






BSC Modification Proposal Form		At what stage is this document in the process?
<b>Mod Title: Amendments to the P383 legal text for Additional BM Units</b>		<div>01 Modification</div> <div>02 Workgroup Report</div> <div>03 Draft Modification Report</div> <div>04 Final Modification Report</div>
<b>Purpose of Modification:</b> <p>This Modification aims to ensure the Legal Text for approved BSC Modification P383 properly reflects the approved solution, business requirements, and is aligned with the BSC baseline introduced by P344, P354 and P388. In particular, it will clarify that the solution being delivered by P383 is applicable to both Supplier Base Balancing Mechanism (BM) Units and Additional BM Units.</p>		
<b>Does this Modification impact any of the European Electricity Balancing Guideline (EBGL) Article 18 Terms and Conditions held within the BSC?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	<p>Elxon recommends that this Modification should:</p> <ul style="list-style-type: none"> <li>• be raised by the Panel in accordance with provisions of Section F2.1.1(d)(i)</li> <li>• be a Self-Governance Modification Proposal</li> <li>• be sent directly into the Report Phase</li> </ul> <p>This Modification will be presented to the BSC Panel on 10 December 2020. The Panel will determine whether to raise this Modification and determine how best to progress the Modification.</p>	
	<p>High Impact:</p> <p>None</p>	
	<p>Medium Impact:</p> <p>None</p>	
	<p>Low Impact:</p> <p>None</p>	

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Timetable		 <a href="mailto:BSC.change@elexon.co.uk">BSC.change@elexon.co.uk</a> <a href="mailto:matthew.woolliscroft@elexon.co.uk">matthew.woolliscroft@elexon.co.uk</a>
<b>The Proposer recommends the following timetable:</b>		 020 7380 4165
Initial consideration by Panel	10 December 2020	Proposer: BSC Panel
Report Phase Consultation	15 December 2020 - 5 January 2021	Proposer's representative: Lawrence Jones, Elexon
Draft Modification Report presented to Panel	14 January 2021	 <a href="mailto:BSC.Change@elexon.co.uk">BSC.Change@elexon.co.uk</a>
Final Modification Report published	18 January 2021	 020 7380 4165
Self Governance Appeal Window closes	3 February 2021	

# 1 Why Change?

## What is the issue?

BSC Modification [P383 'Enhanced reporting of demand data to the NETSO to facilitate CUSC Modifications CMP280 and CMP281'](#) was approved by Ofgem as the GB Authority on 28 February 2020 for implementation on 1 April 2021. Since P383 was approved, Elexon has identified that the approved legal text missed instructions for how to treat Metering Systems registered in Additional BM Units. The original P383 solution and business requirements envisaged a solution that applied to both Base and Additional BMUs. Therefore, this omission will need to be corrected for the P383 solution to work as intended.

Additionally the BSC baseline upon which P383 will be implemented has been amended by Modifications [P344 'Project TERRE implementation into GB market arrangements'](#), [P354 'Use of ABSVD for non-BM Balancing Services at the metered \(MPAN\) level'](#) and [P388 'Aligning the P344 and P354 Solutions'](#) since P383 was submitted for approval. Therefore, the P383 legal text should be updated to align with the solutions delivered by these Modifications and make full use of the provisions they introduced.

## Modification P383 Background

BSC Modification P383 supports associated Connection and Use of System Code (CUSC) Modifications [CMP280 'Creation of a New Generator TNUoS Demand Tariff which Removes Liability for TNUoS Demand Residual Charges from Generation and Storage Users'](#) and [CMP281 'Removal of BSUoS Charges From Energy Taken From the National Grid System by Storage Facilities'](#).

These CUSC Modifications were raised in response to Ofgem's challenge to industry that storage facilities should be exempt from certain Transmission Network Use of System (TNUoS) and Balancing Services Use of System (BSUoS) charges to remove a competitive disadvantage of storage facilities. CMP280 will remove certain types of electricity storage from the calculation of TNUoS Demand Residual Tariff. CMP281 will remove certain types of electricity storage from the calculation of BSUoS demand charges. Eligible storage facilities must:

- Perform Electricity Storage (as defined by the CUSC);
- Be operated by a Generation License holder; and
- Have its Imports and Exports measured by Half Hourly (HH) Metering Systems, which are registered by a Supplier and only measure activities necessary for Electricity Storage.

