

BSC Change Report

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Summary **The Change Report is a monthly summary of all Modifications, Change Proposals and Issues that are currently active. It shows the progress of each change in a visual ‘progress bar,’ as well as containing text updates on what has changed since last month’s Change Report. This report covers updates since 29 November 2022 until 26 December 2022.**

Summary of Open Changes

For details on the types of changes, the different phases, the types of reports and consultations please see Appendix 1.

Total changes open up until implementation

- Modifications: 12
- Change Proposals: 6
- Issues: 9

New changes since last month

- Issue 105

Workgroups

- Nine Workgroup held since last month’s report: P415/P444 – 7 December, P441 – 6 December, P443 – 7 December, Issue 95 – 30 November, Issue 101 – 13 December, Issue 102 – 9 December and 16 December, Issue 103 – 12 December, Issue 104 – 14 December
- Five Workgroups coming up: P441 – 17 Jan 2023, P443 – 16 January, Issue 99 – mid January, Issue 101 – 17 January, Issue 103 – late January

Consultations

- Consultations closed since last month’s report: November 2022 CPC: 7 November - 2 December (CP1571, CP1572, CP1573)
- Live Consultations: No live consultations

Extension requests

- P412 (six month extension), P441 (five month extension)

Awaiting decision

- Authority: P432
- In Self-Governance window: None

Decisions since last month

- Approved: P434, P448
- Rejected: None

Awaiting Implementation

- **Feb 23:** P376, P419, P428, P427, CP1569
- **Jun 23:** CP1558, CP1568
- **Nov 23:** P395

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I. Modification Updates – up until decision

| P412: Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a price that reflects the real-time value of energy | | | Update |
|--|---|------------------------|----------------------|
| Date Raised: | 3 September 2020 | Proposer: | NGESO |
| Target Implementation Date: | TBC | Current Status: | Assessment Procedure |
| Latest Update: | The Panel agreed to a six month extension to the Assessment Procedure at its meeting on 14 July 2022. | | |
| Next Event: | NGESO are continuing to engage with BEIS on the possibility of a derogation against Article 6(5) of the Clean Energy Package, which would remove the need to progress P412. Dependent on the outcome of the discussions with Ofgem and BEIS, further Workgroup meetings may need to be held to consider next steps in developing the P412 solution. | | |
| Extension Request: | A six month extension to the P412 Assessment Procedure is requested. Further time is required to update NGESO's impact assessment of one of the solution options considered by the Workgroup, implementing a change to Applicable Balancing Services Volume Data (ABSVD) to provide Elexon with instructed rather than delivered volumes. NGESO's updated impact assessment should be available in February. NGESO will then finalise their recommendation report prior to submission to Ofgem. Furthermore, following feedback from Panel in December, consideration is to be given to whether the specific regulation should be removed by BEIS in the retained law bill. | | |
| Issue: | P412 will introduce imbalance charges for non-Balancing Mechanism (BM) Balancing Services providers, where their delivery does not match instructed volumes. This will mean the GB market more effectively meets the requirements of the Clean Energy Package. | | |
| Current Solution: | P412 will introduce adjustments to Supplier's imbalance positions by non-BM Balancing Service Providers' instructed volumes, rather than delivered volumes as currently occurs under the P354 'Use of ABSVD for non-BM Balancing Services at the metered (MPAN) level' solution. | | |
| History: | <p>For full details visit the P412 webpage.</p> <p>P412 was raised on 3 September 2020. The Initial Written Assessment was presented to the Panel on 10 September 2020 and entered into the Assessment Procedure. The first Workgroup meeting was held on 29 October 2020 to discuss the issue, the proposed solution, next steps and the proposed timetable.</p> <p>The second Workgroup meeting was held on 27 November 2020 to consider five possible solutions and discuss the pros and cons of each option.</p> <p>The third Workgroup meeting was held on 22 February 2021 to further consider the legal and technical issues with the five possible solutions.</p> <p>The fourth Workgroup meeting was held on 7 April 2021. The Proposer subsequently consulted the Workgroup and industry on the impacts that the solution options may have, to then present a cost benefit analysis to Ofgem to determine how P412 should proceed. This process was expected to conclude in November 2021. The Panel approved a six month extension to the Assessment Procedure at its meeting on 8 April 2021 for this analysis to take place. The Proposer's revised timetable for the cost benefit analysis consultation meant that it was issued in October 2021, with a view to then engage with Ofgem. Further Workgroup meetings may be required to consider the development of the solution and next steps.</p> <p>The Panel agreed to a nine month extension to the Assessment Procedure at its meeting on 14 October 2021. National Grid ESO's cost benefit analysis consultation was issued on 18 October 2021 and closed on 26 November 2021.</p> | | |

| P415: Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties | | | Update |
|--|---|------------------------|----------------------|
| Date Raised: | 30 September 2020 | Proposer: | Enel X UK Ltd |
| Target Implementation Date: | 7 November 2024 | Current Status: | Assessment Procedure |
| Latest Update: | Workgroup meeting 15 was held on 7 December, where the Workgroup reviewed the legal text and prepared for the Assessment Consultation. | | |
| Next Event: | The Assessment Procedure consultation will be issued in January 2023. | | |
| Issue: | Consumers of electricity who are able to be flexible about their consumption cannot currently obtain any value from that flexibility from the Wholesale Energy Market, except if they work with their Supplier to do so. This contrasts with Balancing Services, the Balancing Mechanism, and the Capacity Market, all of which allow a customer's flexibility to be offered by an aggregator without the involvement of the Supplier. | | |
| Current Solution: | This Modification seeks to allow Virtual Lead Parties to obtain value from flexibility within the Wholesale Energy Market. | | |
| History: | <p>For full details visit P415 webpage.</p> <p>Raised by Enel X UK Ltd on 30 September 2020.</p> <p>Presented on 8 October 2020, where the Panel agreed to progress P415 to the Assessment Phase.</p> <p>Workgroup 1 – held on 11 December and discussed the principles behind the Modification.</p> <p>Workgroup 2 – held on 9 February and discussed more complex worked examples.</p> <p>Workgroup 3 – held 25 March where the group considered how best to incorporate P376 functionality and considered network charging.</p> <p>Workgroup 4 – held on 27 May 2021 where the Workgroup discussed current network charging arrangements, VLP's role in the market and imbalance settlement.</p> <p>Workgroup 5 – CEPA prepared a CBA options paper on behalf of the Workgroup. The paper can be found on the P415 webpage.</p> <p>Workgroup 6 – held on 3 September 2021 where the Workgroup reviewed the approach to Supplier Compensation within the Cost Benefit Analysis piece.</p> <p>Workgroup 7 – held on 28 October 2021 where the Workgroup continued to assess credit and reporting requirements.</p> <p>Workgroup 8 – held on 10 December 2021, where the Workgroup noted updates related to the P415 CBA outcome and determined the method for separating wholesale market and balancing market volumes.</p> <p>Workgroup 9 – held on 1 February 2022, where the Workgroup conducted an end-to-end solution review, noting the Proposer's preferred solution and capturing any alternative views</p> <p>Workgroup 10 - held on 22 February, where CEPA presented and verified the cost-benefit analysis (CBA) methodology and assumptions with the Workgroup members.</p> <p>Elxon issued the Call for Evidence for P415 to inform cost-benefit analysis (CBA) which closed on 9 May, receiving 9 responses from Suppliers, VLPs and NGESO.</p> <p>Workgroup 11 – held on 30 May, where the P415 Workgroup met to consider methodologies for calculating the Supplier Compensation Reference Price.</p> <p>Workgroup 12 - held on 1 July, where CEPA presented provisional CBA findings.</p> <p>Workgroup 13 - held on 22 August, where CEPA presented CBA findings.</p> <p>The final Cost Benefit Analysis Report, conducted by CEPA, was published on 22 September 2022.</p> <p>Workgroup 14 – held on 7 October, where the Workgroup considered the final CBA findings.</p> <p>The Panel approved a 4 month extension to P415's Assessment Phase so that Elxon can return with the P415 Assessment Report to the Panel at its standard meeting in April 2023. This is because the completion of the CBA took longer than expected due to availability over summer, and P444 has been raised (which P415 now needs to</p> | | |

dovetail with). The recent urgent Modifications also meant ability to work on P415 was constrained in October.

| P426: Combining related BSC Parties' Energy Indebtedness positions for the Credit Cover Percentage calculation | | | Update |
|---|---|------------------------|-------------------------------|
| Date Raised: | 11 October 2021 | Proposer: | Drax Energy Solutions Limited |
| Target Implementation Date: | TBC | Current Status: | Withdrawn |
| Latest Update: | <p>The Proposer requested that P426 be withdrawn from the BSC Change process on 12 December 2022. The Proposer was seeking a simple and straightforward solution. However, during the Assessment Procedure and development by the Workgroup it became apparent that it would be extremely complicated to develop the concept into a workable and cost effective solution. The Proposer therefore decided that P426 should be closed.</p> <p>Per BSC Section F 'Modification Procedures', Section 2.1.12B, P426 was subject to a period where the withdrawn Modification Proposal remained open for adoption. This adoption period lapsed at 17:00 on Tuesday 20 December 2022. No BSC Party adopted P426 and therefore the Modification is officially closed.</p> | | |
| Next Event: | The Modification is closed. | | |
| Issue: | <p>The current method for calculating BSC Party Energy Indebtedness is inefficient for Parties who have multiple BSC Parties within their group of companies. Currently, BSC Party Energy Indebtedness is calculated individually for each BSC Party (a legal entity, registered with Companies House) and Credit Cover must be lodged on that basis. Currently there is no option for companies within the same group to provide collective credit arrangements. With individual calculation and lodging of credit, Parties are unable to optimise provision into a single position resulting in disproportionate and inefficient levels of credit being lodged in aggregate.</p> | | |
| Current Solution: | <p>This Modification proposes to provide the option that related BSC Parties are able to rely on shared credit arrangements and provision. Where BSC Parties are related (i.e. within the same body corporate), the proposal is that the Energy Indebtedness of each BSC Party should be combined and the Credit Cover Calculation then performed on the combined position. Parties would assume joint liability in the event Elexon calls on Credit, and so overall risk to Settlement should remain the same as for the current arrangements.</p> | | |
| History: | <p>Drax Energy Solutions Limited raised P426 on 11 October 2021. The Initial Written Assessment was presented to the Panel on 14 October 2021. The Panel agreed by majority that P426 can progress for a six month Assessment Procedure.</p> <p>The Panel approved a four month extension to the Assessment Procedure at its meeting on 10 March 2022 due to delays forming and holding a quorate Workgroup. The first Workgroup meeting was due to be held on 27 April 2022 but was postponed due to quoracy issues.</p> <p>The first Workgroup meeting was held on 28 June 2022. The Workgroup considered the background to P426, the proposed solution and the Terms of Reference. The Panel agreed to a six month extension to the Assessment Procedure at its meeting on 14 July 2022.</p> <p>The second Workgroup meeting was held on 7 September 2022, and considered the requirements of the proposed solution.</p> <p>The third Workgroup meeting was held on 20 October 2022 to consider risk mitigations and further refine the solution. This meeting was held later than planned, due to constraints caused by the two urgent Modifications raised at the end of September. The Workgroup are concerned that despite the discussed mitigation actions, significant risks remain with the solution.</p> | | |

