

BSC Change Report

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Purpose of paper **For Decision**

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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 3 July 2023 until 28 July 2023.**

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: 15
- Change Proposals: 8
- Issues: 6

New changes since last month

- P457, P458, Issue 108

Workgroups

- Two Workgroups held since last month's report: P441 – 27 July, P454 – 18 July,
- Eight Workgroups coming up: P442 – late August, P451 – 9 August, P455 – early September, Issue 101 – early August, Issue 103 – August, Issue 106 – 15 August, Issue 108 – 1 August

Consultations

- Consultations closed since last month's report: June CPC Batch: 12 June – 7 July, Issue 101 BR Consultation: 14 June – 12 July, Issue 107: 23 June– 14 July
- Live Consultations: P457 RPC: 20 July – 21 August, P458 RPC: 17 July – 28 July, July CPC Batch: 10 July – 4 August
- Consultations coming up: P451 APC – Late August, August CPC Batch: 7 August – 1 September

Extension requests

- P451

Awaiting decision (decision cut-off)

- Authority: P415 (6 Oct 2023), P432 (n/a), P443 (31 Jul 2023), P444 (6 Oct 2023)

Decisions since last month

- Approved: CP1577, CP1579
- Rejected: None

Awaiting Implementation

- **Nov 23:** P395, P453, CP1574, CP1575, CP1576, CP1577, CP1579

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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: on-hold		
Progression:	IWA	APC	AR	RPC	DMR	FMR	I
	Sep 20	On-hold	Nov 23	Dec 23	Jan 24	Jan 24	TBC
Latest Update:	NGESO are finalising their impact assessment and recommendation report for the P412 solution options, indicating that Elexon can expect this is August 2023. Elexon engaged with NGESO in July and NGESO indicated that the results of their engagement with DESNZ suggested that the relevant Clean Energy Package requirements would be retained and become assimilated law, meaning that it is likely there is still a need for P412. At its January 2023 meeting, the Panel approved a nine month extension to the Assessment Procedure in order for NGESO to conclude its work with DESNZ and Ofgem on how the Clean Energy Package requirements can be best met.						
Next Event:	NGESO are continuing to engage with DESNZ 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 and NGESO's recommendation report, further Workgroup meetings are likely needed to consider next steps in developing the P412 solution in light of NGESO's minded report.						
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.</p> <p>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.</p> <p>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 approved 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. The Panel approved a six month extension to the Assessment Procedure at its meeting on 14 July 2022.</p> <p>At its January 2023 meeting, the Panel approved a nine month extension to the Assessment Procedure in order for NGESO to conclude its work with DESNZ and Ofgem on how the Clean Energy Package requirements can be best met.</p>
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P415: Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties					No Update		
Date Raised:	30 September 2020		Proposer:		Enel X UK Ltd		
Target Implementation Date:	7 November 2024		Current Status:		Awaiting Decision		
Progression:	IWA	APC	AR	RPC	DMR	FMR	I
	Oct 20	Feb 23	Apr 23	May 23	Jun 23	Jun 23	Nov 24
Latest Update:	The BSC Panel considered the P415 Draft Modification Report on 8 June 2023. The Panel unanimously agreed that the P415 Alternative Modification is better than the Proposed Modification and recommend that the Alternative Modification be approved. The P415 Final Modification Report was submitted to the Authority on 15 June 2023 for decision.						
Next Event:	The P415 Final Modification Report is with the Authority for decision. If an Authority decision to approve P415 is received on or before 6 October 2023, then P415 will have an Implementation date of 7 November 2024.						
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. Under the Proposed Solution, compensation costs are mutualised, with compensation paid at a price that approximates the Supplier's expected sourcing costs. Under the Alternative Solution, VLPs are liable to pay compensation costs for volumes adjusted by that VLP, with compensation paid at a price that approximates the Supplier's expected sourcing costs.						
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. Elexon 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>						

Workgroup 12 - held on 1 July, where CEPA presented provisional CBA findings.
Workgroup 13 - held on 22 August, where CEPA presented CBA findings.
The final Cost Benefit Analysis Report, conducted by CEPA, was published on 22 September 2022.

Workgroup 14 – held on 7 October, where the Workgroup considered the final CBA findings.

The Panel approved a 4 month extension to P415's Assessment Phase so that Elexon 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 dovetail with). The recent urgent Modifications also meant ability to work on P415 was constrained in October.

Workgroup meeting 15 was held on 7 December, where the Workgroup reviewed the legal text and prepared for the Assessment Consultation.

The Assessment Procedure consultation was issued on 24 January 2023 with responses invited by 14 February.

Workgroup meeting 16 was held on 22 February to consider consultation responses.

Workgroup meeting 17 was held on 28 March to conduct final voting and gather final views.

The P415 Workgroup met for a final time on 28 March to consider the outcomes of additional engagement with NGESO, which resulted in the addition of a new high level requirement for VLPs to provide additional Deviation Volume information to NGESO, and provide final views on the Modification. Ofgem updated the group that their preference was for both a Proposed and Alternative to be brought forward to allow them as full a picture as possible when making a decision. However, only a minority of voting members believed that the potential alternative was better than the Proposed Solution. Ofgem further added that this may increase the chance of delays (ultimately putting the ability to deliver in November 2024 at risk) by increasing the chance of a Send Back or Rejection should they find merit in the alternative approach. In order to remove this risk, the P415 Proposer "switched" the Proposed Solution with the alternative approach which allowed a majority of the group to raise a formal Alternative within allowed BSC process, and a majority voted that this Alternative was now better than the Proposed, to allow both these options to go forward, be presented to the BSC Panel and Ofgem and reduce the chance of delays. The Workgroup recommend that the Alternative Solution be approved.

The P415 Assessment Report was presented to the BSC Panel on 13 April. The Panel initially recommended P415 is approved.

The Report Phase Consultations for P415 and P444 were issued on 17 April 2023, running for one calendar month due to identified impacts on the EBGL Article 18 Terms and Conditions. The consultation closed on 17 May 2023. Six responses were received to the consultation, which were mixed between agreeing and disagreeing with the Panel's recommendation to approve P415.

P432: Half Hourly Settlement for CT Advanced Metering Systems						No Update		
Date Raised:	2 December 2021		Proposer:		Npower Commercial Gas Limited			
Target Implementation Date:	+3 months from Authority decision		Current Status:		Awaiting Decision			
Progression:	IWA	APC	AR	RPC	SBC	DMR	FMR	I
	Dec 21	Apr 22	May 22	Jun 22	Oct 22	Nov 22	Nov 22	+3 months
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. A decision was required by 29 March 2023, in order to meet the scheduled June 2023 Release. As this was not possible, the Implementation Date has defaulted to three months after Ofgem approval, as stated in the Final Modification Report.							
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. 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>							

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.

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.

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.

