

Minutes

BSC Panel

Meeting number	340	Venue	Elexon Offices – Orange Room/Video Conference
Date of meeting	13 July 2023	Classification	Public

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

Attendees and apologies		
Attendees		
Sara Vaughan	SV	BSC Panel Chair
Phil Hare	PH	Deputy BSC Panel Chair
Andrew Colley	AC	Industry Panel Member
Andrew Grace	AG	Elexon (part meeting)
Ayo Bammeke	AB	Elexon (part meeting)
Derek Bunn	DB	Independent Panel Member
Diane Dowdell	DD	Industry Panel Member
Elliott Harper	EH	Elexon Head of Governance Services & Panel Secretary
Euan Graham	EG	Citizens Advice Representative
Fionnghuala Malone	FMa	Elexon BSC Admin Team Leader
Fungai Madzivadondo	FM	Distribution Business Representative
Helen Tipton	HT	MHHS Senior Responsible Owner (SRO) and Elexon Director of Strategic Programmes
Ivar Macsween	IM	Elexon (part meeting)
Jon Wisdom	JW	NGESO Representative
Jonathan Coe	JC	Ofgem Representative
Karen Thompson-Lilley	KTL	NGESO Representative
Lawrence Jones	LJ	Elexon Head of Rules Management & BSC Modification Secretary

Attendees and apologies

Lisa Waters	LW	Industry Panel Member
Mark Oxby	MO	Industry Panel Member
Mike Given	MG	C & C (part meeting)
Nazifa Begum	NBe	Elexon (part meeting)
Nick Brown	NB	Elexon Company Secretary
Simon McCalla	SM	Elexon CEO
Simon Waltho	SW	Elexon (part meeting)
Tirath Maan	TM	Elexon (part meeting)
Tom Edwards	TW	Industry Panel Member
Victoria Moxham	VM	Elexon Director of Customer and Code Management
Apologies		
Andy Manning	AM	Citizens Advice Representative
Michael Robertson	MR	Industry Panel Member

Open Session

1. Introduction

- 1.1 The Chair noted apologies from Andy Manning, whose alternate was Euan Graham, and Michael Robertson, whose alternate was James Nixon.

Part I: Modification and Change Business (Open Session)

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

2. Change Report and Progress of Modification Proposals (340/02)

- 2.1 Elexon presented the Change Report and progress of Modification Proposals.
- 2.2 There was discussion around whether P456 could progress directly to the Report Phase due to quoracy challenges and whether as a result, the P456 RC was able to extend away from standard questions to still capture industry views on the Modification. LJ confirmed that Elexon was considering how to deal with Modifications that do not have much interest. LW suggested having targeted contact lists of just Suppliers, or just Generators in order to target the specific expertise and drive interest for Workgroups. There was also a discussion around whether targeted groups could be split into small and larger Suppliers, given that smaller Suppliers now have a much bigger part to play in the energy market. There was also a discussion about whether there was value in having a standing working group, for looking at all Modifications - which was something that had previously existed.
- 2.3 The BSC Panel:
- a) **NOTED** the contents of the July 2023 Change Report.

3. Removal of the Electricity Arbitration Association Initial Written Assessment (340/03)

- 3.1 NB confirmed that, for the London Court of International Arbitration (LCIA), there was a registration fee but not a monthly cost and that there were only additional costs if you went to arbitration, unlike paying a monthly fee for the EAA.
- 3.2 The Panel discussed whether Parties should have the option to decide whether they would be governed under the London Court of International Arbitration or such other arbitration body as may be agreed between them. However, ultimately the Panel decided to retain the existing approach and specify a particular body, the LCIA.
- 3.3 Elexon agreed to update the table with costings, including consultation fees and any registration costs.
- 3.4 The BSC Panel:
- a) **RAISED** this Modification Proposal in accordance with Section F2.1.1(d) (i);
 - b) **AGREED** that this Modification progresses directly to the Report Phase;
 - c) **AGREED** that this Modification:
 - i) **DOES** better facilitate Applicable BSC Objective (d);
 - d) **AGREED** that this Modification DOES impact the EBGL Article 18 terms and conditions held within the BSC;
 - e) **AGREED** the impact on the EBGL objectives;
 - f) **AGREED** an initial view that this Modification should not be treated as a Self-Governance Modification;
 - g) **AGREED** an initial recommendation to the Authority that this Modification should be approved;
 - h) **AGREED** an initial Implementation Date of:
 - i) **5 Working Days** following Authority decision;
 - i) **AGREED** the draft Legal Text; and
 - j) **NOTED** that Elexon will issue the Draft Modification Report (including the draft Legal Text) for a one month consultation and will present the results to the Panel at its meeting on 14 September 2023:

4. Introducing Data Controller and Processor Obligations in the BSC for Market-wide Half Hourly Settlement Testing Initial Written Assessment (340/04)

- 4.1 NB confirmed that the personal information that was being protected was for testing purposes only, i.e. details of MPANs and meter details.
- 4.2 The Panel discussed the extent to which Parties had been involved in conversations about imposing these obligations on them, however NB confirmed that this Modification did not go beyond the standard obligations which are in any event imposed under GDPR. AC noted that Suppliers might need to be involved in the discussion around reinforcing requirements, as this might be fed back as part of the consultation process.
- 4.3 It was suggested that the RC be extended to ask questions about raising concerns of Suppliers. LJ noted that once you entered the RC you were unable to exit and to return to an earlier stage of the process. A Panel Member noted that they wanted assurance that the agreements around MHHS testing had evolved alongside this discussion.
- 4.4 The BSC Panel:
- a) **RAISED** this Modification Proposal in accordance with Section F2.1.1(d)(i);
 - b) **AGREED** that this Modification progresses directly to the Report Phase;
 - c) **AGREED** that this Modification:
 - i) **DOES** better facilitate Applicable BSC Objective (d);
 - d) **AGREED** an initial view that this Modification should not be treated as a Self-Governance Modification;
 - e) **AGREED** that this Modification DOES NOT impact the EBGL Article 18 terms and conditions held within the BSC;
 - f) **AGREED** an initial recommendation to the Authority that this Modification should be approved;
 - g) **AGREED** an initial Implementation date of 5 Working Days after the Authority's decision is received;

h) **AGREED** the draft Legal Text; and

i) **NOTED** that Elexon will issue the Draft Modification Report (including the draft Legal Text) for a 10 Working Day consultation and will present the results to the Panel at its meeting on 10 August 2023.

5. Approval of P395 Configurable Item changes for the November 2023 BSC Release (340/05)

5.1 IM presented the Approval of P395 Configurable Item changes for the November 2023 Release.

5.2 The BSC Panel:

a) **APPROVED** the changes to the CSDs for P395 for implementation in the November 2023 BSC Release

Part II: Non-Modification Business (Open Session)

6. Elexon Report Minutes of previous meetings and Actions arising

6.1 The BSC Panel approved the draft minutes for BSC Panel meeting 339. Elexon presented the actions and associated updates for the July 2023 Panel meeting. Updates are summarised in the table appended to this set of minutes.

6.2 KTL provided an update around BM access and dynamic parameters, noting that LW now has a route to provide direct feedback to NG ESO.

6.3 The Ofgem Representative noted that he was happy to engage on discussions around whether there was a way to produce data related to embedded generation and DSR in real time so that, for example, it could be made available through the Insights Solution. There was discussion around whether a Modification requiring this was sufficient alone to introduce this, or if technology was required to facilitate it.

7. Chair Report

7.1 The Chair highlighted points from two good meetings she and the Deputy Chair had attended about Code Reform with DESNZ, where the BSC had been held up as a good practice example. The discussions had covered topics such as the rationale for moving forward with Code Reform, the position of voluntary stakeholder advisory groups, and the challenges of transitioning to new structures and arrangements.

7.2 LW voiced concerns that there was no evidence that demand side response (DSR) provided good value for money and that there were other small generators who could provide greater value but who were not being called on and that the focus seemed to be on the wrong thing. The Chair suggested that actually it was “both and” - we needed DSR at all levels and smaller generators. The ESO encouraged further discussions about this, and recognised that small consumer demand was the most expensive lever that it had at its disposal. To the question whether Elexon pointed out that domestic DSR was not worthwhile, SV clarified that Elexon’s role is not to state what should or should not be done, given the breadth of BSC Parties’ interests, but rather to advise on what worked and what did not, and to present the different scenarios of various approaches.

