

# Request for Information Responses (*Public*)

## P332 'Revisions to the Supplier Hub Principle'

This Assessment Procedure Consultation was issued on 8 July 2016, with responses invited by 5 August 2016.



### Phase

Initial Written Assessment

Definition Procedure

Assessment Procedure

Report Phase

Implementation

### Consultation Respondents

Respondent	No. of Parties/Non-Parties Represented	Role(s) Represented
SmartestEnergy	1/0	Supplier
DONG Energy	1/0	Supplier
TMA Data Management Ltd	0/1	Half Hourly Data Collector (HHDC), Half Hourly Data Aggregator (HHDA), Non Half Hourly Data Collector (NHHDC), Non Half Hourly Data Aggregator (NHHDA)
ENGIE Power Limited	1/0	Supplier
RWE npower	5/3	Supplier, Supplier Agent
G4S Utility and Outsourcing Services (UK) Limited	0/1	NHHDC, NHHDA, Non Half Hourly Meter Operator Agent (NHHMOA), Half Hourly Meter Operator Agent (HHMOA)
Western Power Distribution	4/0	Distributor, Supplier Agent
Siemens Managed Services	0/1	HHDA, HHDC, HHMOA, NHHDA, NHHDC, NHHMOA, CVAMOA
Salient Systems Limited	0/1	NHH, HH software systems provider
Flow Energy Ltd	1/0	Supplier
IMServ	0/1	HH, NHHDC, DA, MOA
EDF Energy	1/0	Supplier
E.ON Energy Solutions	1/0	Supplier
SSE Energy Supply Limited	1/1	Supplier, NHHMOA, NHHDC, NHHDA, HHMOA
ScottishPower	1/0	Generator, Supplier, Supplier Agent
British Gas	2/0	Supplier

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## Question 1: Do you believe that the BSC should recognise the customer/Supplier Agent relationship?

### Summary

Yes	No	Neutral/No Comment	Other
10	3	3	0

### Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	This can be justified on the basis that there is a significant risk to settlement caused by the fact that suppliers currently appoint agents over whom they have little or no control.
DONG Energy	Yes	As discussed in the workgroup, where a customer appointed agent is in place and the contract between the customers has ceased, the provision of data is likely to be impacted until the contract is renewed. This affects the supplier performance reports.
TMA Data Management Ltd	No	The BSC does not cover contractual commercial considerations between Customers and Suppliers. Commercial agreements between Customers and Suppliers should be left to the Supplier to define in order to meet its requirements and the BSC requirements. The Supplier is responsible for the hub and no agent can participate in Settlement without a prior appointment flow from the Supplier (D0155/D0153). It is the starting point of all BSC processes for the agents.
ENGIE Power Limited	Yes	<p>Since the Supplier Hub principle was designed, the market has moved on significantly with regards to the numbers of direct arrangements between customers and supplier agents.</p> <p>In addition we are now seeing a trend for Third Party Intermediaries (TPIs) to appoint agents directly for their customers.</p> <p>This has resulted in suppliers no longer having the control over their appointed agents that was envisaged under the supplier hub principle.</p> <p>The above is particularly true in the I&amp;C sector but with the roll-out of AMR and Smart, along with a move towards universal half hourly settlement, the trend will spread to both the SME and Domestic markets.</p>

