Initial Written Assessment

P444 'Compensation for Suppliers and Virtual Lead Parties for Virtual Lead Party actions in the Balancing Mechanism (BM)'

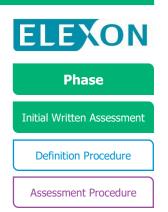
The P444 solution seeks to introduce compensation for Suppliers and Virtual Lead Parties (VLPs) for volumes adjusted by VLPs in the Balancing Mechanism.

Elexon recommends P444 is progressed to the Assessment Procedure for an assessment by a Workgroup

ELEXON consider it likely that P444 will impact the European Electricity Balancing Guideline (EBGL) Article 18 terms and conditions held within the BSC

This Modification is expected to impact:

- Suppliers
- Virtual Lead Parties
- Elexon as the BSCCo



Report Phase

Implementation

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About This Document

Not sure where to start? We suggest reading the following sections:

- Have 5 mins? Read section 1
- Have 15 mins? Read sections 1, 4, 5 and 6
- Have 30 mins? Read all sections
- Have longer? Read all sections and the annexes and attachments
- You can find the definitions of the terms and acronyms used in this document in • the <u>BSC Glossary</u>

This document is an Initial Written Assessment (IWA), which Elexon will present to the Panel on 8 September 2022. The Panel will consider the recommendations and agree how to progress P444.

There are two parts to this document:

- This is the main document. It provides details of the Modification Proposal, an • assessment of the potential impacts and a recommendation of how the Modification should progress, including the Workgroup's proposed membership and Terms of Reference.
- Attachment A contains the P444 Proposal Form. .





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1 Summary

What is the issue?

Under BSC arrangements introduced by <u>P344 'Project TERRE implementation into GB</u> <u>market arrangements'</u> there is no mechanism for compensation of Parties who have been affected by Virtual Lead Party (VLP) activity in the Balancing Mechanism (BM).

As a result, Suppliers are commercially impacted and left with a cost from the Balancing Mechanism that they cannot recover.

What is the proposed solution?

The P444 solution seeks to introduce compensation for Suppliers and VLPs who are currently left with an undue cost to volumes adjusted by VLPs in the Balancing Market that they cannot recover.

This Modification would amend BSC systems and processes to introduce a compensation mechanism for Suppliers and VLPs when a VLP takes a Bid or Offer in the BM, to ensure a level playing field and enable correct incentivisation of flexibility.

The Proposer believes that implementing Supplier compensation in the BM would address a defect within the BSC which Suppliers are bearing the cost of.

We do not believe there is a dependency between this Modification and <u>P415</u> 'Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties' and we explain this relationship with P415 in Section 3.

Impacts and costs

We expect P444 to impact:

- VLPs who may be required to pay compensation
- BSC Parties (Suppliers) who may be subject to mutualised compensation costs for VLP activity in the BM; and
- BSCCo who will need to administer compensation payments to/from Parties, potentially as a BSC Trading Charge.

P444 will be subject to impact assessments for Elexon and market participants as part of the Assessment Procedure.

Implementation

At this stage the Proposer recommends that P444 aligns with the implementation approach for P415. This has the potential to unlock efficiencies, simplifications and cost savings associated with applying Supplier compensation to both the BM and WM in the same BSC Release. This will be revisited during the course of Workgroup assessment of P444 and finalised as part of P444's assessment.

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Recommendation

The Panel is invited to agree that P444 is submitted to the Assessment Procedure for assessment by a Workgroup.

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2 Why Change?

What is the issue?

<u>BSC Modification P344</u> created the concept of VLPs to allow independent aggregators to access the BM). P344 introduced a mechanism to adjust each Supplier's position to remove the Account volumes dispatched by VLPs at sites registered to that Supplier.

However, this does not result in a level playing field between Suppliers and VLPs. This is because when a VLP takes an action on behalf of a Supplier's customer, while the volume of the action is removed from the Supplier's imbalance position, the customer has still used less volume than the supplier has forecast. This means that volumes billed between customer and Supplier do not match the volumes against which the Supplier is settled for imbalance, even where the Supplier has correctly hedged the customer's volume.

