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# Ofgem decision to approve Balancing and Settlement Code Modification P496: 'Defining DIP Manager Data and how it can be shared'

Decision: The Authority¹ directs that this modification be made²

Target audience: National Energy System Operator, Parties to the Balancing and Settlement Code (BSC), the BSC Panel and other interested parties

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# **Background**

As part of Market-wide Half Hourly Settlement (MHHS), a new industry-wide messaging system called the Data Integration Platform (DIP) has been established. The DIP supports the exchange of data between electricity industry participants to enable them to meet obligations in multiple industry codes. The governance and operational requirements for the DIP – collectively known as the 'DIP Rules' - were set out in modification proposal P474, which Ofgem approved on 11 September 2024.<sup>3</sup> The DIP Rules are set out in the DIP Supplement and the DIP Subsidiary Documents (DSDs). The DIP Supplement provides the overarching framework while the DSDs contain the procedural details on governance, connection, assurance, change management, cost recovery and data management.<sup>4</sup>

The DIP system accesses data from messages to enable their correct routing. Each message comprises two primary data structures. These are called 'Common Blocks', which are headers typically including data that is classified as personal information under data protection law for example, Meter Point Administration Numbers (MPANs) and 'Custom Blocks', which contain data specific to each message (in other words, the message content).

<sup>&</sup>lt;sup>1</sup> References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day-to-day work. This decision is made by or on behalf of GEMA.

<sup>&</sup>lt;sup>2</sup> This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989.

<sup>&</sup>lt;sup>3</sup> See <u>Decision to approve Authority Led BSC Modification Proposal P474 | Ofgem</u>.

<sup>&</sup>lt;sup>4</sup> The DIP Rules are available at <u>Data Integration Platform - Elexon Digital BSC</u>.



Under the existing DIP Rules, the DIP Manager<sup>5</sup> may access 'transactional' information that facilitates the sending of messages between senders and recipients across the DIP. Common Block data is a type of transactional data. The DIP Manager needs to access and use Common Block data so that it can manage the system efficiently, including tracking message flows and dealing effectively with operational issues that might arise for DIP Users.

The current DIP Rules do not explicitly define Common Block data as DIP Manager Data. Rather, the current definition of DIP Manager Data refers to "any data" derived from messages. However, it was not intended that the DIP Manager would access, use or disclose the content of messages sent via the DIP. Rather, the intention was that the DIP Manager should be able to access, use and potentially disclose to third parties only that data – such as Common Block data - that is created or used in the process of providing the DIP service.

Modification proposal P474 provided that the DIP Manager may provide Common Block data to Code Bodies, for purposes not related to the DIP service, only via open data access requests. This reflected the best understanding at that time about the code bodies' requirements for such data. However, the DIP Manager stated that it would continue to work with code bodies to understand "the best way to generate reports" and "their requirements" for these reports. The DIP Manager has noted that these requirements have become clearer over time. Elexon and the Retail Energy Code (REC) Manager have, therefore, now requested access to Common Block data, including MPANs, via continuous rather than intermittent data flows. They have requested continuous access to this data so that they can efficiently conduct performance assurance functions under the BSC and the REC, such as validating Trading Disputes or assisting auditors working on their behalf.

### The modification proposal

The DIP Manager ('the Proposer') raised P496 on 7 August 2025. The DIP Manager is also pursuing changes to the DSDs so they appropriately reflect the modified DIP Supplement.<sup>7</sup>

<sup>&</sup>lt;sup>5</sup> The DIP is run by a separate team within Elexon called the 'DIP Manager.' The DIP Manager is responsible for the operation of the DIP, including recovery of costs and changes to the DIP and its governance processes.
<sup>6</sup> See page 28 of the 'Issue 101 Report' of March 2024, which is available on the Elexon website <u>Issue 101 Ongoing</u> Governance, Funding and Operation of the DIP - Elexon BSC.

<sup>&</sup>lt;sup>7</sup> The proposed changes to the DSDs are set out in DIP Change Request 'DCR004'. The DIP Change and Advisory Board is expected to make a decision on DCR004 at its meeting on 14 October 2025.



