

# MINUTES

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<b>MEETING NAME</b>	BSC Panel
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<b>Meeting number</b>	296
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<b>Date of meeting</b>	Thursday 14 November 2019
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<b>Venue</b>	ELEXON Ltd. Offices – Pink Room
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<b>Classification</b>	Public
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## ATTENDEES AND APOLOGIES

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<b>Attendees</b>	Michael Gibbons	MG	BSC Panel Chair
	Phil Hare	PH	Deputy BSC Panel Chair
	Colin Down	CD	Ofgem Representative
	David Lane	DL	DSO Representative
	Stew Horne	SH	Consumer Panel Member (Alternate for Victoria Pelka)
	Mark Bellman	MBe	Industry Panel Member
	Lisa Waters	LW	Industry Panel Member (Alternate for Stuart Cotton)
	Tom Edwards	TE	Industry Panel Member (Alternate for Diane Dowdell)
	Mitch Donnelly	MD	Industry Panel Member
	Derek Bunn	DB	Independent Panel Member
	Jon Wisdom	JW	NGESO Panel Member
	Mark Bygraves	MB	ELEXON CEO
	Nigel Perdue	NP	ELEXON Director of Operations
	Lawrence Jones	LJ	Modification Secretary (Part Meeting)
	Victoria Moxham	VM	Panel Secretary
	Jason Jackson	JJ	Panel and Committee Support Manager
	Elliott Harper	EH	ELEXON (Part Meeting)
	Nick Baker	NB	ELEXON (Part Meeting)
	Chris Wood	CW	ELEXON (Part Meeting)
	Ivar Macsween	IM	ELEXON (Part Meeting)
	Sabreena Juneja	SJ	Ofgem (Presenter)
	Sean Slack	SS	Ofgem (Presenter)
<b>Apologies</b>	Victoria Pelka	VP	Consumer Panel Member
	Stuart Cotton	SC	Industry Panel Member
	Diane Dowdell	DD	Industry Panel Member

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## Apologies

- 1.1 The Chair noted apologies from Victoria Pelka, Diane Dowdell and Stuart Cotton and noted their alternates. He also gave thanks to Phil Hare for acting as Chair at the October Panel meetings in his absence.

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## MODIFICATION BUSINESS (OPEN SESSION)

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**IWA:** Initial Written Assessment | **AC:** Assessment Procedure Consultation | **AR:** Assessment Report  
**RC:** Report Phase Consultation | **DMR:** Draft Modification Report

