P363 'Simplifying the registration of new configurations of BM Units'

This Modification looks to recognise a number of common non-standard Balancing Mechanism (BM) Unit configurations as standard BM Units and simplify the registration of non-standard BM Units.

ELEXON recommends P363 is progressed to the Assessment Procedure for an assessment by a Workgroup

This Modification is expected to impact:

- Balance and Settlement Code (BSC)
- Transmission Company
- ELEXON
- Imbalance Settlement Group (ISG)
- BSC Panel
- License Distribution System Operators (LDSO)
- BSC Parties with BM Units
- Generators

ELEXON

Phase

- Initial Written Assessment
- Definition Procedure
- Assessment Procedure
- Report Phase
- Implementation

Contents

About This Document

This document is an Initial Written Assessment (IWA), which ELEXON will present to the Panel on Thursday 14 December 2017. The Panel will consider the recommendations and agree how to progress P363.

There are two parts to this document:

- This is the main document. It provides details of the Modification Proposal, an assessment of the potential impacts and a recommendation of how the Modification should progress, including the Workgroup's proposed membership and Terms of Reference.
- Attachment A contains the P363 Proposal Form.

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1 Why Change?

Background

BM Units are used as units of trade within the Balancing Mechanism. Each BM Unit accounts for a collection of Plant and/or Apparatus, and is considered the smallest grouping that can be independently controlled. The Imports and Exports from those Plant and Apparatus are attributed to the BM Unit.

According to BSC Section K - Clarification and Registration of Metering Systems and BM Units paragraph 1.2.1(c) that sets out the obligations of Parties in relation to exports and imports, Parties are required to register BM Units for the Plant and Apparatus where they are responsible for associated Exports or Imports. Parties may either register Plant and Apparatus in a BM Unit where the configuration of the Plant and Apparatus satisfies one of a limited number of 'standard' configurations, e.g. Generating Unit or Power Park Module (PPM), or otherwise the Panel determines a 'non-standard' configuration.

The application process for standard BM Units is approximately 30 working days (WD), whereas the time to register non-standard BM Units is approximately 60 WD. The more time-consuming process for non-standard BM Units is driven by the additional administrative effort required by the applicant, ELEXON and the Imbalance Settlement Group (ISG), which considers non-standard BM Unit applications on the BSC Panel's behalf.

In particular, applicants must send an application letter with supporting documentation explaining and justifying how the proposed BM Unit satisfies the conditions for the configuration of BM Units in K3.1.2. ELEXON liaises with the applicant to give advice on the application, consults the Transmission Company and drafts a cover paper that summarises the application and makes a recommendation to the ISG. The ISG then considers the application at its next monthly meeting. As the ISG considers each application on its own merits, there is no certainty for developers that a particular configuration will be agreed even if the ISG has agreed a similar non-standard BM Unit previously.

What is the issue?

The issue is that the current non-standard BM Unit application process is inefficient and time-consuming for each site, with each application being assessed on its own merits.

Particularly in the last two years, ELEXON has progressed an increasing number of non-standard BM Unit applications (see diagram 1[1] below) and as it stands this is projected to continue as the electricity industry undergoes considerable change brought about by new technologies, business models and regulatory arrangements.

