

# CP Assessment Report

## CP1494 'Introduction of an objection window for Housekeeping Change Proposals'

**ELEXON**



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### Committee

Imbalance Settlement Group  
Supplier Volume Allocation Group

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### Recommendation

Approve

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### Implementation Date

22 February 2018



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### About This Document

This document is the Change Proposal (CP) Assessment Report for CP1494 which ELEXON will present to the Supplier Volume Allocation Group (SVG) and Imbalance Settlement Group (ISG) at their meetings on 5 December and 11 December 2017 respectively. The ISG and SVG will consider the proposed solution and the responses received to the CP Consultation before making a decision on whether to approve CP1494.

There are three parts to this document:

- This is the main document. It provides details of the solution, impacts, costs, and proposed implementation approach. It also summarises the ISG's and SVG's initial views on the proposed changes and the views of respondents to the CP Consultation.
- Attachment A contains the proposed redlined changes to deliver the CP1494 solution.
- Attachment B contains the full responses received to the CP Consultation.

# 1 Why Change?

## Background

### The evolution of the current rules for 'housekeeping' changes

In 2005, [CP1073 'Introduction of a Housekeeping Process into BSCP40'](#) first introduced the concepts of Housekeeping CPs and Housekeeping Changes into [Balancing and Settlement Code Procedure \(BSCP\) 40 'Change Management'](#). It argued that, for efficiency, CPs containing only 'housekeeping' changes (such as correcting typographical errors) should not be subject to the full CP process. It therefore introduced the rules that:

- Housekeeping CPs do not undergo industry Impact Assessment before they are approved; and
- the relevant Panel Committee<sup>1</sup> decides whether a CP should be progressed as a Housekeeping CP.

In 2007, [CP1170 'Improving the BSC Change Process'](#) (which made other, wider changes to the CP process in BSCP40) removed the original CP1073 requirement that Housekeeping CP redlining should undergo industry review after approval of the Housekeeping CP. It did not otherwise change the CP1073 definitions of a Housekeeping CP or a Housekeeping Change, which are today defined in BSCP40 as follows:

- 'Housekeeping' CP – a Change Proposal which, if approved, would result in a Housekeeping Change to one or more Configurable Items in the Baseline Statement<sup>2</sup>. Housekeeping CPs will be published on the BSC Website and require Committee approval.
- 'Housekeeping' Change – involves the correction of manifest errors, minor errors and inconsistencies, including typographical errors (e.g. punctuation errors, spelling mistakes, incorrect font, incorrect capitalisation) incorrect cross-referencing, and the removal of redundant text.

In 2013, Balancing and Settlement Code (BSC) Modification [P296 'Introduction of a 'Fast Track' Modification Process following the outcomes of the Code Governance Review \(Phase 2\)'](#) introduced changes to the process for 'housekeeping' Modification Proposals.

Before P296, any minor 'housekeeping' changes to the BSC had to follow the same progression rules as any other Modification Proposal. P296 introduced the ability for the Panel to approve 'housekeeping' changes to the BSC, without industry consultation, through a Fast Track Self-Governance Modification Proposal.<sup>3</sup>

<sup>1</sup> The relevant Panel Committee will decide whether a CP should be progressed as a Housekeeping CP'.

<sup>2</sup> The Baseline Statement lists each Configurable Items under BSCP40 change management along with its responsible Committee(s).

<sup>3</sup> Defined in [Annex X-1](#) of the BSC as a Modification Proposal which:

- meets the BSC's Self-Governance Criteria;
- rectifies manifest errors or corrects minor inconsistencies in, or makes other minor consequential changes to, the BSC; and
- is required to correct an error in the BSC or as a result of a factual change, including but not limited to:
  - updating names or addresses;
  - correcting minor typographical errors;
  - correcting formatting and consistency errors, such as paragraph numbering; or
  - updating out of date references to other documents or paragraphs.

