ELEXON

Issue group to review the BSC Change Process

Date of meeting	**11 August 2022**	Paper number	**329/05**
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Classification	**Public**	Document version	**V1.0**

Summary **We invite the Panel to review and comment on the proposed BSC Issue to review the BSC Change Process, focussing on quick wins and avoiding overlaps with the codes review work.**

1. Background

1.1 At the June 2022 BSC Panel meeting, Elexon presented a summary of the results of a short survey conducted in January and February 2022 on a BSC Change process review with a series of recommended next steps (Panel 327).

1.2 The Panel voted by majority to develop an issue form and terms of reference to fully define the issue to be addressed by the BSC Change process review, the desired outcomes and the scope of the issue group.

1.3 Panel members that voted for the review highlighted the possible benefits to BSC Change stakeholders of a simpler and more efficient BSC Change process.

1.4 Panel members that voted against the BSC Change process review did so on the basis that the output of the Ofgem / Department for Business, Energy and Industrial Strategy (BEIS) energy codes reform work would likely overlap with recommendations from any issue group established to review the BSC Change processes and therefore there was a significant risk of overlapping outputs and recommendations. Further, they did not believe reviewing the BSC Change process was a priority, given the volume and complexity of other change work both within Elexon and the wider industry[1].

2. Issue

2.1 Further to one of the Panel's strategic priorities to consider how the BSC Change process could be sped up, the results from the customer survey supported the need for a review the BSC Change process and highlighted a number of key issues/areas for improvement:

- There is a perception that the BSC Change process, like other codes' change processes, is slow and that the benefits associated with BSC Changes could be realised more quickly;
- The BSC Change process is considered complex and it can be difficult for those participating in the process to understand what will be required from them in the various stages in the development of a change. This may dissuade parties from engaging in the BSC Change process and limit stakeholder participation.
- Not all categories of stakeholder are consistently represented in the development of BSC Changes. Smaller organizations in particular tend to be underrepresented.

2.2 Further details of the issue and the reasons for conducting a review are detailed in the attached Issue Form (Attachment A).

[1] https://www.elexon.co.uk/meeting/bsc-panel-327/

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3. Approach

3.1 It is expected that any required Modifications and Change Proposals in support of this work are raised and developed in parallel to the progression of the Issue Group rather than after its conclusion where practicable. This approach was recently successfully taken for Issue 93[2] 'Review of the BSC metering Codes of Practice'. This is to ensure that benefits from the work of the issue group are realised as quickly as possible.

3.2 Issue Group members should be familiar with the current BSC Change processes e.g. Issues, Change Proposals and Modifications. Stakeholders with knowledge of other industry code change processes or expertise in general change management and good governance will be invited to join.

3.3 We also recommend that the Panel sponsor the review and nominate a sponsor to attend the issue group meetings.

3.4 We will work with the issue group to identify and prioritise a log of issues and solutions. Any solutions developed by the issue group must:

- Speed up the BSC Change Process; and/or
- Simplify the BSC Change Process;

Whilst also maintaining or improving quality of BSC Change solutions and reports.

3.5 To ensure that the ideas considered by the Issue Group are those that have the greatest potential to meet the required solution outcomes the Issue Group will triage possible solution options before considering them in detail. Appendix A details the method by which we will triage possible solutions options.

4. Proposed timetable and resources

4.1 To control the risk of significant scope creep and a prolonged review, we propose to limit the review to 12 months, with an additional 6 month contingency to be called upon, with Panel approval. This may require the Issue Group to prioritise what is reviewed and the changes to progress. The 12 months should include the raising of any 'quick wins.' We plan to complete as much work as possible within the first six months and to confirm with the Issue Group and Panel at this point that there is value in continuing with the review.

4.2 We also propose an additional 12 months to raise any changes that are not raised during the review. We expect these changes to be more substantial and will need to be considered alongside other competing demands.

4.3 We estimate the following Elexon resources will be required to progress the review:

- Lead Analyst – point of contact with industry for the Issue, maintain the plan, arranging and facilitating meetings and writing up discussions and the Issue Report. Also, initiate any identified changes. 0.33 Full Time Equivalent (FTE).
- Design Authority – support rationalisation of issues and development of solutions, providing holistic oversight of any recommendations. 0.2 FTE.
- BSC Change Subject Matter Expert – provide support to development of solutions and contribute to Issue group meetings – 0.2 FTE
- Legal counsel – provide support to development of solutions and contribute to Issue group meetings. 0.1 FTE.
- Chair – chair Issue group meetings and sign-off of materials. 0.1 FTE.
- Total: ~1 FTE

4.4 The draft progression plan, detailing the proposed items for consideration at each meeting and the desired outcomes is detailed in Appendix B. We welcome feedback and comment from the Panel on the progression plan.

5. Scope

5.1 The proposed scope of the review is:

- **BSC Modifications, Change Proposals and Issues processes**
- **BSC Change Working Practices, including templates**
- **Cross-code working**

[2] https://www.elexon.co.uk/smg-issue/issue-93/

5.2 The Issue Group will not consider process improvements that are directly in scope of the Ofgem/ BEIS Energy Code reform work, where possible, to avoid the duplication of effort between the two programmes of work.