Review of Metering Dispensations and non-standard BM Units

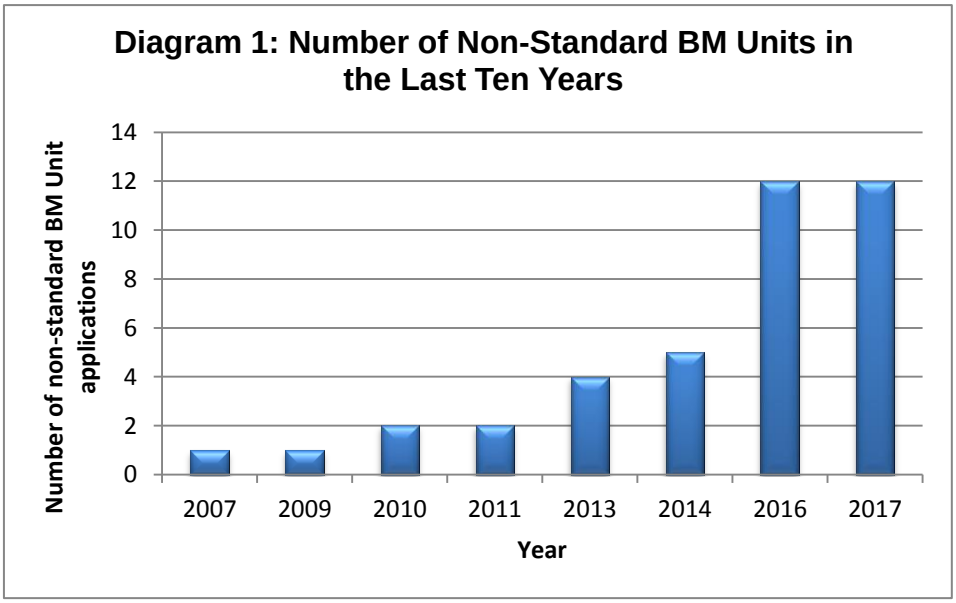
This projection has come after ELEXON conducted a review of Metering Dispensations and non-standard BM Units, reporting its findings and recommendations to the Panel at its March 2017 Meeting (Panel 264/08 Review of Metering Dispensations and Non-Standard BM Units – Final Report). Innovation and improvements in design, cost efficiency and commercial opportunities for renewable and smaller scale generator technologies mean

[1] The 2017 figure is to the September meeting ISG198 as opposed to the whole year ISG198.

that there is a growing number of developments using novel, non-standard configurations of Plant and Apparatus.

At the Panel meeting (264/08), ELEXON made two recommendations to update the BSC to introduce new standard BM Unit configurations which reflect commonly used non-standard BM Unit configurations and to introduce a generic non-standard BM Unit process. Of the four non-confidential consultation responses we received to the review of Metering Dispensations and non-standard BM Units, three agreed with these recommendations and one made no comment.

Recent non-standard BM Units and future projected non-standard BM Units fall into a number of broad categories (e.g. treatment of low voltage Assets at offshore Windfarms, multiple small generators connected at one point to the Distribution System).



From recent experience and expected future indications the configuration of Plant and Apparatus at the sites challenge the existing BM Unit categories and requirements.

ELEXON's second recommendation, to introduce a generic non-standard BM Unit process, is to improve the BSC's ability to react swiftly to the pace of new technologies and business models that would otherwise require the ISG to approve site specific non-standard BM Units.

Should the development of technology or business models introduce a new common approach to configuring and operating Plant and Apparatus, it is appropriate to consider recognising this configuration as a standard BM Unit. This would require a BSC Modification to amend the BSC to add a new standard BM Unit configuration to K3.1.4. However this approach takes time as a Modification has to be proposed, assessed, consulted on, considered by the Panel, decided on by the Authority and then implemented. This process may take at least six months and is likely to lag behind the development and use of new technology and business models or worse still slow the adoption of innovative ideas.

2 Solution

Proposed solution

This Modification seeks to simplify the registration of new configurations of BM Units and include new configurations to be recognised as new standard BM Units by amending BSC Section K.

New standard BM Unit configurations

Amend BSC Section K3.1.4 to include the following configurations to be recognised as new standard BM Unit configurations:

- Any combination of Generating Units where all the Generating Units are connected to the Distribution System at a single Boundary Point and all Generating Units are controlled as a single entity;
- Two or more onshore PPMs that are controlled as a single entity, with the express agreement of the Transmission Company (using similar wording to K3.1.4(g) for Combined offshore BM Units);
- offshore PPMs or Combined offshore BM Units (COBMU) including any related onshore and / or offshore Plant and Apparatus which are supplied at low voltage and which are connected at different Boundary Point(s) to the PPM or COBMU, subject to explicit thresholds that are to be determined by the Modification Workgroup in consultation with the Transmission Company[2]; and
- Plant and Apparatus situated onshore and / or offshore which are supplied at low voltage and that have more than one Transmission System Boundary Point (TSBP) for the sole purpose of supporting the operation of an offshore PPMs, subject to explicit thresholds that are to be determined by the Modification Workgroup in consultation with the Transmission Company.

