

ELEXION

BSC Panel 335

Public Slides

09 February 2023



PART I: NON-MODIFICATION BUSINESS (OPEN SESSION)

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**P448 Network Gas Supply Emergency
Settlement Validation Committee update**

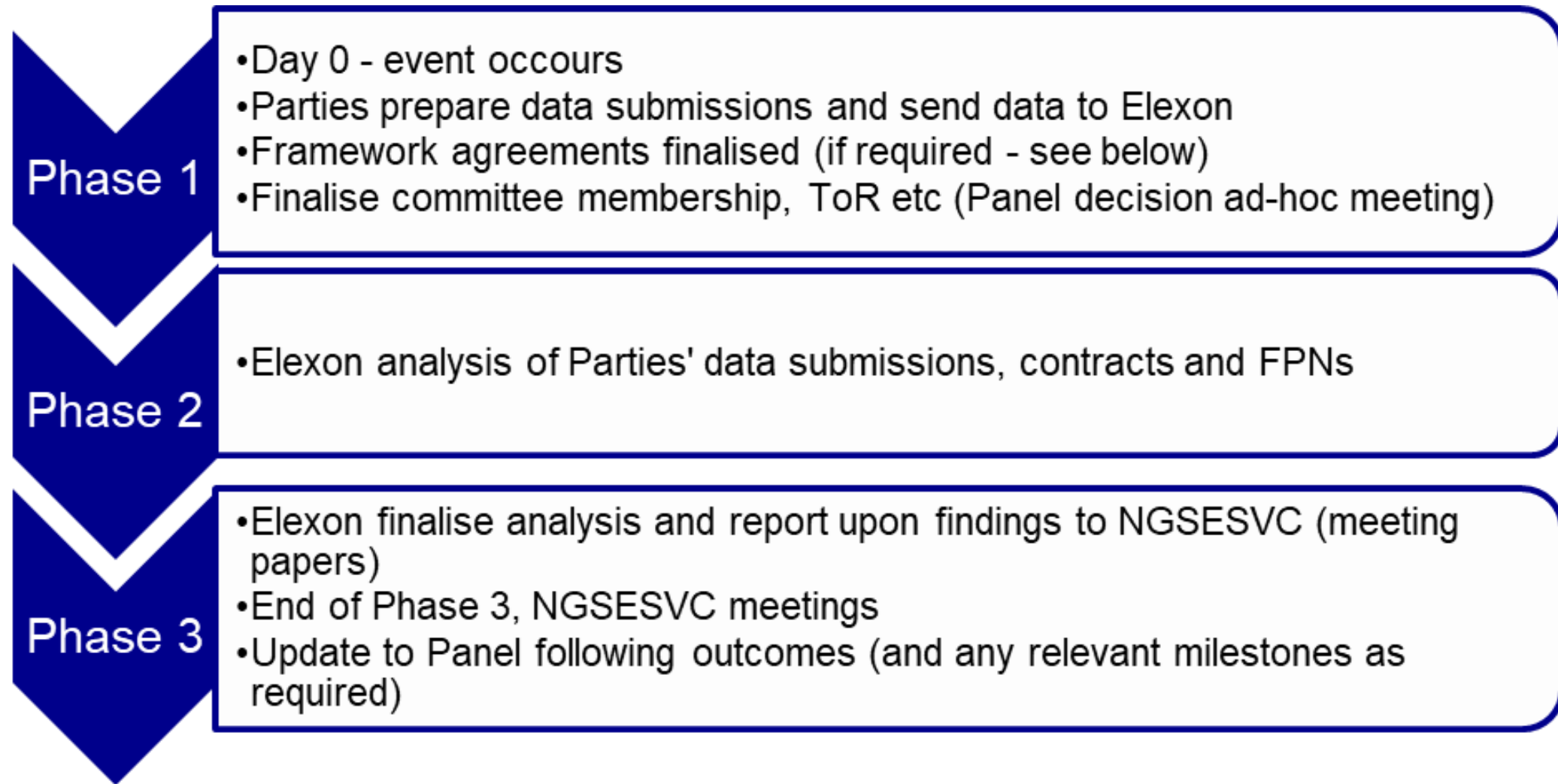
335/04 Jessica Davis

9 February 2023

P448 Network Gas Supply Emergency Settlement Validation Committee update

P448 'Protecting Generators subject to Firm Load Shedding during a Gas Supply Emergency from excessive Imbalance Charges'

- Elexon recommends a maximum of 12 committee members and a quoracy of four.
- Elexon believes that members of the NGSESVC should have knowledge and understanding of gas and/or electricity governance. Further, they should have understanding of at least one of energy trading, electricity generation, Balancing and Settlement and/or gas.
- Elexon will shortly seek expressions of interest from industry, for members wishing to be part of the new committee.
- The anticipated timeline from an NGSE event to decision making would be approximately three months. Note that this is indicative and may vary depending on the size and complexity of the NGSE.
- There is a possibility that Elexon may require external support for analysis, if the NGSE is of significantly large scale. Elexon is developing framework agreements with third parties in advance, which we may later be able to call upon if required.



