



The BSC Audit

BSC Auditor's Summary of Market Issues

MARKET ISSUES REPORT | August 2020

ELEXON

KPMG



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Executive Summary

During the BSC Audit, improvements were noted in some of the Market Issues, with one issue also being closed, which outlines the positive impact that focus from ELEXON and the Performance Assurance Board (PAB) has on directly improving these situations. Despite these improvements, one new Market Issue has been raised and several existing Issues have seen an increase in impact rating from prior year.

The BSC Auditor continues to see a diverse view on the impact each Market Issue has based on Performance Assurance Parties (PAPs) responses to the Market Issues Questionnaire. In these cases the Auditor has combined knowledge from the BSC Audit fieldwork to provide an accurate point of view on the progress of each Market Issue. With this diversity of response in mind, the BSC Auditor recommends where issues have become worse or show no sign of change, further workshops should be conducted with PAPs to understand in more detail the impact each of these Market Issues has on them and the market.

While the impact of COVID-19 has been minimal on Market Issues for the March 31 2020 year end, significant disruption is anticipated across the market for the March 31 2021 year end audit, and the BSC Auditor encourages PAB and ELEXON to consider this impact when creating action plans to resolve Market Issues.

The change of impact has been summarised for each Market Issue in the table to the right of this page, with further detail provided in later pages.

Market Issue	Role	2018/19 Impact Rating	2019/20 Impact Rating	Change of Impact
Lack of clarification regarding MOA BSCP requirements - CoMC	MOA	Low	Low	—
Lack of clarification regarding MOA BSCP requirements – Token Meters	MOA	Low	Closed	↓
Use and Accuracy of Information within D0215	MOA	Low	Low	↑
Outstation passwords not communicated	MOA	Medium	Medium	—
Missing Meter Technical Details	MOA	Medium	High	↑
Completion of Proving Tests and relevant documentation in CVA market	CVAMOA	Low	Low	↑
Lack of data flow capability in the CVA market	CVAMOA	N/A	Low	New
Delays are being experienced in receiving the D0086 flow from NHHDC agents	NHHDC	Medium	Low	↓
Lack of notifications of the rejection of standing data flows	NHHDC	Low	Low	—
Data fixes required to resolve Post-RF D0023 rejection records	NHHDC	Low	Low	↓
Supplier Hub interaction with other Supplier Agents	NHHDC	Medium	Medium	—
Issues surrounding revenue protection amendments	NHHDC	Low	Medium	↑
Lack of BSCP defined timescales within the Supplier Disputed Reading process	Supplier	Medium	Low	↓
Supplier Hub interaction with other BSC Agents	Supplier	Low	Low	—
Elective Half Hourly	Supplier	Low	Low	—
Inconsistencies with BSCP520 and supporting documents	UMSO	Low	Low	—

Key ↓ Impact decreased ↑ Impact increased — No change of impact

Meter Operator (MOA) Market

Issue Title	Lack of clarification regarding MOA BSCP requirements - CoMC	First Raised	2002
Status	Open	Issue Number	1640
Impact Rating	Low (PY: Low)	Has the non compliance improved over the last 12 months?	No Change
BSC Requirement	BSCP514 details the actions required from MOAs over Half Hourly and Non Half Hourly Metering Systems.		
Description	<p>BSCP514 sections 7.1 to 7.8 provide guidance over Change of Measurement Class (CoMC) from Non Half Hourly to Half Hourly and vice-versa. In prior years the BSC Auditor has noted that both NHHMOA and HHMOA Agents experience difficulties meeting the requirements of the CoMC process. Some of the issues noted are:</p> <p>1. It can be difficult for the incoming Meter Operator to identify a CoMC from any other appointment as there is no flag or code in the D0155 flow nor a role code. Although there is one (albeit rarely used) in the D0151, if the NHHMOA is not the appointed HHMOA then it would not have visibility of the CoMC activity.</p> <p>2. Often the D0142 flow is the point at which they are identified but only via the free text entered by the Supplier, which is extremely variable in its extent and quality.</p> <p>3. The process requires the sharing of Meter Technical Details but often MOA systems are not configured to accept those flows which can then hamper the process, for example a HHMOA will send a D0268 to a NHHMOA or a NHHMOA will send a D0150 to a HHMOA.</p>		
2019/20 Audit Year Findings	<p>The BSC Auditor have found the impact of this issue remains, on balance, the same, however some parties who responded to the Market Issues questionnaire feel they are more impacted than others. The difference of perceived impact of the issue is attributed to the frequency and process followed for CoMC. Many experienced MOAs have established Supplier relationships and alternative CoMC processes designed to make a complex process more robust. In these instances MOAs cite the impact of the issue as being very low, however a small number of MOAs without these alternative processes with Suppliers still cite the issue as being problematic. Finally, the decreasing frequency of CoMC activities since the completion of P272 also impacts the decision of a Low rating.</p> <p>Similar problems to prior year have been flagged by concerned parties. As with prior year, these issues are driving continued confusion in regards to the interpretation and implementation of MOA BSCP requirements. Below are the commonly identified issues:</p> <ul style="list-style-type: none">— D0148 flows are not always sent promptly to the MOA, which causes a delay in the sending of the flows. Suppliers sometimes appoint the incorrect MOA (or want to change the CoMC date) and then try to reverse the appointment. This can lead to delays in sending Meter Technical Details out due to the waiting time for the HH D0155 and D0148 to arrive.— Suppliers sometime appoint the incorrect MOA (or want to change the CoMC date) and then try to reverse the appointment. This can lead to delays in sending MTDs out due to having to wait for the D0155 and D0148.— MOA systems are not configured to accept Meter Technical Details flows (i.e. HHMOA cannot process D0150 and/or NHHMOA cannot process D0268) which can then hamper the CoMC process. For example, a HHMOA will send a D0268 to a NHHMOA or a NHHMOA will send a D0150 to a HHMOA.		
BSC Auditor's Recommendation	<p>It is recommended that ELEXON review the D0155 and D0142 flow to allow Agents to identify and process CoMC requests easier.</p> <p>Further to this, one party response gave the following view: "Give a choice we would prefer to use the P272 process for NHH to HH CoMCs, this is preferable because the 'AMR/HH' meter is installed and working before it migrates, this means the CoMC will always proceed on the agreed date.". It is recommend this option is explored further to assess the risks and benefits of this.</p>		

