BSC Modification Proposal Form	At what stage is this document in the process?
# Mod Title: Creation of Complex Site Classes	01 Modification 02 Workgroup Report 03 Draft Modification Report 04 Final Modification Report

Purpose of Modification: This Modification looks to progress a recommendation of the Issue 88 Workgroup to introduce Complex Site classes. During conversations under Issue 88 it was identified that certain Complex Site arrangements (in particular relating to the netting of Imports from Exports across a Boundary Point) have been allowed under the BSC although not clearly defined to facilitate consistency across the market. Complex sites have great potential to help develop new arrangements to help drive a smart network and achieve a zero carbon energy system. These classes would categorise the types of Complex Site with each having clearly defined criteria within the BSC whilst also facilitating a new "type" of Complex Site (referred to as a Class 6 Complex Site) to allow approval of new types of complex site. It clarifies when the netting of Imports from Exports for multiple Metering Systems registered in SVA is permitted.

Is this Modification likely to impact any of the European Electricity Balancing Guideline (EBGL) Article 18 Terms and Conditions held within the BSC?

☐ Yes ☒ No

	The Proposer recommends that this Modification should: • not be a Self-Governance Modification Proposal • be assessed by a Workgroup and submitted into the Assessment Procedure This Modification will be presented by the Proposer to the BSC Panel on 9 June 2022. The Panel will consider the Proposer's recommendation and determine how best to progress the Modification.
	High Impact: Suppliers, Half Hourly (HH) Meter Operators, Generators
	Medium Impact: Half Hourly Data Collectors (HHDCs)

Low Impact: Licensed Distribution System Operators (LDSOs)

Contents

Timetable

The Proposer recommends the following timetable:

Initial consideration by Workgroup	W/C 8 August 2022
Assessment Procedure Consultation	December 2022
Workgroup Report presented to Panel	February 2023
Report Phase Consultation	February 2023
Draft Modification Report presented to Panel	9 March 2023
Final Modification Report submitted to Authority	14 March 2023

Any questions?

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1 Why Change?

What is the issue?

BSCP502 'Half Hourly Data Collection for SVA Metering Systems Registered in SMRS'[1] and the Retail Energy Code (REC) Schedule 14 'Metering Operations'[2] include provisions for the metering of Complex Sites. A Complex Site is defined as sites at which the Meter Technical Details (MTDs) are too complex to be captured in the D0268 'Half Hourly Metering Technical Details' data flow.

In recent years a number of queries have been raised to Elexon and in wider industry forums related to the scope of the Complex Site arrangements under the BSC. More specifically, when the BSC and its Code Subsidiary Documents permit the netting of Imports from Exports through a Complex Site arrangement and the scenarios in which this netting is permissible. During conversations under Issue 88[3] 'Clarification of BSC Arrangements relating to Complex Sites' it has been identified that certain arrangements have been allowed under the BSC although not clearly defined to facilitate consistency across the market. During the Issue 88 meetings, the definitions were discussed and this modification is looking to facilitate the formal change and definition of the new classes

Complex sites have great potential to help develop new arrangements to help drive a smart network and achieve a zero carbon energy system; however, there needs to be further clarity to give confidence. As so called "Local Energy Schemes" become more popular (which rely on the allowance of netting Imports from Exports across the Total System), it is essential that the rules for when netting should be permitted are clearly defined going forwards.

Issue 88 – Clarification of BSC Arrangements relating to Complex Sites

Issue 88 was raised in March 2020. It investigated three main issues:

- Combining multiple boundary points into a single SVA Metering System (i.e. totalisation) may not be consistent with the BSC;
- The concept of 'site' is not clearly defined; and
- General process inefficiencies.

Issue 88 concluded in April 2021 and the Issue Report was presented to the BSC Panel at its meeting on 10 June 2021[4]. The Issue Group had four key recommendations

1. Raise a Modification to categorise all existing complex site arrangements and provide clear guidance on whether a particular arrangement met the relevant criteria, to facilitate the netting of Imports from Exports across a Licensed Distribution System in prescribed circumstances;
2. A Change Proposal should be raised to implement agreed complex site process improvements (e.g. standardised Complex Site Supplementary Information Form (CSSIF) and make its submission mandatory etc.) to relevant Code Subsidiary Documents (CSDs);

[1] https://www.elexon.co.uk/csd/bscp502-half-hourly-data-collection-for-sva-metering-systems-registered-in-smrs/
[2] https://recportal.co.uk/en/the-rec-public
[3] https://www.elexon.co.uk/smg-issue/issue-88/
[4] https://www.elexon.co.uk/meeting/bsc-panel-315/

3. ‘Site’ should not be explicitly defined as the repercussions across the BSC, CSDs and other Codes would outweigh any perceived benefits. The Issue Group felt the introduction of categories of Complex Site Classes would provide sufficient clarity of what constitutes a site in the context of a complex site; and
4. Amendments should be made to the BSC to make explicit that totalisation is allowed. This could be progressed under the Complex Site Classes Modification or separately.

