

ELEXION

BSC Panel 326

Public Slides

12 May 2022



PART I: NON-MODIFICATION BUSINESS (OPEN SESSION)

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**GSP Metering Issues in GSP Groups _C
and _J**

326/07

Oli Meggitt

12 May 2022

Background

- Monitoring of Settlement accuracy via ADR identified potential issues in GSP Groups _C and _J
- Internal analysis led to site visits which confirmed incorrect polarity of CTs at NGET substations in each GSP Group
- Remedial work took place and corrected data calculated – demand volumes had been recorded as generation and vice versa
- Provided the PAB with an update at the April meeting

Affected Settlement Periods

	GSP Group _C	GSP Group _J
Affected Settlement Dates	22 Jun 2021 to 23 Feb 2022	4 Dec 2019 to 3 Dec 2021
Estimated total volume of Settlement Error	798GWh	122GWh
Estimated total materiality	£100m	£17.5m

- _C rectified entirely through normal Settlement Runs
- _J also required Trading Dispute and Post-Final Settlement (DF) Run

Party Engagement & PAB Discussions

- Elexon CEO, Director of Customer Operations, and Customer Operations Managers contacted largest affected Parties directly
- Elexon OSMs contacted all other Parties over £3,000 (Trading Disputes Threshold)
- The PAB emphasised Elexon should look to detect and resolve issues as quickly as possible
- The PAB noted obligations on the Registrant to install and operate the Metering System correctly
- The PAB will ask the Registrants of the sites to attend a future PAB meeting to discuss
- Investigating options to increase Technical Assurance Agent visits – but there are limitations

Next Steps

- Recognise significant impact on multiple Parties
- Elexon working to detect issues faster and resolve sooner – developing some further tools to automatically detect potential issues
- Aligning obligations with timeline of events to pinpoint weaknesses in processes or where controls/responsibilities may need to change
- Continue to keep Industry informed of progress

Recommendations

We invite the Panel to:

a) NOTE the update.

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**Ending the 'Coronavirus Disapplication
Period' for Supplier Charges**

326/08

Oli Meggitt

12 May 2022

Ending the 'Coronavirus Disapplication Period' for Supplier Charges

- Modification P406 raised in April 2020 – suspended Supplier Charges due to COVID-19 restrictions
- 'Coronavirus Disapplication Period' created – should be ended when normal operations could resume
- Modification P429 implemented in February 2022 – removed some of the PARMS Serials (SP04 had Supplier Charge attached)
- Therefore, ending the Period will just reinstate SP08 charges – Supplier Settlement Performance
- Three-month notice period - charges should be re-applied from the September 2022 Reporting Period (calculated and billed in December 2022)

Recommendations

We invite the Panel to:

- a) **NOTE** the contents of this paper;
- b) **DETERMINE** that the Coronavirus Disapplication Period should be ended, and Supplier Charges for SP08 are reapplied from the September 2022 PARMS Reporting Period; and
- c) **NOTE** that Elexon will issue communication to the Industry to confirm this decision.

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Post Implementation Review Of The BCB

326/11

Reza Nia

12 May 2022

Post Implementation Review Of The BCB

- While the original scope of the BCB was to manage and govern data and reporting changes relating to the BMRS, Elexon has sought BCB guidance on the development of the Insights Solution which will become the replacement application for BMRS and will eventually be fulfilling the BMRA obligations under the BSC. As such, the overall strategy for the BCB has now been superseded by the Kinnect Programme.
- Besides the BSC changes that were in-flight when BCB was created, in the last year there have been no additional BSC changes impacting BMRS directly and an assessment of the benefit of BCB against the original objective could not be fully tested.
- Elexon has used the opportunity to consult the BCB for its expertise and guidance to drive forward data initiatives. The BCB meetings are run flexibly and efficiently without the overheads and administrative burden associated with running traditional committee meetings.
- The unprecedented take-up and engagement with DRG and their feedback demonstrate the value of BMRS and Elexon data to our customers. Elexon has continued to include these as part of the iterative development. Elexon believes it is important that the BCB helps shape and govern the evolution of data initiatives on behalf of the BSC Panel.

