

## Minutes

### BSC Panel

Meeting number **307**

Venue **Video Conference**

Date of meeting **Thursday 8 October 2020**

Classification **Public**

### Attendees and apologies

#### Attendees

Michael Gibbons	MG	BSC Panel Chair
Phil Hare	PH	Deputy BSC Panel Chair
Colin Down	CD	Ofgem Representative
Jon Wisdom	JW	NGESO Panel Member
Andrew Colley	AC	Industry Panel Member (and Alternate for LW)
Mark Bellman	MBe	Industry Panel Member
Rhys Kealley	RK	Industry Panel Member
Tom Edwards	TE	Industry Panel Member
Derek Bunn	DB	Independent Panel Member
Diane Dowdell	DD	Independent Panel Member (and Alternate for MBe)
Fungai Madzivadondo	FM	Distribution System Operator Representative
Ed Rees	ER	Consumer Panel Member (and Alternate for SH)
Mark Bygraves	MB	Elxon CEO
Victoria Moxham	VM	Elxon Director of Customer Operations, Panel Secretary
Claire Kerr	CK	BSC Administration and Configuration Manager
Lawrence Jones	LJ	Modification Secretary
Lesley Nugent	LN	Ofgem (Part-Meeting)
Matthew Woolliscroft	MW	Elxon (Part-Meeting)
Ivar Macsween	IM	Elxon (Part-Meeting)
Chris Wood	CW	Elxon (Part-Meeting)

## Attendees and apologies

Craig Murray	CM	Elexon (Part-Meeting)
Katie Wilkinson	KW	Elexon (Part-Meeting)
Sophie Bentley	SB	Elexon (Part-Meeting)
Chris Stock	CS	Elexon (Part-Meeting)
John Lucas	JL	Elexon (Part-Meeting)
Damian Clough	DC	Elexon (Part-Meeting)
Jeremy Caplin	JC	Elexon (Part-Meeting)
Eden Ridgeway	ERi	Elexon (Part-Meeting)
Alex Peart	AP	KPMG (Part-Meeting)
George Richards	GR	KPMG (Part-Meeting)
Nathan Cain	NC	KPMG (Part-Meeting)
William Jones	WJ	NGESO (Part-Meeting)
Paul Troughton	PT	Enel X UK Limited (P415 Proposer - Part-Meeting)
Bill Reed	BR	RWE Npower (P414 Proposer – Part-Meeting)
Alastair Martin	AM	Flexitricity (Observer – Part-Meeting)

## Apologies

Stew Horne	SH	Consumer Panel Member
Lisa Waters	LW	Industry Panel Member

### 1. Introduction

- 1.1 The Chairman noted apologies from Stew Horne and Lisa Waters and noted their alternates. The Chairman welcomed Andrew Colley as a new Industry Panel Member and Rhys Kealley who was now an Industry Panel Member rather than an Industry Alternate.

## Part I: Non-Modification Business (Open Session)

### 2. BSC Sandbox Process Refresher – (Verbal)

- 2.1 Elexon made a presentation to the Panel of the steps involved in the BSC Sandbox process, noting that a Sandbox application is expected at either the November or December 2020 Panel meeting.
- 2.2 A Panel Member queried whether there is a route to appeal if an applicant does not agree with Ofgem's decision. Elexon confirmed that Ofgem's decision is final, but that a revised application may be submitted if the proposition can be adapted.
- 2.3 The BSC Panel:
- a) **NOTED** the update.

### 3. Free Trade Agreement Update and Brexit Preparations – (Verbal)

- 3.1 Elexon provided the Panel with an [update](#) on the Free Trade Agreement and GB's Brexit preparations.
- 3.2 In relation to next steps, Elexon advised that a new Modification will need to be raised in anticipation of a no-deal outcome (akin to [P382 'Amendments to the BSC to reflect the United Kingdom's withdrawal from the](#)

[European Union without a deal](#)' in 2019). Elexon is in ongoing discussions with NGESO and liaising with BEIS and Ofgem on this.