Next Steps

- BSC Issue 105 has been raised to explore the consequential impacts of P448 and make a recommendation as to whether further industry change is required. Elexon will be utilising this opportunity to suggest suitable amendments to the ToR.
- Elexon welcomes thoughts from the Panel on the contents of this paper, and will continue its preparations. We also welcome Panel's views on whether a further update would be helpful.

Recommendations

We invite the Panel to:

- a) **COMMENT** on the NGSESVC update;
- b) **DETERMINE** whether a further update is required; and
- c) **NOTE** the NGSESVC update.

An aerial photograph of a rural landscape. In the center, a white wind turbine stands in a green field. To the left, a farm with a grey-roofed building and a large group of black and white cows is visible. The landscape is divided into green fields by brown hedgerows. The right side of the image is overlaid with a solid teal color containing white text.

PART II: MODIFICATION AND CHANGE BUSINESS (OPEN SESSION)

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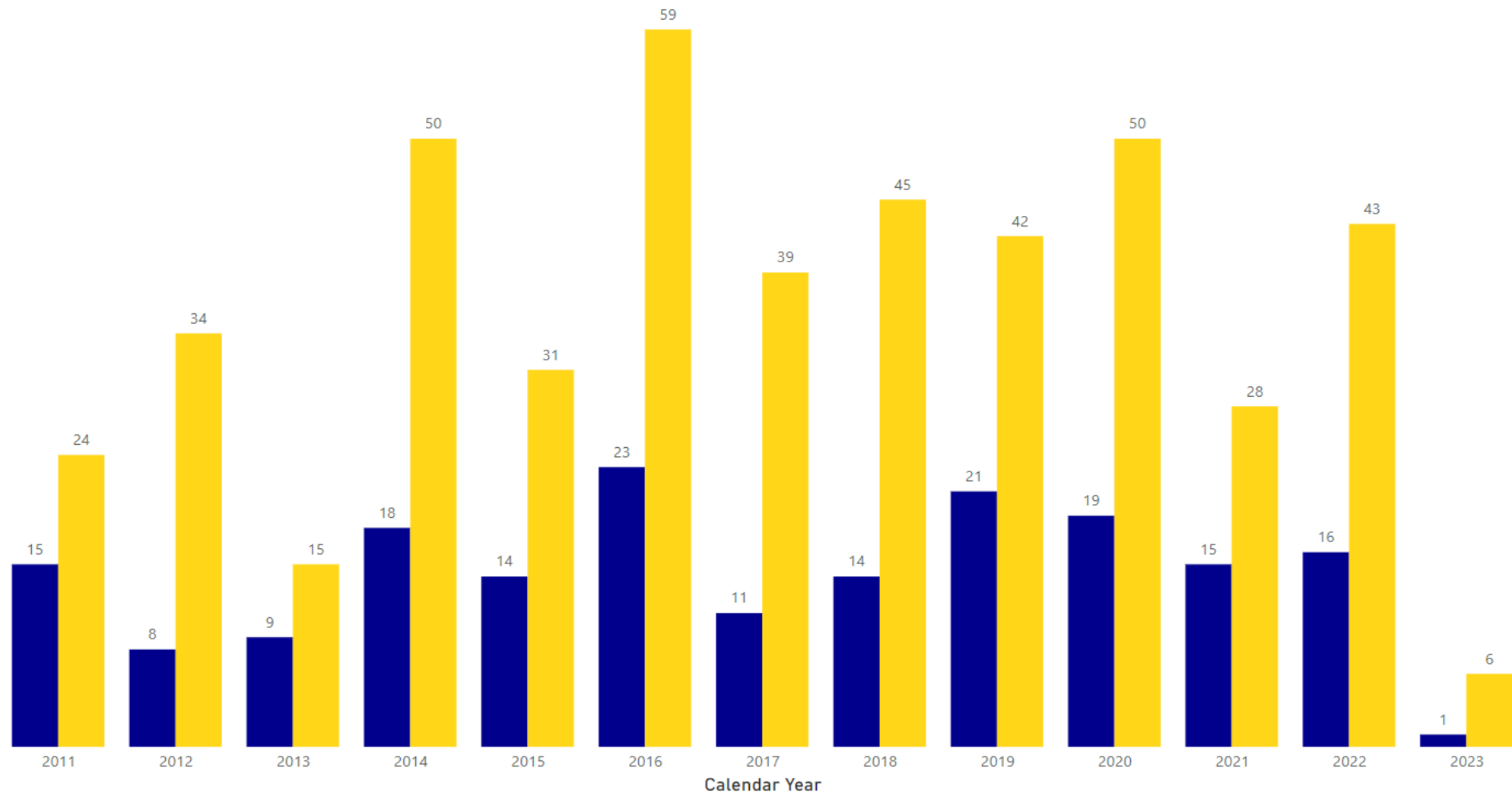
**Change Report and Progress of
Modification Proposals**

