

# HEADLINE REPORT

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<b>MEETING NAME</b>	ELEXON BOARD MEETING
<b>Meeting number</b>	EB168
<b>Date of meeting</b>	30 September 2015
<b>Purpose of paper</b>	This report sets out the headlines and key decisions of the most recent meeting of the ELEXON Board.
<b>Classification</b>	Public

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## 1. APPOINTMENT OF NON-EXECUTIVE DIRECTOR

1.1 The Board approved the appointment of Clare Duffy to the ELEXON Board as an industry non-executive director subject to completion of the consultation with the Panel Advisor.

## 2. CHIEF EXECUTIVE'S REPORT

2.1 This paper presented an overview of the activities of, and developments within, ELEXON for the period from 21 August 2015 to 25 September 2015.

2.2 The paper included updates on:

- BSC operational matters (trading disputes activities, performance assurance activities, Technical Assurance, Metering Assurance, the system price analysis report, P269 lessons learnt, implementation of P272, Executive Engagement with customers, Off the Shelf Supplier Agents and an update on modifications);
- Strategy and Delivery matters (including the status of all current projects – BPR, BMRS, AS-IS Plus, BSC Systems Approach, Engage Server Upgrade, November 2015 Release, P272 Release and the Web Services Procurement);
- Market Design (including updates on settlement reform, demand side flexibility, change of supplier, data quality, smart metering, smart grids and the CMA investigation);
- European developments that may have an impact on ELEXON and the BSC
- The paper also included the latest company monitoring report which summarised ELEXON's KPI performance for August 2015.

## 3. BOARD EVALUATION FEEDBACK

3.1 The independent board evaluator from Boardelta presented feedback to the Board following an evaluation of the Board's effectiveness. Key findings included holding a Board away day to consider the findings of the evaluation in more detail and to focus on key challenges for the forthcoming year, enhance the efficiency of board papers and presentations, introduce an electronic system for board papers and administration and reduce the number of board meetings to allow greater focus on strategic issues.

3.2 The Board noted the presentation and agreed to hold an away day to consider the recommendations. More details of the board evaluation will be included in ELEXON's Annual Report.

## 4. STRATEGY FOLLOW UP SESSION

4.1 This paper considered how current company activities align with key themes emerging from the Board strategy day. The paper proposed strategic actions and next steps for Board approval to address these themes and support the development of ELEXON's strategy for 2016 and beyond.

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4.2 The Board approved the strategic direction of the company.

## 5. FINANCE REPORT

5.1 This paper informed the Board of the financial position of ELEXON for August 2015 including the main variances in the current month as well as identifying the full year outturn against budget.

## 6. MARKET ENTRY – OFF THE SHELF SUPPLIERS

6.1 The Board received a presentation on the increasing number of suppliers entering the market as 'off-the-shelf' suppliers.

6.2 The Board:

- Noted that this model allowed a quicker and cheaper method for new market entrants so was having a positive effect in encouraging new entrants
- Noted that there were some risks about the robustness of the off-the-shelf suppliers who may lack market understanding and resilience; and
- Welcomed the Panel's approach to reviewing market entry arrangements

## 7. EMR UPDATE

7.1 This paper updated the Board on ELEXON's appointment as the Settlement Services Provider for both Contracts for Difference (CfD) and Capacity Market (CM) and in particular, the progress with the implementation of the systems and processes that are necessary to enable EMRS to meet its contractual obligations. An update was also provided to the Panel at its meeting on 8 October 2015.

## 8. CUSTOMER SURVEY

8.1 The responses to this year's BSCCo customer survey were presented to the Board.

8.2 The Board recorded its thanks to the Executive team for a very good set of results and noted that the results would be shared with the Panel and published on the ELEXON website.

## 9. EUROPEAN UPDATE

9.1 The Board received an update on European matters particularly focusing on the European Electricity Balancing Network Code and the way in which ELEXON's role is reflected under the Balancing Network Code.

9.2 The Board noted the update.

## 10. AOB

10.1 There being no further business the meeting was closed.