

## Code Administrators Working Group (CAWG) Issues Log

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Issue No:	Description:
5.1	<p>Do the current modification rules adhere to the principles set out in the November letter?</p> <p>(Reminder, these principles were:</p> <ol style="list-style-type: none"> <li>1) promote inclusive, accessible and effective consultation;</li> <li>2) be governed by rules and processes that are transparent and easily understood;</li> <li>3) be administered in an independent and objective fashion;</li> <li>4) provide rigorous and high quality analysis of the case for and against proposed changes;</li> <li>5) be cost effective;</li> <li>6) contain rules and processes that are sufficiently flexible to circumstances that they will always allow for efficient change management; and</li> <li>7) be delivered in a manner that results in a proportionate regulatory burden).</li> </ol>

Code	Current Process	Pro's	Con's
BSC <sup>1</sup>	<p>1) BSC states that Consultation occurs in all phases of the Modification Procedures. ELEXON issues consultations to standing lists and proactively targets customers for relevant changes via Email, telephone, Newscast. All consultation documents are placed on the ELEXON website.</p> <p>2) BSC sets out change procedures are documented in Section F, with the submission proforma in BSCP40. BSCP40 also sets out procedures for progressing Change Proposals.</p> <p>ELEXON maintains a plain English version of the BSC, provides a</p>		

<sup>1</sup> Throughout this response we have sought to identify where the BSC dictates what must be done from how ELEXON, as the BSCCo, delivers those requirements.

	<p>programme of education accessible to all parties and individual support for Proposers of change.</p> <p>3) ELEXON has a defined role as the BSCCo and seeks to discharge this in an independent and objective fashion. The way ELEXON discharges this role in an independent and objective fashion includes chairmanship of Modification Groups, secretariat and report provision, analysis, provision of legal advice and drafting, full transparency through cost publication.</p> <p>4) Analysis is undertaken by the Modification Group with support from the industry – it is therefore dependent on industry input. ELEXON provides full analysis where data is immediately available through our own systems and will procure analysis for the industry where it does not.</p> <p>5) ELEXON publishes all costs and consults annually on the Business Strategy, including costs and initiatives to deliver change. This is part of a broader mission to be effective, economic and efficient in delivering all the services specified in the BSC.</p> <p>6) The BSC recognises the concept of urgency, and the individual phases can be flexed but otherwise has limited</p>		
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	<p>flexibility (which is notably an issue for minor changes which remain subject to the full rigours of the process).</p> <p>ELEXON ensures that where flexibility exists in the process that this is utilised (e.g. number of meetings, length of consultation, number of consultations/impact assessments).</p> <p>The Code sets out all the information which each Modification must include for submission to the Authority. This review has noted that not all changes require the full process and supporting information where they are self evident or non material.</p>		
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**Preference:**

**The processes that have been unanimously agreed as inflexible through the CAWG discussion should be given wider industry consideration and addressed, if appropriate. These include:**

- inability to withdraw Modifications; and
- need for the Panel to progress housekeeping changes without Regulatory approval.

**Additionally there is support for removal of the definition procedure?**

**Means of implementation:**

Custom and practice		Mod rules change	Y	Licence modification	
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**Details: Raise a Modification to allow a full industry debate and revise Section F of the BSC where there is agreement.**

<b>Issue No:</b>	<b>Description:</b>
5.1.1	In what areas does each code work well / not so well?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	Answers have been provided against subsequent questions.		

<b>Issue No:</b>	<b>Description:</b>
5.2	How does small party, new entrant and consumer representation vary across the codes?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>BSC Sets Out: Up to 5 industry Panel members are elected from an electoral college that consists of all BSC Parties.</p> <p>The BSC Panel chairman can appoint a further industry member whose interests are not reflected in the elected composition of the BSC Panel.</p> <p>The National Consumer Council (NCC) has 2 voting Panel seats. The NCC can raise Modifications, otherwise Panel Members can collectively raise Modifications under limited, defined circumstances on the recommendations of BSCCo, TDC and PAB. Individually, industry members could propose Modifications by dint of being a BSC Party.</p> <p>Were a Panel Member (or their employing organisation) to raise a Modification, then they will abstain from voting. The BSC allows for any person with relevant experience to be a Modification Group member, so long as they agree to act impartially and sign an employee release agreement. Anyone is permitted to attend a Modification Group and speak, all views are captured in reports and all responses</p>	<p>All Panel Members are required to act impartially and shall not be representative of the persons that elected/appointed them. Nevertheless Panel Members traditionally reflect areas of the industry within which they have an expertise, and where such an area is not adequately covered then an additional member may be appointed.</p> <p>Modification Groups are open to all and members are required to act impartially, considering what is best for the industry as a whole by reference to the code objectives.</p>	<p>Fully independent members are without a constituency and thus the onus for (two way) communication with these groups tend to fall on the Code Administrator</p>

	to consultations are forwarded to the Authority..		
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**Preference:**

Retain existing processes.

