

ELELEXION

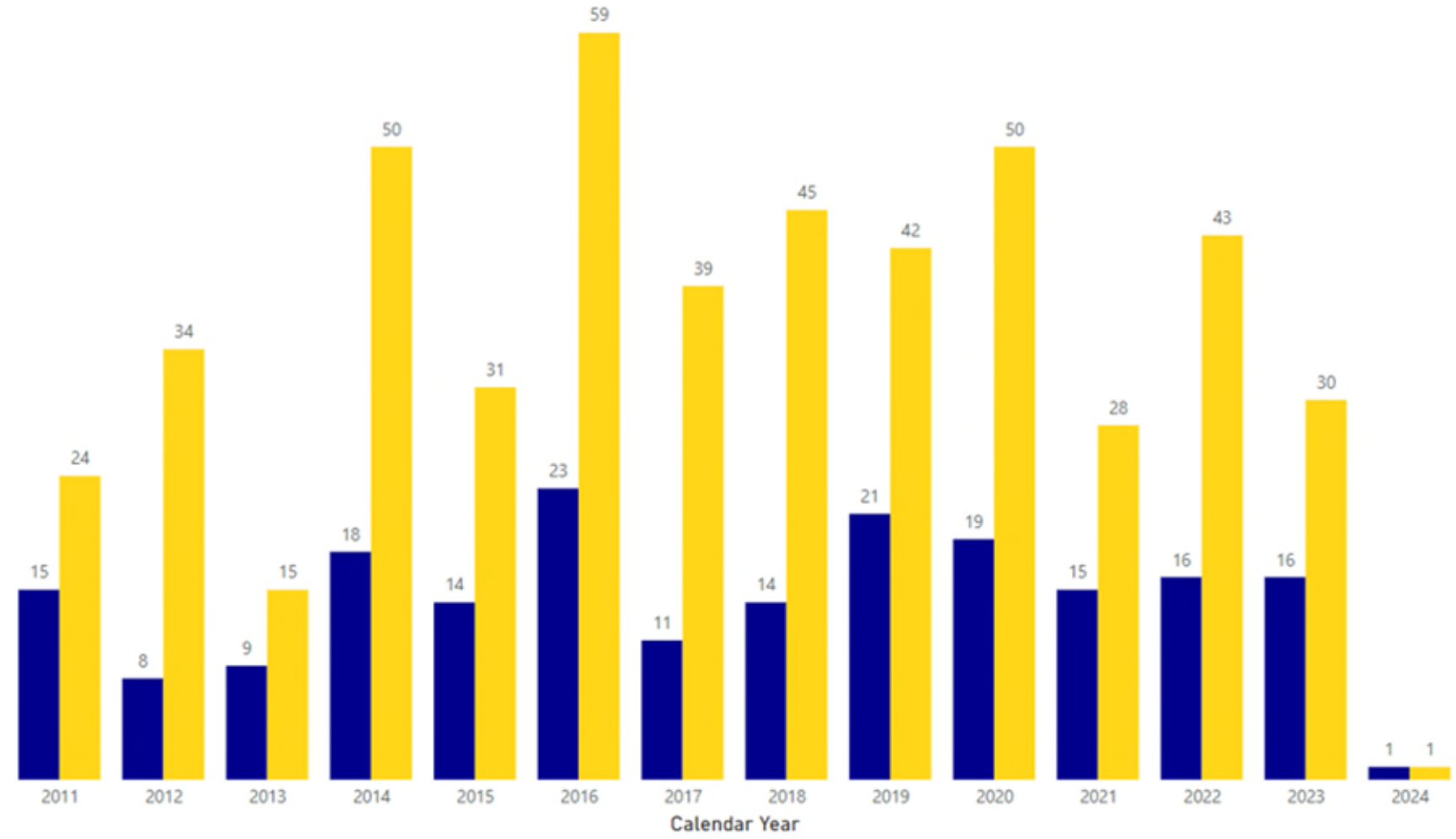
**Change Report and Progress of
Modification Proposals**

347/02 – Ivar Macsween

BSC Modifications raised by year and Workgroups held

How many Modifications raised and Workgroups held?

● Mods raised ● Workgroups (excl. Issues)



BSC Modifications overview

Initial Written Assessment	- P467, [New Modification] Enabling Elexon to support the ESP Scheme
Assessment Procedure	P462, P463, P412, P441, P444 (Sent Back), P455, P459
Report Phase	P442, P466
Urgent	-
With Authority (implementation date)	- P461 (Nov 24/Feb 25) P451, P454 (+5 WDs after Ofgem decision)
Authority Determined (implementation date)	- P432 (15 April 2024)
Self-Gov. Determined	-
Fast Track Determined	-
Withdrawn	-
Open Issues	Issue 101, Issue 103, Issue 109, Issue 110

BSC Modifications approved timelines

	Ext. Reqs.	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	June 24	July 24	Aug 24
P412 'Non-BM Balancing Providers pay for non-delivery imbalance'	4										
P441 'Creation of complex site classes'	3							AR	DMR		
P442 'Reporting FCL for exempt and licenced supply'	2		AR	RPC	DMR	WA					
P455 'On-site aggregation method'	1					AR	DMR				
P459 'Allow different Supplier Agents for Import and Export MSIDs'	0						AR	DMR			
P462 'The removal of subsidies from Bid Prices in the Balancing Mechanism'	0	IWA									
P463 'Introduce a Standard Change Process'	0	IWA				AR	DMR				
P466 'Section N Modernisation'	0			IWA	RPC	DMR					