Recommendations

We invite the Panel to:

- a) **AGREE** that the BCB continues to meet the objectives as set out in P372 and Panel paper 293/12 dated 8 Aug 2019;
- b) **NOTE** our intention to continue to work with the BCB as outlined in section 3 of the paper; and
- c) **NOTE** the relationship between the Data Reporting Group and the BMRS Change Board.

An aerial photograph of a rural landscape. In the center, a white wind turbine stands in a green field. To the bottom left, there is a small, light-colored farm building with a grey roof. The landscape is divided into several green fields by dark, hedged boundaries. A dirt road or path leads towards the farm building. The overall scene is bright and sunny, with clear shadows.

PART II: MODIFICATION AND CHANGE BUSINESS (OPEN SESSION)

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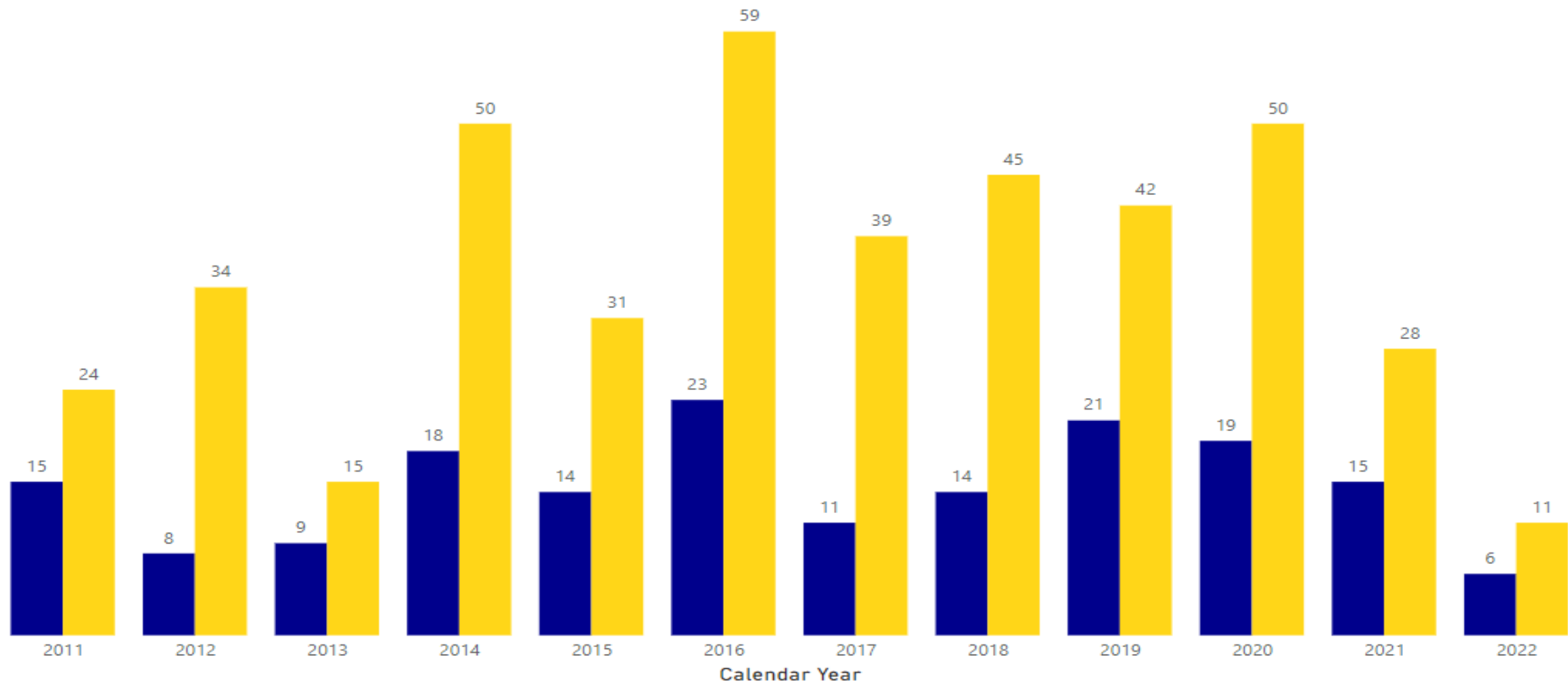
**Change Report and Progress of
Modification Proposals**

326/02 – Lawrence Jones

BSC Modifications raised by year and Workgroups held

How many Modifications raised and Workgroups held?

