Quality Delivery

Actively managing our services to ensure that we deliver in a reliable, economic and efficient way.

| Innovation |
|------------------------------|
| Enhancing and evolving our |
| services to support industry |
| changes and development of |
| the energy market. |
| |
| Customor Contria |

Customer Centric

Improving the customer experience and developing richer customer relationships.

Simplification & Consolidation Reducing complexity and

fragmentation.

Digital Platform Creating an agile digital

platform to meet the changing energy market.

Please see Appendix A for an explantion of the different phases and reports.

BSC Change Report

| Date of meeting | 11 February 2021 |
|---------------------------|---|
| Paper Number | 311/03 |
| Owner/author | Lawrence Jones |
| Purpose of paper | For Decision |
| Classification | Public |
| Classification Summary | The Change Report is a monthly summary of all Modifications, Change Proposals and Issues that are currently active. It shows the progress of each change in a visual 'progress bar,' as well as containing text updates on what has changed since last |
| | month's Change Report. This report is accurate as of 29 Jan 21. |

Summary of Open Changes

Total open changes*

- Modifications 20
- Change Proposals 10
- Issues 9
- **Initial Written Assessment**
 - None

Assessment Procedure

- Next Workgroups: P332 late Feb, P376 Mid-Feb, P395 Feb, P407 TBC, P410 late Feb, P412 – 22 Feb, P415 – Feb, P416 – Feb, Issue 88 – 18 Feb, Issue 91 – 3 Feb, Issue 92 – 1 Feb
- Assessment Consultations: P376 closes 2 Feb, P379 CBA closed 22 Jan
- Assessment reports: P402, P413, CP1538, CP1539
- CPC batch: none

Report Phase

DMR: P417

Awaiting decision

- Authority: P375, P390, P398, P399, P414
- Self-Governance: P418

Awaiting implementation

- Feb 21: CP1530 (system only), CP1533, CP1534, CP1536, CP1537
- Mar 21: P408
- Apr 21: P383, P418, CP1531
- Jun 21: CP1530
- Feb 22: CP1532
- Jun 22: CP1527

Please note that BSC Changes, as agreed by the BSC Panel, are being prioritised while the industry manages the impact of COVID-19. Details of the impacts of this agreed approach are summarised in section I and detailed in sections II and III. You can also find details on our webpage here: https://www.elexon.co.uk/about/aboutelexon/coronavirus-covid-19-latest-information/covid-19-impact-on-bsc-changes/

* inclusive of both changes progressing through the BSC Change pipeline and changes pending implementation.

Contents

| Contents | 1 |
|--|----|
| I. COVID-19: Managing changes to the Balancing and Settlement Code | 2 |
| II. Modification Updates – up until decision | 4 |
| III. Change Proposal Updates – up until Decision | 23 |
| IV. Progression of Modifications – up until implementation | 25 |
| V. Progression of Change Proposals – up until implementation | 29 |
| VI. BSC Releases Road Map | 31 |
| VII. Modification Trend Chart | 34 |
| VIII: Recommendations | 36 |
| Appendix A | 37 |

I. COVID-19: Managing changes to the Balancing and Settlement Code



The Panel has reviewed this approach at its June, August, October and December 2020 meetings. The Panel agreed at its October 2020 meeting that this approach would end at the end 0f 2020, subject to feedback and the evolving situation. In response to the change in circumstances since the October 2020 Panel meeting, the Panel extended the prioritisation until March 2021.

In coming to this decision, the Panel took into consideration the new national lockdown, with the majority of GB remaining in tier 2 or higher, the Performance Assurance Board (PAB) extending its COVID-19 derogations as well as the feedback received in the Elexon Customer Survey asking for more prioritisation.

Changes during COVID-19

Changes to the BSC (and its subsidiary documents) will continue to be progressed, but will be prioritised based on whether the change:

- Is required to mitigate risks and issues caused by COVID-19
- Is required to be implemented by a fixed deadline, and
- Has minimal impact on market participants, unless required for the previous two points.

The Panel recognises and agreed to these steps because the COVID-19 situation is challenging and unprecedented for market participants, and that it has resulted in significant operational challenges and changes to the way that they run their business.

Modification and Issue Workgroups

Workgroups will continue, unless (or until) Members report that they cannot attend meetings.

Since the Government's lockdown was introduced, Workgroups have continued as planned, with no impacts or issues reported by the Members. Elexon remains able and willing to support the progression of change.

Change consultations

Some will be issued in line with the three principles above, but most will be staggered to reduce the burden on market participants.

The Panel agreed in principle (and subject to the points above) to delay consultations where the change is likely to have significant impacts on market participants. Details of these impacts can be found in this report below.

New changes

The Panel agreed that any new changes should be progressed in line with the agreed principles.

The Panel and Elexon will monitor the situation and keep this approach under review. They also welcome any feedback you may have on this approach. Please send any comments or questions to <u>bsc.change@elexon.co.uk</u>.

COVID-19: Modification Prioritisation

| Modification | Needed to tackle COVID-19 | Needed to meet fixed timeline | Minimal impact on market participants | Result (▲prioritised, ▼de-prioritised) |
|--|---------------------------------|-------------------------------------|---|---|
| P332: Revision to the Supplier Hub | | | | ▼Stagger |
| P376: Baselining methodology | | | | ▼Stagger |
| P379: Multiple Suppliers | | | | ▼Stagger |
| P395: Final Consumption Levies | | | | ▼Stagger |
| P399: BSAD transparency | | | Х | ▲ Continue |
| P402: BSC Data for targeted Charging Review | | Х | | ▲ Continue |
| P407: Project MARI | | Х | | ▲ Continue |
| P410: European Imbalance Harmonisation' | | X | | ▲ Continue |
| P412: Non-BM Balancing Services providers pay for non-delivery imbalances | | x | | ▲ Continue |
| P413: Elexon to be the Programme Manager for MHHS | | Х | | ▲ Continue |
| P415: Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties' | | X* | | ▲ Continue |
| P416 - Introducing a route of appeal for the Annual Budget in line with the proposals for the Retail Energy Code | | | x | ▲ Continue |
| P417 'Move the Letter of Credit templates to the BSC Website' | | | Х | ▲ Continue |
| P418 'Amendments to the P383 legal text for Additional BM Units' | | | Х | ▲ Continue |

* Subject to Government translating Clean Energy Package Directive into UK law

II. Modification Updates – up until decision

| P332: Revisions to | the Supplier Hub Prin | ciple | No Update | |
|-----------------------------------|---|---|---|--|
| Date Raised: | 28 January 2016 | Proposer: | Smartest Energy | |
| Target Implementation Date: | 5WDs after Authority decision | Current Status: | Assessment Procedure | |
| Latest Update: | on 7 December 2020. At its meeting in Decem P332 Assessment Proc by the Workgroup can b | The Workgroup agreed to proceed to Assessment Consultation following its meeting on 7 December 2020. At its meeting in December 2020, the Panel approved a three month extension to the P332 Assessment Procedure so that further amendments to the side letter requested by the Workgroup can be made and to allow for the Christmas holiday period. The Assessment Report will be presented to the Panel at its meeting in April 2021. | | |
| Next Event: | The Assessment Consu | ultation is currently being | drafted and will be sent to Workgroup stry consultation in February 2021. | |
| Issue: | The BSC when originally created was designed to support the Supplier Hub principle and to this end is silent on the practice of 'Customer appointed Agents'. The 'appointment' of Agents by Customers, outside of the Supplier Hub principle, makes managing Agent performance and delivery of obligations within the BSC difficult, resulting in a reduction in a Supplier's ability to manage performance against industry targets and risking non-delivery of specific obligations. | | | |
| Current Solution: | P332 proposes to require all existing and new SVA Meter Operator Agents (MOAs) and Data Collectors (DCs) to sign a side letter to maintain Qualification status. The letter will require SVA MOAs and DCs to agree to treat all appointments the same regardless of contract status, such that they meet all relevant BSC requirements. | | | |
| History: | to the Panel on 11 Febr The first Workgroup me Proposed Modification a request information from Request for Information The second Workgroup responses to the RFI. T the approach to the Pro Performance Assurance The BSC Panel approve Procedure at its meeting The third Workgroup me solution options. | ruary 2016 and entered in eeting was held on 30 Ma and the Terms of Referen n industry to help in its as a (RFI) paper. In meeting was held on 15 The Workgroup agreed El oposed Modification and in the Framework (PAF) revie ed an eight month extens g on 8 September 2016. eeting was held on 26 Ap meeting was held on 31 M e interim report. | I Written Assessment was presented nto the Assessment Procedure. rch 2016 and discussed P332 nce items. The Workgroup agreed to ssessment of P332 by issuing a August 2016 to discuss the exon and Proposer would start to draft nvestigate the interaction with the w. sion to the P332 Assessment oril 2017 and discussed 14 alternative May 2017 and focused on gathering gust 2017 to review and consider | |

| The progression of P332 was delayed from September 2017 to consider whether the issues would be addressed in Ofgem's Significant Code Review on Half Hourly Settlement or any other Ofgem initiatives. |
|---|
| The BSC Panel approved a three month extension to the P332 Assessment Procedure at its meeting on 10 October 2019. |
| The sixth Workgroup meeting was held on 27 November 2019 to discuss the P332 issue and progress so far. |
| The seventh Workgroup meeting was held on 6 February 2020 to review case studies provided by Workgroup Members. The Proposer confirmed their preferred solution would be a side letter as part of the Qualification process. |
| The BSC Panel approved a three month extension to the Assessment Procedure at its meeting on 10 September 2020. |
| The eighth Workgroup meeting was held on 25 September 2020. The Workgroup reviewed the draft legal text and side letter. |
| The ninth Workgroup meeting was held on 22 October 2020. The Workgroup reviewed the draft legal text and side letter, incorporating amendments discussed at the previous Workgroup meeting, and gave their initial views against the Applicable BSC Objectives. |