BSC Change Release Roadmap

2024	2024			Un-allocated
Ad-hoc	Feb	Jun	Nov	
P432 'HH Settlement for CT Adv. Meters' (+3 months after the Authority's approval)	P464 'Housekeeping and updating BSC references to "Consumer Scotland", "Generation Curtailment Validation Committee" and "GCVC"	P455 'On-site aggregation methodology'	P415 'VLP access to wholesale market'	P412 'Non-BM BS providers pay non-delivery'
P454 'TIBCO retirement' (+5WDs)	CP1578 'Enabling Embedded LDSOs to submit Site Specific LLFs'		P444 'Compensation for VLP actions in the BM'	P441 'Creation of complex site classes'
P451 'System Restoration' (+5WDs)	CP1584 'Allow non-BSC Parties to raise CPs'		P442 'Reporting FCL for exempt and licenced supply'	P459 'Allow different Supplier Agents for Import and Export MSIDs'
	CP1582 'Remove MA from BSCP520'		CP1589: Create Additional Market Participant Role Codes	MHHS
	CP1586 'Defining the requirements for Minimum Burden and CT ratios		P465 'Correction to P415 legal text to amend Credit Cover requirements for Virtual Trading Parties'	P462 'The removal of subsidies from Bid Prices in the Balancing Mechanism'
	CP1587 'Obsolete Metering Equipment'		P461 'Accurate Reporting of Customers Delivered Volumes to Suppliers'	Future System Operator
	CP1588 'Mandating Calibration Checks for Main and Check Meters'			Nuclear RAB
	CP1590 'Enabling use of DTN agent appointments process for P434'			

Key
Approved
With Authority
Report Phase
Assessment Phase
Direction
Urgent

P463 'Introduce a Standard Change Process'

- P463 seeks to introduce a new change process – a 'Standard Change' process – into the BSC arrangements that would allow for certain, low risk, predictable and repeatable pre-authorised changes to be implemented without following the existing Change Proposal or Modification procedures.
- The first P463 Workgroup was held on 19 December 2023.
- There have been some struggles in the hopes to form a quorate Workgroup for the second Workgroup meeting, most likely due to a busy winter period. 2nd Workgroup is now estimated to occur towards the end of February and start of March
- Therefore we must request a 3 month extension to the Assessment Phase for this timetable (originally due in March 24) to bring the AR by June. Elexon will endeavour to deliver the Assessment Report to the Panel in April/May, with an additional contingency month requested.

ACTION 346(01): Outcome of Analysis

“A Panel Member queried whether Elexon tracked the proportion of Modifications that are sent to Ofgem which are approved by the earliest implementation date stated. IM agreed to take this away

ACTION 346(01): IM to do an analysis from the past two years to see how many Modifications that are sent to Ofgem are implemented by their earliest date.”

- Of the **20** Modifications that received a decision from Ofgem in 2022/2023, **4** featured multiple ‘decision by...’ implementation routes
- Of this **4**, **2** received approval in time for the earlier implementation option.
 - 1 came after the earliest implementation threshold
 - 1 rejected

Insights:

- We note that these are often sought when there is benefit to seeking earlier implementation, but when a later implementation date is also acceptable
- System complexity (Kinnect/Helix) is driving an increase in instances of multiple implementation options which makes Release planning more challenging

Revised CACoP principles

- The Authority approved an updated version of the Code Administrators' Code of Practice (CACoP), version 6.0, on 30 January 2024, to implement changes recommended by the CACoP Forum.
- In 2023 the Forum undertook a review of the CACoP document and undertook a survey of its products and services.
- Two new Principles added to the CACoP:
 - The Code Administrators to consider the potential impacts on the end consumer and on the move to net zero arising from any Modification. These areas are becoming increasingly important and any impacts on these should be considered as part of the case for change.
 - The second new Principle will reflect the Code Administrators providing support and input to Ofgem on Code Reform and Consolidation. The Forum and Ofgem have discussed how the Forum can input on this work - introducing this principle will help to formalise this engagement.
- General updates to better align wording across the principles, updates to better reflect Modification timelines, and correct other minor errors and inconsistencies.

Upcoming Modification Proposals

- We are supporting Proposers on the following upcoming Modification Proposals:
 - Issue 106 follow on Modifications:
 - Credit Default Refusal and Rejection Period; and
 - New Credit Cover Calculation
 - Consequential change to BMRS to facilitate GC0156 → April 24
- Next month:
 - Decision: CP1592 'Upgrade of NHHDA and EAC/AA systems from Oracle 12c to version 19.21'
 - Assessment Report: P455
 - Draft Modification Report: P466, [New Modification] Enabling Elexon to support the ESP Scheme

Recommendations

We invite the Panel to:

- a) **APPROVE** a 3 month extension for P463; and
- b) **NOTE** the contents of the February 2024 Change Report.