### 2. Change Report and Progress of Modification Proposals (296/03)

- 2.1 A PM queried whether [P361](#) would be modified from the original solution for its new implementation date. ELEXON noted that the alternate solution would be progressed which would reconcile back to the Ofgem decision date, if made during the next financial year, or the start of the financial year if the decision was made at the start of next year. The PM highlighted the risk that the redistribution could disproportionately increase BSC costs for a small group of BSC Parties. ELEXON noted that the P361 workgroup had looked at all BSC costs and that only a subset of those would be reallocated. Analysis was undertaken to determine the impact had it been applied for the previous BSC year and how that might change should a new interconnector come online.
- 2.2 The Panel noted that ELEXON would bring further details to the December 2019 Panel meeting on NGESO's delegations of EBGL obligations in relation to the EBGL change process, and the impacts this would have on the BSC Panel.
- 2.3 ELEXON noted a paper which would be presented at the [December 2019 BSC Panel meeting](#) regarding the recommendations of the Energy Data Task Force (EDTF) which ELEXON was progressing. A PM noted the work that National Grid was currently undertaking in respect of the provision of data and Application Program Interfaces (APIs). The PM suggested that it might be beneficial for ELEXON to work with National Grid to ensure that this work was aligned given the existence of BMRS which already operated APIs. The PM noted that it would be more convenient and straightforward if BSC Parties and other market participants were able to access industry data centrally through a single portal or website. The NGESO representative noted that the NGESO would work with ELEXON to help ensure the best solution for the industry.
- 2.4 MB noted that the paper being presented in December would focus on making it easier to access and interpret data which ELEXON already provides. In respect of industry bodies investing in systems for data provisions however, MB highlighted the risk of multiple organisations investing in Information Systems (IS) solutions to deliver the same or similar benefits. And that this could lead to wasted time and resources.
- 2.5 A PM suggested that in order to mitigate that risk there needed to be closer engagement by Ofgem as the regulator responsible for the industry. The PM noted that this was in consumers interests as IS development was a significant driver for industry costs which are ultimately passed on to the consumer. The Panel discussed what could be done to mandate that key industry data sources are made available through single source.
- 2.6 ELEXON noted that the change being brought forward to the December meeting would focus on embedding principles within the BSC that all BSC data is freely available unless the BSC Panel says otherwise and to provide a mechanism for BSC Parties to request this data. ELEXON noted that its longer term plans were to deliver solutions to make this data more readily available without needing to submit a request.
- 2.7 A PM noted that they were a strong supporter of ELEXON's not for profit model and that it might be cheaper to push a centralised data solution through ELEXON than another industry body. However, the PM noted that the co-ordination of this data work would sit better within the prevue of the regulator rather than being directed by an industry Panel. The Panel Chair suggested that Ofgem take away an action to investigate ways in which duplication of effort and expenditure in respect of IS development might be mitigated.
- ACTION 296/01**
- 2.8 A PM noted that some of the data published by National Grid comes out of its control room and that there was no Code body to address in respect of that data. The NGESO representative agreed with the benefit to

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industry of being able to access key industry data sets in a single location and that while it might not be possible it would be worth exploring how this might be achieved. The BSC Panel discussed ways in which this might be achieved.

- 2.9 A PM suggested that an urgent Modification should be raised in respect of the [P305](#) processes which were being operated subsequent to the August 2019 Demand Control Event (DCE) and that the Modification should introduce a de minimis threshold for the operation of the process given the most recent event. The PM suggested that given what the Panel now knew of the cost effectiveness of these processes in the case of small scale DCE events it would be negligent to do nothing given that another similar event could occur in the future and compound the issue. A PM noted and supported Ofgem's particular concern that industry processes need to be tested and that itself forms a good reason for carrying out the P305 processes for the August 2019 DCE.
- 2.10 ELEXON informed the Panel that an Issue Group was to be raised to discuss how the threshold should be set and review the process in totality. ELEXON believed the Issue should be raised once the testing of the DCE process, which was currently underway, was complete. The BSC Panel discussed the best way to proceed and what the solution proposed by such a change might look like. A PM suggested an Urgent Modification should be brought to set a de-minimums threshold. The NGESO representative did not believe the urgent criteria would be satisfied. ELEXON suggested that a Modification could be submitted directly to the Report Phase instead.
- 2.11 It was agreed that the best way to address this risk was to bring a Modification Proposal forward that would only require the current DEC process to be run if the perceived benefits exceed the expected costs. An Issue Group could subsequently be raised to consider alternative solutions and if any other changes to the process should be made.
- 2.12 The BSC Panel:
- a) **AGREED** the revised membership for the P332 Workgroup;
  - b) **AGREED** the revised P332 Workgroup's Terms of Reference; and
  - c) **NOTED** the contents of the November Change Report.