| P432: Half Hourly Settlement for CT Advanced Metering Systems | | | No Update |
|--|--|------------------------|-------------------------------|
| Date Raised: | 2 December 2021 | Proposer: | Npower Commercial Gas Limited |
| Target Implementation Date: | 29 June 2023 | Current Status: | Awaiting Decision |
| Latest Update: | The second P432 Final Modification Report was sent to the Authority for decision on 16 November 2022 with a recommendation to approve P432. | | |
| Next Event: | P432 is currently with Authority for decision. An update or decision is expected by 29 March 2023, as this is the cut-off date in order to meet the scheduled June 2023 Release. | | |
| Issue: | Market-wide Half-Hourly Settlement (MHHS) requires that all Metering System Identifiers (MSIDs) are settled on a Half Hourly (HH) basis. The Code Change and Development Group (CCDG) has recommended moving CT Advanced Meters to settle HH by October 2023. If this recommendation is not implemented the risk that there will be insufficient time for Customers, Suppliers and their Agents to address issues that may arise will be increased, especially against the backdrop of the larger MHHS migration activities that will be needed for smart Meters. | | |
| Current Solution: | This Modification seeks to align the BSC definition of an Advanced Meter with that in the Standard License Conditions (SLC) and to set explicit HH Settlement obligations for CT Advanced Meters ahead of the migration to MHHS. Existing CT Advanced Meters settling NHH are expected to migrate using the Change of Measurement Class (CoMC) process to settle HH by October 2023 and all new connections for CT Advanced Meters will be expected to settle HH from October 2022. | | |
| History: | <p>P432 was raised by Npower Commercial Gas Limited on 2 December 2021. The Initial Written Assessment was presented to the BSC Panel at its meeting on 9 December 2021, where it was progressed to the Assessment Procedure.</p> <p>The first Workgroup meeting for P432 was held on 24 January 2022. Elexon presented the background, issue and proposed solution for P432. The Workgroup considered the ToR and the next steps.</p> <p>The second P432 Workgroup meeting took place on 23 February 2022. The Workgroup agreed on a solution for the Assessment Consultation, the draft legal text and the Assessment Consultation questions. The Workgroup initially recommend by majority that P432 should be approved.</p> <p>The Panel granted P432 a one month extension at its March 2022 meeting due to quoracy issues holding the first meeting. Following the extension, the Assessment Report was scheduled to be presented to the Panel at its meeting on 12 May 2022, however a further extension request will be made at the April Panel meeting.</p> <p>The Panel granted P432 a two month extension at its April 2022, as the consultation was issued later than planned due to delays with the review activities from Workgroup Members. We have planned for a fourth contingency Workgroup. Should this not be needed, we will present the Assessment Report to Panel at its June Meeting, otherwise at its July meeting.</p> <p>The Assessment Procedure Consultation for P432 was issued on 30 March 2022 with responses invited by 22 April 2022. There were 10 responses with the majority disagreeing with the Workgroup that P432 should be approved. Concerns were also raised with the proposed implementation approach, driven by MHHS causing capacity issues.</p> <p>The Workgroup considered the responses to the Consultation and by majority provided its final recommendation that P432 should be approved.</p> <p>P432 Assessment Report was presented to the Panel on 9 June 2022. The majority of the Panel initially recommend P432 is rejected. The P432 Report Phase Consultation was issued on 15 June 2022, with responses due 1 July 2022.</p> <p>The P432 Draft Modification Report was presented to the Panel on 14 July 2022. By majority the Panel's final recommendation to Ofgem was to reject P432. The P432 Final Modification Report was submitted for Ofgem decision on 20 July 2022.</p> | | |

On 26 August 2022 Ofgem sent P432 back to the Panel for further work as per BSC Section F, 2.7A.1(a) on the basis that they did not think sufficient evidence was provided that consumers will not be negatively impacted by increasing costs if migration is delivered on the existing timeframes or that the timeframe specified is necessary to deliver the required de-risking of MHHS implementation. Ofgem also requested a related DCUSA modification be raised and implemented before the P432 migration starts.

A Workgroup meeting was held on 29 September 2022, where the Workgroup members agreed on a new Implementation approach for P432 to address the Ofgem Send Back. The majority of the Workgroup believe P432 should still be approved. P432 was issued for a 10WD Send Back consultation with responses invited by 25 October. 17 responses to the consultation were received. The majority believed P432 should be approved. However, all Suppliers but one believed it should be rejected. The Workgroup considered the responses at a meeting on 27 October, where the Workgroup were split on whether P432 should be approved or rejected.

| P434: Mandate to Half Hourly Settle the Non-Half Hourly Unmetered Supplies Metering Systems | | | Update |
|---|--|------------------------|-------------------------------|
| Date Raised: | 3 February 2022 | Proposer: | Npower Commercial Gas Limited |
| Target Implementation Date: | +5 Working Days after Authority Decision | Current Status: | Implemented |
| Latest Update: | Ofgem approved P434 on 7 December 2022 for implementation 5 Working Days following this decision date. | | |
| Next Event: | P434 was implemented on 14 December 2022 as a special BSC Release. Elexon will establish an implementation and operation forum to support the implementation activities for participants, as agreed with the P434 Workgroup, approximately 18 months before milestone 11 in the MHHS delivery plan (currently M11 is October 2024, but is expected to change as part of a re-plan activity). | | |
| Issue: | MHHS requires that all Metering System Identifiers (MSIDs) are settled on a Half-Hourly (HH) basis. The Code Change and Development Group (CCDG) has recommended moving Non-Half Hourly (NHH) Unmetered Supplies (UMS) MSIDs to settle HH between October 2023 and October 2024, to mitigate the risk of not meeting the Transition Timetable set out by Ofgem in its Full Business Case | | |
| Current Solution: | P434 proposes to mandate the Settlement of NHH UMS MSIDs on a HH basis and to place corresponding obligations on parties to co-operate in the Change of Measurement Class (CoMC) process between October 2023 and October 2024. The solution should also set a deadline by which any new UMS MSIDs have to be registered directly into the HH Settlement Process. It is proposed this is from October 2023. | | |
| History: | <p>P434 was raised by Npower Commercial Gas Limited on 3 February 2022. The Initial Written Assessment was presented to the BSC Panel at its meeting on 10 February 2022, where it was progressed to the Assessment Procedure. The first Workgroup meeting for P434 was held on 18 March 2022. Elexon presented the background, issue and proposed solution for P434. The Workgroup considered the Terms of Reference and gave their initial views on the BSC Applicable Objectives. The Workgroup initially recommend P434 is approved.</p> <p>The Panel granted P434 a three month extension due to delays with P432 affecting the timeline for P434 caused by capacity issues with the Workgroup and Elexon. The second P434 Workgroup meeting took place 20 May, successfully meeting its objective for the meeting, to agree the draft legal text for the proposed solution and agree a solution for the CoMC process.</p> <p>The third Workgroup meeting was held on 8 June 2022. The Workgroup's initial recommendation by majority was to approve P434. The P434 Assessment Procedure Consultation was issued on 21 June 2022, with responses invited by 12 July 2022. The fourth Workgroup Meeting for P434 was held on 21 July 2022, where Elexon presented the Assessment Procedure Consultation responses to the Workgroup Members. Like P432, many of the Suppliers responding to the P434 Consultation didn't agree this Modification should be implemented separately to the MHHS Programme and couldn't see the benefits of implementing these changes earlier. The BSC Panel approved a three month extension for P434 so that further conversations with the MHHS Programme and a further Workgroup meeting can be held before presenting the Assessment Report to Panel by its November 2022 meeting, or earlier, if possible. This includes a one month contingency. The Workgroup noted that the P434 compliance deadlines are fixed to the MHHS timetable and the MHHS Programme is currently finalising a re-plan.</p> <p>The Assessment Report was due at the August Panel meeting, but at the planned final Workgroup meeting the Proposer, in light of the consultation responses, believed it was better to ask the MHHS Programme some additional questions to ensure that all available evidence to support the case for change was included in the Assessment Report. For example, to determine what the challenges will be for the Programme to transition straight into the TOM for NHH UMS i.e. without P434. Therefore, we</p> | | |

requested a three month extension for P434 so we can have further conversations with the MHHS Programme and a further Workgroup meeting before presenting the Assessment Report to Panel by its November 2022 meeting, or earlier, if possible. The Panel granted the extension.

The fifth Workgroup meeting was held on 9 September 2022. The Workgroup was presented with the MHHS Programme's responses to their questions and their final votes and recommendations were gathered. The Workgroup by majority believe that P434 should be approved as it better facilitates Applicable BSC objectives (c) and (d). The P434 Assessment Report was presented to the BSC Panel on 13 October 2022, where the Panel agreed to progress it to the Report Phase.

The P434 Report Phase Consultation was issued on 14 October 2022, with responses due 28 October 2022. Eight responses were received to the consultation, with the majority agreeing that P434 should be approved.