The offshore PPMs and low voltage Plant and Apparatus amendments must be flexible enough to allow for all possible combinations of offshore PPMs or Combined offshore BM Units and low voltage Plant and Apparatus. For example, if there was an offshore windfarm with two PPMs and onshore and offshore low voltage Plant and Apparatus, at least the following should be allowable configurations:

- One BM Unit combining the two or more PPMs (as a Combined offshore BM Unit with the agreement of National Grid), plus onshore and offshore low voltage Plant and Apparatus;
- Two BM Units, one for each PPM and each containing specific low voltage Plant and Apparatus;
- Two BM Units, one for each PPM, one of which contains all of the low voltage Plant and Apparatus;
- Three BM Units, one for each PPM and a separate BM Unit containing all low voltage Plant and Apparatus; and
- Four BM Units, one for each PPM, one (or more) for onshore Low voltage Plant and Apparatus and one (or more) for offshore low voltage Plant and Apparatus;

The Modification Working Group should also consider whether there are additional standard BM Units to those above that should be added to BSC Section K3.1.4. These could be types of non-standard BM Units that have been applied for since the final report from the review of Metering Dispensations and Non-standard BM Units was presented to the Panel.

There could also be other configurations of Plant and Apparatus that the Modification Working group know are likely to be used in the future and would benefit from being included as a standard BM Unit in the BSC. In all cases, the Modification Working Group and Transmission Company should agree that the proposed configuration of Plant and Apparatus is suitable to be a single standard BM Unit in all cases.

For this the following two suggestions should be considered:

- Two or more Generating Units that were previously part of a single standard Combined Cycle Gas Turbine (CCGT) BM Unit, where the steam turbine has been removed leaving an Open Cycle Gas Turbine (OCGT) should be considered to be a standard BM Unit; and
- An electricity storage module should be considered to be a Standard BM Unit, subject to Grid Code Modification GC0096.

Proposed Solution – generic non-standard BM Unit process

In addition to adding the new standard BM Units into the BSC, this Modification introduces a 'generic' non-standard BM Unit process. If a Party has a non-standard BM Unit application that they feel will be repeated across more than one site (by that Party or other Parties), instead of applying for a site specific non-standard BM Unit (as currently), they would apply for a generic non-standard BM Unit detailing the configuration of Plant and Apparatus and criteria to be met for that type of non-standard BM Unit. A form would be included in BSCP15 BM Unit Registration to apply for this. It could be combined with the non-standard BM Unit form proposed under CP1493 'Add a form and associated process steps to BSCP15 for registering Non-Standard BM Unit configurations'.

This application would then be passed to the Transmission Company for their comment and then taken to the Panel for approval. The Panel could approve, reject or defer the application. Potentially the Panel could approve the application as a site specific BM Unit as opposed to generically. This could be done if enough information about a specific site was provided as part of the generic application and the Panel did not feel comfortable approving it on a generic basis and /or suggest that industry is consulted on the generic proposal.

Rejection

If rejected, this would not preclude the Party applying for a site specific application for a site meeting the criteria proposed by the generic application. If deferred, the Party would need to provide further information to a subsequent Panel meeting, where again the application could be approved, rejected, deferred or approved on a site specific basis if appropriate.

Panel Powers

If the Panel saw a number of similar applications on a site specific basis from a number of Parties, it could propose a generic non-standard BM Unit which would follow the process above.

Approval

If approved, the generic BM Unit configuration and the conditions that a site had to meet to use it would be added to a list maintained by ELEXON and published on the BSC Website.

If a Party then wanted to register a BM Unit that they felt fitted one of the agreed generic non-standard BM Units on the list on the BSC website, they would complete the normal BSCP15/4.1 form to register a BM Unit. On this form they would need to state that they were using a generic non-standard BM Unit, the type of generic non-standard BM Unit and if appropriate how they felt that the configuration of their Plant and Apparatus met the conditions of the relevant approved generic non-standard application.

