



# Approved Minutes

## BSC Panel 219 Minutes

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<b>Meeting Name</b>	BSC Panel		
<b>Date of Meeting</b>	12 December 2013		
<b>Meeting Number</b>	219		
<b>Venue</b>	ELEXON Ltd, 350 Euston Road, London NW1 3AW		

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<b>Attendees</b>	Michael Gibbons	MG	BSC Panel Chairman
	Alex Haffner	AH	Transmission Company Alternate
	Andy Colley	AC	Industry Panel Member
	Bob Brown	BB	Industry Panel Member
	Chris Alexander	CA	Consumer Panel Member
	David Lane	DL	DSO Representative
	Ed Reed	ER	Consumer Panel Member (Part Meeting)
	Lisa Charlesworth	LC	Ofgem Representative
	Lisa Waters	LW	Industry Panel Alternate
	Phil Baker	PB	Industry Panel Member
	Richard Brealey	RB	Independent Panel Member
	Stuart Cotten	SC	Industry Panel Member
	Adrian Ross	AR	Ofgem (Part Meeting)
	Emma Radley	ER	National Grid (Part Meeting)
	Adam Lattimore	AL	ELEXON (Part Meeting)
	Adam Richardson	AR	ELEXON
	David Barber	DB	ELEXON (Part Meeting)
	David Osborne	DO	ELEXON (Part Meeting)
	Kevin Spencer	KS	ELEXON (Part Meeting)
	Mark Bygraves	MB	ELEXON (Part Meeting)
	Nicola Dempsey	ND	ELEXON
	Oliver Xing	OX	ELEXON (Part Meeting)
	Peter Haigh	PH	ELEXON
	Simon Fox	SF	ELEXON (Part Meeting)
	Talia Addy	TA	ELEXON (Part Meeting)
	Victoria Moxham	VM	ELEXON

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<b>Apologies</b>	Barbara Vest	BV	Industry Panel Member
	Peter Bolitho	PBo	Industry Panel Member
	Ian Pashley	IP	Transmission Company Panel Member

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### Administration

#### 1. Apologies - Verbal

- 1.1 Apologies were received from Barbara Vest, Peter Bolitho and Ian Pashley. Lisa Waters was attending the meeting as Barbara and Pater's alternate, Alex Haffner was attending as Ian's alternate.

## Modification Business

### 2. Report on Progress of Modification Proposals – Verbal

- 2.1 The Modification Secretary updated the Panel on Change business and upcoming Modifications.
- 2.2 The Modification Secretary noted that Issue 53 'Reforming the Change of Supplier meter read process for smart electricity meters' had been raised by EDF Energy in response to Ofgem's open letter on Change of Supplier reforms. The first issue group was expected to take place in mid-January.
- 2.3 It was also noted that Ofgem had contacted ELEXON the previous day to discuss outstanding issues that had been flagged under Issue 46 'NHH Interoperability'. There remain some residual issues with NHH interoperability that the issue group could not resolve at this time, and there are likely to be further issues with HH interoperability in the future. However, these issues will not become clear until P272 'Mandating HH metering for PC5-8' is approved or rejected in mid-February. As a result, a paper will be presented to the March Panel outlining the outstanding concerns so that a new issue group can be formed to address interoperability issues in the market post P272.
- 2.4 For further details, please see the [Change Report](#).

### 3. P298 'Consequential amendments to the BSC Modification process following the implementation of Third Package and other miscellaneous changes' – 219/05

- 3.1 Emma Radley explained that P298 sought to align the BSC with the Transmission Licence to reflect that the Authority can raise, or direct National Grid (as the Transmission Company and Licensee) to raise, Modifications it considers necessary to comply with, or implement, Electricity Regulations and legally binding decisions of the European Commission and / or Agency for Cooperation of Energy Regulators.
- 3.2 The Panel considered how to progress P298 and the Terms of Reference for the Modification Workgroup.
- 3.3 The BSC Panel:
  - a) **AGREED** that P298 was progressed to the Assessment Procedure;
  - b) **AGREED** the proposed Assessment Procedure timetable;
  - c) **AGREED** that the P298 Workgroup should be formed of members as recommended in 219/05; and
  - d) **AGREED** the Workgroup's Terms of Reference.

