

Public

BSC Panel 305

11 August 2020

Public

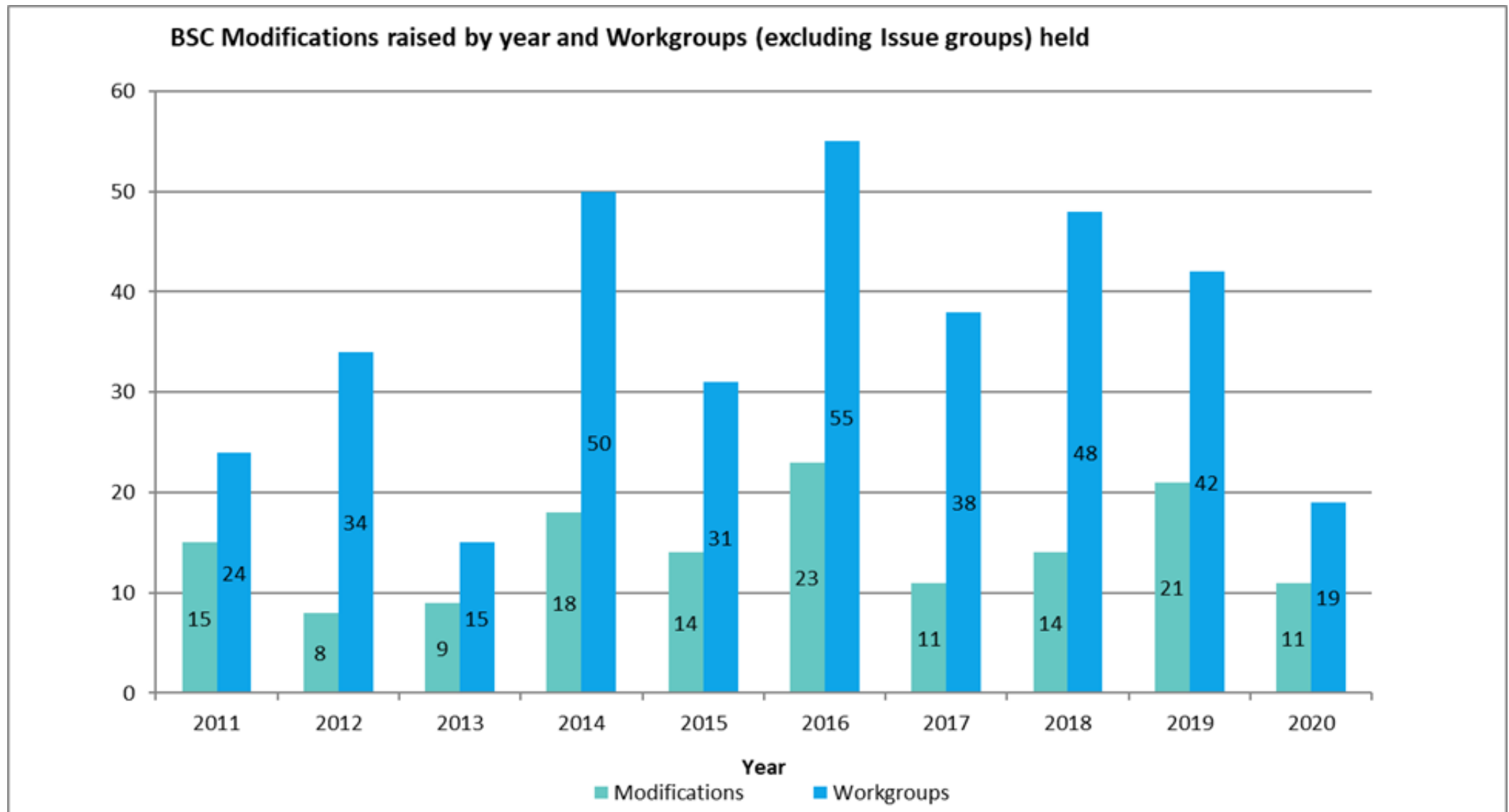
Change Report and Progress of Modification Proposals

305/03

13 August 2020
Elliott Harper

ELEXON

BSC Modifications raised by year and Workgroups held



BSC Modifications overview

Initial Written Assessment	
Assessment Procedure	P332, P375, P376, P379, P395, P398, P399, P402, P407, P410
Report Phase	P397, P411
Urgent	
With Authority	P390
Authority Determined	
Self-Gov. Determined	P408, P409
Fast Track Determined	-
Withdrawn	-
Open Issues	Issue 69, Issue 83, Issue 86, Issue 87, Issue 88, Issue 89, Issue 90