| <u>P375</u> : Settlement of Secondary BM Units using metering behind the site Boundary Point | | | No Update | |
|--|---|---|-------------------|--|
| Date Raised: | 10 December 2018 | Proposer: | Flexitricity | |
| Target Implementation Date: | 30 June 2022 | Current Status: | With Authority | |
| Latest Update: | December 2020 and su | The Draft Modification Report was presented to the Panel at its meeting on 10 December 2020 and submitted to Ofgem for decision on 16 December 2020 with a recommendation to approve. | | |
| Next Event: | P375 is currently being | considered for decision b | by the Authority. | |
| Issue: | The BSC currently only allows metering at the defined Boundary Point to be used for Settlement purposes. However, with the future ability for consumers to participate in the BM and other alternative balancing products, which will be settled under the BSC framework, there is a need to allow Settlement from metering behind the Boundary Point at the asset which is delivering the Balancing Service. This Issue arose through the development of the Project TERRE arrangements through BSC Modification Proposal P344 'Project TERRE implementation into GB market arrangements', but may become relevant to other Balancing Services in the future. The need to allow Settlement from metering behind the Boundary Point is due to the desire to further reduce any potential (either perceived or due to operational reasons) barriers to entry to participate in balancing products. | | | |
| Current Solution: | P375 proposes to settle Secondary Balancing Mechanism (BM) Units (to be introduced by P344 'Project TERRE' (Trans European Replacement Reserves Exchange)) using metering equipment behind the defined Boundary Point for Balancing Services (known as 'behind the Meter'), rather than settling using Metering Equipment at the Boundary Point as per current BSC obligations. This will allow balancing-related services on site to be separated from imbalance-related activities, more accurately reflecting the balancing-energy volumes provided by the Balancing Service Provider (BSP). | | | |

| | For full details visit the P375 webpage. |
|----------|---|
| | Raised by Flexitricity on 10 December 2020. |
| | IWA – presented 13 December 2018 and progressed to the Assessment Phase. |
| | Workgroup 1 – held 25 January 2019 and discussed effects on Boundary Site and links to the grid. |
| | Workgroup 2 – held 18 March 2019 alongside P376. It discussed metering standards and registration. |
| | Workgroup 3 – held 16 May 2019. It reviewed the relevant Code of Practice. |
| | A six month extension to the Assessment Procedure was agreed by the Panel on 13 June 2019. |
| | Workgroup 4 – held 4 July 2019. It considered customer registration and Meter Operator Agents. |
| History: | Workgroup 5 – held 20 August 2019. It considered the business requirements and Asset Metering Code 11. |
| | Workgroup 6 – held 6 November 2019. Conducted a holistic review of the solution. |
| | A three month extension to the Assessment Procedure was agreed by the Panel in December 2019, and a further six month extension was agreed in April 2020. |
| | Assessment Phase Consultation issued 24 August 2020. 21 responses to the Assessment phase consultation were received, with all except one expressing clear support. |
| | The Workgroup met for the final time on 23 September and were unanimous in their recommendation to approve P375. |
| | Assessment Report – presented 8 October 2020 and progressed to the Report Phase with initial Panel recommendation to approve. |
| | The P375 Report Phase Consultation closed on 16 November with 6 responses in clear support of the Modification. |

| P376: Utilising a Baselining Methodology to set Physical Notifications for Settlement of Applicable Balancing Services | | Update | |
|--|--|-----------------|----------------------|
| Date Raised: | 11 December 2018 | Proposer: | Enel Trade S.P.A. |
| Target Implementation Date: | November 2022 | Current Status: | Assessment Procedure |
| Latest Update: | The Assessment Procedure Consultation was issued 12 January with responses invited by 2 February 2021. | | |
| Next Event: | The Workgroup will consider responses to the Assessment Procedure Consultation at a meeting in mid February | | |
| Issue: | Elexon raised Issue 71 'Introduction of a baselining methodology as an alternative to Physical Notifications' on 15 June 2018. This Modification builds on the back of this Issue and formally raises a Modification Proposal relating to the same defect. Modification Proposal P344 'Project TERRE implementation into GB market arrangements' seeks to align the Balancing and Settlement Code (BSC) with the European Balancing Project TERRE (Trans European Replacement Reserves Exchange) requirements. The solution developed by the P344 Workgroup allows | | |

| | customers (or independent aggregators acting on their behalf) to participate in TERRE (and the BM) independently of their electricity Supplier, by registering a 'Secondary |
|-------------------|--|
| | BM Unit'. The P344 solution is intended to facilitate participation in the BM and TERRE by a wider range of industry market participants, including customers and independent aggregators. However, in the P344 solution, the existing BM Settlement arrangements remain unchanged. |
| Current Solution: | P376 proposes to allow the Virtual Lead Party of the Secondary BM Unit, or Supplier for an Additional BM Unit, to use a baselining methodology to determine the expected energy flows for an MSID Pair in the calculation of Non-Delivery Charges and Delivered Volumes. This will decouple the expected volume used in Settlement from the Physical Notification used by the NETSO for dispatch. This change will allow Balancing Service Providers to be fully recompensed for their actual change from normal usage and the impact this change has on the system, thus enabling greater participation. |
| | For full details visit the <u>P376 webpage</u> . |
| | Raised by Enel Trade S.P.A. on 11 December 2018. |
| | IWA – presented 13 December 2018 and submitted into Assessment Procedure. |
| | Workgroup 1 held 25 January 2019 with P375 - discussed possible effects on the Boundary Point and links with National Grid ESO would . |
| | Workgroup 2 held 18 March 2019 with P375 - designing solution and exploring assurance methods. |
| | Workgroup 3 held 3 June 2019 - considered baseline methodologies. |
| | Workgroup 4 held the 14 August 2019 - develop the Business Requirements. |
| History: | Request for Information to support analysis on 23 September 2019 with responses due 11 October 2019. |
| | Workgroup 5 held 10 December 2019 - review Request for Information and consider updated Business Requirements. |
| | Workgroup 6 held 14 September - consider the impacts and agree the solution that will be consulted on through the Assessment Procedure Consultation. Short mop up session held 2 October, but the Workgroup was unable to reach consensus to issue its consultation. |
| | Workgroup 7 meeting was held 6 November - finalise solution for consultation. |
| | • |

| P379: Multiple Suppliers through Meter Splitting | | Update | |
|--|---|-----------------|----------------------|
| Date Raised: | 3 January 2019 | Proposer: | GridBeyond |
| Target Implementation Date: | November 2022 (subject to impact assessment) | Current Status: | Assessment Procedure |
| Latest Update: | The Cost Benefit Analysis (CBA) consultation closed on 22 January 2021. Responses are currently being collated. There were 14 respondents, representing a range of roles. | | |
| Next Event: | An interim update on the CBA will be given to the Panel on 11 Febraury 2021. We are working to present the CBA Report to the Panel at its April 2021 meeting. | | |

| Issue: | In the view of the Proposer, this Modification will address a significant barrier to competition in the market rules whereby multiple Trading Parties are unable to compete for behind the Meter energy volumes, measured at the same Settlement Meter at the BSC Boundary Meter Point. The Proposer outlines that the existing arrangements do not adequately facilitate the development of local energy markets and supply innovation, and effectively mean there is a monopoly of one Party, the default Supplier, over a consumer's energy volumes behind a Settlement Meter at any given time, restricting competition and innovation. | | | |
|-------------------|--|--|--|--|
| Current Solution: | This Modification will enable individual consumers to be supplied by multiple Trading Parties, including Suppliers through a Balancing and Settlement Code (BSC) Settlement Meter at the Boundary Point. It will amend the market rules to support development of non-traditional business models and innovation, expanding upon the solution to be implemented by BSC Modification P344 'Project TERRE implementation nto GB market arrangements'. It will achieve this through the creation of a new Party Agent role, the Customer Notification Agent (CNA), who would reconcile power flows hrough the Settlement Meter, enabling accurate allocation of volumes and costs, which in turn will allow Trading Parties to reflect these volumes in their bills and bayments to consumers. | | | |
| History: | For full details visit <u>P379 webpage</u> . P379 was raised by New Anglia Energy on 3 January 2019. IWA - waspresented to the BSC Panel at its meeting on 10 January 2019 and submitted into the Assessment Procedure. 1 st interim report - presented to the Panel on 13 June 2019, as agreed as part of the approved P379 progression plan. The Panel approved a six-month extension and advised the Workgroup to consider how the Modification could be scoped to deliver earlier. The P379 Work Group held 15 meetings following this meeting through 2019 and into 2020. 2 nd interim report – Presented at March 2020 meeting, the BSC Panel approved an eight month extension to allow Elexon to conduct a Cost Benefit Analysis (CBA) for P379. May 2020 - At its May 2020 meeting, the Panel asked Elexon to consider the possibility of external consultants to carry out the Cost Benefit Analysis following a paper on the high-level scope and approach to the CBA. We are defining tender requirements to inform whether a third party should assist in the production of the CBA, including costs and timescales. We will present our findings at the July 2020 Panel meeting. We issued requests for proposals to five third parties to provide the Cost Benefit Analysis. Proposals were due to be returned by bidders by 12 August 2020. As per Elexon's communication concerning the impact of COVID-19 the timeline for P379 has been pushed back at least three months as it has a significant impact on Parties, particularly Suppliers, Data Collectors and parties looking to become secondary Suppliers. | | | |

