

MINUTES

MEETING NAME Performance Assurance Board

Meeting number 210

Date of meeting 26 July 2018

Venue ELEXON Ltd

Classification Public

ATTENDEES AND APOLOGIES

Attendees	Douglas Alexander	DA	The PAB Chair
	Karen Lavelle	KL	Deputy PAB Chair
	Chris Stock	CS	Technical Secretary
	George Player	GP	ELEXON
	Anna Miller	AM	ELEXON
	Victoria Moxham	VM	ELEXON
	Clare Hannah	CH	PAB Member
	Paul Orr	PO	PAB member
	David Lane	DL	PAB member
	Alex Leyland	AL	PAB member
	Keren Kelly	KK	PAB member
	Tom Chevalier	TC	PAB member
	Robert Johnston	RJ	PAB member
	James Murphy	JM	PAB member
	Phil Russell	PR	PAB alternate
	Mark Bellman	MB	PAB alternate
	Karolis Jankus	GR	BSC Auditor

Apologies	Mitch Donnelly	MD	Panel Sponsor
	Eric Graham	EG	PAB member
	David Crossman	DC	PAB member
	James Evans	JE	PAB member
	Sean Tierney	ST	PAB member

OPEN SESSION – MARKET INFORMATION

1. PAF KPIs – PAB210/10

1.1 This paper included the July Key Performance Indicators for the Performance Assurance Framework.

1.2 The PAB:

a) **NOTED** the July 2018 PAF KPIs

2. Non-confidential Settlement Risk Report – PAB210/01b

MINUTES

2.1 ELEXON invited the PAB to agree the contents of the Non-Confidential Settlement Risk Report.

2.2 The PAB:

- a) **AGREED** the contents of the Non-Confidential Settlement Risk Report.

3. ELEXON's Response to BSC Audit Opinion – PAB210/12

3.1 This paper outlined ELEXON's response to issues raised in the Balancing and Settlement Code (BSC) Audit Opinion 2017/18 and some of the Market Issues identified by BSC Auditor.

3.2 A PAB Member enquired whether any outcomes had been concluded concerning 'Off the Shelf' Suppliers. The BSC Auditor responded that 'Off the Shelf' Suppliers had been considered during the Audit, but conclusions were expected in the 2018/2019 Audit. ELEXON noted that the issue of 'Off the Shelf' Suppliers and Agents was being considered by the PAF Review in general and the Risk Register Review specifically.

3.3 A PAB Member queried whether the Market Issues report had been created. ELEXON responded that the BSC Audit Report taken to PAB208 included reasoning on findings included in the Statement of Significant Matters and that identified market issues would be actioned in the upcoming 2018/19 BSC Audit.

3.4 ELEXON further noted that the Market Issues Report had been sent to ELEXON for review, and this would then be reported to the PAB in August, [PAB211](#).

3.5 The PAB:

- a) **NOTED** ELEXON's response to BSC Audit opinion; and
- b) **COMMENTED** on the actions proposed.

4. ELEXON Recommendations in Response to the Technical Assurance Agent (TAA) Annual Report – PAB210/13

4.1 ELEXON's Recommendations in response to the Technical Assurance Agent (TAA) Annual Report.

4.2 A PAB Member questioned whether there would be timescales attached to the recommendations, specifically clearing historic certificate related non-compliances and removing the requirement for parties to submit certificates to the TAA for audits. ELEXON responded that an update was due to be presented to the Technical Assurance of Metering Expert Group (TAMEG) in October. ELEXON would provide update to PAB in October.

ACTION 210/03

4.3 A PAB Member advised that emails be sent directly to Parties reminding them of their obligations in BSCP27 to assist the TAA in gaining access to Metering Equipment in addition to issuing a Newscast. ELEXON agreed that the effectiveness of information distribution could be improved by sending emails directly. ELEXON noted it would send emails to Parties in addition to issuing a Newscast.

ACTION 210/04

4.4 The PAB:

- a) **NOTED** the two identified issues affecting the health of the market; and
- b) **AGREED** the ELEXON recommendation against each issue.

5. Monitoring Performance of Measurement Classes E, F and G – PAB210/14

5.1 This paper outlined ELEXON's recommendations in response to industry performance of Measurement Classes (MC) E, F and G.