The BSCP15/4.1 form and associated documents would be sent to the Transmission Company with a request for comments or any objections to the application in line with the current BM Unit application process.

Transmission Company input

If the Transmission Company agreed the application and ELEXON believed that it met the criteria of the generic non-standard BM Unit, then the application would proceed as any other standard BM Unit application with no need to refer the application to the Panel.

ELEXON / Transmission Company Decision

Should either ELEXON or the Transmission Company believe that it did not meet the generic criteria for the non-standard BM Unit being applied for, ELEXON would ask the applicant to complete the non-standard BM Unit process and take the matter to the Panel for decision. This could be an application for a site specific non-standard BM Unit or could be an application for a new generic BM Unit.

Is it expected that the Panel would delegate the management of this process to the ISG.

Reviews

Periodically ELEXON would review the list of generic non-standard BM Units and identify the non-standard BM Units to be added to the list of standard ones in section BSC section K3.1.4.

Legal Text Changes

These processes would need to be added to section K3 of the BSC and the process steps included in BSCP15. There may also need to be new definitions added to BSC Section X: Annex X-1 General Glossary. Form BSCP15/4.1 would need to be updated to add generic non-standard BM Unit as a type of BM Unit configuration, however it would not specifically quote the generic non-standard BM Unit configuration (if the types of approved generic non-standard BM Units were included in the BSCP, every time a new generic non-standard BM Unit was approved, the BSCP would have to be updated by the formal Change Proposal process).

A section would also need to be added to form BSCP15/4.1 for Parties to explain which generic non-standard BM Unit they were applying for and how their configuration met this non-standard BM Unit. A new form would need to be added to BSCP15 to apply for generic non-standard BM Units, or the form proposed by CP1493 for BM Units would need to be adapted to include generic non-standard BM Units.

The introduction of a new generic non-standard BM Unit process is aimed to speed up the application process for common types of non-standard BM Units. It is not intended to

replace the process of updating the BSC with additional types of standard BM Units as they become widespread.

It should be noted that there were two types of generic non-standard BM Units approved by the Panel for New Electricity Trading Arrangements (NETA) Go-Live[3], so this isn't a new concept, however it is not set out in the BSC and no generic non-standard BM Units have been approved since NETA.

An alternative solution that the Modification Group may wish to consider would be to remove all BM Unit types from the BSC and make them a separate document under the ownership of the ISG. Any BM Units on this document would be a standard BM Unit, which would replace BSC Section K3.1.4. New BM Units could be added to this document in the same way as the proposed generic non-standard BM Unit process described above. The non-standard BM Unit process would remain in place for those few one off sites where it would not be appropriate for the configuration to be available for multiple sites without further review by the ISG.

[3] Panel paper 14/007 list the following generic non-standard BM Units:

- Auxiliary feeds to a power station which are embedded within a distribution system but registered centrally. These feeds may be registered in their own rights as BM Units or as part of the station loads
- Auxiliary Gas Turbine Generators or diesel generators on nuclear power stations which are regarded as being part of the station demand and therefore one non-standard BM Unit is registered to include the station demand and Auxiliary generators.

Applicable BSC Objectives

Impact of the Modification on the Relevant Objectives:	
Relevant Objective	Identified impact
a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence	Neutral
(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System	Neutral
(c) Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity	Positive
(d) Promoting efficiency in the implementation of the balancing and settlement arrangements	Positive
(e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]	Neutral
(f) Implementing and administrating the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation	Neutral
(g) Compliance with the Transmission Losses Principle	Neutral

Applicable BSC Objective (c):

Adding to the list of Standard BM Units would remove the perceived difference in treatment between established traditional Plants and the growing number of non-traditional Plant. The change therefore breaks down a perceived barrier to entry by levelling the playing field and improving speed and efficiency of BM Unit registration.