This Modification is intended to progress recommendations one and three.

Recommendation two is being progressed under a separate Change Proposal (CP1559 ‘Complex Sites Process Improvements’[5]).

In relation to recommendation four, the Retail Energy Code Metering Expert Group have recently consulted on the Guidance on Metering Points document[6] (formally Schedule 8 of the Master Registration Agreement (MRA)) which was the primary clash with the BSC’s allowance of totalisation. Elexon have suggested added wording and examples to the REC guidance document to remove this clash and provide clarity that totalisation is allowed. The REC are proposing to progress the updated Guidance Note in late quarter three of this year.

Desired outcomes

To establish six classes of Complex Sites that will allow for clarity of the rules and guidance on what is permissible and achievable using the Complex Site arrangements. This will allow for the assignment of different processes and assurance models for a particular category of Complex Site should this be appropriate.

[5] https://www.elexon.co.uk/change-proposal/cp1559/
[6] https://recportal.co.uk/group/guest/-/guidance-on-metering-points

2 Solution

Proposed Solution

This proposal seeks to create six categories of Complex Site, each with clearly defined criteria. The proposed Classes 1-4 of Complex Sites are intended to define the criteria for the types of Complex Site that have been used for many years historically and have not been identified as requiring further clarity or causing significant ambiguity. Therefore, it is not proposed to add any additional criteria or assurance to these classes of Complex Site over and above the requirements which exist today. Nevertheless assigning a class of Complex Site to these arrangements will align with the approach for Class 5 and Class 6 Complex Sites (described below) and make explicitly clear which arrangement belongs to which class.

A Class 5 Complex Site will set out the criteria in which netting across a Boundary Point is permitted (for example, in order to facilitate the establishment of a Local Energy Scheme). It will also give clarity for potential Local Energy Schemes and allow for the establishment of these schemes on a larger scale without a risk of non-compliance to the BSC.

A Class 6 Complex Site would be a 'non-standard' arrangement that has aspects of a complex site but does not clearly fit in any of the other five classes. This would be akin to the current process of assigning CVA MSIDs to a "standard" or "non-standard" BM Unit.

More detail is given on the proposed classes below.

Classes 1 and 2 – License Exempt Distribution Network (BSCP502 4.9.3[7])

A Class 1 Complex Site would cater for situations where one or more customers within a licence exempt distribution network (LEN) are supplied with electricity by a third party licensed Supplier and therefore these customers have their own MSID requiring the facilitation of netting of the embedded Metering Systems from the Boundary Point Metering System. This netting takes place below the Boundary Point and not across the Total System. A Class 1 Complex Site would require no Generation to be installed behind the Boundary Point on the LEN.

A Class 2 Complex Site would be almost identical to a Class 1 with the only difference being that generation is embedded within the private network.

The below lays out the process the Issue 88 workgroup proposed Class 1 and Class 2 sites should follow:

- Where Class 1 or 2 is selected then the Supplier/MOA must also populate whether the MSID that the Complex Site Supplementary Information Form (CSSIF) relates to is located at the Boundary Point or related to an MSID embedded within the network.
- Boundary Point MSIDs should be identified as such on the CSSIF and be registered against the Meter Timeswitch Class (MTC) 998. The CSSIF for Boundary Point MSIDs should include all related MSIDs that are embedded within the LEN.

[7] The BSCP sections in brackets next to the relevant Classes of Complex Site denote the section of BSCP502 where the equivalent current examples currently reside. Potentially, as a result of this Modification, a new Section would be created "Complex Site Classes" to replace the current "examples".