● Mods raised ● Workgroups (excl. Issues)



BSC Modifications overview

Initial Written Assessment	<i>P440</i>
Assessment Procedure	P395, P412, P415, P425, P426, P427, P430, P432, P434
Report Phase	<i>P439</i>
Urgent	P438
With Authority (decision cut-off)	<i>P436</i>

Authority Determined (implementation date)	P419 (approved)
Self-Gov. Determined	-
Fast Track Determined	-
Withdrawn	-

Open Issues	Issue 91, Issue 93, Issue 95, Issue 96, Issue 98, Issue 99, Issue 100
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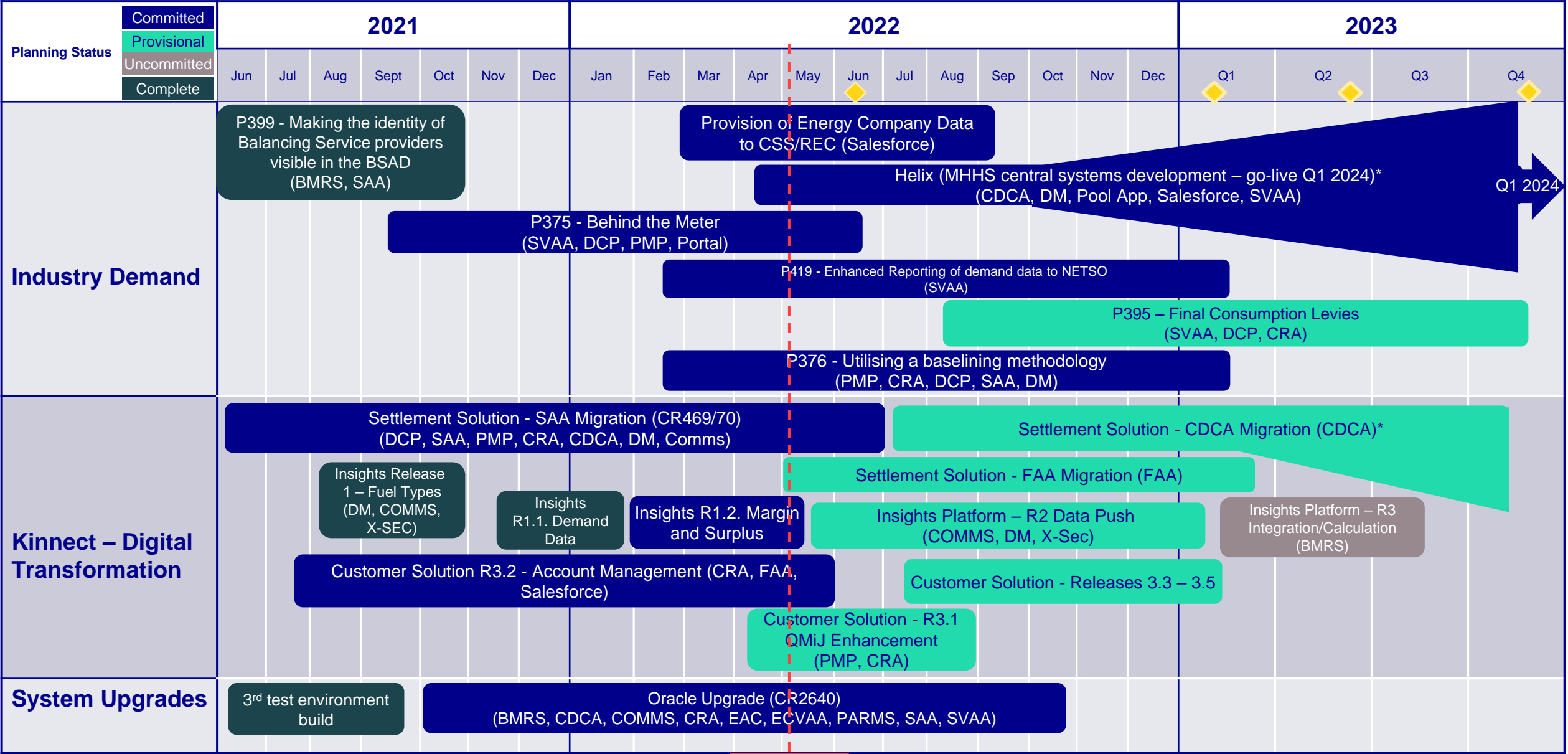
BSC Modifications approved timelines