The Draft Modification Report was presented to the Panel on 10 November 2022 where the Panel recommended approval. The Final Modification Report was sent to the Authority on 16 November 2022 for decision.

| P441: Creation of Complex Site Classes | | | Update |
|---|--|------------------------|----------------------|
| Date Raised: | 7 July 2022 | Proposer: | Green Energy |
| Target Implementation Date: | 2 November 2023 | Current Status: | Assessment Procedure |
| Latest Update: | The second P441 Workgroup meeting was held on Tuesday 6 December 2022. The Workgroup considered the impact of P441 on Network Charges, possible solution options for the registration of metering systems for Complex Sites and the need for a central register and associated notification process. | | |
| Next Event: | The third P441 Workgroup meeting is scheduled for 17 January 2023. The intention is that the Workgroup will agree the requirements for Network Charges and discuss P441's interactions with the Market Wide Half Hourly Settlement (MHHS) Programme at this meeting. | | |
| Extension Request: | We request a five month extension to the Assessment Procedure for P441, returning with the P441 Assessment Report to the Panel at its standard meeting in July 2023. The recent urgent modifications meant that the ability to progress P441 was constrained between October and November 2022, leading to a two-month delay. A further three months is required to address the Network Charging complexities, to ensure the appropriate level of engagement with LDSOs and to also ensure that the options for registration of metering systems reflect the different arrangements that are currently in use. | | |
| Issue: | <p>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 (CSDs) permit the netting of Imports from Exports through a Complex Site arrangement and the scenarios in which this netting is permissible.</p> <p>During conversations under Issue 88 'Clarification of BSC Arrangements relating to Complex Sites' it was identified that certain arrangements have been allowed under the BSC although not clearly defined to facilitate consistency across the market. As so called "Local Energy Schemes" become more popular, it is essential that the rules for when netting should be permitted are clearly defined going forward.</p> | | |
| Current Solution: | <p>P441 seeks to create six categories of Complex Site, each with clearly defined criteria. Classes 1 - 5 are intended to formalise the criteria for those "types" of Complex Site which are currently recognised as such and are already in use within the industry. In particular, a Class 5 Complex Site would set out the criteria in which netting across Boundary Points is permitted (for example, in order to facilitate the establishment of a Local Energy Scheme).</p> <p>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 Central Volume Allocation (CVA) Metering System Identifiers (MSIDs) to a "standard" or "non-standard" BM Unit.</p> | | |
| History: | <p>P441 was raised on 7 July 2022 by Green Energy. The Panel sent P441 to the Assessment Procedure Phase at its meeting on the 14 July 2022.</p> <p>The first Workgroup meeting took place on Wednesday 31 August 2022. At this meeting, the Workgroup considered the P441 background and issue, explored the Workgroup Terms of Reference, and discussed the potential solutions for P441.</p> <p>The second P441 Workgroup meeting was due to be held on 6 October but had to be cancelled due to the constraints caused by the progression timetable of urgent Modification P448.</p> <p>The second P441 Workgroup meeting took place on 6 December 2022, where the Workgroup determined that a central register should be maintained for Class 5 Complex Sites, and that a notification should be sent by Supplier Volume Allocation (SVA) Meter Operator Agents (MOAs) to Elexon with information about a Class 5 Complex Site.</p> | | |

| P442: Reporting chargeable volumes for exempt and licensed supply | | | Update |
|--|---|------------------------|----------------------|
| Date Raised: | 7 July 2022 | Proposer: | UC Energy Ltd |
| Target Implementation Date: | TBC | Current Status: | Assessment Procedure |
| Latest Update: | The first P442 Workgroup meeting was due to be held in the week commencing 3 October but, due to the recent urgent Modifications, availability to work on P442 was constrained in October. Proposer availability was an issue in November and capacity constraints with Elexon are an issue for December. | | |
| Next Event: | The first Workgroup meeting is therefore being scheduled for January 2023. At this meeting, the Workgroup will consider the P442 Terms of Reference, as agreed by the Panel. | | |
| Issue: | <p>Licensed Suppliers are required to pay charges on the electricity they supply, but energy supplied by an exempt Supplier should not be subject to these charges. Licence exempt suppliers are not able to sign up to all the industry codes that a licensed Supplier can, and are therefore required to obtain certain services (including registration of their customers' Metering Systems) from a licensed Supplier. As a result, the portfolio of Metering Systems registered by a licensed Supplier may include both licenced and exempt supply. A Licensed Supplier should therefore be charged based on its total supply minus any exempt supply.</p> <p>There is currently no process that allows for correct allocation of appropriate chargeable volumes for Supplier Volume Allocation (SVA) Metering Systems where a portion should be exempt, and another portion should be licensable.</p> | | |
| Current Solution: | The proposed solution is for a new third party role, the "Exempt Supply Calculation Agent" (ESCA), to be defined. The ESCA would calculate the volumes of licensed and exempt supply, and submit them to central BSC Systems, based on metered data provided by the HHDC or Supplier. The ESCA would be required to undergo a qualification process to ensure compliance with Settlement requirements. | | |
| History: | <p>P442 was raised on 7 July 2022 by UC Energy Ltd. The Panel sent P442 to the Assessment Procedure Phase at its meeting on the 14 July 2022.</p> <p>Following comments made by the Panel, Elexon liaised with BEIS about their review into exempt supply and considered how the timings may impact this Modification.</p> | | |

| P443: To Cap NGESO Interconnector Trades at the Value of Lost Load (VoLL) | | | Update |
|--|--|------------------------|----------------------------------|
| Date Raised: | 17 August 2022 | Proposer: | Saltend Cogeneration Company Ltd |
| Target Implementation Date: | 2 November 2023 | Current Status: | Assessment Procedure |
| Latest Update: | The third Workgroup meeting was held on 7 December 2022 to discuss whether to raise an Alternative solution and further consider the solution(s). The Workgroup are minded to consult on three solution options. | | |
| Next Event: | The fourth Workgroup meeting will be held on 16 January 2023 to finalise solution(s) and gather Workgroup's initial views for the Assessment Procedure consultation. | | |
| Issue: | At the current time National Grid Electricity System Operator (NGESO) can trade at prices above the Value of Lost Load (VoLL – as defined in BSC Section T 1.12). This adds to customers' costs and sends a signal to the markets that customers are willing to buy power at any price. In a cost of living crisis the Proposer does not believe that the British public are prepared to buy energy at any price. | | |
| Current Solution: | The solution will require NGESO to cap its offers to Interconnector Users to no more than VoLL, as defined in the BSC. These trades are included in the Balancing Services Adjustment Data (BSAD) file, which is sent from NGESO to Elexon. Elexon process the BSAD file for the purposes of Settlement and reporting. | | |
| History | <p>P443 was raised by Saltend Cogeneration Company Ltd on 17 August 2022. The Proposer requested that the Modification be treated as Urgent. The Panel considered the request at an Urgent Panel meeting on 18 August 2022 and voted by majority to recommend to the Authority that P443 should be treated as an Urgent Modification Proposal.</p> <p>The Urgency letter was sent to the Authority on 19 August 2022 with a response requested by 25 August 2022.</p> <p>The Authority decided on 25 August 2022 that P443 should not be progressed on an urgent basis and P443 will now follow a standard Assessment Procedure.</p> <p>The first Workgroup meeting was held on 15 September 2022, to consider the issue, the proposed solution, and the Terms of Reference.</p> <p>The Panel agreed to a three month extension to the Assessment Procedure at its meeting on 13 October 2022.</p> <p>The second Workgroup meeting was held on 22 November 2022 to further develop and refine the proposed solution and further consider the Terms of Reference.</p> | | |

| P444: Compensation for Suppliers and Virtual Lead Parties for Virtual Lead Party actions in the Balancing Mechanism | | | Update |
|--|---|------------------------|----------------------|
| Date Raised: | 1 September 2022 | Proposer: | Flexitricity |
| Target Implementation Date: | 7 November 2024 | Current Status: | Assessment Procedure |
| Latest Update: | Workgroup meeting 2 was held on 7 December, where the Workgroup reviewed the legal text and prepared for the Assessment Consultation. | | |
| Next Event: | The Assessment Consultation will be issues in January 2023. | | |
| Issue: | Under BSC arrangements introduced by P344 'Project TERRE implementation into GB market arrangements' 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. | | |
| Current Solution: | 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. As part of P444 assessment, the Proposer and Workgroup will consider whether to incorporate the compensation mechanism being developed for P415. | | |
| History: | P444 was raised by Flexitricity on 1 September 2022. The Initial Written Assessment was presented to the BSC Panel at their meeting on 8 September 2022. The Panel submitted P444 to the Assessment Procedure for assessment by a Workgroup. The first P444 Workgroup meeting was held on 7 October 2022, in conjunction with a P415 Workgroup meeting. | | |