335/02 – Lawrence Jones

BSC Modifications raised by year and Workgroups held

How many Modifications raised and Workgroups held?

● Mods raised ● Workgroups (excl. Issues)



BSC Modifications overview

Initial Written Assessment	-
Assessment Procedure	P412, P415, P441, P442, P443, P444
Report Phase	-
Urgent	-
With Authority (decision cut-off)	P432 (29 Mar 23)
Authority Determined (implementation date)	-
Self-Gov. Determined	-
Fast Track Determined	P450
Withdrawn	-
Open Issues	Issue 96, Issue 99, Issue 100, Issue 101, Issue 102, Issue 103, Issue 104, Issue 105, Issue 106

BSC Modifications approved timelines

	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep23	Oct 23
P412 'Non-BM Balancing Providers pay for non-delivery imbalance'										AR		DMR
P415 'VLP access to wholesale market'						AR		DMR				
P441 'Creation of complex site classes'									AR	DMR		
P442 'Reporting FCL for exempt and licenced supply'							AR					
P443 'Cap NGESO Interconnector Trades'					AR		DMR					
P444 'Compensation for VLP actions in the BM'						AR		DMR				

BSC Change Release Roadmap

2023	2023			2024	Un-allocated
Ad-hoc	Feb	Jun	Nov	Nov	
	P376 'Baselining Methodology'	CP1558 'New Registration data items to facilitate MHHS'	P395 'Final consumption levies'	P415 'VLP access to wholesale market' (Q4 2024)	P412 'Non-BM BS providers pay non-delivery'
	P419 'BSUoS data'	CP1568 'Inclusion of new LDSO-mastered SMRS data items'	P441 'Creation of complex site classes'	P444 'Compensation for VLP actions in the BM' (Q4 2024)	P442 'Reporting FCL for exempt and licenced supply'
	P428 'Correct P376 drafting error'	CP1571 'Clarify the number of Meter measuring elements and measurement transformers'			P443 'Cap NGESO Interconnector Trades' (+2WDs)
	P427 'Publish Parties impact on Settlement Risks'	CP1572 'Specifying the requirements to provide SLDs for HV and EHV sites'			MHHS
	CP1569 'Amendments to the IDD documentation to align with SAA migration'	P432 'HH Settlement for CT Adv. Meters' (29 June 2023 or three months after the Authority's approval)			
	CP1573 'Amendments to the IDD Pt 1 Spreadsheet, SVA DC and REC EMAR Data Specification for P376'				
	P450 'Housekeeping and making the BSC gender neutral'				

