

A Panel Chairman's Perspective

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Setting the scene

- 192 BSC signatories
- > £1.1 Billion cash flowed through BSC settlement last year
- Almost 140 BSC Panel meetings
- 222 Modification Proposals
- Authority has upheld Panel recommendation 83% of the time
- Cost of processing – Ave £17K (max £200K)
- Time of processing – Ave 75 days from date raised to submission to Authority

So what have we learned?

Agenda

1

Code objectives

Getting the balance right

Large/complex developments

Mod Procedure refinements

2

3

4

Fragmented governance

Panel features

Quick wins?

5

6

7

Code objectives

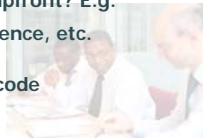
1

- Gains from greater alignment
- Possible impact on Panel composition and/or processes?
- Also an opportunity to increase clarity around existing Code objectives

Getting the balance right

2

- Qualitative vs quantitative analysis
- Cost & time vs engagement & quality
- Information driven vs timetable driven
- Do we currently invest enough upfront? E.g. definition phases, terms of reference, etc.
- Appropriate standards for each code



Large/complex developments

3

- E.g. pricing, smart metering...
- The problem with competing modifications
- Rigidity of Code procedures limits ability to help the Authority
- Broader developmental workstreams?

4

Modification Procedure refinements

- Best practices may have evolved elsewhere e.g.
 - Withdrawal of proposals
 - Simplified housekeeping process
 - Legal text

5

Fragmented governance

- Scope to further improve arrangements for progressing matters that require cross-code coordination?



6

Panel appointment and composition

- Do key features of the BSC Panel model remain valid? E.g.
 - Consumer participation post energywatch
 - Independence
 - Election and appointment rules

Quick wins?

7

- Alignment and better clarity of objectives
- Investing in better analysis earlier in the change process (this is already within our gift)