## 3. BSC Panel Governance Changes (296/04)

- 3.1 The Panel discussed the proposed governance changes and agreed that the change to allow the Panel to take decisions on BSC Change business via teleconference would be beneficial provided there remained a clear expectation that Panel Members attend meetings in person because that has proved to be a more effective means of discussing Panel business.
- 3.2 The amendments to the governance arrangements for BSC Panel Alternates were more contentious. The DNO representative noted that in their view each Panel Member or Alternate attending a meeting should only be able to cast a single vote. The DNO representative also noted that Panel Members should not be able to object to holding a Panel Meeting via teleconference as while it was unlikely to occur the provision would be open to potential abuse, and that this right should be left to the Panel Chair to exercise in their good judgement. A PM disagreed with this view, noting that a Panel Member which had appointed an alternate should still be able to have their vote cast and that continuity and knowledge of protracted debate and discussion across multiple meetings incentivised absent Panel Members to nominate an attending Panel Member as their alternate. The PM also suggested that there should not be a distinction between Panel Members and Alternates in respect of the number of votes either group is able to cast as an Alternate Panel Member who regularly attends Panel meetings is equally qualified as a normal Panel Member.
- 3.3 A PM noted their agreement that it was beneficial for an absent Panel Member to be able to appoint an Alternate to vote on their behalf but challenged the proposed requirement for Panel Members to attend two

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thirds of Panel meetings they attend in person. The PM suggested that the requirement for Panel Members to attend in person should be left up to the Panel Chair.

- 3.4 A PM queried whether these changes would be rolled out to Panel sub-committees. ELEXON noted that further consideration would need to be given to the appropriateness of doing so but that this would be considered if the changes were progressed in respect of BSC Panel governance.
- 3.5 There was a discussion as to whether the need for Alternates would become redundant if PMs could join meetings remotely. A PM noted that teleconference facilities needed to be excellent in order for it to adequately function as an acceptable substitute to face to face meetings. The PM noted that part of the value of Panel meetings was the opportunity to discuss issues and that Panel Members or Alternates might have their minds changed by the strength of argument and evidence. The PM also expressed that they disagreed that a Panel Member appointed as an alternate should have to vote uniformly. ELEXON noted the obligation for Panel Members and Alternates to act independently and that votes should be cast based on the appointed Alternates independent view based on the discussion at the meeting and the evidence presented.
- 3.6 A PM stressed that meetings by teleconference should be the exception rather than the norm and the importance of such provisions being supported by excellent teleconference facilities.
- 3.7 The BSC Panel:
  - a) **AGREED** these issues should be resolved;
  - b) **COMMENTED** on the proposed solutions;
  - c) **ENDORSED** the proposed solutions inclusive of any amendments or additions proposed by the BSC Panel; and
  - d) **NOTED** that draft Modification Proposals will be brought to the December 2019 BSC Panel meeting.

## 4. P395 - IWA - Enduring solution for the correct calculation of EMR Supplier Charges (296/13)

- 4.1 The BSC Panel voted unanimously in favour of the recommendations set out within the IWA.
- 4.2 The BSC Panel:
  - a) **AGREED** that P395 progresses to the Assessment Procedure;
  - b) **AGREED** the proposed Assessment Procedure timetable;
  - c) **AGREED** the proposed membership for the P395 Workgroup; and
  - d) **AGREED** the Workgroup's Terms of Reference.

## 5. Conditions for Effective Competition – Ofgem Price Cap (Verbal)

- 5.1 Ofgem presented its framework for assessing conditions for effective competition; these being the conditions to be met in order for Ofgem to recommend that the electricity price cap is lifted.
- 5.2 A PM noted that it appeared that it was much easier to set a price cap than it was to lift one. Given the cap's impact on market competition and price concentration, if the cap is working and squeezing large players then Ofgem will find that it is harder to recommend removing it as it will increase concentration. Ofgem noted that it aimed to isolate the impact of the price cap as much as possible when assessing the data for its metrics for effective competition. Ofgem noted that its focus would be on the direction of travel prior to the cap being put in place, assessing (and isolating) the impacts of the cap and making predictions over the direction of travel subsequent to the price cap being lifted.