- 3.3 A Panel Member noted that NGESO has suggested there may be a case to be made for continued participation on the basis of delivering security of supply. Elexon highlighted that Swiss-Grid are currently putting forward their case to participate in TERRE so there are still ongoing negotiations. However, as it stands, legally at the time of discussion, the EU will not allow UK participants onto its platforms.
- 3.4 The Ofgem Representative requested for Elexon to monitor the BSC and flag any impacts to Ofgem as soon as possible. He also reminded the Panel that the Clean Energy Package Statutory Instrument (SI) is due to be laid in November 2020 and again asked for all Code Administrators to look at this and flag to Ofgem if there are any significant code impacts. Elexon confirmed they are already in contact with Ofgem in this regard.
- 3.5 The BSC Panel:
  - a) **NOTED** the update.

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## Part II: Modification and Change Business (Open Session)

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

### 4. Change Report and Progress of Modification Proposals – (307/03)

- 4.1 The Modification Secretary presented the Change Report and progress of Modification Proposals.
- 4.2 They highlighted that there had still not been a decision received in relation to [P390 'Allowing extensions to Elexon's business and activities, subject to additional conditions'](#) and queried whether Ofgem had an update on this. The Ofgem Representative apologised for the delay noting that further time was required to make a decision; a couple of weeks at a minimum is still needed and MB asked for details on any outstanding queries.
- 4.3 In relation to [P407 'Project MARI'](#), the BSC solution is dependant on the Grid Code solution. Two planned Workgroup meetings (28 September 2020 and 13 October 2020) were postponed so that NGESO can consider how to provide the detail required for the legal text to Elexon. The Grid Code approach has been to utilise the TERRE legal text so far as is possible and does not consider the detail needed for the BSC solution. The next Workgroup meeting is scheduled for the first week of November 2020, subject to solution development. If the detail cannot be provided, Elexon can finalise the solution based on assumptions or wait until the detail is available.
- 4.4 Elexon does not believe it appropriate to define a solution based on assumptions at this stage and therefore suggested that it would be better to wait until January 2021, if needed, when there will be more certainty over the requirements and MARI longevity. Elexon is concerned that lessons have not been learnt from TERRE, specifically around leaving important solution development to the last minute, which risks gaps and errors in the solution, resulting in additional cost and effort. A Panel Member agreed, commenting that it would be best to get the solution right for P407 rather than hit a deadline which would mean bringing something back that is incomplete or subject to change.
- 4.5 A Panel Member requested an update on [Issue 88 'Clarification of BSC Arrangements relating to Complex Sites'](#) as they were of the view that it may interact with [P415 'Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties'](#) and the issue to do with the Low Carbon Contracts Company (LCCC) metering discussed at the previous meeting. The Modification Secretary noted that the Issue 88 Group had only determined the scope of the issue up to this point but that the Issue Group had issued a Request for Information (RFI) on 29 September 2020 (which closes on 21 October 2020) to assist its discussions in this area. Additionally, the treatment of individual sites in regards to final consumption levies, including LCCC levy charges, is yet to be discussed in depth. P415 and other Modifications/workstreams will be considered by the Issue Group where interactions are identified. The next Issue 88 meeting is due to take place w/c 16 November 2020.
- 4.6 The Modification Secretary noted that [P396 'Revised treatment of BSC Charges for Lead Parties of Interconnector BM Units'](#) is on track to be implemented in the November 2020 Release. They noted that there are two parts to the Modification: a prospective element as part of the monthly BSC charge billing cycle that uses SF data and a one-off retrospective element which uses SF data from the date of decision back to 1 April 2020. In carrying out the testing for P396, Elexon has identified that in respect of the retrospective calculation,

the system has used the most up to date data (i.e. more up to date than SF). Elexon has considered whether to load the SF data again but concluded against this as the risk to Settlement integrity of reloading SF data is higher than the small difference between the runs.