P441: Creation of Complex Site Classes					Update		
Date Raised:	7 July 2022		Proposer:		Green Energy		
Target Implementation Date:	TBC		Current Status:		Assessment Procedure		
Progression:	IWA	APC	AR	RPC	DMR	FMR	I
	Jul 22	Sep 23	Nov 23	Dec 23	Jan 23	Jan 23	TBC
Latest Update:	The seventh Workgroup meeting for P441 was held on 27 July to review the legal text and CSD redlining, update on actions and confirm the Assessment Procedure questions to coincide with the timelines for the consequential REC and DCUSA changes. The Workgroup reviewed the redlining in the meeting, but indicated that they want a longer period of review, also noting some updates Elexon would make after the meeting, and therefore wished to delay providing their initial views until a later meeting.						
Next Event:	Elexon are arranging the 8th Workgroup to be held prior to the Assessment Procedure Consultation being issued, this will likely be in late August or early September dependent upon member availability. Workgroup members will have the opportunity to review and feedback on the legal text prior to the next meeting. Another meeting will be necessary to capture Workgroup views on the Terms of Reference in preparation for consultation in September. Elexon are progressing actions related to the legal text and engaging with Ofgem and other stakeholders to ensure that all views are fully represented, as well as confirming the most appropriate time to hold the next meeting.						
Issue:	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. 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.						
Current Solution:	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). 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.						
History:	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. 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. 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. 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>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.</p> <p>The Panel agreed to a five month extension to the Assessment Procedure at its meeting on 14 July 2022.</p> <p>The third P441 Workgroup was held on 17 January 2023. The Workgroup discussed the requirements for Network Charges and discussed P441's interactions with the Market Wide Half Hourly (MHHS) Programme.</p> <p>The fourth and fifth Workgroup meeting were held on Tuesday 21 February and 21 March respectively. Across both meetings, the Workgroup confirmed that P441 will not have a direct impact on MHHS, they agreed the requirements for the BSUoS, TNUoS and DUoS charging arrangements for Class 5 Complex Sites. Further, the Workgroup considered four redline drafting options for the impacted documents, and agreed on the option that will seek the governance requirements placed in the BSC and procedural steps in the BSCPs, in line with the BSC redline principles.</p> <p>The fifth Workgroup meeting was held on 21 March 2023. The Workgroup concluded the requirements for DUoS charges, Group Correction Factor, and Line Loss Factor for Class 5 Complex Sites. Also, the Workgroup discussed and confirmed the appropriate drafting option for the relevant BSC documents.</p> <p>The sixth P441 Workgroup was held on 2 May. At this meeting, the Workgroup considered the remaining Terms of Reference for P441 and confirmed that parallel changes will need to be raised in both REC and DCUSA. Ofgem has suggested alignment is required on these changes and timelines should be lined up accordingly. At the June 2023 Panel meeting the Panel approved a four month extension to the Assessment Procedure in order to align the timetable of P441 with the consequential DCUSA and REC changes.</p>
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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		
Progression:	IWA	APC	AR	RPC	DMR	FMR	I
	Jul 22	Sep 23	Nov 23	Dec 23	Jan 24	Jan 24	TBC
Latest Update:	The second P442 Workgroup meeting was held on 24 May 2023. The Workgroup explored the proposed solution in more detail, including worked examples for the proposed imbalance adjustment methodology. Elexon have since met with service providers to better understand the timescales and costs involved, and have drafted the redlining for internal review.						
Next Event:	Elexon are arranging the next P442 Workgroup meeting for August. The Workgroup will review the legal text and review the views against the Terms of Reference						
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> <p>The first Workgroup meeting was held on 15 February 2023. At this meeting, the Workgroup considered the P442 Terms of Reference (ToR), as agreed by the Panel, and identified further topics that should be covered. The Workgroup also discussed the proposed solution and the current view against some aspects of the ToR.</p> <p>Given the delays to holding the first meeting, caused by the Modification being on hold while liaising with BEIS (as of that time, now DESNZ) about potential impacts from their review into exempt supply, as well as a combination of focussing on urgent Modifications and Proposer availability, the BSC Panel approved an extension to the Assessment Procedure of six months at the meeting on 11 April 2023.</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:		Awaiting Decision		
Progression:	IWA	APC	AR	RPC	DMR	FMR	I
	Aug 22	Feb 23	Apr 23	May 23	Jun 23	Jun 23	Nov 23
Latest Update:	P443 has not yet received an Authority decision and is now effectively ‘timed out’ from implementation in the November release as the cut off for this was 31 July, meaning P443 will now be implemented 3 months after an Authority decision (assuming it is approved)						
Next Event:	The P443 Final Modification Report is with the Authority for decision.						
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.</p> <p>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 approved 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> <p>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.</p> <p>The fourth Workgroup meeting was held on 16 January 2023. The Workgroup provided their initial views on the Proposed solution.</p> <p>The fifth Workgroup meeting was held on 20 January 2023. The Workgroup provided their initial views on the two possible alternative solutions.</p> <p>The Assessment Procedure Consultation was issued for a 15 working days consultation period on 9 February 2023 with responses requested by 1 March 2023. The Panel approved a three month extension to the Assessment Procedure at its meeting on 9 February 2023.</p> <p>The sixth Workgroup meeting was held on 20 March 2023 to consider responses to the Assessment Procedure Consultation. The Workgroup decided not to raise an Alternative Modification and provided their final views on the proposed solution. As a result, two of the three additional months granted to conclude the Assessment Procedure will not be needed. The extra months were to allow for Alternatives to be progressed.</p> <p>The P443 Assessment Report was presented to the BSC Panel at its meeting on 13 April 2023. The BSC Panel initially recommends rejection of P443.</p> <p>The P443 Report Phase Consultation was issued on 17 April 2023 for one calendar month (due to EBGL impacts). Two responses were received to the consultation, with one agreeing with the Panel that the change should be rejected and one disagreeing.</p> <p>The P443 Draft Modification Report was presented to Panel at its meeting on 8 June 2023. The Panel voted unanimously that P443 is not better than the current baseline and should therefore be rejected.</p> <p>The P443 Final Modification Report was submitted to the Authority on 12 June 2023 for decision.</p>
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P444: Compensation for Suppliers and Virtual Lead Parties for Virtual Lead Party actions in the Balancing Mechanism						No Update	
Date Raised:	1 September 2022		Proposer:		Flexitricity		
Target Implementation Date:	7 November 2024		Current Status:		Awaiting Decision		
Progression:	IWA	APC	AR	RPC	DMR	FMR	I
	Sep 22	Jan 23	Apr 23	May 23	Jun 23	Jun 23	Nov 24
Latest Update:	The BSC Panel considered the P444 Draft Modification Report on 8 June 2023. The Panel unanimously agreed that the P444 Alternative Modification is better than the P444 Proposed Modification and that the Alternative Solution should be approved (with the Proposed Solution rejected). The P444 Final Modification Report was submitted to the Authority on 15 June 2023 for decision.						
Next Event:	The P444 Final Modification Report is with the Authority for decision. If an Authority decision to approve P444 is received on or before 6 October 2023, then P444 will have an Implementation date of 7 November 2024.						
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. Following P444 assessment, the Proposer and Workgroup believe that the compensation mechanism being developed for P415 should be applied to the BM as						

	the solution for P444, and believe that an aligned decision should be made by Ofgem regarding the Proposed and Alternative solutions for each Modification.
History:	<p>P444 was raised by Flexitricity on 1 September 2022.</p> <p>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.</p> <p>Workgroup meeting 2 was held on 7 December, where the Workgroup reviewed the legal text and prepared for the Assessment Consultation.</p> <p>Workgroup meeting 3 was held on 22 February to consider consultation responses.</p> <p>Workgroup meeting 4 was held on 28 March to conduct final voting and gather final views.</p> <p>The P444 Workgroup met for a final time on 28 March. The Proposer and Workgroup wish for P444 to align with P415 in terms of any Proposed and Alternative solutions, in order to allow for an aligned decision from Ofgem regarding the supplier compensation mechanism, therefore once the P415 Proposer “switched” the Proposed Solution with the alternative approach (allowing a majority of the group to raise a formal Alternative against this and bring multiple options to Ofgem to reduce the chance of delays) the P444 Proposer chose to take the same approach in order to ensure alignment. The Workgroup recommend that the Alternative Solution be approved.</p> <p>The P444 Assessment Report was presented to the BSC Panel on 13 April. The Panel initially recommend P444 is approved.</p> <p>The Report Phase Consultations for P444 and P415 were issued on 17 April 2023, running for one calendar month due to identified impacts on the EBGL Article 18 Terms and Conditions. Three responses were received to the consultation, with two agreeing with the Panel that P444 should be approved and one disagreeing.</p>

P451: Updating BSC Black Start provisions and compensation arrangements to align with NGESO’s new approach to System Restoration							Update
Date Raised:	1 March 2023		Proposer:	NGESO			
Target Implementation Date:	TBC		Current Status:	Assessment Procedure			
Progression:	IWA Mar 23	APC Jul 23	AR Sep 23	RPC Sep 23	DMR Nov 23	FMR Nov 23	I TBC
Latest Update:	The second P451 Workgroup meeting was held on 14 June 2023, where the Workgroup discussed how the Black Start compensation process could work for non-BSC Parties, and how claims could be paid out by Elexon. Elexon have drafted legal text for P451 and issued this for Workgroup review ahead of the next meeting.						
Next Event:	The third P451 Workgroup meeting will be held on Wednesday 9 August 2023. The Workgroup will review the draft legal text and discuss the final aspects of the Terms of Reference, including whether the payment mechanism should be in the BSC or not. Following the Workgroup, P451 will be issued for Assessment Consultation.						
Extension Request:	P451 required significant additional engagement in order to form a quorate Workgroup, which delayed progression by several months, with the first meeting only possible to be held in May. We are requesting an extension to the Assessment Procedure. Following the next Workgroup on 9 August (the day before the BSC Panel meeting) we will confirm the exact extension request based on progress made, but is likely to be a request for 2 months, returning to the Panel with the Assessment Report by the November 2023 Panel meeting. We will present an updated view at the 10 August Panel meeting.						