| P448: Protecting Generators subject to Firm Load Shedding during a Gas Supply Emergency from excessive Imbalance Charges | | | Update |
|--|--|------------------------|------------------------------|
| Date Raised: | 28 September 2022 | Proposer: | Scottish and Southern Energy |
| Target Implementation Date: | +1WD after Authority Decision | Current Status: | Implemented |
| Latest Update: | On 6 December 2022 Ofgem approved P448 for implementation. | | |
| Next Event: | P448 was implemented on 7 December 2022 as part of a special BSC Release. | | |
| Issue: | <p>The war in Ukraine and resultant gas shortages in Europe significantly increases the risk of Generators in GB being prevented from generating this winter (due to Firm Load Shedding during a Gas Supply Emergency). If that happens Generators are likely to incur massive Imbalance Charges and credit cover requirements, potentially causing them to become insolvent. Even if such an Emergency does not occur, the risk that it could occur is likely to force Generators to reduce their forward and Day Ahead trading, reducing liquidity in electricity markets, and raising costs for electricity consumers.</p> | | |
| Current Solution: | <p>This Modification proposes to address these risks by allowing such Firm Load Shedding instructions to be settled as Bids. A new Panel Committee will validate the Bid Payments and Imbalance Charges after the event, to verify that Generators have been protected from Imbalance Charges caused by events outside their control, but have not profited from the arrangements.</p> <p>The solution for the Alternative Modification retains all the key aspects of the Proposed solution but it provides the NGSESVC with additional powers that are intended to make the protection of the P448 solution available to a broader range of embedded generators.</p> | | |
| History: | <p>P448 was raised by Scottish and Southern Energy on 28 September 2022.</p> <p>The Proposer requested that the Modification be treated as Urgent. The Panel considered the request at an Urgent Panel meeting on 29 September 2022 and voted unanimously to recommend to the Authority that P448 should be treated as an Urgent Modification Proposal.</p> <p>The Urgency letter was sent to the Authority on 29 September 2022, and on 30 September 2022 they decided that P448 should be progressed on an urgent basis via an urgent timetable and procedure approved by Ofgem. Joint Workgroup meetings, alongside GC0160, were held on 4, 5, 6 and 7 October 2022.</p> <p>P448 was issued for industry Consultation on 7 October with responses invited by 12 October. 22 responses were received from industry. The majority of respondents felt that P448 was positive in terms of facilitating the BSC Objectives, however many respondents noted that it would only be positive if the solution was expanded to include the potential alternative options being considered.</p> <p>The fifth P448 WG meeting was held on 14 October, where the WG considered the consultation responses and agreed the P448 Proposed and Alternative Modification should be progressed.</p> <p>The P448 Urgent EBGL Report, which contained the details of the P448 Proposed and Alternative Modification, was issued for industry Consultation on 14 October, with industry invited to respond by 14 November 2022.</p> <p>The P448 Urgent EBGL consultation concluded on 14 November 2022, with 15 responses received. The Workgroup considered the responses at the sixth Workgroup meeting and made their final recommendation to the BSC Panel to approve the Alternative solution.</p> <p>The BSC Panel considered the Draft Modification Report at an urgent Panel meeting on 18 November and recommended to Ofgem that the P448 Alternative solution should be approved. The Final Modification Report was submitted to Ofgem on Friday 18 November for decision.</p> | | |

II. Change Proposal Updates – up until decision

| CP1568: Inclusion of new LDSO-mastered SMRS data items in the SVA Data Catalogue, the REC EMAR Data Specification and BSCP604 | | Update | |
|--|--|------------------------|-------------------------|
| Date Raised: | 6 September 2022 | Proposer: | Elexon |
| Target Implementation Date: | 29 June 2023 | Current Status: | Awaiting Implementation |
| Latest Update: | CP1568 was presented to the SVG at its meeting on 6 December 2022, for decision. The SVG approved CP1568 for implementation on 29 June 2023 as part of the standard June 2023 Release. | | |
| Next Event: | CP1568 will be implemented on 29 June 2023 as part of the standard June 2023 Release. | | |
| Issue: | CP1558 'New Registration data items and processes to support the MHHS transition', will introduce changes to BSCP501 and BSCP515 to specify six additional data items that each Licensed Distribution System Operator (LDSO) will be required to send to the relevant Supplier Meter Registration Agent (SMRA). The Supplier Meter Registration Service (SMRS) will then be required to send these new data items to the Electricity Enquiry Service ('EES', formerly known as 'ECOES'). However, before the EES can publish any new data items received from the SMRS, they must first be registered in the Retail Energy Code (REC) Energy Market Asset Repository (EMAR) Data Specification and the EES software will need to be amended to accommodate the data items. CP1558 did not include any change to the EMAR Data Specification so EES will not be able to publish the four new data items specified in CP1558 before this CP has been implemented | | |
| Current Solution: | It is proposed that the EMAR Data Specification is amended to include the four new data items specified in CP1558 and the SVA Data Catalogue Volume 2 document is amended to include these new data items - plus one additional item which already exists in the EMAR Data Specification. BSCP604 will also be amended to allow the LDSO to request Retrospective Manual Adjustment of these six data items. BSCP501 and BSCP515 will be amended to align terminology with respect to these six data items, and also remove redundant references to 1998 Trading Arrangements Indicator. Note that no changes are required to the SVA Data Catalogue Volume 1, as the information sent by SMRS to EES is not specified as a Market Message (or data flow) in the EMAR Data Specification. | | |
| History: | CP1568 was raised by Elexon on 6 September 2022. CP1568 Progression Paper was presented to the Supplier Volume Allocation Group (SVG) at its meeting on 6 September 2022. The committee agreed to progress the CP to the Consultation phase. CP1568 was issued for Industry Consultation on Monday 12 September 2022 with responses invited by Friday 7 October 2022. Seven consultation responses were received, with all respondents in support of CP1568, although highlighting some improvements to the redlining to better align with REC change R0066. In order to better align with the related R0066 change, the date of decision for CP1568 was moved to December 2022, one month later than originally outlined. | | |

| CP1571: Clarify the requirements for the number of Meter measuring elements and measurement transformers in the CoPs | | | Update |
|---|--|------------------------|---------------|
| Date Raised: | 1 November 2022 | Proposer: | Elxon |
| Target Implementation Date: | 29 June 2023 | Current Status: | Consultation |
| Latest Update: | The CP1571 consultation closed on 2 December 2022. One response was received which was in support of the CP solution. | | |
| Next Event: | CP1571 will be presented to the ISG and SVG for decision at their respective meetings on 10 January 2023. | | |
| Issue: | The Metering Codes of Practice (CoPs) specify the number of measuring elements required to be metered in relation to the number of primary system conductors. However, the requirements do not appear to be sufficiently clear or are not being complied with. | | |
| Current Solution: | CP1571 proposes to clarify the requirements to equipment owners regarding the number of Current Transformers (CT) needed, and the possible need for a Voltage Transformer (VT) neutral. | | |
| History: | CP1571 was raised by Elxon on 1 November. The Progression Paper was presented to the ISG and SVG at their respective meetings on 1 November 2022 where they agreed to progress CP1571 to the Consultation phase. CP1571 was issued for consultation on 7 November 2022. | | |

| CP1572: Specifying the requirements to provide Single Line Diagrams (SLDs) for High Voltage (HV) and Extra High Voltage (EHV) sites | | | Update |
|--|--|------------------------|---------------|
| Date Raised: | 1 November 2022 | Proposer: | Elxon |
| Target Implementation Date: | 29 June 2023 | Current Status: | Consultation |
| Latest Update: | The CP1572 consultation closed on 2 December 2022. Eight responses were received with the majority in support of the CP solution. | | |
| Next Event: | CP1572 will be presented to the ISG and SVG for decision at their respective meetings on 10 January 2023. | | |
| Issue: | Currently there is no requirement in the BSC to produce SLDs despite a number of BSC processes requiring one to be submitted. Without the requirement to produce SLDs being specified, some Parties have not felt incentivised to create them. | | |
| Current Solution: | CP1572 seeks to add a requirement to the relevant Codes of Practice (CoPs) that mandates that an SLD must be created, and be auditable, for new High Voltage (HV) and Extra High Voltage (EHV) Metering Systems, or reconfiguration of HV and EHV sites. | | |
| History: | CP1572 was raised by Elxon on 1 November. The Progression Paper was presented to the ISG and SVG at their respective meetings on 1 November 2022 where they agreed to progress CP1572 to the Consultation phase. CP1572 was issued for consultation on 7 November 2022. | | |

| CP1573: Amendments to the approved NETA Interface Definition Design Spreadsheet, SVA Data Catalogue Volume 2 and the D0393 Market Message for P376 | | Update | |
|---|---|------------------------|--------------|
| Date Raised: | 1 November 2022 | Proposer: | Elexon |
| Target Implementation Date: | 23 February 2023 | Current Status: | Consultation |
| Latest Update: | The CP1573 consultation closed on 2 December 2022. One response was received, which was in support of the CP solution. | | |
| Next Event: | CP1573 will be presented to the ISG and SVG for decision at their respective meetings on 10 January 2023. | | |
| Issue: | During the continued P376 development process, Elexon has identified that some amendments are required to the approved changes to the IDD Part 1 Spreadsheet, SVA Data Catalogue Volume 2 and the Retail Energy Code's' EMAR Data Specification to ensure that the BSC CIs accurately reflect the P376 solution. Elexon has also identified that a change is required to the structure of the D0393 Market Message 'Metered Volume History Acceptance'. | | |
| Current Solution: | <p>This Change Proposal seeks to amend the IDD Part 1 Spreadsheet, SVA Data Catalogue Volume 2 and the Retail Energy Code's' EMAR Data Specification to ensure that the BSC Configurable Items accurately reflect the P376 solution. It also seeks to amend the HDI group in the P0311 'Invalid Metering System Data' flow to reinstate the Message Role 'D' (Data) to ensure the structure of P0311 is not changed by P376 implementation.</p> <p>Furthermore, a change is required to the format of the new D0393 'Metered Volume History Acceptance' Market Message, so that the 'History Days' group is optional, to ensure that HHDA's will be able to respond appropriately to a D0393 Market Message 'Request for Metered Volume History'.</p> | | |
| History: | <p>CP1573 was raised by Elexon on 1 November 2022. The CP Progression Paper was presented to the Supplier Volume Allocation Group (SVG) and Imbalance Settlement Group (ISG) at its meeting on 1 November 2022.</p> <p>CP1573 was issued for consultation on 7 November 2022.</p> | | |