BSC Modifications approved timelines

	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21
P332 'Revision to the Supplier Hub'					AR	DMR					
P375 'Behind the Meter'					AR		DMR				
P376 'Baselining methodology'				AR	DMR						
P379 'Multiple Suppliers'				CBA		AR	DMR				
P395 'Final Consumption Levies'					AR	DMR					
P397 'DCE threshold'			DMR								
P398 'Open Data'					AR	DMR					
P399 'BSAD transparency'				AR		DMR					
P402 'BSC Data for targeted Charging Review'				AR	DMR						
P407 'MARI'								AR		DMR	
P410 'Harmonised Imbalance'		IWA							AR		DMR
P411 'Qualification for new LDSOs'		IWA	DMR								

Red = staggered to reduce burden on market participants in response to COVID-19

Change Progression & Delivery

Change Progression

- We are not currently observing any impact on Workgroup attendance or consultation responses due to COVID-19 and the summer period
- There is a large volume of high impact change progressing through our pipeline
- We propose continuing with in-flight changes in-line with current plans, including issuing consultations over the September – November period

Change Delivery

- Continued work on delivering forthcoming Releases between November 2020 and April 2021, and also the TERRE Release
- These Releases contain a number of system impacting changes which are carefully planned in the pipeline to ensure successful delivery
- Delays or requirement changes at this stage may have knock on effects that would need to be assessed

COVID-19 Prioritisation Approach and review

- We agreed to review the prioritisation approach in August
- The UK eased its lockdown during June and July, but we are seeing a holding off of any further easing, at the same time as local lockdowns have increased
- In response to the easing of lockdown, in July the PAB agreed to restart some performance techniques and take a decision at its September meeting to either restart the remaining techniques and derogations or extend further
- We recommend to keep the current approach for newly raised changes, and review at the October Panel meeting
 - Current expectation would be to end current approach at that point
 - Aligns with PAB approach
 - Companies likely to have found 'new normal'
- We are considering whether a form of prioritisation may need to continue due to the volume of complex changes, to manage the demand on industry, the assessment of change and any implications on the delivery pipeline

Modification Update: P376

'Utilising a Baseline Methodology to set Physical Notifications for Settlement of Applicable Balancing Services'

- P376 is currently being impact assessed
- Workgroup planned for late August, followed by the Assessment Consultation
- The legal text pulls on elements of the P375 legal text, which has made the drafting complex
- We therefore request a two month extension to the P376 Assessment Procedure, returning with the Assessment Report to the November 2020 Panel meeting, or earlier if possible

Modification Update: P399

'Making the identity of Balancing Service providers visible in the Balancing Services Adjustment Data'

- Second ESO impact assessment presented to the Workgroup on 17 July 2020
 - Workgroup agreed a solution and provided views for Assessment Consultation
- In order to bring the Assessment Report to the September Panel meeting there was a small window to hold the final meeting
 - It has not been possible to form a quorate Workgroup
- Request a one month extension to the P399 Assessment Procedure, returning with the Assessment Report to the October 2020 Panel meeting
- P399 will also be subject to a one month Report Phase Consultation as it impacts the Article 18 T&Cs

- Worth noting that we have published a video on the new EBGL change process and what Parties will need to do differently: <https://www.elexon.co.uk/article/podcast-p392-amending-bsc-change-process-for-ebgl-article-18/>

Modification Update: P402

'Enabling reform of residual network charging as directed by the Targeted Charging Review'

- Currently being impact assessed
- Workgroup meeting held on 5 August to discuss a number of last minute issues
- The requirements require updating and the legal text has not yet been finalised or reviewed by the Workgroup
- We are on planning for a Workgroup for late August, followed by the Assessment Consultation
- We continue to engage with ESO and Ofgem on P402 who are content with the proposal to extend the timetable to finalise the solution and consult
- We therefore request a two month extension to the P402 Assessment Procedure, returning with the Assessment Report to the November 2020 Panel meeting
 - The revised plan is subject to forming a quorate Workgroup