Issue:	The National Grid Electricity System Operator (NGESO) is currently progressing GC0156 'Facilitating the implementation of the Electricity System Restoration Standard'. GC0156 facilitates the implementation of NGESO's new approach to Black Start called System Restoration. It proposes to update all references to Black Start to System Restoration in the Grid Code. Unless a change is made to update the BSC, the BSC's Black Start processes will not align with the Grid Code if GC0156 is approved by Ofgem. Furthermore, NGESO's new approach will allow Distributed Energy Resources (DERs) to be to be used as System Restoration Service Providers. These providers will be connected to a Distribution System and operated by BSC or non-BSC Parties. Currently, non-BSC parties cannot claim Black Start compensation.
Current Solution:	To update all BSC references to "Black Start" to "System Restoration" and to amend BSC Section G 'Contingencies' to allow non-BSC parties who have a contract with NGESO to provide System Restoration services to claim BSC Black Start compensation. The proposed solution is for Elexon to recoup claims payments from BSC Parties as part of their Black Start Reallocation Proportion.
History:	P451 was raised on 1 March 2023. The Panel determined that P451 should progress to a Workgroup for assessment and set the timetable at its meeting on 9 March 2023. The first P451 Workgroup meeting was held on 5 May 2023. The Workgroup considered who should be eligible to claim the Black Start compensation.

P454: Removal of BSC obligations to provide BMRS Data via TIBCO and the High Grade Service							Update	
Date Raised:	13 April 2023		Proposer:		BSC Panel			
Target Implementation Date:	TBC		Current Status:		Assessment Procedure			
Progression:	IWA	APC	AR	RPC	DMR	FMR	I	
	Apr 23	Aug 23	Oct 23	Oct 23	Nov 23	Nov 23	TBC	
Latest Update:	The first Workgroup was held on 18 July 2023. The Workgroup considered the background to P454 and the Terms of Reference, raising a question over the most appropriate place to reference service standards for the post-TIBCO solution. Elexon are progressing actions and determining the most appropriate time to hold the next meeting.							
Next Event:	The second Workgroup meeting will be held, most likely towards the end of August, once the draft legal text has been prepared for Workgroup review. Due to challenges forming a quorate Workgroup, progression on P454 was delayed by several months and it is likely that an extension to the timetable will need to be sought at the September Panel meeting.							
Issue:	The BSC's High Grade Service and TIBCO software, based on 20-year-old legacy systems, can no longer be sustained efficiently and economically. The service presents significant barriers for new entrants due to lead time, operational costs, and bandwidth restrictions. As a result, there have been no new TIBCO users since 2014. Further, the ageing architecture causes operational issues, limits scaling, and imposes high costs on market participants. Issue 95 'Assessing the continued use of TIBCO service as a source of data for market participants' made a group recommendation to raise a BSC Modification to explore the removal of the obligation for Elexon to provide BMRA data through the High Grade Service.							
Current Solution:	This Modification would remove the existing requirement within BSC Section V 'Reporting' for the Balancing Mechanism Reporting Agent (BMRA) to provide BMR Service (BMRS) data via the legacy High Grade Service, otherwise referred to as the TIBCO service.							
History:	The BSC Panel raised P454 at their meeting on 13 April 2023, where they agreed that it should be progressed to the Assessment Procedure for consideration by a Workgroup. Between April and June 2023 Elexon conducted extra engagement to form a Workgroup, and, after a delay due to quoracy issues a quorate Workgroup was finally formed.							

P455: On-Site Aggregation as a method to facilitate Third Party Access						Update	
Date Raised:	8 June 2023		Proposer:		Emergent Energy		
Target Implementation Date:	TBC		Current Status:		Assessment Procedure		
Progression:	IWA	APC	AR	RPC	DMR	FMR	I
	Jun 23	Oct 23	Jan 23	Jan 24	Feb 24	Feb 24	TBC
Latest Update:	A quorate Workgroup has since been formed.						
Next Event:	The first Workgroup for P455 is intended to be held in September 2023. The Workgroup will consider the background to P455 and review the Terms of Reference for the Workgroup.						
Issue:	Where one or more customers on a private wire network (henceforth private network) opt for a third party supply, corrective action is required to avoid the double counting of metered volumes in Settlement. The BSC provides ways to avoid the double counting of metered volumes on private networks via difference metering option and shared SVA metering. The Proposer believes that these existing options are unsatisfactory when applied to private networks that include domestic and small business (i.e. sub 100kW) customers. This is due to the operational requirements placed on, and the lack of incentive for, Third Party Suppliers (TPSs) to meet such requirements.						
Current Solution:	The solution proposes a new ‘on-site aggregation’ methodology for facilitating Third Party Access on private networks to which domestic and small business (i.e. sub 100kW) customers are connected. This methodology can be used instead of difference metering, but requires the BSC to allow aggregated meter data from sub-meters (relating to customers not opting for third party supply) on private networks to be submitted into Settlement (in lieu of data from Settlement meters installed at the Boundary Point).						
History	Emergent Energy requested to be designated as a Third Party (non-BSC Party) Proposer for this Modification. The BSC Panel agreed to designate Emergent Energy as the Proposer at its meeting on 8 June 2023. P455 was raised on 8 June 2023. The Panel determined that P455 should progress to the Assessment Procedure for an assessment by a Workgroup.						

P456: Enable Elexon to procure ancillary Technology Services for us by BSC Agents						Update	
Date Raised:	8 June 2023		Proposer:		BSC Panel		
Target Implementation Date:	TBC		Current Status:		Assessment Procedure		
Progression:	IWA	APC	AR	RPC	DMR	FMR	I
	Jun 23	Aug 23	Oct 23	Oct 23	Nov 23	Nov 23	TBC
Latest Update:	The first Workgroup for P456 was intended to be held on week commencing 17 July, but did not happen as a quorate Workgroup was not yet been formed. Elexon have been conducting additional engagement, however at time of writing only 2 members have signed up.						
Next Event:	Elexon are continuing to try and promote P456 however have had limited success with this for several months now. Once a quorate Workgroup has been formed, the first Workgroup meeting will consider the background to P456 and the Terms of Reference. Elexon will update the BSC Panel on progress and blockers at the August meeting and seek thoughts on the possibility of progressing P456 to the Report Phase if a quorate Workgroup can not be formed by the September meeting, which is when Elexon would have to ask for an extension to the Assessment Procedure.						
Issue:	The implementation of Elexon Kinnect will change the underlying technology and systems used to deliver BSC Agent services. Elexon are therefore reviewing the contracts with these BSC Agents in order to reflect these technology changes, and to ensure they continue to meet the needs of BSC Parties. The issue that this Modification seeks to address is to allow Elexon flexibility to enter into contracts directly with Technology Service Providers for ancillary Technology Services, such as cloud services, and, consequently, relieve the relevant BSC Agent (but not the Technology Service Provider) of responsibility for the ancillary Technology Services where Elexon has entered into contract(s) directly with Technology Service providers.						
Current Solution:	We propose updating Section E of the BSC to clearly state that BSC Agents may be required to deliver their services using Technology Services, such as cloud computing, procured for them by BSCCo. This solution would also need to recognise that, for services that Elexon procures directly from a Technology Service provider (e.g. cloud services) rather than via a BSC Agent, the BSC Agent would no longer be contractually responsible for these specific services to the extent they were beyond its reasonable control. This solution is specifically targeted at ancillary Technology Services that are similar to the sorts of Technology Services that Elexon already procures and which are not core BSC Agent services that are required to deliver Settlement.						
History	The BSC Panel raised P456 at their meeting on 8 June 2023.						