III. Issue Updates

| Issue 95: Assessing the continued use of TIBCO service as a source of data for market participants | | | Update |
|---|---|------------------|---------------|
| Date Raised: | 17 June 2021 | Proposer: | Elexon |
| Latest Update: | The final meeting of the Issue 95 group took place on 30 November, where the group considered the outcome of Elexon's additional analysis and considered their overall recommendation. The Issue 95 group recommend that a Modification be raised to decouple the BMRA from the obligation to provide BMRS data via the High Grade line (TIBCO reporting) within the BSC. | | |
| Next Event: | Elexon are expecting to finalise the Issue report with the aim of taking it to the January 2023 Panel. | | |
| Issue: | This Issue Group seeks to establish the future of the TIBCO messaging service with the migration of BMRS as part of Elexon's transformation programme. Elexon is building a new Solution for BMRS and need to understand views from BSC Parties to improve value with regards to data publications. Elexon believe it is now important to re-examine the requirements of BSC Parties and BMRS users in relation to the longevity and current implementation of the BSC obligations with respect to TIBCO. | | |

| Issue 96: Assessing the reporting to EMRS of chargeable volumes for SVA Metering Systems that record both exempt and licensed supply | | | Update |
|---|--|------------------|---------------|
| Date Raised: | 6 August 2021 | Proposer: | UC Energy Ltd |
| Latest Update: | The Issue Report will be sent for review by the Workgroup in January. The Workgroup recommended that a Modification should be raised to allow a third party to calculate the volumes of licensed and exempt supply, and submit them to central BSC Systems. | | |
| Next Event: | Following the Workgroup review, the Issue Report will be finalised with the intention of it being presented to the BSC Panel in February 2023. | | |
| Issue: | The Balancing and Settlement Code Company (BSCCo) is required to provide to the Electricity Market Reform Settlement company (EMRS) the BSC Metered Volumes it requires to accurately calculate Capacity Market (CM) and Contracts for Difference (CFD) charges. This Issue seeks to explore enduring solutions which allow correct reporting to EMRS of chargeable volumes for Supplier Volume Allocation (SVA) Metering Systems that record both exempt supply and licensed supply. There is currently no process that allows for allocation of appropriate volumes where a portion should be exempt and another portion should be licensable. | | |

| Issue 99: Review the use of the D0215 flow and its associated processes | | | No Update |
|--|--|------------------|-------------------|
| Date Raised: | 2 March 2022 | Proposer: | UK Power Networks |
| Latest Update: | <p>The Issue 99 Consultation concluded on Friday 1 July 2022, with 13 comments received from Supplier Volume Allocation (SVA) Meter Operator Agents (MOAs), Licensed Distribution System Operators (LDSOs) and Suppliers.</p> <p>The second Issue 99 Workgroup meeting took place on Tuesday 2 August 2022. At this meeting, the Workgroup considered the RFI responses and agreed the final solution and draft redline text requirements.</p> | | |
| Next Event: | <p>The third Issue 99 Workgroup meeting was due to be held in October but had to be delayed due to resource constraints caused by the urgent Modifications. The next Workgroup meeting is now due to be held in mid January 2023. At this meeting the Workgroup will consider the draft redlined text, provide their feedback and conclude the Issue 99.</p> | | |
| Issue: | <p>The D0215 data flow currently records some of the same information contained in the D0383 'Notification of Commissioning Information' data flow such as current and voltage transformer (CT/VTs ratios) (J0454 and J0455) respectively, therefore duplicating information across both data flows.</p> <p>The D0383 is populated following the Commissioning of Metering Equipment meaning the information in the D0383 has been validated as correct. However, the information in the D0215 is often unreliable, given it is requested prior to Commissioning. The Data Items within the D0215 that are not duplicated (Supply Capacity, Supply Voltage) may still be utilised and so the D0215 could be retained but edited to remove the duplication.</p> | | |

| Issue 100: Assessing BSC Black Start processes to support NGESO's Distributed ReStart project | | | Update |
|--|---|------------------|---------------|
| Date Raised: | 5 April 2022 | Proposer: | NGESO |
| Latest Update: | <p>The subgroup met for the final time on 11 October 2022 and published its report in/December 2022 as part of the GC0156 Workgroup Consultation. Elexon have shared the subgroup report with the Issue 100 Workgroup, along with a note on actions from the first Workgroup meeting and how GC0156 impacts Issue 100. Elexon have responded to the Workgroup Consultation to set out the consequential BSC Modification(s) arising from GC0156 and Issue 100.</p> | | |
| Next Event: | <p>The intention is that Issue 100 will be closed and a consequential BSC Modification will be raised in early 2023.</p> | | |
| Issue: | <p>NGESO's Distributed ReStart project seeks to enable distribution-connected Plant to participate in an updated version of Electricity System Restoration (currently defined as Black Start in the BSC). This will broaden the range of providers who can offer the service, the networks it can be provided from and the situations in which these providers may be utilised.</p> <p>Distributed ReStart is a project exploring how distributed energy resources such as solar, wind and hydro, can be used to restore power to the transmission network in the unlikely event of a blackout, i.e., provide a Black Start service. It is expected that the provision of this new service will commence from 2025 onwards.</p> <p>The Issue Group will consider any BSC impacts and whether any changes to the BSC, Code Subsidiary Documents or BSC systems are required.</p> | | |

| Issue 101: Ongoing Governance, Funding and Operation of the MHHS DIP | | | Update |
|---|--|------------------|---------------|
| Date Raised: | 13 July 2022 | Proposer: | Elxon |
| Latest Update: | The third Issue 101 Workgroup meeting was held on 13 December 2022, where the Workgroup discussed Change Management for the DIP. | | |
| Next Event: | The fourth Issue 101 Workgroup meeting will be held on 17 January 2023, where the Workgroup will discuss funding of the DIP. | | |
| Issue: | <p>An Event Driven Architecture (EDA) platform is being developed as a key component to support delivery of the Market-wide Half Hourly Settlement (MHHS) Target Operating Model (TOM) and will be able to respond to the increase in volume and frequency of data more quickly than the current arrangements. The Data Integration Platform (DIP) is the delivery mechanism for the MHHS EDA.</p> <p>Issue 101 intends to define the requirements and principles for the on-going DIP arrangements that can be included in the subsequent BSC Modification, including the ongoing governance, funding and operation of the DIP.</p> | | |

| Issue 102: BSC Change Process Review | | | Update |
|---|--|------------------|---------------|
| Date Raised: | 17 August 2022 | Proposer: | Elxon |
| Latest Update: | The third and fourth Issue 102 meetings were held on 9 December and 16 December 2022, to score and prioritise the ideas and quick wins. | | |
| Next Event: | Elxon will assess how many more industry meetings will be required before the Issue Report can be drafted and finalised (current view that this will be before April 2023 but possibly sooner than that). | | |
| Issue: | <p>A stakeholder survey conducted by Elxon identified a number of key issues/possible areas for improvement in the BSC Change process. The Issue Group will review the BSC Change process to identify possible ways in which these key issues could be addressed or the BSC Change Process could be improved.</p> <p>The key issues/areas for improvement that the review will consider are summarised below:</p> <ul style="list-style-type: none"> • 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. <p>Whilst we expect the Issue Group to identify and if appropriate develop the potential solutions in the course of its work we require that any solutions developed will achieve at least one of the following:</p> <ul style="list-style-type: none"> • Speed up the BSC Change Process; • Simplify the BSC Change Process; • Improve quality of BSC Change solutions and reports. <p>We recognise that some trade-offs may be required between speeding up and simplifying the BSC Change process and ensuring that the quality of BSC Change solutions and reports are maintained or improved.</p> | | |

| Issue 103: Meter Registrants and Settlement Risk – A New Way | | | Update |
|---|---|------------------|----------------------------|
| Date Raised: | 24 August 2022 | Proposer: | Western Power Distribution |
| Latest Update: | The third Issue Group Meeting was held on 12 December 2022. The Workgroup discussed if the current allocation of responsibilities for Metering are relevant and fit for purpose. Additionally the Workgroup discussed whether there is a case to explore whether the calculation methodology for Line Loss Factors (LLFs) are fit for purpose in light of increased embedded generation, behind the meter consumption and, in some networks, exporting Grid Supply Points (GSPs). | | |
| Next Event: | The next Workgroup meeting will be held in late January/ early February. The topics to be discussed will be decided with the proposer in early January. | | |
| Issue: | <p>The Proposer believes that there would be value in reviewing existing controls for Settlement error prevention. It is critical to the Proposer that we address these problems prior to the Settlement timetable being shortened by Market-wide Half Hourly Settlement (MHHS) as the opportunities to readdress will be reduced thereafter.</p> <p>The Settlement system is crucial to the smooth operation of the GB energy market. Data used within that system is fundamental to Settlement accuracy. Preventative and detective assurance of the Settlement data is required at all stages of Settlement from Metering and Registration onwards to maintain accuracy and reduce the variation of data at later stages of the Settlement process. This assurance is required as Settlement errors can have a significant financial impact on Parties where they have over/under paid Settlement charges.</p> | | |

| Issue 104: Extending RTS Cost Recovery Arrangements Under the BSC | | | Update |
|--|---|------------------|---------------|
| Date Raised: | 26 October 2022 | Proposer: | Elxon |
| Latest Update: | Elxon circulated a survey to gather further opinions, which closed on 5 December 2022. 10 responses were received. A second Issue Group meeting was held on 14 December 2022 to review the survey responses and finalise the Issue Group's views. The Issue Group recommendation was to not change the BSC and note the BSC will recover the RTS costs from BSC Parties for a further year only. | | |
| Next Event: | Issue 104 will be closed and the final Issue Report tabled at the January 2023 Panel. | | |
| Issue: | <p>The contract between Elxon and the Energy Networks Association (ENA) to pass the operational costs for the Radio Teleswitch Service (RTS) through the BSC as 'BSC Costs' is due to expire on 31 March 2023. The BSC pass-through operational costs are expected to rise from c.£1.5m to a possible c.£5.5m. Therefore, Elxon wishes to re-establish industry support for passing RTS costs through the BSC from April 2023 onwards, and confirm how the costs should be apportioned (for example Suppliers/Generators). It's worth mentioning that since the BSC acts as a pass-through intermediary, Elxon has no control over the RTS cost, which is set through an ENA/BBC contract.</p> <p>The BBC have advised the ENA that the operational costs for the RTS are rising primarily due to increases in the cost of electricity needed to power the Long Wave Radio transmitters (as advised by the BBC). It's worth noting that due to its strict internal financial governance controls, the BBC are not permitted to make a profit from providing the RTS service.</p> <p>Whilst suppliers are continuing the rollout of Smart Meters, there is a need to extend and utilise RTS to ensure that customers using Load Switching devices can continue to be supported until a Smart metering solution, or alternative proposals, are installed. Any Supplier can gain customers with Teleswitch metering arrangements.</p> <p>Without the RTS service operating, and without an alternative solution, it is highly likely that the way in which existing Radio Teleswitched equipment operates will become very unpredictable, and in extreme cases, some consumers could lose hot water and heating functionality.</p> | | |

| Issue 105: Further considerations following implementation of Modification P448 | | | New |
|---|--|-----------|--------|
| Date Raised: | 22 December 2022 | Proposer: | Elexon |
| Latest Update: | Elexon raised Issue 105 on 22 December 2022. | | |
| Next Event: | Elexon are seeking members to join the Issue Group. | | |
| Issue: | <p>Modification P448 'Protecting Generators subject to Firm Load Shedding during a Gas Supply Emergency from excessive Imbalance Charges' was approved by Ofgem on 6 December 2022 and implemented on 7 December 2022. Ofgem approved the Alternative Modification.</p> <p>As part of Ofgem's decision letter, and further to Workgroup discussion, some consequential impacts of P448 were highlighted that require further consideration. Issue 105 has been raised to explore these consequential impacts and make a recommendation as to whether further industry change is required.</p> <p>The topics that the Issue will consider are:</p> <ul style="list-style-type: none"> • Unintended impacts to cash-out prices; • Time limiting the P448 solution; • Whether there is any increased risk of generator behaviour not in line with 'Good Industry Practice'; • How the P448 solution interacts with Gas Operating Margins contracts; • If further guidance documentation is required for P448. <p>The Issue Group will also be asked to identify any additional topics that they think need to be considered as part of this Issue.</p> | | |

