

## Minutes

### BSC Panel

Meeting number	<b>333</b>	Venue	<b>Elexon Offices/Video Conference</b>
Date of meeting	<b>8 December 2022</b>	Classification	<b>Public</b>

**Please note that unless otherwise stated, all Panel decisions were unanimous.**

### Attendees and apologies

#### Attendees

Sara Vaughan	SV	BSC Panel Chair
Phil Hare	PH	Deputy BSC Panel Chair
Andrew Colley	AC	Industry Panel Member
Andy Manning	AM	Consumer Panel Member
Angus Fairbairn	AF	Elexon
Audrey Ramsay	AR	NGESO
Colin Down	CD	Ofgem Representative
Derek Bunn	DB	Independent Panel Member
Diane Dowdell	DD	Chair Appointed Industry Panel Member
Elliott Harper	EH	Head of Governance Services, Panel Secretary
Fionnghuala Malone	FMa	BSC Administration Team Leader
Fungai Madzivadondo	FM	Distribution System Operator Representative
Helen Tipton	HT	Director of Strategic Programmes
Jon Wisdom	JW	NGESO Panel Member
Kevin Baillie	KB	Ofgem
Lisa Waters	LW	Industry Panel Member
Mark Oxby	MO	Industry Panel Member
Michael Robertson	MR	Industry Panel Member

## Attendees and apologies

Peter Stanley	PS	Elexon Director of Digital Operations
Simon McCalla	SM	Elexon CEO
Tirath Maan	TM	Elexon
Tom Edwards	TE	Industry Panel Member
Kathryn Coffin	KC	Elexon
Victoria Moxham	VM	Elexon Director of Customer Operations
<b>Apologies</b>		
Caroline Farquhar	CF	Consumer Panel Member

## Open Session

### 1. Introduction

- 1.1 The Chair noted apologies from Caroline Farquhar whose alternate is Andy Manning.

## Part I: Modification and Change Business (Open Session)

**IWA:** Initial Written Assessment | **AC:** Assessment Procedure Consultation | **AR:** Assessment Report  
**RC:** Report Phase Consultation | **DMR:** Draft Modification Report

### 2. Change Report and Progress of Modification Proposals (333/02)

- 2.1 The Modification Secretary presented the Change Report and progress of Modification Proposals.
- 2.2 LJ queried whether it was likely that P412 (Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a price that reflects the real-time value of energy) would be withdrawn. The NGESO Panel Member noted that it was unable to be withdrawn due to compliance issues, but that NGESO will work alongside Elexon and BEIS to understand whether the provision under which it had been introduced would become retained law or whether it will be repealed.
- 2.3 The NGESO Panel Member commented on [P448 'Mitigating Gas Supply Emergency Risks'](#) and noted that definitions may require an update. It was also noted that an Issue Group should discuss any concerns raised with P448 which were perhaps not considered due to the urgency of the Modification. LJ commented that Elexon has been in discussions with Ofgem where they have suggested a list of proposed topics to be covered off in the Issue Group.
- 2.4 LJ highlighted that a new Network Gas Supply Emergency Settlement Validation Data Committee (NGSESVDC) is proposed to be established to verify the data used in Settlement is required as part of P448, where the Terms of reference will need Panel approval. He agreed this will be presented at the Panel meeting in January 2023.
- 2.5 The BSC Panel:
- a) **NOTED** the contents of the December 2022 Change Report.

## Part II: Non-Modification Business (Open Session)

### 3. Elexon Report Minutes of previous meetings and Actions arising

- 3.1 The BSC Panel approved the draft minutes for BSC Panel meeting 332. Elexon presented the actions and associated updates for the December 2022 Panel meetings.

#### 4. Chair Report

- 4.1 The Chair reported an internal review at BEIS following the appointment of the new Secretary of State and that as a consequence the Energy Bill was moving forward.
- 4.2 In response to a question from the Chair, the Ofgem Panel Member noted that Ofgem's Call for Input on Codes Reform would be issued in the next week and the NGESO Panel Member asked Ofgem to note and be mindful of the Christmas period in expecting stakeholders to respond to consultations. The NGESO Panel Member noted that it was a question of being able to contact those from whom input was needed, as well as those drafting responses.
- 4.3 The Chair highlighted that the Elexon Board had approved the appointment of a new non-executive director who would be joining on 1 January 2023.
- 4.4 The BSC Panel:
  - a) **NOTED** the update