Modification Update: AMO Designation Request

- Panel requested information from Ofgem on whether the Modification would be subsumed under the Settlement Reform SCR if raised
- Ofgem responded on 11 August confirming that:
 - “...if such a proposal were to be raised we would subsume that proposal into our SCR.”
- On 12 August the AMO confirmed withdrawal of its request for designation
 - Grateful for the Panel’s consideration and the timely response from Ofgem
- As the AMO’s proposal has been shared with Ofgem, we understand the points raised will be considered under Ofgem’s SCR

Consideration of Power Available impact on BSC

- National Grid ESO has recently announced that they have “integrated the Power Available signal from over 90 renewable generators into the control systems and processes, providing greater visibility to the control room engineers as they balance the system on a second by second basis”
- This signal tells the ESO what the wind farm could have generated in the absence of an instruction from the ESO to reduce output
- Grid Code Modification GC0063 made it mandatory for new wind farms to provide this signal to the ESO
- The availability of a Power Available signal offers the option to calculate a BOA volume based on the actual output that the wind farm would have generated in the absence of the instruction from the ESO
- We have been engaging with ESO around the need for a BSC Change and believe one option would be to raise a BSC Issue, especially as there are different solution options and the benefits and costs need to be better understood

Changes on the horizon

- Some additional TERRE data items are required to be published on BMRS
 - We are working with ESO to raise a Change Proposal, but this will not be able to publish the data on BMRS for TERRE go-live
 - An interim solution, that would not require the use of BMRS or a BSC Change is being considered

Recommendations

We invite the Panel to:

- a) **APPROVE** a two-month extension to the P376 Assessment Procedure;
- b) **APPROVE** a one-month extension to the P399 Assessment Procedure;
- c) **APPROVE** a two-month extension to the P402 Assessment Procedure; and
- d) **NOTE** the contents of the August Change Report.

P397 'Assessing the costs and benefits of adjusting Parties' Imbalances following a demand disconnection'

305/04

13 August 2020
Craig Murray

P397: Background

- Demand Control Event (DCE) occurred on 9 August 2019
- Following its meeting in September 2019 the Panel raised concerns with the potential costs of running the Settlement Adjustment Processes (SAP), with Elexon initially estimating a potential cost of up to £300k for industry to perform the end-to-end processes
- P397 was raised in December 2019 to introduce a threshold to the SAP, wherein they would not be carried out if the costs outweighed the benefits
- Sent the P397 Modification Report to Ofgem on 24 January 2020
- Ofgem issued a Send Back Direction on 3 March 2020 requesting further evidence be gathered before it could make a decision
- Issued a Request for Information as part of Issue 89 to gather this information
- At its meeting in July 2020 the Panel agreed to amend the cost threshold calculations of the P397 solution based on the findings and cost data of the RFI

P397: Issue and Solution

■ Issue

- Settlement Adjustment Processes (SAP - also known as the 'bottom-up' processes) introduced into the BSC under [P305 'Electricity Balancing Significant Code Review Developments'](#) in November 2015 may not be efficient to run in all circumstances, for example, when considering a DCE that has minimal material impact on Settlement. This possibility was highlighted following the [DCE which occurred on 9 August 2019](#).

■ Proposed Solution

- This Modification Proposal would introduce a mechanism through which BSCCo determines whether LDSOs, NETSO, certain Party Agents and BSC Agents, and BSCCo should carry out the Settlement adjustment processes.

P397: Panel's initial views

The Panel initially agreed:

- That the P397 solution should be amended in line with the findings of the RFI (i.e. in line with Option 1);
- That P397 better facilitates BSC Objectives (c) and (d) and so should be approved;
- An implementation date of 5WD following Authority approval;
- The draft BSC legal text for P397; and
- The draft changes to the Code Subsidiary Documents for P397, including the new subsidiary document 'Demand Disconnection Event Threshold Rules'

P397: Report Phase Consultation responses (1 of 3)

Question	Yes	No	Neutral	Other
Do you agree with that Panel that the new subsidiary document 'Demand Disconnection Event Threshold Rules' should be amended in line with Option 1?	4	0	0	0
Do you agree with the Panel's initial majority recommendation that P397 should be approved?	4	0	0	0
Do you agree with the Panel that the redlined changes to the BSC deliver the intention of P397?	4	0	0	0

- 4 respondents to the consultation representing one Supplier, one LDSO and three Supplier Agents

P397: Report Phase Consultation Responses (2 of 3)

