

ELEXON

Quality Delivery

Actively managing our services to ensure that we deliver in a reliable, economic and efficient

Innovation

Enhancing and evolving our services to support industry changes and development of

Customer Centric

Improving the customer experience and developing richer customer relationships.

Simplification & Consolidation

Reducing complexity and

Digital Platform

Creating an agile digital platform to meet the changing energy market.

Please see Appendix A for an explanation of the different phases and reports.

BSC Change Report

Date of Panel meeting **8 April 2021**

Paper number **313/03**

Owner/author **Lawrence Jones**

Purpose of paper **For Decision**

Classification **Public**

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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 25 February up until 24 March 2021.

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 Proposal: 8
- Issues: 7

New changes since last month

There have been no newly raised changes since last month.

Workgroups

- Workgroups held since last month's report: P375 3 March, P415 – 15 March, P416 15 March Issue 92 – 18 March, Issue 93 – 26 Feb
- Workgroups coming up: P395 – 26 March, P412 – 7 April, P415 – 25 March, P416 – W/C 19 April, Issue 88 – 16 to 21 April, Issue 91 – April/May, Issue 93 – Mid April

Consultations

- P332 (AC) – late April 21, P376 (RC) – 25 March, P416 (AC) – April 2021, Issue 92 RFI 14 April – 12 May 2021
- Change Proposal Consultations: CPC810 – 8 March to 6 April 2021 will contain CP1540, CP1541, and CP1542

Awaiting decision

- Authority: P399, P402, P413
- In Self-Governance window: None

Decisions since last month

- Approved: P390 (Ofgem)
- Rejected: P417(Panel)

Awaiting Implementation

- **Apr 21:** P383, P418, CP1531
- **Jun 21:** CP1530, P398
- **Feb 22:** CP1532
- **Jun 22:** CP1527, P375
- **Feb 23:** P376

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I. COVID-19: Managing changes to the Balancing and Settlement Code

End of Change COVID-19 Prioritisation

The Panel agreed, at its meeting on 11 March 2021, to extend the COVID-19 prioritisation approach until 30 June 2021. The intention is for the COVID-19 prioritisation approach to end on this date, subject to feedback and the evolving situation.

The Panel has reviewed this approach at its June, August, October and December 2020 meetings. In coming to this most recent decision, the Panel took into consideration the Government's roadmap to easing lockdown.

Changes during COVID-19

Changes to the BSC (and its subsidiary documents) will continue to be progressed, but will be prioritised based on whether the change:

- Is required to mitigate risks and issues caused by COVID-19
- Is required to be implemented by a fixed deadline, and
- Has minimal impact on market participants, unless required for the previous two points.

The Panel recognises and agreed to these steps because the COVID-19 situation is challenging and unprecedented for market participants, and that it has resulted in significant operational challenges and changes to the way that they run their business.

Modification and Issue Workgroups

Workgroups will continue, unless (or until) Members report that they cannot attend meetings.

Since the Government's lockdown was introduced, Workgroups have continued as planned, with no impacts or issues reported by the Members. Elexon remains able and willing to support the progression of change.

Change consultations

Some will be issued in line with the three principles above, but most will be staggered to reduce the burden on market participants.

The Panel agreed in principle (and subject to the points above) to delay consultations where the change is likely to have significant impacts on market participants. Details of these impacts can be found in this report below.

New changes

The Panel agreed that any new changes should be progressed in line with the agreed principles.

The Panel and Elexon will monitor the situation and keep this approach under review. They also welcome any feedback you may have on this approach. Please send any comments or questions to bsc.change@elexon.co.uk.

COVID-19: Modification Prioritisation

Modification	Needed to tackle COVID-19	Needed to meet fixed timeline	Minimal impact on market participants	Result (▲ prioritised, ▼ de-prioritised)
P332: Revision to the Supplier Hub				▼ Stagger
P375: Settlement of Secondary BM Units using metering behind the site Boundary Point				▼ Stagger
P376: Baselining methodology				▼ Stagger
P395: Final Consumption Levies				▼ Stagger
P399: BSAD transparency			X	▲ Continue
P402: BSC Data for targeted Charging Review		X		▲ Continue
P410: European Imbalance Harmonisation'		X		▲ Continue
P412: Non-BM Balancing Services providers pay for non-delivery imbalances		X		▲ Continue
P413: Elexon to be the Programme Manager for MHHS		X		▲ Continue
P415: Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties'		X*		▲ Continue
P416 - Introducing a route of appeal for the Annual Budget in line with the proposals for the Retail Energy Code			X	▲ Continue
P417 'Move the Letter of Credit templates to the BSC Website'			X	▲ Continue
P418 'Amendments to the P383 legal text for Additional BM Units'			X	▲ Continue

* Subject to Government translating Clean Energy Package Directive into UK law

II. Modification Updates – up until decision

P332: Revisions to the Supplier Hub Principle			Update
Date Raised:	28 January 2016	Proposer:	Smartest Energy
Target Implementation Date:	5WDs after Authority decision	Current Status:	Assessment Procedure
Latest Update:	At its meeting in March 2021, the Panel approved a two month extension to the P332 Assessment Procedure, returning with the Assessment Report by the June 2021 Panel meeting.		
Next Event:	The Assessment Consultation is currently being drafted and will be sent to Workgroup Members for review before being issued for industry consultation in April 2021.		
Issue:	The BSC when originally created was designed to support the Supplier Hub principle and to this end is silent on the practice of 'Customer appointed Agents'. The 'appointment' of Agents by Customers, outside of the Supplier Hub principle, makes managing Agent performance and delivery of obligations within the BSC difficult, resulting in a reduction in a Supplier's ability to manage performance against industry targets and risking non-delivery of specific obligations.		
Current Solution:	P332 proposes to require all existing and new SVA Meter Operator Agents (MOAs) and Data Collectors (DCs) to sign a side letter to maintain Qualification status. The letter will require SVA MOAs and DCs to agree to treat all appointments the same regardless of contract status, such that they meet all relevant BSC requirements.		
History:	<p>For full details visit the P332 webpage.</p> <p>P332 was raised on 28 January 2016. The Initial Written Assessment was presented to the Panel on 11 February 2016 and entered into the Assessment Procedure.</p> <p>The first Workgroup meeting was held on 30 March 2016 and discussed P332 Proposed Modification and the Terms of Reference items. The Workgroup agreed to request information from industry to help in its assessment of P332 by issuing a Request for Information (RFI) paper.</p> <p>The second Workgroup meeting was held on 15 August 2016 to discuss the responses to the RFI. The Workgroup agreed Elexon and Proposer would start to draft the approach to the Proposed Modification and investigate the interaction with the Performance Assurance Framework (PAF) review.</p> <p>The BSC Panel approved an eight month extension to the P332 Assessment Procedure at its meeting on 8 September 2016.</p> <p>The third Workgroup meeting was held on 26 April 2017 and discussed 14 alternative solution options.</p> <p>The fourth Workgroup meeting was held on 31 May 2017 and focused on gathering Workgroup views for the interim report.</p> <p>The fifth Workgroup meeting was held on 16 August 2017 to review and consider responses to the data request.</p> <p>The progression of P332 was delayed from September 2017 to consider whether the issues would be addressed in Ofgem's Significant Code Review on Half Hourly Settlement or any other Ofgem initiatives.</p>		

The BSC Panel approved a three month extension to the P332 Assessment Procedure at its meeting on 10 October 2019.

The sixth Workgroup meeting was held on 27 November 2019 to discuss the P332 issue and progress so far.

The seventh Workgroup meeting was held on 6 February 2020 to review case studies provided by Workgroup Members. The Proposer confirmed their preferred solution would be a side letter as part of the Qualification process.

The BSC Panel approved a three month extension to the Assessment Procedure at its meeting on 10 September 2020.

The eighth Workgroup meeting was held on 25 September 2020. The Workgroup reviewed the draft legal text and side letter.

The ninth Workgroup meeting was held on 22 October 2020. The Workgroup reviewed the draft legal text and side letter, incorporating amendments discussed at the previous Workgroup meeting, and gave their initial views against the Applicable BSC Objectives.

The tenth Workgroup meeting was held on 7 December 2020 and agreed to proceed to Assessment Consultation.

The BSC Panel approved a three month extension to the Assessment Procedure at its meeting on 10 December 2020.