Meter Operator (MOA) Market

Issue Title	Lack of clarification regarding MOA BSCP requirements – Token Meters	First Raised	2002
Status	Closed	Issue Number	3769
Impact Rating	No Impact (PY:Low)	Has the non compliance improved over the last 12 months?	Yes
BSC Requirement	BSCP514 details the actions required from MOAs over Half Hourly and Non Half Hourly Metering Systems.		
Description	<p>BSCP514 provides the requirements under which MOAs must perform their responsibilities. Review of the BSCP and the BSC Auditor’s work at MOAs previously identified a number of areas where details of the Meter operations details were considered not to be clear enough.</p> <p>In particular, it was noted that MOAs use Data Transfer Network (DTN) data flows for dealing with prepayment Meters, such as the D0192 flow (Readings and Settings from a Token or Key Meter) and the D0216 flow (Request Installation of Token Meter). However, BSCP514 does not include guidance on the use of these flows.</p>		
2019/20 Audit Year Findings	<p>There has been an improvement in previously identified areas of ambiguity in the BSCPs related to Token Meters. In most cases, parties who responded said the felt this was no longer an issue.</p> <p>One party raised concerns around the lack of a rejection flow for a D0170, saying this had a medium impact on them.</p> <p>As nearly all parties responded to say they felt this issue was no longer an impact, and the main concern raised was around a different issue (lack of rejection of D0170), as such it is proposed this market issue be closed.</p>		
BSC Auditor’s Recommendation	It is recommend that this issue be closed based on industry feedback.		

Meter Operator (MOA) Market

Issue Title	Use and Accuracy of Information within D0215	First Raised	2002
Status	Open	Issue Number	5177
Impact Rating	Low (PY: Low)	Has the non compliance improved over the last 12 months?	No
BSC Requirement	<p>BSCP514 states that the MOA is required to request the Site Technical Details from the LDSO through a D0170 flow 'Request for Metering System Related Details' in the event of a CoMC or New Connection. The LDSO is required to provide D0215 flow information within 5 working days of the MOA's request as per BSCP515.</p> <p>According to BSCP514 sections 5.2.1.8, 5.2.1.9, 6.2.1.9 and 6.2.4.8 if required, and at any time after the effective date of the MOA's appointment (and only for MSIDs first registered after 6 November 2008), the MOA may request Site Technical Details by sending a D0170 flow to the LDSO. The LDSO shall respond within 5 WD of such requests by sending a D0215 'Provision of Site Technical Details' either by electronic means or by another method, as agreed with the MOA. The MOA shall determine any appropriate course of action within 2 working days of receiving this information.</p> <p>BSCP515 states that in the event of any subsequent changes to Site Technical Details, the LDSO shall send an updated D0215 'Provision of Site Technical Details' to the MOA within 1 working day of updating their systems.</p>		
Description	<p>As part of the Audit fieldwork in prior years and through discussion with MOAs, it was noted that there are concerns over the quality of data held within the D0215 flows provided by LDSOs. MOAs commented that even if certain fields such as CT ratio were made mandatory, this would affect very little of the market and there would still be no guarantee over the quality of the data.</p> <p>The feedback from MOAs is the same as in prior year – Due to the inconsistent quality and the perceived value of the mandatory fields in the flows, MOAs often choose not to rely on the data within D0215 flows, using them only for reference if required.</p> <p>Market participants raised that MOAs do not always request the D0215 using a D0170 due to the above data quality issues, which was noted as a non-compliance to BSC requirements at a number of MOAs. Furthermore, even where requests have been made, a number of LDSOs were observed as not consistently responding to the requests. MOAs commented that in their current format, the D0215 does not contain any useful information for the MOA and therefore, the requirement to send a D0170 for them is viewed as obsolete.</p>		
2019/20 Audit Year Findings	<p>As above, parties continue to raise concerns around the quality and accuracy of the D0215. Of all the parties who responded to the Market Issues questionnaire, only one said they used the D0215 (for identifying three phase meters) but despite using it also said they have considerable data quality issues causing them significant operational inefficiency with engineer bookings.</p> <p>Several parties also raised concerns around the BSC requirement to request a D0215 using a D0170, despite having no intention to use the data on the flow. Parties are able to obtain the required data from a D0383 and D0382 and given these flows are generally more accurate, are the preferred data source.</p>		
BSC Auditor's Recommendation	<p>It is recommended that a review of the D0215 flow is performed to ensure that it is fit for purpose or a specific rejection flow is introduced to allow the MOA to provide feedback on the quality of a received D0215 to the LDSO.</p> <p>Following the outcome of this data quality review, the BSC Auditor recommends comparing the data obtained on a D0215 to data obtained on a D0383 and D0382. If the D0215 can be retired without required data being lost, then this would serve to mitigate the impact of D0215 data quality issues.</p>		