**Means of implementation:**

Custom and practice		Mod rules change		Licence modification	
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**Details:**

<b>Issue No:</b>	<b>Description:</b>
5.2.1	What aspects of the arrangements do small parties, new entrants and consumer representatives find to be a particular burden?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>The current Modification procedures do not differentiate between sectors of the industry when it comes to interacting with the BSC. There is evidence that all sections of the market can experience issues and ELEXON does not differentiate between BSC Parties – the consultation process and modification group arrangements are intended to provide the wider picture. Nevertheless where it is apparent that a sector of the market may be more significantly impacted by a particular change then ELEXON will strive to ensure that this sector is kept informed.</p>		

**Observation:**

There is evidence that all sectors of the market can find difficulties with:

- the volume of information;
- the burden of championing changes; and
- the burden of attending meetings.

This issue is compounded by the volume of information arising out of all governance regimes (including the Authority).

**Means of implementation:**

Custom and practice		Mod rules change		Licence modification	
<b>Details:</b>					

<b>Issue No:</b>	<b>Description:</b>
5.2.2	In which aspects are the codes sufficiently transparent or need to improve?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	All written information (other than commercially sensitive information) is made available via the website and most meetings are held in public other than certain PAB, TDC and Panel meetings where confidential issues are being discussed – minutes of these meetings are made available. ELEXON strives to keep impacted Parties aware of changes and issues that might impact them.	Full transparency and consultation on how ELEXON delivers the BSC services.	

**Preference:**

Work is in hand within the BSC to improve the structure and style of our reports and the information we provide to make it easier to assimilate. The need to make information widely available and to alert Parties to relevant information is recognised and is being progressed (this does however have resource implications).

<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			



<b>Issue No:</b>	<b>Description:</b>
5.2.2.1	Should websites conform to agreed standards/principles?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	The BSC website conforms to an internal standard and has RNIB accreditation. All material is made available without any restriction unless it is confirmed to be confidential.	Total accessibility is a prerequisite, however imposing standard website architectures would prove a substantial project and impose significant costs on the industry.	

**Preference:**

**Means of implementation:**

Custom and practice		Mod rules change		Licence modification	
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**Details:**

<b>Issue No:</b>	<b>Description:</b>
5.2.3	Do small parties, new entrants and consumer representatives consider that enough assistance is available to them in order to participate [in code governance and modification processes]?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	ELEXON assists <u>any</u> participant to understand the BSC, its processes and obligations. This is done through a combination of industry education days and individual training. Help and support is also given to Parties seeking to raise a Modification in terms of understanding the background, capturing the issue, and establishing the process and timetable.		

**Preference:**

**Maintain current practices.**

<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.2.3.1	If further assistance would be helpful [to small parties, new entrants and consumer representatives], in what areas?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>Smaller parties have said that informal assistance from code administrator prior to raising mods (i.e. chat through issues, review drafting) is helpful.</p> <p>ELEXON provides periodic education seminars for new joiners to industry. A range of information sheets and publications are available on the website and a plain English summary of the code is maintained.</p> <p>ELEXON is additionally investigating the use of web forums as a vehicle for industry debate around issues. This could provide a means to explore issues without the need for incurring meeting miles. The format is likely to centre on publicising a forthcoming issue and thereafter providing a (moderated) forum for debate for a fixed period of time.</p>	<p>These initiatives are all targeted at assisting Parties (irrespective of size) and encouraging participation in the BSC processes.</p>	<p>Educational initiatives require resource (see 5.2.3).</p>

**Preference:**

<b>Means of implementation:</b>				
Custom and practice		Mod rules change		Licence modification