IV. Progression of Modifications – up until implementation

| Key | <u>Initial Written Assessment:</u> | <u>Assessment Procedure:</u> AR: Assessment Report APC: Assessment Procedure Consultation | <u>Report Phase:</u> RPC: Report Phase Consultation DMR: Draft Modification Report FMR: Final Modification Report | <u>WA:</u> With Authority Awaiting Decision | <u>AI:</u> Awaiting Implementation | <u>I:</u> Implementation | <u>CBA:</u> Cost/Benefit Analysis |
|-----|------------------------------------|---|--|---|------------------------------------|--------------------------|-----------------------------------|
|-----|------------------------------------|---|--|---|------------------------------------|--------------------------|-----------------------------------|

| Mod | Title | Proposer | Date Raised | Urgent | | Nov | Dec | Jan | Feb | Mar | Apr | May |
|------|---|-------------------|-------------|--------|--|-----|-----|-----|-----|-----|-----|-----|
| P376 | Utilising a Baseline Methodology to set Physical Notifications for Settlement of Applicable Balancing Services | Enel Trade S.P.A. | 11 Dec 2018 | No | | | | | I | | | |
| P395 | Excluding generators from calculation of EMR Supplier Charges | Centrica | 7 Nov 2019 | No | | | | | | | | |
| P412 | Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a price that reflects the real-time value of energy | NGESO | 3 Sep 2020 | No | | | | | | | | |
| P415 | Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties | Enel X | 30 Sep 2020 | No | | | | | | | AR | |

| Mod | Title | Proposer | Date Raised | Urgent | | Nov | Dec | Jan | Feb | Mar | Apr | May |
|------|--|----------------------------------|-------------|--------|--|-------------|-----------|-----|-----|-----|-----|-------------|
| P419 | Enhanced Reporting of demand data to NETSO to facilitate BSUoS Reform | NGESO | 6 May 2021 | No | | | | | I | | | |
| P426 | Combining related BSC Parties' Energy Indebtedness positions for the Credit Cover Percentage calculation | Drax Energy Solutions Limited | 11 Oct 2021 | No | | | Withdrawn | | | | | |
| P427 | Publication of Performance Assurance Parties' impact on Settlement Risk | BSC Panel | 14 Oct 2021 | No | | | | | I | | | |
| P428 | Correction to P376 Legal Text | BSC Panel | 11 Nov 2021 | No | | | | | I | | | |
| P432 | Half Hourly Settlement for CT Advanced Metering Systems | Npower Commercial Gas | 2 Dec 2021 | No | | DMR/ FMR | WA | | | | | |
| P434 | Mandate to Half Hourly Settle the Non-Half Hourly Unmetered Supplies Metering Systems | Npower Commercial Gas Limited | 3 Feb 2022 | No | | DMR/ FMR | I | | | | | |
| P437 | Allowing non-BSC Parties to request Metering Dispensations | BSC Panel | 10 Mar 2022 | No | | I | | | | | | |
| P441 | Creation of Complex Site Classes | Green Energy | 14 Jul 2022 | No | | | AR | | | | | |
| P442 | Reporting chargeable volumes for exempt and licensed supply | UC Energy Ltd | 7 Jul 2022 | No | | | | | | | | |
| P443 | To Cap NGESO Interconnector Trades at the Value of Lost Load (VoLL) | Saltend Cogeneration Company Ltd | 17 Aug 2022 | No | | | | APC | | AR | RPC | DMR/ FRM |

| Mod | Title | Proposer | Date Raised | Urgent | | Nov | Dec | Jan | Feb | Mar | Apr | May |
|------|--|------------------------------|-------------|--------|--|-------------|------|-----|-----|-----|-----|-----|
| P444 | Improving efficiency of Default Funding Share process and Energy Supply Company Administration | BSC Panel | 8 Sep 2022 | No | | | | | | | | |
| P445 | Improving efficiency of Default Funding Share process and Energy Supply Company Administration | BSC Panel | 8 Sep 2022 | No | | I | | | | | | |
| P448 | Protecting Generators subject to Firm Load Shedding during a Gas Supply Emergency from excessive Imbalance Charges | Scottish and Southern Energy | 28 Sep 2022 | Yes | | DMR/ FMR | AI/I | | | | | |

V. Progression of Change Proposals – up until implementation

| | | | | | |
|------------|---|---|--|------------------------------------|--------------------------|
| Key | Assessment Procedure: PP: Progression Paper | CPC: Change Proposal Circular Consultation | Committee Decision: AR: Assessment Report FR: Final CP Report | AI: Awaiting Implementation | I: Implementation |
|------------|---|---|--|------------------------------------|--------------------------|

| Mod | Title | Proposer | Date Raised | | Nov | Dec | Jan | Feb | Mar | Apr | May |
|--------|--|---------------------|-------------|--|-----|-----|-----|-----|-----|-----|-----|
| CP1558 | New Registration data items and processes to support the MHHS transition | Elexon | 16 Feb 2022 | | | | | | | | |
| CP1559 | Complex Sites Process Improvements | Elexon | 22 Feb 2022 | | I | | | | | | |
| CP1560 | Demand Control Event Settlement Adjustment Process Clarifications | Elexon | 3 Mar 2022 | | I | | | | | | |
| CP1563 | Altering the Trigger Point for CT Commissioning | Northern Power Grid | 5 Apr 2022 | | I | | | | | | |
| CP1565 | Updates to address Central Management System issues | Elexon | 6 Jul 2022 | | I | | | | | | |
| CP1566 | Introducing the CVA Commissioning End to End Check (CEEC) | Elexon | 5 Jul 2022 | | I | | | | | | |
| CP1567 | Creation of a new BSCP for Assurance Information Requests (AIRs) | Elexon | 14 Jul 2022 | | I | | | | | | |
| CP1568 | Inclusion of new LDSO-mastered SMRS data items | Elexon | 6 Sep 2022 | | AR | AI | | | | | |

| Mod | Title | Proposer | Date Raised | | Nov | Dec | Jan | Feb | Mar | Apr | May |
|--------|--|----------|-------------|--|------------|-----|-----|-----|-----|-----|-----|
| CP1569 | Amendments to the IDD documentation to align with SAA migration | Elexon | 6 Sep 2022 | | AR | AI | | I | | | |
| CP1570 | Housekeeping amendments to BSCP65 and BSCP70 to include reference to 'Asset Metering Virtual Lead Party' | Elexon | 6 Sep 2022 | | I | | | | | | |
| CP1571 | Clarify the number of Meter measuring elements and measurement transformers | Elexon | 1 Nov 2022 | | PP/ CPC | CPC | AR | AI | | | |
| CP1572 | Specifying the requirements to provide SLDs for HV and EHV sites | Elexon | 1 Nov 2022 | | PP/ CPC | CPC | AR | AI | | | |
| CP1573 | Amendments to the IDD Pt 1 Spreadsheet, SVA DC and REC EMAR Data Specification for P376 | Elexon | 1 Nov 2022 | | PP/ CPC | CPC | AR | I | | | |

VI. BSC Releases Road Map

The tables below summarise the scope of each BSC Release. Further information can be found on the [Releases](#) page of our website.

| February 2023 Release | | | |
|-----------------------|--|---|--------------------------|
| Change Number | Title of Change | BSC Central Systems/Document only impacts | Current Status of Change |
| P376 | Utilising a baselining methodology as an alternative to Physical Notifications | System | 7. Implementation Phase |
| P419 | Enhanced Reporting of demand data to NETSO to facilitate BSUoS Reform | System | 7. Implementation Phase |
| P428 | Correction to P376 Legal Text | Document Only | 7. Implementation Phase |
| P427 | Publication of Performance Assurance Parties' impact on Settlement Risk | Document Only | 7. Implementation Phase |
| CP1569 | Amendments to the IDD documentation to align with SAA migration | Document Only | 7. Implementation Phase |

| June 2023 Release | | | |
|-------------------|---|---|--------------------------|
| Change Number | Title of Change | BSC Central Systems/Document only impacts | Current Status of Change |
| CP1568 | Inclusion of new LDSO-mastered SMRS data items in the SVADData Catalogue, the REC EMAR Data Specification and BSCP604 | Document Only | 7. Implementation Phase |
| CP1558 | New Registration data items and processes to support the transition to MHHS | Document Only | 7. Implementation Phase |