P376: Utilising a Baseline Methodology to set Physical Notifications for Settlement of Applicable Balancing Services			Update
Date Raised:	11 December 2018	Proposer:	Enel Trade S.P.A.
Target Implementation Date:	February 2023	Current Status:	Report Phase
Latest Update:	The Assessment Report was presented to the Panel on 11 March 2021. The Panel progressed the Modification to the Report Phase, with an initial recommendation to approve. The Report Phase Consultation was issued on 25 March 2021.		
Next Event:	Report Phase Consultation responses due by 25 April 2021. DMR to be presented to the Panel on 12 May 2021		
Issue:	<p>Elxon raised Issue 71 'Introduction of a baselining methodology as an alternative to Physical Notifications' on 15 June 2018. This Modification builds on the back of this Issue and formally raises a Modification Proposal relating to the same defect. Modification Proposal P344 'Project TERRE implementation into GB market arrangements' seeks to align the Balancing and Settlement Code (BSC) with the European Balancing Project TERRE (Trans European Replacement Reserves Exchange) requirements. The solution developed by the P344 Workgroup allows customers (or independent aggregators acting on their behalf) to participate in TERRE (and the BM) independently of their electricity Supplier, by registering a 'Secondary BM Unit'.</p> <p>The P344 solution is intended to facilitate participation in the BM and TERRE by a wider range of industry market participants, including customers and independent</p>		

	aggregators. However, in the P344 solution, the existing BM Settlement arrangements remain unchanged.
Current Solution:	P376 proposes to allow the Virtual Lead Party of the Secondary BM Unit, or Supplier for an Additional BM Unit, to use a baselining methodology to determine the expected energy flows for an MSID Pair in the calculation of Non-Delivery Charges and Delivered Volumes. This will decouple the expected volume used in Settlement from the Physical Notification used by the NETSO for dispatch. This change will allow Balancing Service Providers to be fully recompensed for their actual change from normal usage and the impact this change has on the system, thus enabling greater participation.
History:	<p>For full details visit the P376 webpage.</p> <p>Raised by Enel Trade S.P.A. on 11 December 2018.</p> <p>IWA – presented 13 December 2018 and submitted into Assessment Procedure.</p> <p>Workgroup 1 held 25 January 2019 with P375 - discussed possible effects on the Boundary Point and links with National Grid ESO would .</p> <p>Workgroup 2 held 18 March 2019 with P375 - designing solution and exploring assurance methods.</p> <p>Workgroup 3 held 3 June 2019 - considered baseline methodologies.</p> <p>Workgroup 4 held the 14 August 2019 - develop the Business Requirements.</p> <p>Request for Information to support analysis on 23 September 2019 with responses due 11 October 2019.</p> <p>Workgroup 5 held 10 December 2019 - review Request for Information and consider updated Business Requirements.</p> <p>Workgroup 6 held 14 September - consider the impacts and agree the solution that will be consulted on through the Assessment Procedure Consultation. Short mop up session held 2 October, but the Workgroup was unable to reach consensus to issue its consultation.</p> <p>Workgroup 7 meeting was held 6 November - finalise solution for consultation.</p> <p>Workgroup 8 meeting was held 30 November</p> <p>Assessment Procedure Consultation 12 January – 2 February</p> <p>Workgroup 9 meeting was held 15 February – consider consultation responses</p>

<u>P379: Multiple Suppliers through Meter Splitting</u>			Update
Date Raised:	3 January 2019	Proposer:	GridBeyond
Target Implementation Date:	N/A	Current Status:	Withdrawn
Latest Update:	P379 was officially closed on Wednesday, 10 March 2021, as no BSC Party came forward to adopt the Modification. The Proposer withdrew P379 in light of the initial conclusions of the cost-benefit analysis. The analysis showed that the costs for implementing P379 would significantly outweigh the benefits.		
Next Event:	The final cost benefit analysis (CBA) report will be published and submitted to the Panel on 8 April 2021.		

Issue:	In the view of the Proposer, this Modification will address a significant barrier to competition in the market rules whereby multiple Trading Parties are unable to compete for behind the Meter energy volumes, measured at the same Settlement Meter at the BSC Boundary Meter Point. The Proposer outlines that the existing arrangements do not adequately facilitate the development of local energy markets and supply innovation, and effectively mean there is a monopoly of one Party, the default Supplier, over a consumer's energy volumes behind a Settlement Meter at any given time, restricting competition and innovation.
Current Solution:	This Modification will enable individual consumers to be supplied by multiple Trading Parties, including Suppliers through a Balancing and Settlement Code (BSC) Settlement Meter at the Boundary Point. It will amend the market rules to support development of non-traditional business models and innovation, expanding upon the solution to be implemented by BSC Modification P344 'Project TERRE implementation into GB market arrangements'. It will achieve this through the creation of a new Party Agent role, the Customer Notification Agent (CNA), who would reconcile power flows through the Settlement Meter, enabling accurate allocation of volumes and costs, which in turn will allow Trading Parties to reflect these volumes in their bills and payments to consumers.
History:	<p>For full details visit P379 webpage.</p> <p>P379 was raised by New Anglia Energy on 3 January 2019.</p> <p>IWA - was presented to the BSC Panel at its meeting on 10 January 2019 and submitted into the Assessment Procedure.</p> <p>1st interim report - presented to the Panel on 13 June 2019, as agreed as part of the approved P379 progression plan. The Panel approved a six-month extension and advised the Workgroup to consider how the Modification could be scoped to deliver earlier.</p> <p>The P379 Work Group held 15 meetings following this meeting through 2019 and into 2020.</p> <p>2nd interim report – Presented at March 2020 meeting, the BSC Panel approved an eight month extension to allow Elexon to conduct a Cost Benefit Analysis (CBA) for P379.</p> <p>May 2020 - At its May 2020 meeting, the Panel asked Elexon to consider the possibility of external consultants to carry out the Cost Benefit Analysis following a paper on the high-level scope and approach to the CBA.</p> <p>We are defining tender requirements to inform whether a third party should assist in the production of the CBA, including costs and timescales. We will present our findings at the July 2020 Panel meeting.</p> <p>We issued requests for proposals to five third parties to provide the Cost Benefit Analysis. Proposals were due to be returned by bidders by 12 August 2020.</p> <p>As per Elexon's communication concerning the impact of COVID-19 the timeline for P379 has been pushed back at least three months as it has a significant impact on Parties, particularly Suppliers, Data Collectors and parties looking to become secondary Suppliers.</p>

Bidder selection took place after the third party Cost-Benefit Analysis proposals were independently scored.

The P379 Cost-Benefit Analysis (CBA) contract was awarded to CEPA.

Five month extension granted by the Panel October 2020.

The P379 cost-benefit analysis (CBA) consultation is due to close on 15 January 2021. However, we are seeking to extend this by one week to close on 22 January 2021, following requests from participants and will confirm via email communication.

The Cost Benefit Analysis (CBA) consultation closed on 22 January 2021. There were 14 respondents, representing a range of roles.

An interim update on the P379 cost-benefit analysis (CBA) emerging themes and conclusions was presented to the Panel on 11 February 2021. The findings show that the expected costs are likely to significantly outweigh the benefits at this time.

P390: Allowing extensions to Elexon's business and activities, subject to additional conditions			Update
Date Raised:	12 August 2019	Proposer:	E.ON
Target Implementation Date:	5 Working Days after Authority decision	Current Status:	Awaiting Implementation
Latest Update:	P390 was approved by Ofgem on Friday 19 March for implementation 5 Working Days after this decision date.		
Next Event:	P390 will be implemented on Monday 29 March 2020.		
Issue:	The BSC restricts the activities of Elexon and in the absence of a specific Modification any additional activities cannot be pursued by Elexon (even when those activities would be of benefit to BSC Parties, industry generally and/or the consumer). In the past specific Modifications have been necessary which have enabled Elexon to provide the Warm Homes Discount Reconciliation service, EMR settlement, and to participate in gas performance assurance framework and REC manager appointment processes.		
Current Solution:	Such individual Modifications to extend Elexon's vires are time consuming and can be an unnecessary distraction for industry. They can also result in Elexon being unable to pursue an opportunity within a required timeframe.		
History:	<p>For full details visit P390 webpage.</p> <p>P390 was raised by E.ON on 12 August 2019.</p> <p>The IWA was presented to the Panel on 12 September 2019.</p> <p>The first Workgroup meeting was on 18 November 2019. The Workgroup discussed the Proposed Solution and developed a number of high-level principles with which to evaluate the eventual solution.</p> <p>The second Workgroup meeting was on 18 December 2019. The Workgroup discussed whether to include the Ofgem criteria 'ELEXON's BSC role should not give it any undue competitive advantage in a contestable activity' and agreed that it should be reflected in the Solution.</p>		

The third Workgroup meeting was on 23 January 2020. The Workgroup reviewed the Legal Text.

The final Workgroup meeting was held on 25 March 2020. The Workgroup reviewed responses to the Assessment Procedure Consultation and agreed that no changes needed to be made.

The Assessment Report for P390 was presented to the Panel at their April 2020 meeting, where it was progressed to the Report Phase with a recommendation for approval.

The Report Phase Consultation was issued on 14 April 2020 and closed on 29 April 2020. All three respondents agreed with the Panel views.

The Draft Modification Report was presented to the Panel at its May 2020 meeting. The Panel unanimously agreed to recommend to Ofgem that P390 be approved.

The Final Modification Report was submitted to Ofgem for decision on 21 May 2020. At the August 2020 Panel meeting, Ofgem indicated a Decision on P390 may be forthcoming early September 2020.

In mid-August 2020, Ofgem sought clarification on certain elements of the legal text and how they relate to data provisions already contained in the BSC, which was provided on 10 September. On 25 November 2020, Ofgem sent P390 back as it is unable to form an opinion on whether P390 should be approved based on the submitted FMR and associated documentation.

The second Draft Modification Report was presented to the Panel at its December 2020 meeting. Elexon provided (and the BSC Panel approved) additional rationale and clarification on the effects of the originally submitted P390 Legal Text and proposed amendments to paragraphs 10.2.1 and 4.1.2. to address the Send Back Direction, adding clarity and comfort so that P390 may be resubmitted.

P390 was resent for Authority decision on 14 December 2020.

