

# MINUTES

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**MEETING NAME** BSC Panel

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**Meeting number** 274

**Date of meeting** 11 January 2018

**Venue** ELEXON

**Classification** Public

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## ATTENDEES AND APOLOGIES

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<b>Attendees</b>	Michael Gibbons	MG	Panel Chairman
	Derek Bunn	DB	Independent Panel Member
	Phil Hare	PH	Independent Panel Member (and alternate for SH)
	Diane Dowdell	DD	Industry Panel Member
	Andy Knowles	AK	Industry Panel Member
	Rhys Kealley	RK	Industry Panel Member Alternate (for MD)
	Chris Fox	CF	Transmission Company Representative
	David Lane	DL	Distribution System Operator Representative
	Colin Down	CD	Ofgem Representative
	Mark Bygraves	MB	ELEXON CEO
	Victoria Moxham	VM	Panel Secretary
	Douglas Alexander	DA	Modification Secretary
	Alex Fuller	AF	Presenter, ELEXON
Claire Kerr	CK	Observer, ELEXON	
<b>By telephone</b>	Tom Edwards	TE	Industry Panel Member
	Barbara Vest	BV	Industry Panel Member
	Stuart Cotten	SC	Industry Panel Member
	Nigel Perdue	NP	ELEXON Interim Director of Operations
<b>Apologies</b>	Mitch Donnelly	MD	Industry Panel Member
	Victoria Pelka	VP	Consumer Panel Member
	Stew Horne	SH	Consumer Panel Member

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## MODIFICATION AND CHANGE BUSINESS (OPEN SESSION)

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### 1. Change Report and progress of Modification Proposals – 274/03

- 1.1 The Modification Secretary provided an update on open Modifications and Change Proposals and sought a three month extension for the P360 Assessment Report.
- 1.2 The BSC Panel:
  - a) **NOTED** the update; and
  - b) **APPROVED** a three month extension for the P360 Assessment Report.

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## NON-MODIFICATION BUSINESS (OPEN SESSION)

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### 2. Minutes of Meeting 273 and actions arising

- 2.1 The minutes of the previous meeting were agreed and an update on actions provided.
- 2.2 Action 273/02: It was noted that ELEXON is not eligible to receive funding for P362 via the regulatory pioneering fund announced in the government's Industrial Strategy as it is not a regulatory body. However, a Panel member noted that Ofgem is, and questioned whether it could apply for funding. MB stated that he intended to raise the same point at the forthcoming meeting of code bodies to discuss industry wide sandbox arrangements.

### 3. Chairman's Report - verbal

- 3.1 MG noted that he and MB had recently met with the incoming chair of Energy UK, and that it had been a useful meeting.

### 4. ELEXON Report – 274/01

- 4.1 MB provided an update on recent activities and developments relevant to the BSC and ELEXON since the last Panel meeting.
- 4.2 MB highlighted to the Panel the new System Price Analysis Dashboard that has been developed to help BSC Parties model the impacts of new System Price calculations implemented through approved [Modification P305](#) 'Electricity Balancing Significant Code Review Developments'. A Panel member questioned whether the dashboard would include the dynamic LoLP model from National Grid, as this would be the variable of most interest to BSC Parties. CF confirmed that it would not.
- 4.3 MB advised the Panel that ELEXON's contract for the operation of the Warm Home Discount (WHD) reconciliation mechanism had not been renewed and the reconciliation mechanism was now operated by Ofgem. The handover of historic reconciliation run reports to Ofgem was concluded in early December 2017. ELEXON's offer to hand over the IT system was declined by Ofgem, despite it being owned by BEIS. A Panel member asked CD why Ofgem had elected not to take on the system. He responded that the decision had been made on the basis of cost, and that Ofgem believed it could run the reconciliation mechanism more cheaply without the system. He noted that Ofgem was committed to running the process efficiently and effectively and that Ofgem would welcome constructive comments from stakeholders, which should be directed to David Fletcher.

### 5. Distribution Report – verbal

- 5.1 There was nothing to report.

### 6. National Grid Report – verbal

- 6.1 CF provided an update on an issue relating to the application of incorrect prices to Non-BM STOR Balancing Services from March 2016 to December 2017. As a result, there could be incorrect System Prices and therefore incorrect BSC Trading Charges settled by ELEXON. National Grid was still working on analysis of the impact and materiality of the issue. A Trading Dispute had been raised, due to be presented to the TDC at its February meeting. BSC Parties would be updated via circulars, as appropriate.
- 6.2 CF noted that National Grid had published its [Product Roadmap for Frequency Response and Reserve](#) on 19 December. The document includes details of new European standard products (eg TERRE and MARI) and a dedicated section on structural market changes, including discussion on the interaction of various BSC Modifications including P344, P355 and P354.

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- 6.3 CF noted that the annual C16 Industry review process would be initiated soon, with the consultation launched at the end of January.
- 6.4 CF reminded Panel Members that GC97 Grid Code Change had been launched (the Grid Code equivalent of BSC Modification P344 'Project TERRE implementation into GB market arrangements'). The GC97 consultation would be supported by a TERRE industry day being jointly hosted by National Grid and ELEXON on 16 January. In addition, to gain more insight into the impacts of TERRE, National Grid would be holding a 'War Game event' on 26 January at ELEXON's offices, where parties with trading and operational experience would simulate a simplified market environment to see how trading and bidding behaviour might change as a result of a new market being introduced in parallel with the existing GB market. Parties were encouraged to participate in this event.

## 7. Ofgem Report - verbal

- 7.1 CD confirmed that the fieldwork for Ofgem's cross code survey of the users of industry codes would begin in March and be conducted online, with the final report scheduled to be published in May. A Panel member questioned whether Ofgem would be taking action on the results. CD suggested that Ofgem would most likely discuss the results of the survey with the Cross Code Administrators group and encourage it to develop an action plan, but noted Ofgem's prevailing view that it was the responsibility of individual Code Administrators to review the findings of the survey and take appropriate action.

## 8. ELEXON's new website: designs, plans and progress – verbal update

- 8.1 ELEXON provided the Panel with a presentation and verbal update on the new ELEXON website design.
- 8.2 Panel Members noted that it would be useful if the new website highlighted cross code impacts of Modifications and CPs and provided intuitive headline descriptions of Modifications and CPs (rather than simply referencing P and CP numbers). ELEXON noted this request.
- 8.3 MB summarised that ELEXON had embarked on the website improvements based on feedback from customers, with the main focus on improving the search facility and overall usability of the site. There would be further opportunity for users to access a beta site and provide further feedback on the new design.

## 9. AOB

- 9.1 ELEXON informed the Panel that it had received a provision of information request from the Authority. The request requires ELEXON to procure the relevant information from BSC Agents (SAA and SVAA) and is currently being assessed. This is a one off request for data covering the period January 2010 to December 2017. It includes prices, Bid Offer Acceptance data, Balancing Services Adjustment Actions and SVA export volumes. To comply with the BSC a notice was published in Newscast as the information relates to all Parties.