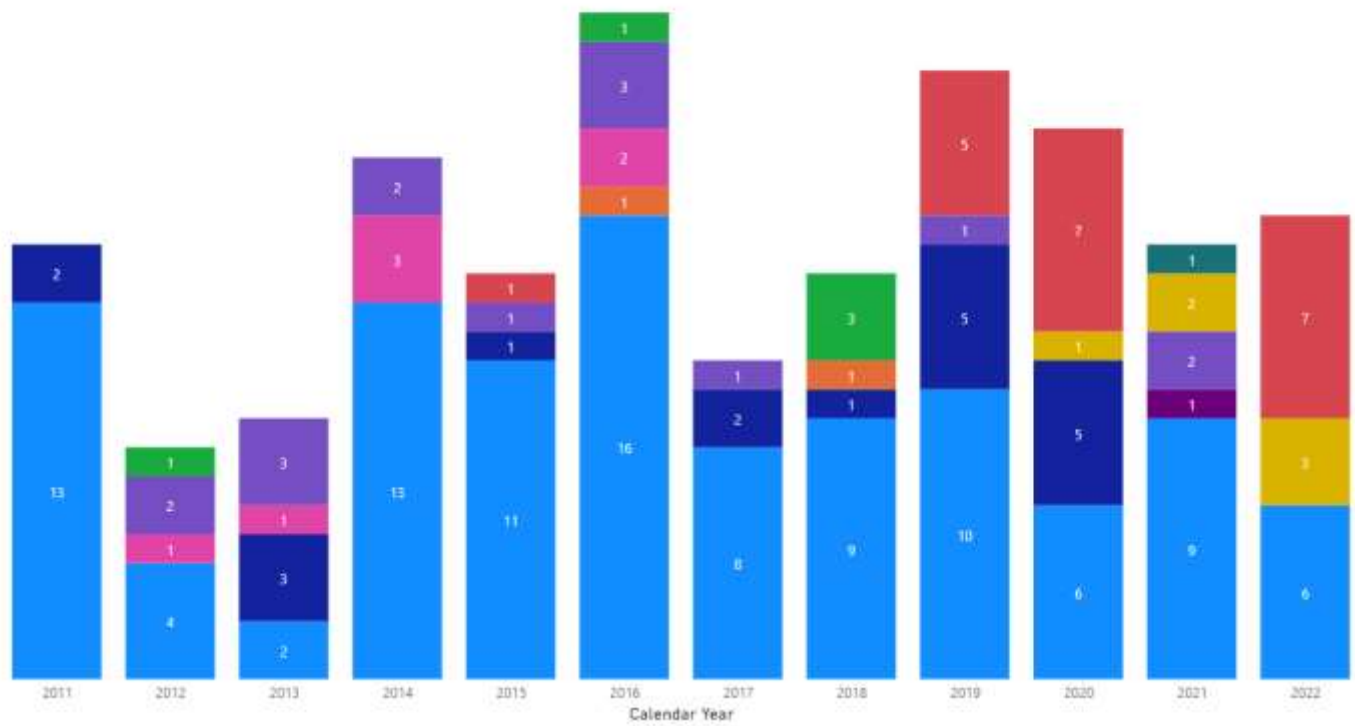
| November 2023 Release | | | |
|-----------------------|---------------------------------|---|--------------------------|
| Change Number | Title of Change | BSC Central Systems/Document only impacts | Current Status of Change |
| P395 | Final Consumption Levies (FCLs) | System | 7. Implementation Phase |

| TBC Release Date | | | | |
|------------------|---|---|--|------------------------------|
| Change Number | Title of Change | BSC Central Systems/Document only impacts | Current Status of Change | Target Implementation Date |
| P412 | Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a price that reflects the real-time value of energy | System | 4. Assessment / Consultation Phase | TBC |
| P415 | Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties | System | 4. Assessment / Consultation Phase | Nov 24 |
| P432 | Half Hourly Settlement for CT Advanced Meters | Document Only | 6. Authority Decision / SG Appeal Window | 5WD after Authority decision |
| P441 | Creation of Complex Site Classes | Document Only | 4. Assessment / Consultation Phase | Nov 23 |
| P442 | Reporting to EMRS of chargeable volumes for SVA Metering Systems that record both exempt and licensed supply | System | 4. Assessment / Consultation Phase | TBC |
| P443 | To Cap NGESO Interconnector Trades at the Value of Lost Load (VoLL) | Document Only | 4. Assessment / Consultation Phase | Nov 23 |
| P444 | Compensation for Virtual Lead Party actions in the Balancing Mechanism | System | 4. Assessment / Consultation Phase | Nov 24 |
| CP1571 | Clarifying the requirements for the number of measuring elements in the relevant CoPs | Document Only | 5. Report / Panel Decision Phase | Jun 23 |
| CP1572 | Specifying the requirements to provide Single Line Diagrams (SLDs) for High Voltage (HV) and Extra High Voltage (EHV) sites in the relevant CoPs, to ensure assurance is maintained, especially in scenarios where the AMP is not aligned with the DMP. | Document Only | 5. Report / Panel Decision Phase | Jun 23 |
| CP1573 | Amendments to the IDD Spreadsheet, SVA DC Volume 2 and REC EMAR Data Specification for P376 | Document Only | 5. Report / Panel Decision Phase | Feb 23 |

VII. Modification Trend Chart

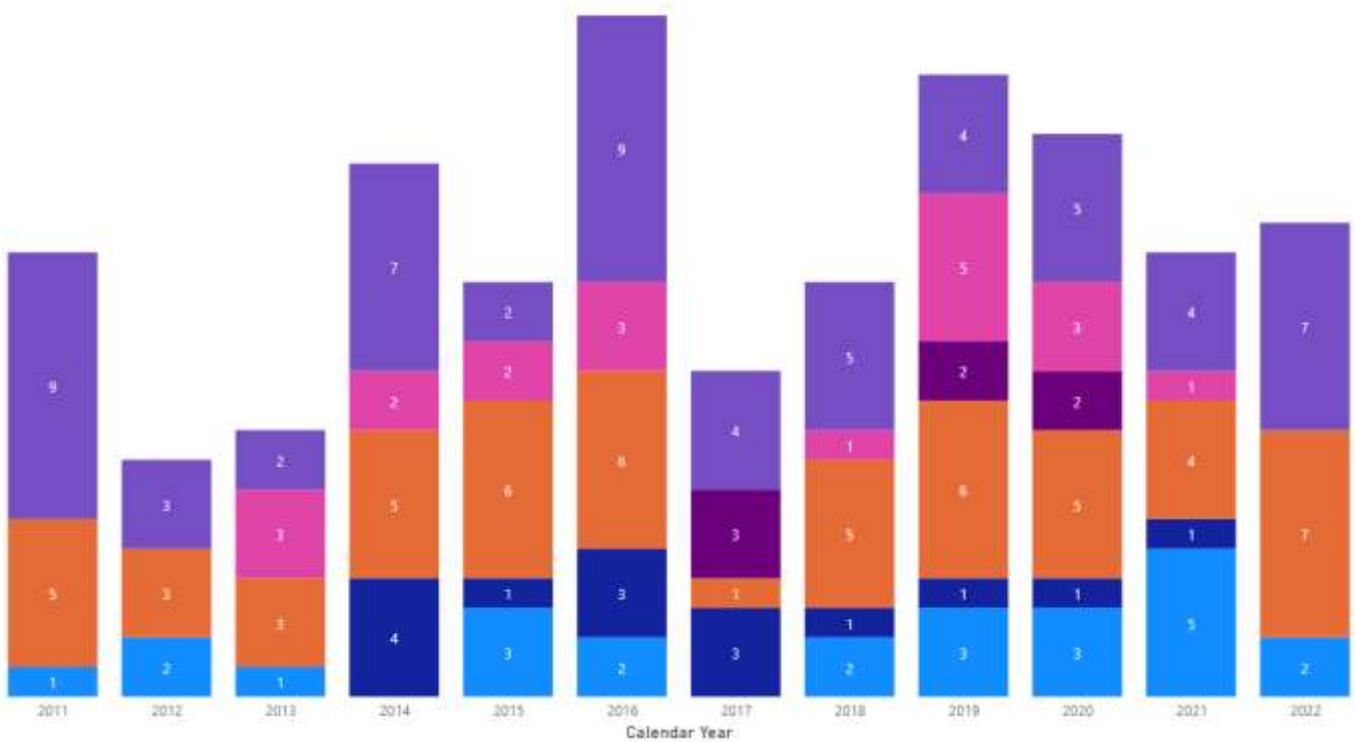
What's driving the raising of Modifications?

Driver: Defect Europe Legislation Legislation (inc. CMA) Ofgem Other Code SCR Strategic Improvement Workgroup / Committee / Issue Workgroup/Committee



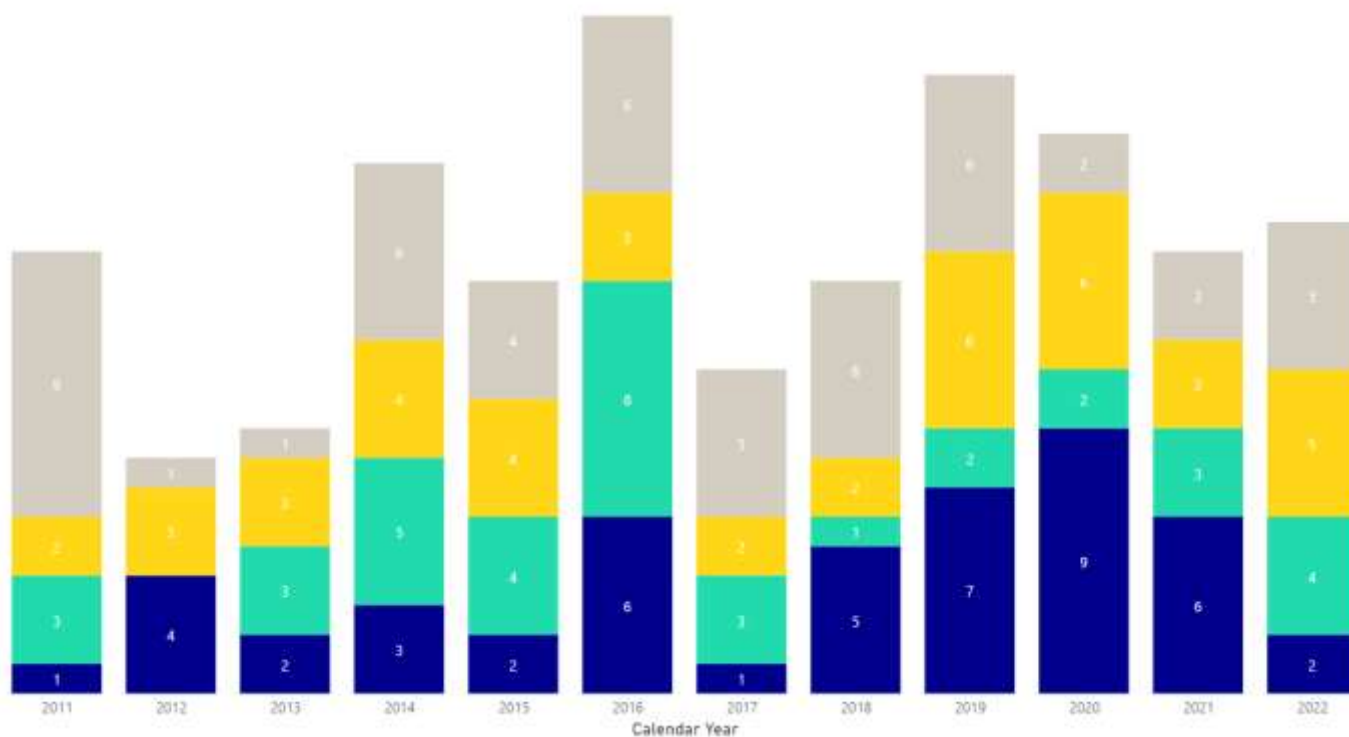
What type of Modifications are being raised?