It also improves the efficiency for generators so that they don't have to apply for non-standard BM Unit configurations, when there are similar configurations that have been previously accepted by the ISG and Transmission Company.

Introducing a generic non-standard BM Unit process improves the efficiency for generators to apply for non-standard BM Unit configurations multiple times for new configurations that would be similar across a number of sites.

Applicable BSC Objective (d):

Adding to the list of Standard BM Units and introducing a generic non-standard BM Unit process removes a potential barrier to entry for Parties employing new technologies or operational practices. This is due to a more protracted current registration process for non-standard BM Units and a lack of certainty over whether BM Unit configurations will be accepted by the ISG.

What are the Applicable BSC Objectives?

(a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence

(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System

(c) Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity

(d) Promoting efficiency in the implementation of the balancing and settlement arrangements

(e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]

(f) Implementing and administrating the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation

(g) Compliance with the Transmission Losses Principle

Implementation approach

This change is expected to be a document only change. This will be confirmed during the Assessment Phase. It should be implemented as part of the first standard BSC release following approval for implementation. Given the similarities, this Modification should be progressed alongside P364 'Changes to BSC Section K following the review of non-standard BM Units'.

3 Areas to Consider

In this section we highlight areas which we believe the Panel should consider when making its decision on how to progress this Modification Proposal, and which a Workgroup should consider as part of its assessment of P363. We recommend that the areas below form the basis of a Workgroup's Terms of Reference, supplemented with any further areas specified by the Panel.

There is a lot of similarity between P363 and P364, which is why we are recommending that they are progressed together, including a combined workgroup (see section 4). We will endeavour to ensure the work of the Workgroups is scheduled in an intuitive manner to ensure that any overlaps or dependencies can be identified, managed and resolved. This may require solutions to be shared, overlap or moved from one Modification to the other.

The proposed solution aligns with the recommendations from the review of Metering Dispensations and non-standard BM Units. Throughout the solution there are additional considerations that the Modification Working Group may wish to discuss that go beyond the recommendations:

Thresholds for the size of low voltage assets combined with PPMs and COBMUs

ELEXON's recommended new standard BM Units included thresholds that sought to limit their scope. These thresholds need to be determined by the Modification Workgroup, in consultation with the Transmission Company. The threshold needs to be explicit and self-explanatory so there is no question as to whether a site does or does not meet the threshold.

The Transmission Company has given the following initial suggestion in relation to thresholds for a Low Voltage Asset. From a technical point of view, any onshore demand aggregated in the offshore BM Unit would give rise to an inaccurate indication of the flows on the cable to shore. This would become apparent if the demand was greater than Metering inaccuracy say 0.5% to 1%.

Low voltage assets combined with other Generating Units

The Modification Workgroup in consultation with the Transmission Company may also wish to consider whether ELEXON's recommendation should be widened to Plant and Apparatus which are supplied at low voltage and which are connected at different boundary points to any Generating Unit, CCGT, PPM or COMBU.

Combination of small Generating Units connected to the Transmission System

The Modification proposes that any combination of Generating Units where all the Generating Units are connected to the Distribution System at a single Boundary Point and all Generating Units are controlled as a single entity be added as a standard BM Unit. The Workgroup in consultation with the Transmission Company may wish to consider whether similar Transmission Connected sites should be included and if so whether thresholds, e.g. on the number of units or total load, are appropriate.

Conversion of CCGT to OCGT

The Modification suggests that where two or more Generating Units that were previously part of a single standard CCGT BM Unit, where the steam turbine has been removed leaving an OCGT should be a standard BM Unit. There would have been one single BM Unit for the CCGT. When it converts to an OCGT all the Plant and Apparatus associated with the old CCGT, other than the Steam turbine, would remain in the existing BM Unit. Since the review, the ISG has approved two of these types of non-standard BM Units (ISG193/01 and ISG195/06). If this should be a standard configuration, the Transmission Company should decide whether it wished to give its express agreement to each application. Initial feedback from the Transmission Company is that they would be comfortable with this being a standard BM Unit.