7.3 The Chair updated that she had attended a roundtable on decarbonising the power sector, where there had been much alignment around the table and also reported on a meeting that she and SMC had had with Jonathan Mills, the Director General for Energy Markets and Supply at the Department for Energy Security and Net Zero.

7.4 The Chair highlighted that the Annual BSC Report was recently published, and thanked Phil Hare, Diane Dowdell and Andy Colley for their input on behalf of the BSC Panel.

7.5 The Chair noted that this was Jon Wisdom’s final Panel as the ESO Representative, thanked JW for his great contribution over the years and noted that KTL will formally take over from JW.

7.6 The BSC Panel:

a) **NOTED** the update.

8. Elexon Report – (340/01)

8.1 The BSC Panel:

a) **NOTED** the contents of this paper.

9. Distribution Report

- 9.1 FM noted that they have no key updates but will take away the discussions that had taken place around data sharing, and have offline discussions with NGESO.

10. ESO Report

- 10.1 The ESO Panel Member (JW) noted that ESO had released their [Future Energy Scenarios](#) and launched a selection of webinars which had been gone well. He noted that there was a full Article 18 consultation around the demand flexibility service (DFS) alongside a C-16 consultation which will outline changes needed because of it concluding. JW also noted that the ESO had finished its discussions with coal plant and that there would be no additional contingency available for winter. no agreement had been reached with EDF and Drax and Ratcliffe was running anyway (i.e. was not additional).
- 10.2 JW noted the Interconnector [GC0154 Modification 'Incorporation of interconnector ramping requirements into the Grid Code as per SOGL Article 119'](#)
- 10.3 KTL highlighted that ESO is running a subgroup on elements of connection reform and highlighted that they are looking for members of workgroups, but are keen to do things differently.
- 10.4 The BSC Panel
- a) **NOTED** the update.

11. Ofgem Report

- 11.1 The Ofgem Representative noted that the six workshops on Code Reform have now finished and that Ofgem will collate the information and feed this into future work on joint consultations with DESNZ, to be published in winter. Further that this would lead to Ofgem and DESNZ secondary legislation which will focus on implementation of code reform. He noted that the feedback from the workshops will primarily be used internally. A Panel Member commented that it would be helpful to have the themes from the feedback published quickly, as this would both update industry and that maintaining continuity would incentivise even more engagement in workshops from industry.
- 11.2 JC highlighted Ofgem's publications: MHHS change requests, consultation on the price cap methodology at end June and the statutory consultation on the balancing mechanism and proposed reform to protect consumers closes on the 27 July. JC also noted the Open Letter published on the regulation of suppliers.
- 11.3 The BSC Panel
- a) **NOTED** the update.

12. MHHS Update

- 12.1 HT as MHHS SRO provided an update on the MHHS programme.
- 12.2 The BSC Panel
- a) **NOTED** the update.

13. Update on Strategic Programmes

- 13.1 HT as Director of Strategic Programmes provided an update on Elexon's Strategic Programmes, particularly focused around the impact of the Energy Bill delay.
- 13.2 LW queried whether Elexon had scenario planning of the progression of strategic programmes if there were to be a General Election. It was noted that this sits with Jess McGovern's (Director of Corporate Affairs) team.
- 13.3 The BSC Panel
- a) **NOTED** the update.

14. Tabled Reports

- 14.1 The BSC Panel noted the tabled reports from the ISG, SVG, PAB and TDC.

15. SVG Update

- 15.1 VM provided an update on the SVG, and highlighted the topic of Exempt Supply Applications which was discussed at the June SVG meeting. The Panel discussed whether the SVG should write a letter to Ofgem making them formally aware that a participant had received legal advice around the impact on exemptions on ROCs, which was contrary to legal advice previously given and relied on. It was determined that this would be raised with DESNZ informally.
- 15.2 The BSC Panel
- a) **NOTED** the update.

Part III: Confidential Business (Closed Session)

16. Next meeting

- 16.1 The next scheduled meeting of the BSC Panel will be held on Thursday 10 August 2023.