For example, for a demand side customer where the Supplier hedges perfectly, if an Offer is taken by the VLP and the consumer consumes less energy, the customer's metered consumption is lower than expected, leaving the Supplier long. The P344 mechanism returns the Supplier to a balanced position, but without a price ascribed to that transfer. The result is that the Supplier has purchased energy which it cannot now bill the customer for because the meter does not show consumption. That energy has been transferred from the Supplier to the VLP unpriced, who has sold it in the BM for a price.

Similarly, if a Bid is taken for a demand side customer and the customer consumes more energy, the customer's metered consumption is higher than expected, leaving the Supplier short. The P344 mechanism returns the Supplier to a balanced position, again without a price ascribed to that transfer. The result is that the Supplier bills the customer for consumption showing in the meter which the Supplier did not actually purchase. That energy, which was purchased by the VLP in the BM, has been transferred from the VLP to the Supplier unpriced.

The result is that the VLP gains value in Offers and loses value in Bids. The P444 Proposer believes that this is a market distortion, the supplier loses value for offers and gains value for bids

Relationship with Supplier compensation under P415

P415 proposes to introduce a Supplier compensation mechanism to reimburse the Supplier for VLP-altered WM volumes to negate any commercial impact. The Proposer believes that both markets should follow the same route and that there are overall efficiencies to implementing Supplier compensation in the BM within a similar timescale as the WM.

While P444 aims to utilise functionality being developed for P415 in so far as that functionality could potentially be extended to the BM, the central argument for this Modification is standalone - there ought to be Supplier compensation for BM transactions, regardless of the eventual Authority decision to approve or reject P415.

Therefore there is no hard dependency between Ofgem approving P415 and approving P444. Rather, P444 could take advantage of the work already undertaken for that Modification and proposes an extension of its functionality to go live with P415 to unlock efficiencies.

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The P444 Proposer believes (and Elexon agree) that it would be optimal to have both elements considered by Ofgem at the same time and that reflects the timetable proposed for this new Modification.

If both P444 and P415 are approved, there are additional benefits to aligning treatment of Demand Side Response in the WM and BM markets.

Background

Wider Access

<u>P344: 'Wider Access and Project TERRE'</u> enabled VLPs to participate in the Balancing Mechanism. P344 allows the separation of normal supply to the customer and the offering of normal flexibility from the customer.

Implemented in 2019, Wider Access is the term used for changes to the BSC and to the National Electricity Transmission System Operator (NETSO) processes to enable customers and independent aggregators – known in the BSC as Virtual Lead Parties (VLPs) - to participate in the Balancing Mechanism (BM).

BSC arrangements have always allowed customers to participate in the BM through their electricity supplier, but Wider Access allowed them to do so through an independent aggregator, or directly themselves (if they accede to the BSC), allowing Balancing-related activities to be separated out from the supply of electricity for other purposes; and ensuring that imbalance arising from either of those activities is allocated to the correct Party.

The Wider Access changes also removed BSC barriers to customers and independent aggregators participating directly in the Replacement Reserve (RR) market.

Wider Access changes to the BSC were implemented under Modification <u>P344 'Project</u> <u>TERRE implementation into GB market arrangements'</u> and provided a means for the registration and qualification of VLPs.

Virtual Lead Parties

A VLP is a distinct type of Party to the BSC that only participates in Settlement by offering balancing energy. An AMVLP is a VLP that uses Asset Metering (also known as behind the boundary Metering) instead of or as well as Boundary Metering as introduced by P375, implemented in June 2022.

The BSC does not currently provide a mechanism for VLPs and AMVLPs to trade in wholesale markets. In recognition of this, a BSC Party who qualifies only in the role of VLP or AMVLP (and not in any of the Trading Party roles that permit access to wholesale markets, such as Generator or Non-Physical Trader) is not subject to the same level of charges and obligations as existing Parties.

A BSC Party who qualifies both as a VLP or AMVLP and as a Trading Party will be subject to the same charges and obligations as other Trading Parties. A VLP is a distinct new type of Party to the BSC that only participates in Settlement by offering balancing energy unlike a trading party that does not take physical action in the market. An AMVLP is a VLP that



What are Secondary BM Units?

Secondary BM Units are registered by VLPs who use them to deliver balancing services, but are not responsible for Energy Imbalances (except where they arise from failure to deliver a balancing service). Each of the Supplier Volume Allocation (SVA) Metering Systems in a Secondary BM Unit must also be included in a Supplier BM Unit.