	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22
P395 'Final Consumption Levies'			AR		DMR						
P412 'Non-BM Balancing Providers pay for non-delivery imbalance'							AR		DMR		
P415 'VLP access to wholesale market'											AR
P425 'Amend Shared SVA Metering Arrangement definition'					AR	DMR					
P426 'Combining Credit Cover for groups of related Parties'							AR	DMR			
P427 'Publish Parties impacts on Settlement Risks'						AR	DMR				
P430 'Extend P375 solution to Suppliers'							AR	DMR			
P432 'HH Settlement for CT Advanced Meters'						AR	DMR				
P434 'Mandate Half Hourly Settlement for NHH UMS'	IWA				AR	DMR					
P436 'REC V3.0'	IWA		DMR								
P437 'Allowing non-Parties to request Metering Dispensations'		IWA					AR	DMR			
P438 'Sanctions Mod'		IWA		DMR							
P439 'Enabling EDA for MHHSP'			IWA	DMR							

Portfolio Pipeline and Plan

Denotes Industry release

*Helix & Kinnect increase in Resource and systems demand heading into 2023 reflected in the activity bars below



Current Position

BSC Change Release Roadmap

2022	2022		2023		Un-allocated
Ad-hoc	Jun	Nov	Feb	Nov	
P425 'Shared SVA Metering Arrangements'	P375 'Asset Meters'	P427 'Publish Parties impact on Settlement Risks'	P376 'Baselining Methodology'	P395 'Final consumption levies'	P412 'Non-BM BS providers pay non-delivery'
P432 'HH Settlement for CT Adv. Meters'	P431 'Brexit Mod'		P419 'BSUoS data'		P415 'VLP access to wholesale market'
P434 'HH Settlement for NHH UMS'	P433 'Fix P375 legal text issues caused by P420'		P428 'Correct P376 drafting error'		P426 'Combining Credit Cover for groups of related Parties'
P436 'REC V3.0'	CP1527 'Increase meter storage capacity'				P430 'P375 extension to Suppliers'
P437 'Non-Parties to request Metering Dispensations'	CP1532 'Reduce HH CoS to meet SF' & CP1557 'CP1532 HK CP'				MHHS
P438 'Sanctions Mod'	CP1546 'Use DTS for UMS summary inventories'				
P439 'Enabling EDA for MHHSP'	CP1550 'Voltage failure alarms'				
	CP1552 'Updating BSCP520 timescales'				
	CP1553 'Meters and CT min. accuracy classes'				
	CP1554 'Updating meas. transformer standards'				
	CP1556 'CVA Qualification improvement for VLPs'				
	CP1561 'SVA Data Catalogue update for CP1546'				
	CP1562 'IDD Changes for P375'				
	CP1564 'IDD updates for P399'				

Key

Approved

With Authority

Report Phase

Assessment Phase

Direction

‘Mandate to Half Hourly Settle the Non-Half Hourly Unmetered Supplies Metering Systems’

- First Workgroup meeting held on 18 March 2022 to review proposal and terms of reference
- Next meeting planned for 20 May 2022 to agree legal text and new Change of Measurement Class (CoMC) process
- One further meeting needed before Assessment Consultation issued
- The delays to P432 has also impacted P434
- Further, the Workgroup prefer a CoMC process requiring additional work to detail
- We therefore request a three month extension, returning with the P434 Assessment Report by the September 2022 Panel meeting, or sooner if possible
 - We have planned for a fourth contingency Workgroup. Should this not be needed, we will present the Assessment Report to Panel at its August meeting