ELEXON

**Enabling Elexon to support the (currently
in draft) Electricity Support Payments and
Levy Regulations 2024**

347/03 – Ivar Macsween & Ross Haigh
(LCCC)

8 February 2024

Designation criteria

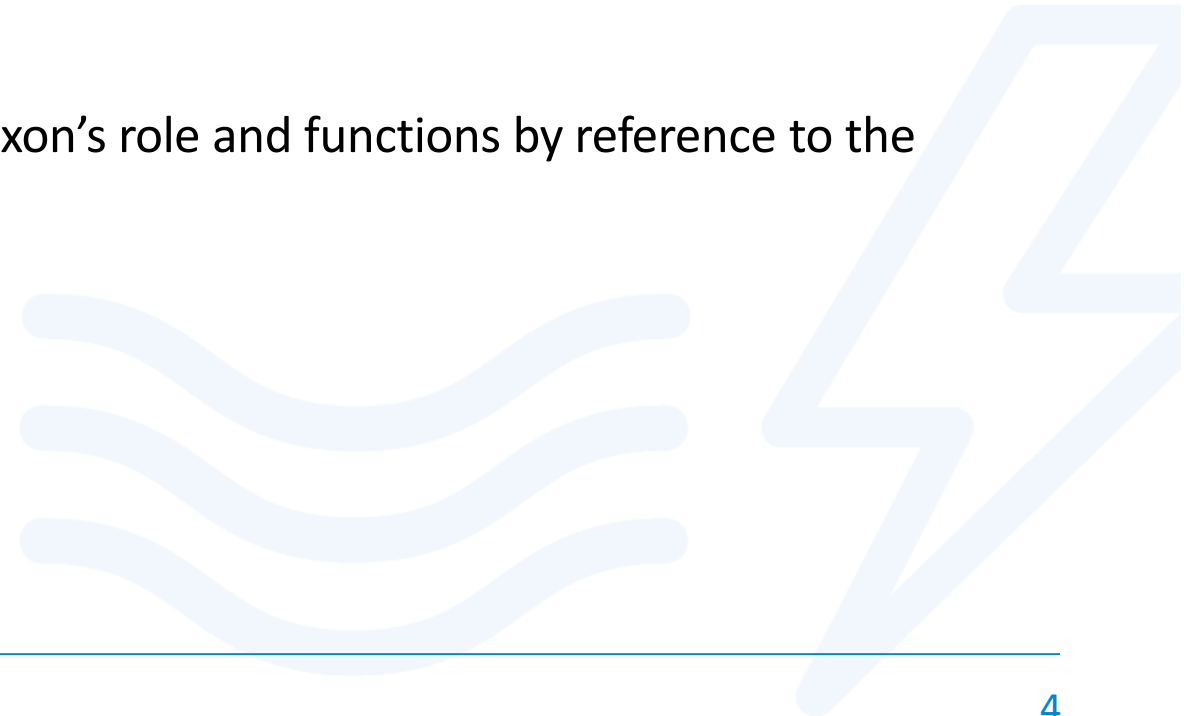
- P370 ‘Allow the Panel to designate non-BSC Parties to raise Modifications’ was implemented in April 2019
- This is the fourth designation request Elexon has received
- For a Designation request to be considered by the Panel, the applicant, a “Third Party Applicant” must submit:
 - A valid (satisfies the existing requirements in Section F 2.1.2 of the BSC) modification proposal;
 - The rationale for the request, including information on what other steps, if any, were taken by the applicant to have the Code Issue or defect addressed; and
 - The reasons why the applicant believes they have an interest in the Code
- In considering the application, the Panel may conduct such consultation with Parties and interested third parties as it considers necessary
 - Elexon issued notice to industry on 1 February 2024, no comments were received

Defect

- To increase investment in Energy Intensive Industries (EIs), the government (via the Department of Business and Trade) will be implementing a measure for which relevant legislation is being drafted to compensate EIs for a portion of their network charging costs , with funding for the compensation raised through an EI Support Levy (ESL) on licensed UK electricity Suppliers.
- Elexon expects that it will be asked to perform separate and distinct roles as the EI Levy Administrator (collecting monies from Suppliers to support the scheme) and EI Support Payments Administrator (administering the EI Support Payment).
- The activities Elexon or its subsidiaries are permitted to undertake are outlined in BSC Section C ‘BSSCo and its Subsidiaries’ and a Modification to Elexon's vires is required setting out the relevant responsibilities.

Solution

- Enable Elexon and its subsidiaries to support the (currently in draft) Electricity Support Payments and Levy Regulations 2024
- Amend BSC Section C ‘BSCCo and its Subsidiaries’ to allow Elexon to undertake a new non-BSC related function, acting as EII Support Payment Administrator and EII Levy Administrator for the ESP scheme
- The proposed BSC Modification will describe and limit Elexon’s role and functions by reference to the Regulation



Views against Applicable Objectives

Applicable BSC Objective (d):

- sharing the fixed costs of Elexon across other activities allows costs to the BSC Parties to be defrayed
- any new activity will provide opportunities to staff to work on a wider range of activities, which will help Elexon to retain, attract and develop its people for the benefit of industry



Request for Designation

– Rationale for request

- The Modification has no direct relevance or impact to the core BSC activities
- We believe designating us is the most efficient route to progress this change, avoiding the need to burden a BSC Party with the responsibilities of being a proposer

– Reasons why the Third Party Applicant believes that they have an interest in the Code

- Elexon has access to expertise in undertaking settlement for government payment schemes through its subsidiary EMRS which provides services on behalf of LCCC
- The only way to enable Elexon to take on the Electricity Support Payment (ESP) Scheme is by allowing this in the BSC

Recommendation

We invite the Panel to:

- a) **DESIGNATE** LCCC to raise the Modification Proposal.