- 4.7 Further to a letter from the ESO dated 7 October 2020, Will Jones from NGESO provided an update on [P408 'Simplifying the Output Usable Data Process'](#), which was raised as a consequential Modification to Grid Code Modification [GC0130: OC2 Change for simplifying 'output useable' data submission and utilising REMIT data](#). He noted that NGESO wishes to amend the Implementation Date of P408 from 3 December 2020 to 2 February 2021. Delays to the delivery of NGESO's IT solution have been down to the complexity of the solution which turned out to be more challenging than expected, internal resourcing and the impact of COVID-19 with difficulty due to increased virtual working. He therefore highlighted that NGESO is no longer confident of hitting the original late November/early December 2020 Release. He further noted that both Modifications should be implemented concurrently to ensure compliance and data hand-offs between ESO and Elexon can be achieved as the changes to the two codes are interdependent. Additionally he highlighted the risks if the original Implementation Date is not changed. These included insufficient timescales for testing, industry readiness, which based on current communications is low and the risk of code non-compliance.
- 4.8 Elexon provided the Panel with three options for the BSC:
- 'Decouple' P408 and [CP1535 'Interconnector Fuel Type Category update to BMRS'](#) and deliver P408 at the same time as ESO (and CP1535 on 3 Dec 2020) where costs and risks are high;
  - Deploy P408 as planned but introduce a 'switch' to activate the functionality once the ESO is ready, where the costs are medium but the risks are low; or
  - Current plan to deliver P408 in November 2020 Release, where costs and risks are low.
- 4.9 The Chairman highlighted that, due to NGESO's delay, costs on BSC Parties have increased and queried what the extent of these would be. Elexon confirmed based on its current assessment, that for its preferred second option, the increase in costs is not expected to be more than £10k. The Panel agreed that the second option should be progressed and therefore Elexon will write to Ofgem, on behalf of the Panel, to request a change to the Implementation Date for P408.
- 4.10 The Modification Secretary advised that a new Modification opportunity had arisen in relation to Letters of Credit (LoC). Elexon proposes to remove the LoC templates from Annexes M1 and M3 (and M4 'Requirements for an Approved Insurance Product') and instead place them on the BSC Website. A Panel Member queried whether this process would provide more flexibility. The Modification Secretary confirmed that this would streamline the LoC amendment process and make the templates more easily accessible. The Panel would maintain oversight as any changes to the templates would need to be agreed by Elexon and signed off by the BSC Panel. The Panel agreed that this proposal was sensible and so Elexon agreed to bring forward a proposal to the above effect.
- 4.11 In relation to the Panel's review of the COVID-19 Prioritisation Criteria, the Modification Secretary noted that at its 24 September 2020 meeting, the PAB approved a timetable and approach to ending the COVID-19 lockdown derogations. The PAB noted that it could be argued that a new 'normal' has been found despite the situation remaining challenging and uncertain. Elexon has not received any feedback on the prioritisation review and as such proposes to end the COVID-19 prioritisation approach at the end of 2020, subject to feedback and the evolving situation. A Panel Member commented that the PAB and Panel need to be mindful of the ongoing situation that is subject to change; however they noted that the PAB/Panel have the ability to retract their recommendations if required and that it is logical if both forums are moving in the same direction.
- 4.12 The Modification Secretary advised that they had been reviewing the presentation of both the costs and benefits for Modifications. In 2019, updates had been made to the Modification Proposal Form to specifically call out expected benefits and desired outcomes. In the future they proposed to summarise costs in a standard tabular format, which recognises the precision and uncertainty of the different components. The Panel was supportive of the new tabular format and looked forward to identifying these in Modification Reports over the coming months. A Panel Member agreed with the aim, but did not want it to act as a barrier for Proposers to raise and progress Modifications.
- 4.13 A Panel Member commented that they were supportive of this approach and that confidence of figures (high/low) versus ranges (e.g. £0-50k) need to be included in the table. The Consumer Panel Member also commented that they had been working with NGESO to take a proposal to the Code Administrator Code of Practice (CACoP) on a similar view re costs/benefits/implications on Consumers and climate change. They noted that this would be shared with the Panel as and when this is developed.

#### 4.14 The BSC Panel:

- a) **APPROVED** a two-month extension to the P376 Assessment Procedure;
- b) **APPROVED** a five-month extension to the P379 Assessment Procedure;
- c) **APPROVED** a one-month extension to the P402 Assessment Procedure;
- d) **REQUESTED** that Ofgem approve a change to the P408 Implementation Date from 3 December 2020 to 2 February 2021;
- e) **APPROVED** that the CP1535 Implementation Date is brought forward from 1 April 2021 to 3 December 2020;
- f) **APPROVED** the North Sea Link Interconnector as a Fuel Type Category under paragraph 6.1.18 (I) of section Q of the BSC effective from 3 December 2021;
- g) **AGREED** that a proposal to modify the BSC be brought forward to remove Letter of Credit templates from the BSC; and
- h) **NOTED** the contents of the October Change Report.