Question	Yes	No	Neutral	Other
Do you agree with the Panel that the redlined changes to the Code Subsidiary Documents deliver the intention of P397, including the new subsidiary document 'Demand Disconnection Event Threshold Rules'?	4	0	0	0
Will P397 impact your organisation?	1	3	0	0
Will your organisation incur any costs in implementing P397?	0	4	0	0
Do you agree with the Panel's recommended Implementation Date?	4	0	0	0

- One respondent highlighted that the BSCP drafting (Business Day vs. Working Day and reference to the BSC) may not be consistent with standard BSCP practice

P397: Report Phase Consultation Responses (3 of 3)

Question	Yes	No	Neutral	Other
Do you agree with ELEXON's recommendation that P397 does not impact the European Electricity Balancing Guideline (EBGL) Article 18 terms and conditions held within the BSC?	3	0	1	0
Do you have any further comments on P397?	2	2	0	0

- One respondent highlighted that it was not clear where the new Category 3 document would be held
- Respondent also noted that whilst the Workgroup presumed a P0238 would need only be sent in error, this was not their understanding

P397: Recommendations

We invite the Panel to:

- a) **AGREE** that P397: :
 - i. **DOES** better facilitate Applicable BSC Objective (c);
 - ii. **DOES** better facilitate Applicable BSC Objective (d);
- b) **AGREE** a recommendation that P397 should be **approved**;
- c) **AGREE** that P397 **does not** impact the EBGL Article 18 terms and conditions held within the BSC;
- d) **APPROVE** the amended BSC legal text, Code Subsidiary Documents and the new 'Demand Disconnection Event Threshold Rules' document;
- e) **APPROVE** the new 'Demand Disconnection Even Threshold Rules' document as a Category 3 Configurable Item owned by the Panel (subject to Authority approval of P397); and
- f) **APPROVE** an implementation date of 5WD following Authority approval.

Public

P411 'Including new LDSOs in Qualification to mitigate potential risks to Settlement'

305/05

13 August 2020
Matthew Woolliscroft

P411: Issue and solution

Issue

- LDSOs (and IDNOs) have numerous BSC responsibilities that are linked to Settlement Risks
- New entrant LDSOs complete Qualification as SMRA and UMSO, but there is no preventative assurance for the LDSO specific activities
- LDSOs are considered Performance Assurance Parties are subject to other assurance techniques such as the BSC Audit and EFR

Solution

- Include new entrant LDSOs in the scope of Qualification in the role of LDSO
- Extend the Qualification Service Providers scope to assess responses to the new SAD section
- Add a new role specific section to the SAD for questions relating to LDSO activities
 - New LDSOs will respond to this section in addition to the SMRA and UMSO roles

P411: Panel's initial Views

The Panel initially:

- a) **AGREED** that the Modification:
 - i. **DOES** better facilitate Applicable BSC Objective **(d)**;
- b) **AGREE** that this Modification **does not** impact the Article 18 Terms and Conditions held within the BSC;
- c) **AGREE** an initial recommendation that the Modification be **approved**;
- d) **AGREE** an initial Implementation Date of:
 - i. 5 November 2020 as part of the November 2020 BSC Release;
- e) **AGREE** the draft legal text;
- f) **AGREE** the draft changes to BSCP537; and
- g) **AGREE** an initial view that the Modification **should** be treated as a Self-Governance Modification; and

P411: Report Phase Consultation Responses (1 of 2)

Question	Yes	No	Neutral	Other
Do you agree with the Panel's initial view that the redlined changes to the BSC deliver the intent of P411?	2	0	0	0
Do you agree with the Panel's initial view that the redlined changes to BSCP537 deliver the intent of P411?	2	0	0	0
Do you agree with the Panel's consideration that P411 does not impact the EBGL Article 18 terms and conditions held within the BSC?	1	0	1	0
Do you agree with the Panel's initial unanimous view that P411 does better facilitate Applicable BSC Objective (d) than the current baseline?	2	0	0	0

P411: Report Phase Consultation Responses (2 of 2)

Question	Yes	No	Neutral	Other
Do you agree with the Panel's initial unanimous recommendation that P411 should be approved?	2	0	0	0
Will P411 impact your organisation?	0	2	0	0
Will your organisation incur any costs in implementing P411?	0	2	0	0
Do you agree with the Panel's proposed Implementation Date?	2	0	0	0
Do you agree with the Panel's initial view that P411 should be treated as a Self-Governance Modification?	2	0	0	0