As noted above, the DIP Manager considers that the DIP Supplement should be amended to clarify that DIP Manager Data includes Common Block data (which, as noted above, includes data that is classified as personal information under data protection law). Doing so will, in the Proposer's view, remove ambiguity about whether the DIP Manager may access and use this data, which is essential for delivering the DIP service effectively. The proposal would, once implemented, make clear in the DIP Supplement that Common Block data is included within the definition of DIP Manager Data.8

The Proposer also seeks to modify the provisions in the DIP Supplement about sharing DIP Manager Data. The intention is to enable the DIP Manager continuously to share DIP Manager Data - including Common Block data - for specific purposes unrelated to the DIP service itself, such as enabling code bodies to conduct performance assurance checks. To do this, there must be at least one lawful basis for sharing the Common Block data that includes MPANs, which are defined as personal data. To that end, P496 therefore seeks to establish a mechanism for ongoing data sharing with certain code bodies.

The proposed legal text states that "the DIP Manager shall make DIP Manager Data available to a DIP User that is a Code Body (including, for the avoidance of doubt, BSCCo) for the purpose of carrying out functions or obligations as a Code Body under an Industry Code". The proposed legal text also states that DIP Manager Data may be disclosed or made available to a Code Body for that purpose in various formats and frequencies, including via a continuous flow of such data. The proposal makes clear that requests from a Code Body for the DIP Manager to share DIP Manager Data for the purpose of carrying out the Code Body's functions or obligations must be made in accordance with the procedures set out in DIP Subsidiary Document 'DSD006'9 and that the DIP Manager shall process such requests in accordance with those procedures and applicable data protection legislation.

<sup>&</sup>lt;sup>8</sup> The consequential change to the DIP Rules, DCR004, proposes to provide further detail about the scope of DIP Manager Data. If implemented, DIP Manager Data would mean "any data created, produced or acquired by the DIP Manager pursuant to the DIP Rules, including Message Common Blocks and data derived from Messages (but excluding Message Content), and data created by the DIP Manager for the purposes of co-operation with Code Bodies in relation to activities required or authorised under an Industry Code".

<sup>&</sup>lt;sup>9</sup> See <u>DSD006 - DIP Data Management - Elexon Digital BSC</u>. The DIP Manager has proposed changes to this DSD as part of the suite of changes included within DCR004.



The DIP Manager's view is that this mechanism would ensure a clear legal basis for the DIP Manager to share personal information - including MPAN data - where necessary and appropriate under the UK General Data Protection Regulation (UK GDPR) and other existing data protection legislation.<sup>10</sup>

Finally, P496 seeks to align the DIP Supplement data protection rules with those in the BSC. This involves replacing the existing DIP Supplement provisions with those from section H of the BSC.<sup>11</sup> The DIP Manager believes that this will provide greater clarity on how personal data will be processed by the DIP Manager on behalf of DIP Users who are the Data Controllers.

# BSC Panel<sup>12</sup> recommendation

At the BSC Panel meeting on 11 September 2025, the BSC Panel considered that P496 would better facilitate Applicable BSC objective (d). The Panel unanimously recommended approval.

#### **Our decision**

We have considered the issues raised by P496 and the Final Modification Report (FMR)<sup>13</sup> dated 16 September 2025. We have also considered and taken account of the responses to the industry consultation on P496.

One consultation respondent stated that the proposal should have made provision to enable the sharing of Custom Block data as well as Common Block data. However, according to the FMR, "the ability to access Custom Block information was excluded because of the difference between Common and Custom Block information". While Common Block information contains transactional data enabling the DIP to route or send a message between a sender and a

<sup>&</sup>lt;sup>10</sup> As defined in Section X-1 of the BSC, 'Data Protection Legislation' means all applicable data protection and privacy legislation in force from time to time in the UK, including the UK General Data Protection Regulation, the Data Protection Act 2018 (and regulations made thereunder) and the Privacy and Electronic Communications Regulations 2003 as amended. In addition, the scope section of DIP Subsidiary Document 'DSD006 states that "Data Management ensures that the relevant legislation is adhered to with regards to the protection of data".