Key

Approved

With Authority

Report Phase

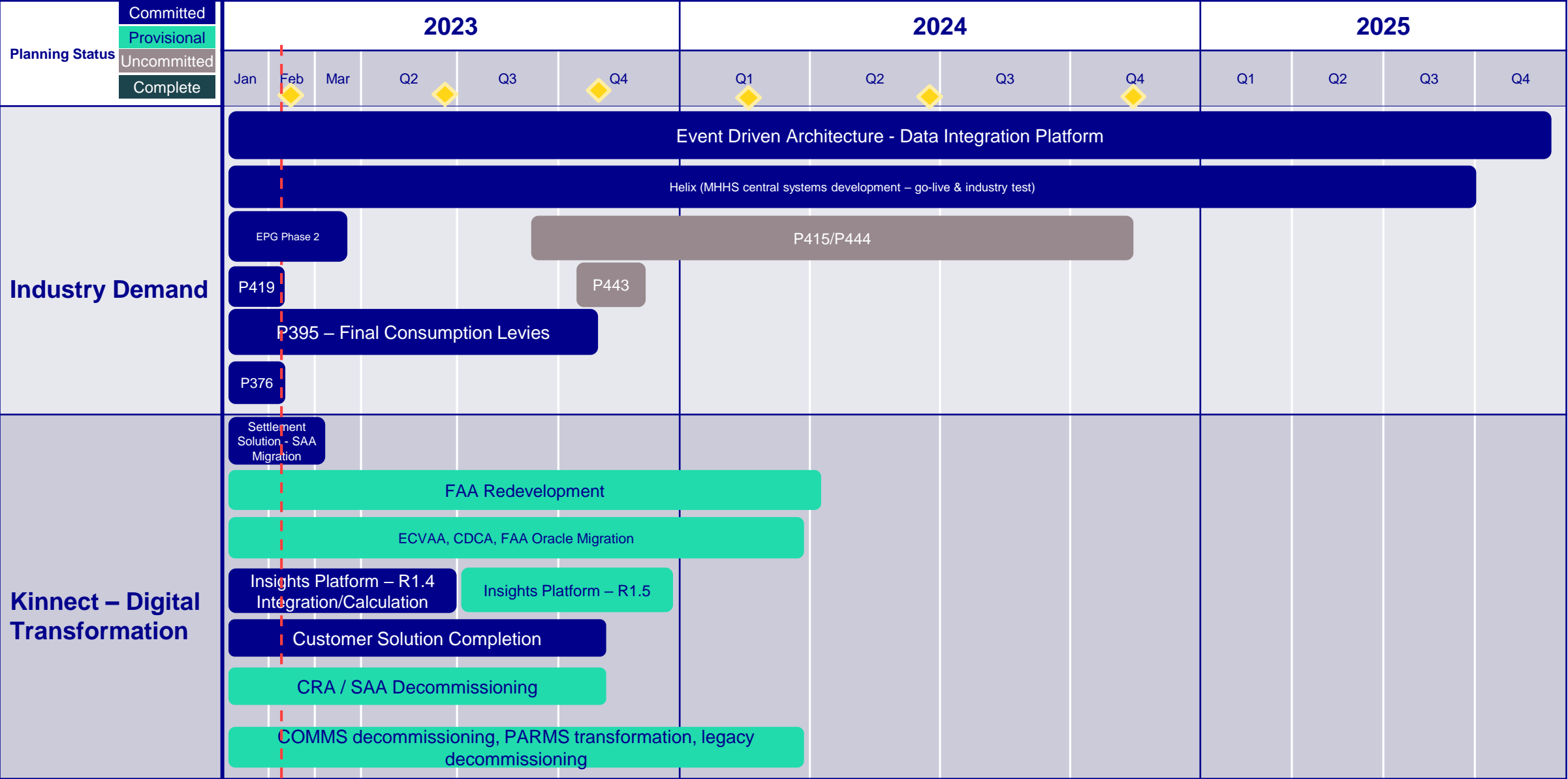
Assessment Phase

Direction

Urgent

Portfolio Pipeline and Plan (Systems impacting change excludes Doc only)

Denotes Industry release



Current Position

Modification update: P443

P443 'To Cap NGESO Interconnector Trades at the Value of Lost Load (VoLL)'

- The fifth Workgroup meeting was held on 20 January 2023, where they provided their initial views on P443.
 - At this stage the Workgroup are recommending P443 is rejected
- The next step is to issue the Assessment Consultation
 - The Workgroup are consulting on three solution options to help inform which solutions to take forward (no more than two)
- The next Workgroup meeting is arranged for 2 March and the aim is to bring the Assessment Report to the Panel on 9 March
- However, there is a significant risk that this will not be possible as:
 - There may be large volume of complex responses to work through
 - The Workgroup may require further analysis and assessment of the preferred solutions (particularly if the Workgroup want to present to Ofgem an option to prevent NGESO trading with Interconnector Users above VoLL)
 - We have issued the Assessment Consultation later than planned, to ensure it meets our quality standards, resulting in less time to work through the responses before the next Workgroup meeting
- We therefore request a three month extension request, returning with the Assessment Report by the June Panel meeting, or sooner if possible

Upcoming Modifications from Sandbox applications

- Ofgem rejected Good Energy's Sandbox application to 'Trial obtaining Export reads from smart Meters via DCC and use these as basis for FIT payments' on 27 January 2023
 - We are engaging with Good Energy on the appropriateness and timing of progressing a Modification
- We are also working with Emergent Energy to progress a Modification to facilitate the arrangements it is testing under its Sandbox application 'Trial on-site aggregation methodology - private networks / third-party Suppliers' given the transition period ends September 2024.

Recommendations

We invite the Panel to:

- a) **APPROVE** a three-month extension to the P443 Assessment Procedure; and
- b) **NOTE** the contents of the February Change Report.