**Details:**

<b>Issue No:</b>	<b>Description:</b>
5.3	What role do code administrators play in developing or bringing forward proposals?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>The BSC allows for ELEXON to recommend the Panel raise a modification but only in specific (F 2.1.1) circumstances. This is largely used to address "housekeeping" changes but the governing definition relates to objective (d). This limits the reason to efficiency in the operation of the BSC systems which historically has had a very restricted interpretation.</p> <p>ELEXON provides informal support to proposers prior to submission (e.g. help with framing the issue etc). ELEXON facilitates the Issue process and produces the reports from these groups. ELEXON is active in other industry Codes and will raise changes in other Codes (e.g. MRA) to deliver cross Code change.</p> <p>There is a facility for ELEXON to undertake a periodic operational review of a section of the BSC during which it may identify desirable changes; however, its ability to propose change</p>		<p>There is evidence that some operational issues are not raised due to the burden on the proposer and their internal governance procedures and sometimes because of lack of sufficient commercial interest for individual companies. This is despite there being widespread support for resolving the issue. In these circumstances the CP model whereby ELEXON's ability to propose change on behalf of the industry could be appropriate.</p>

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<sup>2</sup> A Change Proposal is the mechanism for changing a Code Subsidiary Document. It follows a procedure of industry Impact Assessment and consultation and authority for approving changes is generally delegated to a Panel committee.

	<p>as a result of any findings is limited (see above).</p> <p>Within the Change Proposal<sup>2</sup> process, ELEXON frequently raises changes on behalf of industry groups.</p>		
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**Preference:**

**Means of implementation:**

Custom and practice		Mod rules change		Licence modification	
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**Details:**

<b>Issue No:</b>	<b>Description:</b>
5.3.1	Should the Panel's ability to raise proposals be limited to housekeeping and governance?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	Panel can raise modification but only in specific (F 2.1.1) circumstances. Outside of housekeeping changes the Panel is obliged to raise changes in certain defined circumstances (e.g. to cater for changes to Fuel Security Code, the introduction of Euro). The Panel can also raise Modifications following a recommendation from the Trading Disputes Committee (TDC) and the Performance Assurance Board (PAB). Such a recommendation would be in light of the committee's operational experiences.		

<p><b>Preference:</b></p> <p>Maintain current arrangements combined with the ability for the Panel to agree 'housekeeping' changes without further approval from the Authority (akin to the CUSC and DCUSA).</p>
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<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.4	Who should be responsible for the production of legal text?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>The BSC identifies only that text must be provided.</p> <p>In practice ELEXON as the code administrator, provides legal drafting to ensure a consistent approach is maintained to style and safeguards version control.</p>		

<p><b>Preference:</b></p> <p>Maintain current processes.</p>
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<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.4.1	When should legal text be produced?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>The BSC requirement is to produce legal text for consultation during the Report Phase.</p> <p>For housekeeping or self evident proposals, the text is produced at the time of raising, in order that the change is totally self evident and can go direct to Report.</p> <p>For all other proposals, ELEXON targets producing the text during the Assessment Procedure in order that it can be fully reviewed by the Modification Group and so that participants fully understand the implications (and obligations) of a change.</p>	<p>The text should be made available for consultation with Parties prior to a recommendation being made to the Authority. This results in Parties seeing the full extent of the changes and promotes the spotting of errors and omissions.</p>	

<p><b>Preference:</b></p> <p>Maintain current processes.</p>
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<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.4.1.1	Should legal text be consulted on [before a proposal is sent to the Authority]?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	The BSC requires text to be provided and, where it is, to be consulted on. However this step can, with agreement, be avoided <sup>3</sup> . The presumption is that legal text is provided and consulted on at least once (in the Report Phase) and often during its development (i.e. during the Assessment Procedure).		

<b>Preference:</b>
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<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<sup>3</sup> The BSC does provide that the Panel may consult the Authority on whether legal text is needed for a mod which it is proposing to reject. This has been exercised twice when it became self evident that the Modification should not be made.

<b>Issue No:</b>	<b>Description:</b>
5.4.2	Should legal text be flexible (i.e. a “work in progress”) until a decision to approve or reject is made)?

