



## 1. Switched On! ELEXON's 2017 Customer Survey now live

We are always looking to enhance and improve the services we provide to our customers, so each year we conduct a customer survey. Even though in 2016 we received our most positive set of results ever for our own independent survey, results that were endorsed by the findings of Ofgem's own survey of code administrators where we received the highest net satisfaction rating; we still looked to address the feedback we received.

Over the last year, we increased the number of executive customer visits to help us understand your business better so we can improve the service and expert support we provide. This has included increasing our training offerings, by introducing webinars alongside our training videos, training seminars and face-to-face bespoke training. Although our OSM (Operational Support Manager) and new market entrant services are already highly regarded, we have continued to enhance and improve the process, guidance and support.

We've also been working on our long-term project to improve the ELEXON website. The project, which will continue throughout 2017/18, is using the feedback we have already received to help us identify our customers' needs and website improvements. While we continue with the redesign, we identified some enhancements that would help you in the interim. The changes, which went live at the beginning of September, are based around renaming the menus and moving content into more logical areas rather than the design of the website.

Our 2017 Customer Survey has now been launched, so if you are contacted by ResearchCraft, please continue to provide your feedback; it is very important to us and it is at the heart of any improvements we make.

For more information, or if you have any feedback or suggestions, please contact [communications@elexon.co.uk](mailto:communications@elexon.co.uk).

## 2. ELEXON comments to Ofgem on initial thinking for future System Operator regulatory framework

ELEXON has provided comments to Ofgem on its [initial thinking for the regulatory framework for the future SO \(System Operator\)](#). National Grid are developing their thinking for how they will deliver the separated SO services and provided an informative update to the [BSC Panel on 14 September](#). In parallel, Ofgem is developing its thinking for what the most effective regulatory regime would be and will be holding workshops in the coming weeks to discuss with stakeholders.

Our response highlights a number of areas for consideration for a future regulatory regime including:

- The need to set the minimum expectations from the SO for the core roles identified by Ofgem to establish what stakeholders expect as 'business as usual'.
- The need to consider how information is provided to stakeholders, in particular how BSC and Balancing Mechanism information is conveyed across ELEXON and SO channels.
- The potential for a KPI related to delivery of change which impacts on stakeholders and cross code change.
- The role of the SO as a code manager and consistency with code delivery across all codes.

## 3. Supplier Volume Allocation (SVA) Forum: 8 November 2017

Are you interested in Supplier Volume Allocation (SVA) assurance? We are holding an SVA Forum on **8 November 2017**. The day will include presentations on performance assurance activities with opportunities for engagement to get your ideas on future SVA-related changes.



You'll find it useful if you are involved with one or more aspects of the Performance Assurance Framework (PAF), for example:

- Provision of PARMS data
- Regulation and compliance
- Error Failure Resolution
- BSC Audit
- Technical Assurance of Performance Assurance Parties (TAPAP)
- Technical Assurance of Metering System.

We currently have the following agenda items planned for the SVA Forum:

- PAF review update
- Smart roll-out risks and mitigations
- Commissioning
- Changes to Technical Assurance of Metering
- BSC Audit approach and methodology
- Re-qualification
- Trading Disputes
- TAPAP overview and upcoming assurance checks.

A final agenda will be published on our website and Newscast closer to the date, when we will also open registration. In the meantime, if you have any questions please email the [BSC Admin](#) team.

#### **4. ELEXON welcomes Anne Heal as a new non-executive director to the ELEXON Board**

ELEXON has appointed Anne Heal to the ELEXON Board. Anne, who takes up her post from 1 October 2017, replaces Gillian Wilmot and joins as the second non-executive director who is independent from industry.

The BSC requires the ELEXON Board to be comprised of mainly non-executive directors who have industry experience and at least two non-executive directors who must be independent from the industry.

All of our non-executive directors are considered to be independent under the Corporate Governance Code. The ELEXON Board will now comprise of Michael Gibbons, Chairman, Mark Bygraves, ELEXON CEO, Volker Beckers, Alison Chappell and Clare Duffy, our three industry non-executive directors and David Rigney and Anne Heal as our two non-executive directors who are independent from the industry.

ELEXON Chairman, Michael Gibbons, said: 'I'm delighted to welcome Anne to the Board. She brings extensive experience of strategy formulation and working in regulated environments, which will be highly valuable in helping us tackle the challenges ahead.

I'd also like to thank Gillian Wilmot who has retired from the Board for her valuable contribution. She has served on the Board for four years, including as Chair of the Remuneration Committee, and we thank Gillian for her service.'

Anne said on being appointed: 'I am more than delighted to be joining ELEXON's Board. ELEXON plays such an important and pivotal role in the energy industry and I look forward to playing my part in that.'

##### **About Anne Heal**

Anne Heal is Chair of the Thames Water Customer Challenge Group; she is a board member of ORR, the rail and road regulator, and Ofqual, the qualifications regulator.

