ELEXON

CP Assessment Report

CP1567 'Creation of a new BSC Procedure (BSCP) for Assurance Information Requests (AIRs)'

Contents

1. Summary 2
2. Why Change? 3
3. Solution 4
4. Impacts and Costs 6
5. Implementation Approach 7
6. Initial Committee Views 8
7. Industry Views 9
8. Recommendations 13

About This Document

Not sure where to start? We suggest reading the following sections:

- Have 5 mins? Read section 1
- Have 15 mins? Read sections 1, 4, 5 and 6
- Have 30 mins? Read all sections
- Have longer? Read all sections and the annexes and attachments
- *You can find the definitions of the terms and acronyms used in this document in the BSC Glossary*

This document is the Change Proposal (CP) Assessment Report for CP1567 which Elexon will present to the Panel at its meeting on 8 September 2022. The Panel will consider the proposed solution and the responses received to the CP Consultation before making a decision on whether to approve CP1567.

There are 4 parts to this document:

- This is the main document. It provides details of the solution, impacts, costs, and proposed implementation approach. It also summarises the Panel's initial views on the proposed changes and the views of respondents to the CP Consultation.
- Attachment A contains the CP proposal form.
- Attachment B contains the proposed redlined changes to deliver the CP1567 solution.
- Attachment C contains the full responses received to the CP Consultation.

Committee

Panel

Recommendation

Approve

Implementation Date

3 November 2022

(November 2022 Release)

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1. Summary

Why change?

The Assurance Information Request (AIR) is a Performance Assurance Technique (PAT) which was introduced in May 2022. Currently there is no related BSCP for an AIR. Therefore when issuing an AIR, there is no written obligation on Parties to adhere to the request.

Solution

This CP seeks to create a new BSCP, outlining the obligations and processes required to carry out an AIR.

Impacts and costs

This CP will impact all Performance Assurance Parties (PAPs)[1].

This CP is not expected to incur any costs to industry as it is a document only change. The cost of amending these documents is expected to be <£1k.

Implementation and recommendation

This CP is recommended for implementation on 3 November 2022 as part of the standard November 2022 BSC Release.

[1] A PAP is a Supplier, a Virtual Lead Party, Meter Operator Agent, Data Collector, Data Aggregator, Meter Administrator, Licensed Distribution System Operator and/or a Registrant.

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2. Why Change?

What is the issue?

Currently there is no related BSCP for an Assurance Information Request (AIR). Therefore when issuing an AIR, there is no written obligation on Parties to adhere to the request. The AIR is only useful as a Performance Assurance Technique (PAT) if Parties are obligated to follow it and if the associated processes are clear. Therefore a BSCP is required to outline the processes and obligations on PAPs and Elexon.

Background

The Performance Assurance Framework[2] (PAF) is a complementary set of preventive, detective, incentive and remedial assurance techniques. These PATs are used flexibly to address Settlement Risks. A Settlement Risk is anything that could pose a risk to the accuracy of Settlement: it could be a failure in a process or an error in data. The PATs must address risks to Settlement and the impact of actual failures or errors in Settlement.

The AIR was introduced into the PAF following approval by the Performance Assurance Board (PAB) in May 2022 (PAB256/05[3]). Currently if Elexon requires information to assist with the assessment of a Risk or to gain more information before deploying one of the other Performance Assurance Techniques (PATs), a Performance Assurance Party (PAP) it is not obligated to provide a response. Instead Elexon can only deploy one of the more intensive techniques that hold BSCP obligations such as the Technical Assurance of Assurance Parties (TAPAP) technique to mandate this engagement.

There is an inconsistency between the AIR being included in the PAF but not having a related BSCP detailing the process that PAPs and Elexon will follow.

[2] https://www.elexon.co.uk/reference/performance-assurance/
[3] https://www.elexon.co.uk/meeting/pab256/

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3. Solution

Proposed solution

This CP will create a BSCP document that contains obligations and timescales for PAPs to respond to an AIR. The BSCP will reflect similar procedures to that of BSCP535 'Technical Assurance'[4] but will be much less resource intensive. It will detail the following;

- The context of the technique within the PAF
- How the scope of work is determined
- Notification timescales for deployment of the technique
- Response timescales
- Required actions
- Required content of responses between the Delegated Authority and the PAP
- PAB reporting

The term 'Delegated Authority' has been used for the role Elexon will normally take in this process. It will mirror that of BSCP535 and enable the flexibility to resource this work to a body that has been approved by the PAB. If BSCCo or the Performance Assurance Administrator (PAA) is used, then this work could only be done by Elexon.