#### 5. **P414 'Allowing a Party to Withdraw from the BSC and transfer outstanding liabilities to another Party' – (307/04)**

- 5.1 A Panel Member queried whether there is the potential for any gaming opportunities for parties or whether this is contained by the Credit provisions. The Proposer confirmed that all liabilities accrued will fall due on the transferred Party so did not see this as an issue.
- 5.2 A Panel Member queried whether there was the opportunity for malicious avoidance of debt in trying to pass on from one party to another. MB noted that P414 proposes to allow the transfer from any party to a BSC Party and not necessarily to a BSC Party in the same group. He noted that the approval is at the Panel's discretion so the Panel has the opportunity to flag any issues it identifies.
- 5.3 A Panel Member expressed concern that there is a potential risk that this proposal is used in a way that it is unintended to be, for example using this process to further delay payments. The Proposer noted that the transferor is subject to the Section H Default provisions and following a transfer, the transferee would be subject to the same conditions. The Proposer also highlighted that it had looked at the assignment provisions as a potential solution option but that it was agreed that the transfer of liabilities was the most pragmatic solution option.
- 5.4 The BSC Panel:
  - a) **AGREED** that P414 progresses directly to the Report Phase;
  - b) **AGREED** that P414:
    - i **DOES** better facilitate Applicable BSC Objective (d);
  - c) **AGREED** that P414:
    - i **DOES** impact the EBGL Article 18 terms and conditions and is consistent with the EBGL objectives;
  - d) **AGREED** an initial recommendation that P414 should be approved;
  - e) **AGREED** an initial Implementation Date of:
    - i 25 February 2021 as part of the February 2021 BSC Release if an Authority decision is received on or before 8 February 2021; or
    - ii 1 April 2021 if an Authority decision is received after 8 February 2021 but on or before 8 March 2021;
  - f) **AGREED** the draft legal text; and
  - g) **NOTED** that Elexon will issue the P414 draft Modification Report (including the draft BSC legal text) for a one month consultation and will present the results to the Panel at its meeting on 10 December 2020.

#### 6. **P415 'Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties (VLP)' – (307/05)**

- 6.1 The Chairman queried the dependency on P375 and P376. The Proposer noted that there needs to be a way of separating the flexibility that has been offered from the 'normal' supply and baselining methodologies are the cleanest way of being able to do that. Under P344, but without P376, this is carried out using the Delivered Volume calculated and submitted to Settlement by the VLP. However the Proposer was concerned that this is open to abuse i.e. the VLP could put in a wrong number and that would affect the Supplier's balancing position.
- 6.2 The Proposer was of the view that P415 could not be implemented without P376. A Panel Member commented that procedurally, this Modification cannot be contingent on P375 or P376 as the Workgroup has to assess the proposal against the current baseline. Elexon commented that this Modification does stand up on its own without P375 or P376 but that it would be a very narrow application, and that should P376 be rejected by Ofgem, it may be necessary to subsume elements of P376 into P415.
- 6.3 A Panel Member requested for the following to be added to the Workgroup's Terms of Reference:
- Consideration of commercial impacts on Supplier business models;
  - Consideration of interactions with licensing around physical trading versus non-physical trading;
  - Can power be bought at the site through P415 and if so, who pays the third party charges/BSUoS charges etc.;
  - Will VLP's be able to set their Final Physical Notifications (FPNs) to 'No' if P415 is implemented and
  - Consider models using just operational metering and models using baselining with operational metering.
- 6.4 A Panel Member was concerned with the interactions between all three Modifications as although they were supportive of flexibility improvements, they believed the Supplier position is being prejudiced. The Panel Member commented that they should also be able to realise the benefits and not just pick up the burden.
- 6.5 The Panel agreed that this Modification was a profound and fundamental change to the market arrangements, noting that including the above additional Terms of Reference would significantly increase the Assessment Procedure timetable. The Panel therefore agreed that a 16-month Assessment Procedure was more realistic than the 10-months proposed as this would allow the wider implications to be considered.
- 6.6 A Panel Member commented that aggregators also have access to the Capacity Market where there are similar issues and suggested that the Workgroup consider the baselining methodology that is used there. The Panel Member was of the view that this change needs to happen sooner rather than later so that aggregators have access across all markets. A Panel Member was of the view that P415 also impacts the consumer and DNO networks as they are balancing the system at a local level. Elexon advised that as phrased, P415 would not put in the mechanisms needed for aggregators to provide these services to DNOs but that it could be a building block for it.
- 6.7 The BSC Panel:
- a) **AGREED** that P415 progresses to the Assessment Procedure;
  - b) **AGREED** the proposed Assessment Procedure timetable (extended to 16 months);
  - c) **NOTED** that P415 is likely to impact the EBGL Article 18 terms and conditions held within the BSC;
  - d) **AGREED** the proposed membership for the P415 Workgroup; and
  - e) **AGREED** the Workgroup's Terms of Reference, subject to the amendments made following the Panel's discussion.
- 7. P375 'Settlement of Secondary BM Units using metering behind the site Boundary Point' – (307/06)**
- 7.1 A Panel Member noted the distribution of costs versus distribution of benefits. He suggested that including a high level of summary to the report of what is driving the proposed benefits and what the assumptions are behind those benefits would be useful. Elexon agreed to include this going forwards.
- 7.2 Elexon highlighted that since the Workgroup's discussion, Elexon has confirmed that it would be unachievable to implement P375 as part of the February 2022 Release. This is due to significant change in the pipeline; it therefore suggested removing this recommendation ("agreed an initial Implementation Date of 24 February 2022 if the Authority's decision is received on or before 29 January 2021") as it is no longer feasible. Elexon further added that this would give more time to draft the Code Subsidiary Documents which could take up to six months due to the complexity of the change; workshops with industry will take place in the Implementation Phase to help with these.



