



SAF100 Minutes

Meeting name	Supplier Agents Forum (SAF)	
Meeting Number	100	
Date of Meeting	9 February 2011	
Time	10.30 am	
Venue	ELEXON, 350 Euston Road, NW1 3AW	
Attending	Caroline Wright Sarah Kinnaird Alastair Barnsley Tony Savka Hannah Hutchins Seth Chapman Lisa Smith David Smith Matt Dean Bob Brown Beth Brown Zaahir Ghanty Simon Fox Andrew Wright Kevin Spencer Chris Rowell	Chair Secretary E.ON UK Energy Services Limited Electricity North West Limited EDF Energy G4S Utility Services (UK) Limited Siemens Energy Services npower British Gas SVG Representative ELEXON (part meeting) ELEXON (part meeting) ELEXON (part meeting) ELEXON (part meeting) ELEXON (part meeting) ELEXON (part meeting)
Apologies	Ed Sutton Geoffrey Sekyere-Afriyie Angela Dumbleton	Stark Software International Gemserv British Gas

1. Minutes and Actions

- 1.1 Action 97/6.6: This action related to ELEXON compiling a list of current audit issues which apply to the SAF. This piece of work will be put on hold until the findings from the BSC Audit for 2010/2011 are confirmed and a discussion can be held with the SAF on the best approach to identifying best working practice for common key issues. This action remained open.
- 1.2 Action 98/2.2.2: This action related to ELEXON reporting back to the SAF with analysis performed by the Performance Assurance Board (PAB) on the drop in HH% energy from SF to RF. The PAB is looking into this and an update on the information provided to the PAB will be presented to the SAF. This action remained open.
- 1.3 Action 98/2.25: This action was included as a SAF100 agenda item. This action was closed.



2. New PAB Strategy

- 2.1 Beth presented information on the new PAB Strategy. Sarah took an action to send the slides to the SAF after the meeting and publish them on the website.

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- 2.2 Beth explained the background to the PAB Strategy and then spoke about the seven workstreams which the PAB looked during the discussions on what to focus on for its strategy. The first two workstreams focused on the Performance Assurance Techniques Qualification and Error and Failure Resolution (EFR). Following discussions the PAB concluded that these topics currently provided qualified assurance and no changes were necessary for either Qualification (including re-Qualification) or EFR.
- 2.3 The next workstreams focused on Party Agent Performance and Old Audit Issues. The PAB felt that currently the focus is mainly on Suppliers yet Party Agent activities can contribute to a Supplier's good or bad performance. ELEXON intends to approach this by identifying the key steps agents perform, whether ELEXON could monitor the steps differently and how to address any underperformance where appropriate. Dave asked what were the timeframes for this work and Beth said ELEXON were hoping to take its initial proposals to the PAB in April but was also taking the new PARMS Serials into consideration as it did not want to duplicate any work which is covered by the new Serials.
- 2.4 Under the Old Audit Issues some of these have been open from 1999 and they are difficult to completely close but are aware that some customers no longer pose as much risk for some of those issues. This workstream is on hold until the next audit period when ELEXON will be working to have more consistent information around these issues and look at how materiality can be measured. In the meantime we are gathering data to allow us to look at some key principles to aid closure.
- 2.5 Two more workstreams were on the top Settlement Risks related to EAC/AA and Meter Technical Details (MTD). The work on EAC/AA has been going on for a few months, with a number of papers being provided in the open session of the PAB meeting. The three main areas of focus are aligning the reporting of the PAB and Trading Disputes Committee (TDC), enhancing identification of what is genuine and what is erroneous and conducting root cause analysis. Under the MTD project ELEXON will be looking at whether the Settlement Risks related to the MTDs are suitable and whether it is deploying the appropriate assurance techniques. This work will be starting shortly.
- 2.6 The final workstream is around the Smart Adjusted PAFF. ELEXON will be looking at the impact the roll out of Smart metering will have on BSC arrangements and how the PAF will need to change. The initial view is that normal monitoring will capture any performance issues over the next 12 months. Bob asked ELEXON to consider security of data retrieval systems e.g. the risk of cyber-attacks, which Beth agreed to do as part of future discussions.
- 2.7 In addition to the workstreams described, ELEXON is looking at setting KPIs to measure the effectiveness of the PAF. The PAB has also asked ELEXON to look consider how it can engage more with the industry



on all elements of PAF. Beth explained the PAB meetings have open and closed sessions; anyone who is interested can attend the open session and also submit questions in advance. Alastair said there was a question whether some of the business discussed under the closed session could be handled in the open session. Beth said full anonymised minutes are produced each month for the Panel and are published on the website. Sarah took an action to send the SAF members the links to the PAB papers and to see if the PAB report to the Panel can be published on the PAB webpage.