| Bidder selection took place after the third party Cost-Benefit Analysis proposals were independently scored. |
|---|
| The P379 Cost-Benefit Analysis (CBA) contract was awarded to CEPA. |
| Five month extension granted by the Panel October 2020. |
| The P379 cost-benefit analysis (CBA) consultation is due to close on 15 January 2021. However, we are seeking to extend this by one week to close on 22 January 2021, following requests from particpants and will confirm via email communication. |

| P390: Allowing extensions to Elexon's business and No Update No Update | | | | |
|--|--|----------------------------|---|--|
| Date Raised: | 12 August 2019 | Proposer: | E.ON | |
| Target Implementation Date: | 5 Working Days after Authority decision | Current Status: | With Authority | |
| Latest Update: | P390 was sent to Ofger | m for decision on 21 May | 2020. | |
| Next Event: | Ofgem decision on whe | ther to approved P390. | | |
| Issue: | The BSC restricts the activities of Elexon and in the absence of a specific Modification any additional activities cannot be pursued by Elexon (even when those activities would be of benefit to BSC Parties, industry generally and/or the consumer). In the past specific Modifications have been necessary which have enabled Elexon to provide the Warm Homes Discount Reconciliation service, EMR settlement, and to participate in gas performance assurance framework and REC manager appointment processes. | | | |
| Current Solution: | an unnecessary distrac | tion for industry. They ca | vires are time consuming and can be n also result in Elexon being unable to ne. | |
| History: | pursue an opportunity within a required timeframe. For full details visit P390 webpage. P390 was raised by E.ON on 12 August 2019. The IWA was presented to the Panel on 12 September 2019. The first Workgroup meeting was on 18 November 2019. The Workgroup discussed the Proposed Solution and developed a number of high-level principles with which to evaluate the eventual solution. The second Workgroup meeting was on 18 December 2019. The Workgroup discussed whether to include the Ofgem criteria 'ELEXON's BSC role should not give it any undue competitive advantage in a contestable activity' and agreed that it should be reflected in the Solution. The third Workgroup meeting was on 23 January 2020. The Wrokgroup reviewed the Legal Text. The final Workgroup meeting was held on 25 March 2020. The Workgroup reviewed responses to the Assessment Procedure Consultation and agreed that no changes needed to be made. | | | |

| The Assessment Report for P390 was presented to the Panel at their April 2020 meeting, where it was progressed to the Report Phase with a recommendation for approval. The Report Phase Consultation was issued on 14 April 2020 and closed on 29 April 2020. All three respondents agreed with the Panel views. The Draft Modification Report was presented to the Panel at its May 2020 meeting. The Panel unanimously agreed to recommend to Ofgem that P390 be approved. The Final Modification Report was submitted to Ofgem for decision on 21 May 2020. At the August 2020 Panel meeting, Ofgem indicated a Decision on P390 may be forthcoming early September 2020. In mid-August 2020, Ofgem sought clarification on certain elements of the legal text and how they relate to data provisions already contained in the BSC, which was provided on 10 September. On 25 November 2020, Ofgem sent P390 back as it is unable to form an opinion on whether P390 should be approved based on the submitted FMR and associated documentation. The second Draft Modification Report was presented to the Panel at its December 2020 meeting. Elexon provide (and the BSC Panel approved) additional rationale and clarification on the effects of the originally submitted P390 Legal Text and proposed amendents to paragraphs 10.2.1 and 4.1.2. to address the Send Back Direction, adding clarity and comfort so that P390 may be resubmitted. | |
|---|--|
| 2020. All three respondents agreed with the Panel views. The Draft Modification Report was presented to the Panel at its May 2020 meeting. The Panel unanimously agreed to recommend to Ofgem that P390 be approved. The Final Modification Report was submitted to Ofgem for decision on 21 May 2020. At the August 2020 Panel meeting, Ofgem indicated a Decision on P390 may be forthcoming early September 2020. In mid-August 2020, Ofgem sought clarification on certain elements of the legal text and how they relate to data provisions already contained in the BSC, which was provided on 10 September. On 25 November 2020, Ofgem sent P390 back as it is unable to form an opinion on whether P390 should be approved based on the submitted FMR and associated documentation. The second Draft Modification Report was presented to the Panel at its December 2020 meeting. Elexon provided (and the BSC Panel approved) additional rationale and clarification on the effects of the originally submitted P390 Legal Text and proposed amendents to paragraphs 10.2.1 and 4.1.2. to address the Send Back Direction, adding clarity and comfort so that P390 may be resubmitted. | meeting, where it was progressed to the Report Phase with a recommendation for |
| The Panel unanimously agreed to recommend to Ofgem that P390 be approved. The Final Modification Report was submitted to Ofgem for decision on 21 May 2020. At the August 2020 Panel meeting, Ofgem indicated a Decision on P390 may be forthcoming early September 2020. In mid-August 2020, Ofgem sought clarification on certain elements of the legal text and how they relate to data provisions already contained in the BSC, which was provided on 10 September. On 25 November 2020, Ofgem sent P390 back as it is unable to form an opinion on whether P390 should be approved based on the submitted FMR and associated documentation. The second Draft Modification Report was presented to the Panel at its December 2020 meeting. Elexon provided (and the BSC Panel approved) additional rationale and clarification on the effects of the originally submitted P390 Legal Text and proposed amendents to paragraphs 10.2.1 and 4.1.2. to address the Send Back Direction, adding clarity and comfort so that P390 may be resubmitted. | |
| At the August 2020 Panel meeting, Ofgem indicated a Decision on P390 may be forthcoming early September 2020. In mid-August 2020, Ofgem sought clarification on certain elements of the legal text and how they relate to data provisions already contained in the BSC, which was provided on 10 September. On 25 November 2020, Ofgem sent P390 back as it is unable to form an opinion on whether P390 should be approved based on the submitted FMR and associated documentation. The second Draft Modification Report was presented to the Panel at its December 2020 meeting. Elexon provided (and the BSC Panel approved) additional rationale and clarification on the effects of the originally submitted P390 Legal Text and proposed amendents to paragraphs 10.2.1 and 4.1.2. to address the Send Back Direction, adding clarity and comfort so that P390 may be resubmitted. | |
| and how they relate to data provisions already contained in the BSC, which was provided on 10 September. On 25 November 2020, Ofgem sent P390 back as it is unable to form an opinion on whether P390 should be approved based on the submitted FMR and associated documentation. The second Draft Modification Report was presented to the Panel at its December 2020 meeting. Elexon provided (and the BSC Panel approved) additional rationale and clarification on the effects of the originally submitted P390 Legal Text and proposed amendents to paragraphs 10.2.1 and 4.1.2. to address the Send Back Direction, adding clarity and comfort so that P390 may be resubmitted. | At the August 2020 Panel meeting, Ofgem indicated a Decision on P390 may be |
| 2020 meeting. Elexon provided (and the BSC Panel approved) additional rationale and clarification on the effects of the originally submitted P390 Legal Text and proposed amendents to paragraphs 10.2.1 and 4.1.2. to address the Send Back Direction, adding clarity and comfort so that P390 may be resubmitted. | and how they relate to data provisions already contained in the BSC, which was provided on 10 September. On 25 November 2020, Ofgem sent P390 back as it is unable to form an opinion on whether P390 should be approved based on the |
| P390 was resent for Authority decision on 14 December 2020. | 2020 meeting. Elexon provided (and the BSC Panel approved) additional rationale and clarification on the effects of the originally submitted P390 Legal Text and proposed amendents to paragraphs 10.2.1 and 4.1.2. to address the Send Back |
| | P390 was resent for Authority decision on 14 December 2020. |

| P395: Excluding generators from BM Unit Gross Demand and the calculation of EMR Supplier Charges | | | Update |
|--|--|-----------------|----------------------|
| Date Raised: | 7 November 2019 | Proposer: | Centrica |
| Target Implementation Date: | Nov 2022 | Current Status: | Assessment Procedure |
| Latest Update: | Elexon have issued P395 Business Requirements to the Workgroup for review ahead of the next meeting | | |
| Next Event: | We are ascertaining the best time to hold the next P395 meeting in which further consideration of a merit order model will take place, this is expected to occur in late Feb 2021. | | |
| Issue: | Currently the BM Unit Gross Demand Report attributes to Suppliers electricity they have provided to generators (including storage facilities) operated by Generation Licensees, which falls outside the definition of 'supply' in the Electricity Act 1989. | | |
| Current Solution: | P395 proposes to amend BSC systems and processes so that the SAA-I042 'BM Unit Gross Demand Report' only includes electricity 'supplied' to premises by licensed Suppliers, and therefore excludes electricity imported by Generators operated by a licensee for generation activities (i.e. those activities authorised by their generation licence to carry on). To facilitate this outcome, P395 proposes that the BSC incorporates the interim solution and extends it to cover complex sites too. This solution would cover sites connected to both the distribution and transmission systems, and where the sites Metering Systems are registered in Supplier Meter | | |