5.3 Whilst we will endeavour to only consider item that are not in scope of the Ofgem Energy Code reform work, the prioritisation of BSC Change Pipeline is in scope of the issue group due to the strength of feedback from industry stakeholders as well as the immediate benefits that could be realised on implementation. We will invite Ofgem to attend and contribute to the Issue Group.

5.4 The specific Terms of Reference we propose the Issue Group consider are given in Appendix C of this paper. We welcome feedback and comment from the Panel on the Terms of Reference.

6. Recommendations

6.1 We invite the Panel to:

a) **COMMENT** on the Issue form, proposed approach, timetable and terms of reference;

b) **NOMINATE** a sponsor for the review; and

c) **NOTE** the contents of this paper and that we will raise the Issue following the August Panel meeting.

Attachments

Attachment A – BSC Change Process Review Issue Form v1.0

Appendices

Appendix A - Triage criteria and methodology

Appendix B - Expected Issue Group timetable and desired outcomes of each meeting

Appendix C – Issue group terms of reference

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Appendix A - Triage criteria and methodology

The impact criteria that the Issue group will use to assess potential ideas are calculated as follows:

- **Benefits** – For a suggested idea what would what would be the benefits from implementing the solution? Benefits to be considered as part of this include but are not limited to:
    - Cost and time savings
    - Improved quality/ provision or reports and/or data
    - Consumer benefits
    - BSC Party benefits

Benefits Category	Benefits Number	Description
Very Low	1	Minimal benefits to a limited set of stakeholders, no benefits at all or negative benefits across all stakeholder groups. Minimal frequency of occurrence.
Low	2	Some benefits to a limited set of stakeholders. Low frequency of occurrence.
Medium	3	Some benefits to a wide set of stakeholders or large benefits to a limited set of stakeholders. Medium frequency of occurrence.
High	4	Large benefits to a wide set of stakeholders or very large benefits to a limited set of stakeholders high frequency of occurrence.
Very High	5	Very large benefits to a wide set of stakeholders. Very high frequency of occurrence.

For each potential idea, an estimated implementation effort number will be determined as follows:

Effort	Implementation Effort Number	Description
Very Low	5	Minimal effort required by a limited set of stakeholders to implement
Low	4	Some effort required by a limited set of stakeholders
Medium	3	Some effort required by a wide set of stakeholders or large effort required by a limited set of stakeholders
High	2	Large effort required to a wide set of stakeholders or very large effort required by a limited set of stakeholders

Very High	1	Very large required by a wide set of stakeholders

For each potential idea the Issue Group will identify high impact, low effort potential ideas i.e. Implementation Effort Number $\times$ Benefits Score ≥ 10 and this set of potential ideas will be considered further by the Issue Group. These criteria and methodology should be reviewed and confirmed by the Issue Group at its first meeting.

Appendix B - Expected Issue Group timetable and desired outcomes of each meeting

Elexon propose the following progression route and outcomes for each meeting:

Proposed Issue group Progression Timetable		
Event	**Date**	**Comments**
Publish Issue group form on BSC website	By 17 Aug 2022	This is four Working Days after the August Panel meeting to allow time for any comments or amendments to be made to the Issue form or the Terms of Reference before publication.
Seek Issue Group members	17 Aug – 16 Sept 22	A month given to find relevant Issue group members.
Issue Group 1	W/C 26 Sept 22	Desired outcomes of first meeting: • Provide overview of existing BSC Change Process and Issue Terms of Reference • Agree how to prioritise potential improvement ideas • Agree and review current issues with the BSC Change process • Overview and initial discussion of initial potential improvement ideas
Issue Group 2	W/C 24 Oct 22	Desired outcome of second meeting: • Agree set of potential improvements to consider *more meetings may be needed depending on how many ideas are put forward • Discuss outcome of prioritisation exercise • Identify high impact and low effort items • Agree the set of items to consider
Issue Group 3	W/C 21 Nov 22	Desired outcome of third meeting: • Discuss in detail a (or a number of) high impact and low effort item(s) • Determine Issue Group recommendations for the Panel • Determine whether a (or a number of) Modification(s) or CP(s) should be raised to give effect to an/the item(s)
Issue Group 4	W/C 16 Jan 23	Desired outcome of desired meeting: • Discuss in detail a (or a number of) high impact and low effort item(s) • Determine Issue group recommendations for the Panel • Determine whether a (or a number of) Modification(s) or CP(s) should be raised to give effect to an/the item(s)
Present Issue Report to Panel	9 Feb 23	

Appendix C - Issue group terms of reference

The table below summarises the areas we believe an Issue Workgroup should consider:

Areas to Consider
What amendments should be made to speed up and/or simplify the BSC Change Process whilst also maintaining or improving quality of solutions and reports?
Which of the identified BSC Change process amendment ideas are high impact and low effort to implement?
Should any of the low/medium impact, or medium/high effort to implement solutions also be considered for implementation, and if so why?
Which of the BSC Change process amendment ideas should be implemented? For each BSC Change process amendment idea provide rationale for the decision made.
Which of the identified BSC Change amendment ideas require Modifications and/or Change Proposals to Implement?

For the avoidance of doubt, the standard Issue group Terms of Reference[3] will apply in addition to the additional requirements detailed in this Terms of Reference.

[3] https://www.elexon.co.uk/documents/change/issues/terms-of-reference-for-issue-groups/