Respondent	Response	Rationale
RWE npower	Yes	<p>The BSC should recognise the customer / Supplier Agent relationship where a direct supplier – agent relationship does not exist. This will better reflect current supply arrangements, and prompt appropriate governance to deliver regulatory standards. As a key element of the encouragement of metering competition it is important that these relationships are recognised by the industry.</p> <p>This modification will allow the BSC to account for situations where the agent does not have a direct contract with the Supplier and therefore lacking direct assurance for delivery of BSC obligations. We do not believe that agents should acquire any additional responsibilities as a result of this modification but we should seek to implement appropriate accountability for Party / Agent in delivering BSC obligations.</p> <p>Suppliers do have a responsibility to educate their customers where they choose to appoint their own agents and wherever possible bring customer contracted agent responsibilities into commercial supply agreements, that said customers often are not able to replicate this within the customer – agent agreement.</p>
G4S Utility and Outsourcing Services (UK) Limited	No	No. Customer/supplier agent relationship should be dealt with by contractual/bi-lateral agreements. We are not aware of the BSC explicitly recognising customer/supplier relationships, nor do we see the need the change the existing arrangements.
Western Power Distribution	Yes/No	We are generally neutral on this point. Whilst we have no issue with it being recognised, we do not believe that the recognition that a direct customer/Supplier relationship can exist should affect the existing Supplier or Agent obligations in any way.
Siemens Managed Services	Yes	Yes the BSC should recognise the Customer / Supplier Agent relationship as it is an enduring element within the Industry and one that supports the rights of a Consumer to own and manage their own meter as indicated in the Energy Act, However in recognising that the relationship exists, this should reflect the fact that the Supplier Hub principle is engaged for the majority of HH and NHH customers and that only a relatively small volume of customers are managed through direct Customer / Supplier Agents and a light touch should be applied, particularly bearing in mind the Technical /

Respondent	Response	Rationale
		<p>commercial processes that are in place and already utilised to manage this process ie.</p> <ul style="list-style-type: none"> <li>Existing control of BSC over Agents as identified further in Q2</li> <li>Utilising PARMs reporting and it's associated marshalling – Evidence is clearly available regarding Agent performance / non performance such that Industry control can be maintained.</li> <li>Contractual pass through of the Retailers performance requirements to the Customer into the Customer / Agent contract.</li> <li>Separate contractual agreement between the Retailer and the Agent to provide enhanced / guaranteed performance reporting, Service levels and commercial terms.</li> <li>Many retailers have regular meetings with their supporting agents and clearly provide regular information on their performance against their peers.</li> </ul>
Salient Systems Limited	Yes	Such relationships exist and predominate in the I&C market and will likely be attractive to domestic users and user groups in the future as HH settlement of domestic energy is achieved. It would be perverse if the BSC does not recognise, and take a view on, such relationships.
Flow Energy Ltd	Yes	<p>Agents have a direct effect on suppliers' performance regardless of whether they are contracted directly or via a customer so should be treated in the same manner.</p> <p>Currently it is difficult for suppliers to identify and deal with customer contracted agents, which has further detrimental effects on supplier performance. Also; as suppliers cannot manage these agents directly they often have no visibility of the contract terms, resulting in agents contracts ending without the supplier being aware and taking the appropriate action. As customer appointed agents could become more prevalent in the future, it is imperative that the current flaws in the process are addressed.</p>
IMServ	Yes	<p>The BSC should be updated to acknowledge that a customer may choose an Agent.</p> <p>The BSC compliance performance standards should be consistent for all sites regardless of the Supplier, Agent and customer contractual relationship.</p>

Respondent	Response	Rationale
EDF Energy	-	<p>The existence of a contract between the customer and a supplier agent may effectively force a supplier into a relationship with the agent where they have no contractual agreement in place. It currently isn't clear how recognising the customer/agent relationships in the BSC will improve a supplier's ability to manage an agent with whom they have no formal relationship.</p> <p>As part of the contractual process the supplier could require the customer to provide details of any direct agent contracts that exist or would be in place on or after the proposed registration date.</p>
E.ON Energy Solutions	Neutral	<p>Whilst we empathise with the issues highlighted in this modification proposal, it is not our experience that a significant proportion (90% as quoted in the modification proposal) of our portfolio has customer appointed agents.</p> <p>We are also not aware at this time of a growing number of customer appointed agents resulting from the rollout of smart metering for Profile Class 01 – 04 customers as suggest in this RFI.</p> <p>It may be helpful in order to determine the materiality of the issues in question if analysis were undertaken to determine the settlement volume at risk by poor performance from customer appointed agents versus those who are contracted directly through a supplier appointed relationship.</p> <p>The potential solutions discussed within this modification proposal and RFI paper are potentially very wide ranging and would incur significant costs for all BSC parties, the benefits of which may not be proportionate to the potential risk and defect identified.</p> <p>Such analysis as suggested above, may help inform parties as to the level at which any potential solution may be required.</p> <p>It is also worth noting that supplier agents are subject to a significant number of techniques that compose the PAF and breaches of BSC obligations are addressed directly with supplier agents via the EFR process. The ultimate sanction available as an outcome of the EFR process is the removal of qualification which will curtail the agent's ability to operate.</p> <p>In our experience managing agents (contracted</p>