| | Desistantian Convice (CMDC) on Constant Mater Desistantian Convice (CMDC), D005 - 1 | |
|----------|---|--|
| | Registration Service (SMRS) or Central Meter Registration Service (CMRS). P395 will build on top of capabilities being introduced by P344, P375 and P383. | |
| | For full details visit P395 webpage. | |
| | Raised by Centrica on 7 November 2019. | |
| | IWA – presented 14 November 2019 and progressed to the Assessment Phase. | |
| | There was a delay in holding the first P395 Workgroup meeting caused by the urgent request to progress P397 | |
| History: | Workgroup 1 – held 19 February 2020 and discussed Elexon's interpretation of ToR A) 'Which imports should be chargeable?'. The Workgroup noted that answering the P395 problem satisfactorily will involve consideration of scalability, practicality and cost to ensure that the solution is truly enduring, consistent with regulations and scalable to domestic level. | |
| | The Panel approved a six month extension to the Assessment Procedure to P395 on 9 April 2020 to allow for further solution development. | |
| | Due to resource constraints and deprioritisation under the Panel's Covid-19 prioritisation approach, work on the Modification was paused until October 2020. | |
| | The Panel approved an eight month extension to the Assessment Procedure for P395 on 10 September 2020. Elexon will return with the P395 Assessment Report at the June 2021 Panel meeting. | |
| | Workgroup 2 – held 4 December 2020 and the Workgroup considered draft Business Requirements. | |

| P398: Increasing access to BSC Data | | | No Update |
|-------------------------------------|---|-----------------|----------------|
| Date Raised: | 12 December 2019 | Proposer: | BSC Panel |
| Target Implementation Date: | Jun 21 Release | Current Status: | With Authority |
| Latest Update: | The Draft Modification Report was presented to the Panel at its December 2021 meeting where they agreed to recommend implementation to the Authority. P398 was sent to Authority for decision on 17 December 2020. The next available release for P398 is June 2021. | | |
| Next Event: | Pending Authority decision on the Final Modificiation Report. | | |
| Issue: | Pending Authority decision on the Final Modificiation Report. In June 2019 the Energy Data Task Force (EDTF) published its report 'A Strategy for a Modern Digitalised Energy System'. One of its recommendations was that the energy sector should 'adopt the principle that Energy System Data should be Presumed Open'. The EDTF report recommends that BEIS and/or Ofgem should use legislative and regulatory powers to achieve this recommendation. The BSC does not currently fully support the open data principles as recommended by the EDTF. This Modification seeks to implement market leading working practises regarding data availability within the BSC. | | |
| Current Solution: | P398 proposes amending the BSC so that all data is assumed open unless there is a reason otherwise. The BSC will be amended to require the Panel to establish the BCB | | |

| | and for the BCB to have responsibility for publishing data. The detailed responsibilities will be captured in a new Cat3 document. |
|----------|---|
| | This will be done based on a transparent process of triage and categorisation. In the longer term, we will look at an IT solution to make accessing BSC data even easier than having to make a formal request for release/publication. |
| | For full details visit P398 webpage. |
| | IWA - P398 was raised by the BSC Panel at its meeting on 12 December 2019 where the Panel agreed to send the Modification to the Assessment Phase.Workgroup 1 – Held on 16 January 2020. The Workgroup established the principles |
| | for how the BSC should facilitate Open Data. |
| | Workgroup 2 – Held on 30 March 2020. The Workgroup finalised the solution at this meeting. The Workgroup also agreed the Business Requirements and resolved some outstanding legal queries. |
| | Workgroup 3 – Held on 18 August 2020. The Workgroup agreed the draft legal text and consultation content. |
| History: | Assessment Phase Consultation – The Assessment Phase consultation was issued on 24 August 2020 until 14 September 2020. We received 8 responses with clear support, barring a few issues with the legal text to be reviewed. |
| | Workgroup 4 – Held on 25 September 2020 to discuss consultation responses and make their final recommendations to the BSC Panel. |
| | Extension Requests – An initial two month extension was granted in July 2020 to allow time to finalise legal text drafting and follow-up work from the previous Workgroups. A further extension to October 2020 was granted in September 2020 to recognise the delay, and consequential impact caused by the cyber-attack and re-prioritisations. |
| | Assessment Report – The P398 Assessment Report was presented to the Panel at its meeting on 8 October 2020 where it was progressed unanmously to the Report Phase with a recommendation to approve. |
| | The Report Phase Consultation opened on 15 October 2020 and was closed on the 16 November 2020. Two respondents responded to the Report Phase Consultation in support of P398. |

| | dentity of Balancing S ncing Services Adjust | | Update | |
|-----------------------------------|--|--|---|--|
| Date Raised: | 24 December 2019 | Proposer: | Sutton Bridge Power Generation | |
| Target Implementation Date: | November 2021 | Current Status: | With Authority | |
| Latest Update: | 14 January 2021 befo | The P399 Draft Modification Report was presented to the BSC Panel at its meeting on 14 January 2021 before being submitted to Ofgem for decision on 19 January with a recommendation to approve. | | |
| Next Event: | P399 is currently bein | g considered for decisio | on by the Authority. | |
| Issue: | is reported with a uniq identify the counterpart | ue sequential number. rty to the bilateral trade reducing transparency i | taken outside the Balancing Mechanism The Proposer contends that this does no and creates an information advantage to n the operation of the system creating a | |
| Current Solution: | trades.It seeks to inclu | ude four new data fields | information relating to BM and non-BM to the BSAD file to subsequently be AD Asset ID; Service Type; and Tendered | |
| History: | Raised by Sutton Bridge Power Station on behalf of Calon Energy on 24 December 2019 IWA - presented 16 January 2020 and progressed to Assessment Phase. Workgroup 1 – held 27 January 2020 where the Workgroup agreed two possible solutions Workgroup 2 – held 27 March 2020 where Workgroup considered NGESO and Elexon impact assessments of the two solutions. Costs and lead times were too high and NGESO agreed to impact assess alternative solutions. The Panel agreed a two month extension at its meeting in April 2020 Workgroup 3 – held 17 July 2020; Workgroup agreed the solution Assessment Phase Consultation issued 17 August 2020. 5 responses to the Assessment Phase Consultation were received, all of which supported the Modification Workgroup 4 – held 18 September and were unanimous in their recommendation to approve P399. Assessment Report – presented 8 October 2020 and progressed to the Report Phase The first P399 Report Phase Consultation closed on 16 November. It received 4 responses, with all but one in clear support of the Modification. NGESO's response noted that the inclusion of one of the agreed data items would add an additional £350k - £500k to its central implementation costs and that it could no longer meet the June | | | |

| Workgroup 5 – held on 30 November per EBGL requirements, Workgroup agreed to retain the data item |
|--|
| The Panel agreed a one month extension at its meeting in December 2020 |
| The second P399 Report Phase Consultation closed on 22 December with 3 responses, all of which supported approval of P399. |
| |

| | reform of residual network charging as Targeted Charging Review | | Update |
|-----------------------------------|--|-----------------|----------------------|
| Date Raised: | 5 March 2020 | Proposer: | NGESO |
| Target Implementation Date: | February 2022 BSC Release | Current Status: | Assessment Procedure |
| Latest Update: | Due to the delay caused by the need to develop and assess the Alternative Solution, it will not be possible to implement central system changes for the Proposed Solution in time for February 2022, as they require a 12 month lead time and a decision is not expected until April 2021. The industry Workgroup recommend an implementation approach where, if the Proposed Solution for P402 is approved, the Legal Text changes are implemented in February 2022 with a gap between this and the eventual go-live for the systems. Elexon are investigating the costs of operating an interim solution, however it is unlikely that this information will be ready in time for the presentation of the Assessment Report – we aim to present this information at the March 2021 Panel meeting. The Alternative solution, recommended by the Workgroup does not require any BSC sytem changes and can be fully implemented in the February 2022 Release. | | |
| Next Event: | Elexon are finalising Business Requirements and Legal Text so that the Assessment Report can be presented to the February 2021 Panel meeting. Further assessment is being don on the interim solution, should the Proposed solution be approved. | | |
| Issue: | Following the conclusion of its Targeted Charging Review Significant Code Review, Ofgem directed National Grid and certain LDSOs to make changes to how residual revenues are recovered through Distribution Use of System (DUoS) and Transmission Network Use of System (TNUoS) demand charges. Elexon understands that the LDSOs have or can procure all data necessary to implement the TCR SCR changes in relation to demand residual charging. However, NETSO does not have access to the relevant data. | | |
| Current Solution: | The Proposed P402 Solution will introduce new reporting requirements on LDSOs and BSCCo that will ensure the provision of data to enable the NETSO to set TNUoS demand residual tariffs and enable accurate billing of subsequent charges. An Alternative Solution involves LDSOs sending the necessary data directly to National Grid, with high level obligations captured in the BSC. | | |
| History: | For full details visit P402 webpage. National Grid ESO raised P402 on 5 March 2020. IWA - On 12 March 2020 the Panel and approved a 3 month Assessment Procedure, noting the challenging timeline to meet the Ofgem set implementation date of 1 April 2021. | | |