PART III: NON-MODIFICATION BUSINESS (OPEN SESSION)

E L E X O N

**Minutes of previous meetings
and Actions arising**

Fionnghuala Malone

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Chair's Report

Sara Vaughan

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Elexon Report

335/01 – Simon McCalla

For the Panel's information, summarising recent activities and developments within Elexon and the Balancing and Settlement arrangements.

Elxon Kinnect: Migration and reconciliation of Settlement solution data proceeding well, focus now on service transition

Settlement Solution

Data migration and reconciliation are now complete. The project is now focused on service transition, business readiness and Production Environment proving in order to complete go-live in April 2023.

The Funds Administration Agent services continue in their discovery phase to determine the calculation and finance system requirements in order to start full mobilisation of a replacement project in April 2023. The review of BSC Section N Clearing, Invoicing and Payment has started and will determine the scope for a potential BSC Modification to gain efficiency and reflect modern banking practices.

Insights Solution

Development of Iteration 4 of 5 of the Insights solution to replace BMRS started in first week of January 2023 with a plan for completion by end June 2023. This will include development of the REMIT portal. Full completion of the Insights Solution is expected by end December 2023 with cutover to system and decommissioning of BMRS in Q2 2024.

Customer Solution

Modifications P376 and P419 are in Operational & User Acceptance testing and on track for Go Live in February 2023. Analysis and design work on P395 has started and is being integrated with CR17463. This will align the schema with an enterprise view of contacts and addresses. It will also be an enabler for other projects (e.g. CRM).

Additional functionality will be built into Customer Solution to allow the CRA system to be decommissioned without reduction of functionality across the estate as part of the Oracle Migration project.

Migration of Legacy Agents to Oracle Cloud Infrastructure

Initial planning for the migration of all On-Premises hosted enduring legacy Agents to Oracle Cloud Infrastructure has been drawn up. Initial shaping, development of environment, and application build scripting will be completed by May 2023 with a full migration project targeting completion in mid-2024 to be mobilised.

Elexon Kinnect: Budget update

Overall, the Kinnect Programme remains on budget with £32.5m of investment in progress, of which £30.4 m has been spent to date. The remaining £15.4m is forecast for future work to conclude migration of the legacy systems to the digital platform in 2023/24 and we have £6.0m remaining contingency.

These figures are also shown in the table below:

CTD (£m)	Committed	FTC	Contingency	Forecast Outturn	Budget	Variance
30.4	2.1	15.4	6.0	53.9	53.9	0

Programme Objectives

To deliver the MHHS changes to Elexon’s systems and processes ready for go-live in March 2025.

Current project status

Helix is well into its Design, Build and Test phase where we are iteratively building and testing the changes required for MHHS services. Strong progress is being made against the plan, with good levels of collaboration between the programme teams which includes resources from Elexon, BJSS, Cognizant and CGI.

Helix has been impacted by a number of external factors which have increased scope, caused re-work of development already completed and delayed extended key programme milestones.

With the release of the baseline design by the MHHS Programme on the 30 October 22 and the initial review of the Round 3 Re-Plan, Helix has needed to re-align its development to that of MHHS and make a number of changes to the already developed software. The risk of re-work will continue until all MHHS Migration & Transition designs are baselined. However, steps are being taken in collaboration with our service providers to minimise cost impacts on Helix.

A further Helix Programme Increment is due to begin on 8 March, through to 19 May. This PI will include new requirements and alterations from the baseline design issued on the 30th October. A team is also focusing on changes required to the Performance Assurance Framework (PAF) and Qualification processes as part of MHHS.

Budget update

Actuals 21-22 (£m)	22-23 Forecast (£m)	23-24 Forecast (£m)	24-25 Forecast (£m)	Total (£m)
2.5	17.5	17.8	6.8	44.5

Key KPIs: December 2022

KPI	Target	Status
Performance against budget	Percentage (Under)/Over Spend Full Year Forecast vs. Budget complete >(5)%	1.27% - ON TARGET
Core system availability (BSC Agent Services)	99.50%	99.90% - ON TARGET
Service Desk performance against SLAs	99.99%	100% - ON TARGET
Settlement Accuracy (total change in Trading Charges across all run types as a percentage of total trading charges)	<5%	6% - BELOW TARGET The average delta across all run types is 6% for this month, due to the increased R1 delta. Both measures are the highest seen since February 2022, with all other run types are broadly in line with previous months. This has been caused by large changes in trading charges across a small number of BSC Parties, with one Party accounting for a trading charge delta of c£16.5m between SF and R1. This has been raised with the relevant OSM, and they have contacted the Party directly asking for more information. Missing VLP data at SF, which has been corrected at R1, has also impacted the R1 delta change.
Modifications: number of Ofgem send backs	<=2 in a rolling 12 month period	2 – ON TARGET
Code Admin: % of Panel and Committee papers delivered on time	90%	91.3% - ON TARGET