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- 5.3 Ofgem noted that switching rates continued to be high and that Ofgem has not yet seen a material impact of the cap on indicators such as switching. Ofgem noted that it however recognises the impact of the cap on the market.
- 5.4 The Consumer PM queried how Ofgem approached quantifying its measure of the quality of service provided by Suppliers, the trust and confidence of consumers or consumer satisfaction. Citizens Advice have a number of different metrics which it uses to try and assess such factors and there is a lot of discrepancy across the market. There are always going to be poor performers and outliers. Measures of this kind are always going to be very judgemental and subjective and therefore difficult to robustly assess.
- 5.5 Ofgem noted that it has a number of good sources of data which support these metrics including a consumer survey where it looks at trust and confidence. Ofgem has to look at a number of sources and recognises that there are going to be outliers. Ofgem acknowledged that there would always be an element of subjectivity but that it would be applying its expert judgement. The Consumer PM queried whether Ofgem expected the service levels within the industry to increase. Ofgem noted that it would expect the direction of travel to be positive.
- 5.6 A PM encouraged Ofgem to take care in assessing levels of consumer trust and confidence and to carefully consider whether government and regulatory policy might be impacting on consumers' relationship with energy Suppliers by mandating a level of engagement on the part of Suppliers which may be unwelcome to many consumers. The PM suggested that there has been an erosion of customer confidence due to Government and the regulator expecting customers to be engaged and by forcing Suppliers to more actively engage with their customers.
- 5.7 A PM highlighted that different Suppliers operating in different segments of the market offer vastly different services and service levels. Whether that be online only and self-service or other newer and more innovative business models. The PM noted that they were therefore cautious and concerned that the one size fits all approach that appears to be the direction of travel would not allow for different underlying business models.
- 5.8 The Panel Chair noted that Ofgem had included 'market exit' as an indicator within its presentation and queried whether it was Ofgem's view that the level of Supplier failure being seen currently was an indicator of a healthy market. Ofgem noted that it would always expect to see new entrants and failing businesses in a market operating under healthy competition but that it has been looking at measures to encourage the sustainability of new businesses and business models entering the market (via Supply License Review).

## 6. **P385 - DMR - 'Improving the efficacy and efficiency of the Section H Default provisions' (296/06)**

- 6.1 The Panel Chair queried whether Ofgem wished to comment on this Modification as an Ofgem representative had not attended the work group meetings. The Ofgem representative noted that Ofgem had assigned a Policy Lead to this Modification and that said lead had engaged with the Change Analyst leading the change and written papers on its progress and found no issues.
- 6.2 A PM queried whether Ofgem felt that this change went far enough to address the increased risk of Supplier Default. The Ofgem representative noted that they had no further prepared comments on the matter. The Chair proposed an action for Ofgem to provide further comment on this point.

### **ACTION 296/02**

- 6.3 A PM queried whether the BSC Panel would always be consulted and given the opportunity to exercise its good judgement in the event that a BSC Party breached the new credit threshold. And additionally whether sufficient notice would be given to BSC Parties of this change. ELEXON confirmed on both counts.
- 6.4 The BSC Panel:
  - a) **AGREED** that P385 DOES better facilitate Applicable BSC Objectives (c) and (d);

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- b) **DETERMINED** (in the absence of any Authority direction) that P385 is a Self-Governance Modification Proposal;
- c) **APPROVED** P385;
- d) **APPROVED** an Implementation Date for P385 of 27 February 2020 as part of the February 2020 BSC Release;
- e) **APPROVED** the draft legal text;
- f) **APPROVED** the draft changes to the Code Subsidiary Documents;
- g) **APPROVED** the P385 Modification Report
- h) **APPROVED** the changes to parameters for EoD1, EoD3, EoD4 and EoD5 for publication on the BSC Website; and
- i) **NOTED** that the P385 Self-Governance window will expire at 5pm on 4 December 2019.