P296 also introduced a 15 Working Day (WD) objection window for Fast Track Self-Governance Modification Proposals, starting from the date that ELEXON notifies Parties of the Panel's approval. During this window, Parties can object to the Panel's approval on the basis that the Modification Proposal does not satisfy the Fast Track Self-Governance Criteria. Where an objection is received, the Panel must then put the Modification Proposal through the normal progression process including an industry consultation. Because of the objection process, P296 specified that the proposed Implementation Date for a Fast Track Self-Governance Modification Proposal must not be earlier than 16 WDs after the date that ELEXON provides notification of the Panel's approval.

The rules for Fast Track Self-Governance Modification Proposals are set out in [BSC Section F paragraph 7](#).

## What is the issue?

Currently, Parties have the ability to object to Modification 'housekeeping' changes only and not Housekeeping CPs. This creates inconsistent governance principles between the Modification and CP processes. ELEXON is seeking to introduce an equivalent 15 WD objection window into the Housekeeping CP process in BSCP40.

ELEXON still believes that an industry consultation is not needed for Housekeeping CPs. However, we are seeking to introduce an objection window into the process.

### Proposed solution

[CP1494 'Introduction of an objection window for Housekeeping Change Proposals'](#) was raised by ELEXON on 13 September 2017.

We propose to amend BSCP40 (sections 3.4 and 3.5) to introduce a 15 WD objection window for Housekeeping CPs. Our proposed objection process is broadly in line with the Fast Track Self-Governance Modification Proposals process. In particular:

- The objection window will be 15 WDs from the date that ELEXON notifies participants of the relevant Panel Committee's approval of the Housekeeping CP;
- BSC Change Administrators (BCAs) and Party Agent Change Administrators (PACAs) may only object to a Housekeeping CP on the basis that it does not satisfy BSCP40's definition of a Housekeeping Change. PACAs do not have the power to raise a change however, as they are included in the Impact Assessment we believe they should have the power to object;
- Because of the objection window, the Implementation Date for a Housekeeping CP shall not be earlier than 16 WDs after the date that ELEXON notifies participants of the Panel Committee's decision;
- If no objections are received, the Housekeeping CP will be implemented as planned; and
- If an objection is received, ELEXON will progress the CP through the normal non-Housekeeping process – going through the CP Consultation and then Panel Committee decision processes as a non-Housekeeping CP.

Attachment A contains the proposed redlined changes to BSCP40.

All three respondents to the CP Consultation agreed with the proposed solution.

### Proposer's rationale

We believe that it is 'good governance' to include such an objection window under the Housekeeping process for CPs as it ensures the industry has the opportunity to challenge whether changes should be classed as Housekeeping; something at present they cannot do.

We also believe that it is pragmatic to better align the CP and Modification processes for Housekeeping/Fast Track Self-Governance changes. This ensures consistency within our change processes as well as the governance of these processes.

### Proposed redlining

Attachment B contains the proposed changes to BSCP40 to deliver CP1494.

The attached redlining has been done against BSCP40 version 15.0.

All three respondents to the CP Consultation agreed with the redlined text, although one provided some questions. You can find our response to these in Section 6. No actual changes have been made to the redlining.

## 3 Impacts and Costs

### Central impacts and costs

#### Central impacts

Central Impacts	
Document Impacts	System Impacts
<ul style="list-style-type: none"><li>BSCP40</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>

#### Central costs

The implementation costs for CP1494 are approximately £240 (one ELEXON WD of effort) to make the required document changes.

### BSC Party & Party Agent impacts and costs

#### Participant impacts

We did not anticipate any direct impacts on BSC Parties or Party Agents and sought confirmation of this in the consultation.

One respondent who is a Supplier Agent indicated there will be a small impact on their procedures. The other two respondents said there would be no impact. One did note that this CP provides protection to all companies in the event that a company believes a proposal is not housekeeping and should be assessed by the industry.

All three respondents noted that they would not incur a cost from this change.