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uses Asset Metering (also known as behind the boundary Metering) instead of or as well as Boundary Metering.

Supplier compensation under P344

As part of its discussions, the P344 Workgroup identified that it may be appropriate for a payment to accompany the correction of the imbalance position of the Supplier, noting that such payments are permitted under Article 17 of EU Directive 2019/944. However, the P344 Workgroup took the view that compensation for adjustments was a matter between the customer and the Supplier, and did not further explore how to deliver this as part of its BSC solution, given the fixed TERRE deadline and what could be achieved

Discussions held as part of P415

One of the key principles developed under the P415 solution was that Supplier should not benefit nor suffer detriment because of the actions of an Independent Aggregator (VLPs) on site. This is why under the P415 Settlement solution the Suppliers Imbalance position is adjusted to account for any Independent Aggregator activity (this expands on the arrangements introduced in P344 solution that adjusts Suppliers for balancing activity).

However this still leaves the Supplier commercially impacted in the likely Demand Side Response (DSR) scenario (i.e. the Independent Aggregator reducing demand at a customer's site). In this scenario the Supplier will have bought energy on the wholesale market (that it expected the customer to use) but can't invoice the customer as they have not used it.

There was widespread support among the P415 workgroup for the view that Supplier compensation should be paid be paid for all VLP activity (i.e. both balancing and wholesale market activity.)

However, Elexon legal advice confirmed that compensating BM volumes is not within scope of the P415 defect. Should Supplier BM compensation be included in the solution and is legally challenged then the challenge is likely to be successful. Therefore the P415 solution should only compensate Suppliers for WM Volumes.

As Supplier adjustments are calculated on a MSID basis the P415 solution needs to distinguish between BM and WM volumes at this level.

As noted previously Suppliers shall only be compensated for Wholesale Market volumes and so BSCCo will need to identify for each SBMU what volumes are to be allocated as balancing volumes and what volumes are to allocated as wholesale market volumes under P415.

Related Modifications

P344, P375 and P376 'Metering behind the Boundary Point'

Elexon note that a lot of the settlement functionality needed to achieve a P444 solution had been implemented by <u>P344: 'Wider Access and Project TERRE'</u> which enables VLPs to participate in the Balancing Mechanism. P344 allows the separation of normal supply to the customer and the offering of normal flexibility from the customer.

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Elexon also note that BSC modifications: <u>P375</u> 'Settlement of Secondary BM Units using metering behind the site Boundary Point' and <u>P376</u>: 'Utilising a Baselining Methodology to set Physical Notifications' introduce functionality that facilitates accuracy in determining settlement of actions the VLP has taken.

- P375 allows metering at the flexible asset; and
- P376 also provides baselining methodologies to separating out normal behaviour from flexibility.

Therefore it is likely the P444 solution will also build upon the functionality of P344, P375 and P376 to reduce cost and promote efficiency.

Desired outcomes

This Modification would introduce compensation for Bids and Offers taken in the BM. That is, it prices the volumes which are transferred between VLP and Supplier under P344.

P444 is intended to promote a level playing field for Suppliers and ensure the correct incentivisation for flexibility to act in the BM. In a period in which a customer's consumption is being varied by a VLP so as to meet a BM commitment, the customer's Supplier's position should be unaffected.

The compensation should be two way – both from and to Suppliers and VLPs.

An aligned implementation with P415, if possible, would be preferable to avoid confusion and difficulty that would occur should Supplier compensation be introduced in one market and not another.

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3 Solution

Proposed solution

This Modification would introduce a compensation mechanism for Suppliers when a VLP takes a Bid or Offer in the BM.

The Proposer believes that this is necessary to address a defect introduced by P344 whereby Suppliers participating in the WM are at a disadvantage and that compensation is required to ensure a level playing field within the BM.

It is intended for the solution to go both ways – VLPs should be liable to pay Suppliers compensation when Suppliers suffer detrimental impact from an activity the VLP benefits from (load reduction). Conversely Suppliers should be liable to pay VLP compensation when VLP suffer detrimental impact from an activity Supplier benefits from (load increase).

Compensation payments to/from Parties could be administered by BSCCo as a BSC Trading Charge.

