
Issue 111 Digital Meeting Etiquette

- Welcome to the Issue 111 Workgroup meeting 1 – we'll start shortly
- No video please to conserve bandwidth
- Please stay on mute unless you need to talk – use IM if you can't break through
- Talk – pause – talk
- Lots of us are working remotely – be mindful of background noise and connection speeds

ELEEXON

**Issue 111 Supplier Meter Registration Agent
(SMRA) Liquidated Damages in the Market
Half Hourly Settlement (MHHS) Arrangements**

Meeting 1

23 August 2024

Meeting Agenda

Objectives for this meeting:

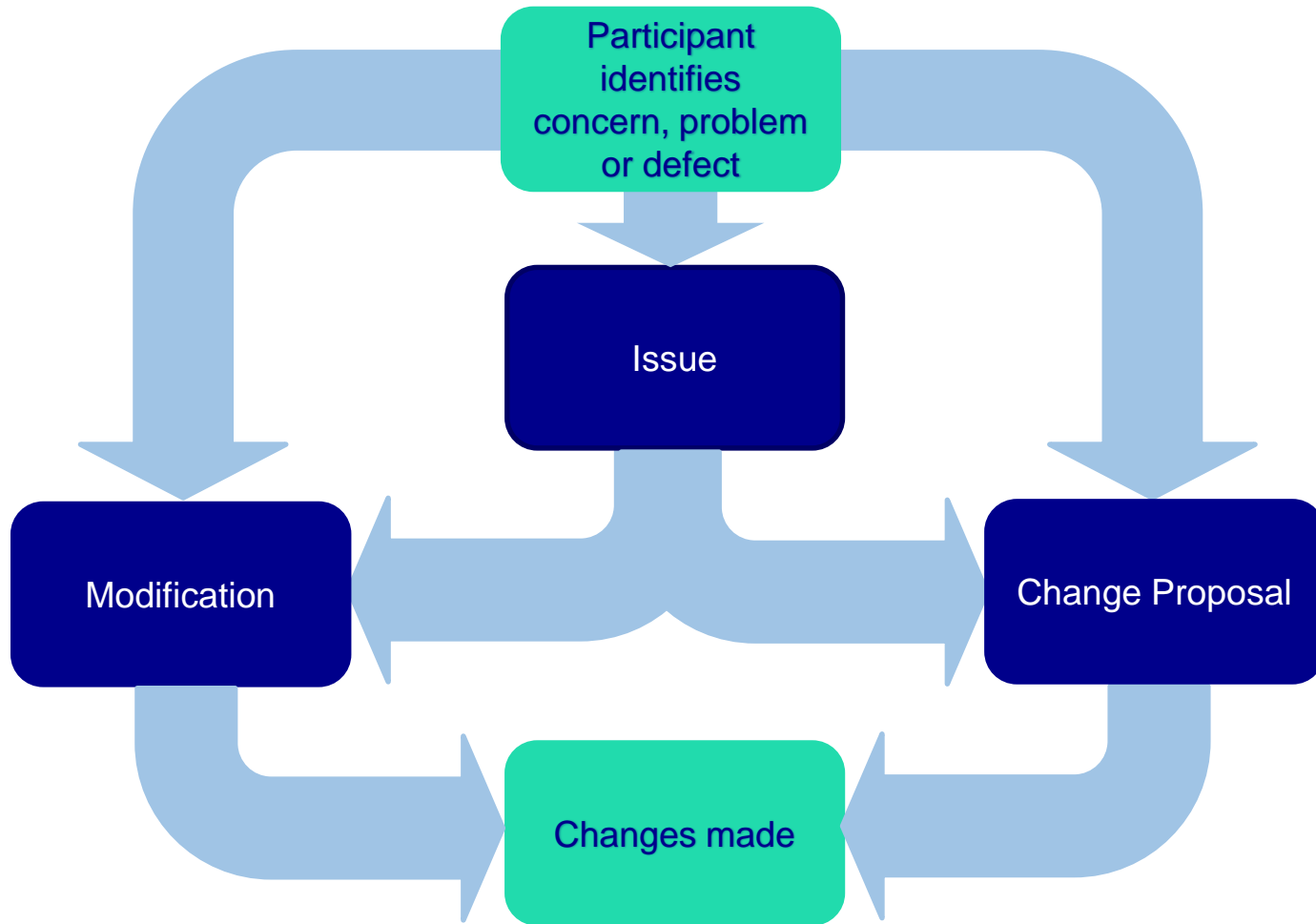
- Consideration of the background to Issue 111; and
- Gather initial workgroup views on potential changes to timescales for Liquidated Damages under the BSC within the Target Operating Model (TOM).

Agenda Item	Lead
1. Welcome and meeting objectives	Patrick Matthewson (Chair)
2. BSC Issue Process	Jacob Snowden (Lead Analyst)
3. Terms of Reference	Jacob Snowden
4. Background to Issue 111	Christopher Day (Market Design)
5. Workgroup discussion	Elexon/Workgroup
6. Progression plan – Next steps	Jacob Snowden
7. Meeting close	Patrick Matthewson