Category L1: Assurance Credit Governance Registration Reporting Settlement



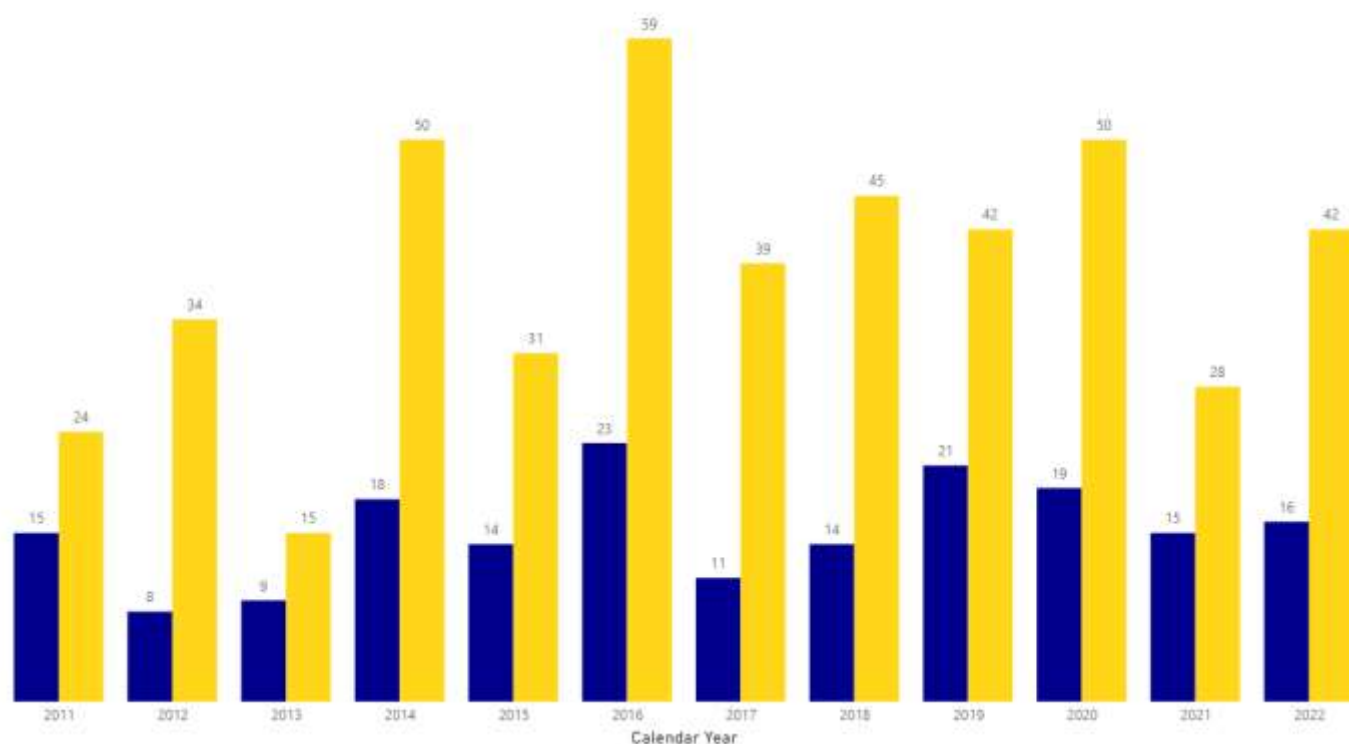
Who is raising Modifications?

Raiser: BSC Panel Incumbents National Grid Other



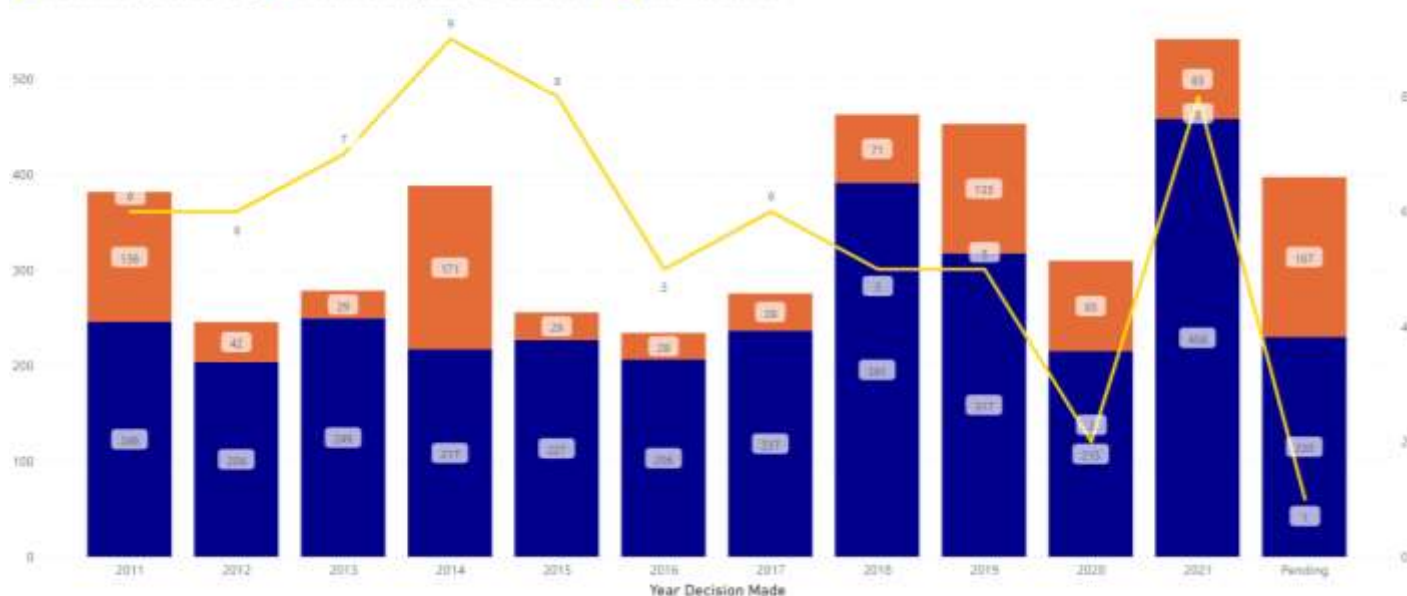
How many Modifications raised and Workgroups held?

Mods raised Workgroups (excl. Issues)



Mean calendar days to send to Ofgem, Mean calendar days for Ofgem to make decision and Count of Mods decided by Year Decision Made

● Mean calendar days to send to Ofgem ● Mean calendar days for Ofgem to make decision ● Count of Mods decided



* excludes Self-Governance, Fast Track Self-Governance, straight to Report Phase and Urgent Reassessments

VIII: Recommendations

We invite the Panel to:

- APPROVE** a six-month extension to the P412 Assessment Procedure;
- APPROVE** a five-month extension to the P441 Assessment Procedure; and
- NOTE** the contents of the January 2023 Change Report.

For more information, please contact:

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020 7380 4118

Appendix A

Key

| Stage | Modifications | Change Proposals |
|-----------------------------------|---|---|
| Initial Written Assessment | Includes Elexon's Initial Written Assessment of the implications of each Modification Proposal and a recommendation of how the Modification should proceed. | Includes Elexon's Initial Written Assessment of the implications of each Change Proposal to seek Committee(s) initial views and agree the consultation questions. |
| Assessment Procedure | Workgroups are held to develop and assess the proposal. The Workgroup recommendations are consulted on (Assessment Procedure Consultation), before being submitted to Panel with the Workgroup's recommendations on how to proceed (Assessment Report). The Panel initial views are gathered. | The proposal is consulted on in a Change Proposal Consultation Batch. The relevant Committee(s) then decide(s) whether to approve or reject the Change Proposal. |
| Report Phase | The Panel's initial views on whether to approve and timescales for implementation are consulted on (Report phase Consultation). The responses to the consultation are then presented to the Panel for their final views (Draft Modification Report). The Panel decide whether to approve or reject the Modification and publish the Final Modification Report. If the Modification cannot be approved under Self-governance, the Final Modification Report is sent to Ofgem for decision. | Not applicable. |
| Awaiting Decision | Modifications that have been submitted to Ofgem for decision or Modifications that have been decided on by the Panel under Self-Governance arrangements and are still subject to objection by BSC Parties (15 Working days after the Panel's decision). | Not applicable. |
| Awaiting Implementation | Modifications that have been approved but not yet implemented and details of Modifications that have been rejected or withdrawn. | Change Proposals that have been approved but not yet implemented and Change Proposals that have been rejected. |
| Rejected / Withdrawn | Modifications that have been rejected by the BSC Panel/ the Authority or withdrawn by the Proposer or the Pane | Change Proposals that have been rejected by the Panel or the relevant Panel sub-Committee. |