3.4 Ed Reed joined the meeting.

## 4. P295 'Submission and publication of Transparency regulation data via the BMRS' Draft Modification Report' – 219/04

4.1 The Panel noted that, under the EU Transparency regulation, primary data owners were required to submit information to their Transmission System Operator, or a third party acting as data provider, for publication on a central European reporting platform. Talia Addy explained that P295 proposed that ELEXON, through the BMRA, was made the GB data provider for all data that the Transmission Company was required to submit to the Electricity Market Fundamental Information Platform, with all of this data also being published on the BMRS.

4.2 The Panel considered the Report Phase consultation responses.

4.3 Stuart Cotten felt that P295 would not facilitate Applicable BSC Objective (b) but was content that it would better facilitate Applicable BSC Objectives (c) and (e). All other Panel members agreed that P295 would better facilitate Applicable BSC Objectives (b), (c) and (e).

4.4 The BSC Panel:

a) **AGREED**, by majority that P295

- **DOES** better facilitate Applicable BSC Objective (b);
- **DOES** better facilitate Applicable BSC Objective (c); and
- **DOES** better facilitate Applicable BSC Objective (e);

b) **AGREED** a recommendation that P295 should be approved;

c) **APPROVED** an Implementation Date of

- 16 December 2014 if an Authority decision is received on or before 22 January 2014;

d) **APPROVED** the draft legal text; and

e) **APPROVED** the P295 Modification Report.

## 5. Issue 46 'Non Half Hourly Interoperability' Report – 219/06

5.1 The Panel noted the discussions, conclusions and recommendations of the Issues 46 Group. The Group had recommended that some changes might be raised by BSC Parties as a result of this Issue.

## 5.2 The BSC Panel:

- a) **NOTED** the Issue 46 Group's discussions and conclusions;
- b) **NOTED** the Group's recommendation that some changes could be raised to address NHH interoperability issues identified by the Issue 46 Group; and
- c) **NOTED** that Issue 46 was now closed.

## 6. Approval of new Code Subsidiary Document – BSCP509 Appendix 2 – 219/07

6.1 The Supplier Volume Allocation Group (SVG) recommended that the Panel approve a new Code Subsidiary Document (CSD); BSCP509 Appendix 2, and that the authority to approve subsequent change to BSCP509 Appendix 2 was delegated to the SVG.

6.2 A Panel Member queried whether the MDD entity 10 'Regression Coefficient' had been included in the proposed new BSCP509 Appendix 2.

6.3 David Barber confirmed that the entity was included in the new BSCP509 Appendix 2.

6.4 *POST MEETING NOTE:* ELEXON clarified with the Panel Member that the entity 'Regression Coefficient' was in the new BSCP509 Appendix 2, in the section covering the Entities that are updated by the Profile Administrator annually.

## 6.5 The BSC Panel:

- a) **APPROVED** BSCP509 Appendix 2 'MDD Change Request Entity Validation' as a new CSD and that it is added to the BSC Baseline Statement; and
- b) **DELEGATED** the authority to approve subsequent changes to BSCP509 Appendix 2 to the SVG.

## Non-Modification Business: Open Session

### 7. Minutes of Meeting 218 & Actions Arising - Verbal

7.1 The minutes of the previous meeting were agreed and an update on the actions provided.

### 8. Chairman's Report - Verbal

8.1 The Chair noted the recent article in Utility Week about ELEXON and commented that, in his view, the article was unfair and unbalanced. He observed that quotations characterised in the article as recent actually come from various consultations and articles that were months or years old and that ELEXON had not been invited



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to provide comment or clarification. The Chair asked Panel members to be mindful of their responsibilities if dealing with the press and reminded the Panel of the guidance that is available to members in this regard.