Proposer's rationale

An AIR is distinguishable by name as an Assurance tool and part of the PAF, rather than the Requests for Information (RFI) that are provided to industry for other Elexon processes such as with CPs and Modifications.

It is to be used as a form of assessment and a detective technique to gain an understanding of how a certain process or Party operates. The PAB can decide to apply this technique to a single or sub set group of PAPs, because of performance related issues, Settlement error, information provided by its sub-committees or the Panel or to gain an understanding of a particular Settlement Risk. The received information can then be used to make further risk management decisions for further analysis, or provide support to or for the deployment of any of the other PATs.

The creation of obligations and timescales for a detective technique that facilitates a request for information will provide a more efficient way of requesting information without the need for deploying one of the more intensive techniques. This will enable the PAF to deliver assurance in a way that other techniques are currently not able to. The AIR technique can be deployed quickly and will be less resource intensive than the other detective techniques while still providing tangible results. It will complement the rest of the PAF by enabling Elexon to obtain vital information to enable further risk management assessments and determinations.

The new BSCP is required to define the process that will be followed in relation to the AIR, providing PAPs with clarity on their obligations and associated timescales.

[4] https://www.elexon.co.uk/csd/bscp535-technical-assurance/

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Proposed redlining

Following the closure of the Consultation, the redlining was amended to update two instances in section 3.1 where references to PAP and Delegated Authority were confused with one another and obligated the provision of information from and to the wrong entity.

Additionally Data Transfer Service Provider was removed from the list of main users for the procedure as they will not use the BSCP and were incorrectly included.

The obligation for a PAP to acknowledge receipt of the AIR within 5 WD has been removed following industry feedback. The wording '(but not limited to)' was also added in paragraph 1.4 to explain that the Parties involved in the general scope of work is not an exhaustive list.

The updated proposed redlining for the creation of BSCP605 can be found in Attachment B of this paper.

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4. Impacts and Costs

BSC Party & Party Agent impacts and costs

BSC Party & Party Agent Impacts	
BSC Party/Party Agent	**Impact**
All PAPs	Low

Consultation respondents agreed that the impacts were low and would only affect internal processes.

Central impacts and costs

Central impacts

This CP will require a creation of a new BSCP. There will not be any central system impacts.

Central Impacts	
Document Impacts	**System Impacts**
• BSCP605 'Assurance Information Request'	• N/A

Impact on BSC Settlement Risks

Impact on BSC Settlement Risks
We would expect a generic positive impact on all BSC Settlement Risks from this CP as this formalises and clarifies the obligations for a new PAT, which the PAB can then deploy within the PAF.

Central costs

The central implementation costs for this CP will be approximately <£1k. Consultation respondents suggested that the only costs would be to amend internal procedures.

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5. Implementation Approach

Recommended Implementation Date

This CP is recommended for implementation on 3 November 2022 as part of the standard November 2022 BSC Release.

The rationale for aiming for this, the earliest available release, is so that we can realise the anticipated benefits to our customers as soon as possible.

Consultation respondents agreed by majority (2:1) with the Implementation Date. One respondent did not agree with the Implementation Date as they did not think the current version of the redlining delivered the solution. Elexon has since updated the redlining to address the feedback provided by this respondent.

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6. Initial Committee Views

BSC Panel initial views

The Panel had no comments for the CP1567 solution.

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7. Industry Views

This section summarises the responses received to the CP Consultation. You can find the full responses in Attachment C. There were three respondents with represented roles of Distributor, Meter Operator Agent (MOA), Half-Hourly Data Collector (HHDC), Non Half-Hourly Data Collector (NHHDC), Half-Hourly Data Aggregator (HHDA) and Non Half-Hourly Data Aggregator (NHHDA)

Summary of CP1567 CP Consultation Responses

Question	Yes	No	Neutral/No Comment	Other
Do you agree with the CP1567 proposed solution?	3	0	0	0
Do you agree that the draft redlining delivers the intent of CP1567?	1	2	0	0
Will CP1567 impact your organisation?	2	1	0	0
Will your organisation incur any costs in implementing CP1567?	1	1	0	1
Do you agree with the proposed implementation approach for CP1567?	2	1	0	0
Do you have any further comments on CP1567?	1	2	0	0

Comments on the proposed redlining

Comments on the CP1567 Proposed Redlining

Document & Location	Comment	Elexon's Response
2.2.2	Requires the PAP to acknowledge the Assurance Information Request. It does not however provide a confirmation that the information requested is able to be provided by the PAP and if the PAP is able to provide the requested information within the given timeframe. Although the information and timeframe should be achievable, there should be a provision for the PAP to acknowledge that this is the case or advise that the information is not available and the reason why or that the timeframe cannot be achieved together with a reason why.	This BSCP was copied from the process within BSCP535, Technical Assurance and is a step also included with BSCP535. However, this step will be removed now with the final version to streamline the process and actions requested of Parties. This was in response to another consultation response. The mandating of the AIR though a BSCP is so that we get sufficient responses to provide the PAB with updates on the respective Settlement Risk/ Risk area the AIR looks to address. Currently a standard RFI gets no response.