BSC ISSUE PROCESS AND TOR

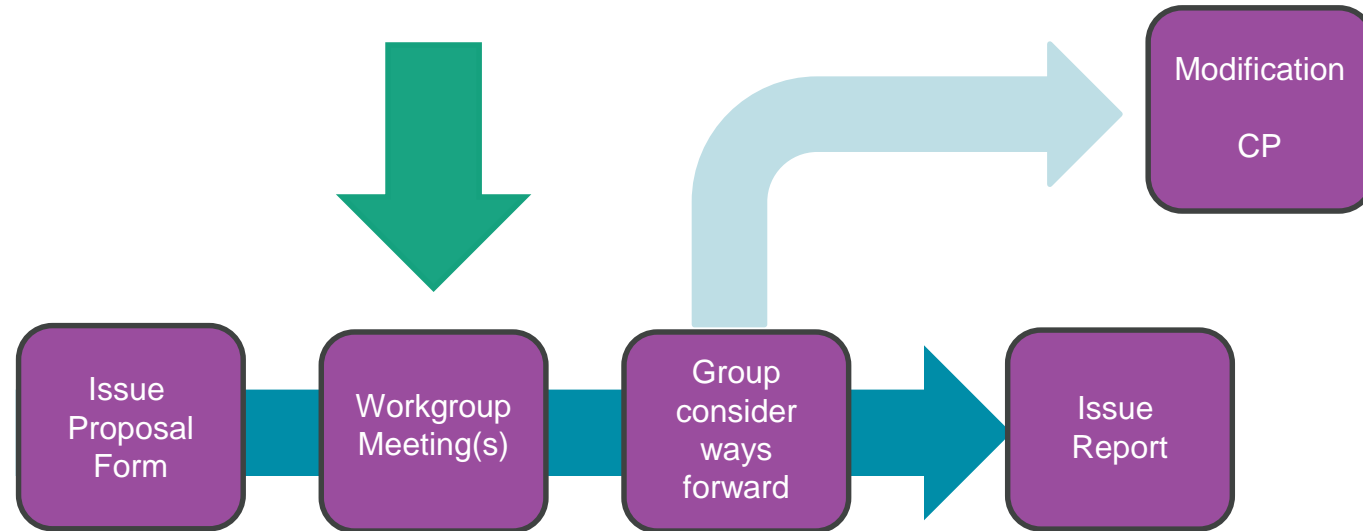
What type of change do I need?



		Will my solution amend the BSC?	
		Yes	No
Do I have a clear solution?	Yes	Modification	CP
	No	Issue	Issue

BSC Issue process

- The role of the Workgroup is to assist the Proposer in developing the most appropriate solution, answer the Terms of Reference and consider the costs and impacts of making the change.
- We require at least 5 members with relevant experience and/or expertise to form a quorate meeting
- Workgroup members may be requested to vote on matters relating to the issue and associated solutions



Issue 111 Terms of Reference

The ToR are a set of questions that need to be answered by the Workgroup

Elexon propose the ToR below:

ToR	Details	Status
a)	What are the risks of SMRAs operating outside of the defined timescales in MHHS arrangements	-
b)	What is the most appropriate design for SMRA SLAs and Service Credits for MHHS arrangements	-
c)	What are the requirements to ensure a robust solution and ensure it is futureproofed including the consideration of indexation	-
d)	From what date would a solution to the issue identified by Issue 111 need to be live from	-
e)	What changes are needed to the BSC to facilitate the solution to the issue identified by Issue 111	-



BACKGROUND AND ISSUE

Background

- The SMRA is a vital service under the MHHS Target Operation Model (TOM) and the need to process messages and issue notifications within defined timescales is integral to enable downstream activities to take effect. BSCP501: Supplier Meter Registration Service contains Service Level Agreements (SLAs) for SMRAs to incentivise performance and compliance with the Code defined timescales.
- The minimum service levels and liquidated damages are also referenced in Section K 'Classification and Registration of Metering Systems and BM Units' Annex K-1 of the Balancing and Settlement Code (BSC). These arrangements were added to the BSC as part of version 3.0 of the Retail Energy Code implementation, having originally been a part of the Master Registration Agreement.
- These SLAs are self-policed with the SMRAs distributing Service Credits to participants if not met and are not part of the BSC Performance Assurance Framework

Background

- Whilst the concept of SLAs is still required, the current mechanism set out in Annex K-1 and BSCP501 is no longer appropriate due to the implementation of the MHHS Target Operating Model (TOM), with faster response times required. The MHHSP TOM is silent on SLAs and liquidated damages and therefore this constitutes consequential change which the Balancing and Settlement Code Company (BSCCo) is responsible for progressing. As a result, BSCCo has raised a BSC Issue to consider the best future approach.
- The absence of SLAs and associated Service Credits without a replacement removes a level of service commitment and assurance to the industry of a key service and a current control within both the Settlement and Retail Risk Registers. It will be helpful for the Issue Group to consider the potential impact of the SMRAs operating outside of the defined timescales, including risks and issues, as it considers the best future approach.
- If there are no SLAs and associated Service Credits for SMRAs under the MHHS arrangements a level of service commitment and assurance to the industry that is currently in place will be missing.

Workgroup discussion

- Workgroup to discuss potential strawman options
- Issue Group to determine most appropriate design for SMRA SLAs and Service Credits for MHHS arrangements or determine alternate safeguards
- Any solution should be robust and ensure it is futureproofed including the consideration of indexation
- Issue Group to consider when the solution is required from
- Ensure an appropriate BSC change is raised following a recommendation from the Issue Group



NEXT STEPS

Next steps

- Summary of Workgroup meeting decisions and actions by 6 September 2024
- Next Workgroup meeting to be held in October 2024 – a Doodle poll shall be sent out to gather availability

Progression plan for Issue 111

Event	Date
Issue 111 raised	26 February 2024
Workgroup meeting 1	23 August 2024
Workgroup meeting 2	October 2024
Present Issue Report to Panel	14 November 2024

MEETING CLOSE

ELEXON

THANK YOU

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23 August 2024