She is also a Lay Member of the General Dental Council. She was previously Director of Regulatory Affairs for BT Group, leading the regulatory negotiations that led to the creation of Openreach, where she then became MD, Strategy.

Anne is Chair of Volunteering Matters, a trustee of NCVO, a lay advisor to the Royal College of Pathology and a trustee of Ballet Boyz. She is a Sloan Fellow of the London Business School and a



Fellow of the RSA.

More information on ELEXON's Board structure and its members can be found on our [Who we are](#) page of our website.

## 5. ELEXON backs industry panel reforms, by Utility Week

Utility Week interviewed Mark Bygraves, our CEO, and David Jones, Head of Strategy at ELEXON, about ELEXON's views and support of industry panel reforms. This follows a proposed modification to the Connection and Use of System Code (CUSC) seeking reforms to the CUSC panel, raised by UK Power Reserve.

In the [article by Utility Week](#), our chief executive Mark Bygraves highlights that the BSC Panel should be seen as a model for other industry panels, given its high levels of transparency over the electorate: "We publish a register of votes for trading parties, and we do that on a monthly basis." Mark said ELEXON "must be doing something right" after receiving the highest net satisfaction score of the eleven code administrators in a survey of code signatories published by Ofgem in April.

If you would like to learn more about the BSC Panel model and our views on industry code panel reforms, we invite you to read "[The BSC Panel: a template for panel constitution?](#)".

## 6. Have your say: Consultation on increasing the Credit Assessment Price (CAP)

Following an increase in forward market prices, a Credit Assessment Price (CAP) review was triggered. We have issued a [consultation paper](#) on the value of the Credit Assessment Price (CAP), available on the [Consultations page](#) of our website. We invite Trading Parties to indicate whether they agree with the proposal to **increase the value** of CAP to **£50/MWh** from its latest approved level of £43/MWh.

### How does this affect Parties?

This potentially affects the level of Credit Cover that Parties are required to lodge, and so we encourage you to respond to the consultation.

### What happens next?

If all respondents and Credit Committee members agree with the proposed value in the consultation document, there will be no Credit Committee meeting and the new CAP value will be implemented on **20 September 2017**. If one or more respondents or Credit Committee member requests it, ELEXON will arrange a Credit Committee meeting after the consultation closes to determine the new CAP value.

### How do I respond?

Trading Parties can comment on this consultation using the consultation proforma available on the [Consultations page](#) of our website. Please send your responses to [Credit.Committee@elexon.co.uk](mailto:Credit.Committee@elexon.co.uk) by **17:00 on 29 August 2017**.

You can find more information on the CAP, the Credit Committee and the review process on the [Credit Committee page](#) of our website. We have also published [FAQs](#) to help you become more familiar with this process.

## 7. ELEXON responds to Project TERRE consultation

Project TERRE (Trans European Replacement Reserves Exchange) is creating a European platform for the exchange of Replacement Reserve (RR) and has significant impacts on at least the BSC ([Modification P344 'Project TERRE implementation into GB market arrangements'](#)) and Grid Code. On



30 June 2017, Project TERRE issued a public consultation on various aspects of the project. ELEXON has responded to this consultation, focussing on the following key points:

- The need for close coordination between European Project TERRE and the British implementation projects to implement TERRE in GB.
- The need for a finalised design of the central TERRE arrangements by October 2017 to ensure ELEXON is ready for parallel running with central TERRE in early 2019, but if later changes are contemplated the need for such changes to be made known publicly in good time before the change needs to be implemented in our GB arrangements.
- The right of local transparency platforms such as BMRS to publish TERRE results, needed to enable ELEXON to continue to publish a breakdown of how the GB imbalance price is calculated, amongst other data.
- Timely availability of TERRE results to avoid pushing back the publication of indicative imbalance prices on BMRS.
- What the central TERRE parallel run will look like and whether it is intended to include post-event settlement systems.

ELEXON's response to the consultation is available on the [Industry Insights](#) page of our website.

## 8. Improvements to the ELEXON website: 5 September 2017

Over the last few months, we have been working on the redesign of our website as we know it is sometimes difficult to find the information you need.

While we continue with the redesign, we've identified some enhancements that we think will help you in the interim.

The changes, which are due to go live tomorrow, **Tuesday 5 September** are based around renaming the menus and moving content into more logical areas rather than the design of the website.

### So what's changing?

As well as creating a new A-Z index, which can be accessed from the top of the page, we have also made a number of other changes. [A list of changes is available on our website.](#)

For further information, contact us at [communications@elexon.co.uk](mailto:communications@elexon.co.uk).

## 9. CALF values for the Winter 2017 BSC Season: 1 November appeal deadline

The Credit Assessment Load Factor (CALF) values for the Winter 2017 BSC Season, which runs from **1 December 2017 to 28 February 2018**, are available from the Credit/Credit Alerting section under the Financial and Credit menu on the [ELEXON Portal](#).