P457: Replace the Electricity Arbitration Association with the London Court of International Arbitration					New
Date Raised:	13 July 2023		Proposer:	BSC Panel	
Target Implementation Date:	5 WDs after Authority Decision		Current Status:	Report Phase	
Progression:	IWA	RPC	DMR	FMR	I
	July 23	Aug 23	Sep 23	Sep 23	5 WDs +
Latest Update:	The Initial Written Assessment for P457 was presented to the BSC Panel at its meeting on Thursday 13 July 2023. The Panel agreed that P457 should be sent straight to Report Phase for a one month consultation from 20 July to August to consult on potential EBGL impacts, as required under Section F.				
Next Event:	The Draft Modification Report will be presented to the BSC Panel on 14 September along with the responses from the Report Phase Consultation and EBGL consultation.				
Issue:	BSC Section H 'General' sets out dispute resolution procedures that allow Market Participants to undertake arbitration pursuant to the arbitration rules of the Electricity Arbitration Association . However, the EAA has not been used by a Market Participant since its inception in 1993. It therefore does not provide good value for money for BSC Parties as monthly payments are required irrespective of whether there are any disputes to consider.				
Current Solution:	P457 proposes to remove the Electricity Arbitration Association (EAA) from the BSC and replace with the London Court of International Arbitration (LCIA) to deliver better value for money and service.				

P458: Introducing Data Controller and Processor Obligations in the BSC for MHHS Testing					New
Date Raised:	13 July 2023		Proposer:	BSC Panel	
Target Implementation Date:	5 WDs after Authority Decision		Current Status:	Report Phase	
Progression:	IWA	RPC	DMR	FMR	I
	Jul 23	Aug 23	Aug 23	Aug 23	5 WDs +
Latest Update:	The Initial Written Assessment for P458 was presented to the BSC Panel at its meeting on Thursday 13 July 2023. The Panel agreed to raise the Modification and that P458 should be sent straight to Report Phase for a 10 Working Day Consultation. The Report Phase consultation closed on 28 July and received 6 responses from a generator, two distributors, a supplier, an asset manager, and a member of the MHHS programme.				
Next Event:	The Draft Modification Report will be presented to the BSC Panel on 10 August along with the responses from the Report Phase Consultation. The Panel will be asked to approve P458 and agree to an implementation date for P458 of 5 Working Days after Authority Decision.				
Issue:	This Modification is to address the need for personal information sharing in the BSC, specifically in the context of the Market-wide Half Hourly Settlement (MHHS) testing. The current BSC General Data Protection Regulation (GDPR) and data protection provisions were not designed to allow the sharing of personal information, which has now become necessary for the planned MHHS testing.				
Current Solution:	This Modification suggests amending BSC Section C 'BSCCo and its Subsidiaries' to add data processor and controller obligations to the BSC to provide a framework for handling, protecting, and sharing personal data. Thus ensuring that the BSC aligns with current data handling practices. This includes maintaining and securing data records, reporting data breaches, and guaranteeing GDPR compliance, along with safeguarding data subjects' rights.				

II. Change Proposal Updates – up until decision

CP1577: To clarify the sending of a D0151 is required for all COS NHH loss processes					Update
Date Raised:	2 May 2023		Proposer:	EDF Energy	
Target Implementation Date:	2 November 2023		Current Status:	Awaiting Implementation	
Progression:	PP	CPC	AR	FR	I
	May 23	Jun 23	Jul 23	Jul 23	Nov 23
Latest Update:	CP1577 was presented to SVG for decision on 4 July 2023 where it was approved for implementation on 2 November 2023.				
Next Event:	CP1577 has been approved for implementation on 2 November 2023 as part of the standard November 2023 BSC Release.				
Issue:	There is a requirement in BSCP504 'Non Half Hourly Data Collection for SVA Metering Systems Registered in SMRS' for the old (outgoing) Supplier to send a D0151 'Termination of Appointment or Contract by Supplier' to terminate their Non Half Hourly Data Collector (NHHDC) appointment on Change of Supplier (CoS). However, the positioning of clause 3.2.6.4(a) implies that this is only required for non-Data Communications Company (DCC) serviced Metering Systems, whereas this should be a requirement for all Metering Systems. Without the D0151, the Non Half Hourly (NHH) Data Collector may not be notified of the termination of contract or appointment by the Supplier for the relevant Metering System.				
Current Solution:	This CP proposes a minor change to BSCP504 that that will clarify that clause 3.2.6.4(a) applies to all Metering Systems.				
History:	<p>CP1577 was raised by EDF Energy on 2 May 2023.</p> <p>The CP Progression Paper was presented to the Supplier Volume Allocation Group (SVG) at its meeting on 2 May 2023.</p> <p>CP1577 was issued for Industry Consultation on Tuesday 9 May 2023 with responses invited by Tuesday 6 June 2023. Three responses were received and all three were in support of the CP.</p>				

CP1578: Amendments to BSCP128 to enable Embedded LDSOs to calculate and submit Site Specific LLFs as required					Update	
Date Raised:	2 May 2023		Proposer:	Elexon		
Target Implementation Date:	29 February 2024		Current Status:	Consultation		
Progression:	PP	CPC	AR	FR	I	
	May 23	Jun 23	Sept 23	Jul 23	Feb 24	
Latest Update:	CP1578 was presented to SVG and ISG on 4 July. Due to comments received in the first consultation, material changes were made to the redlined text, which led to CP1578 being issued for a second industry consultation on Monday 10 July with responses invited by 5pm on Friday 4 August.					
Next Event:	Following the second consultation, the Assessment Report for CP1578 will be presented for decision to the ISG and SVG on 5 September.					
Issue:	Line Loss Factors, which are used to account for losses on the Distribution Networks, are calculated and submitted to the BSC Company (BSCCo) by Licensed Distribution System Operators (LDSOs). Embedded LDSOs usually Mirror the Line Loss Factors (LLFs) of the Host LDSO, however, in certain circumstances they are required to calculate Site Specific LLFs. Several issues have been identified with the current process for calculating Site Specific LLFs that could prevent Embedded LDSOs from successfully completing their submissions.					
Current Solution:	This CP proposes updates to remove issues that may stop Embedded LDSOs from submitting Site Specific LLFs. These updates will define the process for submitting Site Specific LLFs, including establishing deadlines and requirements for the Embedded and Host LDSOs.					
History:	CP1578 was raised by Elexon on 2 May 2023. The CP1578 Progression Paper was presented to SVG and ISG on 2 May 2023. CP1578 was issued for Industry Consultation on Tuesday 9 May 2023 with responses invited by Tuesday 6 June 2023. Seven responses were received, the majority were in support of the change but there were several comments about the redlining that have were considered and ultimately led to the issuing of new redlining for a second consultation.					