Meter Operator (MOA) Market

Issue Title	Outstation passwords not communicated	First Raised	2017
Status	Open	Issue Number	5750
Impact Rating	Medium (PY: Medium)	Has the non compliance improved over the last 12 months?	No Change
BSC Requirement	BSCP514 appendix 9.3 states that where the Meter Type is RCAMR, NCAMR or RCAMY, the NHH Meter Operator Agent (MOA) shall maintain a set of Auxiliary Meter Technical Details (MTDs). This will be in the form of a D0313 'Auxiliary Meter Technical Details' flow, which should be sent and processed alongside of the D0150 'Non Half-hourly Meter Technical Details' flow, with the exception of Meter removals.		
Description	<p>Automatic Meter Reading (AMR) Meters are Non-Half Hourly (NHH) Meters that are Half Hourly (HH) capable and configured for remote reading. The D0313 flow contains all relevant information (communication, security and channel/outstation details) required by the NHH Data Collector (DC) to retrieve data from the Meter remotely. This information is also required by the MOA to configure the Metering System remotely.</p> <p>Testing performed during the 2019/20 audit period has highlighted the same issues as in the prior year audit. There are multiple problems still remain with regards to missing information in Meter Technical Details. Below are the commonly identified issues:</p> <ul style="list-style-type: none">— D0313 flows are not always sent alongside the MTDs.— D0313s are not regularly received from previous MOAs resulting in the replacement of the meter being necessary.— Difficulty in tracing agent that holds meter details due to several changes of agents.— Several MOAs have indicated that they do not feel the TAA is effective in addressing this issue.— In general, it was noted that agents are not aware of the escalation process implemented in November 2018 to formally escalate missing D0313 flows.		
2019/20 Audit Year Findings	<p>Based on responses from parties, there has been no significant improvement of this issue. Parties continue to struggle obtaining accurate key data during a Change of Agent scenario, which is level 3 Meter passwords within the D0313 flow. Where this Change of Agent is in conjunction with P272 requirements, the lack of completed D0313, or missing D0313 altogether, will mean that the Meter cannot be re-configured to HH as required. Agents specifically commented that D0313s are regularly not received from previous MOPs and do not contain passwords or have incorrect passwords. This means that at times the MOP must then perform a meter exchange.</p> <p>Further to outright missing data, some Agents have also flagged that the accuracy of the data is sometimes so poor they are unable to use it. Mismatches between linked flows such as D0149/D0150 & D0313 cause flows to fail their system validation, presenting parties with a difficult forensic exercise to identify the correct MTDs.</p> <p>As with prior year, Agents are still struggling to trace the agent who holds correct meter details following several changes of agents.</p> <p>Furthermore, this year has also identified issues around the number of D0313 flows being sent for sites with more than one AMR meter. Agents responded to say they sometimes struggle when a D0313 flow is sent for each meter rather than grouping the meter details into one D0313 for a single site.</p> <p>One improvement that was seen by the BSC Auditor was that parties were now aware of the escalation process for obtaining missing D0313 flows.</p>		
BSC Auditor's Recommendation	ELEXON should continue carrying out technical Audits to assess the impact of the missing and incomplete D0313 flows and implementing corrective actions, such as initiating Error and Failure Resolution (EFR). ELEXON should also asses the impact of multiple D0313 flows for a single site and issue guidance to Agents if necessary.		

Meter Operator (MOA) Market

Issue Title	Missing Meter Technical Details	First Raised	2018
Status	Open	Issue Number	7847
Impact Rating	High (PY: Medium)	Has the non compliance improved over the last 12 months?	No
BSC Requirement	BSCP514 Section 6.2 states that where Meter Technical Details (MTDs) are requested through a D0170 flow during a Change of NHHMOA event, the old Meter Operator Agent (MOA) should provide the MTDs to the new NHHMOA through D0149/D0150 flows (including D0313 for remotely read meters) within 5WDs of the request (2 WDs when Coincident with a Change of Supply).		
Description	<p>DTN Testing carried out in previous audits showed delays in sending MTDs or missing MTDs by old NHHMOAs in response to D0170 requests during a Change of Agent event. The BSC Audit noted the following reasons:</p> <ul style="list-style-type: none">— Technical issues that resulted in the outgoing MTD flows not being processed.— The previous MOA does not hold any MTDs as they did not receive them from the previous MOA or the site is meter-less.		
2019/20 Audit Year Findings	<p>The BSC Auditor has raised this as an area of concern within their final SVA report.</p> <p>In the current year audit, The BSC Auditor found that 25% of all material findings for the current year relate to findings around MTDs and Meter Readings, seeing an increase from 24 in 2018/19 up to 54 in 2019/20. There were a range of reasons for parties not sending MTDs on a D0170;</p> <ul style="list-style-type: none">— Not being deappointed when they received a D0170 flow, as such being hesitant to send a D0170 until they are formally deappointed on a D0151 (explored further in the SVA report extract on the next slide).— Technical issues preventing the flows from being automatically released.— Missing MTDs / delay in sending MTDs due to the previous MOA not providing this or the site being de-energised.— Lack of guidance around steps to be taken where MTDs are not available to be forwarded to the new MOA. <p>It was noted that in general, agents are familiar with the process and requirements, however, when bulk Change of Agent or Change of Supply events happen, it is challenging to monitor the process effectively.</p>		
BSC Auditor’s Recommendation	<p>It is recommended that ELEXON review and clarify guidance around response to a D0170.</p> <p>Following the review above, ELEXON could consider if a rejection to D0170 flow could be beneficial in specific instances, e.g. when the agent has not been deappointed.</p>		