Respondent	Response	Rationale
		directly or otherwise) is one ultimately of a relationship management exercise and is a commercial issue for suppliers to manage. Some may do this better than others.
SSE Energy Supply Limited	Yes	We suggest the BSC is updated to recognise this relationship. Referencing this relationship in the BSC should not have the effect of diluting the Supplier Hub Principle but may allow for consequential matters, specific to customer contracted agents, to be considered more openly in BSC arrangements.
ScottishPower	No	ScottishPower believes that the current model under the BSC already recognises the relationship between the customer and the Supplier Agent, but that this is done via the Supplier Hub model.
British Gas	Yes	We believe the different types of Agent relationship should be recognised as there is a fundamental difference between the two types.

Question 2: Do you believe all Supplier Agents should be directly accountable to the BSC, without being a signatory, and not just those who contract directly with Customers?

## Summary

Yes	No	Neutral/No Comment	Other
6	6	4	

## Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	This would be a step in the right direction, but we also believe that Supplier Agents should also be signatories. Proper accountability can really only be achieved through being a signatory. Whilst we find that it is the performance of Meter Operators and Data Collectors who impact suppliers the most operationally, the performance of Data Aggregators can significantly affect settlements generally causing direct cost to suppliers. Indeed, there have been a couple of catastrophic data failures by Data Aggregators in recent years. We believe, therefore, that all agents should be directly accountable.
DONG Energy	Yes	None provided.
TMA Data Management Ltd	No	<p>We disagree with the inference that the current BSC arrangements do not hold Supplier Agents accountable for their own performance.</p> <p>The Performance Assurance Techniques in place do make the Agents accountable for their own performance.</p> <p>Supplier Agents must be qualified to be able to participate in the BSC processes. Their performance is monitored via PARMS, yearly Audits, Ad hoc site visits and other preventative, detective, incentive and remedial assurance techniques with the ultimate and very real possibility to have their qualification removed. The BSC is in place to ensure Settlement performance and accuracy. Commercial contract matters are not part of BSC's concerns.</p>
ENGIE Power Limited	No	We believe that mandating that Supplier Agents become signatories to the BSC is the best way to make them accountable to it. The Agents becoming signatories will also then have the advantage of being able to fully participate in the BSC change

Respondent	Response	Rationale
		process.
RWE npower	Yes	<p>We believe all Supplier Agents should be directly accountable to the BSC. This will strengthen the overall industry governance benefiting consumer interest.</p> <p>We would like to understand how without agents being a signatory, penalties will be enforced for BSC beaches but do not feel strongly whether they become signatories providing the defect noted in Q1 is addressed. In practice we would like to see Elexon given appropriate tools and powers to act as an escalation point where suppliers have exhausted all reasonable options.</p>
G4S Utility and Outsourcing Services (UK) Limited	-	<p>We believe supplier agents are directly accountable to the BSC via processes such as the BSC audit, qualification, TAPAP checks and other PAF techniques.</p> <p>We do not believe there is a need to make a distinction between those supplier agents who may contract directly with customers and those who do not.</p>
Western Power Distribution	No	<p>We do not believe any Supplier Agents should be directly accountable to the BSC. Supplier Agents are already subject to Performance Monitoring against settlement risk and ultimately can be disqualified from operating in the market if they do not adequately comply with BSC requirements. Suppliers should remain accountable for the performance of Agents appointed to metering points that they supply. Where they consider this accountability creates additional risk to them, it should be reflected in the tariffs they charge.</p>
Siemens Managed Services	-	<p>The question is confusing as all Agents are already indirectly responsible to the BSC for their accreditation, which is managed through a rigorous process of :</p> <ul style="list-style-type: none"> <li>• Role Qualification</li> <li>• Annual audits to review process and performance</li> <li>• Technical Assurance visits / investigations for industry related performance issues, and</li> <li>• Targeted Technical Assurance visits where an individual agent's performance is questioned in a certain area and a "deep dive" investigation is</li> </ul>



