

HEADLINE REPORT

MEETING NAME ELEXON BOARD MEETING

Meeting number EB181

Date of meeting 30 November 2016

Purpose of paper This report sets out the headlines and key decisions of the most recent meeting of the ELEXON Board.

Classification Public

1. CHIEF EXECUTIVE'S REPORT

1.1 This paper presented an overview of the activities of, and developments within, ELEXON for the period from 21 October 2016 to 18 November 2016.

1.2 The paper included updates on:

- BSC operational matters (including updates the support being provided to Parties in Credit Default, an update on increasing Credit Assessment Prices, high system prices, P325, Market Entry activity, an update on Trading Disputes, Executive engagement with industry, the Warm Homes Discount scheme and an update on EMR activities);
- Design and Delivery matters (including the status of all current projects –November 2016 Release, February 2017 Release, April 2017 Standalone Release, June 2017 Release, AS-IS Plus, BMRS, the Performance Assurance Framework review and the website redesign project);
- Design authority (including updates on the BSC systems roadmap, settlement reform, demand side flexibility and smart grids, reliable faster switching and recent consultation responses);
- Strategic developments that may impact ELEXON and the BSC including European developments (including, inter alia, Brexit, assignment/delegation under the Guideline on Electricity Balancing and 15 minutes settlement), the implementation of the CMA's remedies, Ofgem's Code Governance Review an update on what is known about discussion on the creation of an ISO, the recent visit from ELEXON's Slovenian equivalent.
- An update on the recently published Gas Assurance pre-qualification questionnaire.
- The paper also included the latest company monitoring report which summarised ELEXON's KPI performance for October 2016.

2. FINANCE REPORT

2.1 This paper informed the Board of the financial position of ELEXON for October 2016 including the main variances in the current month as well as identifying the full year outturn against budget.

3. DRAFT BUSINESS PLAN

3.1 This paper attached the draft ELEXON annual Business Strategy and Annual Budget for approval.

3.2 In accordance with the requirements of the BSC, the Business Plan consists of two parts: a Business Strategy describing ELEXON's major activities for the coming year and an Annual Budget setting out the associated costs of delivering those activities.

3.3 The draft annual BSCCo Business Strategy and Annual Budget were approved by the Board before being presented to BSC Parties for comment.

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4. STAFF SURVEY RESULTS

- 4.1 The Board received a presentation on the results of the recently completed staff survey for 2016. The Board noted the good survey results including the fact that external benchmarks were consistently being exceeded in a number of areas.

5. P350 TRANSMISSION LOSS FACTOR AGENT PROCUREMENT APPROACH

- 5.1 This paper informed the Board that the timescales for the implementation of Modification P350 required ELEXON to commence procurement activities now. The Board noted that this would be in advance of an approval of P350 by Ofgem but also noted that the modification was being mandated by the CMA.
- 5.2 The Board approved the procurement approach.

6. OFGEM CONSULTATION ON CODE GOVERNANCE REFORM

- 6.1 This paper outlined the suggested content and themes for ELEXON's response to Ofgem's Code Governance Reform consultation.
- 6.2 The Board considered the paper and agreed that it would re-convene in January to consider the company's draft consultation response.

7. AOB

- 7.1 There being no further business the meeting was closed.