- Embedded MSIDs should identify the related Boundary Point MSID on the CSSIF and be registered against MTC 997.
- All MSIDs related to the LEN should have the same MOA and DC appointed.
- Where the Boundary MSID is registered against Metering Code of Practice (CoP) 3 or 5 then the embedded MSIDs should use generic Metering Dispensation D/380[8] for location (Actual Metering Point not being located at the Defined Metering Point).
- Where the Boundary MSIDs are registered against CoP 1: The Metering of Circuits with a Rated Capacity Exceeding 100MVA for Settlement Purposes[9], CoP 2: The Metering of Circuits with a Rated Capacity not exceeding 100 MVA for Settlement Purposes[10] or CoP 10: The Metering of Energy via Low Voltage Circuits for Settlement Purposes[11] then a site specific Metering Dispensation will be required for each embedded MSID.
- A Class 1 or 2 Complex Site will be self-assessed against the relevant criteria and identified as such by the Registrant of the MSID and will not be subject to Committee approval (notwithstanding the approval that may be required for any Metering Dispensation associated with a Class 1 or 2 Complex Site).

Classes 3 and 4 - Feed through sites and network flows impacting Settlement Meters (BSCP502 4.9.4 – 4.9.7)

A Class 3 Complex Site is proposed to cater for instances where the electrical configuration of a site requires the determination of Exports from Imports in order to calculate the gross measurement quantity of energy for a single MSID or dual MSIDs where generation exists (feed through sites and network flows impacting Settlement Meters).

This could be where a customer's network takes supply from the local Distribution System and feeds out from the customer's network - either at the same or at a different voltage - to another part of the local Distribution System. Alternatively, it could be where electrical flows (either on the Distribution System or the customer's own network) are recorded by the Settlement Meters unintentionally. These will usually appear as additional "Imports and Exports" on different feeders.

This is not the differencing of Imports from true Exports to achieve a net position for an MSID but rather the differencing of unintentional flows of energy impacting the Settlement Meters due to the electrical configuration of the network at the site. A Class 3 Complex Site will provide the gross Import or gross Export for a particular MSID.

A Class 3 Complex Site would be limited to:

- A single premise with the same Supplier (aside from instances of a Shared SVA Meter arrangement); and
- Where the distance between each metered point between the "customer's" incoming feeders and the isolated distribution network is within a set geographical limit.

[8] https://www.elexon.co.uk/guidance-note/d380-metering-dispensation/
[9] https://www.elexon.co.uk/csd/cop-code-of-practice-1/
[10] https://www.elexon.co.uk/csd/cop-code-of-practice-2/
[11] https://www.elexon.co.uk/csd/cop-code-of-practice-10/

A Class 4 Complex Site would be the same as a Class 3, except with embedded generation. As with Classes 1 and 2, the Registrant would be expected to self-assess as to whether an MSID/MSIDs meet the principles of a Class 3 Complex Site.

Class 5 – Netting of Imports from Export across multiple Boundary Points over the Total System (BCP 502 4.9.8)

A Class 5 Complex site caters for instances where the netting of Import from Exports across multiple Boundary Points (i.e. connections to the Total System) is required to facilitate an agreement to allow Generators (or "schemes" working with the Generator such as Energy Local) to Supply local end customers (usually under a supply license exemption).

The Issue 88 Workgroup did not design a completed solution to facilitate Class 5 Complex Sites but rather recommended a variety of principles that should be considered by the Modification Workgroup. Based on those discussions, we believe the conditions where a Class 5 Complex Site should explicitly permit netting of Import from Exports across multiple Boundary Points are:

- The Import under the arrangement is subject to a Supply License Exemption; and
- All Boundary Points in question are located under the same Primary substation.
- All MSIDS are marked as energised to ensure records are correct for DNOs

To support assurance of Class 5 Complex Sites, we propose that:

- Suppliers via the SVA MOA or DC notify Elexon of:
    - The creation of a Class 5 Complex Site;
    - Any subsequent changes made to Primary Metering Equipment; and
    - Any significant change is made to the commercial arrangement under which the scheme operates (e.g. Change of Supplier). Note that, the Complex Site criteria is not concerned with the terms of the agreement between the "scheme owner" and participants –i.e. different participants may be under different tariff structures (domestic vs non-domestic).

Note that this information is available from the supplementary information.

- Elexon maintains a central register of Class 5 Complex Sites

More detailed explanation of these principles are below, as well as initial considerations of the impacts on Network and BSC Charges.