MINUTES

- 5.2 A PAB Member queried the method used to determine the requirement for Suppliers to achieve 96% actual reads by December 2018. ELEXON responded that 96% represented a proposed interim milestone for Parties to aim for, to demonstrate commitment to improvement. ELEXON added that the current approach was focused on implementing good behaviour prior to April 2019.
- 5.3 ELEXON noted that there were significant issues experienced by smaller Suppliers related to the Change of Supply (CoS) process and subsequent D0268 and D0313 data flows. ELEXON added that dips in performance historically occurred around contract rounds.
- 5.4 ELEXON commented that the previous set of BUSRR criteria updates took eight months to complete and as the Performance Assurance Framework (PAF) review could bring new reporting procedures in April 2019, putting in place an updated reporting solution would be an inefficient way of utilising ELEXON and industry resources. A PAB Member enquired whether the updated PAF Risk Register (RR) was anticipated to go live in April 2019, and if monitoring MC E, F and G issues was being considered. ELEXON confirmed that the new RR would monitor these issues. ELEXON noted an update on the April 2019 RR would be presented at the August 2018 PAB meeting, as the PAF Review was looking for industry feedback to ensure correct risk resource allocation.
- 5.5 A PAB Member noted that poor performance on MCs E, F and G directly contributed to Supplier Charges, and asked if the Supplier Charges backing data for SP08c could be used to monitor performance in this area. ELEXON noted that the backing data for SP08c used data from RF, and would therefore not be useful for this particular area, which looked at performance at the R1 and R2 runs.
- 5.6 ELEXON advised approaching Parties through Operational Support Managers (OSMs) to state that PAB were monitoring the progress of MC E, F and G. ELEXON added that after the PAF Review update had gone live, Parties that had not shown considerable improvement could be considered for Error & Failure Resolution (EFR). PAB agreed in principle but expressed concern over providing target figures that were not in the BSC. ELEXON responded that PAB's concerns were valid, but noted that Parties could benefit from achievable short term targets.
- 5.7 A PAB Member advised all Parties to be contacted via OSMs to state the PAB expected to see improvements by December 2018. Should Parties request a target, PAB were happy for the OSMs to informally suggest 96-97% but explicitly stated that target values had not come from the PAB. The PAB Member added that should Parties not meet obligations of 99%, as outlined in the BSC, Parties could still be placed in EFR.
- 5.8 ELEXON agreed to make Suppliers and Supplier Agents aware via their relevant OSM that the PAB expected to see performance improvements by December 2018.

ACTION 210/05

- 5.9 The PAB:
- a) **AGREED** that ELEXON will not introduce new reporting for MC E, F and G before the PAF Review delivers the new Risk Register; and
 - b) **AGREED** for ELEXON to use 'as-is' SR0081b and the weekly OSM reports to monitor Industry's performance for MC E, F and G and agreed to set an industry performance target.

VERBAL UPDATES

6. P344 'Project TERRE' Industry Working Groups

- 6.1 ELEXON provided an update on the progress of the 'P344 'Project TERRE' Industry Working Groups.

MINUTES

- 6.2 A PAB Member commented that details of the new flows that were circulated two months ago were without context, as the processes had not been included. A PAB Member enquired whether the Master Registration Agreement Development Board (MDB) planned to reissue the flows for consultation, with the intention of making the flows compatible with the new processes. ELEXON responded that the processes were currently being refined and advised they would be sent out with the flows to seek industry views to recommend improvements.
- 6.3 A PAB Member advised consultation with the MDB to confirm process details and dates. ELEXON agreed consultation with the MDB would be beneficial.

ACTION 210/06

ELEXON advised of a potential plan to hold a joint BSC committee meeting between PAB, the Imbalance Settlement Group (ISG) and the Supplier Volume Allocation Group (SVG), as well as additional industry experts, to make the final decision on the Code Subsidiary Document (CSD) changes developed by the five Industry Working Groups. The PAB agreed in principle but expressed concerns over logistics. ELEXON recommended that only a quorate number of Committee Members needed to attend this joint Meeting to make it more achievable, and that ELEXON would organise further steps. The PAB agreed that this would be sensible.

ANY OTHER BUSINESS

7. Panel Update

- 7.1 ELEXON provided the PAB with an update on the most recent [BSC Panel 280](#).
- 7.2 ELEXON noted that Parties participating in the Industry Sandbox are to be considered in Performance Assurance Framework. ELEXON confirmed that P368 had been approved. ELEXON added that a decision by the Authority is not required as the Change had been approved as self-governance.
- 7.3 ELEXON noted the BSC Panel proposed to make a decision on whether Non-BSC Parties are able to raise Modification requests. ELEXON added that the proposal will go to working groups in the coming months.
- 7.4 ELEXON noted of an emergency Panel meeting to discuss defaulting Party. A PAB Member noted that Party did not have many customers and did not expect default to have significant impact.
- 7.5 The PAB:
- a) **NOTED** the Panel update.

8. Big Ticket Items

9. Actions

- 9.1 ELEXON provided an update of the actions.
- 9.2 PAB Chair had contacted OFGEM with regards to organise an August 2018 meeting to discuss licensing. Action to remain open until completion of meeting.

10. Minutes from Previous Meetings

- 10.1 The PAB approved the minutes from PAB209 with minor amendments.

11. Next Meeting

- 11.1 The next meeting, [PAB211](#), will be held at the ELEXON offices on the 30 of August 2018.

MINUTES

12. Any Other Business

- 12.1 Eric Graham has resigned from PAB. PAB, ELEXON and the BSC Auditor would like to thank Eric for his constructive contribution, expertise and wit.