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- 2.7 Caroline asked the other SAF members what was their impression of the PAB and whether they were interested in the meeting. Some members said they read the published papers if they had enough time but also relied on their ELEXON Operational Support Managers (OSMs) to give them any important updates. They did agree that the PAB seems to be more Supplier focused and agents have a harder time getting their opinions heard. Dave said the same monitoring which is applied to Party Agents does not always get applied to Suppliers and if there is an underperformance, it can also be a Supplier error. Caroline thanked the SAF for their input and said the new PAB strategy included looking more into the agents instead of focusing on just Suppliers.

3. BUSRR Ratings & Agent Dashboards

- 3.1 Zaahir presented the SAF with information on the Business Unit Settlement Risk Rating (BUSRR) ratings and Agent Dashboards. He gave some background information on how the BUSRR ratings work and how the red, amber and green ratings are applied while explaining the difference between Performance & Risk BUSRRs.
- 3.2 Zaahir went through what the top 11 risks were and said currently for Agents, there are no difference between Performance and Risk BUSRR as there is no way of measuring agent energy share size consistently. There was some discussion around whether this data on agents was available although Beth said ELEXON can only see the MPAN counts but cannot see the energy share, which it can with Suppliers but this should change with the new Serials.
- 3.3 Zaahir went through the agent focus of the BUSRR ratings and reiterated that this would become a higher priority under the new PAB strategy. Dave asked how Suppliers are penalised and Zaahir said through a strike-through rating which is fed into their overall BUSRR. Caroline added that Suppliers are also penalised if ELEXON does not receive a full submission of PARMS data.
- 3.4 Bob asked whether there was any difference in the way one Supplier Agent works for different Suppliers with regard to EAC/AA. Beth said this had not been measured although ELEXON had done a paper on the topic previously and it found a strong correlation between Suppliers that have the most errors and their predominate Supplier Agent who had the same errors. Beth said ELEXON are aware there is a need for Suppliers and Suppliers Agents to interact consistently.



- 3.5 Zaahir went through the Agent's performance dashboards and also through some of the risk calculations in more details. There was a lot of discussion around the 'pending' data and Zaahir said a consultation had been issued on whether or not to keep the 'pending' results but the responses were split equally, so we decided to keep the BUSRR criteria as-is until the new PARMS Serials are implemented. Caroline clarified that PARMS is purely a way for ELEXON to get metric information in a snapshot on a monthly basis and were aware that the root causes are not given, however the results are used a prompt to investigate the individual results properly.
- 3.6 Seth was of the opinion that it would be better for the BUSRR ratings to get sent to the Suppliers to allow them to investigate the causes of any red ratings before publishing them. Beth said ELEXON only published the ratings with the Supplier ID and other Suppliers will not see other BUSRR ratings. Hannah agreed but said she was hoping the new Serials would remove a lot of the issues.
- 3.7 When discussing the HM06 data, Alastair said that the methodology used to get the data was quite crude considering how much significance is placed on the results. Caroline said that by averaging the results, ELEXON was able to see, on average, how a particular Meter Operator is performing. Alastair said he was aware that this was the best ELEXON could do with the data it receives but had concerns about too much significance being placed on the results. Dave agreed and said this data is the first thing that Suppliers look at to see how they're performing.
- 3.8 Alastair had concerns that Suppliers were only interested in achieving a green rating so as to stop ELEXON 'bothering' them and not as concerned as fixing the root cause. Simon said he produces the Settlement Risk Report each month for PAB and this presents analysis on monthly trends and those that are flagged up. He confirmed that performance has improved over the past few months and there have been no red BUSRRs for the last six months. Hannah said this could only mean that reporting has improved and not necessarily performance which Caroline agreed could be the case but ELEXON had no way to measure that at present.

4. HH and NHH Operational Issues & PARMS Data

- 4.1 Caroline went through the Half Hourly (HH) and Non Half Hourly (NHH) Operational Issues and PARMS Data and asked that if any Agent would like their codes, please email her and she will send them to them.
- 4.2 Caroline reported that the only point raising was that at its January 2011 meeting, the TDC did Not Authorise the Post-Final Settlement Run (PFSR) for GSP Group_L for October 2008 as it looked at the time that the level of error at DF would higher than at RF. At the February 2011 meeting, the TDC said that the data that was available indicated that the DF should have been authorised.



5. Update on MRA Developments

- 5.1 Geoff sent his apologies as he was unable to attend the meeting and said if any SAF members had any questions on the MRA Developments, then please send them to him and he would respond as soon as possible.