Notification of a Class 5 Complex Site either to Elexon

The Issue Group determined that Suppliers should be required to notify Elexon of a Class 5 Complex Site, but that an approvals process would not be conducive to growth of the arrangements it facilitates. Members recommended the following principles be considered by any subsequent Modification Workgroup:

- A process will need to be created to facilitate the notification of the creation of a Class 5 Complex Site;
- Notification may include details of all the MSIDs participating in the scheme;
- Notification may be required where individual "customers" opt in/out of the scheme to ensure the list of MSIDs remains up to date;
- Notification will be required where changes are made to the Primary Metering Equipment (not including Meter changes) or a significant change is made to the commercial arrangement under which the scheme operates (Change of Supplier (COS) for instance); and

- Whatever information is provided should be for one scheme, such that it all relates to a single grouping

Central register of Class 5 Complex Sites

We are proposing that notification of a Class 5 Complex Site will be required and will be received by Elexon. From these notifications Elexon will maintain a Central Register of Class 5 Complex Sites. This Register is not proposed to be published publically but could be made available on request to BSC Parties (omitting any sensitive information). These notifications will include details of the overall Scheme. It will not require MSID level data or information related to individual customers. Personal data should not be collected by Elexon. This will allow relevant parties to have knowledge of such arrangements where they could assist in running the network or market more efficiently without compromising commercial confidentiality.

An updated notification will be required where the Primary Metering Equipment related to the Generator supporting the scheme is changed or a significant change is made to the commercial arrangement under which the scheme operates (Change of Supplier (COS) for instance)

The Modification Workgroup should consider some of those principles raised by the Issue 88 Workgroup regarding the merits and specification requirements of a central register:

- What are the benefits that having a central register could bring?
- Do these benefits outweigh the costs of creating and maintaining this central register?
- Should/could a central register be used to maintain a list of License Exempt Networks and the Metering Systems embedded within them (Class 1 and Class 2 Complex Sites)?

A Class 5 Complex Site must only be implemented where the Import under the netting arrangement is subject to a Supply License Exemption.

The Issue 88 Workgroup noted the risk that Licensed Supply is (and should be) subject to Ofgem levies and EMR Levies. Exempt Supply is exempt from these levies and so limiting Class 5 Complex Sites to License Exempt Supply should mitigate against the avoidance of levies. We agree with this approach and propose that Class 5 Complex Sites are limited to instances where the Import under the netting arrangement is subject to a Supply License Exemption.

What is local?

The Issue 88 workgroup felt that it was important for a Class 5 Complex Site to be limited to arrangements (or schemes) at a local level. The Issue 88 Workgroup considered a number of options in terms of geographic area and substation level.

As such we propose that the limiting factor is defined as “All Boundary Points to be located under the same Primary substation” to retain the benefits to the network of local energy schemes. As there is no industry identifier for primary substation within industry data flows and data items, it is proposed that the notification form will include primary substation identifier which the Registrant of the Class 5 Complex Site must populate.

Impact on Network Charges and BSC Charges

The Issue 88 Workgroup felt that the Modification should consider the impact Class 5 Complex Sites could have on other charges, and whether (and how) any adverse impacts should be mitigated against or prevented. Specifically, consideration should be given to:

- Network charges i.e. Distributed Use of System Charges (DUoS) and Transmission Network Use of System Charges (TNUoS). We understand that in some existing local energy schemes, LDSOs are calculating DUoS charges based on gross metered data from the HHDC (rather than the net metered data entering Settlement). The Workgroup may wish to consider whether such arrangements should be codified, although such changes would need to be progressed under the governance of the Distribution Connection and Use of System Agreement (DCUSA) and/or Connection and Use of System Code (CUSC), rather than the BSC;
- GSP Group Correction Factor (GGCF): Netting of Import and Export (in a Class 5 Complex Site) will affect GSP Group Correction if the GGCF values applied to Import and Export are different. This will become more of an issue with the introduction of different GGCF values for Import and Export as part of Market-Wide Half Hourly Settlement (MHHS). However, the overall impact is likely to be small, and outweighed by the benefits of facilitating local energy schemes. For this reason we do not propose any changes to GSP Group Correction calculations to address this.
- Distribution Line Loss Factors (LLFs). Netting of Import and Export (in a Class 5 Complex Site) will not affect the energy allocated to Distribution Losses, provided that the Import and Export that are netted have the same LLF values. If they have different LLF values the netting will have an effect, but the overall impact is likely to be small, and outweighed by the benefits of facilitating local energy schemes. For this reason we do not propose any changes to address this;
- Transmission Losses: Netting of Import and Export (in a Class 5 Complex Site) will not affect the energy allocated to Transmission Losses (provided that the Import and Export are within the same GSP Group, and hence subject to the same Transmission Loss Multipliers);
- Supplier levies are not affected, provided that netting is limited to exempt supply (see above); and
- BSC charges are not affected, as Parties' Funding Shares are based on net BM Unit Metered Volumes (and therefore unaffected by netting within a Class 5 Complex Site).