## 9. ELEXON Report – 219/01

- 9.1 Peter Haigh updated the Panel on ELEXON's recent activities.
- 9.2 Victoria Moxham updated the Panel on recent developments in smart metering and smarter markets.
- 9.3 Chris Rowell gave the Panel an update on the Transformation Programme and the ELEXON review of its internal and external software applications.
- 9.4 For further details, please see the [ELEXON Report](#).
- 9.5 A Panel member commented on the issues with using Java that were experienced following the November Release. ELEXON replied that BSC Parties were notified that ELEXON was performing an upgrade of Microsoft Explorer (ME) from the 2003 to the 2008 version. ELEXON had not anticipated that BSC Parties would be using unsupported versions of Java that could not interface with ME 2008. No Parties notified ELEXON that this would be an issue prior to the Release. ELEXON has reversed the change and is in discussion with affected BSC Parties, CR stated that reverting to MS 2003 was expedient but not sustainable. The intention remained to advance to MS 2008 but, pending discussions, when this would be done had not yet been fixed.
- 9.6 The Panel member acknowledged that this would always be an issue but was keen, in light of the volume of future change, to see ELEXON have a broad plan for how to communicate the changes to BSC Parties. ELEXON confirmed it had issued communications regarding the upgrade to registered change contacts and reflected that it was important for industry to participants to keep these contacts up to date.
- 9.7 Another Panel member pointed out that ultimately all ELEXON could do was communicate the changes and the BSC Parties were responsible for assessing and responding to the information.
- 9.8 A Panel member asked ELEXON to promise that the BMRS would never be password protected. ELEXON replied that it would not be possible to be that categorical. In the future there may be information that would need to be behind a password.
- 9.9 Another Panel member asked ELEXON to continue to identify costs incurred as a result of infrastructure improvements and upgrades separately from those arising from amendments made under the BSC change processes. ELEXON agreed it was important to be clear and transparent in this regard. CR repeated ELEXON's commitment to deliver the approved BMRS modifications within the agreed timescales and costs.
- 9.10 A Panel member noted that the BMRS displayed publicly available information, as that is its function and asked for clarification as to why it would ever be password protected. ELEXON replied that it is not currently the intention to password protect items in the public domain, however, if BMRS was used to make other



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company specific information available to BSC Parties, it could be necessary to password protect these areas of the BMRS.

- 9.1.1 A Panel member asked if ELEXON could do a review of how data was stored and displayed on ELEXON's various platforms, the ELEXON Portal, the BMRS and the ELEXON website. ELEXON confirmed that is being considered as part of a bigger piece of work which had been outlined to the BSCCo Board.

**ACTION 219/01**

## **10. Distribution Report - Verbal**

- 10.1 There was nothing to report.

## **11. National Grid Quarterly Report - Verbal**

- 11.1 Alex Haffner noted that the restructure that had been in progress at National Grid had taken effect on 2 December 2013 and that he was now the National Grid appointment to ISG.

## **12. Ofgem Report – Verbal**

- 12.1 Lisa Charlesworth noted that the consultation on the Electricity Balancing Significant Code Review (SCR) had closed and responses had been published on the Ofgem website. Further work and analysis was continuing in light of the consultation responses. LC Suggested that Ofgem could provide a more detailed update on the progress of the SCR in February 2014.

**ACTION 219/02**

## **13. Report from the ISG – 219/01a**

- 13.1 The Panel noted the report from the ISG.

## **14. Report from the SVG – 219/01b**

- 14.1 The Panel noted the report from the SVG.

## **15. Report from the PAB – 219/01c**

- 15.1 The Panel noted the report from the PAB.