Programme Progress

- Very positive response to the replan consultation.
This gives us the confidence that we can develop the minimum viable cohort (MVC) criteria and bring together participants to enable milestone 9 (M9) – entry to System Integration Testing (SIT)
Participants ramping up delivery resources for their MHHS Programmes
- DIP (Data Integration Platform) contract signed with Avanade
Over 30 resources already working to be ready for SIT milestone
- Ofgem Sponsor Rachel Clark has left Ofgem
working with the existing MHHS team to ensure no gap in sponsorship support (Neil Lawrence, Retail Director fully aware of replan decision requirement)

Looking Forward

- Replan focus – build the revised plan from responses and submit a change request to enable Sponsor approval
Outcome will be an industry-supported plan which is a critical success factor in programme delivery
- Ofgem has initiated a wider stakeholder group across BEIS and Ofgem: purpose is to
 - a) support the Programme
 - b) consider how and what action may be required as the recent market changes may affect benefits realisation.
- Industry engagement requires constant attention to remove blockers and ensure detailed technical support is available to maintain progress and momentum

Recommendation



We invite the Panel to:

- **NOTE** the contents of this paper.

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Distribution Report

Fungai Madzivadondo

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National Grid Report

Jon Wisdom

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Ofgem Report

Colin Down

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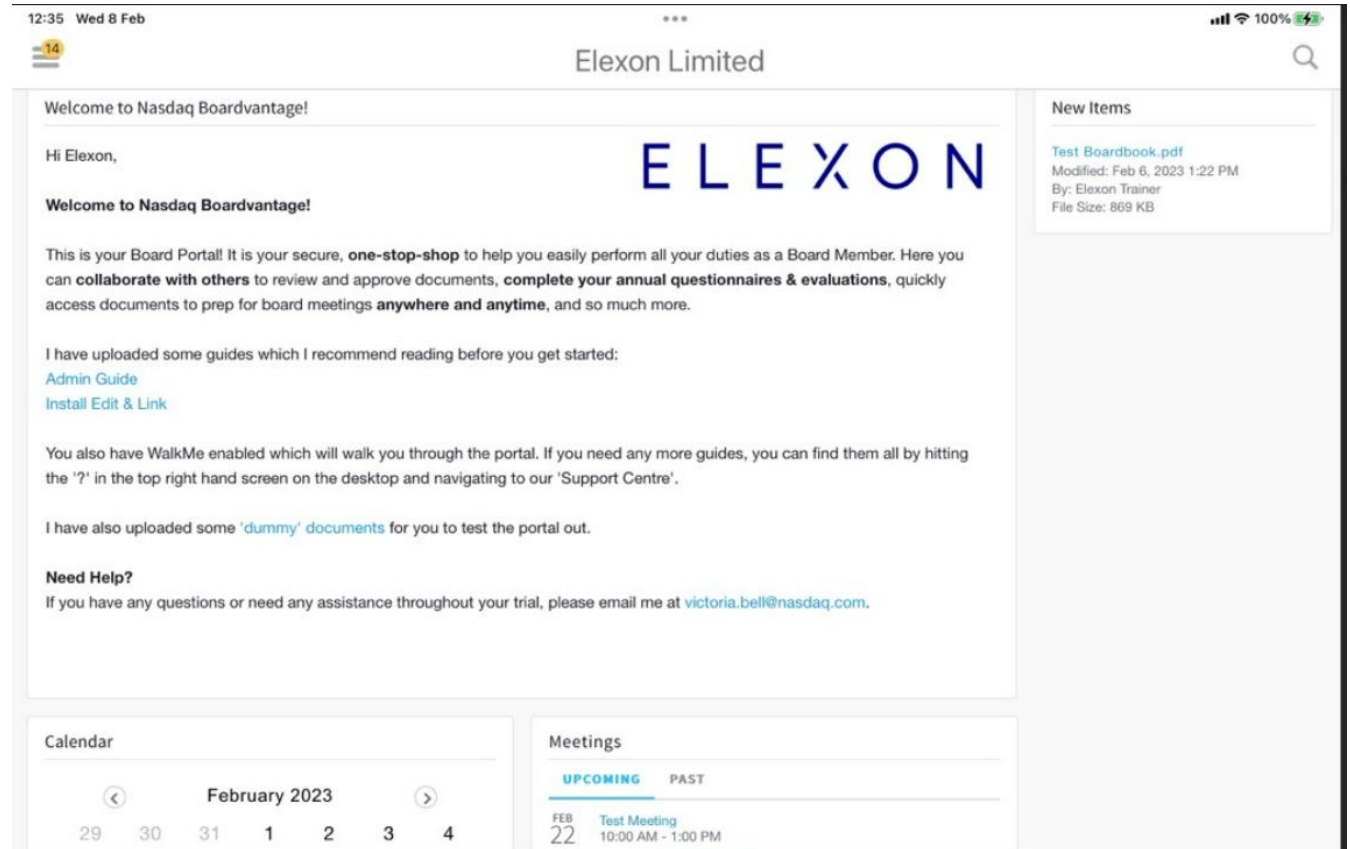
**Panel and Committee Administration
Update**