Issue and Proposed solution

Issue

- Elexon expects that it will be asked to perform separate and distinct roles as the EII Levy Administrator (collecting monies from Suppliers to support the scheme) and EII Support Payments Administrator (administering the EII Support Payment) for the ESP Scheme
- The activities Elexon or its subsidiaries are permitted to undertake are outlined in BSC Section C 'BSSCo and its Subsidiaries'

Proposed solution

- Amend the provisions in BSC Section C to to enable Elexon to deliver the ESP Scheme set out in the (currently in draft) Electricity Support Payments and Levy Regulations 2024
- Allows Elexon to undertake a new non-BSC related function - detailed rights and will be set out by the Government in the Regulation. The Secretary of State will appoint Elexon to undertake the ESP scheme functions
- Elexon already has established relationships and are a trusted payment provider within the industry. Elexon's financial systems and contacts allow for the prompt set-up of systems, and reduce costs by re-using systems developed for EMR Settlement

Proposed Progression

Straight to Report Phase

- The Proposer believes that the Modification is self evident on the basis that the solution is fully developed

Self-Governance

- We recommend this Modification is treated as **not** a Self-Governance Modification

Progression Plan

Event	Date
Designation request and Initial Written Assessment to Panel	8 February 2024
Report Phase Consultation (10WDs)	12 February 2024 – 26 February 2024
Present Draft Modification Report to Panel	14 March 2024
Issue Final Modification Report to Authority	15 March 2024

Recommended Implementation Date

- 5WDs after Authority's decision

Impacts & Costs

Impacts

Organisation	Implementation (£)	On-going (£)	Impacts
BSC Parties	None	None/Low	No expected effort to implement or operate. ESP Scheme is expected to be funded through a charge on licenced electricity suppliers, draft regulation provides the Secretary of State with the enabling powers to implement and modify a charge, but this does not form part of this Modification, which enables Elexon to operate the scheme.
BSC systems	None	None	No systems impacted. The proposed solution involves information extracted from the Supplier Volume Allocation Agent (SVAA).
BSC documents	< 1k	None	Changes to BSC Section C
BSC operations	Low	Estimated 1.0 additional FTE for Elexon to support the scheme.	Operational impact relating to provision of data to support the scheme, and EMRS to receive the necessary data from BSCCo to enable calculations related to operation of the ESP scheme

- The ring-fencing of risks and liabilities between BSCCo (Elexon) and EMRS will be maintained
- No expected impacts on the EBGL Article 18 terms and conditions or impact on design or drafting for Market Wide Half Hourly Settlement (MHHS)

Recommendations

We invite the Panel to:

- a) **AGREE** that this Modification progresses directly to the Report Phase;
- b) **AGREE** that this Modification:
 - i. **DOES** better facilitate Applicable BSC Objective (d)
- c) **AGREE** an initial view that this Modification **should not** be treated as a Self-Governance Modification;
- d) **AGREE** that this Modification **DOES NOT** impact the EBGL Article 18 terms and conditions held within the BSC;
- e) **AGREE** an initial recommendation that this Modification should be **approved**;
- f) **AGREE** an initial Implementation Date of:
 - i. **5 Working Days** following Authority approval
- g) **AGREE** the draft Legal Text; and
- h) **NOTE** that Elexon will issue the Draft Modification Report (including the draft BSC legal text) for a **10 Working Day** consultation and will present the results to the Panel at its meeting on 14 March 2024.

ELEXON

P467 'Enduring solution for cash out price calculation in the event of a Gas Deficit Emergency (GDE)'

- Initial Written Assessment

347/04 – Anshu Choudhary (Elexon) &
Joseph Henry (National Grid)

8 February 2024

A landscape photograph featuring snow-capped mountains under a cloudy sky. Several bright, glowing yellow-orange lines, representing energy or data, curve across the foreground and middle ground. The text 'National Grid' is overlaid on the left side of the image.

National Grid

P467

Defect



In 2022, BSC Change Proposal P448 was raised to protect generation parties who load shed from high imbalance prices during a Gas Deficit Emergency (GDE).



Following P448, the Issue Group 105 was created to explore scenarios whereby there are issues around gas shortages, and the electricity market is long, and what the subsequent impacts would be on cash out prices.



The outputs of P448 would essentially suppress the cash out prices, leading to the market being unable to correct itself.

This would lead signals being sent causing parties that are short to potentially decide to pay the suppressed cash out price instead of trading out of their position.



P467 looks to put in place an enduring solution for this issue, giving certainty to industry by removing bids from the cash out stack

Context

Why wasn't the solution under P448 Enduring?

The Urgent nature of P448 meant that there was not sufficient time to fully consider some of the consequential impacts of implementing P448

Issue [105](#) *'Further considerations following implementation of BSC Modification P448'* was raised to explore scenarios whereby there are issues around gas shortages, and the electricity market is long, and what the subsequent impacts would be on electricity imbalance pricing, otherwise known as 'cash out' prices

What did Issue 105 Workgroup Recommend?

Issue 105 Workgroup recommend that a Modification be raised to keep the P448 Bids as they are, but not include them in the cash out price calculation.

Solution

What is the proposed solution?