Recognising electricity storage as a standard BM Unit

Changes that better define electricity storage modules / batteries and their role are being considered as part of Grid Code Modification GC0096. We recommend that the BSC is updated to ensure consistency with GC0096. In particular, the standard BM Unit configurations in section K3.1.4 may need to include explicit reference to an 'electricity storage module' or similar term, depending on the proposals of GC0096. Initial feedback from the Transmission Company is that they would be comfortable with recognising an electricity storage module (i.e. a collection of storage units, similar to a PPM) as a standard BM Unit.

Since the review, the ISG have considered two non-standard BM Unit applications for electricity storage modules, (ISG198/01 and ISG198/02).

The Workgroup should also consider switching and interlocking arrangements for interconnection of electricity storage modules below the Settlement Metering Equipment[4]. The ISG considered this issue as part of paper ISG198/02 (see the minutes for details).

Creation of Panel owned document listing standard configurations

Instead of adding the proposed configurations above to the existing list of standard BM Units in the BSC (K3.1.4) and creating a generic non-standard process, all standard BM Unit types described in K3.1.4 could be removed from the BSC and incorporated in a separate document maintained by the Panel. New BM Unit configurations could then be added to this document in the same way as the proposed generic non-standard BM Unit process described above, i.e. by approval by the Panel, which would be less time consuming than the Modifications process and allow the Panel to more quickly react to and recognise changes in market participation. The non-standard BM Unit process would remain in place for those instances where the Panel consider it would not be appropriate for the configuration to be made a standard configuration.

Additional standard BM Units

The Workgroup should also consider whether there are additional standard BM Units not specifically identified by this Modification that should be added to BSC Section K3.1.4.

[4] Currently switching of PPMs between BM Units is allowable. The BM Units are identified as a 'Switching Group'. This is defined in the BSC Section K3.1.4A-3.1.4D.

These could be types of non-standard BM Units that have been applied for since the final report from the review of Metering Dispensations and Non-Standard BM Units was presented to the Panel. There could also be other configurations of Plant and Apparatus that the Modification Working group know are likely to become common place in the future and would benefit from being included as a standard BM Unit in the BSC.

Inclusion of Transmission Connected Sites.

The Modification Working Group in consultation with the Transmission Company may wish to consider whether similar Transmission Connected sites should be included. Only Distribution connected sites are included here as all non-standard BM Units applied for so far have been distribution connected.

Areas to consider

The table below summarises the areas we believe a Modification Workgroup should consider as part of its assessment of P363:

Areas to Consider
The thresholds for the size of low voltage assets combined with PPMs and COBMUs?
The low voltage assets combined with other Generating Units?
The combination of small Generating Units connected to the Transmission System?
The conversion of CCGT to OCGT?
Should we recognise electricity storage as a standard BM Unit?
The creation of Panel owned document listing standard configurations?
Any additional standard BM Units?
The inclusion of Transmission Connected Sites?
The overarching principles for BM Unit?
What changes are needed to BSC documents, systems and processes to support P363 and what are the related costs and lead times?
Are there any Alternative Modifications?
Should P363 be progressed as a Self-Governance Modification?
Does P363 better facilitate the Applicable BSC Objectives than the current baseline?

4 Proposed Progression

Next steps

We recommend that P363 is progressed to a seven month Assessment Procedure for consideration by a Workgroup. For the rationale behind this recommendation, please see the timetable section below.

Justification for proposed Self-Governance

This Modification should be progressed as a self-governance Modification for the following reasons:

- The configuration of the BM Unit does not have a direct impact on consumers;
- Competition in generation is not materially affected because Parties can already apply for a non-standard BM Unit to the ISG. The ISG can already make the decisions proposed by this Modification on a case by case basis;
- There is no effect on operation of the Transmission System because Parties can already request non-standard BM Units and the Transmission Company can challenge the implementation of any BM Unit that is due to participate in the Balancing Mechanism;
- There is no effect on matters relating to sustainable development, safety or security of supply, the management of the market or network emergencies because ISG can already make the decisions proposed by this Modification on a case by case basis
- The proposals will not affect how the BSC is governed or Modifications are progressed in anyway; and
- The proposals apply equally to all Parties and so there is no discrimination.

