

Designation Request Form - BSCP40/07	Request Number <i>(mandatory by BSCCo)</i>
Title of proposed Modification	
Enabling EMRS to undertake preparatory work for potential future settlement services for LCCC.	
Rationale for Requesting Designation	
<p>Our proposed modification to the BSC has no direct relevance or impact to the core BSC activities and as such, interest from BSC Parties may be limited.</p> <p>Therefore, Low Carbon Contracts Company Ltd (LCCC) is requesting to be designated a Third Party Proposer to raise the attached Modification Proposal. We believe this is the most efficient route to progress this change and avoids the need to burden a BSC Party with the responsibility of being a proposer of a Modification Proposal. Further, given the proposed change will enable us to award potential future work to EMRS, with no impact on the BSC activities, we believe we are best placed and that it is appropriate for us to raise and progress this change.</p>	
Reasons why Applicant has an interest in the Code/issue	
<p>Elxon can only do what the Balancing and Settlement Code (BSC) allows it to do – it's vires are constrained. These vires were enabled to allow Elxon to provide Electricity Market Reform (EMR) settlement services via a new, separate limited liability company called Electricity Market Reform Settlement (EMRS). These arrangements were put in place via a direction from the Secretary of State for the former Department of Energy and Climate Change, now the Department for Business, Energy & Industrial Strategy (BEIS).</p> <p>EMRS provides these settlement services on behalf of LCCC and Electricity Settlements Company (ESC) and we have identified that there may be future opportunities for EMRS to conduct additional settlement services for newly introduced schemes.</p> <p>We would like to progress a Modification Proposal to update BSC Section C 'BSCCo and its Subsidiaries' Annex C-1 to enable EMRS to complete the necessary preparatory work in relation to schemes established by the Secretary of State (SoS) outside of the Capacity Market (CM) and Contracts for Difference schemes.</p> <p>Currently, EMRS is not permitted to take on any work that is not related to EMR settlement services. The only way to enable EMRS to take on non-EMR settlement services (from LCCC/ESC) is by allowing this in the BSC. Therefore, we request to be designated a Third Party Proposer to enable us to suggest this change via the BSC Modification procedure.</p> <p>Enabling EMRS to be involved in the development of the necessary systems and processes required for schemes established by or proposed to be established by the SoS will contribute to the efficient development and operation of those schemes. The expertise and knowledge possessed by EMRS, its status as a trusted central service provider that already operates reliable settlement services for similar schemes, and its established close working relationship with LCCC, makes it best placed to support LCCC in implementing these schemes. As an existing market expert that regularly engages with industry stakeholders, EMRS will be able to mitigate challenges associated with developing new schemes.</p>	
Additional Details which may support the application	
Proposer Name	
Alec Thompson	

Organisation

Low Carbon Contracts Company (LCCC)

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