## 4 Implementation Approach

### Recommended Implementation Date

ELEXON has proposed that the solution to CP1494 be delivered on **22 February 2018** as part of the February 2018 BSC Release. This is the next available Release that can include this CP.

All three respondents to the CP Consultation agreed with the proposed implementation approach for CP1494. One respondent noted that this CP is a document only change which should be implemented as soon as practically possible.

### ISG's initial views

The ISG considered CP1494 at its meeting on 25 September 2017 ([ISG198/09](#)).

One member asked whether the Housekeeping CP process could be accelerated by adopting the approach taken under the [Master Registration Agreement \(MRA\)](#) change process. He believed the MRA process put the onus on parties to proactively respond and that this might be a better way than the objection window proposed under CP1494. The member was concerned that Parties may not review Housekeeping CPs.

An ISG Member commented that under the MRA, the MRA Development Board (MDB) decides how long to issue impact assessments for MRA changes. Typically MRA Housekeeping Changes will be issued for a 10 WD impact assessment. At the following MBD meeting the committee then decides whether to approve or reject the change, taking account of the consultation responses.

ELEXON commented that it supported aligning processes across Codes where appropriate. However, the purpose of this CP is to align the Housekeeping CP process with the existing Fast Track Self-Governance (housekeeping) Modification Proposal process and to introduce the opportunity for Parties to object to a CP being treated as Housekeeping (something they can only currently do for 'housekeeping' Modifications, not Housekeeping CPs).

ELEXON commented that the BSC approach to Housekeeping had deliberately been designed to reduce the effort required from participants, by not requiring a consultation. ELEXON believed that the Housekeeping CP timescales proposed by CP1494 were no longer (and, where no Party raises an objection, were quicker) than the MRA approach. ELEXON also noted that BSCP40 also allows non-Housekeeping CPs to be expedited where justified. The ISG agreed to keep the redlining as drafted.

The ISG did not provide any further comments or additional questions to include in the consultation.

### SVG's initial views

The SVG considered CP1494 at its meeting on 3 October 2017 ([SVG200/06](#)).

One SVG member asked what had prompted this CP being raised. ELEXON noted that this CP had been raised in order to align the CP process with the Modification process, as Parties have the ability to object to Modification 'housekeeping' changes only and not Housekeeping CPs. ELEXON believes it is pragmatic to align the CP and Modification processes as it ensures consistency within our change processes as well as the governance of these processes.

The SVG did not provide any further comments or additional questions to include in the consultation.

## 6 Industry Views

This section summarises the responses received to the CP Consultation. You can find the full responses in Attachment B.

Summary of CP1494 Consultation Responses				
Question	Yes	No	Neutral/ No Comment	Other
Do you agree with the CP1494 proposed solution?	3	0	0	0
Do you agree that the draft redlining delivers the intent of CP1494?	3	0	0	0
Will CP1494 impact your organisation?	1	2	0	0
Will your organisation incur any costs in implementing CP1494?	0	3	0	0
Do you agree with the proposed implementation approach for CP1494?	3	0	0	0
Do you have any further comments on CP1494?	1	2	0	0

### Comments on the CP

All three respondents to the CP Consultation agreed with the proposed changes for CP1494. One respondent commented that the CP is a sensible proposal to improve existing governance baseline for housekeeping changes, while a second noted this CP maintains consistency between the Modification and CP process, simplifying procedures.

### Comments on the proposed redlining

Comments on the CP1494 Proposed Redlining		
Document & Location	Comment	ELEXON's Response
3.5.9-3.5.11	Are all objections automatically upheld? This doesn't seem to allow for ELEXON (or appropriate committee) to reject an objection and insist on it being housekeeping. 3.5.8 states they have to put justification in the objection, so I assume that justification will be adjudicated somehow? What happens if objection not upheld? Can it be withdrawn / rejected?	<p>Yes, objections are automatically upheld. The objection doesn't mean that the CP's rejected, only that it must progress through the normal industry consultation process before coming back to the relevant Panel Committee(s) for a fresh decision as a non-Housekeeping CP.</p> <p>The redlining only allows BCAs or PACAs to raise an objection where they believe that the CP doesn't meet the definition of a Housekeeping Change – e.g. because they believe it has an impact on one or more Parties or Party Agents and should therefore be subject to industry</p>