P383 will introduce processes into the BSC explaining how Storage Facility Operators, Suppliers, Half Hourly Data Aggregators (HHDAs) and the Supplier Volume Allocation Agent (SVAA) participate in the aggregation and reporting of storage facilities' HH Metering Systems' metered data to the National Electricity Transmission System Operator (NETSO).

## Desired outcomes

This Modification will ensure that the intended solution being delivered by P383 is properly reflected in the BSC legal text and describes how Storage Facilities' Metering Systems should be treated, whether registered in a Supplier's Base BM Unit or Additional BM Unit.

## 2 Solution

### Proposed Solution

This Modification will amend [Section S 'Supplier Volume Allocation'](#) and [Section S Annex S-2 'Supplier Volume Allocation Rules'](#) to clarify how the metered data of storage facilities registered in both Base and Additional Supplier BM Units should be reported by HHDAs and aggregated by the SVAA. In particular it seeks to align the P383 legal text with the legal text implemented for Approved BSC Modifications P344, P354 and P388, which introduced provisions requiring HHDAs to send Allocated Metering System Metered Consumption to SVAA. That is, Allocated Metering System Metered Consumption identifies the BM Unit that a Metering System is registered to, whether it is a Base or Additional BM Unit.

By aligning P383 with the provisions introduced by P344, P354 and P388, the missing provisions in the Approved P383 Legal Text can be resolved.

### Benefits

This Modification will ensure that the intended P383 solution is given full effect in the BSC. It also ensure a consistent and efficient use of existing BSC provisions, rather than creating something new or duplicating provisions.

### 3 Relevant Objectives

Impact of the Modification on the Relevant Objectives:	
Relevant Objective	Identified impact
a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence	Neutral
(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System	Neutral
(c) Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity	Neutral
(d) Promoting efficiency in the implementation of the balancing and settlement arrangements	Positive
(e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]	Neutral
(f) Implementing and administrating the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation	Neutral
(g) Compliance with the Transmission Losses Principle	Neutral

#### Applicable BSC Objective (d)

By making best use of reporting process introduced to the BSC baseline since the approval of P383, this Modification better facilitates Applicable BSC Objective (d). This Modification will also ensure efficiency in BSC provisions using the processes introduced by P344, P354 and P388 to deliver the P383 solution.

## 4 Potential Impacts

### Impacts on Core Industry Documents

Impacted Core Industry Documents			
<input type="checkbox"/> Ancillary Services Document	<input type="checkbox"/> Connection and Use of System Code	<input type="checkbox"/> Data Transfer Services Agreement	<input type="checkbox"/> Use of Interconnector Agreement
<input type="checkbox"/> Master Registration Agreement	<input type="checkbox"/> Distribution Connection and Use of System Agreement	<input type="checkbox"/> System Operator Transmission Owner Code	<input type="checkbox"/> Supplemental Agreements
<input type="checkbox"/> Distribution Code	<input type="checkbox"/> Grid Code	<input type="checkbox"/> Transmission License	<input type="checkbox"/> Other (please specify)

This Modification aims to ensure that the full P383 solution is delivered. No additional changes to other Core Industry Documents will be required to deliver the solution.

### Impacts on BSC Systems

Impacted Systems				
<input type="checkbox"/> CRA	<input type="checkbox"/> CDCA	<input type="checkbox"/> PARMS	<input type="checkbox"/> SAA	<input type="checkbox"/> BMRS
<input type="checkbox"/> EAC/AA	<input type="checkbox"/> FAA	<input type="checkbox"/> TAAMT	<input type="checkbox"/> NHHDA	<input type="checkbox"/> SVAA
<input type="checkbox"/> ECVAA	<input type="checkbox"/> ECVAA Web Service	<input type="checkbox"/> ELEXON Portal	<input type="checkbox"/> Other (Please specify)	

This Modification will have no specific impacts on BSC Systems. Impacts on systems are described by and are a consequence of Approved Modification P383.

### Impacts on BSC Parties

Impacted Parties			
<input type="checkbox"/> Supplier	<input type="checkbox"/> Interconnector User	<input type="checkbox"/> Non Physical Trader	<input type="checkbox"/> Generator
<input type="checkbox"/> Licensed Distribution System Operator	<input type="checkbox"/> National Electricity Transmission System Operator	<input type="checkbox"/> Virtual Lead Party	<input type="checkbox"/> Other (Please specify)

This Modification will have no new impacts on BSC Parties. Impacts on Parties are described by, and are a consequence of the original Approved Modification P383.