### What can I do if I believe the assigned value does not accurately represent the expected Balancing Mechanism (BM) Unit activity?

If you are the Lead Party of a non-Credit Qualifying BM Unit, you can appeal an assigned CALF value if you believe it does not accurately represent your expected activity.

To raise an appeal, please complete the CALF Appeals pro forma in Appendix 5 of the [CALF Guidance document](#) and email it to [bscservicedesk@cgi.com](mailto:bscservicedesk@cgi.com) by **Wednesday 1 November 2017**. To find out more about CALF appeals, please see Section 12 of the CALF Guidance document.

The holiday CALF deadline for the Winter 2017 BSC Season is **Friday 17 November 2017**, 10 working days before the start of the season.



If you have any questions, please email [SettlementOperations@elexon.co.uk](mailto:SettlementOperations@elexon.co.uk).

## 10. Modifications, Change and Implementation

### **P360 'Making the BSC's imbalance price compliant with the European Balancing Guideline' raised**

[P360](#) was raised on 7 September 2017. The European Electricity Balancing Guideline is expected to become law in 2017. The current BSC imbalance price calculations will not be compliant with Article 55 of the Guideline. This Modification proposes changes to the BSC to ensure that compliance is achieved.

We propose that the first Workgroup meeting is held on either on **2, 3, 4, 5 or 6 October 2017**. If you would like to join the P360 Workgroup or attend as a non-voting attendee, please let us know by emailing [bsc.change@elexon.co.uk](mailto:bsc.change@elexon.co.uk) no later than **20 September 2017**.

If you have any questions or would like to discuss P360 further, please contact **Jemma Williams** on 0207 380 4359 or email [bsc.change@elexon.co.uk](mailto:bsc.change@elexon.co.uk).

### **P359 'Mechanised process for GC/DC declarations' raised**

[P359](#) was raised on 6 September 2017. This Modification proposes to introduce a new mechanised process for Generation Capacity (GC) and Demand Capacity (DC) re-declarations following a breach of Section K3.4.3 of the BSC.

We propose that the first Workgroup meeting is held on either on **2, 3, 4, 5 or 6 October 2017**. If you would like to join the P359 Workgroup or attend as a non-voting attendee, please let us know by emailing [bsc.change@elexon.co.uk](mailto:bsc.change@elexon.co.uk) no later than **20 September 2017**.

If you have any questions or would like to discuss P359 further, please contact **Jemma Williams** on 0207 380 4359 or email [bsc.change@elexon.co.uk](mailto:bsc.change@elexon.co.uk).

### **P358 'Roll over of BSC Seasonal GCDC' raised**

[P358](#) was raised on 6 September 2017. This Modification proposes to amend BSC Section K of the BSC to allow ELEXON to carry over BSC Seasonal GC/DC.

If you have any questions or would like to discuss P358 further, please contact **Cal Lynn** on 0207 380 4206 or email [bsc.change@elexon.co.uk](mailto:bsc.change@elexon.co.uk).

### **P357 'Removal of GC/DC tolerance parameters from BSC Section K' raised**

[P357](#) was raised on 6 September 2017. This Modification proposes to remove the GC and DC tolerance limit parameters.

If you have any questions or would like to discuss P357 further, please contact **Elliott Harper** on 0207 380 4302 or email [bsc.change@elexon.co.uk](mailto:bsc.change@elexon.co.uk).

### **P332 'Revisions to the Supplier Hub Principle' – Ofgem provide their view**

On 15 August, Ofgem responded to the Panel's letter, expressing their views as to whether the findings of the P332 interim report are consistent with their provisional thinking and strategic direction. An update was taken to the Panel on **14 September 2017** detailing the Proposer and the Workgroup's thoughts on Ofgem's response. The Panel update paper, the interim report and the letter to and from Ofgem can be found on the [P332 page of ELEXON's website](#).

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

[CP1494](#) was raised on 13 September 2017. This CP proposes to amend BSCP40 to introduce a 15 Working Days objection window for housekeeping CPs.

### **CP1493 'Add a form and associated process steps to BSCP15 for registering Non-Standard BM Unit configurations' raised**

[CP1493](#) was raised on 8 September 2017. This CP proposes to amend BSCP15 in order to create a



new form to be used by Parties when applying for non-standard BM Units, changing the existing process steps for non-standard BM Unit registrations.

If you have any questions or would like to discuss CP1493 further, please contact **Claire Kerr** on 0207 380 4293 or email [bsc.change@elexon.co.uk](mailto:bsc.change@elexon.co.uk).

**CP1490 'Making the BSC's imbalance price compliant with the European Balancing Guideline' approved**

[CP1490](#) was approved by the ISG on 22 August 2017 and the SVG on 5 September 2017 for implementation on **22 February 2018**.

**CP1487 'Remove the exclusion of Change of Measurement Classes in BSCP533 Appendix B' approved**

[CP1487](#) was approved by the PAB on 31 August and the SVG on 5 September 2017 for implementation on **22 February 2018**.