- 7.3 The Panel was conscious that amending this recommendation was not consistent with the Workgroup's recommendations. However the Panel agreed that removing February 2022 Release as a potential option was the most pragmatic approach given that new information had been received since the Workgroup meeting and it had been made clear that it is no longer feasible for Elexon to implement as part of the February 2022 Release.
- 7.4 The Proposer commented that the early delivery of CoP11 for P375 is of utmost importance to the industry. Elexon emphasised that the Panel approving recommendation e) will provide certainty for industry as changes will only be made to these documents if anything is picked up as part of the Report Phase Consultation.
- 7.5 The BSC Panel:
- a) **AGREED** that P375:
    - i **DOES** better facilitate Applicable BSC Objective (b);
    - ii **DOES** better facilitate Applicable BSC Objective (c); and
    - iii **DOES** better facilitate Applicable BSC Objective (e);
  - b) **AGREED** an initial recommendation that P375 should be approved;
  - c) **AGREED** an initial Implementation Date of:
    - i 30 June 2022 if the Authority's decision is received on or before 30 April 2021;
  - d) **AGREED** the draft legal text;
  - e) **AGREED** the draft subsidiary documents CoP11, BSCP601 and BSCP602;
  - f) **AGREED** that P375 does impact the EBGL Article 18 Terms and Conditions and is consistent with the EBGL Objectives;
  - g) **AGREED** an initial view that P375 should not be treated as a Self-Governance Modification;
  - h) **AGREED** that P375 is submitted to the Report Phase; and
  - i) **NOTED** that Elexon will issue the P375 draft Modification Report (including the draft BSC legal text) for a one month BSC and EBGL consultation and will present the results to the Panel at its meeting on 10 December 2020.

## 8. **P398 'Increasing access to BSC Data' – (307/07)**

- 8.1 The BSC Panel:
- a) **AGREED** that P398:
    - i **DOES** better facilitate Applicable BSC Objective (c);
  - b) **AGREED** an initial recommendation that P398 should be approved;
  - c) **AGREED** an initial Implementation Date of:
    - i 25 February 2021 if the Authority's decision is received on or before 15 January 2021; or
    - ii 24 June 2021 if the Authority's decision is received after 16 January 2021 but on or before 31 May 2021;
  - d) **AGREED** the draft legal text;
  - e) **AGREED** that P398 does impact the EBGL Article 18 Terms and Conditions and is consistent with the EBGL Objectives;
  - f) **AGREED** an initial view that P398 should not be treated as a Self-Governance Modification;
  - g) **AGREED** that P398 is submitted to the Report Phase; and
  - h) **NOTED** that Elexon will issue the P398 draft Modification Report (including the draft BSC legal text) for a one month BSC and EBGL consultation and will present the results to the Panel at its meeting on 10 December 2020.

