

BSC PANEL STRATEGIC WORK PROGRAMME - UPDATE

MEETING NAME	BSC Panel
Date of meeting	14 May 2015
Paper number	239/13
Owner/author	Adam Richardson
Purpose of paper	For Information
Classification	Public
Summary	This paper invites the BSC Panel to approve amendments to the Strategic Work Programme that have been proposed following the six-month review undertaken by Panel Committee Chairs and Panel Sponsors.

1. Development of the BSC Panel Strategy for 2015/16

- 1.1 The BSC Panel approved the publication of a [BSC Panel Strategy](#) at its meeting on 13 November 2014. This Strategy incorporates a [Strategic Work Programme](#) of activities designed to address a number of strategic priorities. Both the Strategy and Work Programme feed directly into the development of the annual BSCCo business plan and inform the work of the Panel, its Committees and ELEXON going forward.

2. Review of the BSC Panel Strategic Work Programme

- 2.1 The Strategic Work Programme is owned by the BSC Panel. It is maintained by the BSC Panel Secretary and is updated on a quarterly basis following review by Panel Committee Chairs and Panel Sponsors.
- 2.2 At its February meeting, the Panel noted the updates agreed by Panel Committee Chairs and Panel Sponsors in their first quarterly review meeting (held in January 2015).
- 2.3 This paper sets out the updates that are proposed by Panel Committee Chairs and Panel Sponsors following their six-month review held in April 2015.
- 2.4 The BSC Panel Strategy requires that the Panel approves the Strategic Work Programme at its six-month review. Subject to BSC Panel approval, the attached document, incorporating any amendments as so directed by the Panel, will be incremented to version 4.0 and published on the ELEXON website.
- 2.5 The Strategic Work Programme will next be reviewed at the end of August 2015 and presented to the BSC Panel for information.

3. Recommendations

- 3.1 We invite you to:
- APPROVE** the amendments to the Strategic Work Programme; and
 - NOTE** that the revised Strategic Work Programme will be published on the ELEXON website following the May Panel meeting.

Appendices

Appendix 1 – Summary of Key Changes to the Strategic Work Programme

Attachments

Attachment A – BSC Panel Strategic Work Programme v3.4

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Appendix 1 - Summary of Key Changes to the Strategic Work Programme

Review Process

BSC Panel Sponsors and Panel Committee Chairs met on 27 April 2015 to discuss potential amendments to the BSC Panel's Strategic Work Programme.

The following members were in attendance:

- Adam Richardson – BSC Panel Secretary
- Andy Colley – BSC Panel Member and PAB and PSRG Sponsor
- Bob Brown – BSC Panel Member and SVG Sponsor
- Stuart Cotten – BSC Panel Member and TDC Sponsor
- Douglas Alexander – PAB Chair
- Justin Andrews – PSRG Chair
- Kathryn Coffin – SVG Chair
- Keith Champion – TDC Chair
- Nick Rubin – ISG Chair
- Victoria Moxham – ELEXON

Apologies were received from:

- Barbara Vest – BSC Panel Member and ISG Sponsor

Approval

Subsequent to the meeting on 27 April 2015 the revised Strategic Work Plan was circulated for final review and approval by the Committee Chairs and Panel Sponsors via correspondence between 28 April 2015 and 6 May 2015.

Amendments

The group agreed the following changes:

GENERAL AMENDMENTS

Panel Sponsors agreed that the Work Programme be rolled forward such that quarters two and three of 2014/15 were removed and quarters two and three of 2017/18 were added.

PRIORITY 1: CORE SERVICES

Panel Sponsors noted and agreed the following amendments to the Strategic Work Programme:

What	Changes	Other Implications
NEW: Amend (Dispute) Forms (extracted from DA618 work)	Planned for implementation in November 2015. Removed DA618 review work from description in Work Stream Overview and added new description consolidated with MVRN Changes.	None

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What	Changes	Other Implications
EXTENDED: MVRN Changes (extracted from DA618 work)	Now planned for implementation in November 2015 Removed DA618 review work from description in Work Stream Overview and added new description consolidated with Disputes Improvements.	None
EXTENDED: Website Improvements	Improved search functionality on track for delivery in summer. Extended end date to reflect development work to be undertaken under new contract and desire to engage with customers.	None

In agreeing the above amendments the Panel Sponsors considered, in particular:

- a) **BSC Modification Process Review:** Panel Sponsors considered whether this work should be deferred in light of the CMA review of change processes. It was agreed that it was important for work to continue on the BSC Modification Process Review as planned.
- b) **Amend (Dispute) Forms (CP1438):** Panel sponsors sought confirmation whether this change could be implemented sooner than November 2015.