Class 6 – Non – Standard Complex Site

A Class 6 Complex Site would cater for instances where a Supplier wished to register a Complex Site that did not meet all of the criteria required for one of the other classes. To achieve this, an application process for non-standard Complex Sites would need to be devised, and the vires to grant approval would be delegated to the relevant Panel Committee. This would be akin to the current process of assigning CVA MSIDs to a "standard" or "non-standard" BM Unit.

Benefits

This Modification will address the issues identified under Issue 88 and progresses a solution that has been debated at length by relevant experts under the Issue Working Groups. It will remove ambiguity around the current Complex Site arrangements and aid in a more efficient facilitating the advancement of community energy schemes.

This Modification, specifically the introduction of Class 5 Complex Sites, will better enable BSC Parties to innovate new solutions which then supports consumers through enabling better use with local energy schemes, provisioning for licence exempt supply arrangements to work with existing traditional licensed supply agreements in partnership. There are also environmental benefits as this will better enable consumer choice to take up low carbon, flexible energy solutions provisioned through local energy schemes supporting initiatives such as the joint Ofgem BEIS Smart Systems Flexibility Plan and future flexibility service provisions.

This Modification benefits the market by introducing a defined process so that local energy schemes can be implemented in a controlled manner removing barriers to innovation and competition. The wider market will be able to better understand the types of applications made and the solutions proposed, which will better facilitate future BSC arrangements, particularly where common types of Classification applications are being made. From these learnings future changes can be made to standardise common site arrangements and embed these learnings into the BSC provisions.

Some of the benefits of Local Energy Schemes are:

- Encourages shift from peak load and reduces risk of imbalance;
- Helps reduce network constraints via local balancing to uses the network more efficiently, reducing costs;
- Increases income for new renewable generation via a market led solution, incentivising greater generating capacity to be built;
- Reduce costs of energy;
- New model allows collective bargaining (i.e. only one Supplier per energy club means administration of the club guarantees several hundred customers for the Supplier but also the potential to lose several hundred customers due to poor service) and increases competition; and
- Innovative means of Demand Side Response (DSR) without the need for Balancing Mechanism (BM) or flexibility contracts.

3 Relevant Objectives

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

The proposed solution will better facilitate BSC Applicable Objectives (c) and (d).

Objective (c)

This proposal will introduce a formal process that enables suppliers to innovate solutions with local energy schemes, and so will open the choice of suppliers that local energy schemes and generators choose to partner with.

It provides a route to alternative offerings from Suppliers and collective bargaining from customers, providing new options, greater competition and resulting improved service for customers. It provides suppliers confidence to use complex site arrangements to be able to offer different business models thus, promoting such competition in the sale and purchase of electricity.

Objective (d)

This will also facilitate local balancing more widely by reducing complexities and burdens, which currently act as disincentives, through commonly derived process and procedures accessible to all BSC Parties, when compared to the baseline whereby no formal processes to provision a tailored site-specific exempt supply arrangements exists in the BSC. It therefore also supports the efficiency in the implementation of the balancing and settlement arrangements.

4 Potential Impacts

Impacts on Core Industry Documents

Impacted Core Industry Documents			
☐Ancillary Services Document	☐Connection and Use of System Code	☐Data Transfer Services Agreement	☐Use of Interconnector Agreement
☒Retail Energy Code	☐ Transmission License	☐System Operator Transmission Owner Code	☐Supplemental Agreements
☒Distribution Code	☐Grid Code	☐ Other (please specify)	

Amendments to BSCP502 Appendix A 'Complex Site Supplementary Information Form' will need to be replicated in the REC Metering Operations Schedule.

An ad hoc DUoS reporting process may need to be established however it will be dependent on the solution agreed by the Workgroup.

Impacts on BSC Systems

Impacted Systems				
☐CRA	☐CDCA	☐PARMS	☐SAA	☐BMRS
☐EAC/AA	☐FAA	☐TAAMT	☐NHHDA	☐SVAA
☐ECVAA	☐ECVAA Web Service	☐Elexon Portal	☐Other (Please specify)	

This Modification is expected to be a document-only change, and therefore no system impacts are anticipated.