## 7. P393 - DMR - Disapplication of Supplier Charge SP01provisions' (296/07)

7.1 The BSC Panel voted unanimously in favour of the recommendations set out within the DMR.

7.2 The BSC Panel:

- a) **AGREED** that the P393 Proposed Modification:
  - i) **DOES** better facilitate Applicable BSC Objective (c); and
  - ii) **DOES** better facilitate Applicable BSC Objective (d);
- b) **AGREED** a recommendation that P393 should be **approved**;
- c) **APPROVED** an Implementation Date of:
- d) **27 February 2020** as part of the February 2020 BSC Release, if an Authority decision is received by 3 January 2020; or
- e) **25 June 2020** as part of the June 2020 BSC Release, if an Authority decision is received by 1 May 2020;
- f) **APPROVED** the draft legal text; and
- g) **APPROVED** the P393 Modification Report.

## 8. Issue 73 Report 'Review of fault management and resolution timescales' (296/08)

8.1 The BSC Panel:

- a) **NOTED** the contents of the Issue 73 Report.

## NON-MODIFICATION BUSINESS (OPEN SESSION)

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## 9. Minutes of Previous Meetings & Actions arising

- 9.1 ELEXON presented the [BSC Panel Action log](#) for the November 2019 meeting. Regarding action 294 (02) which arose when a PM requested that the Ofgem Representative look into Generation Storage Licences to ensure that it would not be forcing storage providers to become Capacity Market (CM) parties; The Ofgem representative noted that if a storage site chooses to become a generator it would have to either become a CM party or opt-out of the CM auction.



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9.2 **POST MEETING NOTE:** Action 294 (02): Ofgem has subsequently received a query from the PM as to whether this interpretation is correct and at the time of drafting Ofgem are considering this query further

9.3 Regarding action 295 (01) which arose when a PM suggested that it would be helpful if Ofgem could confidentially report events of default under other Codes to Code Managers/Administrators in order to help Codes better manage Party defaults; The Ofgem representative noted that Ofgem was unsure if there would be a significant benefit from taking such action but that it would explore the proposal in order to understand what benefits there might be of such an arrangement. The Panel Chair suggested that this should be added as an agenda item for the next CACoP meeting.

## ACTION 296/03

9.4 Regarding action 295 (02) which arose when the BSC Panel discussed the existence and cost vs. benefits of running the Electricity Arbitration Association. EAA. The BSC Panel discussed the potential impacts of terminating the service particularly around other industry Codes and historic contracts which make reference to the EAA. Evidence was presented which indicated that there may be a number even if a small number, of contracts that referred to EAA resolution. ELEXON noted that it would continue to take steps to try and contact members of the EAA in order to get a clearer view as to the volume of work being undertaken annually.

## 10. Chairman's Report

10.1 The Panel Chair noted: the imminent General Election, the BSC Panel's 2019 Christmas lunch, that Market Operator Services Limited (MOSL) panel was looking for new members with committee experience and that the ELEXON Board had discussed the proposed model for the forthcoming Retail Energy Code (REC). Further detail on the REC can be found on page 9 of the [November 2019 ELEXON Report](#).

## 11. ELEXON Report (295/01)

11.1 MB highlighted ELEXON's recent [insight article on the need for national flexibility markets](#) including the trading of connection capacity. And the podcasts ELEXON has continued to publish detailing BSC Changes.

11.2 The BSC Panel discussed the structure of the new REC and shared its concerns regarding the RECCo's plans to tender three distinct services, with tendering for the Performance Assurance service provider role precluding an organisation from tendering for the role of Technical or Professional service provider.

11.3 MB noted that ELEXON had written to Ofgem highlighting its concerns over the risks inherent in the proposed structure for the REC based on its experience, additionally querying whether this proposed model was consistent with Ofgem's strategy to deliver consolidation and simplification within the electricity market. Ofgem had responded to advise that the procurement of REC services was outside of its remit and that it did not see any inconsistency with the Codes Governance review.

11.4 The BSC Panel also discussed the restart of the Capacity Market (CM) and the associated CM invoicing and payments. MB highlighted the guidance available on the [EMRS website, in particular Guidance G22](#).