P395: Excluding generators from BM Unit Gross Demand and the calculation of EMR Supplier Charges			Update
Date Raised:	7 November 2019	Proposer:	Centrica
Target Implementation Date:	TBC	Current Status:	Assessment Procedure
Latest Update:	The third P395 Workgroup took place on 25 February 2021, where the group discussed some recommendations by the Low Carbon Contracts Company (LCCC) to expand the solution.		
Next Event:	The next P395 Workgroup is scheduled for 26 March 2021, where the group will consider modelling of a proposed merit order and outcomes of actions related to the potential expansion of the solution.		
Issue:	Currently the BM Unit Gross Demand Report attributes to Suppliers electricity they have provided to generators (including storage facilities) operated by Generation Licensees, which falls outside the definition of 'supply' in the Electricity Act 1989.		
Current Solution:	P395 proposes to amend BSC systems and processes so that the SAA-I042 'BM Unit Gross Demand Report' only includes electricity 'supplied' to premises by licensed Suppliers, and therefore excludes electricity imported by Generators operated by a licensee for generation activities (i.e. those activities authorised by their generation license to carry on). To facilitate this outcome, P395 proposes that the BSC incorporates the interim solution and extends it to cover complex sites too. This solution would cover sites connected to both the distribution and transmission systems, and where the sites Metering Systems are registered in Supplier Meter Registration Service (SMRS) or Central Meter Registration Service (CMRS). P395 will build on top of capabilities being introduced by P344, P375 and P383.		
History:	<p>For full details visit P395 webpage.</p> <p>Raised by Centrica on 7 November 2019.</p> <p>IWA – presented 14 November 2019 and progressed to the Assessment Phase.</p> <p>There was a delay in holding the first P395 Workgroup meeting caused by the urgent request to progress P397</p> <p>Workgroup 1 – held 19 February 2020 and discussed Elexon's interpretation of ToR A) 'Which imports should be chargeable?'. The Workgroup noted that answering the P395 problem satisfactorily will involve consideration of scalability, practicality and cost to ensure that the solution is truly enduring, consistent with regulations and scalable to domestic level.</p> <p>The Panel approved a six month extension to the Assessment Procedure to P395 on 9 April 2020 to allow for further solution development.</p> <p>Due to resource constraints and deprioritisation under the Panel's Covid-19 prioritisation approach, work on the Modification was paused until October 2020.</p> <p>The Panel approved an eight month extension to the Assessment Procedure for P395 on 10 September 2020. Elexon will return with the P395 Assessment Report at the June 2021 Panel meeting.</p> <p>Workgroup 2 – held 4 December 2020 and the Workgroup considered draft Business Requirements.</p>		

P399: Making the identity of Balancing Service providers visible in the Balancing Services Adjustment Data			No Update
Date Raised:	24 December 2019	Proposer:	Sutton Bridge Power Generation
Target Implementation Date:	November 2021 BSC Release	Current Status:	With Authority
Latest Update:	The P399 Draft Modification Report was presented to the BSC Panel at its meeting on 14 January 2021 before being submitted to Ofgem for decision on 19 January with a recommendation to approve.		
Next Event:	P399 is currently being considered for decision by the Authority.		
Issue:	Currently, each Balancing Adjustment Action taken outside the Balancing Mechanism is reported with a unique sequential number. The Proposer contends that this does not identify the counterparty to the bilateral trade and creates an information advantage to those counterparties, reducing transparency in the operation of the system creating a barrier to effective competition.		
Current Solution:	P399 seeks to create a level-playing field for information relating to BM and non-BM trades. It seeks to include four new data fields to the BSAD file to subsequently be published on the BMRS: BSAD Party ID; BSAD Asset ID; Service Type; and Tendered Status.		
History:	<p>For full details visit P399 webpage.</p> <p>Raised by Sutton Bridge Power Station on behalf of Calon Energy on 24 December 2019</p> <p>IWA - presented 16 January 2020 and progressed to Assessment Phase.</p> <p>Workgroup 1 – held 27 January 2020 where the Workgroup agreed two possible solutions</p> <p>Workgroup 2 – held 27 March 2020 where Workgroup considered NGESO and Elexon impact assessments of the two solutions. Costs and lead times were too high and NGESO agreed to impact assess alternative solutions.</p> <p>The Panel agreed a two month extension at its meeting in April 2020</p> <p>Workgroup 3 – held 17 July 2020; Workgroup agreed the solution</p> <p>Assessment Phase Consultation issued 17 August 2020. 5 responses to the Assessment Phase Consultation were received, all of which supported the Modification</p> <p>Workgroup 4 – held 18 September and were unanimous in their recommendation to approve P399.</p> <p>Assessment Report – presented 8 October 2020 and progressed to the Report Phase</p> <p>The first P399 Report Phase Consultation closed on 16 November. It received 4 responses, with all but one in clear support of the Modification. NGESO's response</p>		

noted that the inclusion of one of the agreed data items would add an additional £350k - £500k to its central implementation costs and that it could no longer meet the June 2021 BSC Release

Workgroup 5 – held on 30 November per EBGL requirements, Workgroup agreed to retain the data item

The Panel agreed a one month extension at its meeting in December 2020

The second P399 Report Phase Consultation closed on 22 December with 3 responses, all of which supported approval of P399.

P402: Enabling reform of residual network charging as directed by the Targeted Charging Review			Update
Date Raised:	5 March 2020	Proposer:	NGESO
Target Implementation Date:	February 2022 BSC Release	Current Status:	With Authority
Latest Update:	The Panel considered P402 for the final time at its 11 March 2021 meeting and recommended to Ofgem that the Alternative Solution (LDSOs send data directly to ESO) should be approved and that the Proposed solution (LDSOs send data to Elexon who aggregate it and send it to ESO) should be rejected.		
Next Event:	Elexon have sent the Final Modification Report to Ofgem and await their decision on P402.		
Issue:	Following the conclusion of its Targeted Charging Review Significant Code Review, Ofgem directed National Grid and certain LDSOs to make changes to how residual revenues are recovered through Distribution Use of System (DUoS) and Transmission Network Use of System (TNUoS) demand charges. Elexon understands that the LDSOs have or can procure all data necessary to implement the TCR SCR changes in relation to demand residual charging. However, NETSO does not have access to the relevant data.		
Current Solution:	The Proposed P402 Solution will introduce new reporting requirements on LDSOs and BSCCo that will ensure the provision of data to enable the NETSO to set TNUoS demand residual tariffs and enable accurate billing of subsequent charges. An Alternative Solution involves LDSOs sending the necessary data directly to National Grid, with high level obligations captured in the BSC.		
History:	<p>For full details visit P402 webpage.</p> <p>National Grid ESO raised P402 on 5 March 2020.</p> <p>IWA - On 12 March 2020 the Panel and approved a 3 month Assessment Procedure, noting the challenging timeline to meet the Ofgem set implementation date of 1 April 2021.</p> <p>The first P402 Workgroup meeting took place on 31 March to review the draft business requirements. Following a revised implementation plan by Ofgem, delivery of TCR changes has been pushed to April 2022 – one year later than previously required.</p>		

The Panel approved a three month extension to the P402 Assessment Procedure at its May 2020 meeting to allow the Workgroup to consider alternative approaches to solving the P402 issue.

The second P402 Workgroup meeting took place on 6 May to consider alternative approaches.

The third Workgroup took place on 5 August 2020, where the group discussed how P402 has a soft dependency for the related CUSC modifications – they will rely on a solution that provides NETSO with data for billing and tariff setting being implemented by April 2022 - but agreed that whilst P402 enables the TNUOS TCR arrangements, it doesn't implement any of the core requirements of Ofgem's TCR SCR.

The 4th Workgroup for P402 took place on 28 September 2020, where a solution for consultation was agreed.

The Assessment Consultation for P402 closed on 27 October 2020.

At the October Panel meeting, a two month extension was granted to P402 to allow for contingency in the case that material changes to the solution emerged from the Consultation.

Shortly prior to the 5th Workgroup, and after the issuing of the P402 Consultation, Elexon learned that an alternative approach to the handling of the TCR Decision had been developed by some LDSOs and referenced in replies to the P402 Consultation - centering around LDSOs issuing data directly to National Grid, rather than centrally via SVAA.

The 5th Workgroup meeting took place on Monday 2 November, where the Workgroup voted to raise an Alternative Modification. They acknowledged that the raising of the Alternative at this late stage impacts the delivery of P402 to TCR timescales but felt that the potential benefits of a simplified new approach outweigh this concern..

The group considered Alternative Business Requirements at the 6th Workgroup on 28 November 2020 in order that the Alternative solution could be consulted on.. The 2nd APC closed on 15 December.

The 7th P402 Workgroup meeting occurred on 17 December 2020, the Workgroup considered responses to the 2nd Assessment Consultation and finalised the Business Requirements for both the Proposed and Alternative solutions.

The Assessment Report for P402 was presented to the Panel at their February 2021 meeting, where it was progressed to the Report Phase with a recommendation for the approval of the Alternative Solution.

The Draft Modification Report for P402 was presented to the Panel at their March 2021 meeting, where the Panel recommended to Ofgem that the Alternative Solution should be approved and that the Proposed solution should be rejected.