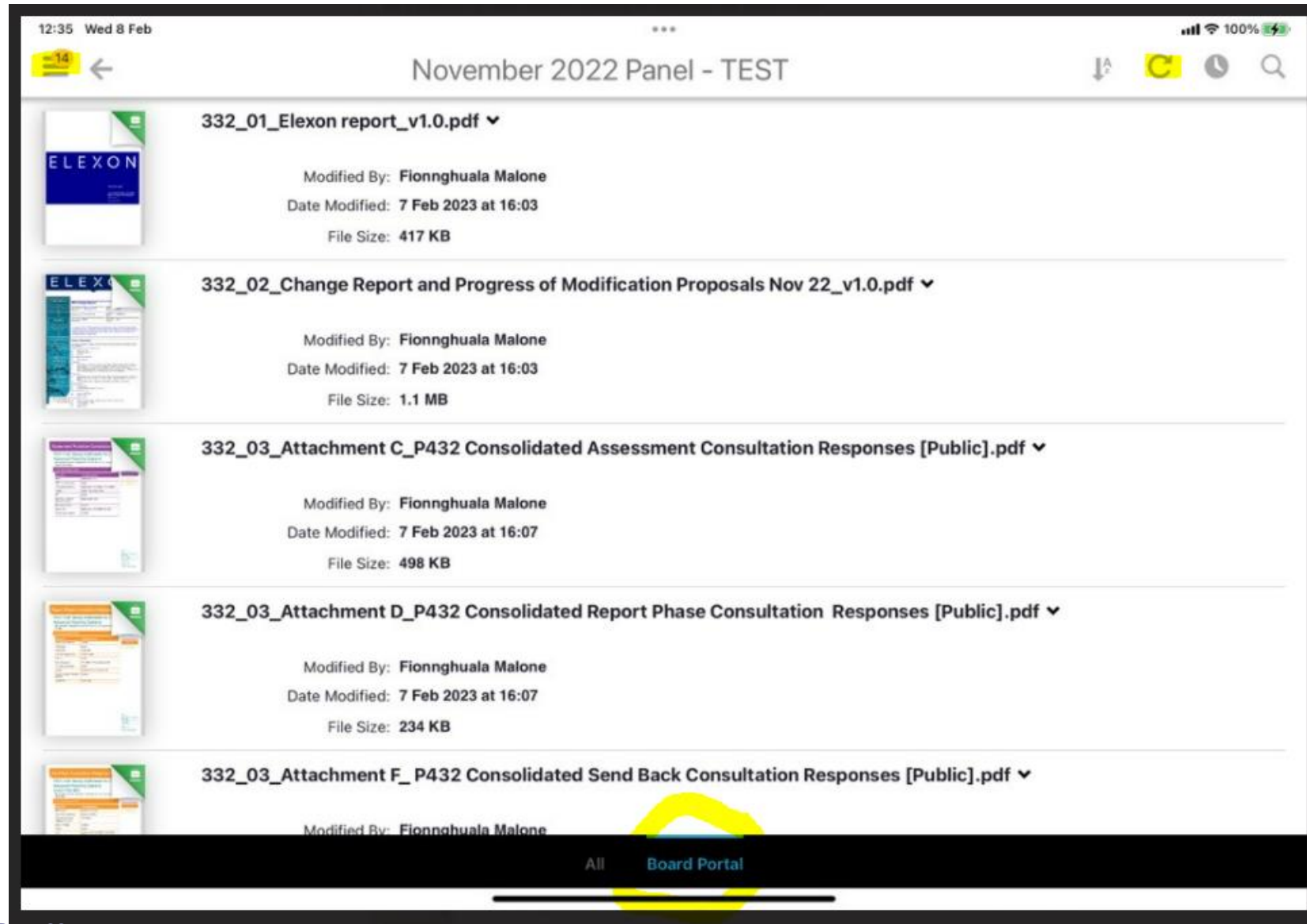
Nasdaq Boardvantage (NBV)