CP1579: Allowing HHDCs to undergo Protocol Approval before completing Qualification					Update	
Date Raised:	2 May 2023		Proposer:	Elexon		
Target Implementation Date:	2 November 2023		Current Status:	Awaiting Implementation		
Progression:	PP	CPC	AR	FR	I	
	May 23	Jun 23	Jul 23	Jul 23	Nov 23	
Latest Update:	CP1579 was presented to SVG and ISG for decision on 4 July 2023 where it was approved for implementation on 2 November 2023.					
Next Event:	CP1579 has been approved for implementation on 2 November 2023 as part of the standard November 2023 BSC Release.					
Issue:	The BSCP601 ‘Metering Protocol Approval and Compliance Testing’ requires Asset Metering Virtual Lead Parties (AMVLPs), Half Hourly Data Collectors (HHDCs), Asset Metering Half Hourly Data Collectors (AMHHDCs) and other Asset Metering Equipment users to be Qualified before applying for Compliance Testing and Protocol Approval. This results in a time gap between when the HHDCs and AMHHDCs are able to operate in the market and completing Protocol Approval. This could also result in a risk that HHDCs accept appointments before completing Protocol Approval leading to them operating using a Protocol that they have not yet received Protocol Approval for.					
Current Solution:	This Change Proposal proposes to allow Half Hourly Data Collectors (HHDCs) and Asset Metering Half Hourly Data Collectors (AMHHDCs) to undergo Protocol Approval before or during the Qualification process.					
History:	CP1579 was raised by Elexon on 02 May 2023. CP1579 Progression Paper was presented to the Supplier Volume Allocation Group (SVG) and Imbalance Settlement Group (ISG) at its meetings on 02 May 2023. The committees agreed to progress the CP to the Consultation phase. CP1579 was issued for Industry Consultation on Tuesday 09 May 2023 with responses invited by Tuesday 6 June 2023. Three responses were received and all three were in support of the CP.					

CP1581: Recommendation to update BSCP18 following Issue 105				Update	
Date Raised:	6 June 2023		Proposer:	Elexon	
Target Implementation Date:	2 November 2023		Current Status:	Consultation	
Progression:	PP	CPC	AR	FR	I
	Jun 23	Jun 23	Aug 23	Aug 23	Nov 23
Latest Update:	CP1581 was issued for Industry Consultation on Monday 12 June 2023 with responses invited by 5pm on Friday 7 July 2023. No responses were received.				
Next Event:	Following the closure of the consultation, CP1581 will be presented for decision to ISG on 1 August 2023.				
Issue:	The Issue 105 ‘Further considerations following implementation of BSC Modification P448’ Workgroup has suggested a number of improvements to BSC Procedure (BSCP) 18 ‘Corrections to Bid-Offer Acceptance Related Data’: <ul style="list-style-type: none">a) To clarify is when the Lead Party can and cannot update Physical Notifications (PNs) during Load Shedding as a result of a Stage 2+ National Gas Supply Emergency (NGSE).b) The draft Network Gas Supply Emergency Settlement Validation Committee (NGSESVC) Terms of Reference (ToR) are including in BSCP18. The Panel own the ToR and should be able to make amendments without the need for a CP to be raised.				
Current Solution:	The proposed solution for CP1581 is: <ul style="list-style-type: none">a) To add a paragraph to Appendix 1 to clarify when the Lead Party can and cannot update Physical Notifications (PNs) during Load Shedding as a result of a Stage 2+ NGSE.b) To remove Appendix 2 ‘Draft Terms of Reference for the NGSESVC’ from BSCP18 and in text references to Appendix 2.				
History	CP1581 was raised by Elexon on 6 June 2023. CP1581 Progression Paper was presented to the Imbalance Settlement Group (ISG) at its meeting on 6 June 2023. The committee agreed to progress the CP to the Consultation phase.				

CP1582: Remove MA from BSCP520 3.6.2.3				Update	
Date Raised:	27 June 2023	Proposer:	Elexon		
Target Implementation Date:	2 November 2023	Current Status:	Submission		
Progression:	AR	FR	I		
	Jul 23	Jul 23	Nov 23		
Latest Update:	CP1582 was raised by Elexon on 27 June 2023. CP1582 Progression Paper was presented to the Supplier Volume Allocation Group (SVG) on 4 July 2023. It was issued for a Housekeeping Objection Window on 4 July 2023 with responses invited by 25 July 2023.				
Next Event:	Due to one objection being received to the Housekeeping window, the CP will be taken to August’s CPC batch.				
Issue:	BSCP520 ‘Unmetered Supplies Registered in SMRS’ step 3.6.2.3, as introduced erroneously by P434 ‘Half Hourly Settlement for UMS Metering Systems’, states “UMSO confirms the de-energisation date to Supplier, NHHDC and MA”. However Non Half Hourly (NHH) Unmetered Supply (UMS) sites don’t have a Meter Administrator (MA).				
Current Solution:	The MA should be removed from this process step within BSCP520.				

III. Issue Updates

Issue 101: Ongoing Governance, Funding and Operation of the MHHS DIP			Update
Date Raised:	13 July 2022	Proposer:	Elexon
Latest Update:	The Issue 101 Interim Consultation on the proposed framework and Business Requirements for the DIP was issued on 14 June 2023, with responses invited by 12 July 2023. 12 responses were received of which the majority were supportive.		
Next Event:	The legal text and subsidiary documents are being drafted by Elexon and the first batch, On-boarding and Off-boarding, has been shared with the Workgroup for review prior to discussion at the next Workgroup meeting.		
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 103: Meter Registrants and Settlement Risk – A New Way			No Update
Date Raised:	24 August 2022	Proposer:	Western Power Distribution
Latest Update:	The fourth Issue 103 Workgroup meeting was held on 10 March. The Workgroup reviewed the action log and discussed SVAA Tolerance Checks, estimation of CVA data and the BSC Audit. The Workgroup agreed a recommendation to raise changes to mitigate risk of high volume metering error.		
Next Event:	The fifth Workgroup meeting will aim to review the Workgroup views against the Terms of Reference, agree recommendations, and agree ways of working going forward regarding any outstanding actions. The Workgroup meeting will be scheduled for August, once Elexon has progressed the actions from the Workgroup meetings.		
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 105: Further considerations following implementation of Modification P448			Update
Date Raised:	22 December 2022	Proposer:	Elexon
Latest Update:	The fifth Issue 105 Meeting was held on 31 May 2023. The Workgroup confirmed their recommendations, including deciding whether a Code Change should be recommended to address the unintended impacts to cash-out prices following the implementation of P448.		
Next Event:	Elexon will table the Issue 105 report at the BSC Panel Meeting in August. NGESO will be raising the subsequent Modification and a related CP, CP1581, has been approved pending a 15 WD objection window.		
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>		

Issue 106: Review of BSC Credit Cover Arrangements			No Update
Date Raised:	13 January 2023	Proposer:	Elxon
Latest Update:	The third Issue 106 Workgroup meeting was held on 15 June. The Workgroup considered the pending actions from the previous meetings and the proposals made by Outlook Energy/ EPEX and ECC.		
Next Event:	The next Issue 106 Workgroup has been scheduled for 15 August to discuss the forward-looking aspect of the Credit Cover Calculation, and how to reduce the risk of mutualisation from risk-seeker Parties.		
Issue:	<p>The Credit Committee has requested that Elxon review the Credit Cover arrangements with industry experts through an Issue Group. This is in response to key concerns about credit being sufficient to protect the market from Supplier Failure while also not being an onerous burden on market participants.</p> <p>Existing Credit Cover arrangements have not been sufficient to cover outstanding Trading Charges in most market failures in the past. This has led to debt mutualisation of over £71m through the Default Funding Share accumulated over the last five years. These arrangements do not consider the additional BSC Trading Charges that collateral may be required to cover if a Supplier has not sufficiently balanced their Settlement position.</p> <p>There is a direct link between market prices for electricity and Credit Cover requirements. As market prices fluctuate, the amount of credit to be lodged with the BSC also fluctuates. Further, as the market goes through a period of change to meet future consumer needs, such as changes being introduced as part of Market-wide Half Hourly Settlement (MHHS), now is a good time to review whether wider credit calculations remain fit for purpose.</p> <p>The Workgroup will consider five work streams:</p> <ul style="list-style-type: none"> • What should Credit Cover be used for; • Data and Timeframes; • Fairness and Equality; • Impacts of lodging Credit; and • Credit Governance. 		