## **16. Report from the TDC – 219/01d**

- 16.1 The Panel noted the report from the TDC and a short update was provided by the TDC Panel Sponsor. The TDC has raised concerns over the proportion of disputes that work to the benefit of the raising party, i.e. disputes appeared to be raised when there was something to gain, rather than to ensure settlement accuracy. The TDC had sought, and been provided, legal advice on whether BSC Parties had an obligation



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under the Code to raise trading disputes. The legal opinion stated that BSC Parties are not obliged to raise disputes. The TDC has now asked that the PAB investigate whether existing Performance Assurance processes could be used to encourage BSC Parties to raise disputes that deliver greater accuracy in settlement data.

## 17. Trading Operations Report – 219/02

17.1 The Panel noted the Trading Operations Report.

## 18. Change Report – 219/03

18.1 The Panel noted the Change Report.

## 19. BSCCo Business Strategy for Consultation – 219/08

19.1 ELEXON presented the Draft Business Plan to the Panel.

19.2 A Panel member reflected that there may be as much, if not more change to the BSC in 2014 given the work currently on-going under the Electricity Balancing SCR and queried if the forecast for next year's Demand Led budget should be increased. ELEXON confirmed that it would give this further consideration and take the matter into account when drafting the final version of the business plan.

19.3 The BSC Panel:

a) **APPROVED** the draft BSC Business Strategy for publication and invitation to comment.

## 20. Revised SVG Recommendations on GSP Group Correction Scaling Weights – 219/10

20.1 At the last Panel Meeting, the Panel approved the Supplier Volume Allocation Group's (SVG's) recommended revisions to Grid Supply Point (GSP) Group Correction Scaling Weights subject to confirmation that applying the Scaling Weights to Half Hourly (HH) Export would have no unintended consequences. ELEXON subsequently identified that there was a potential issue with the correction of both Non Half Hourly (NHH) and HH Export volumes and asked the SVG to make a revised recommendation to the Panel.

20.2 The SVG recommended unanimously that ELEXON raise a Standing Issue to consider changing the BSC, and that, in the interim, GSP Group Correction should not be applied to any Export Metered Volumes or losses (whether NHH or HH). The SVG also recommended that the Panel still approve the revised Scaling Weights, but that each of these Scaling Weights should be applied only to Import and not to Export

20.3 A Panel member commented that they thought the work that ELEXON had done to investigate this issue was well done and that they were happy with the recommended way forward.

20.4 The BSC Panel:

- a) **NOTED** the SVG's discussion of the issue of 'competing correction' in applying GSP Group Correction to both Import and Export Metered Volumes;
- b) **AGREED** with the SVG's unanimous recommendation that ELEXON raises a Standing Issue to consider a change to the BSC's correction of Export error;
- c) **AGREED** with the SVG's unanimous recommendation that, from 1 April 2014, GSP Group Correction should not be applied to any Export Metered Volumes or Export losses (whether NHH or HH);
- d) **AGREED** with the SVG's majority recommendation that the GSP Group Correction Scaling Weights for Import should be set to the following values;
  - o 1.0 for NHH Import Metered Volumes;
  - o 2.25 for NHH Import line losses;
  - o 0.94 for HH Import line losses; and
  - o 0.10 for HH Import Metered Volumes.
- e) **AGREED** with the SVG's majority recommendation that the Scaling Weights changes for Import should be effective from 1 April 2014; and
- f) **AGREED** with the SVG's unanimous recommendation that all the Scaling Weights should be reviewed one year after implementation and at least once every two years thereafter

## 21. Approval of BSC Panel Representative for Grid Code Review Panel (GCRP) – 219/09

21.1 The Grid Code Review Panel (GCRP) consists of various members, including a person representing the BSC Panel. All members of the GCRP are automatically retired at the beginning of each year. ELEXON invited the Panel to appoint the BSC's Panel GCRP representative for 2014.