The ESO propose to keep the P448 Bids as per status quo but remove them from the cash out price calculation. This would mean removing the Bids from the System Sell Actions to calculate the Energy Imbalance Prices. This will ensure that the correct signals are sent to the market during a National Gas Supply Emergency (NGSE) in all scenarios.

Why is this the preferred way forwards?

This Mod will continue to provide security and certainty to generators who load shed from high imbalance prices during a NGSE.

P467 reduces negative impacts to the cash out price as a result of P448 as parties will have clarity on the cash out price during a NGSE event as it will be more reflective of current market conditions leading to the correct actions being taken, reducing the risk of a demand disconnection event.

The solution is in place following P448. This merely extends that solution on an enduring basis, meaning minimal impacts, costs and process changes for Elexon and the ESO

Timelines and Governance

The ESO see this modification as proceeding straight to report phase on the basis that Issue Group 105 have considered this work and Ofgem have had sight of this, negating a need for a workgroup.

The modification should be implemented by **June 2024** to be in for Winter 2024/25. Given the necessary lead times to make the system changes to the price calculation model, we recommend this Modification is implemented in the **June 2024** BSC Release. This approach enables go live of this Modification in time for Winter 2024/25, as desired.

Elexon believe that this modification can be **implemented** to be part of the June 2024 release, pending Authority Decision.

Proposer Assessment Against Relevant Objectives

Impact of the Modification on the Relevant Objectives:	
Relevant Objective	Identified impact
a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence	Positive
(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System	Positive
(c) Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity	Neutral
(d) Promoting efficiency in the implementation of the balancing and settlement arrangements This modification solidifies the arrangements within the BSC around a Gas Deficit emergency. This modification codifies the solution on an enduring basis, giving certainty within BSC arrangements for industry as a whole	Positive
(e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]	Neutral
(f) Implementing and administering the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation	Neutral
(g) Compliance with the Transmission Losses Principle	Neutral

P467: Issue and Proposed solution

Issue

P467: Enduring solution for cash out price calculation in the event of a Gas Deficit Emergency (GDE)

- This is a follow on Modification from Issue 105.
- Following P448 'Mitigating Gas Supply Emergency Risks', the Issue Group 105 was created to explore scenarios whereby there are issues around gas shortages, and the electricity market is long, and what the subsequent impacts would be on cash out prices. In this scenario, the outputs of P448 would essentially suppress the cash out prices, leading to the market being unable to correct itself. This would lead to signals being sent causing parties that are short to potentially decide to pay the suppressed cash out price instead of trading out of their position

Proposed solution

- This Modification would be to keep the Bids as per the status quo but remove them from the Imbalance Price calculation. This will ensure correct signals are sent to the market during a National Gas Supply Emergency (NGSE) in all scenarios

P467: Impacts & Costs 1 of 3

- No impact identified on any BSC systems
- Document changes to BSC Section BSC T 'Settlement and Trading Charges' Annex T-1
- Does not meet the Self-Governance Criteria

Organisation	Implementation (£)	On-going (£)	Impacts
Elexon	100k	1k per year	Implementation of price model and changes to BSC Section T. Ongoing maintenance of systems, documents and processes.
NGESO	0	0	No impact anticipated
Industry	-	-	Potential impact to systems and processes. Costs will be confirmed via the Report Phase Consultation
Total	100k	1k	

EBGL :

- Elexon's view is that P467 will not amend or supplement the EBGL Article 18 terms and conditions
- P467 proposes a change to Section T Annex T-1, which is not identified as a section of the BSC that constitute EBGL Article 18 terms and conditions in BSC Section F Annex X-2
- We note that Annex T-1 does link to Section T4.4 (which is identified in Section F Annex X-2) in that it sets out how the Final Ranked Sets are determined in order to calculate the System Buy or Sell Price, however do not believe that this implication is sufficient to consider a change to Annex T-1 as impacting the EBGL provisions
- Assuming Panel agree with this assessment, this interpretation will be consulted on via the Report Phase Consultation

P467: Impacts & Costs 3 of 3

- **Potential impact on industry:** This Modification will impact Parties that are subject to cash out price calculations
 - Generators
 - Suppliers
 - Virtual Lead Parties and
 - Interconnector Users
- All parties that currently have to pay the Imbalance Price will be impacted by this Modification during a GDE due to the exclusion of the GDE Bids in the Imbalance price calculation. This may require a change to price modelling for these parties, if a GDE event occurs they would need to model without the P448 Bids in this scenario
- If a GDE event occurs, the details and price changes will be published separately or reported to the BSC Panel for transparency
- We are looking to assess the cost incurred by industry during consultation phase

P467: Proposed Progression

- Straight to Report Phase
- 10 Working Day consultation period proposed

Event	Date
Present Initial Written Assessment to Panel	8 February 2024
Report Phase Consultation (10 WD)	12 February 2024 – 26 February 2024
Present Draft Modification Report to Panel	14 March 2024
Issue Final Modification Report to Authority	18 March 2024

Implementation

- The Modification should be implemented by winter 2024/25
- Recommended implementation dates:
 - **27 June 2024** as part of the standard June 2024 BSC Release if an Authority decision is received on or before 1 May 2024; or
 - **9 November 2024** as part of the standard November 2024 BSC Release if an Authority decision is received after 1 May 2024, but on or before 01 October 2024