Issue 107: Review of BSC Section N 'Clearing, Invoicing & Payment			Update
Date Raised:	5 May 2023	Proposer:	Elxon
Latest Update:	<p>The first Workgroup meeting was held on 6 June 2023. The Workgroup considered the background to Issue 107 and the changes required to BSC Section N.</p> <p>A consultation was issued on 23 June 2023 with responses invited by 5pm on 14 July 2023, to seek industry views on two options for Confirmation Notices proposed by the Workgroup. There were 6 responses to the consultation of which 5 respondents were in support of Option 1, a single bill approach.</p>		
Next Event:	<p>The Issue 107 Issue Report will be tabled at the BSC Panel meeting on 10 August 2023. The Issue Group are recommending a Modification be raised to implement the amendments to BSC Section N.</p>		
Issue:	<p>Due to BSC Section N 'Clearing, Invoicing & Payment' being written over 20 years ago, it is believed that some sections within it may now be redundant and no longer align with modern ways of working (e.g. invoicing and banking practices). This results in some inefficiencies, unnecessary rules and constraints that prevent opportunities and additional benefits from being sought and realised.</p> <p>A key component of the approved Elxon strategy is digitisation. This includes the possibility of replacing/updating the existing FAA systems. It would seem the right time for a review of BSC Section N which could identify potential opportunities that could streamline processes and improve efficiencies at the same time for the benefit of BSC Parties.</p> <p>This Issue would review BSC Section N to identify which areas and associated processes are currently pain points experienced by the Industry. It would identify solutions to address these to improve efficiency and the user experience for these processes.</p>		

Issue 108: Further Extension of RTS Cost Recovery Arrangements Under the BSC			New
Date Raised:	20 July 2023	Proposer:	Elxon
Latest Update:	Issue 108 was raised by Elxon on 20 July 2023.		
Next Event:	<p>The first Workgroup for Issue 108 is scheduled to take place on 1 August 2023. The Workgroup will consider the background & history to Issue 108 and two potential options on RTS Service cost recovery.</p>		
Issue:	<p>In January 2023 Elxon closed Issue 104 'Extending RTS Cost Recovery Arrangements Under the BSC' with the recommendation of no change to the charging mechanism (which currently attributes, on average 50% to Suppliers and 50% to Generators). The no-change recommendation was based on the Issue Group agreeing that efforts were best focussed on moving customers away from RTS and that there were sufficient incentives on Suppliers for the transition away from RTS by 31 March 2024. However, this has not happened, for a variety of reasons. Therefore, the previous understanding that Elxon did not intend to sign a further contract for the pass-through of RTS costs after 31 March 2024 may no longer be plausible.</p> <p>Issue 104 considered an extension of the RTS cost recovery arrangements out to 31 March 2024 along with a targeted charging approach. The considerations of the Issue Group members were focused on the prompt replacement of RTS devices, a replacement schedule that is unlikely to be met. Therefore, Elxon wishes to re-establish an Issue Group to reconsider industry support for passing RTS costs through the BSC from April 2024 onwards, and confirm how the costs should be apportioned. Given the existing incentives will not have had the desired effect by 31 March 2024, it seems prudent to consider whether targeted charging would be relevant from April 2024 onwards to increase the incentive to replace devices reliant on RTS. The challenges for Suppliers to facilitate the replacement of an RTS supported device with the customer are noted, and wider policy approaches beyond the BSC will likely factor into any recommendations.</p>		

IV. Progression of Modifications – up until implementation

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

Note: The progression plans below reflect the approved timetables.

Mod	Title	Proposer	Date Raised	Urgent		Jun	Jul	Aug	Sep	Oct	Nov	Dec
P395	Excluding generators from calculation of EMR Supplier Charges	Centrica	7 Nov 2019	No							I	
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		DMR/ FMR	WA					
P432	Half Hourly Settlement for CT Advanced Metering Systems	Npower Commercial Gas	2 Dec 2021	No								
P441	Creation of Complex Site Classes	Green Energy	14 Jul 2022	No					APC		AR	

Mod	Title	Proposer	Date Raised	Urgent		Jun	Jul	Aug	Sep	Oct	Nov	Dec
P442	Reporting chargeable volumes for exempt and licensed supply	UC Energy Ltd	7 Jul 2022	No					APC		AR	
P443	To Cap NGESO Interconnector Trades at the Value of Lost Load (VoLL)	Saltend Cogeneration Company Ltd	17 Aug 2022	No		DMR/ FMR	WA					
P444	Compensation for Virtual Lead Party actions in the Balancing Mechanism	BSC Panel	8 Sep 2022	No		DMR/ FMR	WA					
P451	Updating BSC Black Start provisions and compensation	NGESO	1 Mar 2023	No			APC		AR	RPC	DMR/ FMR	
P453	Metering Dispensation process improvements and clarification to the CoPs	UK Power Network	6 Apr 2023	No		AI					I	
P454	Removal of BSC obligations to provide BMRS Data via TIBCO and the High Grade Service	BSC Panel	13 Apr 2023	No				APC		AR	RPC	
P455	On-Site Aggregation as a method to facilitate Third Party Access	Emergent Energy	8 Jun 2023	No		IWA	AP			APC		
P456	Enable Elexon to procure ancillary Technology Services for use by BSC Agents	BSC Panel	8 Jun 2023	No		IWA	AP	APC		AR/ RPC	DMR/ FMR	
P457	Replace the Electricity Arbitration Association with the London Court of International Arbitration	BSC Panel	13 Aug 2023	No		IWA	RPC		DMR/ FMR			

Mod	Title	Proposer	Date Raised	Urgent		Jun	Jul	Aug	Sep	Oct	Nov	Dec
P458		BSC Panel	13 Aug 2023	No		IWA	RPC	DMR/ FMR				

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
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Mod	Title	Proposer	Date Raised		Jun	Jul	Aug	Sep	Oct	Nov	Dec
CP1558	New Registration data items and processes to support the MHHS transition	Elexon	16 Feb 2022		I						
CP1568	Inclusion of new LDSO-mastered SMRS data items	Elexon	6 Sep 2022		I						
CP1571	Clarify the number of Meter measuring elements and measurement transformers	Elexon	1 Nov 2022		I						
CP1572	Specifying the requirements to provide SLDs for HV and EHV sites	Elexon	1 Nov 2022		I						
CP1574	Improving the use of the D0215 data flow in the relevant industry processes	Elexon	4 Apr 2023		AR/FR	AI				I	
CP1575	Permitting the use of busbar voltage transformers within metering Codes of Practice 1 and 2	Elexon	4 April 2023		AR/FR	AI				I	
CP1576	Creation of a new Interconnector Fuel Type Category for the Viking Link Interconnector	National Grid	4 April 2023		AR/FR	AI				I	

Mod	Title	Proposer	Date Raised		Jun	Jul	Aug	Sep	Oct	Nov	Dec
CP1577	To clarify the sending of a D0151 is required for all COS NHH loss processes	EDF Energy	2 May 2023			AR/ FR	AI			I	
CP1578	Enabling Embedded LDSOs to submit Site Specific LLFs	Elexon	2 May 2023			CPC		AR/ FR	AI		
CP1579	Allowing HHDCs to undergo Protocol Approval before completing Qualification	Elexon	2 May 2023			AR/ FR	AI			I	
CP1580	Making the Code Subsidiary Documents (CSDs) gender neutral and Housekeeping	Elexon	10 May 2023		I						
CP1581	Recommendation to update BSCP18 following Issue 105	Elexon	6 Jun 2023		PP/ CPC		AR/ FR	AI		I	
CP1582	Remove MA from BSCP520 3.6.2.3	Elexon	27 Jun 2023			AR/ FR	AI			I	