Meter Operator (CVAMOA) Market

Issue Title	Completion of Proving Tests and relevant documentation in CVA market	First Raised	2018
Status	Open	Issue Number	4517
Impact Rating	Low (PY: Low)	Has the non compliance improved over the last 12 months?	No
BSC Requirement	BSCP02 Section 5 (Table of Testing Requirements and Methods of Assurance of Settlement Data) outlines various requirements on completing Commissioning and Proving Tests. BSCP02 3.1.6, 3.2.6, 3.3.4, 3.4.6, 3.6.6 and 3.7.5 require the CVA MOA to send a BSCP02/4.3 (Metering System Proving Test Record to CDCA) within one working day of completion of Proving Test.		
Description	<p>Agents feel there is a general lack of clarity in BSCP02 when Proving Tests have to be completed and the relevant documentation has to be filled in (BSCP02/4.2 (a), (b) and BSCP02/4.3).</p> <p>One example of this mentioned in prior years is that for a permanent Meter change on duplicated systems, BSCP02 5.2.6 (Table of Testing Requirements and Methods of Assurance of Settlement Data) requires CDCA Comparison test assisted by MOA to be completed. At the same time BSCP02 3.4 (Proving Test Requirements where a Meter has been Replaced with a Different Meter) requires the CVA MOA to conduct Proving Test and fill the required documentation. It is therefore not clear from BSCP02 what the exact requirements are.</p> <p>In addition to this, BSCP02 3.1.6, 3.2.6, 3.3.4, 3.4.6, 3.6.6 and 3.7.5 require the CVA MOA to send a BSCP02/4.3 Metering System Proving Test Record to CDCA within one working day of completion of Proving Test. The same one working day requirement applies after Commissioning tests are completed (3.2.2, 3.4.2, 3.6.2) to propose a date for the Proving Test. The timeliness of these requirements may not be viable to meet in some circumstances.</p> <p>Finally, forms provided in BSCP02 may not always be compatible with the newest type of CVA Meters.</p>		
2019/20 Audit Year Findings	<p>Issues continued to be identified at market participants around compliance with Proving Test requirements, seeing an increase from 6 (1 medium, 5 MLP) to 8 issues (2 Low, 6 MLP). However this is not seen as a significant market trend of greater non-compliance.</p> <p>For the current year CVA Market Issues, the BSC Auditor only had one respondent and as such have also included context from the BSC Audit site visit conversations. Generally parties understand the process required however do sometimes have difficulties with the paper based forms which are included in the process.</p> <p>As a further update to Change Proposal CP1491 which updated the timelines of Proving Tests so that relevant documentation can be sent within 3 WDs, generally parties are happier with this but some still think further changes could be made by ELEXON to support parties</p> <p>As in prior year, similar concerns have been raised about the BSCP02 forms which are used to complete proving. These are causing agents issues due to the following reasons:</p> <ul style="list-style-type: none">- The forms provided in BSCP02 are incompatible with the newest type of CVA Meters.- The proving test process is a very 'form' based process making things difficult to track.- There are certain scenarios where the requirements are not specifically defined.		
BSC Auditor's Recommendation	It is recommended that forms within BSCP02 are reviewed with CVAMOA's to ensure they are fit for purpose.		

Meter Operator (CVAMOA) Market

Issue Title	Lack of data flow capability in the CVA market	First Raised	2020
Status	Open	Issue Number	8417
Impact Rating	Low	Has the non compliance improved over the last 12 months?	N/A
BSC Requirement	Relevant to all CVA BSCP forms.		
Description	<p>Over several years, Agents have flagged concerns around the lack of modern data transfer within the CVA market.</p> <p>Currently most data is transferred using paper forms which can be posted, faxed or emailed to relevant agents. The market feels these forms are outdated both in their content and also the mechanism of sharing information.</p> <p>Agents have called for a similar system to how the SVA market operates, using a digital data transfer network to transmits information to other parties. It is hoped this modernisation of the CVA market will result in improvements in data quality for CVA market, as well as significant efficiency gains by market participants.</p>		
2019/20 Audit Year Findings	<p>This has been raised as a new Market Issue following several years of Agents highlighting this issue during the BSC audit.</p> <p>Although there are plans in the pipeline to examine the data transfer mechanism for CVA, Agents felt this should still be flagged as a market issue to ensure it has sufficient traction to warrant investigation.</p>		
BSC Auditor's Recommendation	It is recommended that ELEXON review the options for digitising data transfer in the CVA market.		

Non Half Hourly Data Collector (NHHDC) Market

Issue Title	Delays are being experienced in receiving the D0086 flow from NHHDC agents	First Raised	2004
Status	Open	Issue Number	1621
Impact Rating	Low (PY: Medium)	Has the non compliance improved over the last 12 months?	Yes
BSC Requirement	<p>BSCP504 3.2.6 Change of Supplier for an existing SVA Metering System outlines several scenarios where a D0086 flow (Notification of Change of Supplier Readings) has to be provided from the new NHHDC to new Supplier, LDSO and old NHHDC. For example, BSCP 504 3.2.6.12 states that an Invalid Data Report has to be provided through the D0086 flow to these agents, if an invalid read is obtained within the SSD-5 and SSD+5 SSD window, whereas BSCP 504 3.2.6.15 requires a D0086 Valid Data Report to be provided if a valid read was received within the window. Likewise, BSCP504 3.2.6 details several scenarios where a D0086 flow has to be sent by the old NHHDC to the old Supplier, for instance BSCP 504 3.2.6.17 requires the old NHHDC to send a D0086 with the deemed change of Supplier reading once received from the new NHHDC.</p> <p>A separate scenario is listed under BSCP 504 3.3.1. Coincident Change of Supplier and Measurement Class from a Non-Half Hourly to a Half Hourly SVA Metering System. The current NHHDC is required to send either a Valid Data Report (3.3.1.4) or send a deemed Meter reading (3.3.1.7) on a D0086 flow.</p>		
Description	Testing in previous audit periods has identified that delays are being experienced in receiving the D0086 flow from NHHDC Agents.		
2019/20 Audit Year Findings	<p>Agents informed that the Change of Supplier (CoS) is a complex process that can be streamlined. They noted that there is an increased pressure on this process as a result of the faster energy switching rules introduced by Ofgem in 2014, increased levels of switching and increased volume of Meter exchanges due to the Smart Meter roll out.</p> <p>Testing performed in the 2019/20 audit period indicates there are still issues with entity processes causing delays or missing flows/ information which in turn will delay the issuing of a D0086, but the impact remains the same as prior year, as such will be rated as a low.</p> <p>One party who responded highlighted the fact they were experiencing a higher number of mismatched register IDs, particularly with smart meters. This was predominantly for single rate meters where the MTDs are being updated by the new MOA and don't match the MRH provided by the old DC.</p>		
BSC Auditor's Recommendation	<p>It is recommended that further investigation around the process of Change of Supplier is carried out in conjunction with the involved market agents to identify the issues, bottlenecks and challenges that the affected parties are facing. It is further recommended that strict timescales are introduced so that there is a clear expectation of when the D0086 should be issued.</p> <p>The implementation of monitoring controls to detect failure to send the D0086 flows at entity level could be beneficial to the Industry as a whole.</p>		