Transforming the way we complete Committee Administration; including revamping paper distribution

Nasdaq software allows the user to:

- View all papers in one place (no zip folders!)
- Download files into your briefcase (also available offline)
- Comment and annotate
- Confirm attendance





12:36 Wed 8 Feb

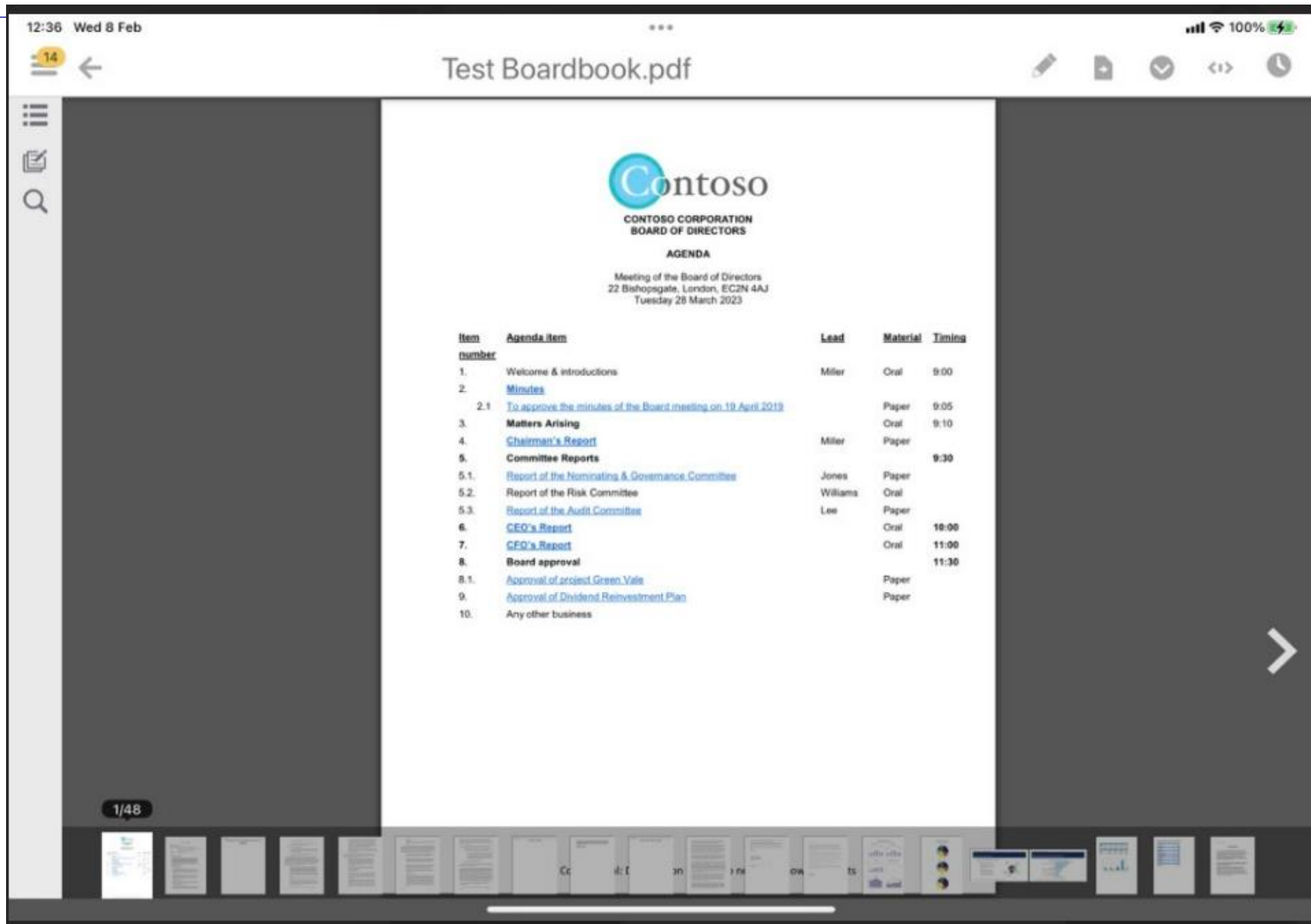
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	332_03_Attachment C_P432 Consolidated Assessment Consultation Responses [Public].pdf ▼ Modified By: Fionnghuala Malone Date Modified: 7 Feb 2023 at 16:07 File Size: 498 KB	<div>Downloaded</div>
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Board Portal



MEETING CLOSE

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THANK YOU