| ELEXON |
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| |
| The first P402 Workgroup meeting took place on 31 March to review the draft business requirements. Following a revised implementation plan by Ofgem, delivery of TCR changes has been pushed to April 2022 – one year later than previously required. |
| The Panel approved a three month extension to the P402 Assessment Procedure at its May 2020 meeting to allow the Workgroup to consider alternative approaches to solving the P402 issue. |
| The second P402 Workgroup meeting took place on 6 May to consider alternative approaches. |
| The third Workgroup took place on 5 August 2020, where the group discussed how P402 has a soft dependency for the related CUSC modifications – they will rely on a solution that provides NETSO with data for billing and tariff setting being implemented by April 2022 - but agreed that whilst P402 enables the TNUOS TCR arrangements, it doesn't implement any of the core requirements of Ofgem's TCR SCR. |
| The 4 th Workgroup for P402 took place on 28 September 2020, where a solution for consultation was agreed. |
| The Assessment Consulation for P402 closed on 27 October 2020. |
| At the October Panel meeting, a two month extension was granted to P402 to allow for contingency in the case that material changes to the solution emerged from the Consultation. |
| Shortly prior to the 5th Workgroup, and after the issuing of the P402 Consultation, Elexon learned that an alternative approach to the handling of the TCR Decision had been developed by some LDSOs and referenced in replies to the P402 Consulation - centering around LDSOs issuing data directly to National Grid, rather than centrally via SVAA. |
| The 5th Workgroup meeting took place on Monday 2 November, where the Workgroup voted to raise an Alternative Modification. They acknoledged that the raising of the Alternative at this late stage impacts the delivery of P402 to TCR timescales but felt that the potential benefits of a simplified new approach outweigh this concern |
| The group considered Alternative Business Requirements at the 6 th Workgroup on 28 November 2020 in order that the Alternative solution could be consulted on The 2 nd APC closed on 15 December. |
| The 7 th P402 Workgroup meeting occured on 17 December 2020, the Workgroup considered responses to the 2 nd Assessment Consultation and finalised the Business Requirements for both the Proposed and Alternative solutions. |

| P407: Project MAR | l | | No Update |
|-----------------------------------|---|--|--|
| Date Raised: | 4 May 2020 | Proposer: | NGESO |
| Target Implementation Date: | By July 2022 | Current Status: | Assessment Procedure |
| Latest Update: | Great Britain is no longer required to participate in Project MARI. We understand that a new agreement with the EU will need to be reached to be able to participate. Elexon and ESO propose that until there is more certainty over the future of Project MARI, no more work take place on the project. | | |
| Next Event: | NGESO to decide on the BEIS. | ne future of GC0145/P40 | 7, subject to further information from |
| Issue: | Article 20 of the EBGL (Commission Regulation (EU) 2017/2195) requires Transmission System Operators (TSOs) to establish a platform for the exchange of balancing energy from manually activated frequency restoration reserves (mFRR) by July 2022. To achieve this, the European Network of Transmission System Operators for Electricity (ENTSO-E) launched the Manually Activated Reserves Initiative (MARI) to deliver the European wide mFRR platform. P407 will ensure that the BSC, and associated systems, are amended ahead of go-live. | | |
| Current Solution: | P407, along with the N MARI. | GESO changes, will ena | ble GB participants to participate in |
| History: | 14 May 2020 - The Par Procedure 4 May 2020 - National Workgroup 2 (7 July 20 Workgroup 3 (20 Augu Workgroup 4 (26 Augu Workgroup 5 (15 Septe processes alongside th allow Elexon to comple Workgroup meetings p Workgroup 6 (3 Nover | atch and Settlement processes. atch and Settlement processes. ussed the Dispatch and Settlement er of dependencies on NGESO don't | |
| | November 2020 the BS January 2021. | SC Panel requested the A | Assessment Consultation be held in |

<u>P410</u>: Changing imbalance price calculations to comply with the Imbalance Settlement Harmonisation regulations

No Update

| | | regulationo | | |
|-----------------------------------|--|---|---|--|
| Date Raised: | 3 July 2020 | Proposer: | NGESO | |
| Target Implementation Date: | 4 November 2021 | Current Status: | Assessment Procedure | |
| Latest Update: | considered Elexon's ar | The third Workgroup meeting was held 17 Decmeber 2020. The Workgroup considered Elexon's analysis, but was unable to agree a suitable solution and requested additional analysis. Panel approved 3 month exptension to Assessmewnt Procedure in January 2021. | | |
| Next Event: | | ditional analysis at the W er at its next meeting in F | Vorkgroup's request which the February 2021. | |
| Issue: | | P410 will introduce changes to the imbalance price calculations to ensure BSC compliance with the European Imbalance Settlement Harmonisation regulations. | | |
| Current Solution: | P410 will replace the Market Index Price in the Imbalance Calculation with a new Value of Avoided Activation of balancing energy as required by the European Regulations. | | | |
| History: | For full details visit P410 webpage. NGESO raised P410 on 3 July 2020. The Panel considered the IWA at its meeting on 9 July and agreed to progress P410 to the Assessment Procedure. Workgroup 1 held on 6 August - agreed principles for calculating a Value of Avoided Activation. Workgroup 2 held 9 October - considered updated proposals. The Workgroupexpressed concerns that any VOAA that is complaint with the ISHP would be detrimental to BSC Objectives. | | | |

| | n-BM Balancing Servi balances at a price th y | | No Update | |
|-----------------------------------|---|--|----------------------|--|
| Date Raised: | 3 September 2020 | Proposer: | NGESO | |
| Target Implementation Date: | ТВС | Current Status: | Assessment Procedure | |
| Latest Update: | The second Workgroup meeting was held on 27 November 2020 to consider five possible solutions and discuss the pros and cons of each option. | | | |
| Next Event: | The third Workgroup m | The third Workgroup meeting wiil be be held on 22 February 2021. | | |
| Issue: | P412 will introduce imbalance charges for non-Balancing Mechanism (BM) Balancing Services providers, where their delivery does not match instructed volumes. This will mean the GB market more effectively meets the requirements of the Clean Energy Package. | | | |
| Current Solution: | P412 will introduce adjustments to Supplier's imbalance positions by non-BM Balancing Service Providers' instructed volumes, rather than delivered volumes as currently occurs under the P354 'Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level' solution. | | | |
| History: | For full details visit the | P412 webpage. | | |

P412 was raised on 3 September 2020. The Initial Written Assessment was presented to the BSC Panel on 10 September 2020 and entered into the Assessment Procedure.

The first Workgroup meeting was held on 29 October 2020 to discuss the issue, the proposed solution, next steps and the proposed timetable.

| | on to be the Programm Market-wide Half Hour | | Update | |
|-----------------------------------|--|--|---|--|
| Date Raised: | 7 September 2020 | Proposer: | Scottish Power | |
| Target Implementation Date: | 5 Working Days following Ofgem approval | Current Status: | Assessment Procedure | |
| Latest Update: | Proposed Modification a Alternative Modification | A fourth Workgroup meeting was held 25 Jan 21 where the focus was to finalise the Proposed Modification and determine whether the Workgroup agree that any Alternative Modification should be progressed. The Workgroup recommends that the Alternative Solution is approved. | | |
| Next Event: | The Assessment Repor 2021. | t will be presented to | the Panel at its meeting on 11 February | |
| Issue: | Programme Manager fur is a risk that this results | Inction for Market-wide in longer implementa eriod to see the benefi | o perform the implementation e Half Hourly Settlement (MHHS), there tion timescales, higher costs for the its outlined in Ofgem's Draft Impact | |
| Current Solution: | | • • • | o), to provide the Programme ation of MHHS. | |
| History: | Management (PM) function for the implementation of MHHS. For full details visit the P413 webpage. P413 was raised by Scottish Power on 7 September 2020 Presented to Panel on 10 September 2020 and progressed to the Assessment Phase. Workgroup 1 - Held on 22 September 2020 which focused primarily on the context and background for the change as well as gathering initial views on the Workgroup Terms of Reference. Workgroup 2 - Members agreed the initial business requirements and decided that the modification should be enable Elexon to be the programme manager rather than require Elexon to be the programme manager. Ad-hoc Workgroup - Held on 3 November to discuss alternative possible funding mechanisms. The Workgroup approved two alternative sets of funding mechanism Business Requirements to be impact assessed. Workgroup 3 - Held on 20 November where the focus was to review key documentation prior to issuing the Assessment Consultation. Assessment Phase Consultation – Issued on 14 Dec 2020 and closed on 15 Jan | | | |
| | | e received with all but | 1 expressing the view that P413 better | |

| | rty to Withdraw from g liabilities to another | | No Update |
|-----------------------------------|---|--------------------|---|
| Date Raised: | 29 September 2020 | Proposer: | RWE Supply & Trading GmbH |
| Target Implementation Date: | February 2021 | Current Status: | With Authority |
| Latest Update: | December 2020. The P | • | e Panel at its meeting on 10 Authority that P414 be approved. 2020. |
| Next Event: | P414 is with the Authori | ty for a decision. | |
| Issue: | The requirement for a Party to wait at least 14 months between its last day of trading and being able to withdraw from the Code is inefficient as it can prevent the withdrawing party undertaking administrative tasks, such as dissolving the associated legal entity. | | |
| Current Solution: | This Modification seeks to improve the BSC exit arrangements. It will allow a BSC Party to withdraw from the Code as soon as practicable after serving a notice of withdrawal provided that all liabilities under the Code are satisfied or transferred to another BSC Party through a transfer of its BSC party ID to that legal entity. | | |
| History: | For full details visit P414 webpage. RWE Supply & Trading GmbH raised P414 on 29 September 2020. The Panel considered the Initial Written Assessment at its meeting on 8 October 2020 and agreed to progress P414 to the Report Phase. One month Report Phase Consultation from 15 October to 16 November 2020. Three responses were received representing suppliers and generators. The respondents agreed with the solution and implementation proposal. | | |

| P415: Facilitating ac dispatched by Virtua | cess to wholesale mail Lead Parties | arkets for flexibility | Update | |
|--|--|--|------------------|--|
| Date Raised: | 30 September 2020 | Proposer: | Enel X UK Ltd | |
| Target Implementation Date: | ТВС | Current Status: | Assessment Phase | |
| Latest Update: | considered the backgro | The first P415 Workgroup was held on 11 December 2020 where the Workgroup considered the background and a simple worked example for P415, identifying areas to revisit in future meetings. | | |
| Next Event: | The next P415 Workgroup has been scheduled for 9 February 2020. | | | |
| Issue: | Consumers of electricity who are able to be flexible about their consumption cannot currently obtain any value from that flexibility from the Wholesale Energy Market, except if they work with their Supplier to do so. This contrasts with Balancing Services, the Balancing Mechanism, and the Capacity Market, all of which allow a customer's flexibility to be offered by an aggregator without the involvement of the Supplier. | | | |
| Current Solution: | This Modification seeks to allow Virtual Lead Parties to obtain value from flexibility within the Wholesale Energy Market. | | | |
| History: | For full details visit <u>P41</u> Raised by Enel X UK Lt | <u>5 webpage</u> . d on 30 September 2020 | | |

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Presented on 8 October 2020, where the Panel agreed to progress P415 to the Assessment Phase.