Non Half Hourly Data Collector (NHHDC) Market

Issue Title	Lack of notifications of the rejection of standing data flows	First Raised	2004
Status	Open	Issue Number	1622
Impact Rating	Low (PY: Low)	Has the non compliance improved over the last 12 months?	No Change
BSC Requirement	BSCP504 NHHDC does not include a requirement for NHHDC Agents to notify the sender of a flow that the flow has failed to be updated in the NHHDC system. The requirement is however implied.		
Description	<p>A number of NHHDC Agents do not have any formalised mechanism in place for reporting to the sender (Supplier and Meter Operator Agent) the failure to process standing data flows received from them. This failure is caused by in-built system validation (including flow sequencing). It was also noted that some Agents do report failures in some circumstances but not all. The BSC Audit noted that this is in part caused by the lack of rejection flows available for use, particularly with reference to when they are sent the flows despite not being an appointed party. Agents specifically commented that there are no rejection flows for the following incoming flows:</p> <ul style="list-style-type: none">— D0139 “Confirmation or rejection of energisation status change;”— D0149 “Notification of mapping details;” and— D0150 “Non Half-hourly Meter Technical Details.”		
2019/20 Audit Year Findings	<p>There hasn’t been any significant change in this issue from prior year and it still remains as a low impact.</p> <p>The BSC Auditor was informed that most agents have a process for dealing with rejected data flows, however only if they are expecting or require the data flow in the first place.</p> <p>If agents were not expecting the flow in the first place they would not inform the agent sending the flow that it has been rejected by them. In this scenario, agents informed the BSC Auditor that if they noticed this they could inform the sending agent. However, as this not a BSCP requirement, agents do not have a formal process in place to report all failed flows and this is rather an ad-hoc activity which takes place.</p> <p>The majority of agents report that as there is no formalised process for rejecting standing data flows, this is causing a lack of clarity over what sort of processes NHHDCs should have in place, resulting in inconsistencies across the market.</p> <p>Agents in general do not feel as though specific flows are needed per se, but a formalised process would help. However, it is noted that agents feel the new commissioning rejection flows are effective. As a result this issue remains categorised as “Low”.</p>		
BSC Auditor’s Recommendation	<p>It is recommend ELEXON consider changes in BSCPs to reflect the drive from the market to have a more formalised process in rejecting standing data flows, which would cover all parts of the process of rejecting standing data flows. This would allow market participants to have better clarity over what sort of processes they should have in place and would manage expectations during cooperation in the market. It was noted that ELEXON are reviewing whether a working group would facilitate the ongoing discussion around this market issue.</p> <p>Best practice guidance should be issued over handling of rejection flows to ensure consistent approaches are taken across the market.</p>		

Non Half Hourly Data Collector (NHHDC) Market

Issue Title	Data fixes required to resolve Post-RF D0023 rejection records	First Raised	2014
Status	Open	Issue Number	3437
Impact Rating	Low (PY: Low)	Has the non compliance improved over the last 12 months?	Yes
BSC Requirement	<p>BSCP 504 4.14.1 Once a Settlement Date has been subject to the Final Reconciliation Volume Allocation Run (RF), data for that day shall not be amended unless supported by an upheld Trading Dispute. If an error in demand exists on a Settlement Date for which RF has taken place, this error can be compensated in Settlements Days for which RF is still to take place. The process of compensating this error is Gross Volume Correction (GVC). This process results in the correct total volume of energy being allocated to the Supplier; however this energy will be allocated to different Settlement Periods.</p> <p>BSCP 504 3.5. requires NHHDC to resolve D0023 inconsistencies reported by NHHDA. BSCP 504 also outlines requirement to process D0052 flows in various sections of the code.</p>		
Description	<p>D0023 rejection records are received by the NHHDC with effective dates that span RF. As a result, the NHHDC are in receipt of a D0023 that they are obliged to action, but to do so must perform a data fix that amends crystalized data which will result in contravention of BSCP 504.</p> <p>The same issue can also relate to other type of DTN flows, such as D0052, as identified in 2014/15 audit period.</p>		
2019/20 Audit Year Findings	<p>For the period ended 31 March 2020, the BSC Auditor inquired of NHHDC agents around D0023 and D0052 processing. It was generally found that D0023 resolution has improved and the number of issues raised has decreased from prior year.</p> <p>When the BSC Auditor asked about clarity over D0023 and D0052 flows which have crystallised agents said they would appreciate further clarity on this issue as it remains unclear. It leaves agents with the decision to either not comply with BSCP 504 4.14.1 for affecting post-RF data or not comply with requirements to resolve D0023 flows and D0052 flows.</p> <p>Further to this from the BSC Auditor’s testing of D0023 backlog values; the backlog is comparable to prior year as such the impact will remain as a Low.</p>		
BSC Auditor’s Recommendation	<p>As per previous year, ELEXON should consider reviewing guidance for these cases to determine whether further guidance could be provided to help market participants to have a consistent auditable approach over D0023 (and D0052) flows, specifically where they affect the crystallized period.</p>		