<sup>&</sup>lt;sup>11</sup> See <u>BSC Section H: General - Elexon Digital BSC</u>, particularly H4.8 in relation to Data Processor obligations and H4.9.3-4.9.8 in relation to Data Controller obligations.

<sup>&</sup>lt;sup>12</sup> The BSC Panel is established and constituted pursuant to and in accordance with Section B of the BSC and Condition E1 of the Electricity System Operator Licence.

<sup>&</sup>lt;sup>13</sup> BSC modification proposals, modification reports and representations can be viewed at <a href="https://www.elexon.co.uk">www.elexon.co.uk</a>.



receiver, Custom Block information contains message content that was "not intended to be accessed or shared by the DIP Manager". The FMR also explained that, while the DIP Manager uses information from Common Blocks to provide services to DIP Users and to resolve issues that may arise, the DIP Manager does not use Custom Block data for these purposes. For these reasons, the DIP Manager excluded Custom Block information from the proposal.

The same respondent suggested that the proposal was overly restrictive because it limited DIP Manager Data sharing to Code Bodies who are DIP Users, when others with a legitimate reason or need could want access. The DIP Manager explained that the restriction was required to ensure oversight on who receives DIP Manager Data and to provide a lawful justification for sharing specific information, such as MPANs, with the REC Manager and Elexon because of their performance assurance functions. In the DIP Manager's view, the provisions clearly justify the DIP Manager's authorisation of data sharing with Code Bodies and help the DIP Manager identify a lawful basis for such sharing. Moreover, the provisions create exceptions to confidentiality obligations that would typically prevent the sharing of data.

The same respondent also commented on the procedure by which the DIP Manager governance could be altered via the BSC change process. The DIP Manager noted that the change process for the DIP Supplement was established via Issue 101 and P474 and that the proposals in P496 did not affect those governance arrangements.

Having taken these matters into account, we have concluded that:

- implementation of the modification proposal will better facilitate the achievement of the applicable objectives of the BSC<sup>14</sup>
- directing that the modification be made is consistent with our principal objective and statutory duties.<sup>15</sup>

<sup>&</sup>lt;sup>14</sup> As set out in Condition E1 of the Electricity System Operator Licence.

<sup>&</sup>lt;sup>15</sup> The Authority's statutory duties are wider than matters which the Panel must take into consideration and are detailed mainly in the Electricity Act 1989.



#### Reasons for our decision

We consider this modification proposal would better facilitate BSC Applicable BSC objective (d) and that it would have a neutral impact on the other applicable objectives.

# (d) promoting efficiency in the implementation and administration of the Balancing and Settlement Arrangements

We note from the FMR that, in its initial discussion of the proposal on 14 August 2025, the BSC Panel agreed that P496 would "improve the efficiency and quality of the service delivered by the DIP, the DIP Manager and other relevant organisations". On that basis, the BSC Panel unanimously agreed that the proposal would better facilitate Applicable BSC Objective (d). We also note that the BSC Panel's view was unchanged after its final discussion of the proposal on 11 September 2025. Ofgem agrees with the BSC Panel that the proposal provides clarity about the type of data that constitutes DIP Manager Data and that it provides for the introduction of a mechanism and legal basis for sharing DIP Manager Data with specified bodies for specific purposes, where necessary and appropriate according to the UK GDPR, consistent with the requirements of the existing data protection legislation. On that basis, Ofgem agrees that P496 would better facilitate Applicable BSC Objective (d).

# **Decision Notice**

In accordance with Condition E1 of the Electricity System Operator Licence, the Authority hereby directs that modification proposal BSC P496: 'Defining DIP Manager Data and how it can be shared' be made.

Melissa Giordano, Deputy Director Retail

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Signed on behalf of the Authority and authorised for that purpose