P467: Recommendations

We invite the Panel to:

- a) **AGREE** that P467 progresses directly to the Report Phase;
- b) **AGREE** that P467:
 - i. **DOES** better facilitate Applicable BSC Objective (a),
 - ii. **DOES** better facilitate Applicable BSC Objective (b), and;
 - iii. **DOES** better facilitate Applicable BSC Objective (d);
- c) **AGREE** an initial view that P467 **SHOULD NOT** be treated as a Self-Governance Modification;
- d) **AGREE** that P467 **DOES NOT** impact the EBGL Article 18 terms and conditions held within the BSC;
- e) **AGREE** an initial recommendation to the Authority that P467 should be **approved**;
- f) **AGREE** an initial Implementation Date of:
 - i. **27 June 2024** if an Authority decision is received on or before 1 May 2024; or
 - ii. **9 November 2024** if an Authority decision is received after 1 May 2024 but on or before 01 October 2024;
- g) **AGREE** the draft Legal Text; and
- h) **NOTE** that Elexon will issue the P467 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 14 March 2024

ELEXION

P442 'Reporting to EMRS of chargeable volumes for SVA Metering Systems that record both exempt and licensed supply'

Draft Modification Report

347/05 – Jenny Sarsfield

8 February 2024

P442: Background

- Licensed Suppliers are required to pay Electricity Market Reform (EMR) charges on the electricity they supply
- Energy supplied by an exempt supplier should not be subject to these charges
- Metering Systems registered by a licensed Supplier may include both licensed and exempt supply
- A licensed Supplier should therefore be charged based on its total supply minus any exempt supply
- BSCCo is required by Section V to provide EMRS with the Metered Volumes needed to accurately calculate these charges
- There is currently no process that allows for the correct allocation of appropriate chargeable volumes for Metering Systems where a portion should be exempt and another portion should be licensable
- There is a limited interim solution in place where Metering Systems can be treated as recording exempt supply which is only applicable where the entire volume is exempt

P442: Proposed and Alternative Solutions

Proposed solution

- New Party Agent – Exempt Supply Notification Agent (ESNA)
 - Receive metered volumes from Supplier or HHDC
 - Apply Distribution and Seasonal Zonal Transmission Losses
 - Calculate volumes of licensed and exempt supply
 - Send data aggregated to BM Unit to Settlement Administration Agent (SAA)
- Suppliers responsible for appointing an ESNA
- ESNA will undergo Qualification and be considered for inclusion in the BSC compliance Audit
- SAA will apply Variable Transmission Losses and report the chargeable volumes to EMRS
- SAA will also use ESNA data to adjust the Energy Imbalance positions of licenced Suppliers

Alternative solution

- The same as the Proposed solution, except that it excludes the adjustments to the Energy Imbalance positions

