

November 2025 Release – Review of Configurable Items

Date and time	8 September 2025	Purpose	For your review
To	CVA and SVA Release Circular distribution lists	From	BSC Change

November 2025 Release – Review of Configurable Items

1. What is the purpose of this circular?

- 1.1 This circular is to invite BSC Parties and any interested third parties to review the draft versions of the BSC Configurable Items (CIs) that we are amending for:
- [P444 'Compensation for Virtual Lead Party actions in the Balancing Mechanism'](#)
- 1.2 Please return your comments to releases@elexon.co.uk, using the review form provided as Attachment A to this circular, by **17.00** on **Wednesday 1 October 2025**.

2. Who is impacted by the Modification(s)?

- 2.1 P444 will impact:
- Suppliers; and
 - Virtual Lead Parties (VLPs)

3. Which BSC Configurable Items do I need to review?

- 3.1 The following BSC CIs will require your review. Please click the links to review the changes. You can download the redlined changes from the relevant Modification webpage or the [Release Circulars webpage](#).

No	Modification/CP	BSC CI(s)	Changes made
1	P444	Supplier Compensation Methodology Document	Updated to relate to calculating compensation cashflows for Virtual Lead Party and Asset Metering Virtual Lead Party actions in Settlement alongside Virtual Trading Parties following approval of P444
2	P444	NETA IDD Part 1 Document	Information on inclusion and reporting of Period Secondary BM Unit Direct Compensation Volume, Period Direct Compensation Cashflow, Daily Direct Compensation Cashflow to Aggregate Party Day Charges.
3	P444	NETA IDD Part 1 Spreadsheet	Period Secondary BM Unit Direct Compensation Volume, Period Direct Compensation Cashflow, Daily Direct Compensation Cashflow. New charge type

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4	P444	NETA IDD Part 2 Document	Information on inclusion and reporting of Period Secondary BM Unit Direct Compensation Volume, Period Direct Compensation Cashflow, Daily Direct Compensation Cashflow to Aggregate Party Day Charges.
5	P444	NETA IDD Part 2 Spreadsheet	Period Secondary BM Unit Direct Compensation Volume, Period Direct Compensation Cashflow, Daily Direct Compensation Cashflow.
6	P444	SAA Service Description (SD)	Amended to capture that SAA shall calculate the Total System Direct Compensation Cashflow and Daily Direct Compensation Cashflow
7	P444	SAA User Requirements Specification (URS)	Captures updated information and requirements on calculation of compensation volumes for VLPs under P444
8	P444	FAA SD	Amended to reference the P444 Daily Direct Compensation Cashflow
9	P444	FAA URS	Captures updated references to the P444 Daily Direct Compensation Cashflow

4. What will happen after the industry review?

- 4.1 Elxon will consider all review comments and update the documents as required. Elxon will also inform the outcome of any comments to the relevant reviewer where necessary.
- 4.2 We will then take the documents and a summary of any consultation responses to the responsible Committee(s). The Committee papers will note any comments that we didn't action and the reasons why, and any subsequent course of action undertaken as a result.

5. When will the BSC Configurable Items become effective?

- 5.1 The Implementation Date for P444 is:
- 6 November 2025 as part of the November 2025 Standard BSC Release.
- 5.2 If you have any queries about this circular, please email Releases@elxon.co.uk.

Appendices

Appendix 1 – summary of changes for review in the November 2025 Release

Attachments

Attachment A – Response Form

Attachment B – Redlined Configurable Items

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For more information, please contact:

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Appendix 1

1. What's new for P444?

- 1.1 Under BSC arrangements introduced by P344 'Project TERRE implementation into GB market arrangements' there is no mechanism for compensation of Parties who have been affected by Virtual Lead Party (VLP) activity in the Balancing Mechanism (BM).
- 1.2 As a result, Suppliers are commercially impacted and left with a cost from the Balancing Mechanism that they cannot recover.
- 1.3 This Modification will amend BSC systems and processes to introduce a compensation mechanism for Suppliers and VLPs when a VLP takes a Bid or Offer in the BM, to ensure a level playing field and enable correct incentivisation of flexibility. As part of P444 assessment, the Proposer and Workgroup will consider whether to incorporate the compensation mechanism being developed for P415.
- 1.4 Ofgem approved the P444 Alternative Solution on 4 April 2025 on 6 November 2025 as part of the November 2025 Standard BSC Release.
- 1.5 This Circular invites you to comment on the changes to the following BSC CIs for P444:
 - Supplier Compensation Methodology Document
 - NETA IDD Part 1 Document
 - NETA IDD Part 1 Spreadsheet
 - NETA IDD Part 2 Document
 - NETA IDD Part 2 Spreadsheet
 - SAA Service Description (SD)
 - SAA User Requirements Specification (URS)
 - FAA SD
 - FAA URS
- 1.6 For more in on P444 please contact **Ivar Macsween** on 020 7380 4370 or email bsc.change@elexon.co.uk.