21.2 A Panel member asked the Chair to convey the Panel's thanks to John Lucas for acting as its representative.

21.3 The BSC Panel:

- a) **RE-APPOINTED** John Lucas to be the BSC Panel's representative on the Grid Code Review Panel; and
- b) **NOTED** Roger Harris as his alternate

## 22. Trading Operations Report – Reporting by exception – 219/12

- 22.1 Following feedback from the BSC Panel, ELEXON reviewed the Trading Operations Report (TOR) process and proposed changes to the way that it reports information to improve transparency and to provide a headline report that identifies exception and key data.
- 22.1 A Panel member commented on the size of the graphs which they felt were too small to view on a paper copy. Another Panel member recognised ELEXON's view that the report was mainly viewed on computers and mobile devices and suggested that links to larger images or the detailed information could be inserted into the document.
- 22.2 A Panel member commented that he found the TOR useful and was glad that the Report would still be published on the ELEXON website. The member also requested that a link to the TOR to be included in the headline report for those who would like to review the full report.
- 22.3 Another Panel member welcomed the proposed changes and commented that, in particular, the proposal to make backing data available via the ELEXON website was a significant improvement.
- 22.4 The BSC Panel:
- a) **AGREED** to the replacement of the TOR with the TOR Headline Report in the BSC Panel tabled items from the January 2014 BSC Panel meeting; and
  - b) **AGREED** that ELEXON should progress a review of the TOR content, with a new version of the TOR to be presented at the April 2014 BSC Panel meeting.

## 23. Provision of Settlement data for validating Renewables Obligation (RO) submissions and Feed in Tariffs (FiTs) – 219/13

- 23.1 The Panel noted that ELEXON has been asked to provide data on an on-going basis to support Ofgem in its administration of its Renewables programmes.
- 23.2 The BSC Panel:
- a) **NOTED** the request for ELEXON to provide Ofgem Settlement data for validation Renewables Obligation submissions.

## 24. Update on Electricity Market Reform – 219/14

- 24.1 ELEXON updated the Panel on ELEXON's appointment as the Settlement Agent for both Contracts for Difference (CfDs) and for the Capacity Market (CM).



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- 24.2 A Panel member asked ELEXON how Parties will access the Settlement systems. ELEXON replied that it is currently consulting the users on how they would like to access this information as a system is developed then that will be reported to the Panel.
- 24.3 A Panel member asked if ELEXON was formally responding to DECC consultations. They were concerned that DECC seems to be placing obligations on ELEXON and is not sure that this is appropriate. ELEXON replied that it is responding to the consultations, particularly in areas relating to operations.
- 24.4 The BSC Panel:
- a) **NOTED** the update.

## 25. Any Other Business

- 25.1 There was no other business in the Open Session.

## Non-Modification Business: Closed Session

### 26. Update on Electricity Market Reform – Attachment A - 219/14a

- 26.1 There were no questions in the closed session.
- 26.2 The BSC Panel:
- a) **NOTED** the update.

### 27. Arrangements for Recording and Broadcasting BSC Panel Meetings – 219/11

- 27.1 The Panel was invited to agree the policies and notifications required to implement the arrangements for recording and broadcasting BSC Panel Meetings.
- 27.2 The BSC Panel:
- a) **APPROVED** the policy provisions relating to the recording of Panel meetings noted in paper 219/11;
  - b) **APPROVED** the notifications regarding the recording of Panel meetings as set out in paper 219/11;
  - c) **NOTED** that ELEXON would implement the arrangements for recording Panel meetings at the BSC Panel meeting in February 2014;
  - d) **APPROVED** the policy provisions relating to the broadcasting of BSC Panel meetings via webinar as noted in paper 219/11;



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- e) **APPROVED** the notifications regarding the broadcasting of BSC Panel meeting via webinar as set out in paper 219/11; and
- f) **APPROVED** that ELEXON will implement the arrangement for broadcasting BSC Panel meetings via webinar for a trial period of 3 months from the BSC Panel meeting in May 2014.