Impacts on BSC Parties

Impacted Parties			
☒Supplier	☐Interconnector User	☐Non Physical Trader	☒Generator
☒Licensed Distribution System Operator	☐National Electricity Transmission System Operator	☐Virtual Lead Party	☐Other (Please specify)

As potential Registrants of a Class 5 Complex Site, Suppliers would need to understand the new associated processes proposed and make process (and potentially system) changes should they choose to register a Class 5 Complex Site.

Suppliers that do not wish to register a Class 5 Complex Site will need to take note of the new classifications of the current examples of Complex Site and potentially make minor process changes to align with the new proposed processes.

LDSOs will need to make note of the new classifications of Complex Sites and understand the new classifications as they relate to the registration of new SVA MSIDs particularly. LDSOs may also need to be involved in establishing ad hoc DUoS reporting processes dependent on the impact that the final agreed solution has on DUoS.

Generators will have clarity on the arrangements for using a complex site arrangement to provide power to local customers.

Impacts on consumers and the environment

Impact of the Modification on consumer benefit areas:	
Consumer benefit area	Identified impact
Improved safety and reliability *N/A*	Neutral
Lower bills than would otherwise be the case *If this Modification is implemented, the introduction of Class 5 Complex Sites will increase competition and therefore lower bills. By encouraging demand side response it will reduce network reinforcement and subsequent costs.*	**Positive**
Reduced environmental damage *This Modification will incentivise the development of additional renewable energy generation on a local level by taking advantage of the local energy schemes that Class 5 Complex Sites that would give them a more stable price with a degree of control over it. It would facilitate, such as the joint Ofgem BEIS Smart Systems Flexibility Plan and future flexibility service provisions by incentivising flexibility by customers via the market to enable local balancing and avoiding reinforcement costs by customers.*	**Positive**
Improved quality of service *The Modification will incentivise competition and choice and as result improved service. As well as being able to select a supplier and tariff on an individual basis, customers will have the additional choice of joining a complex site and choosing this tariff structure. By acting collectively via a complex site domestic customers will also have more leverage over suppliers to deliver good customer service*	**Positive**

Benefits for society as a whole *This Modification will enable consumers to more directly interact with the energy system, via Class 5 Complex Sites and associated local energy schemes, thereby allowing further democratisation of energy. It provides a simple means for greater participation and means to reduce bills without investment from consumers particularly relevant for the fuel poor. It will enable more income to be retained within local economies.*	**Positive**

Legal Text Changes

Changes to the following BSC Sections are expected to give effect to this Modification:

- Section K ‘Classification and Registration of Metering Systems and BM Units’
- Section L ‘Metering’

5 Governance

Self-Governance

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

We do not believe this Modification can be progressed as a Self-Governance Modification due to its impact on competition, the additional incentive to develop sustainable generation, and the further democratisation of energy.

Progression route

☒ **Submit to assessment by a Workgroup** –:A Modification Proposal which:	
does not meet any criteria to progress via any other route.	
☐ **Direct to Report Phase** – A Modification Proposal whose solution is typically:	
☐ of a minor or inconsequential nature	☐ deemed self-evident
☐ **Fast Track Self-Governance** – A Modification Proposal which meets the Self-Governance Criteria and:	
is required to correct an error in the Code as a result of a factual change including but not limited to:	
☐ updating names or addresses listed in the Code	☐ correcting minor typographical errors
☐ correcting formatting and consistency errors, such as paragraph numbering	☐ updating out of date references to other documents or paragraphs
☐ **Urgent –** A Modification Proposal which is linked to an imminent issue or current issue that if not urgently addressed may cause:	
☐ a significant commercial impact on Parties, Consumers or stakeholder(s)	☐ a Party to be in breach of any relevant legal requirements.
☐ a significant impact on the safety and security of the electricity and/or gas systems	

This Modification should be assessed by an industry Workgroup to ensure that the most efficient solution is designed.

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

We do not believe that this Modification impacts any ongoing SCRs, and so request that Ofgem treats this as an SCR exempt Modification Proposal.

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

At this stage we do not believe that any of the changes will impact BSC provisions constituting EBGL Article 18 terms and conditions, as listed in BSC Section F, Annex F-2.

Implementation approach

This Modification is proposed to be implemented through a document change only, so implementation should be at the next possible BSC release post Ofgem's final decision. We currently expect this to be 29 June 2023, as part of the June 2023 Standard BSC Release.