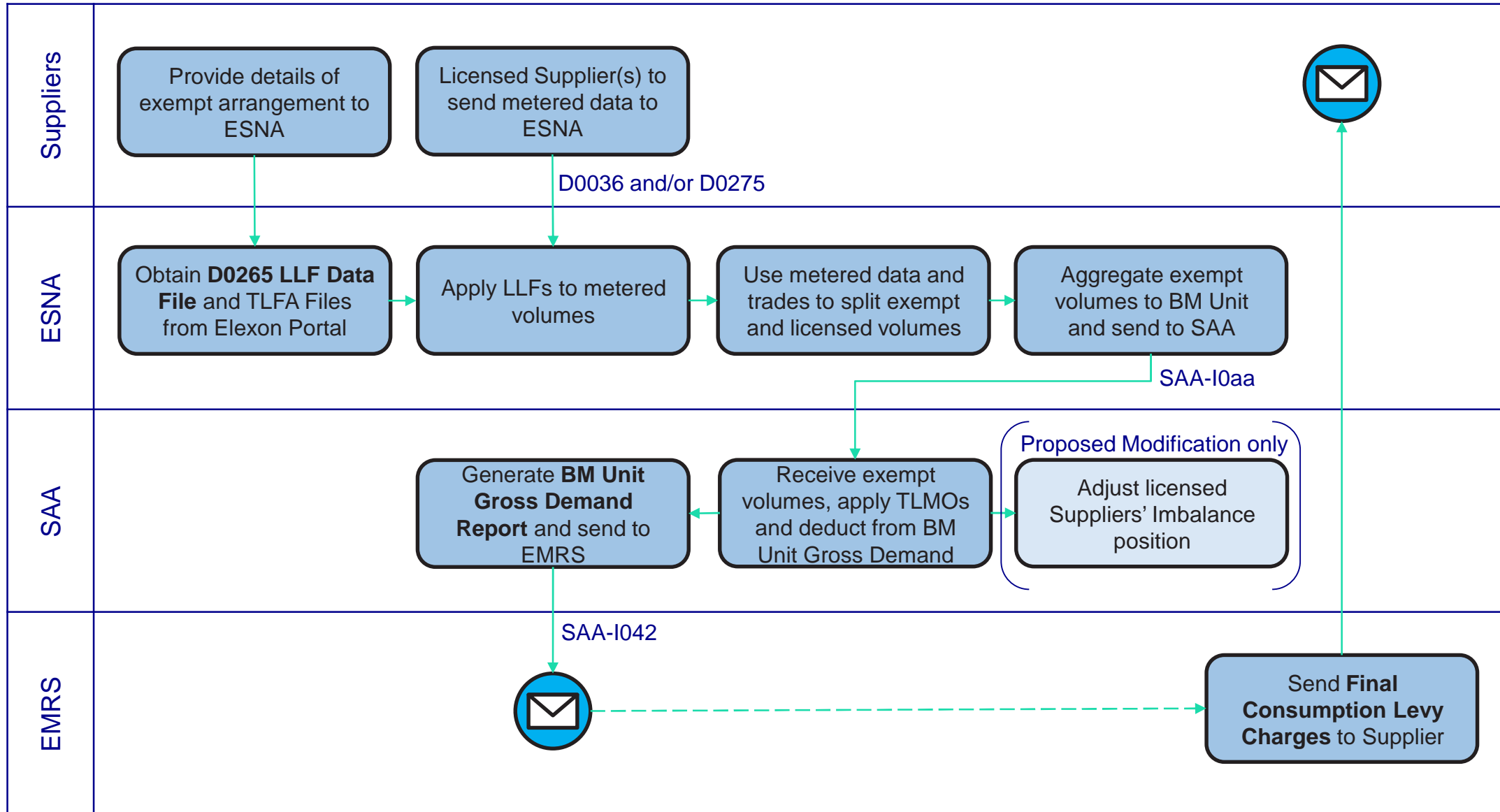
P442: Energy Imbalance adjustment

- Where the same licensed Supplier has registered both the customer's Import Metering System and the exempt supplier's Export Metering System there will be no impact on Imbalance
 - Both sides of the exempt supply are on the same Supplier Energy Account and so cancel out
- If different Suppliers have registered the two Metering Systems, they both risk exposure to Imbalance Charges as a result of facilitating the exempt supply
 - Exempt generator's Supplier will be long, and the customer's Supplier will be short
- There are no specific arrangements for adjusting the Energy Imbalance positions of licensed Suppliers who have facilitated exempt supplies
- Possible to address the risk using Energy Contract Volume Notification (ECVN) or Metered Volume Reallocation Notification (MVRN)
- Proposed Modification includes an adjustment to the Account Energy Imbalance Volume calculation to include a new term – the Account New Exempt Supply Volume, $QAES_{aj}$

$$QAEI_{aj} = QACE_{aj} - QABS_{aj} - QABC_{aj} - QAES_{aj}$$

$$QAES_{aj} = (1 + TLMO_j^-) \times \left(\sum_{i2 \in a} QBES_{i1i2j} - \sum_{i1 \in a} QBES_{i1i2j} \right)$$

P442: Proposed and Alternative Solutions



P442: Impacts and costs

P442 Cost Estimates

Organisation	Implementation (£)	On-going (£)	Impacts
Elexon	M: 250k – 450k (30k-50k more for Proposed)	L	System, process and document updates 6-8 months (SAA, Customer Solution, Insights Solution, Qualification)
Industry	M	M	No mandated development, costs only for those facilitating exempt supply

- P442 is expected to impact:
 - Licensed Suppliers who facilitate exempt supply arrangements
 - Exempt suppliers
 - Half Hourly Data Collectors (HHDCs)
 - Exempt Supply Notification Agent (ESNA)
 - EMR Settlement Services Provider (SSP)
- The Proposed Modification is expected to impact the EBGL Article 18 terms and conditions as specified in Section F Annex F-2 due to the Energy Imbalance adjustment
- The Alternative Modification is not expected to impact the EBGL terms and conditions

P442: Report Phase consultation responses

Question	Yes	No	Neutral	Other
Do you agree with the Panel's initial unanimous recommendation that the P442 Alternative solution should be approved ?	4	0	0	0
Do you agree with the Panel that the redlined changes to the BSC deliver the intention of P442 Proposed and Alternative Modifications?	3	0	1	0
Do you agree with the Panel that the draft amendments to the CSDs deliver the intention of P442 for the Proposed and Alternative Modifications?	3	0	1	0
Do you agree with the Panel's recommended Implementation Date?	4	0	0	0
Do you agree with the Panel's initial view that P442 should not be treated as a Self-Governance Modification?	4	0	0	0
Do you agree with the Panel's initial view that the P442 Proposed solution does impact the EBGL Article 18 terms and conditions?	4	0	0	0
Do you agree with the Panel's initial view that the P442 Alternative solution does not impact the EBGL Article 18 terms and conditions?	4	0	0	0

- Four responses were received – three from Suppliers and one from a Supplier Agent
- All respondents were in agreement with the Panel's initial recommendations, and no new arguments were made

P442: Recommendations (1 of 2)

We invite the Panel to:

- a) **AGREE** that the P442 Proposed Modification:
 - i. **DOES** better facilitate Applicable BSC Objective (c); and
 - ii. **DOES** better facilitate Applicable BSC Objective (f);
- b) **AGREE** that P442 Alternative Modification:
 - i. **DOES** better facilitate Applicable BSC Objective (c);
 - ii. **DOES** better facilitate Applicable BSC Objective (d); and
 - iii. **DOES** better facilitate Applicable BSC Objective (f);
- c) **AGREE** that the P442 Alternative Modification is better than the P442 Proposed Modification;
- d) **AGREE** an initial view that P442 **should not** be treated as a Self-Governance Modification;
- e) **AGREE** that the P442 Proposed Modification **DOES** impact the EBGL Article 18 terms and conditions held within the BSC;
- f) **AGREE** that the P442 Alternative Modification **DOES NOT** impact the EBGL Article 18 terms and conditions held within the BSC;
- g) **AGREE** that P442 is consistent with the EBGL objectives;
- h) **AGREE** an initial recommendation to the Authority that the P442 Alternative Modification should be **approved** and that the P442 Proposed Modification should be **rejected**;