## 9. **P399 'Making the identity of Balancing Service providers visible in the Balancing Services Adjustment Data' – (307/08)**

- 9.1 Elexon highlighted that the current P399 Proposer (Sutton Bridge) has handed over Proposer Representation to Lisa Waters.
- 9.2 A Panel Member queried how much P399 would cost Parties to implement. Elexon advised that as indicated in consultation responses, the costs have been identified as modest and would be absorbed into Parties' usual operational costs.
- 9.3 A Panel Member noted that the cost of making the non-BM market more transparent would be 0.45% of the total cost of the non-BM buy actions in 2019/20 and suggested that this figure was not a robust basis for estimating the balance of costs and benefits. Another Panel Member commented that the motivation for P399 appears to be because non-BM providers are abusing insider information in some way. They noted that unless there is clear evidence for this, it is difficult to identify this as a material problem that these participants have an information advantage. The Panel Member agreed with the transparency arguments in principle but did not see that the competitive advantage had strong support.
- 9.4 A Panel Member commented that the concern comes down to real-time trading operating in the BM as NGESO is the sole buyer of these services. Parties therefore do not know if they are in a position to provide the service as Parties do not know what NGESO has been buying. They agreed that there are competitive benefits but did not think this was down to manipulating the market.
- 9.5 Another Panel Member acknowledged that it is difficult to quantify the benefits in transparency Modifications. Elexon advised that the Workgroup was asked how best to quantify this and it was agreed that it was unable to provide a more accurate figure without a cost/benefit analysis. However, the Workgroup agreed with the transparency arguments that P399 will bring a more level playing field with the data that is available for BM trades and actions; this in itself will increase competition.
- 9.6 A Panel Member queried why the Workgroup believed that P399 better facilitates Applicable BSC Objective (d). Elexon advised that the Workgroup agreed that transparent data will enable disputes and errors to be more efficiently resolved/prevented.
- 9.7 The Ofgem Representative queried what the impact would be if Ofgem was unable to make a decision by 13 January 2021, noting that making a decision would fall over the Christmas period. Elexon noted that if Ofgem missed its January 2020 decision date, there may be the risk of more periods with non-BM trades being used and the benefits of this Modification would not be realised as early as they could be.
- 9.8 A Panel Member commented that they did not believe P399 better facilitates Applicable BSC Objectives (c) and (d). Citing a lack of clear evidence, they believed P399 was neutral against these objectives. Another Panel Member commented that they were also neutral on Applicable BSC Objective (d).
- 9.9 The BSC Panel:
- a) **AGREED** that P399:
    - i **DOES** better facilitate Applicable BSC Objective (a);
    - ii **DOES** better facilitate Applicable BSC Objective (b);
    - iii **DOES** better facilitate Applicable BSC Objective (c);
    - iv **DOES** better facilitate Applicable BSC Objective (d); and
    - v **DOES** better facilitate Applicable BSC Objective (e);
  - b) **AGREED** an initial recommendation that P399 should be approved;
  - c) **AGREED** an initial Implementation Date of:
    - i 24 June 2021 if an Authority decision is received on or before 13 January 2021; or
    - ii 4 November 2021 if an Authority decision is received after 13 January 2021 but on or before 20 May 2021;
  - d) **AGREED** the draft legal text;
  - e) **AGREED** an initial view that P399 should not be treated as a Self-Governance Modification;
  - f) **AGREED** that P399 does impact the EBGL Article 18 Terms and Conditions and is consistent with the EBGL Objectives;
  - g) **AGREED** that P399 is submitted to the Report Phase; and
  - h) **NOTED** that Elexon will issue the P399 draft Modification Report (including the draft BSC legal text) for a consultation of one calendar month and will present the results to the Panel at its meeting on 10 December 2020.



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### Part III: Non-Modification Business (Open Session)

#### 10. Minutes of previous meetings & Actions arising

- 10.1 The BSC Panel approved the draft minutes for BSC Panel meeting 306. Elexon presented the actions and associated updates for the October Panel meeting.

#### 11. Chairman's Report

- 11.1 The Chairman noted the positive feedback received on the Annual BSC Meeting particularly in relation to the content, and the ways to improve running a virtual meeting if it was to take place again. The highlights can be found at the following [link](#).
- 11.2 He attended the virtual Tory Party conference and noted the strong prominence given to the 2050 net zero target.