6. Update on Release Planning

- 6.1 The SAF did not have any questions on the Release Planning information. Andrew gave an update on P253 'Improving the accuracy of the credit calculation for SVA participants' which has been approved for implementation in the November 2011 Release. Alastair asked about the impact on Non Half Hourly Data Aggregators (NHHDA's) and Andrew said ELEXON did not envision that the NHH DA's would require a version update and the only impact would be on process and having to adjust to begin earlier. ELEXON were in the middle of putting together the Business Requirement Solutions (BRS) and were also preparing the implementation plan, which would detail when updates to the BSCPs would be available.
- 6.2 Seth asked whether they would need to re-qualify. Andrew answered that customers should assess the impact of P253 on their systems once the requirements have been finalised. If there was a significant change to their systems or processes then they would need to re-qualify. Caroline said she would include this topic on the next SAF agenda.

7. Smart Metering Update

- 7.1 Chris explained that there was not much new information to report on Smart but the 'Spring package' had come out this week which contained a consultation on consumer protection aspects for the interim arrangements. We are still awaiting the government response to the Prospectus consultation – which was now likely to be at the end of March. The Department of Energy and Climate Change (DECC) are taking over the management of the Programme and would lead Stage 2 – Establishing the Framework.
- 7.2 Chris gave an update on the DCG Sub-Groups. ELEXON, along with other Code Administrators, are supporting the Business Process Modelling activities of Sub-Group 1, and the initial drafting of the Smart Energy Code which is being led by Sub-Group 3. He said Sub-Group 2 were somewhat at an impasse with very diverse opinions on the interim solution. Industry participants were looking for a decision from the government in order to allow industry to coalesce around a solution and progress it. The group was also working on the list of issues and attempting to define which of the issues are enduring and which interim. Bob asked who chairs the sub-groups and Chris said currently Ofgem did although this could change with new DECC management. In terms of developing the functional and technical requirements for summer 2011, Chris explained how the SMDG was to create 19 workgroups to work up the detail and that these would be staffed by a balanced set of industry personnel. The scale of this work is challenging and the interactions will need careful management.
- 7.3 Chris said ELEXON were in the middle of producing various thought pieces around Smart and future of Settlement and were trying to identify the impacts Smart will have on the BSC. Chris acknowledged that



ELEXON aspire to some of the new roles (notably the DCC and SEC Administrator but not the DCC communications and data management activities). He reminded that undertaking such activities was contingent on a change to ELEXON's governance and this was acknowledged in the BSCCo Business Plan that is currently being discussed with the BSC Panel.

8. Profiling and Settlement Review Group Update

- 8.1 Kevin updated the group that the Profiling and Settlement Review Group (PSRG) had been set up to look at the implications for AMR for Profile Classes 5-8 and the impacts on profiling and settlement. The PSRG issued a consultation to understand the current situation is and what the Suppliers intentions are for customers and also any perceived barriers, to which ELEXON received 32 responses. Key themes were that currently customers are elective HH due to customer preference. The main perceived barriers are agency costs and DUoS charging.
- 8.2 The PSRG then did a Cost Benefit Analysis (CBA) and issued an impact assessment to the industry based on a set of assumptions. The responses were varied in costs and impact. The key findings of the CBA impact assessment was that central costs were estimated at £35m and the estimated benefits were £85m. There was support by the industry to mandate settling HH sometime in the future but the issues of Agency costs and DUoS charging regime needed to be resolved first. The DUoS issue has been raised but the PSRG are not expecting any conclusions for that until at least April 2012.
- 8.3 The PSRG has another meeting scheduled for 15 February. ELEXON took an action to send the CBA Report to the SAF members.

Action 100/8.3 - ELEXON

9. Additional MTD Flow

- 9.1 Alastair said he had originally raised this agenda item as there was a concern that the industry would not be able to go live in the February 2011 release with the new MTD 313 flow but since raising the issue this MTD flow will not go live in February but it was still worth raising the topic. Alastair said one of the problems was how to trigger the flow as this has only been designed for Advanced Meters in Profile Classes 5-8. His company asked how they should be defining these meters and were told that it would be by meter type. Tony said that one solution would be within the MDD date sets and enabling one particular Supplier to budge up certain meter types so they could see the standard information from behind the MPAN, as to what type the meter is. Alastair said that would only work for a certain time but the issue of inoperability would not make it an enduring solution.

10. Any Other Business

- 10.1 Tony updated the SAF that he currently chairs a Standing Issues group which is formed of DCUSA parties and Suppliers and distributors. One distributor raised the issue of whether it would be possible to create a standardised form so if an agent cannot attend a site, then it lists who to contact directly. Caroline said



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it was a good idea in theory but the main issue would be who would hold the form and contact list and ensuring this was kept up to date. Alastair said his company have a different approach where all calls like that go straight to their helpdesk who prefer to speak to the agent when he still on site, which works for them. Hannah suggested sending a flow with the details. Tony said he would he would provide their feedback to the Standing Issue group.

- 10.2 Caroline said at the next SAF meeting she would be holding a workshop session on the value of SAF and whether the right information is being brought to the meetings.