4.7 Issue Form

Issue Form - BSCP40/04	Issue 111
	(mandatory by BSCCo)
Issue Title Supplier Meter Registration Agent (SMRA) Liquidated Damages in the Market Half Hourly Settlement (MHHS) Arrangements	
Issue Description (Mandatory by originator)	
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. <u>BSCP501</u> : <u>Supplier Meter Registration Service</u> 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 <u>Section K 'Classification and Registration of Metering Systems and BM Units'</u> <u>Annex K-1</u> 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.	
Whilst the concept of SLAs is still required, the current mechanic BSCP501 is no longer appropriate due to the implementation of Model (TOM), with faster response times required. The MHHSP liquidated damages and therefore this constitutes consequentia and Settlement Code Company (BSCCo) is responsible for prog- raised a BSC Issue to consider the best future approach.	f the MHHS Target Operating TOM is silent on SLAs and al change which the Balancing
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.	
Justification for Examining Issue (Mandatory by originator)	
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.	
An Issue Group is now required to determine the best future an through the Issue Group meetings will be fed into an appropria	

Potential Solution(s) (Optional by originator)	
 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 	
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