Interaction with other BSC Modification Proposals

The P444 Workgroup will consider the incorporation of elements of the solutions for BSC Modification P415 (as well as P375 and P376) in order to develop and assess approaches for applying Supplier compensation within the BM.

The assessment of P444 is not dependent on the approval of the P415 solution. P415 is still in assessment by a Workgroup and, as P415 is not approved yet, Legal Text to give effect to the P444 Solution will be developed on the BSC baseline, with an alignment Modification potentially needed once Ofgem has come to a decision on each Modification.

Benefits

In the Proposer's view, arrangements introduced by P344 have led to undue liabilities for Suppliers participating in the WM as they are unfairly disadvantaged by VLP activity. The primary benefit of P444 is to rectify this defect and promote a level playing field among market participants.

Benefits to aligning progression with P415

The implementation of P415 (if approved) would introduce misalignment between treatment of volumes delivered under the WM (post P415) and the BM markets.

In the absence of a solution to apply Supplier compensation in the BM (i.e without P444), Suppliers will be required to distinguish between two sets of volumes and apply different processes to compensation-eligible and compensation-exempt volumes based on which market, which is expected to be extremely challenging.

Without P444, P415 will have to implement system functionality to distinguish between WM and BM volumes for the purposes of compensation. Should Ofgem be supportive of both P444 and P415 and come to its view at the same time, there is an opportunity to avoid these additional system costs which would otherwise be paid by BSC Parties and reduce the overall cost for these two Modifications and come to its view at the same time,

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there is an opportunity to avoid these additional system costs which would otherwise be paid by BSC Parties and reduce the overall cost for these two Modifications.

Compensation under P415

The P415 Solution Summary document on the <u>P415 webpage</u> details the approach that the P415 Workgroup are taking to Supplier compensation. P415 is still being assessed by an industry change so the requirements remain subject to change until P415 is approved.

Applicable BSC Objectives

The Proposer believes that this Modification will have positive impacts on Applicable BSC Objectives (b) and (c).

Objective (b) - The efficient, economic and co-ordinated operation of the National Electricity Transmission System

The Proposer believes that the operation of the electricity system will be supported as a result of more efficient BM arrangements and greater participation in the BM.

Elexon note that potential efficiencies may become clear over the course of assessment for P444 but believe that the primary benefit of P444 is in relation to objective (c).

Objective (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

The Proposer believes that greater volumes of available capacity in the BM will lead to greater competitive pressure and promote a level playing field

Implementation approach

If it is agreed as part of P444's assessment that P444 should utilise processes and methodologies developed for P415, the Proposer wishes to target an implementation date that aligns with P415 (if approved), so that efficiencies in the solution design can be realised and Supplier compensation applied to both the BM and WM in the same BSC Release. P415 is still under assessment by an industry Workgroup to determine the best implementation date.

This viability of this strategy will be kept under review and revisited during the course of Workgroup assessment of P444.



What are the Applicable BSC Objectives?

(a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence

(b) The efficient, economic and coordinated operation of the National Electricity Transmission System

(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

(d) Promoting efficiency in the implementation of the balancing and settlement arrangements

(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]

(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

(g) Compliance with the Transmission Losses Principle

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4 Areas to Consider

In this section we highlight areas which we believe the Panel should consider when making its decision on how to progress this Modification Proposal, and which a Workgroup should consider as part of its assessment of P444. We recommend that the areas below form the basis of a Workgroup's Terms of Reference, supplemented with any further areas specified by the Panel.

The Workgroup will need to examine the application of Supplier compensation under the P415 solution and determine whether it is suitable for application in the BM. Should P444 adopt the Supplier compensation mechanism functionality being developed for WM activity under P415?

In the case of P444 being implemented before P415, the workgroup should examine which parts of P415 should be taken and then implemented for P444 to work as per the proposal. Therefore the scope of P415 may need to be reduced.

It is foreseeable that the membership of P444 will draw heavily from industry members currently involved in work on P415, it may be appropriate to run these meetings in tandem to ensure an efficient assessment of each Modification as they complete assessment.

We also welcome members with previous experience of P344 and will seek additional expertise in Supplier/VLP interactions and operations in the BM.