What is the Self-Governance Criteria?

A Modification that, if implemented:

(a) is unlikely to have a material effect on:
(i) existing or future electricity consumers; and
(ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution, or supply of electricity; and
(iii) the operation of the national electricity transmission system; and
(iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and
(v) the Code's governance procedures or modification procedures; and

(b) is unlikely to discriminate between different classes of Parties.

Workgroup membership

We recommend that P363 Workgroup members be persons with knowledge of BM Unit registration whether form a Generator perspective or from a Transmission/Distribution perspective. It is recommended that P363 and P364 Workgroups be one body as they will both require the same expertise and therefore, in order to gain maximum synergy and efficiency workgroup meetings should be held jointly

Timetable

We recommend that P363 undergoes a seven month Assessment procedure, with the Assessment Report being presented to the Panel at its meeting on 9 August 2018. However, if the solution develops such that further analysis or solution development is required an extension to the Assessment Procedure will be needed. Conversely, if P363 progresses quicker than anticipated, we will seek to bring the Assessment Report back to an earlier Panel meeting.

The proposed timetable provides for development of the solution and completion of any supporting analysis required. This will include:

- Any changes required to the BSC and BSC Central Systems;
- Development of legal text and business requirements;
- The progression of other Modifications in Assessment Procedure; and
- The Christmas and New Year period as well as the Easter, May and Summer Bank Holidays.

The plan is based on P363 and P364 progressing simultaneously due to their similarities. Currently the progression timetable assumes that a joint industry impact assessment and Assessment Procedure Consultation will be held. The progression plan has been influenced by the face the Proposer is based in Canada. The Report Phase Consultation is 10 WDs to allow for the Draft Modification Report to be presented at the following Panel meeting.

Proposed Progression Timetable for P363	
Event	Date
Present Initial Written Assessment to Panel	14 Dec 17
Workgroup Meeting	W/C 5 Feb 18
Industry Impact Assessment	6 Mar 18 – 19 Mar 18
Workgroup Meeting	W/C 26 Mar 18
Assessment Procedure Consultation	29 May 18 – 18 Jun 18
Workgroup Meeting	W/C 9 Jul 18
Present Assessment Report to Panel	9 Aug 18
Report Phase Consultation	15 Aug 18 – 29 Aug 18
Present Draft Modification Report to Panel	13 Sep 18
Self-Governance Objection Window	19 Sep 18 – 9 Oct 18

5 Likely Impacts

The following are what we believe the impact will be and are based on the solution put forward in the Proposal form. They will be reviewed and, where necessary, updated during the Assessment Phase based on Workgroup feedback and Assessment Phase Consultation responses.

Impact on BSC Parties and Party Agents	
Party/Party Agent	Potential Impact
BSC Parties	By simplifying the registration process for some current non-standard BM Units by removing the need to submit a non-standard BM Unit application; and By simplifying the registration process for some future non-standard BM Units by removing the need to submit a non-standard BM Unit application after a generic configuration is agreed.
Generators and LDSOs	We anticipate that Generators and LDSOs will be impacted by this Modification.

Impact on Transmission Company
By clarifying what are standard BM Unit configurations under the BSC. The Transmission Company would still review every BM Unit application (standard, site specific non-standard and generic non-standard applications).

Impact on BSCCo	
Area of ELEXON	Potential Impact
Settlement Operations and Metering	The team will be required to prepare fewer ISG papers to seek approval for non-standard BM Units. This will allow more time to focus on customer support elsewhere.

Impact on BSC Systems and processes
No impact identified

Impact on BSC Agent/service provider contractual arrangements
No impact identified

Impact on Code	
Code Section	Potential Impact
BSC Section K and potentially BSC Section X: Annex X-1 General Glossary	

Impact on Code Subsidiary Documents	
CSD	Potential Impact
BSCP15 BM Unit registration.	Adding the new types of standard BM Unit to the form BSCP15/4.1; Adding a Generic non-standard BM Unit application process; and Changes to BSCP15 process 3.1 for extra checks with the Transmission Company if required.

