Settlement of Secondary BM Units using metering at the asset	System	Pending
P390	Allowing extensions to ELEXON's business and activities, subject to additional conditions'	Document	Pending



Modification Trend Chart