### Legal Text Changes

This Modification will require changes to BSC [Section S 'Supplier Volume Allocation'](#) and [Section S Annex S-2 'Supplier Volume Allocation Rules'](#).

## 5 Governance

Elxon recommends that the Panel raise this Modification to ensure the P383 solution is delivered as the Workgroup intended and makes use of the provisions introduced to the BSC baseline by P344, P354 and P388.

### Self-Governance

<input type="checkbox"/> <b>Not Self-Governance</b> – A Modification that, if implemented:	
<input type="checkbox"/> materially impacts the Code's governance or modification procedures	<input type="checkbox"/> materially impacts sustainable development, safety or security of supply, or management of market or network emergencies
<input type="checkbox"/> materially impacts competition	<input type="checkbox"/> materially impacts existing or future electricity consumers
<input type="checkbox"/> materially impacts the operation of national electricity Transmission System	<input type="checkbox"/> is likely to discriminate between different classes of Parties
<input type="checkbox"/> involves any amendments to the EBGL Article 18 Terms and Conditions related to Balancing; except to the extent required to correct an error or as a result of a factual change	
<input checked="" type="checkbox"/> <b>Self-Governance</b> – A Modification that, if implemented:	
Does not materially impact on any of the Self-Governance criteria provided above	

This Modification will not materially amend any BSC processes or procedures. It will rectify a clear error in the P383 Legal Text to clarify that storage facilities registered in Additional Supplier BM Units should be treated the same as those registered in Base BM Units. As such, we do not believe it will materially impact on the Self-Governance Criteria.

### Progression route

<input type="checkbox"/> <b>Submit to assessment by a Workgroup</b> – A Modification Proposal which:	
does not meet any criteria to progress via any other route.	
<input checked="" type="checkbox"/> <b>Direct to Report Phase</b> – A Modification Proposal whose solution is typically:	
<input type="checkbox"/> of a minor or inconsequential nature	<input checked="" type="checkbox"/> deemed self-evident
<input type="checkbox"/> <b>Fast Track Self-Governance</b> – A Modification Proposal which meets the Self-Governance Criteria and:	
is required to correct an error in the Code as a result of a factual change including but not limited to:	
<input type="checkbox"/> updating names or addresses listed in the Code	<input type="checkbox"/> correcting minor typographical errors
<input type="checkbox"/> correcting formatting and consistency errors, such as paragraph numbering	<input type="checkbox"/> updating out of date references to other documents or paragraphs

☐ **Urgent** – A Modification Proposal which is linked to an imminent issue or current issue that if not urgently addressed may cause:

☐ a significant commercial impact on Parties, Consumers or stakeholder(s)

☐ a Party to be in breach of any relevant legal requirements.

☐ a significant impact on the safety and security of the electricity and/or gas systems

This Modification seeks to remedy an error in the P383 Legal Text. It will ensure that the full solution developed and agreed by the P383 Workgroup is reflected in the BSC legal text. It will also ensure that the P383 solution is fully aligned with the current BSC baseline. As such we do not believe the solution will benefit from further Workgroup assessment.

### Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This Modification will not impact on any ongoing SCRs. There were similarities between P383 and Ofgem's Targeted Charging Review SCR, but P383 (and CMP280 and CMP281) was raised in response to a specific challenge set by Ofgem, and was not within scope of the Targeted Charging Review SCR.

### Does this Modification impact any of the EBGL Article 18 Terms and Conditions held within the BSC?

This Modification will not require any changes to the parts of the BSC which constitute the EBGL Article 18 Terms and Conditions.

### Does this modification impact on end consumers or the environment?

This Modification does not directly impact on consumers or the environment, nor does it affect the calculation of Settlement. The Modification is likely to affect a small number of storage operators whose assets are registered in Supplier's Additional BM Units.

#### Impact on the Environment

This Modification is neutral with the net zero target.

### Implementation approach

This Modification should be implemented on 1 April 2021 as a standalone Release. This is when P383 is approved for implementation and so this Modification will need to be delivered at the same time to ensure the full P383 solution can be given effect in a timely and efficient manner.