## 12. Distribution Report

12.1 The DNO representative noted that there was nothing to report.

## 13. National Grid Report

13.1 The NGESO representative noted that:

- (1) Ofgem had approved [CMP318](#) (Maintaining Non Half Hourly (NHH) charging arrangements for Measurement Classes F and G focused on Measurement Classes F and G); and
- (2) The NGESO had made changes to its [C16](#) process whereby it was holding workshops earlier in the process.

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- 13.2 The NGESO panel member also gave an update on the progress of the stability (inertia) and reactive pathfinders that were currently out for tender. Both programmes will produce results in the New Year.

## 14. Ofgem Report

- 14.1 The Ofgem representative noted that:

- (1) Ofgem's Christmas publishing moratorium would be taken into account when it calculates its expected decision date for mods;
- (2) Ofgem's last publishing day will be Wednesday 18 December 2019 and that it will start publishing on Thursday 2 January 2020; and
- (3) Ofgem may still publish decisions on a case-by-case basis, such as urgent mods

- 14.2 In respect of Supplier of Last Resort (SoLR) events and Enforcement activity the Ofgem representative noted that:

- (4) EDF Energy had been appointed as the SoLR for TOTO Energy's customers.
- (5) Total Gas and Power had been appointed as the SoLR for Rutherford's customers.
- (6) Ofgem had ordered various suppliers to pay money owed under their Renewable Obligation (RO), inclusive of any interest. Including:
  - (a) Breeze Energy c£490k (provisional order)
  - (b) Nabuh Energy c£870k (provisional order)
  - (c) Gnergy c£670k (final order)
- (7) Ofgem had decided not to issue a final order to Delta Gas and Power, Robin Hood Energy and TOTO.
- (8) Ofgem had opened an investigation into whether Utility Warehouse breached licence Conditions relating to various things, including the provision of services to customers in payment difficulties.

- 14.3 Regarding its other publications the Ofgem representative noted its Supplier Licensing review and that:

- (1) Ofgem had brought in new entry requirements in July 2019:
  - (a) These requirements for applications for licences aimed to strengthen the criteria we use to assess supply licence applications, and amend the process for applying for a licence.
- (2) On 23 October 2019 Ofgem published a consultation for the ongoing requirements and exit arrangements phase of its Supplier Licensing Review.
- (3) Ofgem proposed a package of reforms to drive up customer service standards, reduce the risk of supplier failure and strengthen the safety net. The new proposals seek to:
  - (a) Ensure suppliers have effective risk management processes in place;
  - (b) Maintain appropriate governance;
  - (c) Increase accountability;
  - (d) Enhance our market oversight; and
  - (e) Improve the SoLR experience.
- (4) If interested, Parties should respond by 3 December 2019.



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## 15. Tabled Reports

- 15.1 The BSC Panel noted the reports from the ISG, SVG, PAB, TDC, the Trading Operations Headline Report and the System Price Analysis report.