P410: Changing imbalance price calculations to comply with the Imbalance Settlement Harmonisation regulations		Update	
Date Raised:	3 July 2020	Proposer:	NGESO
Target Implementation Date:	Nov 2021 BSC Release	Current Status:	Assessment Procedure
Latest update	The Proposer, NGESO, intends to submit a revised harmonisation methodology for approval, as required to comply with EBGL. This will allow the continued use of the Market Index Price and remove the defect being addressed by P410.		
Next Event:	The Proposer expects P410 to be withdrawn in due course. Work on P410 is therefore effectively paused whilst NGESO revises its harmonisation methodology for Ofgem to consider.		
Extension Request	The Assessment Report was due to be presented to the Panel at its May meeting. We have been engaging with NGESO and Ofgem on the P410 timelines. Taking this into account, we request a three month extension to the agreed progression plan, to allow NGESO to submit the revised harmonisation methodology and for Ofgem to make a decision.		
Issue:	P410 will introduce changes to the imbalance price calculations to ensure BSC compliance with the European Imbalance Settlement Harmonisation regulations.		
Current Solution:	P410 will replace the Market Index Price in the Imbalance Calculation with a new Value of Avoided Activation of balancing energy as required by the European Regulations.		
History:	<p>For full details visit P410 webpage.</p> <p>NGESO raised P410 on 3 July 2020.</p> <p>The Panel considered the IWA at its meeting on 9 July and agreed to progress P410 to the Assessment Procedure.</p> <p>Workgroup 1 held on 6 August - agreed principles for calculating a Value of Avoided Activation.</p> <p>Workgroup 2 held 9 October - considered updated proposals. The Workgroup expressed concerns that any VOAA that is compliant with the ISHP would be detrimental to BSC Objectives.</p> <p>Workgroup 3 held 17 December – unable to agree suitable solution and requested additional analysis</p>		

P412: Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a price that reflects the real-time value of energy			Update
Date Raised:	3 September 2020	Proposer:	NGESO
Target Implementation Date:	TBC	Current Status:	Assessment Procedure
Latest Update:	The third Workgroup meeting was held on 22 February 2021 to further consider the legal and technical issues with the five possible solutions. The Proposer, NGESO, is going to explore options for progressing the Modification, including solutions outside of the BSC. The Workgroup are currently of the view that the BSC solution options are not better than the current baseline.		
Next Event:	The fourth Workgroup meeting will be held on 7 April 2021. The Proposer is expected to request the Workgroup Members to provide some analysis on the impacts that the solution options may have, which is expected to take 1-2 months. The Proposer and Workgroup will then need to consider next steps, which may include withdrawing the Modification, if a solution can be found outside the BSC, or exploring compliance options with BEIS and Ofgem, which could take at least 3-4 months.		
Extension Request	We therefore request a six month extension, returning with the Assessment Report at the November 2020 Panel meeting.		
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 BSC 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>		

P413: Enable Elexon to be the Programme Manager for the implementation of Market-wide Half Hourly Settlement			Update
Date Raised:	7 September 2020	Proposer:	Scottish Power
Target Implementation Date:	5 Working Days following Ofgem approval	Current Status:	With Authority
Latest Update:	The Draft Modification Report was presented to the Panel at its meeting on 11 March 2021. The Panel recommended implementation of the Proposed Solution (spread cost across all Trading Parties, rather than across Suppliers only). The Final Modification Report was sent to the Authority for decision on 15 March 2021.		

Next Event:	P413 is currently with the Authority for decision.
Issue:	If the BSC is not amended to enable Elexon to perform the implementation Programme Manager function for Market-wide Half Hourly Settlement (MHHS), there is a risk that this results in longer implementation timescales, higher costs for the industry and a longer period to see the benefits outlined in Ofgem's Draft Impact Assessment Consultation.
Current Solution:	Enable Elexon, as the BSC Company (BSCCo), to provide the Programme Management (PM) function for the implementation of MHHS.
History:	<p>For full details visit the P413 webpage.</p> <p>P413 was raised by Scottish Power on 7 September 2020</p> <p>Presented to Panel on 10 September 2020 and progressed to the Assessment Phase.</p> <p>Workgroup 1 - Held on 22 September 2020 which focused primarily on the context and background for the change as well as gathering initial views on the Workgroup Terms of Reference.</p> <p>Workgroup 2 - Members agreed the initial business requirements and decided that the modification should be enable Elexon to be the programme manager rather than require Elexon to be the programme manager.</p> <p>Ad-hoc Workgroup - Held on 3 November to discuss alternative possible funding mechanisms. The Workgroup approved two alternative sets of funding mechanism Business Requirements to be impact assessed.</p> <p>Workgroup 3 - Held on 20 November where the focus was to review key documentation prior to issuing the Assessment Consultation.</p> <p>Assessment Phase Consultation – Issued on 14 Dec 2020 and closed on 15 Jan 2021. 5 responses were received with all but 1 expressing the view that P413 better facilitated the BSC Objectives over the current baseline.</p> <p>Workgroup 4 - Held on 25 Jan 21 where the focus was to finalise the Proposed Modification and determine whether the Workgroup agree that any Alternative Modification should be progressed. The Workgroup recommends that the Alternative Solution is approved.</p> <p>The Assessment Report was presented to the Panel at its meeting on 11 February 2021. The Panel recommended that the Proposed Solution is approved and the Alternative solution is rejected. P413 was sent to the Report Phase.</p> <p>The Report Phase Consultation opened on 15 February 2021 and closed 1 March 2021.</p>

P415: Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties			Update
Date Raised:	30 September 2020	Proposer:	Enel X UK Ltd
Target Implementation Date:	TBC	Current Status:	Assessment Procedure
Latest Update:	The second P415 Workgroup was held on 9 February 2021 where the Workgroup considered more complex worked examples for P415		
Next Event:	The next P415 Workgroup will be held on 25 March 2021		
Issue:	Consumers of electricity who are able to be flexible about their consumption cannot currently obtain any value from that flexibility from the Wholesale Energy Market, except if they work with their Supplier to do so. This contrasts with Balancing Services, the Balancing Mechanism, and the Capacity Market, all of which allow a customer's flexibility to be offered by an aggregator without the involvement of the Supplier.		
Current Solution:	This Modification seeks to allow Virtual Lead Parties to obtain value from flexibility within the Wholesale Energy Market.		
History:	<p>For full details visit P415 webpage.</p> <p>Raised by Enel X UK Ltd on 30 September 2020.</p> <p>Presented on 8 October 2020, where the Panel agreed to progress P415 to the Assessment Phase.</p> <p>Workgroup 1 – held on 11 December and discussed the principles behind the Modification.</p> <p>Workgroup 2 – held on 9 February and discussed more complex worked examples.</p>		

P416: Introducing a route of appeal for the Annual Budget in line with the proposals for the Retail Energy Code			Update
Date Raised:	5 November 2020	Proposer:	British Gas Ltd
Target Implementation Date:	5WD after Ofgem Approval	Current Status:	Assessment Procedure
Latest Update:	The third Workgroup Meeting was held on 15 March 2021. Workgroup Members further considered the Proposed Solution, considered whether the Proposed Solution better facilitates the Applicable BSC Objectives over the current baseline and agreed the Assessment Phase Consultation questions		
Next Event:	The Assessment Phase Consultation is expected to be issued early April 2021		
Issue:	There is currently no direct route of appeal for any BSC Parties not in agreement with any items in the Annual Budget. The Proposer contends that the current options, such as special resolutions, to challenge the BSC Annual Budget are inefficient and in the case of a binding resolution to remove a director, disproportionate.		
Current Solution:	<p>Allow an appeal to the Authority in the case that a BSC Party reasonably believes that an item in the Annual Budget:</p> <ul style="list-style-type: none"> was not consulted upon as part of the draft Annual Budget process, or the Board failed to have reasonable regard to the comments submitted; is not a legitimate item of expenditure for the Board; 		

	<ul style="list-style-type: none"> is a manifestly inappropriate provision for the activity in question, and there are insufficient safeguards in place to ensure that the actual costs incurred will be efficient; or will, or is likely to, prejudice the interests of one or more Parties, or cause them to be in breach of this Code, the Energy Licences and/or Law.
History:	<p>For full details visit the P416 webpage.</p> <p>P416 was raised by British Gas Ltd on 5 November 2020</p> <p>IWA - The BSC Panel considered the Proposed Modification at its meeting on 12 November 2020 and agreed to Progress the Modification to the Assessment Procedure Phase.</p> <p>Workgroup 1 - Held on 14 December 2020 where the Terms of Reference and background to the Modification were considered.</p> <p>Workgroup 2 - Held on 22 December 2020 where the focus was to discuss key terms of reference questions and to further develop the Modification. At this meeting the Workgroup identified additional solution options that would require an additional Workgroup meeting.</p>

P417: Move the Letter of Credit templates and Approved Insurance Product requirements to the BSC Website for simplification'			Update
Date Raised:	5 November 2020	Proposer:	BSC Panel
Target Implementation Date:	N/A	Current Status:	Rejected
Latest Update:	The Draft Modification Report was presented to the Panel at its meeting on 11 March 2021. Panel Members rejected P417 on the basis that the Proposed Solution did not better facilitate the Applicable BSC Objectives.		
Next Event:	This Modification has been rejected.		
Issue:	<p>This Modification seeks to address two issues:</p> <p>Section M 'Credit Cover and Credit Default' of the BSC contains valid forms that can be used to provide Credit Cover with a Letter of Credit as well as general requirements of an Approved Insurance Product. If changes to the Section M provisions are required a BSC Modification Proposal must be raised to update the text which will take at least three months to implement and more industry and Elexon effort to progress than need be the case.</p> <p>There are currently two valid sets of Letter of Credit templates under the BSC. The proposer contends that having two valid sets of Letter of Credit templates could increase the risk of Imbalance Parties using Letter of Credit templates that are not in line with current banking practices.</p>		
Current Solution:	<p>The Modification Proposal will:</p> <p>Remove the Letter of Credit templates and Approved Insurance Product requirements from annexes M1 - M4.</p>		

	<p>Update of Section M to introduce a requirement for the Letter of Credit templates and the Approved Insurance Product requirements to be published on the BSC Website;</p> <p>Alter the definitions of Letter of Credit and Approved Insurance Product so that there is a requirement for Elexon to publish these templates and requirements on the BSC Website; and</p> <p>Introduce:</p> <p>A mandatory 20 Business Day consultation period for any changes to the Letter of Credit templates or Approved Insurance Product requirements; and</p> <p>At least a 60 Business Day period from Panel approval till the specified updates become live.</p>
History:	<p>For full details visit P417 webpage.</p> <p>This Modification Proposal was presented to the Panel on 10 December 2020 and the Panel agreed to raise the Modification.</p> <p>Panel members requested the inclusion of a 3 month lead time before changes were made to either the Letter of Credit and Approved Insurance Products templates and also requested an extended Report Phase Consultation window due to the Christmas period.</p> <p>The Report Phase Consultation opened on 22 December 2020 and closed on 22 January 2021, no responses to this consultation were received.</p> <p>The DMR was initially scheduled to go the February 2021 Panel meeting but due to concerns raised by Elexon operational teams further analysis was required prior to presentation to the Panel. This analysis was included in the revised Draft Modification Report and recommended that either P417 is rejected or reverts to its original solution.</p>