#### 12. Elexon Report – (307/01)

- 12.1 MB reported that the customer satisfaction survey had been launched and closes on 16 October 2020.
- 12.2 MB noted that the first virtual 'Introduction to Elexon Seminar' took place on 6 October 2020.
- 12.3 MB highlighted the letter from RECCo that Elexon issued to the BSC Panel on 1 October 2020.

#### 13. Distribution Report

- 13.1 The DNO Representative noted that DNOs and IDNOs are creating a plan for when each of the DNOs and IDNOs will undertake the transfer of customers to new LLFCs. The ENA has been engaging with Elexon to agree the testing and MDD processing timelines.
- 13.2 They noted that Ofgem held a roundtable workshop with network operators and the ESO as part of their stakeholder engagement on evaluating the high balancing costs from spring and summer this year. A Panel Member queried where the publication of Ofgem's open letter relating to the workshops can be found. This is available at the following [link](#).

#### 14. National Grid Report

- 14.1 The NGESO Panel Member highlighted that Ofgem had published an [open letter](#) on 29 September 2020 in relation to submitting accurate dynamic data, which clarified their expectations of those submitting information to the ESO for the Balancing Mechanism.
- 14.2 The NGESO Panel Member noted that it had issued its second BSUoS taskforce report to Ofgem recommending that final demand pay BSUoS charges, that they should be fixed in advance and that some risk should be borne by the ESO.
- 14.3 The NGESO Panel Member also highlighted that all the Targeted Charging Review (TCR) Modifications on the CUSC side are now with Ofgem for decision for implementation in either in April 2021 or April 2022. This represents the end of an intense change process over the last 10 months.

#### 15. Ofgem Report

- 15.1 The Ofgem Representative requested feedback for ESO's mid-year review covering April-September 2020 by 16 October 2020 (although Ofgem will try to consider any evidence received by end of October 2020).
- 15.2 The Ofgem Representative noted that it had consulted on proposed changes to ESO roles guidance for RIIO-2 (responses due by 29 October 2020) which would set new expectations on the ESO.
- 15.3 In relation to storage, Ofgem has published its decision to change the generation licence to ensure electricity storage is subject to the same rules and regulations as other forms of generation.

#### 16. Tabled Reports

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

- 16.2 In relation to the PAB Headline Report, the Panel noted the PAB's approved timetable and approach to ending the COVID-19 lockdown derogations
17. **Approval of the Reference Network Mapping Statement 2019/2020 for use in BSC Year 2021/2022 – (307/09)**
- 17.1 A Panel Member queried whether the NMS should be jointly delegated to both the ISG and SVG in future as they believed it to be both a CVA and SVA issue. Elexon agreed to proceed as recommended with delegating to just the ISG in future but will liaise offline with the ISG and SVG Chairs to agree who should be responsible for approving the NMS in future.
- 17.2 The BSC Panel:
- a) **NOTED** that the draft reference NMS has been updated with comments from the NETSO since the previous version was provided to the Panel;
  - b) **APPROVED** the attached draft reference NMS 2019/2020 for use as the reference NMS in the BSC Year 2021/2022;
  - c) **NOTED** that Elexon will provide the reference NMS 2019/2020 to the TLFA and the NETSO and will publish it on the BSC Website no later than 19 October 2020; and
  - d) **AGREED** to delegate future approval of the NMS to the ISG.
18. **BSC Panel Strategy – Action Plan – (307/10)**
- 18.1 The Panel Secretary requested for any Panel Members to volunteer to be a part of a Panel Working Group to discuss how the Panel can pro-actively reach out to other Code Bodies. Rhys Kealley, Andy Colley, Fungai Madzivadondo, Mark Bellman and Ed Rees volunteered to be members of this group. The Panel Secretary agreed to set up a meeting with volunteers as soon as possible.
- 18.2 The BSC Panel:
- a) **DISCUSSED** the contents of the BSC Panel Strategy Implementation Plan.
19. **Any other business**
- 19.1 The Panel agreed that the Panel Sponsors for each Panel Committee for 2020-2022 will be as follows:
- SVG and BCB – Tom Edwards
  - ISG – Lisa Waters
  - TDC – Andrew Colley
  - PAB – Mark Bellman
20. **Next meeting**
- 20.1 The next meeting of the BSC Panel will be held remotely on Thursday 12 November 2020.
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