Other comments:

The proposed SAD text should also include a reference to support and participation in the TAA activities, change of Energisation Status, installation of third party generation

P411: Recommendations

We invite the Panel to:

- a) **AGREE** that P411:
 - i. **DOES** better facilitate Applicable BSC Objective (d);
- b) **AGREE** that P411 **DOES NOT** impact the Article 18 Terms and Conditions held within the BSC;
- c) **DETERMINE** (in the absence of any Authority direction) that P411 is a Self-Governance Modification;
- d) **APPROVE** P411;
- e) **AGREE** an Implementation Date of:
 - i. 5 November 2020 as part of the November 2020 BSC Release;
- f) **APPROVE** the draft legal text;
- g) **APPROVE** the draft changes to BSCP537 for P411; and
- h) **APPROVE** the P411 Modification Report.

Public

CP1535 'Interconnector Fuel Type Category update to BMRS'

305/06

13 August 2020
Faysal Mahad

CP1535: Background and Issue

Changes are needed to the BMRS to ensure it continues to provide Market Participants with this necessary data in the most accurate and consistent manner:

- The North Sea Link (NSL) Interconnector is currently under construction and due to start commence commercial operations in 2021. The BSC Section Q arrangements require a separate 'Fuel Type Category' to be defined for each interconnector.
- CP1516 added the two interconnectors (IFA2 and ElecLink) that were added last year to the BMRS. Due a number large changes to the BMRS at that time, we implemented an interim solution to incorporate the data from the new interconnectors on the BMRS.

CP1535: Proposed Solution

- This CP will also create a new 'Fuel Type Category' for the NSL interconnector and the data will subsequently be published on the BMRS.
- This CP implement the original CP1516 solution whereby interconnector data is published on the BMRS in a manner consistent with previous publications.
 - This will be achieved by creating new fields in a BMRS database table for IFA2 and ElecLink so they can be published separately from IFA.
 - Disaggregated interconnector flows and data will be available through existing BMRS content e.g. graphs, tables and XML / CSV downloads, along with API, Data Push services and TIBCO services.

CP1535: Imbalance Settlement Group's (ISG's) views

- The ISG agreed that CP1535 should follow the same progression route as CP1516 'New Interconnector Fuel Type Categories: ElecLink & IFA2', meaning it will be presented to the BSC Panel for final decision following CP Consultation.
- The ISG did not provide any initial comments or further areas for consideration before CP1535 was published for CP consultation.

Implementation Approach (1/2)

Change to the Implementation Date

- CP1535 was initially proposed for implementation on 3 December 2020 and was issued for industry consultation with this Implementation Date.
- We are proposing to change the Implementation Date put forward for approval by from 3 December 2020 to **1 April 2021**.

Reason for changing the Implementation Date

- Following NGESO's announcement that the TERRE go-live would be delayed until October 2020, we have been working with NGESO to agree a new test plan.
- We have recently agreed the detailed test plans and it has become apparent that there is now a significant risk CP1535 will be delayed dependent on the amount of defects and re-tests that are required.
- We propose to move the CP1535 Implementation Date now to de-risk BSC deliveries, which will extend the CP1516 interim solution for three months.

Implementation Approach (2/2)

Benefits of the new Implementation Date

Implementing CP1535 on 1 April 2020 will:

- ensure the BMRS is ready to receive and publish data relating to the NSL before it commence commercial operations;
- de-risk the delivery of TERRE and the November BSC Release;
- help create certainty for Market Participants for when CP1535 will be implemented; and
- allow us to schedule CP1535 around other known change, such as P383, in good time to maximise efficiencies.

CP1535: Change Proposal Consultation responses

Question	Yes	No	Neutral	Other
Do you agree with the CP1535 proposed solution?	1	0	0	0
Do you agree that the draft redlining delivers the intent of CP1535?	1	0	0	0
Will CP1535 impact your organisation?	1	0	0	0
Will your organisation incur any costs in implementing CP1535?	0	1	0	0
Do you agree with the proposed implementation approach for CP1535?	1	0	0	0
Do you have any further comments on CP1535?	0	1	-	-

CP1535: Recommendations

We invite the Panel to:

- a) **APPROVE** the proposed changes to the NETA Interface Definition and Design: Part 1 - Interfaces with BSC Parties and their Agents for CP1535;
- b) **APPROVE** an Implementation Date for CP1535 of 1 April 2021 as part of a standalone BSC release;
- c) **APPROVE** CP1535; and
- d) **APPROVE** the North Sea Link Interconnector as a Fuel Type Category under paragraph 6.1.18 (I) of section Q of the BSC effective from 1 April 2021.