Non Half Hourly Data Collector (NHHDC) Market

Issue Title	Supplier Hub interaction with other Supplier Agents	First Raised	2018
Status	Open	Issue Number	5751
Impact Rating	Medium (PY: Medium)	Has the non compliance improved over the last 12 months?	No Change
BSC Requirement	Annex S-2: Supplier Volume Allocation Rules, Section 2.1.1 states that “Each Supplier shall ensure that, in respect of each of the Metering Systems for which it is responsible, data is supplied to the SMRA pursuant to this paragraph 2 by itself and/or its agents which is complete and accurate in all material respects, valid and timely”.		
Description	<p>The Supplier hub principle means that ultimate reasonability of BSC compliance for agents working on behalf of the Supplier, sits with the Supplier. As such, the Supplier is required to manage their agents to ensure that obligations within the BSC are met.</p> <p>For this purpose, commercial agreements are established between Supplier, agents and customer. However, ineffective management of these agreements could result in BSC non-compliances.</p> <p>The BSC Auditor has identified cases where DCs are contracted to perform activities such as Meter read collection or visits to Long Term Vacant sites at terms not in line to the BSC requirements.</p>		
2019/20 Audit Year Findings	<p>The BSC Auditor has identified several instances where Suppliers are not ensuring DC Agents are performing activities in line with the BSC. In particular, responsibilities between Data Retrievers and Data Collectors around visits to de-energised sites have not been clearly defined, which often impacts processes such as Long Term Vacant.</p> <p>Whilst non-compliances were raised against the DCs, a root cause analysis showed that the DCs had not been instructed by the Supplier to perform these activities to meet obligations. The BSC Auditor was informed this was due to the fact that in some instances contract obligations conflicted with the BSCPs. It is noted that DC agents are accepting appointments knowing they might not be compliant with the BSCP. As a result, there is a risk of potentially inaccurate data being used in Settlement.</p> <p>As there has not been changes to the BSC there has been little improvement in this area. However workshops are taking place with market Agents, and the BSC Auditor is optimistic this will help to resolve this issue.</p> <p>Furthermore the BSC Auditor has noted one off cases where Agents have agreed workarounds with their supply to ensure compliance in the short term which is a positive step for the market, however the root cause remains unchanged and as such this issue will remain open as a Medium.</p>		
BSC Auditor's Recommendation	It is recommend that ELEXON considers conducting a specific review to better understand potential impact of the issue and takes corrective action.		

Non Half Hourly Data Collector (NHHDC) Market

Issue Title	Issues surrounding revenue protection amendments	First Raised	2007
Status	Open	Issue Number	2044
Impact Rating	Medium (PY: Low)	Has the non compliance improved over the last 12 months?	No
BSC Requirement	<p>Suppliers have an overall responsibility for the quality of data applied to Settlement by all of its Agents. In particular, Balancing and Settlement Code (BSC) section S2.1.2 states that each Supplier shall ensure compliance by each of its Supplier Agents, with the relevant BSCPs. This includes BSCP504 Non Half Hourly Data Collector (NHHDC) section 3.3.11.5 that requires the NHHDC Agents to send Estimated Annualised Consumption (EAC) and Annualised Advance (AA) data to Suppliers, and sections 3.4.1 4 and 5 that require the NHHDC Agents to send valid and invalid Meter readings to Suppliers.</p> <p>Also, BSCP504 section 3.4.2.1 requires the Supplier to send notification of inconsistencies to the NHHDC Agent as necessary. In addition Section U, 1.2.1 of the code confirms that “Without prejudice to any specific provisions of the Code relating to the accuracy and completeness of data, each Party shall ensure that and undertakes that all information and data submitted or otherwise provided by or on behalf of such Party to the Panel, any Panel Committee, BSCCo, the BSC Clearer or any BSC Agent pursuant to any provision of the Code or any Code Subsidiary Document will as far as reasonably possible be accurate and complete in all material respects.</p>		
Description	<p>During previous year enquiries, the BSC Auditor was told of a number of concerns around the processing of revenue protection amendments into Settlement, these included:</p> <ul style="list-style-type: none">— Lack of clarity surrounding existing BSCP requirements in place surrounding revenue protection, as at present the only requirements are outlined in BSCP504 and require the NHHDC to update its system with a revised Meter advance and calculate a new EAC/AA.— Lack of guidance on who is responsible for notifying the NHHDC / HHDC of these revenue protection amendments.— Lack of guidance on process that should be followed in determining the revised Meter advance based on revenue protection amendments e.g. append to last valid Meter reading or final Meter reading.— Where revenue protection amendments have been made to Settlement there is currently no mechanism to ensure that these values remain in Settlement and are not removed by exception management processes e.g. High EAC/AA monitoring.— Uncertainty regarding activities performed by the Revenue Protection Service (RPS) and the methods used for calculating unrecorded units as well as processes in place to notify the relevant parties. <p>A central body is to be established to administer Supplier incentive schemes, which will need Settlement data. Incentive schemes would need to be in place before a change is raised, so it is more evident what data is needed by the central body.</p>		
2019/20 Audit Year Findings	<p>Suppliers who responded to the Market Issues questionnaire continue to raise concerns around the lack of guidance on the above mentioned processes. Compared to last year, the BSC Auditor has seen suppliers raising the lack of guidance as a more impactful issue compared to prior year.</p> <p>Suppliers have also flagged concerns around targets for identifying theft in the market being too arbitrary. They have stated that certain suppliers operating in certain geographical locations or for certain customer types are at a much lower risk of energy theft than others and as such feel the targets are unfair on them, especially as once investigated they have a very low confirmed theft rates.</p> <p>Due to the increased concern my suppliers responding to the Market Issues questionnaire, it is proposed this issue move back to a Medium, following its decrease from High to Low in prior year.</p>		
BSC Auditor’s Recommendation	<p>ELEXON are currently investigating the impact of the lack of consistency around processing of revenue protection reads. It is recommended that all Suppliers are contacted to discuss how they approach revenue protection reads.</p> <p>It is recommended that while the majority of revenue protection process sit outside of ELEXON’s jurisdiction, additional guidance should be issued to all parties to address common concerns around the process and provide clear instructions for how Suppliers should manage revenue protection amendments.</p>		