III. Change Proposal Updates – up until Decision

CP1539: Inclusion of LCCC as an Affected party for Metering Dispensations		Update	
Date Raised:	16 November 2020	Proposer:	Elxon
Target Implementation Date:	24 June 2021	Current Status:	Committee Decision
Latest Update:	The change team considered the rationale for the change, and the progression of this change in light of the consultation responses and discussed these with the respondents. Consequently, the Assessment Report was deferred from the March ISG/SVG meetings.		
Next Event:	The CP1539 Assessment Report will be presented to the ISG and SVG at their meetings on 6 April 2021 for decision.		
Issue:	Currently, there is no mechanism to ensure that the Low Carbon Contracts Company (LCCC) is informed of Metering Dispensations applications related to generation sites where there may also be Contracts for Difference (CfD) arrangements in place at site. As such the LCCC may be missing critical opportunities to have clarity in the Metering Dispensations granted by the BSC Panel Committees (Imbalance Settlement Group (ISG) and/or Supplier Volume Allocation Group (SVG) on behalf of the BSC Panel so that they do not conflict with the requirements and ethos of the CfD.		
Current Solution:	Include the LCCC as an Affected party for future Metering Dispensations by including them in the List of Definitions in BSCP32 paragraph 2.2. The BSCP32 section 4.1 application form should be modified to include confirmation that the applicant has engaged with the LCCC (where applicable), and other Affected parties, rather than simply stating who the Affected parties are. This will allow LCCC to discuss with a CfD Generator and request relevant information relating to associated 'aggregation rules' for each Metering Dispensation in situations likely to affect the LCCC as CfD Counterparty, essentially be sent any relevant information on any CfD whose Metering Equipment is the subject of a Metering Dispensation application.		
History:	<p>For full details visit the CP1539 webpage.</p> <p>CP1539 was raised on 16 November 2020.</p> <p>The CP1539 Progression Paper was presented to the ISG and SVG at their meetings on 1 December 2020.</p> <p>CP1539 was issued for industry consultation on 7 December 2020, with responses due 6 January 2021. We received one response to the consultation.</p>		

CP1540: Strengthening Qualification – Change of Ownership Process		Update	
Date Raised:	18 February 2021	Proposer:	Elxon
Target Implementation Date:	4 November 2021	Current Status:	Consultation
Latest Update:	CP1540 was issued for consultation on 8 March.		

Next Event:	Responses to the CP1540 Consultation are due 6 April 2021. The Assessment report will then be presented for decision to the PAB on 29 April, and to the ISG and SVG on 4 May.
Issue:	The intended purpose of the footnote is to allow for internal restructuring within the same company group. However, the footnote has allowed for a transfer of assets between two unrelated companies. The issue with such a transfer is that it would allow for any company to enter the market by purchasing business assets, rather than undertaking the Qualification process or the Change of Ownership process through purchase of company shares.
Current Solution:	The proposed solution is to remove footnote 22, and to add clarification stating that a transfer is only acceptable between affiliate companies, and that any Material Change will mean that Requalification would be required.
History:	<p>For full details visit the CP1540 webpage.</p> <p>CP1540 was raised 18 February 2021.</p> <p>The CP1540 Progression Paper was issued for information to the PAB, ISG, and SVG at their meetings on 25 Feb, and 2 March 2021.</p>

CP1541: Use of DTC data flow D0004 in Half Hourly Sector to inform Suppliers that a manual download to obtain data was not successful				Update
Date Raised:	22 February 2021	Proposer:	Centrica	
Target Implementation Date:	4 November 2021	Current Status:	Consultation	
Latest Update:	CP1541 was submitted for Industry consultation on 8 March 2021.			
Next Event:	Responses for the consultation are due 6 April 2021. The Assessment report will be presented to the SVG on 4 May 2021.			
Issue:	<p>There is currently no prescribed mechanism for Half Hourly Data Collectors (HHDCs) to inform a Supplier, via a dataflow, if they have been unable to manually retrieve consumption data where a Site Visit has been arranged. This process currently relies on bilateral discussions between HHDCs and Suppliers rather than a consistent Industry process.</p> <p>Without receipt of a D0004, Suppliers can be reliant on informal methods of communication to understand the results of a Site Visit, or an assumption the Site Visit has been unsuccessful without the additional information can provide to ensure HH data can be retrieved in future via Site Visit Check Codes (SVCCs).</p>			
Current Solution:	CP1541 proposes to update BSCP502 (Half Hourly Data Collection for SVA Metering Systems Registered in SMRS) Clause 3.4.1 to require HHDCs to send a D0004 (Notification of Failure to Obtain Reading) flow where a Site Visit to obtain Metering data is unsuccessful.			
History:	<p>For full details visit the CP1541 webpage.</p> <p>CP1541 was raised by Centrica on 22 February 2021.</p> <p>The CP Progression Paper was presented to SVG on 2 March 2021 with the committee unanimously agreeing to progress to the Consultation phase.</p>			

CP1542: Transfer the obligation to visit de-energised sites annually from Data Collector to Supplier		Update	
Date Raised:	23 February 2021	Proposer:	Elexon
Target Implementation Date:	24 February 2022	Current Status:	Consultation
Latest Update:	CP1542 was submitted for consultation on 8 March 2021, with responses due 6 April 2021. On 15 March 2021 we updated the redlining to better reflect the intent of the Change Proposal.		
Next Event:	Consultation responses are due 6 April 2021 and will be presented to SVG on 4 May 2021 for decision.		
Issue:	The problem is that during the Market Audit 2018-2019, an audit issue was raised against a market participant for not visiting 11 out of the 25 sample de-energised sites, this led them to being in breach of obligation 3.4.1.1 note 99 of BSCP504v43: "Where a SVA MS is de-energised the NHHDC shall make visits to the site concerned every 12 months." The non-compliances were due to a lack of Data Retrieval contract in place with Suppliers. Additionally, the EAC associated with the site is unlikely to be zero which is the most probable actual consumption value. This results in the energy volumes attributable to the Supplier in Settlement being overstated and inequitable. Following this an Issue Group (Issue85) has been set up including the BSC parties in order to provide analysis and decide the potential solution for to take further steps to prevent this situation from occurring.		
Current Solution:	The solution in this case is to transfer the obligation in BSCP504 to visit de-energised sites on an annual basis from NHHDCs to Suppliers. For consistency the BSCP502 obligation for Half Hourly Data Collectors will also be placed on Suppliers so that both the Non Half Hourly and Half Hourly markets are aligned. Although the obligation is transferring from Data Collectors to Suppliers, it's likely that Data Collectors will still be instructed to visit the de-energised site. However, as the Supplier has the relationship with the customer, it should mean that more sites can be visited thus having a positive impact on the integrity of settlement.		
History:	<p>For full details visit the CP1542 webpage.</p> <p>CP1542 was raised by Elexon on 23 February 2021.</p> <p>The CP Progression Paper was presented to SVG on 2 March 2021.</p>		

IV. Issue Updates

Issue 69: Performance Assurance Framework Review			Update
Date Raised:	30 March 2017	Proposer:	Elxon
Latest Update:	The final Issue 69 report was presented alongside the final Performance Assurance Framework (PAF) review report at the Panel's meeting on 11 March 2021. Issue 69 is therefore now closed.		
Next Event:	No further events due for Issue 69.		
Issue:	Elxon and the Performance Assurance Board (PAB) are aware of opportunities to further enhance the application of the risk-based Performance Assurance Framework (PAF) envisaged in P207 'Introduction of a new governance regime to allow a risk based Performance Assurance Framework (PAF)' to utilise and reinforce its effectiveness to address the challenges of a changing industry. This Issue Group will explore the issues and identify possible solutions for each work stream: Smart Metering, PAF procedures, data provision and Performance Assurance Techniques.		

Issue 83: Ensuring that the Buy Price Adjustment reflects all additional balancing costs incurred by NGESO			Update
Date Raised:	1 July 2019	Proposer:	Sebmcorp UK
Latest Update:	Issue 83 was effectively on hold while P410 was progressed. The Issue 83 Proposer does not believe there is sufficient merit in restarting Issue 83 discussions given the P410 discussions and evolving market arrangements.		
Next Event:	The Issue Report will be tabled at the Panel's meeting in April 2021.		
Issue:	<p>The Issue will consider the principles set out in Article 52(2) of the Commission Regulation (EU) 2017/2195 of 23 November 2017, establishing a guideline on electricity balancing to assess how the components of the Buy Price Price Adjustment can continue to be used in the Imbalance Price calculation. This will aim to ensure that it continues to be reflective of the actions taken by National Grid Electricity System Operator.</p> <p>In addition to this, Issue 83 will consider what components are included in the Buy Price Price Adjustment, including reserve actions, to ensure that it continues to be properly reflective.</p>		

Issue 87: Busbar voltage transformer metering for Offshore wind farms under OFTO arrangements			Update
Date Raised:	3 March 2020	Proposer:	Siemens Transmission and Distribution Limited
Latest Update:	Elxon have issued a 'one pager' document explaining the Issue and its expansion of scope to onshore sites. Issue 87 struggled to attract a large group, but the group believe that the extended solution may attract further interest and Elxon are inviting further industry engagement via this 'one pager' to get feedback from interested parties. Following a presentation to the Association of Meter Operators' Half Hourly Electricity Metering Forum on 24 February 2021, industry members have submitted feedback on the proposal and are being engaged with to better understand their concerns		

Next Event:	Following further engagement, if the outcomes of this materially affect the proposed solution, another Issue meeting will be held to consider feedback, otherwise the Issue Report will be presented at the May 2021 Panel meeting.
Issue:	The size and weight of VTs used in Metering Systems of Offshore wind farms can add significant weight and space requirements to a project. This in turn can make developing new wind farms more complex and costly, which ultimately will have a negative effect for end consumers who will have to fund this through their energy bills. The Proposer believes that there are effective alternatives to this metering set up, which can reduce the number of VTs (and hence weight) required, without impacting on the quality of data used in Settlement.