Public

Issue 90 'Could Elexon (under BSCCo) administrate a tendered Market Maker (tMM)?

305/08

Tabled

Recommendation

We invite the Panel to:

- a) **NOTE** the Issue 90 Report.

Public

Minutes of Meetings 304 and 304A and Actions Arising

Claire Kerr

Public

Chairman's Report

Michael Gibbons



Public

ELEXON Report

Mark Bygraves



Public

Distribution Report

Fungai Madzivadondo

ELEXON

Public

National Grid Report

Jon Wisdom



Public

Ofgem Report

Colin Down

ELEXON

Public

Panel Committee Reports

305/01A-E

Public

Retail Energy Code: Metering and Assurance

305/15

13 August 2020
Victoria Moxham

ELEXON

Background

- We briefed the PAB at its last meeting
- PAB has asked us to update Panel, with a view to writing to Ofgem
- Concerns around proposed split of Metering under the REC
- Potential impacts on Assurance under the BSC

Metering Under the Retail Energy Code

- Our current assessment of the REC Meter Data Processes Schedule indicates that the most likely outcome based on direction of travel for the ongoing governance of metering obligations is as follows:
 - BSCP 'process-based' obligations transferred into the REC
 - Technical metering obligations (eg those specified by the Codes of Practice) remain under BSC governance



Potential concerns

The technical and process aspects are intrinsically linked. Splitting them could have a number of impacts:

- Introduction of the need for a 'hand-off' between Codes and a break in end-to-end processes
- Cross-Code nature of arrangements risks the introduction of added complexity for participants
- Assurance issues:
 - Two codes attempting to assure the same process from different perspectives (risk of duplication of effort?)
 - Controls and assurance techniques for one process sitting in the 'opposite' code
 - Any impact on assurance introduces a risk to the accuracy of Settlement data

If processes are split without any consideration as to how assurance arrangements are envisaged working, that there is a risk that the processes are designed in a way which neither Code can assure in an effective or efficient manner

Metering Under the Retail Energy Code

Current arrangements

- BSCP514 presently encompasses both the process and technical requirements under BSC governance
- Technical requirements act as controls for more process based obligations and vice versa
- Performance assurance covers the end-to-end process
- Cater for some functions (such as de-energisation) being carried out by distribution businesses through BSCP515

Proposed arrangements

- Introduce a “handoff” between codes and would break up an end to end process
- Potential for participants to find the cross code nature of the split challenging to understand and engage with
- Difficulties with Performance Assurance on differing elements of the same process:
 - Content of MTDs: TAM
 - Transfer of MTDs: BSC Audit
- Obligations on distribution businesses would need to be considered in the context of any transfer
- Unclear how complex technical arrangements would be governed

Recommendations

We invite the Panel to:

- a) **NOTE** the concerns raised in the Paper; and
- b) **AGREE** that the Panel Chair writes to Ofgem on the Panel's behalf, relaying the concerns raised in this paper, particularly highlighting the potential for the proposals around metering under the REC to impact the accuracy of data used under the BSC for the purposes of settlement, and seeking clarity on the rationale for the split of metering obligations.

Public

BSC Panel Strategy

305/09

Claire Kerr



Recommendation

We invite the Panel to:

- a) **APPROVE** the BSC Panel Strategy for 2020-2022.

Public

Approval of 2021 BSC Panel Meeting Dates

305/16

Claire Kerr

Recommendations

We invite the Panel to:

- a) **APPROVE** the proposed Panel dates for 2021; and
- b) **APPROVE** their publication on the Elexon website.

Public

Reference Network Mapping Statement for use in BSC Year 2021-22

305/10

Tabled

Recommendations

We invite the Panel to:

- a) **NOTE** the draft reference NMS;
- b) **NOTE** the Network Mapping Statement for the Determination of Transmission Loss Factors; and
- c) **NOTE** that Elexon will present the draft reference NMS to the BSC Panel for approval at its October 2020 meeting.

Public

Annual Performance Assurance Report (APAR)

305/11

Tabled

Recommendation

We invite the Panel to:

- a) **NOTE** the update provided in the APAR 2019/20.