Workgroup 1 – held on 11 December and discussed the principles behind the Modification.

| | route of appeal for th | | No Update |
|-----------------------------------|--|----------------------------|--|
| Date Raised: | als for the Retail Ene | rgy Code Proposer: | British Gas Ltd |
| Target Implementation Date: | 5WD after Ofgem Approval | Current Status: | Assessment Phase |
| Latest Update: | u , | - | 2 December 2020 where the focus was to further develop the Modification. |
| Next Event: | The next Workgroup me | eeting date is to be agree | ed with the Workgroup. |
| Issue: | any items in the Annual challenge the BSC Ann | Budget. The Proposer of | ny BSC Parties not in agreement with contends that the current options to t and in the case of a binding e. |
| Current Solution: | Allow an appeal to the Authority in the case that a BSC Party reasonably believes that an item in the Annual Budget: was not consulted upon as part of the draft Annual Budget process, or the Board failed to have reasonable regard to the comments submitted; is not a legitimate item of expenditure for the Board; is a manifestly inappropriate provision for the activity in question, and there are insufficient safeguards in place to ensure that the actual costs incurred will be efficient; or will, or is likely to, prejudice the interests of one or more Parties, or cause them to be in breach of this Code, the Energy Licences and/or Law. | | |
| History: | For full details visit the P416 webpage. P416 was raised by British Gas Ltd on 5 November 2020 IWA - The BSC Panel considered the Proposed Modification at its meeting on 12 November 2020 and agreed to Progress the Modification to the Assessment Procedure Phase. Workgroup 1 - Held on 14 December 2020 where the Terms of Reference and background to the Modification were considered. | | |

| P417: Move the Letter of Credit templates and Approved Insurance Product requirements to the BSC Website for simplification' | | Update | |
|--|--|-----------------|--------------|
| Date Raised: | 5 November 2020 | Proposer: | BSC Panel |
| Target Implementation Date: | April 2021 | Current Status: | Report Phase |
| Latest Update: | The Report Phase Consultation opened on 22 December 2020 and closed on 22 January 2021, no responses to this consultation were received. | | |
| Next Event: | Panel to consider Draft Modification Report at February 2021 Panel meeting. | | |

| | This Modification seeks to address two issues: |
|-------------------|---|
| | Section M 'Credit Cover and Credit Default' of the BSC contains valid forms that can |
| | be used to provide Credit Cover with a Letter of Credit as well as general |
| | requirements of an Approved Insurance Product. If changes to the Section M |
| | provisions are required a BSC Modification Proposal must be raised to update the text |
| Issue: | which will take at least three months to implement and more industry and Elexon effort |
| | to progress than need be the case. |
| | There are currently two valid sets of Letter of Credit templates under the BSC. The |
| | proposer contends that having two valid sets of Letter of Credit templates could |
| | increase the risk of Imbalance Parties using Letter of Credit templates that are not in |
| | line with current banking practices. |
| | The Modification Proposal will: |
| | |
| | Remove the Letter of Credit templates and Approved Insurance Product requirements from annexes M1 - M4. |
| | |
| | Update of Section M to introduce a requirement for the Letter of Credit templates and |
| | the Approved Insurance Product requirements to be published on the BSC Website; |
| | Alter the definitions of Letter of Credit and Approved Insurance Product so that there is |
| Current Solution: | a requirement for Elexon to publish these templates and requirements on the BSC |
| ourrent oolution. | Website; and |
| | Introduce: |
| | |
| | A mandatory 20 Business Day consultation period for any changes to the Letter of |
| | Credit templates or Approved Insurance Product requirements; and |
| | At least a 60 Business Day period from Panel approval till the specified updates |
| | become live. |
| | For full details visit P417 webage. |
| | |
| | This Modification Proposal was presented to the Panel on 10 December 2020 and the Panel agreed to raise the Modification. |
| History: | |
| | Panel members requested the inclusion of a 3 month lead time before changes were |
| | made to either the Letter of Credit and Approved Insurance Products templates and |
| | also requested an extended Report Phase Consultation window due to the Christmas |
| | period. |

| P418: - Amendmen Units | ts to the P383 legal te | xt for Additional BM | No Update |
|-----------------------------------|---|--|--|
| Date Raised: | 10 December 2020 | Proposer: | BSC Panel |
| Target Implementation Date: | 1 April 2021 | Current Status: | Awaiting Decision |
| Latest Update: | | he Draft Modification Rep a Self-Governance Modif | port at its meeting on 14 January 2021 fication. |
| Next Event: | The Self-Governance V close on 2 February 20 | | nels decision to approve P418 will |
| Issue: | The approved legal text for P383 did not include details on how Metering Systems in Additional BM Units should be treated. This omission should be corrected. Additionally the BSC Baseline has been updated by other Modifications since the P383 legal text was drafted and sent for approval. As such, the P383 legal text should be aligned with the updated BSC Baseline to make best use of the new provisions. | | |
| Current Solution: | P418 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. | | |
| History: | submitted P418 to the F | BSC Panel at its meetin | g on 10 December 2020 where it o 7 January. |

III. Change Proposal Updates – up until Decision

| CP1538: Correct Sp | ecification of TERRE | Tibco Messages | Update |
|-----------------------------------|---|--------------------------|--|
| Date Raised: | 19 November 2020 | Proposer: | Elexon |
| Target Implementation Date: | 1 April 2021 | Current Status: | Consultation |
| Latest Update: | | o responses were receive | 7 December 2020, with responses ed, as expected as CP1538 has |
| Next Event: | The CP1538 Assessme February 2021 for decis | | ed to the ISG at its meeting on 2 |
| Issue: | Industry testing of the full TERRE solution has identified that there are several TERRE Tibco data items that have not been defined in the NETA Interface Definition and Design (IDD) Part 1 word document, or included in the "RR Activation Data" message, so Participants will not be able to configure their Tibco readers to receive this message. | | |
| Current Solution: | Amend the IDD Part 1 document to ensure that TERRE Tibco messages are specified correctly. | | |
| History: | For full details visit the <u>CP1538 webpage</u> . CP1538 was raised on 19 November 2020. The CP1538 Progression Paper was presented to the ISG on 1 December 2020. CP1538 was issued for industry consultation on 7 December 2020, with responses due 6 January 2021 | | |

| CP1539: Inclusion Dispensations | of LCCC as an Affecte | ed party for Metering | Update | |
|------------------------------------|---|---|--------------|--|
| Date Raised: | 16 November 2020 | Proposer: | Elexon | |
| Target Implementation Date: | 1 April 2021 | Current Status: | Consultation | |
| Latest Update: | due 6 January 2021. W | CP1539 was issued for industry consultation on 7 December 2020, with responses due 6 January 2021. We received one response to the consultation. The respondents objections were discussed and considered in the Assessment Report. | | |
| Next Event: | The CP1539 Assessment Report will be presented to the ISG and SVG at their meetings on 3 March 2021 for decision. | | | |
| Issue: | Currently, there is no mechanism to ensure that the Low Carbon Contracts Company (LCCC) is informed of Metering Dispensations applications related to generation sites where there may also be Contracts for Difference (CfD) arrangements in place at site. As such the LCCC may be missing critical opportunities to have clarity in the Metering Dispensations granted by the BSC Panel Committees (Imbalance Settlement Group (ISG) and/or Supplier Volume Allocation Group (SVG) on behalf of the BSC Panel so that they do not conflict with the requirements and ethos of the CfD. | | | |
| Current Solution: | Include the LCCC as an Affected party for future Metering Dispensations by including them in the List of Definitions in BSCP32 paragraph 2.2. The BSCP32 section 4.1 application form should be modified to include confirmation that the applicant has | | | |

| | engaged with the LCCC (where applicable), and other Affected parties, rather than simply stating who the Affected parties are. This will allow LCCC to discuss with a CfD Generator and request relevant information relating to associated 'aggregation rules' for each Metering Dispensation in situations likely to affect the LCCC as CfD Counterparty, essentially be sent any relevant information on any CfD whose Metering Equipment is the subject of a Metering Dispensation application. |
|----------|--|
| History: | For full details visit the <u>CP1539 webpage</u>. CP1539 was raised on 16 November 2020. The CP1539 Progression Paper was presented to the ISG and SVG at their meetings on 1 December 2020. |