‘Amendment to the definition of Shared SVA Meter Arrangement’

- A final Workgroup meeting is required to review the consultation responses
 - There is enough time to conclude the Workgroup activities and present the Assessment Report to the Panel at its June meeting
 - However, at the time of writing we have not been able to arrange a quorate meeting
 - We are re-seeking availability
 - There is therefore a risk that the Assessment Report is presented at the July Panel meeting, should we be unable to get Workgroup availability in time
-
- We therefore request a one month contingency extension, returning with the Assessment Report to the July Panel meeting, if needed, otherwise the June Panel meeting

- On 30 March 2020 Elexon issued a pilot online-only digital consultation for P432 'Half Hourly Settlement for CT Advanced Metering Systems'
- This was in response to customer feedback to explore modern methods for gathering of industry views and trialed in order to explore the effectiveness of using digital forms for BSC Changes
- It was also hoped that the use of modern digital methods for collating responses could reduce manual effort associated with 'copy pasting' various replies into a master document under the current system
- Rather than inviting respondents to submit a Word document, the digital form contained the specific questions on which the P432 Workgroup sought industry views
- The digital consultation ran successfully, receiving 6 public responses and 1 confidential response
- 2 additional responses were submitted via the old Word format, as these respondents did not believe the pilot form of the digital consultation met their organisation's requirements for the reasons given on the next slide

- Customer feedback during and after the P432 consultation identified features and requirements that would need to be present in future digital consultations
- Common themes were:
 - The need for a downloadable draft of the response, so that it can be easily shared to multiple people to contribute to and review an organisation's response, to ensure completeness and consistency in responses
 - The need for the completed response form to be sent to the respondent so that it can be logged and stored (we note that this feature was present in the pilot but had not been communicated well enough, leading to some confusion around this point)
 - On balance, respondents found it slightly easier and quicker to complete a digital form rather than a Word-based form
 - Internal Elexon feedback highlighted that the output of the collated responses file needs to be improved, as in its current state it requires work to reformat which does not save Change Analysts time versus 'copy pasting' individual responses
- **Outcome: On the assumption that these features and improvements can be incorporated, we believe it would be suitable to roll out the use of digital consultations across all BSC Modification and Change Proposal consultations**

Recommendations

We invite the Panel to:

- a) **APPROVE** a three month extension to the P434 Assessment Procedure;
- b) **APPROVE** a one month extension to the P425 Assessment Procedure; and
- c) **NOTE** the contents of the May Change Report.

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**P440 'Enabling Elexon to administer the
Capacity Market Advisory Group'**

326/03 – Chris Arnold & Grahame Neale
(NGESO)

12 May 2022

P440: Issue and Proposed solution

Issue

- The BSC does not currently allow Elexon to undertake administrative activities that would support the Capacity Market Advisory Group (CMAG). This does not align to Ofgem's decision (on 9 May) to appoint Elexon to undertake the CMAG administrative activities on its behalf

Proposed solution

- This Modification shall enable Elexon as the BSCCo to conduct the independent administrative work for the CMAG, on a not for profit basis, that Ofgem is awarding to Elexon (subject to this Modification). Elexon shall:
 - be required by the BSC to create, maintain and operate the CMAG processes in support of the Change Process for the Capacity Market Rules guidance, that Ofgem publishes
 - be accountable to Ofgem rather than the BSC Panel for operating and maintaining (including changing) the CMAG processes
 - recover its costs for the administrative work from BSC Parties in proportion to their market share through the main funding share