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		The response time will be agreed with PAB along with the scope before an AIR is deployed. If a Party does not have the requested information then this along with the reason, should be provided by the Party as part of the AIR submission on the requested date. A discussion will then be held with the PAB when the complete set of AIR submissions are reported regarding the findings as well as any reason Parties could not provide what was requested. This will contribute to decisions around a determination for the next steps.
Form BSCP5605/04	The PAP will provide the following details to the Delegated Authority in accordance with section 2.2.4 (a) and 2.2.6 (a): This should read The ~~PAP~~ Delegated Authority will provide the following details to the ~~Delegated Authority~~ PAP in accordance with section 2.2.4 (a) and 2.2.6 (a):	We have amended this section.
Form BSCP5605/05	The PAP will provide the following details to the Delegated Authority in accordance with section 2.2.4 (b) and 2.2.6 (c): This should read The ~~PAP~~ Delegated Authority will provide the following details to the ~~Delegated Authority~~ PAP in accordance with section 2.2.4 (b) and 2.2.6 (c):	We have amended this section.
BSCP605 Section 1.2	*The below is a topic which I've recently discussed with Kat Highby for a different reason and she has agreed that the RER, viewed in isolation, isn't as explicit or complete for participants as we would want and nor is there currently a supporting document that provides a view of the hierarchy of risks or significance of the various controls.*	This is out of scope for this change to amend this statement. However, we are looking into creating an easier to use document that contains this information which will reflect this statement/process.

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	Comments on document: This below extract describes an approach which is not reflected in the RER itself, i.e. *All the Settlement Risks identified are rated in terms of severity of impact and probability (including a weighting for the strength of controls).* Whereas the RER uses the following categorization and it is not clear as to how this translates into the above description. Impact / Impact band / Upper Impact	
1.3 Main Users of the Procedure	In what way would the Data Transfer Service Provider use this procedure?	Inherited from BSCP535. We have removed this reference.
1.4 Bullet point 1 General Scope of Work	Should we include REC PAB as a source of information prompting an AIR? Not sure whether this was intended to define all or whether it's a non-exhaustive list.	The list is a non-exhaustive list so we have added the wording '(but not limited to)' to reflect this.
2.1 Determination of scope of work for AIR	Suggest the empty "To" and "Method" boxes are populated	This has been left blank so it is not prescriptive and restrictive. We could use our website, the ROP, a newscast, LinkedIn or social media for example and any other appropriate channels as deemed appropriate at the time. This also reflects what is in TAPAP.
2.2.1	At the time of request it may not be possible for a PAP to confirm that the relevant information is available	This has been amended to remove the need for an acknowledgement, which addresses this point.
2.2.1	Which contact addresses will be used in this step?	It will be a reply to the contact address that sent the request. This may change so has not been prescribed. Also reflects 3.1 – 'however the communication method is flexible and must be agreed between PAP and PAB / Delegated Authority.'

Commented [KK1]: This doesn't display fully in the table column. You could remove from the table format and just list out.

Responses were unanimously in support of the CP solution. Two of the three respondents however did not believe that the drafted redlining delivers the CP solution.

There were concerns that the obligation to acknowledge the AIR within 5WD might not be met if a PAP's contact is not available due to being out of office. Additionally there is no specific process step for the PAP to confirm that they are able to provide the information requested, or that the PAP is able to provide the requested information within the given timeframe.

Elexon has removed the obligation for PAPs to acknowledge receipt of the AIR to address the issue of contacts not being able to respond within 5 WDs. If a Party does not have the

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requested information then this along with the reason, should be provided by the Party as part of the AIR submission on the requested date.

Respondents identified no cost impacts other than updating processes. One respondent did not agree with the Implementation Date as they did not think the current version of the redlining delivered the solution. Elexon has since updated the redlining to address their feedback.

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8. Recommendations

We invite the **Panel** to:

- **APPROVE** CP1567 for implementation on 3 November 2022 as part of the standard November 2022 Release;
- **APPROVE** the new Category 1 BSC Configurable Item BSCP605 'Assurance Information Request' to become effective upon implementation of CP1567, including the amendments made to BSCP605 following consultation; and
- **DELEGATE** ownership of BSCP605 to the PAB.

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