Issue 88 Clarification of BSC Arrangements relating to Complex Sites			Update
Date Raised:	18 March 2020	Proposer:	Elxon
Latest Update:	The fourth meeting was held on 18 February 2021 where the principles of Complex Site Classes were discussed.		
Next Event:	The next Issue Group meetings will be held on 16 and 21 April 2021.		
Issue:	It has become clear that there are a number of issues and ambiguities relating to the complex site arrangements, which this issue seeks to address.		

Issue 89: Ensuring Demand Control Event (DCE) procedures remain fit for purpose			Update
Date Raised:	23 March 2020	Proposer:	Elxon
Latest Update:	The third Issue 89 meeting was held on 26 August 2020 and members agreed to recommend process improvements to the Settlement Adjustment Processes as a result of this Issue.		
Next Event:	The Issue 89 Report will be tabled at the Panel's May 2021 meeting.		
Issue:	<p>This Issue seeks to examine efficacy of the Settlement Adjustment Processes (SAP) introduced by P305 'Electricity Significant Code Review Developments' in 2015. The intent of the SAP is to amend participants' imbalance positions following a DCE.</p> <p>The SAP were used for the first time following the DCE on 9 August 2019 and the majority of positions have been adjusted accordingly. However, difficulties were faced and this Issue will in part act as a lessons learned exercise for the SAP and seek potential improvements and efficiencies.</p> <p>Additionally, questions were raised by the BSC Panel as to whether the costs of running the processes were commensurate with the benefits of doing so. As such, the Panel raised P397 'Assessing the costs and benefits of adjusting Parties' Imbalances following a demand disconnection' as a means to introduce a materiality threshold wherein the processes are only performed where the estimated benefits outweigh the expected costs.</p> <p>On 3 March 2020, Ofgem sent back P397 citing a lack of evidence in regards to the costs of operating the processes, noting this was not fully available at the time. As well as performing a lessons learned exercise, over the course of this Issue Group we aim to gather that information.</p>		

Issue 91: Registration and Settlement of Smart Export Guarantee (SEG) sites			Update
Date Raised:	5 November 2020	Proposer:	EDF
Latest Update:	A meeting was held on 5 March 2021 with volunteers from the Issue Group to further develop the proposed redlining to present to the Issue Group at its next meeting.		
Next Event:	The third Issue Group meeting is due to be held in April/May 2021.		
Issue:	<p>The Smart Export Guarantee (SEG) is an obligation set by the government for licensed electricity Suppliers to offer a tariff and make payment to small-scale low-carbon generators for exported electricity. The SEG came into force on 1 January 2020 and has introduced the need to register and settle export MPANs (Meter Point Administration Number), in accordance with the Balancing and Settlement Code (BSC) arrangements, for generators with capacity up to 5MW. For these smaller scale exports sites there is no established market and therefore the arrangements for Non Half Hourly (NHH) sites introduced by BSC Modification P081 'Removal of the Requirement for Half Hourly Metering on Third Party Generators at Domestic Premises' have not been fully tested.</p> <p>These arrangements are described in BSC Procedure (BSCP) 504 'Non Half Hourly Data Collection for SVA Metering Systems Registered in SMRS' and BSCP514 'SVA Meter Operations for Metering Systems Registered in SMRS. There are a number of scenarios arising which question whether these existing processes established for the import market are fit for purpose for the export market and for the use of shared smart Meters.</p>		

Issue 92: Reserve Scarcity Pricing Review			Update
Date Raised:	11 December 2020	Proposer:	NGESO
Latest Update:	The second Issue 92 Workgroup was held 18 March 2021, at which the members agreed questions for the RFI consultation.		
Next Event:	The RFI consultation will be issued 14 April, with responses due 12 May 2021.		
Issue:	<p>Reserve Scarcity Pricing was introduced in 2015 via P305 'Electricity Balancing Significant Code Review Developments'. Since then, the way the British electricity system is balanced has changed significantly. Over the past 5 years the volume of renewables on the system has increased dramatically as has new and planned interconnection with Europe. We think that due to the changing system conditions the Reserve Scarcity Price (RSP) mechanism requires review. This should consider the issues RSP intended to solve, how they have evolved and if/what scarcity mechanism is required to incentivize market participants to support the system in tight margin situations.</p>		

Issue 93: Review of the BSC metering Codes of Practice			Update
Date Raised:	15 January 2021	Proposer:	Association of Meter Operators
Latest Update:	The first Issue Workgroup meeting was held on 26 February. This Workgroup introduced members to all aspects of Issue 93, identified any additional areas for discussion and prioritised the different aspects for discussion at future Workgroups in 2021.		

Next Event:	The second Issue Workgroup meeting is due to be held week commencing 12 th April. Elexon will present the findings of the workgroups priorities and discuss raising identified 'Quick Win' Change Proposals.
Issue:	<p>Issue 93 will review the BSC metering Codes of Practice (CoPs), which have not been reviewed in totality before. Meter Operators from the Association of Meter Operators (AMO) believe they would benefit from improvement and/or clarification on a number of aspects to be identified and confirmed by this Issue.</p> <p>To optimise the activity of the Issue Group, a series of known aspects impacting the metering CoPs are combined in this single Issue (e.g. the use of Half-Hourly and Non-Half hourly as the market arrangements transition to Market-wide Half Hourly Settlement). A full list of these identified issues and considerations can be found on the proposal form, though this is not exhaustive as some issues may be consolidated, or new issues added, as part of the Issue Group process.</p>

V. Progression of Modifications – up until implementation

Key	Initial Written Assessment:	Assessment Procedure: AR: Assessment Report APC: Assessment Procedure Consultation	Report Phase: RC: Report Phase Consultation DMR: Draft Modification Report FMR: Final Modification Report	WA: With Authority Awaiting Decision	AI: Awaiting Implementation	I: Implementation	D: Delayed due to COVID-19	CBA: Cost/Benefit Analysis
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Mod	Title	Proposer	Date Raised	Urgent		Feb	Mar	Apr	May	Jun	Jul	Aug
P332	Revisions to the Supplier Hub Principle	Smartest Energy	28 Jan 2016	No				APC	APC	AR RC	RC	DMR
P375	Settlement of Secondary BM Units using metering behind the site Boundary Point	Flexitricity	10 Dec 2018	No		AI						
P376	Utilising a Baseline Methodology to set Physical Notifications for Settlement of Applicable Balancing Services	Enel Trade S.P.A.	11 Dec 2018	No			AR	RPC	DMR	AI		

Mod	Title	Proposer	Date Raised	Urgent		Feb	Mar	Apr	May	Jun	Jul	Aug
P383	Enhanced reporting of demand data to the NETSO to facilitate CUSC Modifications	Engie	14 Mar 2019	No		AI		I				
P390	Allowing extensions to Elexon's business and activities, subject to additional conditions	E.ON	12 Aug 2019	No		WA						
P395	Excluding generators from calculation of EMR Supplier Charges	Centrica	7 Nov 2019	No						AR	RPC	
P398	Improving access to Open Data	BSC Panel	12 Dec 2019	No		AI				I		
P399	Making the identity of Balancing Service providers visible in the Balancing Services Adjustment Data	Sutton Bridge Power Station	24 Dec 2019	No		WA						
P402	Enabling reform of residual network charging as directed by the Targeted Charging Review	National Grid ESO	5 Mar 2020.	No		AR	RPC	WA				

Mod	Title	Proposer	Date Raised	Urgent	Feb	Mar	Apr	May	Jun	Jul	Aug
P408	Simplifying the Output Usable Data Process	National Grid ESO	5 May 2020	No		I					
P410	Changing imbalance price calculations to comply with the Imbalance Settlement	National Grid ESO	3 July 2020	No				AR	RC	DMR	AI
P412	Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a	National Grid ESO	3 September 2020	No		APC		AR	RC	DMR	AI
P413	Enable Elexon to be the Programme Manager for the implementation of Market-wide Half Hourly	Scottish Power	7 September 2020	No	DMR	WA					
P414	Allowing a Party to Withdraw from the BSC and transfer outstanding liabilities to another	RWE	29 September 2020	No	I						
P415	Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties	Enel X	30 September 2020	No							
P416	Introducing a route of appeal for the Annual Budget in line with the proposals for the Retail	British Gas	5 November 2020	No			APC		AR/RPC	DMR	AI

Mod	Title	Proposer	Date	Urgent		Feb	Mar	Apr	May	Jun	Jul	Aug
P418	Amendments to the P383 legal text for Additional BM Units	BSC Panel	10 Decem ber 2020	No		AI		I				