Supplier Market

Issue Title	Lack of BSCP defined timescales within the Supplier Disputed Reading process	First Raised	2012
Status	Open	Issue Number	2552
Impact Rating	Low (PY: Medium)	Has the non compliance improved over the last 12 months?	Yes
BSC Requirement	BSCP504 Section 3.2.6 details the requirements involved in the Change of Supply process. Sections 3.2.6.25 through 3.2.6.29 outlines the activities to be followed when processing a Supplier Agreed Reading (SAR) via a D0300 'Disputed Readings or Missing Readings on Change of Supplier', for example after a dispute being raised. Further details of the activities involved within the process are outlined within MRA Agreed Procedure 08 'The Procedure for Agreement of Change of Supplier Readings and Resolution of Disputed Change of Supplier Readings'.		
Description	<p>As part of the Change of Supplier process it is the responsibility of the new NHHDC Agent to obtain or calculate an appropriate Change of Supplier reading, which is then passed to the new Supplier and old NHHDC. The old NHHDC in turn passes this to the outgoing Supplier. This reading is received on a D0086 'Change of Supplier Readings' flow. As this reading is a key reading to enable the CoS to process it will typically not undergo any specific validation by the NHHDC prior to processing.</p> <p>As a result, a large volume of reported erroneous EAC/AA values are highlighted by Suppliers as having been generated as a result of erroneous CoS readings. To combat this D0300 'Disputed Readings or Missing Readings on Change of Supplier' flows were introduced to enable Suppliers to challenge the CoS readings they have been provided. However, during the course of the BSC Audit a number of concerns were noted around the management of MPANs that were going through this process, primarily the lack of defined timescales within BSCP504, which parties are required to adhere to in agreeing to and responding to a D0300 flow. This has resulted in an inconsistent level of responsiveness from Suppliers in dealing with D0300 flows. As a result Suppliers have noted erroneous EAC/AA values in Settlement which they are not able to resolve until the other Supplier provides them with the required D0300 flow. MRA Agreed Procedure 08 'The Procedure for Agreement of Change of Supplier Readings and Resolution of Disputed Change of Supplier Readings'(MAP08), which is referenced in a footnote within BSCP504, does include details of the expected timescales that should be followed. Although not within the scope of the work performed, the BSC Audit has determined that Suppliers are not meeting the timescales required of them per the agreed procedure.</p>		
2019/20 Audit Year Findings	<p>There has been a general improvement in D0300 compliance in the 2019/20 audit period. Furthermore, Suppliers who responded to the Market Issues questionnaire have said they generally believe this issue to becoming a lower impact on the market.</p> <p>There are still issues, such as lack of defined timescales within BSCP504, which parties are required to adhere to in agreeing to and responding to a D0300 flow. A lack of specific timescales around the Disputed Reads process on Change of Supply, which is causing delays, confusion and backlogs on the Change of Supply Process.</p> <p>This was noted during the BSC Audit, and identified that Agents and Suppliers have inconsistent SLAs for resolving D0300 flows resulting in delays and potential impact on settlement.</p> <p>While there is still further work to be done on this issue, the BSC Auditor has seen an improvement in the market and as such it is recommend this issue be decreased from Medium to a Low.</p>		
BSC Auditor's Recommendation	The recommendation from prior year still stands. It is recommended that ELEXON review and update current BSC documentation regarding the Supplier Disputed Reading process to ensure that clear guidance around timescales is provided to all relevant market participants.		

Supplier Market

Issue Title	Supplier Hub interaction with other BSC Agents	First Raised	2017
Status	Open	Issue Number	5751
Impact Rating	Low (PY : Low)	Has the non compliance improved over the last 12 months?	No Change
BSC Requirement	Annex S-2: Supplier Volume Allocation Rules, Section 2.1.1 states that “Each Supplier shall ensure that, in respect of each of the Metering Systems for which it is responsible, data is supplied to the SMRA pursuant to this paragraph 2 by itself and/or its agents which is complete and accurate in all material respects, valid and timely”.		
Description	<p>The Supplier hub principle means that ultimate reasonability of BSC compliance for agents working on behalf of the Supplier, sits with the Supplier. As such, the Supplier is required to manage their agents to ensure that obligations within the BSC are met.</p> <p>For this purpose, commercial agreements are established between Supplier, agents and customer. However, ineffective management of these agreements could result in BSC non-compliances.</p> <p>The BSC Auditor has identified cases where DCs are not contracted to perform activities such as Meter read collection at terms not in line to the BSC requirements. or visits Denergised sites.</p>		
2019/20 Audit Year Findings	<p>As in prior year, the BSC Auditor has identified several instances where Suppliers are not ensuring DC Agents are performing activities in line with the BSC. In particular, responsibilities between Data Retrievers and Data Collectors around visits to de-energised sites have not been clearly defined impacting processes such as Long Term Vacant.</p> <p>Whilst non-compliances were raised against the DCs, a root cause analysis showed that the DCs had not been instructed by the Supplier to perform these activities to meet obligations. This was due to the fact that in some instances, DCs were not able to meet contractual obligations with the supplier if they were to adhere to the BSCP.</p> <p>One element of this Market Issue which has not been previously highlighted, but Suppliers have raised in the current year Market Issues questionnaire response is around the relationship with HH agents, especially HHMOA where the customer is responsible for appointing their own MOA. In some instances where customers contract directly, this means the supplier has no authority over the HHMOA to enforce compliance. As such, while the supplier hub principle was introduced when the market was more vertical, now the market has opened up more it leaves some gaps in the principle.</p> <p>Feedback received during this period indicated that agents feel that this is not necessarily due to Supplier hub interactions, but more so due to contracts being in place between the customer and Agents rather than between Suppliers and Agents. As such, the impact rating of this issue has been changed to ‘Low’.</p>		
BSC Auditor's Recommendation	<p>It is recommend that ELEXON considers conducting a specific review to better understand potential impact of the issue and takes corrective action.</p> <p>Furthermore it is recommend that ELEXON investigate the impact of HH suppliers working with HHMOAs they do not have a contractual arrangement with due to customer appointed agents.</p>		