IV. Progression of Modifications – up until implementation

| Key | Initial Written | Assessment | Report Phase: | WA: With | <u>AI:</u> | <u>1:</u> | <u>D:</u> Delayed | <u>CBA:</u> |
|-----|-----------------|--|---|-----------------------------------|--------------------------------|--------------------|---------------------|--------------------------|
| | Assessment: | Procedure: AR: Assessment Report | RC: Report Phase Consultation DMR: Draft Modification | Authority Awaiting Decision | Awaiting Implemen tation | Implementati on | due to COVID- 19 | Cost/Benefit Analysis |
| | | APC: Assessment Procedure Consultation | Report FMR: Final Modification Report | | | | | |

| Mod | Title | Proposer | Date Raised | Urgent | Nov | Dec | Jan | Feb | Mar | Apr | Мау |
|------|--|-------------------------|----------------|--------|-----|------------|-----|-----|-----|--------|-----|
| P332 | Revisions to the Supplier Hub Principle | Smartest Energy | 28 Jan 2016 | No | | | | APC | | AR | |
| P375 | Settlement of Secondary BM Units using metering behind the site Boundary Point | Flexitricity | 10 Dec 2018 | No | RPC | DMR FMR | WA | | | | |
| P376 | Utilising a Baselining Methodology to set Physical Notifications for Settlement of Applicable Balancing Services | Enel Trade S.P.A. | 11 Dec 2018 | No | | | APC | | AR | RPC | DMR |
| P379 | Multiple Suppliers through Meter Splitting | New Anglia Energy | 3 Jan 2019 | No | | | | | | APC/AR | |

| Mod | Title | Proposer | Date | Urgent | Nov | Dec | Jan | Feb | Mar | Apr | Мау |
|------|--|--------------------------------------|----------------|--------|-----|-----------|------------|-----|-----|-----|-----|
| P390 | Allowing extensions to Elexon's business and activities, subject to additional conditions | E.ON | 12 Aug 2019 | No | WA | | | | | | |
| P395 | Excluding generators from calculation of EMR Supplier Charges | Centrica | 7 Nov 2019 | No | | | | | | | |
| P398 | Improving access to Open Data | BSC Panel | 12 Dec 2019 | No | RPC | WA | | AI | | | |
| P399 | Making the identity of Balancing Service providers visible in the Balancing Services Adjustment Data | Sutton Bridge Power Station | 24 Dec 2019 | No | RPC | WA RPC | DMR FMR | WA | | | |
| P402 | Enabling reform of residual network charging as directed by the Targeted Charging Review | National Grid ESO | 5 Mar 2020. | No | | | | AR | RPC | WA | |

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| Mod | Title | Proposer | Date | Urgent | Nov | Dec | Jan | Feb | Mar | Apr | Мау |
|------|--|----------------------|-----------------------------|--------|-----|------------|-----|-----|-----|-----|-------|
| P407 | Project MARI | National Grid ESO | 4 May 2020 | No | | | | | | AR | |
| P408 | Simplifying the Output Usable Data Process | National Grid ESO | 5 May 2020 | No | | | | | I. | | |
| P410 | Changing imbalance price calculations to comply with the Imbalance Settlement | National Grid ESO | 3 July 2020 | No | | | | | | | AR |
| P412 | Ensuring non-BM Balancing Services providers pay for non- delivery imbalances at a | National Grid ESO | 3 Septe mber 2020 | No | | | | APC | APC | | AR/RC |
| P413 | Enable Elexon to be the Programme Manager for the implementation of Market-wide Half Hourly | Scottish Power | 7 Septe mber 2020 | No | | APC | APC | RPC | DMR | WA | |
| P414 | Allowing a Party to Withdraw from the BSC and transfer outstanding liabilities to another | RWE | 29 Septe mber 2020 | No | RPC | DMR FMR | AI | I | | | |
| P415 | Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties | Enel X | 30 Septe mber 2020 | No | | | | | | | |
| P416 | Introducing a route of appeal for the Annual Budget in line with the proposals for the Retail | British Gas | 5 Novem ber 2020 | No | IWA | | | | APC | AR | RC |



| Mod | Title | Proposer | Date | Urgent | Nov | Dec | Jan | Feb | Mar | Apr | Мау |
|------|---|--------------|----------------------------|--------|-----|-----|-----|------------|-----|-----|-----|
| P417 | Move the Letter of Credit templates and Approved Insurance Product requirements to | BSC Panel | 10 Decem ber 2020 | No | | IWA | RPC | DMR FMR | AI | I | |
| P418 | Amendments to the P383 legal text for Additional BM Units | BSC Panel | 10 Decem ber 2020 | No | | IWA | DMR | AI | | I | |

V. Progression of Change Proposals – up until implementation

| Key | Assessment | CPC: Change | <u>Committee</u> | Al: Awaiting | I: Implementation |
|-----|---------------------------------|-------------------|--|----------------|-------------------|
| | Procedure: | Proposal Circular | Decision: | Implementation | |
| | PP: Progression Paper | Consultation | AR: Assessment Report FR: Final CP Report | | |

| СР | Title | Proposer | Date | Nov | Dec | Jan | Feb | Mar | Apr | May |
|--------|--|----------------------|-----------------|-----|-----|-----|-----|-----|-----|-----|
| | | | | | | | | | | |
| CP1531 | Additionally provide the TUoS Report to National Grid ESO at the II Settlement Run | National Grid ESO | 30 June 2020 | AI | | | | | ı | |
| CP1532 | Reduce Half Hourly Change of Supplier timelines to meet the Initial Settlement Run | Elexon | 8 July 2020 | AI | | | | | | |
| CP1533 | Mandatory Sending of D0052 for DCC serviced SVA NHH Metering Systems | Elexon | 8 July 2020. | AI | | | I | | | |
| CP1534 | Introduce Change of Supplier (CoS) – No Meter Process | Elexon | 8 July 2020. | AI | | | I | | | |
| CP1536 | Use of DTC data flow D0379 for submission of unmetered Half Hourly data | National Grid ESO | 27 July 2020 | AI | | | I | | | |

| CP1537 | Extending the Timescales for agreeing Technical Assurance of Performance Assurance Parties | Elexon | 21 August 2020 | AR | | I | | | |
|--------|--|--------|-------------------------|----|-----|----|----|----|---|
| CP1538 | Correct Specification of Tibc Messages | Elexon | 19 Novemb er 2020 | | СРС | AR | AI | I | |
| CP1539 | Inclusion of LCCC as an Affected party for Metering Dispensations | LCCC | 16 Novemb er 2020 | | СРС | | AR | AI | I |

VI. BSC Releases Road Map

The tables below summarise the scope of each BSC Release. Further information can be found on the <u>Releases</u> page of our website.

| | February 2021 Re | lease | |
|------------------|--|---|---|
| Change Number | Title of Change | BSC Central Systems/Document only impacts | Current Status of Change |
| P414 | Allowing a Party to Withdraw from the BSC and transfer outstanding liabilities to another Party | Doc Only | 6. Authority Decision / SG Appeal Window |
| CP1533 | Update Non Half Hourly Data Collector (NHHDC) Change of Supplier Process | Doc Only | 7. Implementation Phase |
| CP1534 | Review Change of Supplier (CoS) - No Meter Process | Doc Only | 7. Implementation Phase |
| CP1536 | Use of DTC data flow D0379 for submission of unmetered Half Hourly data | Doc Only | 7. Implementation Phase |
| CP1537 | PAF Review: Amend BSCP535-Technical Assurance timescales and process for agreeing Technical Assurance of Performance Assurance Parties (TAPAP) Findings Reports | Doc Only | 7. Implementation Phase |

| | April 202 | 21 Release | |
|------------------|--|---|---|
| Change Number | Title of Change | BSC Central Systems/Document only impacts | Current Status of Change |
| P383 | Enhanced reporting of demand data to the NETSO to facilitate CUSC Modifications CMP280 and CMP281 | System | 7. Implementation Phase |
| P417 | Move the Letter of Credit templates and Approved Insurance Product requirements to the BSC Website for more efficient maintenance and simplification | Doc Only | 5. Report / Panel Decision Phase |
| P418 | Amendments to the P383 legal text for Additional BM Units | Doc Only | 6. Authority Decision / SG Appeal Window |
| CP1531 | Additionally provide the TUoS Report to National Grid ESO at the II Settlement Run | System | 7. Implementation Phase |

| | June 2021 Release | | | | | | | | |
|------------------|--|---|--|--|--|--|--|--|--|
| Change Number | Title of Change | BSC Central Systems/Document only impacts | Current Status of Change | | | | | | |
| P398 | Increasing Access to BSC data | Doc Only | 6. Authority Decision / SG Appeal Window | | | | | | |
| CP1530 | Introduction of a formalised process for the validation of measurement transformer ratios by ELEXON | System | 7. Implementation Phase | | | | | | |



| | November 2021 Release | | | | | | | | | |
|------------------|--|---|--|--|--|--|--|--|--|--|
| Change Number | Title of Change | BSC Central Systems/Document only impacts | Current Status of Change | | | | | | | |
| P399 | Making the identity of Balancing Service providers visible in the Balancing Services Adjustment Data | System | 6. Authority Decision / SG Appeal Window | | | | | | | |