VI. BSC Releases Road Map

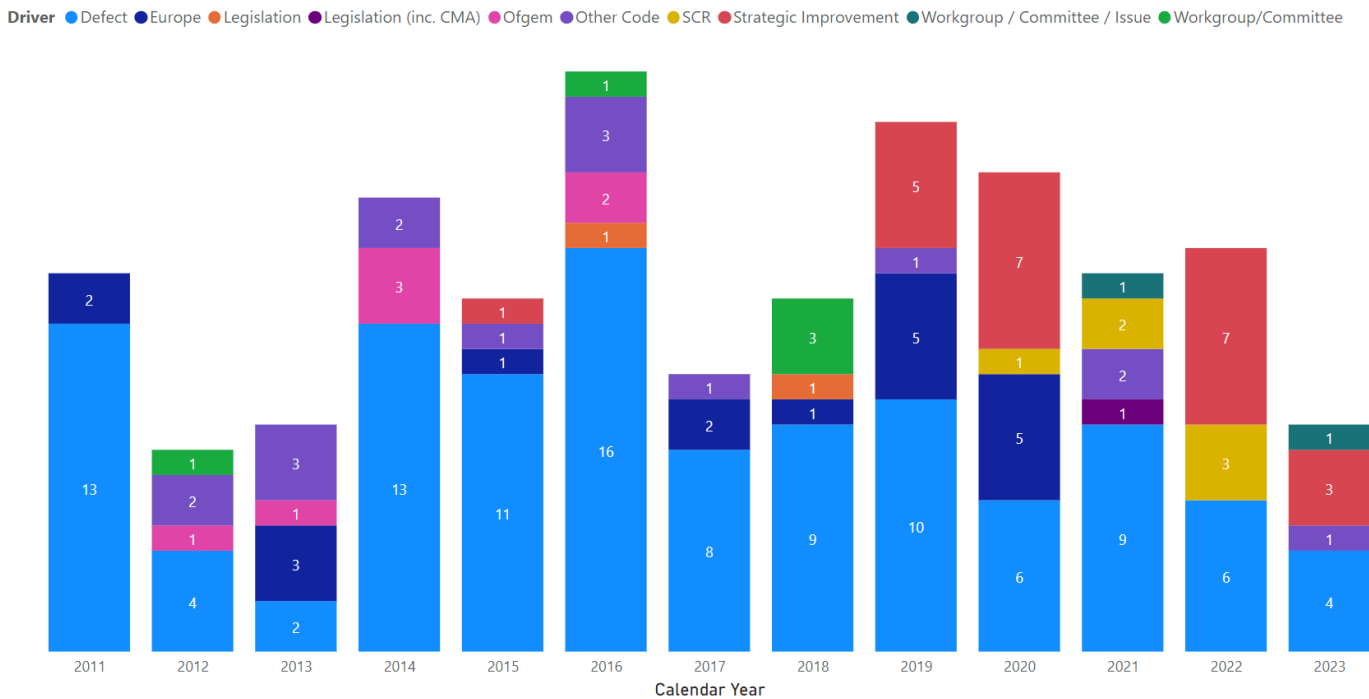
The tables below summarise the scope of each BSC Release. Further information can be found on the [Releases](#) page of our website.

November 2023 Release			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change
P453	Amending Metering Dispensation Process, Updating AMP/DMP in CoPs and Clarifying the Relevant CoP	Document Only	7. Implementation Phase
P395	Final Consumption Levies (FCLs)	System	7. Implementation Phase
CP1577	To clarify the sending of a D0151 is required for all change of supplier NHH loss processes	Document Only	7. Implementation Phase
CP1576	Creation of a new Interconnector Fuel Type Category for the Viking Link Interconnector	System	7. Implementation Phase
CP1575	Permitting the use of busbar voltage transformers within metering Code of Practice 1 and 2	Document Only	7. Implementation Phase
CP1574	Improving the use of the D0215 data flow in the relevant Industry processes	Document Only	7. Implementation Phase
CP1579	Allowing HHDCs to undergo Protocol Approval before completing Qualification	Document Only	7. Implementation Phase

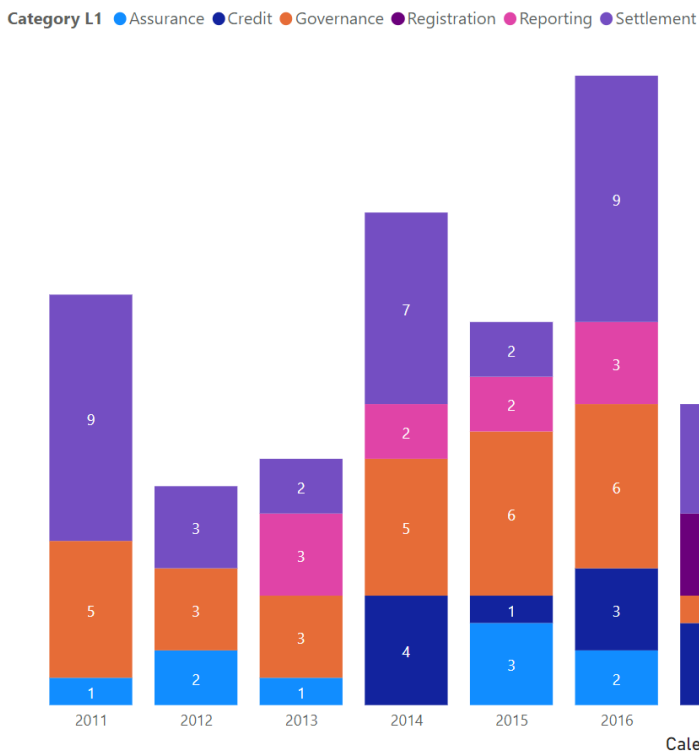
TBC Release Date				
Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change	Target Implementation Date
P412	Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a price that reflects the real-time value of energy	System	4. Assessment / Consultation Phase	TBC
P415	Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties	System	6. Authority Decision / SG Appeal Window	Nov 24
P432	Half Hourly Settlement for CT Advanced Meters	Document Only	6. Authority Decision / SG Appeal Window	3 Months after Authority decision
P441	Creation of Complex Site Classes	Document Only	4. Assessment / Consultation Phase	TBC
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 NGESE Interconnector Trades at the Value of Lost Load (VoLL)	System	6. Authority Decision / SG Appeal Window	Nov 23
P444	Compensation for Virtual Lead Party actions in the Balancing Mechanism	System	6. Authority Decision / SG Appeal Window	Nov 24
P451	Updating BSC Black Start provisions and compensation arrangements to align with NGESE's new approach to System Restoration	System	4. Assessment / Consultation Phase	TBC
P454	Removal of BSC obligations to provide BMRS Data via TIBCO and the High Grade Service	Document Only	4. Assessment / Consultation Phase	TBC
P455	On-Site Aggregation as a method to facilitate Third Party Access	Document Only	4. Assessment / Consultation Phase	TBC
P456	Enable Elexon to procure ancillary Technology Services for use by BSC Agents	Document Only	4. Assessment / Consultation Phase	TBC
CP1578	Enabling Embedded LDSOs to calculate and submit Site Specific LLFs as required	Document Only	4. Assessment / Consultation Phase	Feb 24
CP1581	Recommendation to update BSCP18 following Issue 105	Document Only	4. Assessment / Consultation Phase	Nov 23
CP1582	Remove MA from BSCP520 3.6.2.3	Document Only	4. Assessment / Consultation Phase	Nov 23

VII. Modification Trend Chart

What's driving the raising of Modifications?