VI. 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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CP	Title	Proposer	Date Raised		Feb	Mar	Apr	May	June	July	Aug
CP1527	Increase the minimum data storage capacity for Settlement Outstations and mandate specific selectable integration periods for Metering Codes of Practice	Exelon	27 January 2020								
CP1530	Introduction of a formalised process for the validation of measurement transformer ratios by Exelon	Exelon	30 June 2020						I		
CP1531	Additionally provide the TUoS Report to National Grid ESO at the II Settlement Run	National Grid ESO	30 June 2020				I				
CP1532	Reduce Half Hourly Change of Supplier timelines to meet the Initial Settlement Run	Exelon	8 July 2020								

CP	Title	Proposer	Date Raised		Feb	Mar	Apr	May	June	July	Aug
CP1533	Mandatory Sending of D0052 for DCC serviced SVA NHH Metering Systems	Elexon	8 July 2020.		I						
CP1534	Introduce Change of Supplier (CoS) – No Meter Process	Elexon	8 July 2020.		I						
CP1536	Use of DTC data flow D0379 for submission of unmetered Half Hourly data	National Grid ESO	27 July 2020		I						
CP1537	Extending the Timescales for agreeing Technical Assurance of Performance Assurance Parties	Elexon	21 August 2020		I						
CP1538	Correct Specification of Tibc Messages	Elexon	19 November 2020		AR	AI	I				
CP1539	Inclusion of LCCC as an Affected party for Metering Dispensations	LCCC	16 November 2020				AR	AI	I		
CP1540	Strengthening the Qualification – Change of Ownership process	Elexon	13 February			PP	CPC	AR	AI		
CP1541	Use of DTC data flow D0004 in Half Hourly Sector to inform Suppliers that a manual download	Centrica	22 February 2021			PP	CPC	AR	AI		
CP1542	Transfer the obligation to visit de-energised sites annually from Data Collector to Supplier	Elexon	23 February 2021			PP	CPC	AR	AI		

VII. 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.

April 2021 Release			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change
P383	Enhanced reporting of demand data to the NETSO to facilitate CUSC Modifications CMP280 and CMP281	System	7. Implementation Phase
P418	Amendments to the P383 legal text for Additional BM Units	Doc Only	7. Implementation Phase
CP1531	Additionally provide the TUoS Report to National Grid ESO at the II Settlement Run	System	7. Implementation Phase
CP1538	Amend the Interface Definition and Design (IDD) Part 1 document to ensure that TERRE Tibco messages are specified correctly.	Doc Only	7. Implementation Phase

June 2021 Release			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change
P398	Increasing Access to BSC data	Doc Only	7. Implementation Phase
CP1530	Introduction of a formalised process for the validation of measurement transformer ratios by ELEXON	System	7. Implementation Phase
CP1539	Inclusion of LCCC as an Affected party for Metering Dispensations	System	5. Report / Panel Decision Phase

November 2021 Release			
Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change
P399	Making the identity of Balancing Service providers visible in the Balancing Services Adjustment Data	System	7. Implementation Phase
P410	Changing imbalance price calculations to comply with the Imbalance Settlement Harmonisation regulations	System	4. Assessment / Consultation Phase
CP1540	Removal or Strengthening of Footnote 22 in BSCP537	Doc Only	4. Assessment / Consultation Phase
CP1541	Use of DTC data flow D0004 in Half Hourly Sector to inform Suppliers that a manual download to obtain data was not successful	Doc Only	4. Assessment / Consultation Phase

February 2022 Release

Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change
P402	TCR SCR - implementing Ofgem's policy decision	System	6. Authority Decision / SG Appeal Window
CP1542	Transfer the obligation to visit de-energised sites annually from Data Collector to Supplier	Doc Only	4. Assessment / Consultation Phase

June 2022 Release

Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change
P375	Settlement of Secondary BM Units using metering at the asset	System	7. Implementation Phase
CP1527	Increase the minimum data storage capacity for Settlement Outstations and Mandate specific selectable DPs for CoPs 3, 5, and 10	Doc Only	7. Implementation Phase

February 2023 Release

Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change
P376	Utilising a baselining methodology as an alternative to Physical Notifications	System	5. Report / Panel Decision Phase

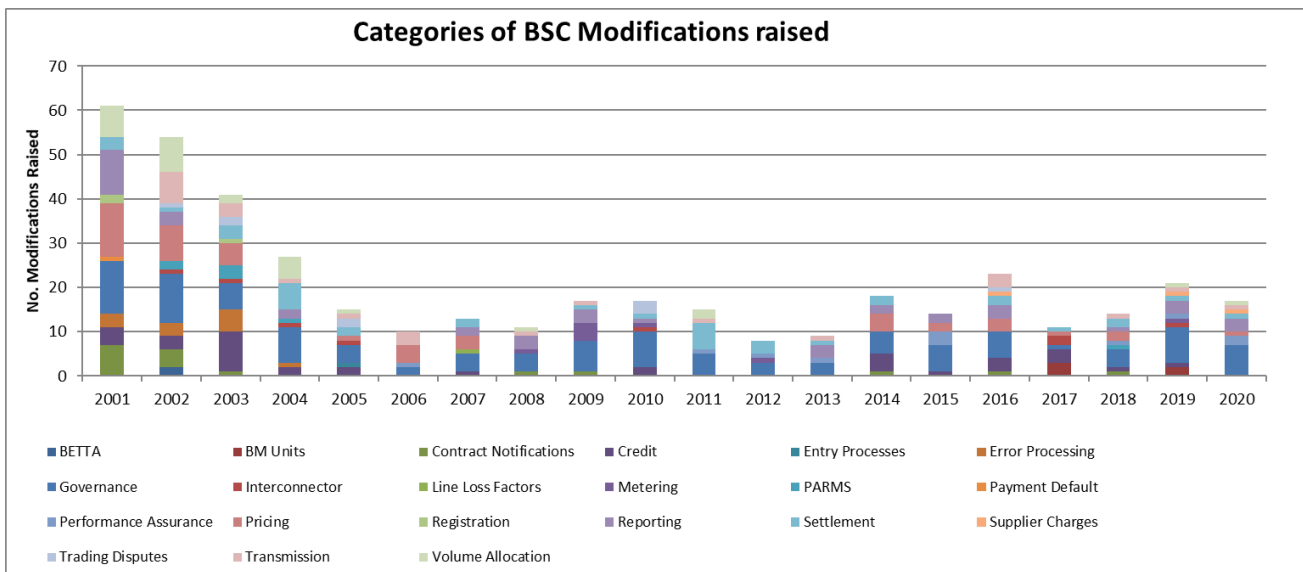
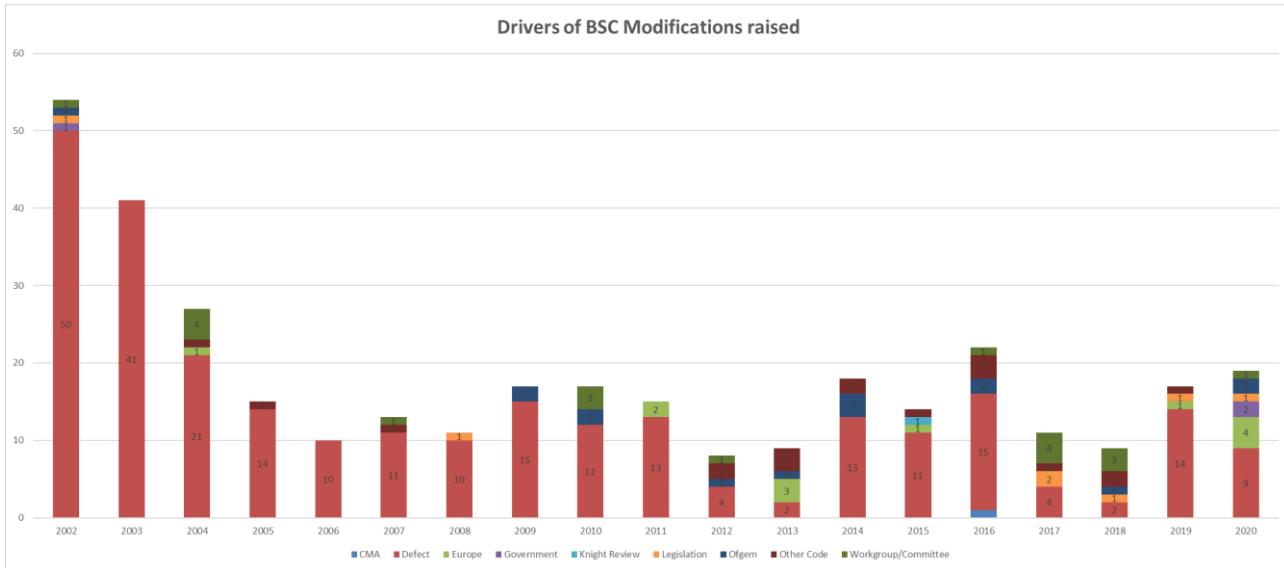
Ad Hoc Releases

Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change	Implementation Date
P413	Enable Elexon to be the Programme Manager for the implementation of Market-wide Half Hourly Settlement (MHHS)	Doc Only	5. Report / Panel Decision Phase	5 WDs after Authority decision