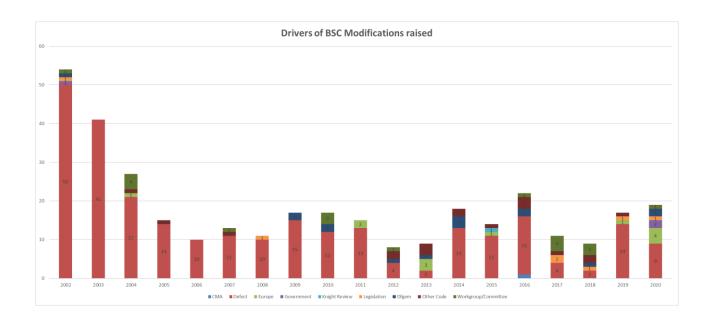
| Change Number | Februar Title of Change | y 2022 Release BSC Central Systems/Document only impacts | Current Status of Change |
|------------------|---------------------------------------|---|--------------------------|
| CP1532 | Review Appointment of Agent Timelines | Doc Only | 7. Implementation Phase |

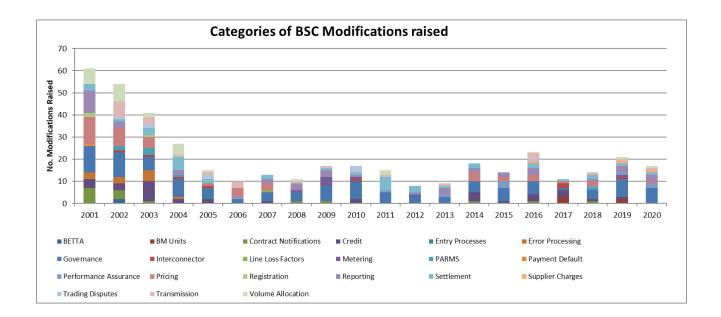
| June 2022 Release | | | |
|-------------------|---|---|--|
| Change Number | Title of Change | BSC Central Systems/Document only impacts | Current Status of Change |
| P375 | Settlement of Secondary BM Units using metering at the asset | System | 6. Authority Decision / SG Appeal Window |
| CP1527 | Increase the minimum data storage capacity for Settlement Outstations and Mandate specific selectable DPs for CoPs 3, 5, and 10 | Doc Only | 7. Implementation Phase |

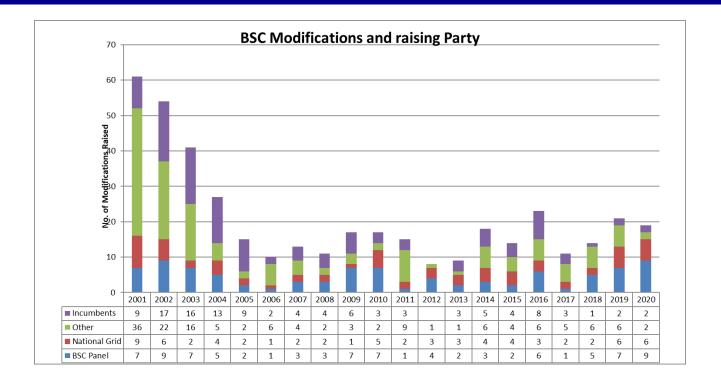
| Ad Hoc Releases | | | | |
|------------------|--|---|---|--------------------------------|
| Change Number | Title of Change | BSC Central Systems/Document only impacts | Current Status of Change | Implementation Date |
| P390 | Allowing extensions to ELEXON's business and activities, subject to additional conditions | Doc Only | 6. Authority Decision / SG Appeal Window | 5 WDs after Authority decision |
| P408 | Simplifying the Output Usable Data Process as a consequence of GC0130 | System | 7. Implementation Phase | 18 Mar 21 |

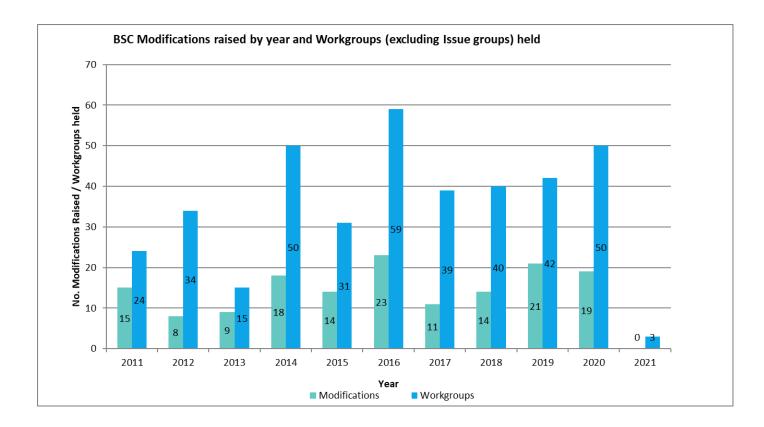
| | TBC Release Date | | | |
|------------------|--|---|------------------------------------|-------------------------------|
| Change Number | Title of Change | BSC Central Systems/Document only impacts | Current Status of Change | Target Implementation Date |
| P332 | Revisions to the Supplier Hub Principle | Doc Only | 4. Assessment / Consultation Phase | Jun 21 |
| P376 | Utilising a baselining methodology as an alternative to Physical Notifications | System | 4. Assessment / Consultation Phase | Nov 22 |
| P379 | Enabling consumers to buy and sell electricity from/to multiple providers through Meter Splitting | System | 4. Assessment / Consultation Phase | Jun 23 |
| P402 | TCR SCR - implementing Ofgem's policy decision | System | 4. Assessment / Consultation Phase | Feb 22 |
| P407 | Project MARI | System | 4. Assessment / Consultation Phase | Jun 22 |
| P410 | Changing imbalance price calculations to comply with the Imbalance Settlement Harmonisation regulations | System | 4. Assessment / Consultation Phase | Nov 21 |
| P412 | Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a price that reflects the real- time value of energy | System | 4. Assessment / Consultation Phase | Jun 22 |
| P413 | Enable Elexon to be the Programme Manager for the implementation of Market-wide Half Hourly Settlement (MHHS) | Doc Only | 4. Assessment / Consultation Phase | Jun 21 |
| P415 | Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties | System | 4. Assessment / Consultation Phase | Nov 22 |
| P416 | To introduce a route of appeal for the BSC Annual Budget | Doc Only | 4. Assessment / Consultation Phase | Jun 21 |
| CP1538 | Amend the Interface Definition and Design (IDD) Part 1 document to ensure that TERRE Tibco messages are specified correctly. | Doc Only | 4. Assessment / Consultation Phase | Apr 21 |
| CP1539 | Inclusion of LCCC as an Affected party for Metering Dispensations | System | 4. Assessment / Consultation Phase | Apr 21 |

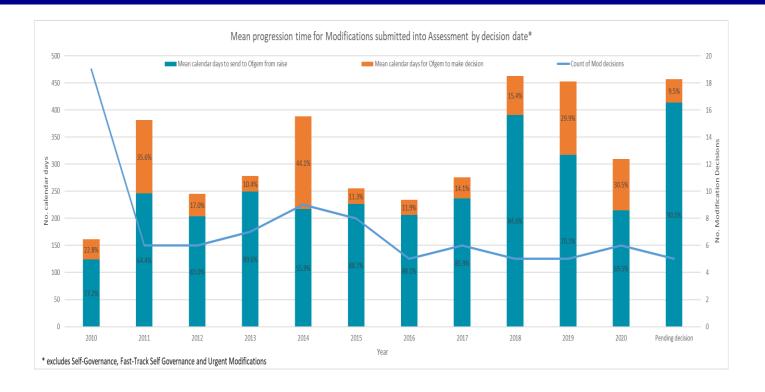
VII. Modification Trend Chart











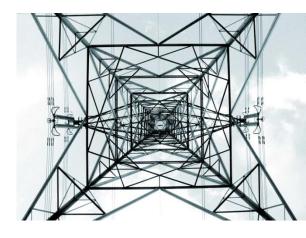
VIII: Recommendations

We invite the Panel to:

• **NOTE** the contents of the February 2021 Change Report.

For more information, please contact:

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Appendix A

Key

| Stage | Modifications | Change Proposals |
|----------------------------|---|---|
| Initial Written | Includes Elexon's Initial Written Assessment of the | Includes Elexon's Initial Written |
| Assessment | implications of each Modification Proposal and a recommendation of how the Modification should proceed. | Assessment of the implications of each Change Proposal to seek Committee(s) initial views and agree the consultation questions. |
| Assessment Procedure | Workgroups are held to develop and assess the proposal. The Workgroup recommendations are consulted on (Assessment Procedure Consultation), before being submitted to Panel with the Workgroup's recommendations on how to proceed (Assessment Report). The Panel initial views are gathered. | The proposal is consulted on in a Change Proposal Consultation Batch. The relevant Committee(s) then decide(s) whether to approve or reject the Change Proposal. |
| Report Phase | The Panel's initial views on whether to approve and timescales for implementation are consulted on (Report phase Consultation). The responses to the consultation are then presented to the Panel for their final views (Draft Modification Report). The Panel decide whether to approve or reject the Modification and publish the Final Modification Report. If the Modification cannot be approved under Self-governance, the Final Modification Report is sent to Ofgem for decision. | Not applicable. |
| Awaiting Decision | Modifications that have been submitted to Ofgem for decision or Modifications that have been decided on by the Panel under Self-Governance arrangements and are still subject to objection by BSC Parties (15 Working days after the Panel's decision). | Not applicable. |
| Awaiting Implementation | Modifications that have been approved but not yet implemented and details of Modifications that have been rejected or withdrawn. | Change Proposals that have been approved but not yet implemented and Change Proposals that have been rejected. |
| Rejected / Withdrawn | Modifications that have been rejected by the BSC Panel/ the Authority or withdrawn by the Proposer or | Change Proposals that have been rejected by the Panel or the relevant Panel sub- |