P440: Applicable BSC Objectives

- The Proposer suggests that P440 is positive against Applicable BSC Objectives (f), (c), and (b):
 - (f) - This Modification will allow Elexon to facilitate the operation of a Capacity Market (CM) pursuant to CM legislation. Specifically, this Modification will enable Elexon to neutrally support the administrative work of a more effective and efficient market change process
 - (c) - The CM is a competitive market in the generation of electricity. Therefore, Elexon supporting a more inclusive and effective change process in that competitive market through the BSC, supports competition and development in the CM
 - (b) - National Grid Electricity System Operator (NGESO) uses the CM as one of its mechanisms for economically and efficiently balancing the National Electricity Transmission System. Therefore, Elexon facilitating the operation of an efficient change process through administering the CMAG shall benefit the development of the CM. It also has the potential to improve the CM arrangements and thus assists NGESO in its efficient, economic and co-ordinated operation of the Transmission System

P440: Proposed Progression

- **Direct to Report Phase Modification**
 - Ofgem indicated in both its minded-to consultation, and subsequent decision, that it intended for the costs to be recouped through the main funding share, due to the relative low scale of cost and efficiencies
 - Market participants had the opportunity to comment on the proposed funding mechanism through Ofgem's minded-to consultation, and no material comments that would require further industry analysis were received
 - The detail of the CMAG processes will be held in documentation outside the BSC itself, and approved by Ofgem. Therefore, this Modification simply requires Elexon to create, maintain, and comply with the processes developed, and makes clear the funding position for BSC Parties. As such, we believe the solution is self-evident
- P440 is not a Self-Governance Modification as it materially impacts the Code's governance or Modification procedures. Further, it is right that Ofgem makes a decision in consideration of its publication dated 9 May 2022.

Event	Date
Initial Written Assessment considered by Panel	12 May 2022
Report Phase Consultation	16 May 2022 – 27 May 2022
Present Draft Modification Report to the Panel	9 June 2022
Issue Final Modification Report to Authority	14 June 2022
Implementation Date	1 September 2022

P440: Impacts & Costs

- Does not impact EBGL Article 18 Terms and Conditions

Organisation	Implementation (£)	On-going (£/annum)	Impacts
Supplier	0	Low	All BSC funding parties that contribute to the main funding share will be impacted by this Modification, as the relatively low cost of Elexon’s administration work for the CMAG process will be included in Elexon’s operational costs.
Interconnector User	0	Low	
Non Physical Trader	0	Low	
Generator	0	Low	
Elexon	<1k	Medium	P440 is a code only change, the implementation costs are limited to the costs associated with legal text updates to Section C. The low on-going costs are the operational costs to administer the CMAG activities, we currently expect this to be 4FTE/annum.
Total	<1k	Low	

P440: Recommendations

We invite the Panel to:

- a) **AGREE** that P440 progresses directly to the Report Phase;
- b) **AGREE** that P440:
 - i. **DOES** better facilitate Applicable BSC Objective (f);
 - ii. **DOES** better facilitate Applicable BSC Objective (c); and
 - iii. **DOES** better facilitate Applicable BSC Objective (b).
- c) **AGREE** that P440 **DOES NOT** impact the EBGL Article 18 terms and conditions held within the BSC;
- d) **AGREE** an initial recommendation that P440 should be **approved**;
- e) **AGREE** an initial Implementation Date of:
 - i. **1 September 2022** if an Authority decision is received on or before 25 August 2022;
- f) **AGREE** the draft legal text; and
- g) **NOTE** that Elexon will issue the P440 Draft Modification Report (including the draft BSC legal text) for a 10 Working Day consultation and will present the results to the Panel at its meeting on 9 June 2022.

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P439 ‘Enabling BSCCo to undertake development of the EDA-based Data Integration Platform’

326/05 – Jenny Sarsfield & Andy MacFaul
(Ofgem)

12 May 2022

P439: Background

Issue

- Elexon, as MHHS Implementation Manager, will be responsible for developing the Event Driven Architecture (EDA) platform, known as the Data Integration Platform (DIP)
- Elexon's permitted activities are outlined in BSC Section C
- Currently, BSC Section C does not include provisions for development or funding of the DIP

Solution

- Proposed solution is to amend BSC Section C to enable BSCCo as MHHS Implementation Manager to develop the systems and processes necessary to implement the DIP
- Proposed legal text provides for DIP system development costs to be included as MHHS Implementation Costs