Supplier Market

Issue Title	Elective Half Hourly	First Raised	2019
Status	Open	Issue Number	8416
Impact Rating	Low (PY: Low)	Has the non compliance improved over the last 12 months?	No Change
BSC Requirement	Undefined.		
Description	<p>P346 was raised on 23 June 2016 as agreed at stakeholder group following direction from Ofgem’s review of Half Hourly (HH) Settlement.</p> <p>The Modification aimed to reduce BSC costs to Suppliers for entering domestic and small non-domestic customers into elective Half Hourly (HH) Settlement and encourage Suppliers to promote such Settlement on a larger scale.</p> <p>P346 was implemented on 1 April 2017, however no specific guidance was issued to Agents outlined the requirements of elective HH MPANs to comply with the BSCP.</p>		
2019/20 Audit Year Findings	<p>Participants commented that there is a rise in issues around Elective HH settlement and Change of Supply.</p> <p>A lack of consistency was noted throughout the industry on how to handle certain scenarios and at present there is no obvious indicator in terms of appointment flows to differentiate between the different types of gain that are now possible.</p> <p>In addition, fieldwork performed noted that Suppliers are unsure on the BSC regulations that should be followed with regards to elective HH meters.</p> <p>From the BSC Audit field work this year, the BSC Auditor has not seen any significant changes which would indicate this issue should close. As such it will remain open as a Low.</p>		
BSC Auditor’s Recommendation	ELEXON should look to update the BSCPs specifically with regards to elective HH meters and offer specific guidance to Suppliers with elective HH portfolios		

Unmetered Supplier Operator (UMSO) Market

Issue Title	Inconsistencies with BSCP520 and supporting documents	First Raised	2013
Status	Open	Issue Number	2606
Impact Rating	Low (PY: Low)	Has the non compliance improved over the last 12 months?	No Change
BSC Requirement	BSCP 520 and supporting documents (Party Service Line 100 (“PSL100” and the Operational Information Document “OID”) specify the responsibilities, both for the UMSO and MA, with regards to the operation and execution of an unmetered supply.		
Description	<p>Inventory Submissions</p> <p>Section 3.2.3 notes that after the customer submits the inventory to the UMSO, it should be sent to the Meter Administrator (MA). There is currently no requirement for the UMSO to validate the accuracy of the inventory against the OID prior to sending it on to the MA. As a result this can cause an elongated process, as the MA under section 3.2.4 will compare the charge codes and switch regimes against those that are permitted in line with the OID. Where any charge codes are deemed to be incorrect the MA will reject and return the inventory to the UMSO, who in turn will liaise with the customer. Moreover, there are no requirements currently within the BSCP520 to confirm the validity of NHH equipment (e.g. equipment circuit wattage etc.).</p> <p>Section 3.2.3 notes that “if HH, following 3.2.2 (customer submits inventory to UMSO) that when UMSO has agreed amendment to summary inventory with customer, then within 5WD send revised summary inventory details to MA.” Accordingly, this is causing processing delays for the MA, as whilst the UMSO may receive data in month 1, how they obtain that agreement from the customer (and the timescales to obtain said agreement) is not stipulated within the BSCP520. Therefore there has been examples of where data is receipted by the UMSO, not processed for 3 months (at which point they then seek customer agreement). Subsequently this data is sent to the MA with the 5WD timeline. This subsequently results in the MA having to perform numerous retrospective calculations and delays in the data moving into Settlement.</p> <p>Audit Trails</p> <p>A number of UMSOs and MAs have noted that Party Service Line 100 (“PSL100”) should be combined with the BSCP520 in order to provide clarity with regards to the level of audit trail required within the market. For example there are currently only 3 specific requirements under the BSCP520 in relation to audit trails;</p> <ul style="list-style-type: none">— Section 1.2.4.2 EM Audit requirements, which notes that data in relation to energisation and de-energisation must be retained alongside data which would enable the incoming MA (on change of MA) to perform their job.— Section 1.3.4 states that “evidence to support the calculation shall be retained;” and— Section 4.5.2 denotes that “the system [in reference to a passive Meter] shall provide an audit trail of changes to data held.” <p>Due to the nature of market communications between the various parties (i.e. non usage of the DTN) the BSC Auditor noted inconsistencies with regards to the retention of data and the audit trail supporting said data. Agents have noted that by embedding the audit trail requirements within the BSCP520 this would help provide clarity over the level of audit trail required, especially with regards to those processes which the BSCP520 allows for “electronic or other means as agreed.”</p> <p>Market Domain Data</p> <p>Section 3.10.3 notes that “within 4 working hours of receipt of MDD [which can take the form of D0269, D0270 and MDD circular] the UMSO and MA must send a P0024 acknowledgement to the MDDM.” UMSOs and MAs question the validity of this section, as it is currently unclear as to what MDD constitutes within the unmetered market. Moreover, in the majority of cases most parties believe they do not receive any of the aforementioned information. Accordingly this is deemed to be redundant.</p> <p>P317 was implemented in June 2015, which sought to remove outdated wording from BSC Section S and better align the BSC with current working practice.</p>		

Unmetered Supplier Operator (UMSO) Market

Issue Title	Inconsistencies with BSCP520 and supporting documents (continued)	First Raised	2013
Status	Open	Issue Number	2606
Impact Rating	Low (PY: Low)	Has the non compliance improved over the last 12 months?	No Change
BSC Requirement	BSCP 520 and supporting documents (Party Service Line 100 ("PSL100" and the Operational Information Document "OID") specify the responsibilities, both for the UMSO and MA, with regards to the operation and execution of an unmetered supply.		
2019/20 Audit Year Findings	Based on responses to the Market Issues Questionnaire, no significant change has been identified to warrant closing this issue. Parties still feel CP1507 has updated the BSC to reflect the current working practices, it is felt that the BSC should be more explicit over the specific data that should be retained. As such, this issue remains open.		
BSC Auditor's Recommendation	ELEXON should provide explicit guidance regarding the level of data that should be retained.		