#### 5. Elexon Report (333/01)

- 5.1 Peter Stanley (PS) informed the Panel that Elexon had taken steps to deal with volumetric issues which included rewriting system code and database indexing to ensure BMRS could cope with higher volumes of dynamic data resubmissions passed through from NGESO. To improve performance further, a planned outage was required in January to deploy additional new code.
- 5.2 PS informed the Panel that although BMRS servers were replaced in 2016, the application technology architecture is old. He provided assurance in that Elexon had increased the monitoring of these legacy systems until they can be decommissioned next year, following the completion of the new Insights Solution.
- 5.3 SM noted that Elexon are still aiming to keep standards of availability high, but that this had been hard when it was a question of trying to process vastly increased data volumes. PS added that the issue has not yet been resolved as to why additional dynamic data was coming through but that Elexon continues to liaise with NGESO to establish the cause.
- 5.4 A Panel Member expressed concern with the way Elexon reported the status of BMRS outages given the extent to which as this tended to be quite slow and late, which was unsatisfactory as BSC Parties relied on this data. PS agreed that status updates issued via Circulars and Bulletins could be improved if time to next update was given and he would action this with the service management team.
- 5.5 The Ofgem Panel Member questioned why SLA failures were not reported in the Elexon KPIs for the December report. It was highlighted that the KPIs related to October reporting period. PS confirmed that the KPIs for November and December would be available for the January Panel.
- 5.6 The Panel asked Elexon to provide an update on the incorrect metering data issue. PS commented that the companies affected have been made aware of the theoretical trading charge debt including an agreement on how this will be reconciled in the new year through normal reconciliation runs.
- 5.7 A Panel Member raised a question around the revision of the Elexon budget till the end of the financial year. SM noted that there will not be any returned funds to Parties this financial year.
- 5.8 SM informed the Panel that the business plan draft will be provided to PH before publication at the end of December 2022. He noted that this plan will link specifically to Elexon's proposed strategy, focusing on Elexon's core competencies, Modifications and other Change business, as an example.
- 5.9 PH requested for volunteers to help draft responses on the business plan on behalf of the BSC Panel once the draft was published in December.
- 5.10 The BSC Panel:
  - a) **NOTED** the contents of this paper.

#### 6. MHHS Update

- 6.1 Helen Tipton (HT) provided an update on the MHHS Programme
- 6.2 The Panel noted that the MHHS Programme update is useful.

6.3 HT highlighted that due to the separation agreement, there is a limit to what she can discuss about the MHHS Programme work and therefore any discussions in the BSC Panel will already be public knowledge.

6.4 The Chair noted that the MHHS Update item will be a regular update to the Panel.

6.5 The BSC Panel:

a) **NOTED** the update

## **7. Distribution Report**

7.1 The DNO Representative commented on the topic of Winter preparedness and discussions with DNOs whom are looking to provide with more information.

7.2 Post meeting note: The DNO Representative issued an email to the BSC Panel on the subject of Winter Preparedness and coordination across the industry.

7.3 The BSC Panel:

a) **NOTED** the update

## **8. National Grid Report**

8.1 The NGESO Panel Member noted that the draft determinations for the ESO's second business plan have been released. He noted that NGESO have received positive feedback on this.

8.2 He updated on the testing for the demand flexibility service and noted that NGESO will share findings from the setup.

8.3 The BSC Panel:

a) **NOTED** the update

## **9. Ofgem Report**

9.1 The Ofgem Representative noted that the Codes review Request for Input will be published before Christmas.

9.2 He noted that DELTA had been issued with two provisional orders (one for failing to pay FITs payments and another for failing to respond to a request for information). A Panel Member noted that this is helpful information and requested that Elexon keep monitoring the amount of credit the company is posting.

9.3 Another Panel Member noted that when Ofgem put out its orders against DELTA, it noted that they needed to hedge to protect their customers. They were greatly concerned that this overlooked issue of a lack of liquidity in the market and the unfairness of requesting Parties to hedge themselves in a market where there this was extremely difficult to achieve.

9.4 The Ofgem Representative noted that Ofgem had published Statutory Consultations on strengthening the energy market, dealing with minimum capital requirements, ring-fencing the RO and reinforcing rules around customer balances. The Ofgem Representative highlighted that Ofgem have published their decision on [RIIO ED for 2023-2028](#) including that there will be increased investment but not increased customer bills, and noted that an Ofgem focus is on moving away from fossil fuels to increasing NGESO capacity for green energy.

9.5 The BSC Panel:

a) **NOTED** the update

## **10. BSC Sandbox Lessons Learned Report 2022 (333/03)**

10.1 KC presented the Annual BSC Sandbox Lessons Learned Report. She was joined by Kevin Baillie (KB) from Ofgem.

10.2 A Panel Member raised the question of whether the number of applications were in line with expectations when the Sandbox was approved. The Chair commented that it has been a turbulent time in the industry, therefore it was possible that applications may be lower than would be usual. KB confirmed that the number of applications had been expected to be quite a lot higher, and therefore questioned if it was the impact of the pandemic and market conditions or if it was that it was not meeting the industry's needs.

10.3 KC noted that there are incentives on Parties to raise a Modification after the Sandbox trial has ended, which does not prevent anybody else from raising a similar Modification. A Panel Member asked whether Elexon have

a list of Parties who may be interested in the Sandbox. KC confirmed that Elexon do not have an exhaustive list of interest, though there is an emerging community of interest.

10.4 A Panel Member questioned whether a Modification proposal could be directed through the Sandbox process. KC highlighted that Modification and Sandbox applications have similar timescales, but reiterated that learnings from both of these processes differ, especially in specific relation to the BSC. Elexon confirmed that workgroups explore context and the scope of options available. KB added that Emergent's recent DCUSA Sandbox application had arisen from the DCUSA change process, therefore the information will be provided back to that change group.

10.5 The BSC Panel:

- a) **NOTED** Elexon's BSC Sandbox activities, effort and metrics for the last year;
- b) **NOTED** Elexon's lessons learned and our identified operational improvements (both implemented and planned);
- c) **PROVIDED** any comments for inclusion in the report to Ofgem; and
- d) **APPROVED** the lessons learned report for submission to Ofgem and publication on the BSC Website.

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### Part III: Confidential Business (Closed Session)

11. **AOB**

12. **Next meeting**

12.1 The next scheduled meeting of the BSC Panel will be held in the Elexon Offices on Thursday 12 January 2023

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