

SWITCHING PROGRAMME SIGNIFICANT CODE REVIEWS – BSC CHANGES

MEETING NAME	BSC Panel
Date of meeting	13 February 2020
Paper number	299/08
Owner/author	Chris Wood
Purpose of paper	Information
Classification	Public
Summary	The Panel has been asked to provide Ofgem with proposed BSC changes for two Switching SCRs by 31 March 2020. This is how ELEXON proposes to do this.

1. Background

- 1.1 Ofgem's Switching Programme has launched two Significant Code Reviews (SCRs): the [Switching SCR](#); and the [Retail Code Consolidation \(RCC\) SCR](#). The first is concerned with the introduction of the Retail Energy Code (REC) and the establishment of a Central Switching Service (CSS). The second is concerned with how existing Industry Codes will be consolidated into the REC
- 1.2 ELEXON has been closely involved with the Switching Programme and raised Issue 86 in October 2019 to provide proposed BSC redlining for the Switching SCR in March 2020. The RCC SCR was launched in November 2019 and, it remained unclear when the proposed BSC redlining would be needed until mid-January 2020 when Ofgem let us know that they would require proposed redlining for both SCRs by 31 March 2020. This was confirmed formally on 28 January 2020 (Attachment A).
- 1.3 The proposed BSC changes will form part of an Ofgem Switching consultation in spring 2020. Ofgem expect to direct changes in November 2020 (as per [BSC Section F 'Modification Procedures'](#) paragraph 5.3A.1). RCC SCR changes are expected to be implemented on 1 April 2021 and Switching SCR changes in summer 2021.

2. Proposed plan to meet Ofgem's request

- 2.1 We will provide the proposed redlining by 31 March 2020, subject to the caveats below. The high level progression plan is in Attachment B. To meet this deadline we have already identified and tasked the required resource to complete proposed redlining by 31 March.
- 2.2 [Issue 86 'Review of processes potentially impacted by Ofgem's Faster Switching Programme'](#) was raised by ELEXON on 9 October 2019 to allow industry subject matter experts (SMEs) to feed into the drafting of proposed Switching SCR redlining. We will extend Issue 86 to do the same for the RCC SCR. We have amended the Issue 86 proposal form to reflect this (Attachment C).
- 2.3 We will produce proposed redlining for each SCR, plus a consolidated de-conflicted set of documents. They will be published on our website and will be clearly marked to show how they relate to each SCR (and nice to have if applicable). They will be updated following each BSC release to reflect the latest BSC baseline.
- 2.4 Should CSS be implemented before RCC, we will require a period of time to make the necessary changes. The time required will be dependent on when the request is made and will be agreed with Ofgem.
- 2.5 As part of the RCC SCR, lots of SVA Metering obligations are expected to move to the REC to align with equivalent gas obligations in the longer term. Other, electricity-specific, Metering obligations are expected to remain in the BSC. Transferring Metering and Registration obligations will impact Performance Assurance including: Audit; Qualification; and Performance Level monitoring. Ofgem is still reviewing how obligations will be split and we are helping with this. Ofgem is aware that we will only be able to propose Metering and Performance Assurance changes once the relevant REC drafting has been finalised. We will aim to deliver as

SWITCHING PROGRAMME SIGNIFICANT CODE REVIEWS – BSC CHANGES

much of the Metering and Performance Assurance redlining as we can by 31 March 2020 and will keep Ofgem informed of when it will be available as part of our on-going discussions.

- 2.6 Issue 86 took the opportunity of having SMEs together to review some Switching processes that, based on industry feedback, cause concerns/problems e.g. Change of Supplier (CoS) missing a Meter read. These changes are not strictly part of the SCRs but will add value and, as such, are referred to as 'nice to haves'. Discussions with Ofgem are ongoing as to whether they can be included in the SCRs, should be raised as BSC Changes or put on hold until after the SCRs are complete.

3. BSC Section F obligations during a SCR

- 3.2 BSC Section F5 deals with SCRs. We are required to ask Ofgem if a Proposed Modification is SCR exempt prior to the BSC Panel considering our Initial Written Assessment. At any time, the Authority may notify the Panel that any Proposed Modifications raised during a SCR are SCR Exempt.
- 3.3 Attachment A contains scenarios where-by Ofgem consider that they need not be asked for SCR Exemption in relation to the Switching and RCC SCRs. However, these are not the only SCRs ongoing and, as such, we will still request dispensation from Ofgem as part of our standard procedure but with reference to Attachment A where we feel that the proposed change may impact the Switching or RCC SCRs.
- 3.4 Ofgem intends to direct the required changes, as per Section F, in November 2020. We will liaise with Ofgem as to the exact timings and their expectations for both the Panel and ELEXON in this respect.
- 3.5 The Panel has been asked to provide a list of BSC changes, in progress or expected to be raised, that could impact the SCRs. We will provide this list by 31 March 2020 and will keep it up to date throughout the SCRs.

4. Next steps

- 4.2 We will provide the Panel with an update at your 12 March 2020 meeting as part of the change report. We will present the Issue 86 Report at your 9 April 2020 meeting; this was due on 12 March 2020 but, has been extended to account for the RCC SCR.
- 4.3 We will continue to liaise with Ofgem and will keep them abreast of anything BSC related that may impact the Switching Programme, including any new Modification Proposals that may have an impact.

5. Recommendations

- 5.1 We invite the Panel to:
- a) **APPROVE** the draft letter at Attachment B (including the progression plan at Appendix A); and
 - b) **NOTE** that the contents of this paper.

Attachments

Attachment A – BSC Panel SCR Letter 280120

Attachment B – Draft Panel response to Ofgem SCR Letter

Attachment C – Amended Issue 86 Proposal Form

For more information, please contact:

Chris Wood, Senior Change Analyst

SWITCHING PROGRAMME SIGNIFICANT CODE REVIEWS – BSC CHANGES

chris.wood@elexon.co.uk

020 7380 4142