Impact on other Configurable Items
No impact identified

Impact on a Significant Code Review (SCR) or other significant industry change projects
At the time of submitting this proposal, the Authority is conducting two SCRs: • Market-wide Half Hourly Settlement; and • Targeted Charging Review It is not believed that this Modification will impact the market-wide Half Hourly (HH) Settlement SCR as the changes proposed will only affect the CVA market. It is not believed that this modification will impact the Targeted Charging Review SCR as this Modification does not change where and how the Plant and Apparatus is connected to the Total System. The Proposer requests that this Modification be exempt from the Significant Code Review process. It does interact with Grid Code Modification GC0096 'Energy Storage' which proposes changes to the Grid Code to better define and accommodate the connection of electricity storage to the Transmission System. It is not envisaged that P363 will impact other significant industry change projects, but this will be assessed during the Assessment Phase.

Impact on Consumers
No impact identified

Impact on the Environment
No impact identified

6 Recommendations

We invite the Panel to:

- **AGREE** that P363 progresses to the Assessment Procedure;
- **AGREE** the proposed Assessment Procedure timetable;
- **AGREE** the proposed membership for the P363 Workgroup;
- **AGREE** the Workgroup's Terms of Reference;
- **AGREE** an initial view that P363 should be treated as a Self-Governance Modification;
- **AGREE** that P363 and P364 should be progressed alongside each other, including a combined Workgroup; and
- **NOTE** that ELEXON will issue the P363 Draft Modification Report (including the draft BSC legal text) for a 10 Working Day consultation and will present the results to the Panel at its meeting on 13 Sep 18.

Appendix 1: Glossary & References

Acronyms

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

Acronym	
Acronym	Definition
BM	Balancing Mechanism
BSC	Balance and Settlement Code
CCGT	Combined Cycle Gas Turbine
COBMU	Combined offshore BM Units
ISG	Imbalance Settlement Group
IWA	Initial Written Assessment
LDSO	License Distribution System Operators
NETA	New Electricity Trading Arrangements
OCGT	Open Cycle Gas Turbine
PPM	Power Park Module
TSBP	Transmission System Boundary Point
WD	Working Days

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
3	ELEXON webpage for BSC Section K - Clarification and Registration of Metering Systems and BM Units Section 3.1.2.	https://www.elexon.co.uk/bsc-and-codes/balancing-settlement-code/bsc-sections/
3	ELEXON webpage for Panel 264/08 Review of Metering Dispensations and Non-Standard BM Units – Final Report).	https://www.elexon.co.uk/meeting/bsc-panel-263/?from_url=https://www.elexon.co.uk/events-calendar-item/bsc-panel-263/
6	ELEXON webpage for Grid Code Modification GC0096	http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Grid-code/Modifications/GC0096/
6	ELEXON webpage for BSCP15 BM Unit Registration	https://www.elexon.co.uk/bsc-and-codes/bsc-related-documents/bscps/

External Links		
Page(s)	Description	URL
6	ELEXON webpage for CP1493 'Add a form and associated process steps to BSCP15 for registering Non-Standard BM Unit configurations'	https://www.elexon.co.uk/change-proposal/cp1493/
6	ELEXON Website	https://www.elexon.co.uk/operations-settlement/balancing-mechanism-units/
7	ELEXON webpage for BSC Section X: Annex X-1 General Glossary	https://www.elexon.co.uk/bsc-and-codes/balancing-settlement-code/bsc-sections/
10	ELEXON webpage for P364	https://www.elexon.co.uk/mod-proposal/p364/
12	ELEXON webpage for ISG193/01	https://www.elexon.co.uk/meeting/isg-193/
12	ELEXON webpage for ISG195/06	https://www.elexon.co.uk/meeting/isg-195/
12	ELEXON webpage for ISG198/01	https://www.elexon.co.uk/meeting/isg-198/
12	ELEXON webpage for ISG198/02	https://www.elexon.co.uk/meeting/isg-198/