<b>Code</b>	<b>Current Process</b>	<b>Pro’s</b>	<b>Con’s</b>
BSC	<p>The BSC states that Legal text can be modified up to the point when the Final Modification Report (FMR) is sent to Authority. After that point it cannot be changed.</p> <p>Prior to the FMR, only non material changes / corrections which do not impact the intent of the Modification are allowed by the BSC Panel. In practice, where the need for such a change is identified, then the support of the (then disbanded) Modification Group is sought.</p>	<p>Not allowing any changes once the change is submitted provides industry certainty and clearer configuration management of the Code – however these matters could be addressed were controlled changes permitted, particularly for minor amendments, manifest errors or clarifications</p>	<p>Should an error be identified in the text after it is submitted to the Authority this cannot be addressed and the Authority may have to reject the change.</p> <p>Extended and extensive flexibility during the Report Phase would be problematic as it could change the intent of the Modification without the benefit of debate by the Modification Group and consultation with the industry.</p>

<b>Preference:</b>
Allow flexibility to make non-substantive changes post FMR under narrowly defined circumstances?

<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.5	How long should consultation period be?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	Not prescribed within the code. Working practice varies from a few days to a couple of weeks during Definition or Assessment Procedure, normally about a fortnight for Impact Assessment (to ascertain costs and system/process impacts), the Assessment consultation on the solution(s) and during Report Phase. For the avoidance of doubt some changes can be made following very short consultations of an hour or so.		Invariably there are limited responses to any consultation. It is not evident that extending the period would significantly improve matters. There is evidence to suggest that some parties 'keep their powder dry' by only responding to later consultations or to Ofgem's RIAs. This is unfortunate as it means the depth of view and comment is not available to the Modification Groups.

<b>Preference:</b>
Maintain flexible approach.

<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
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5.5.1	Should the Panel have discretion over how long the consultation period is for each proposal?
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Code	Current Process	Pro's	Con's
BSC	<p>BSC permits full discretion. Usually varies from a few days to a couple of weeks. Complexity, public holidays and the volume of other work within the industry may influence this duration.</p> <p>If a change to the consultation period extends the overall timetable beyond the "standard" timescales for the stage, then the Authority has the right to object and impose a new timetable.</p>		

<p><b>Preference:</b></p> <p>Retain</p>
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<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.6	How should implementation dates be determined?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>The BSC states that there must be an Implementation approach and date determined by Panel as part of the suite of information provided to the Authority. Panel recommendation is generally based on mod group recommendation, which in turn is influenced by the results of industry impact assessments.</p> <p>The dates are also generally tied into a schedule of release dates that are agreed across the industry (e.g. Feb, June and November).</p> <p>Where system changes aren't required then implementation a number of days after an Authority decision is appropriate.</p>		

<b>Preference:</b>
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<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			



<b>Issue No:</b>	<b>Description:</b>
5.7	Should there be fast-track process for housekeeping / non-contentious modifications?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>The BSC does not have a specific fast track process for non contentious modifications.</p> <p>However, housekeeping Modifications are raised by the Panel on ELEXON's recommendation. The process allows for these to proceed directly to Report Phase. Recommendation and Ofgem decision made against code objectives.</p>		<p>The current "one size fits all" process places a high relative burden. It currently takes around 5 weeks from raising the report to it being presented to the Authority</p>

<b>Preference:</b>
<p>A suitable controlled process could reduce regulatory and administrative burden.</p> <p>A clear definition of what is "non-contentious" and who decides would be needed.</p>

<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.7.1	What unnecessary process steps could be removed/made conditional on nature of proposal?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	The BSC allows the Panel to direct which stages of the process are employed and how these are to be undertaken (through Modification Group terms of reference). However an initial assessment and Report must be provided for each Proposal.		

**Preference:**

**Means of implementation:**

Custom and practice		Mod rules change		Licence modification	
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**Details:**

<b>Issue No:</b>	<b>Description:</b>
5.8	Should current customs and practice be codified?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	The services that ELEXON offers over and above the strict wording of the BSC are reflected in our guidance notes and website information.		

<b>Preference:</b>
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<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.9	How can the independence of the code administrator be assured?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	ELEXON is 100% owned but uncontrolled subsidiary of NG and is independent for all practical and effectively all legal purposes. Neutral in sense that non-affiliated and not-for-profit, but may be impacted by mods insofar as they affect ELEXON's scope, processes, and credibility.	All administrators have the potential to be impacted by a Modification.	