## 16. Ofgem Code Administrators Survey Results (296/10)

- 16.1 ELEXON presented its analysis of the Ofgem Code Administrators Survey results, with ELEXON having been rated best by the industry for the third consecutive year.
- 16.2 The Panel Chair noted a comment within the report that indicated that there was a role for the Code Administrators' Code of Practice (CACoP) group to play in enforcing consistency in respect of the support offered by industry Codes in progressing Code changes. The Panel Chair noted that they did not believe that the CACoP had powers to do so. There was also a conclusion drawn within the report that in general there remains a belief that simplifying and unifying elements of Codes would greatly improve industry services and the customer experience.
- 16.3 ELEXON noted that feedback received at the CACoP industry event in July indicated that market participants would prefer it if Codes were similar. Attendees at the CACoP event that work in the Gas market noted that they found governance arrangements in the Gas market confusing. The same delegates had expressed a strong preference for the Code Manager model whereby one company operates and delivers the Code rather than services being split amongst multiple providers. ELEXON noted that the CACoP as a forum only exists by mutual agreement and that it had no actual powers to enact change or enforce cross-code collaboration or coordination and that any changes that occur are as a result of mutual consent.
- 16.4 ELEXON noted that in spite of the excellent set of results ELEXON was not complacent and that it would continue to strive to deliver improvements and the highest possible quality of service. MB noted that ELEXON has reluctantly accepted Ofgem's guidance that it is not Ofgem's responsibility to progress any changes that come out of the survey. MB noted that the survey results report appeared to have gone to enormous effort to identify commonalities around deteriorations while doing nothing to ask what the differences were and why some Codes have done very well. This approach led to the headline that there had been a deterioration of Code Administrator services across the board yet ELEXON's overall satisfaction scores had stayed the same. The Ofgem representative noted that Ofgem did not write the report and that it was instead produced by an independent third party, 'Future Thinking'. The Panel Chair noted that it might be helpful if Ofgem included within Future Thinking's terms of reference an objective to identify not only commonalities between Code bodies but differences as well.
- 16.5 The Ofgem representative noted feedback Ofgem had received to try to identify best practice. A PM queried whether the differences between Code Administrators would be taken into consideration through the Energy Code Review. The Ofgem representative responded that the output of the survey would add to the body of evidence which had been accumulated over the years which would feed into the review work. The PM suggested that emulating existing best practice would likely be a better approach than re-inventing the wheel and that it should directly feed into the review.
- 16.6 A PM suggested that Ofgem needed to take more urgent action than would be possible through the Energy Code Review to address issues with the Code Administrator highlighted as performing the worst by the survey results.
- 16.7 A PM raised their concerns over the structure proposed for the REC by the RECCo Board, noting the risks and disadvantages of splitting the new Code across three distinct services as proposed. The PM noted that the only explanation offered for this decision at a recent REC engagement event was that Ofgem had challenged the RECCo Board to be innovative in its solution. The PM highlighted a number of challenges inherent in such a model, particularly in mandating that the Performance Assurance arm of the service provides assurance both across the industry and the other branches of the service which would exist as separate entities. The PM challenged that further consideration should be given to this model and that even if it was arrived upon

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that the three way split was the most appropriate model it would be negligent to not take the results of the Ofgem Code Administrator survey into consideration in the design process.

16.8 The PM noted that the RECCo Board has frequently cited 'best in class' as its target and expressed their confusion as to how the proposed model could have been arrived at given that aim. The PM suggested that Ofgem should carefully consider why it would not feed the results of the survey into the design process. The PM also noted that by the RECCo Board's own design it was reducing the number of potential bidders from prospective REC service providers.

16.9 The BSC Panel:

a) **NOTED** the results of the Ofgem Code Administrator Survey.

## 17. Market Wide Half Hourly Settlement (MHHS) Update timescales' (Verbal)

17.1 ELEXON provided an update on its on-going work to deliver MHHS.

17.2 A PM noted that the electricity industry has been accused of being slow to deliver change in the past and asked what the main obstacles were to delivering MHHS on a shorter timetable. ELEXON noted that the benefit of MHHS could only be realised once a threshold for market uptake of smart Meters had been met. ELEXON noted that given this and the anticipated timeline for this threshold being met it was better for the industry to spend sufficient time developing a robust solution to deliver MHHS rather than trying to get it done earlier when the benefits could not yet be realised.

17.3 The BSC Panel:

a) **NOTED** the update on MHHS.

## 18. Market Index Definition Statement (MIDS) Review 2019 (296/09)

18.1 The BSC Panel unanimously agreed the recommendations set out within the paper.

18.2 The BSC Panel:

a) **NOTED** the ISG's recommendations; and

b) **AGREED** that no change is made to the Market Index Definition Statement (MIDS).