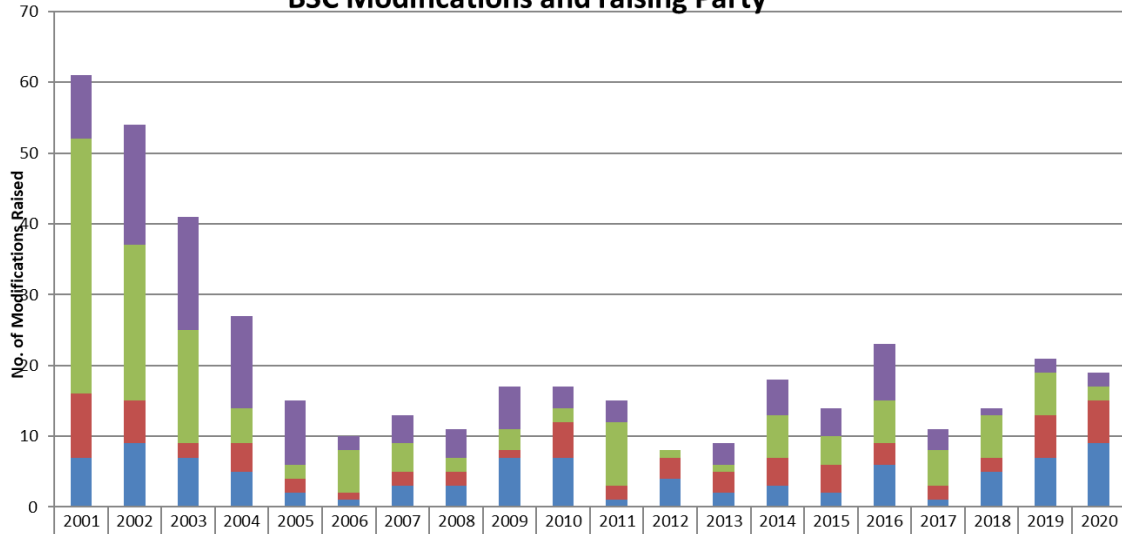
TBC Release Date

Change Number	Title of Change	BSC Central Systems/Document only impacts	Current Status of Change	Target Implementation Date
P332	Revisions to the Supplier Hub Principle	Doc Only	4. Assessment / Consultation Phase	5 WDs after Authority decision
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	Jun 22
P415	Facilitating access to wholesale markets for flexibility dispatched by Virtual Lead Parties	System	4. Assessment / Consultation Phase	Nov 22
P416	To introduce a route of appeal for the BSC Annual Budget	Doc Only	4. Assessment / Consultation Phase	5 WDs after Authority decision

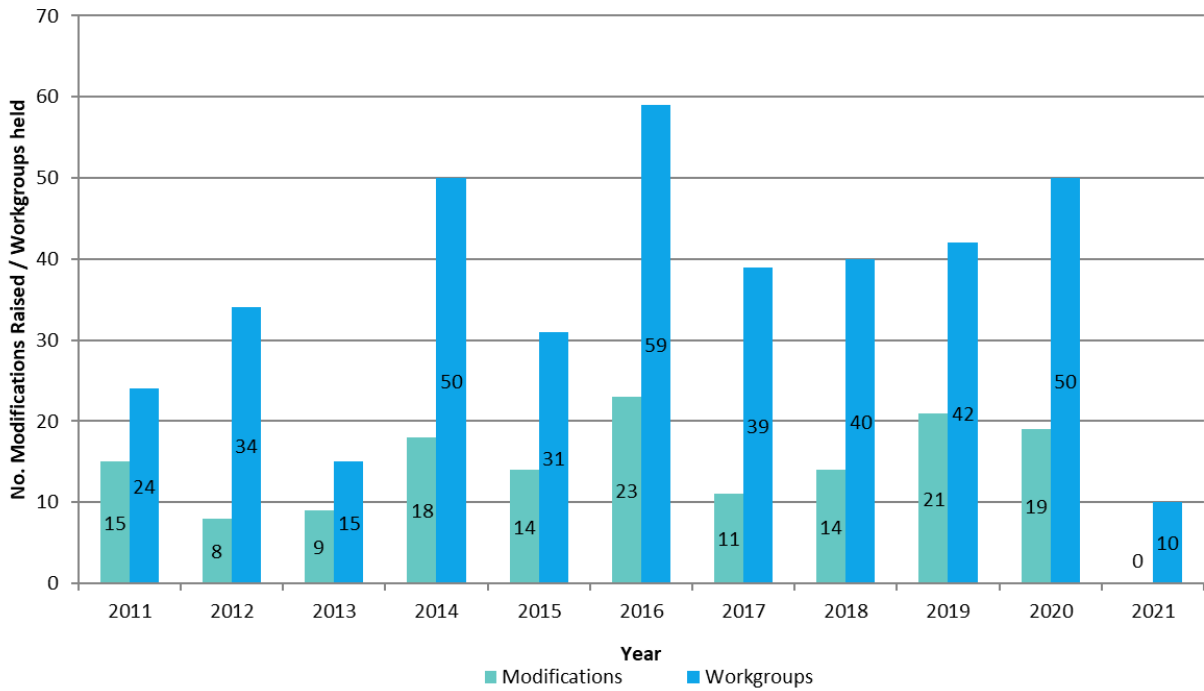
VIII. Modification Trend Chart

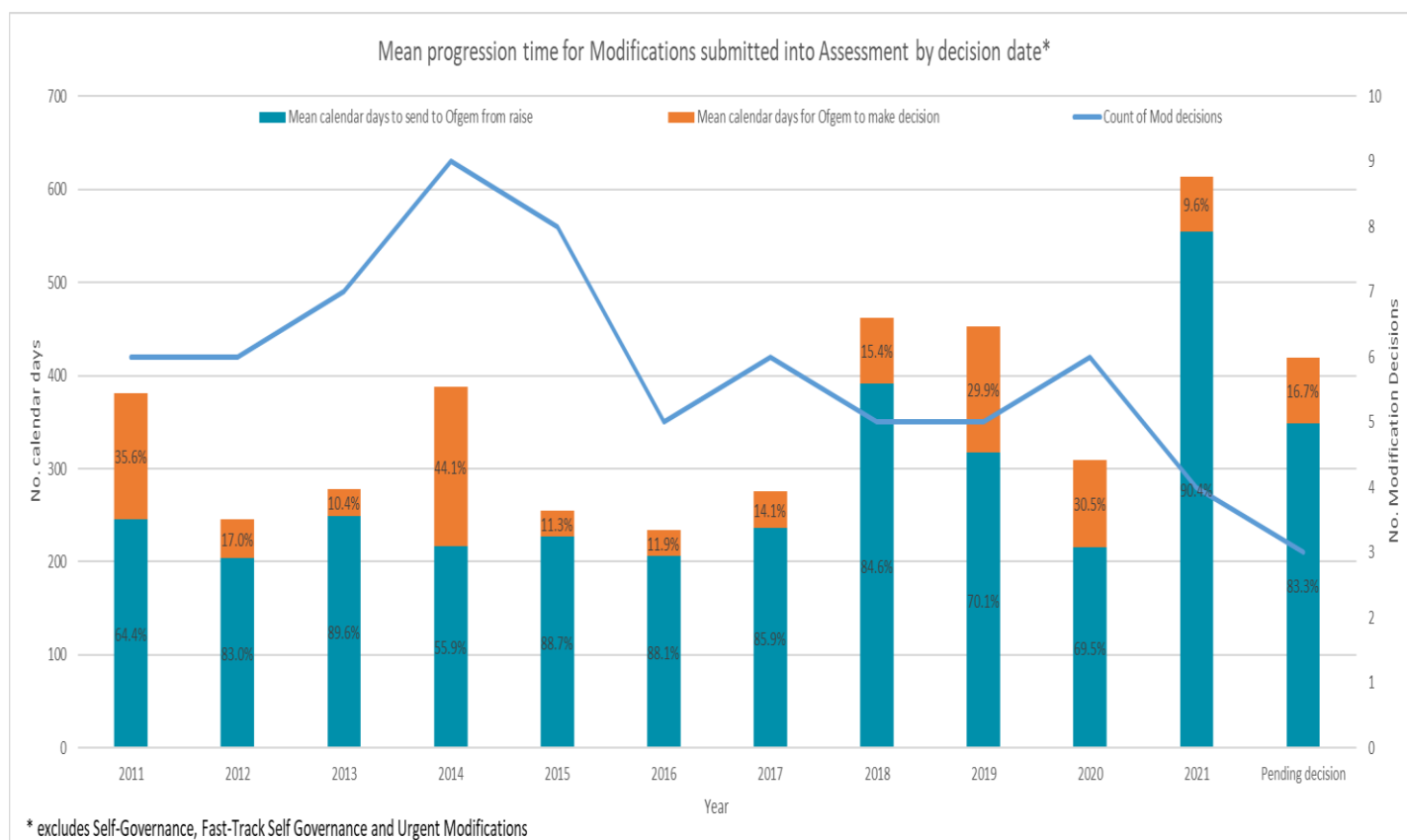


BSC Modifications and raising Party



BSC Modifications raised by year and Workgroups (excluding Issue groups) held





IX: Recommendations

We invite the Panel to:

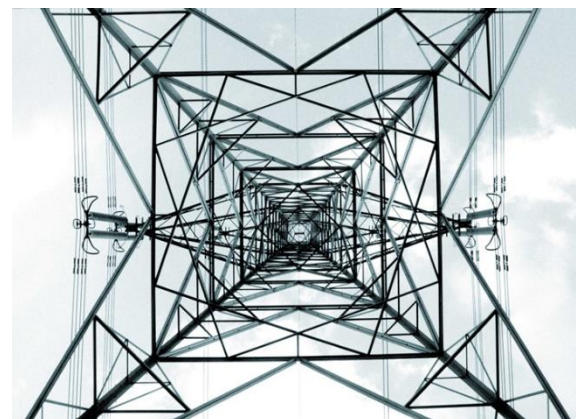
- **APPROVE** a three month extension to the P410 Assessment Procedure;
- **APPROVE** a six month extension to the P412 Assessment Procedure; and
- **NOTE** the contents of the April 2021 Change Report.

For more information, please contact:

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020 7380 4118



Appendix A

Key

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.