Following the meeting, ELEXON reviewed the status of CP1438 and concluded that it is not possible to implement this CP as part of the June 2015 release as it will not be considered for approval until July (due to the consultation schedule). November 2015 is the next available release. After considering the potential for a stand-alone release it is advised that, since the CP is making clarification changes only and, given the volume of change in progress, this CP would be best placed in the November 2015 release. There is a desire to avoid 'standalone' releases unless absolutely necessary since the industry is already aware of the scheduled release dates and having changes be made on these dates makes dealing with implementations more manageable for industry participants.

PRIORITY 2: ADDRESSING KNOWN SETTLEMENT ISSUES

Panel Sponsors noted and agreed the following amendments to the Strategic Work Programme:

What	Changes	Other Implications
NEW: Reviews for Credit Mods (P306 and P307/310)	Post-implementation review work to be undertaken by ISG in line with Panel actions. Panel Sponsors also requested that subsequent reviews be scheduled for 1 year hence to review the take up and impact of these Modifications Updated timetable and description in Work Stream Overview updated	None
NO CHANGES ARISING: Review Energisation	Slight extension from March 2015 end date as guidance published in April but work now concluded as per last quarter's update. Updated Timetable.	None

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What	Changes	Other Implications
REMOVED: BMU Configuration Work	Last quarter it was agreed this work had been concluded and no further activity be undertaken. As Q2 14/15 and Q3 14/15 removed from the work programme this work stream falls off the plan and so the entry in the Work Stream Overview has been removed.	None
EXTENDED: LLF Process Changes	Implementation is now anticipated to be June 2016 (rather than February 2016) based on a CP being raised by June 2015. Timetable Updated	None

The Panel may wish to consider a further amendment to the Work Programme in light of deliberations at its meeting in May 2015 regarding the assessment of Modification P308 (which proposes to introduce an alternative method for securing credit under the BSC).

PRIORITY 3: EFFICIENT WORK PRACTICES

Panel Sponsors noted and agreed the following amendments to the Strategic Work Programme:

What	Changes	Other Implications
EXTENDED: Review of Panel Governance	Extended Review Period by 3 months to reflect prioritisation of other work by the Panel. Updated Timetable	None.
EXTENDED: Quantifying Error by Party Agent	Extended to run throughout 2015/16 to align with DTN data work due to synergies between two work streams.	None.

PRIORITY 4: ADDRESSING EVOLVING SETTLEMENT RISKS

Panel Sponsors noted and agreed the following amendments to the Strategic Work Programme:

What	Changes	Other Implications
NEW: Issue 60 - EMR Requirements	It has been suggested at the PAB and the SVG that there may be issues arising with how EMR requirements are captured in BSC documentation and how such requirements might impact the BSC when they are amended. These concerns will be explored via an Issue Group and changes may arise as a result. Updated timetable and description in Work Stream Overview.	The findings of the group should be fed into the review of the BSC document architecture.

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What	Changes	Other Implications
SHORTENED WORK STREAM: Focus on Controls Frameworks in the BSC Audit	<p>Updated Q4 highlights to confirm that:</p> <p>“The PAB decided at its Jan 2015 meeting not to progress with moving towards a Controls Framework. The PAB accepted that it may be a good idea but was not convinced that amending the approach would bring substantive additional value to the BSC Audit and, given the amount of industry change, did not support the proposal at this time”</p> <p>Shortened work-stream to show end date in Q1 2015/16 as work concluded and will not be taken forward.</p>	None
NEW: FiT Exports	<p>A review of the impacts on Settlement of increasing export spill volumes associated with Feed in Tariffs and how best to accommodate these in the balancing and settlement arrangements going forward.</p> <p>Updated timetable and description in Work Stream Overview.</p>	None

In agreeing the above amendments the Panel Sponsors considered, in particular:

- a) **EMR Impacts and the PAF:** It was noted that at the last quarterly review Panel Sponsors had agreed that periodic reviews of Smart impacts be undertaken. It has also been concluded that no further work on EMR impacts was required. However, subsequently, Panel Sponsors noted discussions at the SVG and PAB and requested that, subject to it being raised, a proposed Issue be recorded on the Panel Plan. It was further noted that changes may arise from the Issue and that the considerations of the Issue Group should be fed into the review of BSC document architecture.
- b) **Focus on Controls Frameworks in the BSC Audit:** The PAB decided at its Jan 2015 meeting not to progress with moving towards a Controls Framework. The PAB accepted that it may be a good idea but was not convinced that amending the approach would bring substantive additional value to the BSC Audit and, given the amount of industry change, did not support the proposal at this time. Panel Sponsors agreed that this work should not be taken forward following the PAB’s consideration of the matter.
- c) **FiT Exports:** It was noted that there may be value in reviewing the impacts on Settlement of increasing export spill volumes associated with Feed in Tariffs and how best to accommodate these in the balancing and settlement arrangements going forward. Panel Sponsors requested that this review be undertaken by the PSRG and that its Terms of Reference be reviewed so as to operate as a Panel Committee.

PRIORITY 5: DRIVERS FOR CHANGE

Panel Sponsors noted and agreed the following amendments to the Strategic Work Programme:

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What	Changes	Other Implications
REMOVED: EBSCR Modifications	<p>P316 Rejected and so removed from plan.</p> <p>Timetable Updated</p> <p>Referenced in Q3 Highlights</p> <p>Description in Work Stream Overview updated</p>	None
NEW: Monitoring P305 Impacts and Review of Benefits or Issues Arising	<p>ISG to monitor the impacts of P305 post implementation. ELEXON to provide insight into its effects using the Trading Operations Report and report on any issues arising. Also, ELEXON to work with Ofgem and National Grid to establish and then support a wider review of the benefits and issues arising from the implementation of P305.</p> <p>Timetable updated (also included reduction in PAR as a milestone driven by P305)</p> <p>Description in Work Stream Overview updated.</p>	May inform potential need for fine-tuning ahead of 2018 date for P305-driven reduction in PAR.
EXTENDED: P272	<p>Added new implementation milestone of April 2017 to reflect potential deferral / Ofgem's quoted back-stop date as per the response to the Panel's request to defer.</p>	None – consequential changes continuing to be progressed according to original timetable as per Panel determinations.
NEW: Modification P322	<p>New Modification raised to reflect Ofgem's suggested approach set out in its response to the Panel's request to defer Modification P272.</p> <p>Timetable updated and P272 Work Stream Overview updated.</p>	The nature of the Modification arising and the timing may impact P272 consequential changes and the way eventual P272 implementation date.
REVISED INDUSTRY MILESTONE: DCC Go-Live	<p>Updated as per results of Consultation.</p> <p>Timetable Updated</p>	Revised estimated Centralised Registration / Data Collection to 2019. (Brought forward slightly from 2020)
UPDATED: SMART Data Quality and Change of Supplier	<p>Added Address Review Group onto plan with potential changes arising and implementation.</p> <p>Timetable updated and minor changes to Work Stream Overview.</p>	None
UPDATED: Change of Supplier	<p>Added Change of Supplier SCR and potential for resulting Modification(s).</p> <p>Timetable updated and minor changes to Work Stream Overview.</p>	None

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What	Changes	Other Implications
MINOR AMENDMENTS: Smarter Markets	Minor changes to Work Stream Overviews to reflect latest position on Electricity Settlement Reform and Demand Side Flexibility.	None
NEW: Project TERRE Preparations	Signalled likely need for a Modification and implementation of system changes required for Project TERRE. Timetable updated	None.

In agreeing the above amendments the Panel Sponsors considered, in particular:

- a) **Monitoring P305 Impacts and Review of Benefits or Issues Arising:** Panel Sponsors requested that additional monitoring be put in place and that ELEXON report impacts and issues to the ISG. It was also suggested that ELEXON lead on a establishing a post-implementation review (with Ofgem and National Grid) of the impacts and benefits of Modification P305.

PRIORITY 6: OTHER CONSIDERATIONS

Panel Sponsors noted and agreed the following amendments to the Strategic Work Programme:

What	Changes	Other Implications
EXTENDED: BSCCo Governance Review	Extended to reflect on-going discussions.	None