## 19. Next Meeting

19.1 The next meeting of the BSC Panel will be held at the offices of ELEXON Ltd, 350 Euston Road, London NW1 3AW on Thursday 12 December 2019.

## ACTIONS

**Meeting name:** BSC Panel

**Meeting number:** 297

**Date:** 14 November 2019

**Classification:** Public

No	Meeting no	Paper	Action	Owner	Due date	Action update	Status	Public /Conf
1.	293 (05)	293/14	A PM queried whether there was scope for maps to be added to BMRS to make the Network Mapping Statement data more intuitive. ELEXON noted that this would not be possible for this year but agreed to discuss this with the PM outside of the meeting in order to explore this possibility for the future.	ELEXON	Dec 2019	<p>ELEXON held a teleconference with NG ESO on Tuesday 3 December 2019 to discuss this action, and NG ESO has agreed this action largely sits with it to try and collate the information and show how each data set "maps" to the other in the comparison sheet.</p> <p>The main points to highlight are:</p> <p>The data shown in the ICRP was incomplete; NG ESO have provided a new Year 2020/21 version with ~970 lines of data</p> <p>The ETYS column shows all Transmission Operator sites. This is high than the NMS data shown for ELEXON and Grid in columns B and C as we focus on the metering point when looking at the NMS. For example, HAKB (Harker Border) is not a settlement metering point so would not be in the NMS, but would still be in the ETYS column.</p> <p>ELEXON has a further teleconference planned for 16 December to catch up on progress, and will therefore be able to give a further update for the January 2019 Panel meeting. (if desired)</p>	To be closed	Public
2.	295 (02)	AOB	The BSC Panel discussed the existence and cost v benefits of running the EAA. The BSC Panel discussed the risks associated with	ELEXON	Jan 2019	An update on this action was provided as an attachment to the November 2019 action log.	Open	Public

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No	Meeting no	Paper	Action	Owner	Due date	Action update	Status	Public /Conf
			terminating the EAA including the possibility that historic contracts between market participants might make reference to the EAA. ELEXON took an action to investigate this matter and to take appropriate action.			ELEXON has continued to pursue a resolution to this action.		
3.	296	03	A PM noted that they were a strong supporter of ELEXON's not for profit model and that it might be cheaper to push a centralised data solution through ELEXON than another industry body. However, the PM noted that the co-ordination of this data work would sit better with the regulator rather than being directed by an industry Panel. The Panel Chair suggested that Ofgem take away an action to investigate ways in which duplication of effort and expenditure in respect of IS development might be mitigated.	Ofgem	Jan 2020	The relevant team at Ofgem has made contact with ELEXON's Design Authority team. Both parties are working together in order to ascertain the most appropriate means of addressing this action. An update will be provided at a future BSC Panel meeting.	Open	Public
4.	296	06	Regarding P385 - DMR - 'Improving the efficacy and efficiency of the Section H Default provisions' (296/06); A PM queried whether Ofgem felt that this change went far enough to address the increased risk of Supplier Default. The Ofgem representative noted that they had no further prepared	Ofgem	Dec 2019	An update is expected at the December 2019 BSC Panel meeting.	Open	Public

## MINUTES

No	Meeting no	Paper	Action	Owner	Due date	Action update	Status	Public /Conf
			comments on the matter. The Chair proposed an action for Ofgem to provide further comment on this point.					
5.	296	03	Regarding action 295 (01) which arose when a PM suggested that it would be helpful if Ofgem could confidentially report events of default under other Codes to Code Managers/Administrators in order to help Codes better manage Party defaults; the Ofgem representative noted that Ofgem was unsure if there would be a significant benefit from taking such action but that it would explore the proposal in order to understand what benefits there might be of such an arrangement. The Panel Chair suggested that this should be added as an agenda item for the next CACoP meeting.	ELEXON	Dec 2019	This action has been referred to the CACoP to be added as an agenda item.	To be closed	Public