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## Comments on the CP1494 Proposed Redlining

Document & Location	Comment	ELEXON's Response
		<p>consultation.</p> <p>The relevant Panel Committee(s) will take account of any impacts/comments subsequently raised by BCAs/PACAs in the consultation, and can then approve or reject the CP as a non-Housekeeping CP under the normal process.</p> <p>Because Housekeeping Changes should be minor and self-evident, it's unlikely that the objections process will be used frequently. However, it gives a safeguard in case ELEXON or the Panel Committee(s) ever miss an impact.</p> <p>All of this is consistent with the existing objections process for Fast Track Self-Governance Modification Proposals.</p>

## 7 Recommendations

We invite you to:

- **APPROVE** the proposed changes to BSCP40 for CP1494;
- **APPROVE** CP1494 for implementation on 22 February 2018 as part of the February 2018 Release; and
- **NOTE** that CP1494 was presented to the SVG on 5 December 2017 for decision.

## Appendix 1: Glossary & References

### Acronyms

Acronyms used in this document are listed in the table below.

Acronyms	
Acronym	Definition
BCAs	BSC Change Administrators
BSC	Balancing and Settlement Code
BSCP	Balancing and Settlement Code Procedure
CP	Change Proposal
CPC	Change Proposal Circular
ISG	Imbalance Settlement Group ( <i>Panel Committee</i> )
MRA	Master Registration Agreement
MDB	MRA Development Board
PACA	Party Agent Change Administrators
SVG	Supplier Volume Allocation Group ( <i>Panel Committee</i> )
WD	Working Day

### External links

A summary of all hyperlinks used in this document are listed in the table below.

All external documents and URL links listed are correct as of the date of this document.

External Links		
Page(s)	Description	URL
2	BSCPs page on the ELEXON website	<a href="https://www.elexon.co.uk/bsc-related-documents/related-documents/bscps/?show=all">https://www.elexon.co.uk/bsc-related-documents/related-documents/bscps/?show=all</a>
2	CP1073 page on the ELEXON website	<a href="https://www.elexon.co.uk/change-proposal/cp1073-introduction-of-a-housekeeping-process-into-bscp40/">https://www.elexon.co.uk/change-proposal/cp1073-introduction-of-a-housekeeping-process-into-bscp40/</a>
2	CP1107 page on the ELEXON website	<a href="https://www.elexon.co.uk/change-proposal/cp1107-timescale-change-to-the-100kw-notification-from-nhhdc/">https://www.elexon.co.uk/change-proposal/cp1107-timescale-change-to-the-100kw-notification-from-nhhdc/</a>
2	P296 page on the ELEXON website	<a href="https://www.elexon.co.uk/mod-proposal/p296/">https://www.elexon.co.uk/mod-proposal/p296/</a>
2	BSC Sections page on the ELEXON website	<a href="https://www.elexon.co.uk/bsc-related-documents/balancing-settlement-code/bsc-sections/">https://www.elexon.co.uk/bsc-related-documents/balancing-settlement-code/bsc-sections/</a>
8	ISG198 page on the ELEXON website	<a href="https://www.elexon.co.uk/meeting/isg-198/">https://www.elexon.co.uk/meeting/isg-198/</a>

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## External Links

Page(s)	Description	URL
8	MRA page on the MRASCo website	<a href="https://www.mrasco.com/mra-products/master-registration-agreement">https://www.mrasco.com/mra-products/master-registration-agreement</a>
8	SVG200 page on the ELEXON website	<a href="https://www.elexon.co.uk/meeting/svg-200/">https://www.elexon.co.uk/meeting/svg-200/</a>

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