P439: Authority Led SCR consultation responses

Question	Yes	No	Neutral	Other
Do you agree with the Panel that the redlined changes in Attachment B deliver the intent of P439?	1	1	0	1
Will P439 impact your organisation?	0	3	0	0
Will your organisation incur any costs in implementing P439?	0	3	0	0
Do you agree with the Panel’s initial view that P439 does not impact the EBGL Article 18 terms and conditions related to balancing held within the BSC?	3	0	0	0
Do you have any further comments on P439?	1	2	0	0

- Three consultation responses were received, from a Supplier, a Supplier Agent, and the NETSO
- As a result of the comments on the redlined changes, the legal text has been updated

P439: Redlining Updates

- Previous sub-paragraph (d) has been deleted
- Sub-paragraph (a) has been broken down into two parts (a) and (b)
- The changes to the wording are intended to clarify and do not change the underlying purpose of the legal text

12.9A.2 BSCCo, in its capacity as MHHS Implementation Manager, may develop the systems and processes that may be necessary to implement the Data Integration Platform provided that:

(a) in accordance with paragraph 12.4.4, BSCCo may appoint an external service provider to design, build, test (including participating in industry testing) and implement the Data Integration Platform ~~and~~

(b) any ~~related~~ costs, expenses and liabilities related to:

(i) the design, build, test (including participating in industry testing) and implementation of the Data Integration Platform; and/or

(ii) the termination of any ~~(including any costs, expenses and liabilities that BSCCo may incur in the event it terminates any such contract entered into under this paragraph 12.9A)~~ that occurs whilst BSCCo remains responsible for the Data Integration Platform,

shall be BSC Costs pursuant to paragraph 12.4.6 and Section D8;

P439: Recommendations

We invite the Panel to:

- a) **AGREE** with the evaluation of the Authority Led SCR Modification Proposal detailed in this report;
- b) **AGREE** that P439:
 - i. **DOES** better facilitate Applicable BSC Objective (c); and
 - ii. **DOES** better facilitate Applicable BSC Objective (d);
- c) **AGREE** that P439 **DOES NOT** impact the EBGL Article 18 Terms and Conditions held within the BSC;
- d) **AGREE** a recommendation that P439 should be **approved**;
- e) **AGREE** an Implementation Date for P439 of 5WD following Authority approval; and
- f) **AGREE** the BSC legal text for P439 in Attachment C.



PART III: NON-MODIFICATION BUSINESS (OPEN SESSION)

E L E X O N

**Minutes of previous meetings
and Actions arising**

Fionnghuala Malone

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Chair's Report

Michael Gibbons

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Elexon Report

326/01 – Simon McCalla

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Distribution Report

Fungai Madzivadondo

ELEXION

National Grid Report

Rob Wilson

ELEXION

Ofgem Report

Colin Down

ELEXION

BSC Funding Shares Audit Scope

326/06 – Kathy Ferrari

12 May 2022

BSC Funding Shares Audit Scope (1 of 2)

- Funding Shares used to charge Elexon's costs to Trading Parties
- Funding Shares Audit required by the BSC
- Panel required to agree scope of Audit
- Scope is limited to calculation of Funding Shares - costs separately audited
- Funding Share data accompanying Elexon's invoices can be checked against the website and assistance is always available from the Finance Team

BSC Funding Shares Audit Scope (2 of 2)

- Calculation of Main Funding Shares, SVA (Production) Funding Shares, and General Funding Shares (on a default basis)
- Calculation of Annual Funding Shares (used by FAA)
- Checking of BSC Cost shares through to invoices

Recommendations

We invite the Panel to:

- a) **APPROVE** the proposed scope of the Funding Shares Audit for financial year 2021/2022.

An aerial photograph of a rural landscape. In the center, a white wind turbine stands in a green field. To the left, a small farm with a grey roof and a red door is visible, surrounded by a dirt path and some debris. The landscape is divided into several green fields by dark, hedged boundaries. A herd of black and white cows is grazing in one of the fields. The overall scene is bright and sunny.

PART IV: CONFIDENTIAL BUSINESS (CLOSED SESSION)

MEETING CLOSE

ELEXON

THANK YOU