It is our understanding that the P415 solution for supplier compensation could diverge into two Proposed and Alternative proposals that will be put before Ofgem as part of their overall decision. P444 will need to be conscious and aligned on P415-led changes to the requirements and proposals for Supplier compensation functionality.

In order to better understand the materiality of this issue, input should be sought from Suppliers and VLPs to better understand the issue, impacts and benefits case to making this change.

Areas to consider

The table below summarises the areas we believe a Modification Workgroup should consider as part of its assessment of P444:

Areas to Consider	
Should P444 adopt the Supplier compensation mechanism functionality being developed for WM activity under P415?	
Is there any data on what volumes of energy have been used by VLPs to establish the impact on Suppliers and how this might change over the next 10 years?	
How will P444 impact the BSC Settlement Risks?	
What changes are needed to BSC documents, systems and processes to support PXXX and what are the related costs and lead times? When will any required changes to subsidiary documents be developed and consulted on?	330/0 PXXX Initial
Are there any Alternative Modifications?	1.500
Should P444 be progressed as a Self-Governance Modification?	1 Sep Versio
Does P444 better facilitate the Applicable BSC Objectives than the current baseline?	Page

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Does P444 impact the EBGL provisions held within the BSC, and if so, what is the impact on the EBGL Objectives?

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5 Proposed Progression

We believe that the Modification does **<u>not</u>** meet Ofgem's criteria for Urgency. Despite not seeking an Urgent status, P444 is targeted for a relatively swift Assessment Procedure timetable that, if possible, would enable an aligned presentation of both P415 and P444 to Ofgem at the same time.

Given that much of the thinking needed to assess the eventual P444 solution may have already taken place under P415, Elexon are comfortable with the proposed timeframes and note the potential efficiencies that can be unlocked with this aligned approach.

The Proposer concurs and believes that P444 requires consideration by an industry Workgroup to fully develop all the detail.

Next steps

The Modification should be assessed by a Workgroup and submitted to the Assessment Procedure. Given the potential crossover in Workgroup membership and expertise, there is value in aligning meeting dates to maximise efficiency in developing the two solutions in tandem.

Workgroup membership

The assessment of this Modification Proposal requires knowledge in:

- Supplier operations and processes;
- VLP operations and processes;
- Processes introduced by P344; and
- The P415 solutions in particular Supplier compensation methodologies.

Timetable

Proposed Progression Timetable for P444	
Event	Date
Present Initial Written Assessment to Panel	8 September 2022
Workgroup Meeting	Early October 2022
Workgroup Meeting	November 2022
Assessment Procedure Consultation	1 December 2022 – 22 December
Workgroup Meeting	January 2022
Present Assessment Report to Panel	February 2022
Report Phase Consultation (one month duration if EBGL is impacted)	February 2022



What is the Self-**Governance Criteria?** A Modification that, if implemented: (a) does not involve any amendments whether in whole or in part to the EBGL Article 18 terms and conditions; except to the extent required to correct an error in the EBGL Article 18 terms and conditions or as a result of a factual change, including but not limited to: (i) correcting minor typographical errors; (ii) correcting formatting and consistency errors, such as paragraph numbering; or (iii) updating out of date references to other documents or paragraphs; (b) is unlikely to have a material effect on: (i) existing or future electricity consumers; and (ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution, or supply of electricity; and (iii) the operation of the national electricity transmission system; and (iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and (v) the Code's governance procedures or modification procedures; and (b) is unlikely to discriminate between different classes of Bacties PXXX

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Proposed Progression Timetable for P444	
Event	Date
Present Draft Modification Report to Panel	March/April 2022
Issue Final Modification Report to Authority	March/April 2022
Development of subsidiary documents	Following P444 approval. Depending on Ofgem's view on P444 and P415, an alignment Modification may be necessary to ensure the BSC baseline is amended correctly.

This timetable would allow P444 to progress in parallel to P415 and unlock efficiencies associated with this approach.

Note that if P444 does, or is likely to impact the EBGL provisions held within the BSC, the Report Phase Consultation will need to be one month in duration.