<b>Preference:</b>
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<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.10	Who should 'own' modification proposals during the process?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>The Code establishes that control of the process transfers to the Panel and Modification Group once a Proposal has been presented to the Panel.</p> <p>'Rights, IPRs and moral rights' are assigned to the code administrator, ELEXON<sup>4</sup> for and on behalf of the industry.</p> <p>ELEXON impresses upon Proposers the need to be clear on which elements of the solution it feels must remain part of the Proposed and advises Proposers to word their proposal as appropriate. Once the solution is within the Group any clarification for an undefined element of the solution can be shaped by the Group, including the Proposer as part of that Group and Alternative solutions explored.</p>	<p>Duty placed on Mod group to progress the Modification.</p> <p>Proposer tends to champion the proposal.</p> <p>The Mod Group can develop an Alternative which better facilitates the code objectives.</p> <p>The assignment of the IPR and moral rights associated with a proposal to ELEXON (on behalf of the industry) reflects that the industry is paying for processing the Modification Proposal.</p>	<p>Proposer loses ability to solely steer the modification and this drives proposers to specify the proposal in great detail in order to retain control. However, once an element is included it is difficult to remove or revise it.</p>

**Preference:**

There is merit in the Proposer being able to shape its Modification so long as the Group can develop an Alternative by consensus. This should be coupled with the ability for a Modification to be withdrawn.

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<sup>4</sup> BSC F2.1.11

<b>Means of implementation:</b>				
Custom and practice		Mod rules change	Y	Licence modification
<b>Details:</b>				

<b>Issue No:</b>	<b>Description:</b>
5.11	Should proposers have the right to withdraw proposals?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	The BSC permits withdrawal up to the point where the proposal is heard by the BSC Panel.		

**Preference:**

**A withdrawal process would be beneficial, assuming the right of withdrawal was suitably specified to avoid the submission of spurious proposals.**

<b>Means of implementation:</b>				
Custom and practice		Mod rules change	Y	Licence modification
<b>Details:</b>				

<b>Issue No:</b>	<b>Description:</b>
5.11.1	If proposers should have the right to withdraw proposals, up to what point should this right exist?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	The BSC allows withdrawal up to the point where first presented to Panel <sup>5</sup> (thereafter for Panel to consider whether to send to WG or straight to report).	As above	As above

**Preference:**

If withdrawal is allowed beyond the time of initial presentation to the Panel, then this should be able to take place up to the start of the report Phase / production of legal text.

<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

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<sup>5</sup> BSC F2.1.12.

<b>Issue No:</b>	<b>Description:</b>
5.11.2	If proposers should have the right to withdraw proposals, should other parties be able to adopt the proposal at this point?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	All Modification must be assessed through the process, withdrawal is not permitted.		

<b>Preference:</b>
If proposal is supported, it would avoid nugatory work.

<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.12	Are modification processes appropriate for urgent proposals?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>The BSC processes followed for an Urgent Modification mirror the 'normal' process but can be adjusted to reflect the importance/urgency of the proposal.</p> <p>Consideration of whether to treat as urgent takes account of the views of the proposer and ELEXON, National Grid, and the Panel's recommendation is subject to Authority approval.</p> <p>The urgent procedures allow the Panel to subsequently submit the modification to review by a Modification Group to report on whether any alternative would better facilitate the code objectives.</p>		

<p><b>Preference:</b></p> <p>Retain current processes.</p>
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<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			



<b>Issue No:</b>	<b>Description:</b>
5.12.1	Should all urgent proposals be subject to a minimum period of consultation?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	Urgency timetable is determined by Authority, although informed by the views of the BSC Panel and NG.		

<p><b>Preference:</b></p> <p>Retain current processes.</p>
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<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.13	Should proposer be able to speak at a panel where a recommendation is to be made on their proposal?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>The BSC envisages that the Proposer is invited to speak when mod is raised, but contains no guaranteed right to speak when final recommendations are made. The rules appear to allow for the Chair to give permission for floor to speak<sup>6</sup>.</p> <p>ELEXON documents and presents the findings of the Group.</p>		<p>If proposer can speak, this raises the question of whether parties opposing the change should enjoy the same right. The arguments on both sides should already have been documented in sufficient detail in the modification reports, and opportunities provided to counter these views through consultation.</p>

**Preference:**

**Means of implementation:**

Custom and practice		Mod rules change		Licence modification	
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**Details:**

<sup>6</sup> BSC B4.5.1 [http://www.elexon.co.uk/documents/BSC\\_and\\_Related\\_Documents/BSC\\_-\\_Live\\_Version/Section\\_B\\_v14.0.pdf](http://www.elexon.co.uk/documents/BSC_and_Related_Documents/BSC_-_Live_Version/Section_B_v14.0.pdf)



<b>Issue No:</b>	<b>Description:</b>
5.14	How should changes originating from outside the code [i.e. consequential changes that are “driven” by changes to licences, other codes or legislation] be dealt with?