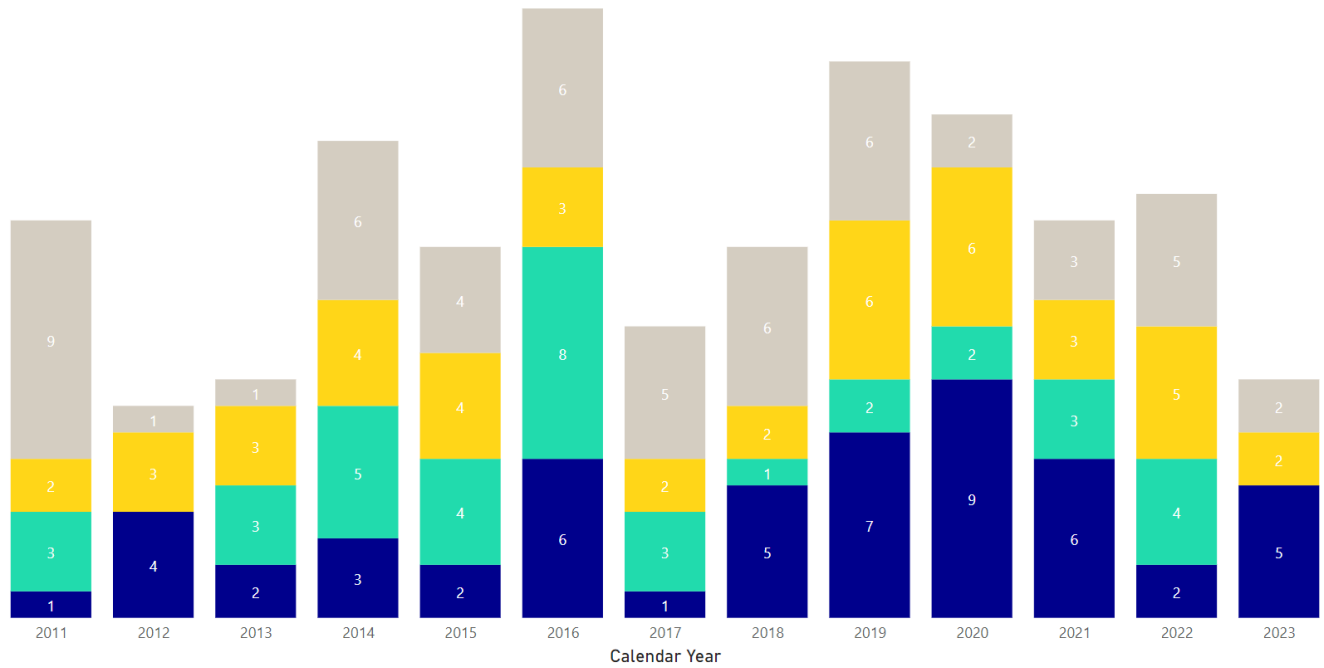


What type of Modifications are being raised?



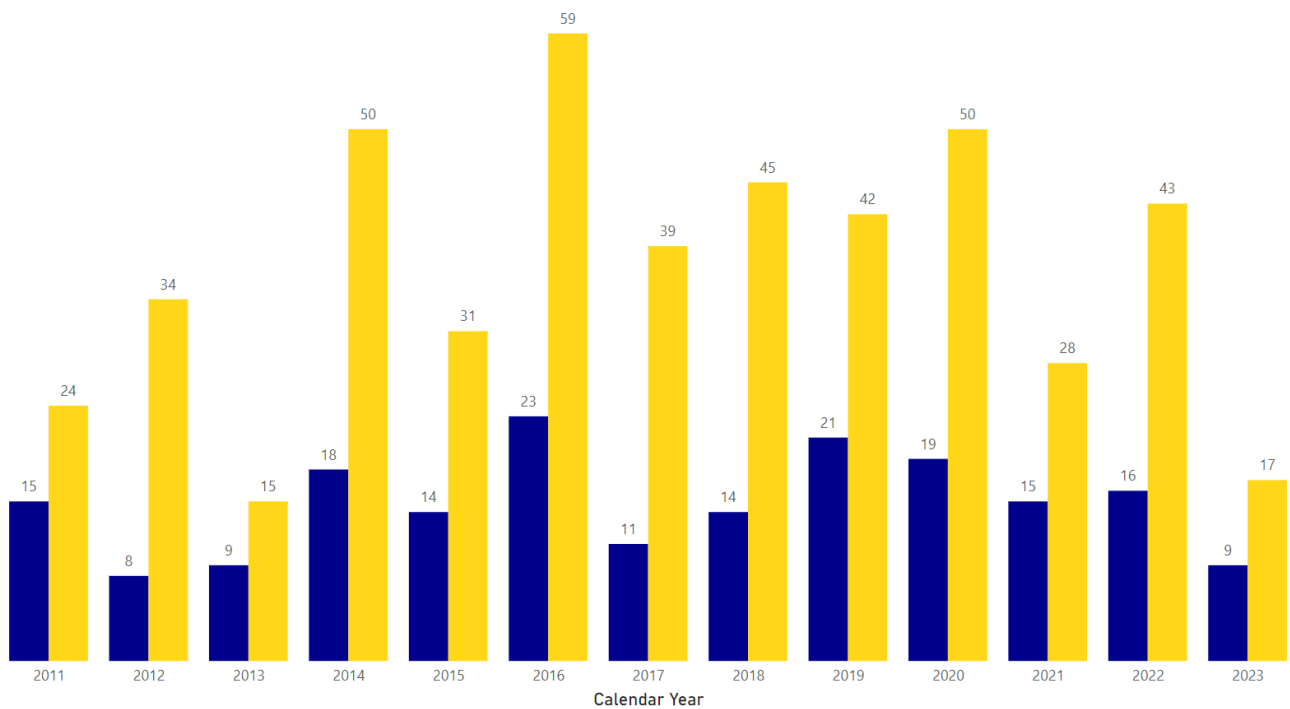
Who is raising Modifications?

Raiser ● BSC Panel ● Incumbents ● National Grid ● Other

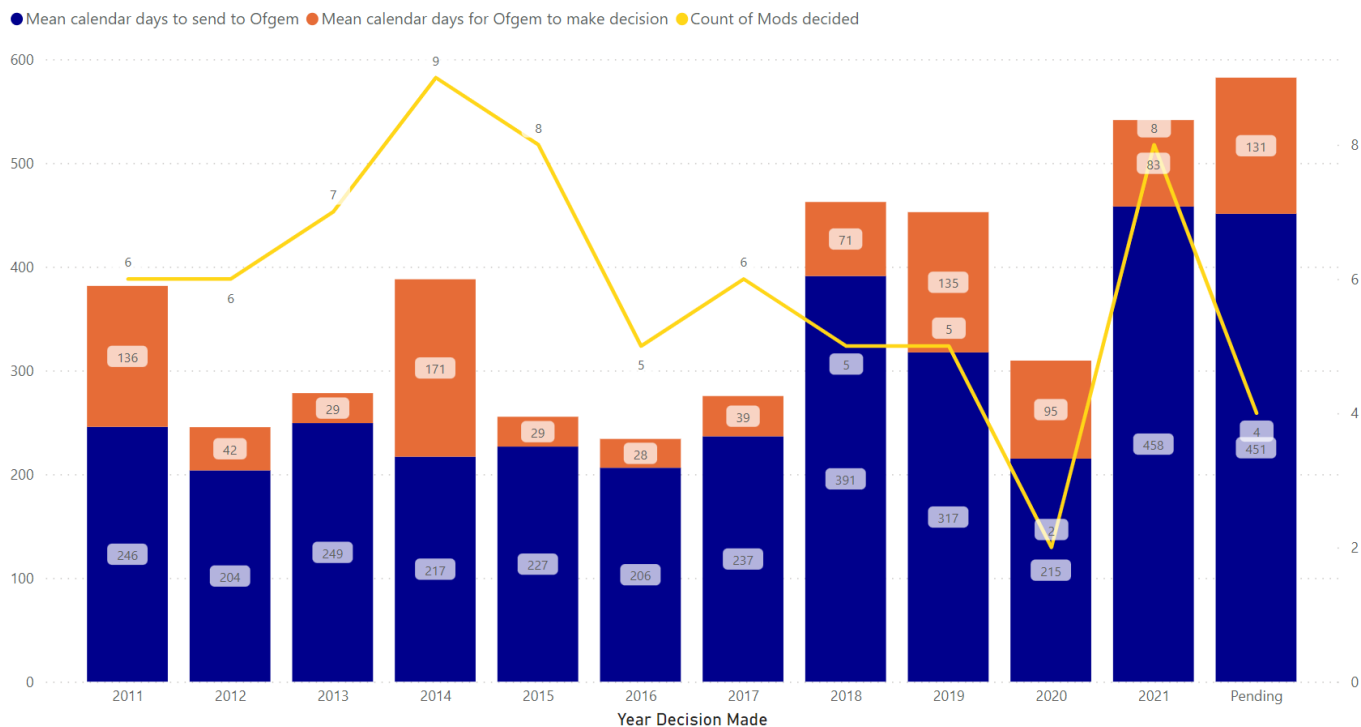


How many Modifications raised and Workgroups held?

● 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



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

VIII: Recommendations

We invite the Panel to:

- APPROVE** a two month extension for P451; and
- NOTE** the contents of the August 2023 Change Report.

For more information, please contact:

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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.