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6 Likely Impacts and costs

Impact on BSC Parties and Party Agents			
Party/Party Agent	Potential Impact	Potential cost	Estimated impact
Virtual Lead Party	 Depending on eventual P444 solution, VLPs may need to pay compensation to Suppliers for actions taken in the BM. This could be payable directly by VLPs or mutualised among Suppliers. When a supplier benefits, the VLP will be paid compensation by the benefiting supplier, or that compensation will be paid to all mutualised suppliers 	TBC during Assessment Procedure	Η
Supplier	Under P444, Suppliers would receive compensation to address the commercial detriment they incur on VLP-adjusted BM volumes and have to pay compensation when they benefit. VLP actions are generally likely to be a detriment to the supplier	Positive	L

Impact on the NETSO	
Potential Impact	
No impact expected	

Impact on BSCCo			
Area of Elexon	Potential Impact	Potenti al cost	Estimat ed Impact
Settlement and Invoicing	Management of the compensation system designed for P444	TBC during Assess ment Proced ure	Μ

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Impact on BSCCo			
Area of Elexon	Potential Impact	Potenti al cost	Estimat ed Impact
Performance Assurance	P444 could result in a new Trading Charge to account for adjusted BM volumes. The <u>Performance Assurance Framework (PAF) is in</u> place to provide assurance that Calculations and allocations of energy and the associated Trading Charges are performed within the BSC requirements. Risk 25 assesses the Balancing Services provided by Virtual Lead Parties allowing error to enter Settlement, such that the energy volumes required for Settlement are incorrect or missing	TBC during Assess ment Proced ure	Μ

Impact on BSC Settlement Risks

Impact on the Settlement Risks will be considered during the Assessment Procedure.

Impact on BSC Systems and processes		
BSC System/Process	Potential Impact	
SAA	May require amendments to facilitate the calculation of application of compensation to Suppliers in the BM.	
SVAA	Calculation of deviation volumes due to VLP activity in the BM	

Impact on Code	
Code Section	Potential Impact
BSC Section T	Section T contains the rules for undertaking Settlement and determining BSC Parties' Trading Charges, including the detailed algebraic calculations.
BSC Section S	Section S contains the rules for determining Metered Volumes for the purposes of Supplier Volume Allocation

Impact on EBGL Article 18 terms and conditions

It is likely that P444 will impact on the EBGL Article 18 terms and conditions, but this will be revisited during the Assessment Procedure.

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Impact on Code Subsidiary Documents		
CSD	Potential Impact	
To be confirmed	We aim to complete the drafting of BSCPs during the Assessment Procedure. Redlining will be likely to cover a new trading charge and a new subsidiary document containing the supplier compensation methodology	

Impact on Core Industry Documents and other documents		
Document	Potential Impact	
None anticipated	None anticipated	

Impact on a Significant Code Review (SCR) or other significant industry change projects

We do not believe this Modification has any impact on any open SCR and have requested that Ofgem class P444 as exempt.

Impact of the Modification on the environment and consumer benefit areas:		
Consumer benefit area	Identified impact	
1) Improved safety and reliability The Proposer believes that greater volumes in the BM will lead to greater reliability.	Positive	
2) Lower bills than would otherwise be the case The Proposer believes that greater competitive pressure in the BM will lead to lower BM prices.	Positive	
3) Reduced environmental damage Add rationale and comments here	Neutral	
4) Improved quality of service Add rationale and comments here	Neutral	
5) Benefits for society as a whole Add rationale and comments here	Neutral	

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What are the consumer benefit areas?

1) Will this change mean that the energy system can operate more safely and reliably now and in the future in a way that benefits end consumers? 2) Will this change lower consumers' bills by controlling, reducing, and optimising spend, for example on balancing and operating the system? 3) Will this proposal support: i)new providers and technologies? ii) a move to hydrogen or lower greenhouse gases? iii) the journey toward statutory net-zero targets? iv) decarbonisation? 4) Will this change improve the quality of service for some or all end consumers. Improved service quality ultimately benefits the end consumer due to interactions in the value chains across the industry being more seamless, efficient and effective. 5) Are there any other identified changes to society, such as jobs or the economy.

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7 Recommendations

We invite the Panel to:

- AGREE that P444 progresses to the Assessment Procedure;
- AGREE the proposed Assessment Procedure timetable;
- AGREE the proposed membership for the P444 Workgroup; and
- **AGREE** the Workgroup's Terms of Reference.

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