P442: Recommendations (2 of 2)

We invite the Panel to:

- i) **APPROVE** an initial Implementation Date of:
 - i. **7 November 2024** if an Authority decision is received on or before 8 March 2024; or
 - ii. **27 February 2025** if an Authority decision is received after 8 March 2024 but on or before 10 May 2024;
- j) **APPROVE** the draft Legal Text for the Proposed Modification;
- k) **APPROVE** the draft Legal Text for the Alternative Modification;
- l) **APPROVE** the draft amendments to the Code Subsidiary Documents for the Proposed and Alternative Modification;
- m) **APPROVE** the P442 Modification Report; and
- n) **DELEGATE** ownership of BSCP606 'BM Unit Eligible Exempt Supply Volumes for Exempt Supply Notification Agents' as a Category 1 BSC Configurable Item to the Supplier Volume Allocation Group (SVG).

ELEEXON

**Updates to Standard Workgroup
Terms of Reference
347/10**

Public

Patrick Matthewson

08 February 2024

Updates to Standard Terms of Reference

- We have assessed that the current Standard Workgroup Terms of Reference require updates to reflect changing values and new ways of working. This document has been updated to reflect diversity and inclusion values and new virtual ways of working following the COVID-19 pandemic.
- The changes have:
 - Removed references to ‘chairman’;
 - Reflected the use of videoconferencing software;
 - Added permission to record workgroup meetings;
 - Included consumer outcomes as a consideration for workgroups reflecting CaCoP

Recommendations

We invite the Panel to:

- **APPROVE** the changes to the Standard Modification Workgroup Terms of Reference

ELEXON

THANK YOU

ELELEXON

**Amending Baseline Methodology
Document for P415
347/06**

Public

Iain Nicoll

8 February 2024

- BSC Modification P376 introduced the concept of baselining.
- BSC Panel established a Baselining Methodology Document that contains the approved methodologies and the process for changes/additions.
- The only approved methodology is BL01, the focus of which is on the Balancing Mechanism.
- BSC Modification P415 relies on Deviation Volumes to identify actions taken by a Virtual Trading Party and these Deviation Volumes are determined via baselining
- Both the P376 and P415 workgroups envisaged that additional methodologies may be required

What is the issue

- We have reviewed the BL01 methodology to assess whether any features of it are problematic in the context of P415.
- Our analysis has identified that changes on the use of In Day Adjustments should be made.
- In Day Adjustments are calculated following receipt of an Acceptance in the BM), 3.4.3.1 states that multiple In Day Adjustments are calculated (for reporting purposes only), but don't impact Settlement
 - P415 invalidated the explanation
- There is a gaming risk, or as a result of an unintended consequence, with including In Day Adjustments for Deviation Volumes

Following discussions with the P415 Proposer and internal assessment, Elexon believes it would be beneficial to amend the Baselining Methodology Document for P415 and proposes:

1. Amend BL01 to clarify that a Wholesale Market Notification does not trigger an In Day Adjustment;
2. Clarify that, in the absence of Acceptances, any baseline used in Settlement won't have an In Day Adjustment applied (required because (in the absence of Acceptances) the Baseline is currently not used in Settlement at all).
3. Add Virtual Trading to the Event Day list of circumstances in Appendix A to align with the P415 version of BSC Section S.
4. Make general amendments to the wording in the Baselining Methodology Document to make it relevant to P415.

Next steps

- The process to add or amend baseline methodologies is defined in section four of the Baselining Methodology Document
- It allows BSCCo to request the BSC Panel to review or change the Baselining Methodology
 - Elexon believes, after analysis, that updates are required for P415
- All Parties need to be consulted on in a manner appropriate to the scale and complexity of the changes before agreeing them
 - Elexon proposes a consultation period of three weeks
- Following the consultation Elexon will present the industry responses to the BSC Panel

Recommendations

We invite the Panel to:

- a) **COMMENT** on the option proposed by Elexon to amend the Baseline Methodology Document for P415;
- b) **PROVIDE** any comments or additional questions for inclusion in the consultation; and
- c) **AGREE** the period of three weeks for the consultation.

ELEXON

THANK YOU

ELELEXION

**347/07 - Update to P427 Peer Comparison
data to include UMS**

Sean Dryden-Woods

8 February 2024

Overview

Background

- Current Material Error Monitoring (MEM) for Unmetered Supplies (UMS) and Modification P434.

Proposal

- Endorsing the use of the Peer Comparison Technique to expand the data which is published monthly to include UMS data.

Rationale and benefits

- Incentivising Parties to take required migration steps for Market-wide Half-Hourly Settlement (MHHS); and
- Assists switching-off the MEM for UMS and helps identify MHHS mitigation issues of a Party and/or Parties.

Recommendations

We invite the BSC Panel to:

- a) **APPROVE** the routine publication under modification P427 of UMS NHH MSID count, UMS MSID HH count and UMS NHH and HH run volumes, per Appendix A.