<b>Code</b>	<b>Current Process</b>	<b>Pro’s</b>	<b>Con’s</b>
BSC	<p>Some major statutory changes may be enacted by Secretary of State (i.e. BETTA). The BSC prescribes that joint working arrangements are maintained so that changes enacted by normal mods route can be co-ordinated.</p> <p>ELEXON attends and has representation on a number of key Codes to ensure impacts are identified.</p> <p>Timing varies – sometimes coterminous FMRs and decisions are possible, more often there is a lag as one or more codes “catch up”.</p>	The unifying point for all such decisions remains the Authority.	Some duplication of effort and analysis may occur where changes map across different codes.

<b>Preference:</b>
<p>Ofgem acts as unifying point.</p> <p>Meetings to discuss same change under different Codes could be co-located.</p> <p>Simple changes such as those to National Grid’s corporate identity or those reflecting changes in legislation could be subject to the notice to modify procedures enshrined in other codes.</p>

<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification

**Details:**

<b>Issue No:</b>	<b>Description:</b>
5.14.1	Should consequential changes be assessed simply on the basis of consistency rather than assessing them against the relevant code objectives?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	The BSC states that all mods must be assessed against objectives.		

**Preference:**

<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.15	Is the membership of modification groups appropriate?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>The BSC states that members are selected by Panel from volunteers who are considered to have relevant technical expertise. In practice this function is delegated to the BSC Panel Chairman and Mods Secretary. Groups must have at least five members. Additionally the Proposer, NG and ELEXON have automatic membership rights. Anybody can attend, but if they are not a member the group's terms of reference don't allow them to vote<sup>7</sup> if a vote is required to progress an aspect of the change. The code compels members to impartiality – this does not apply to attendees. The views of all attendees accompany reports to the Panel and the Authority.</p>		We struggle at times to establish sufficient members.

<b>Preference:</b>
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<sup>7</sup> Although it should be noted that the code appears to envisage that mod groups could conduct business without the need for formalised voting processes, i.e. F2.4.18 *'[...] if the Group's terms of reference provide for voting [...]'* (which suggests that the need for groups to vote was not considered self-evident when the code went live). In practice, voting does take place to determine recommendations, whether to progress an alternative modification, and to resolve matters where there is no general consensus.

<b>Means of implementation:</b>				
Custom and practice		Mod rules change		Licence modification
<b>Details:</b>				

<b>Issue No:</b>	<b>Description:</b>
5.15.1	Should there be greater scope for consultancy support for modification/working groups?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	<p>Explicitly provided for in the BSC and increasing usage would not require a BSC change.</p> <p>It is undertaken on a case-by-case basis, usually only for high materiality or complex mods. ELEXON would seek prior Panel authorisation to spend significant funds.</p>		

**Preference:**

**Means of implementation:**

Custom and practice		Mod rules change		Licence modification	
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**Details:**

<b>Issue No:</b>	<b>Description:</b>
5.16	Should alternative proposals be treated in a standard manner across all codes?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
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BSC	<p>The BSC states that only one alternative allowed to go forward for consideration by the Panel/Authority. The MG by majority has to consider the Alternative is better than the original, when compared to the current arrangements, if they are to develop it.</p> <p>Working practice has been that alternatives are considered during the process and these are whittled down, through consultation, Group discussion or vote to arrive at the single best Alternative.</p> <p>If competing concepts remain then further mods must be raised. Alternatives can be raised at any time whilst still with WG.</p>		
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**Preference:**

<b>Means of implementation:</b>			
Custom and practice		Mod rules change	Licence modification
<b>Details:</b>			

<b>Issue No:</b>	<b>Description:</b>
5.17	Should greater rationale/detail accompany panel recommendations?

<b>Code</b>	<b>Current Process</b>	<b>Pro's</b>	<b>Con's</b>
BSC	The BSC sets an obligation upon the Modification Group not just the Panel to justify opinion against relevant objectives <sup>8</sup> . The Panel must justify its decisions, particularly where it takes a different view.		

**Preference:**

**Means of implementation:**

Custom and practice		Mod rules change		Licence modification	
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**Details:**

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<sup>8</sup> See Clause F 2.6.4