Respondent	Response	Rationale
		required by PAB.
Salient Systems Limited	Yes	Poor performance at any and all agents contribute to increased settlement risk.
Flow Energy Ltd	No	All agents should be signatories. Not only is this the only way to ensure accountability, it also will enable proper performance monitoring, which will create greater transparency and increase efficiency. All of which are essential to promoting the level of completion required to raise standards, of agents and therefore suppliers.
IMServ	Yes	<p>Agents are already accountable to the BSC under BSCP 537, which contains the ultimate sanction of the removal of an Agent's qualified status. Agent performance is already monitored and managed under the PAF, irrespective of the commercial model/s in place for individual sites.</p> <p>IMServ has previously expressed the opinion and still believes that the effectiveness of these processes could be improved by the introduction of public peer comparison, and that this change alone is sufficient to address the concerns noted in the Modification.</p>
EDF Energy	-	<p>It is too early in the assessment process to be definite on this. Our perception is that any benefits would be very small in the domestic and microbusiness sectors, and not outweigh implementation and transition costs. The situation in the larger business sectors is less clear and depends on details of potential solutions.</p> <p>Contractual relationships between the customer and one or more party agents occur predominantly for non-domestic sites where a HH or AMR metering system has been installed. Modification P272 will see the majority of NHH AMR metered sites move to one of the HH measurement classes (C, E or G) and we do not see a firm need for the proposed change to affect NHH agents.</p>
E.ON Energy Solutions	No	<p>It is not clear what the benefits of agents being directly accountable would be.</p> <p>Whilst we have some experience of specific agents creating issues to our overall performance we are not convinced that making parties directly accountable would improve overall performance.</p> <p>Supplier agents are subject to significant number of techniques that compose the PAF and breaches of</p>

Respondent	Response	Rationale
		<p>BSC obligations are addressed directly with supplier agents via the EFR process. The ultimate sanction available as an outcome of the EFR process is the removal of qualification which will curtail the agent's ability to operate.</p> <p>We note the PAF is about to undergo a thorough review and suggest that issues raised in this modification are taken into account during this review.</p>
SSE Energy Supply Limited	Yes/No	<p>We are supportive of leveraging the BSC to support improvements in Supplier Agent performance where it is having a material impact upon Settlement risk, Supplier operations, Supply customers and Supplier Agents (where they require information from a historical Supplier Agent).</p> <p>While no area of the market performs perfectly, it can be observed that certain areas of Supplier Agents performance continues to create material issues in the market. Since the closure of Issue 50 in 2013 our Supply business continues to experience problems in the Customer Appointed agent arena. Given this experience we see no reason to suggest performance will improve without introducing new or refining existing remedies.</p> <p>Section J of the BSC allows for the Performance Assurance Board to remove Qualification. This is an extreme remedy but it nevertheless demonstrates the BSC has vires to affect agents who are not BSC signatories. This existing mechanism could be explored further to understand whether there are formal intermediary steps that could be taken to consider consistent breaches of BSC requirements by Supplier Agents.</p> <p>In terms of whether "all" or "some" Agents are considered for this modification, we generally agree that all Agents should remain in scope for this modification. We don't observe that any Supplier Agent role maintains near perfect across the board performance and would therefore seek to instead understand why some Supplier Agent roles should be excluded over others. In theory, if a single organisation operates multiple Supplier Agent roles they may adopt a risk based approach to their business activities based on the level to which they are exposed to BSC compliance risk. This is a potential unintended consequence of not applying arrangements to all Supplier Agent roles. On the</p>

Respondent	Response	Rationale
		other hand, it very much depends on the nature of the incentives and remedies that may be introduced by this modification, because if the costs are inhibitive a more targeted approach may be more appropriate.
ScottishPower	No	ScottishPower does not believe the Agents should be directly accountable through the BSC, however does recognise that there are issues with customer appointed Agents that impact on Supplier performance.
British Gas	Yes	We believe if agents were to be held accountable to the BSC it should only be Customer Contracted Agents. The concept of Supplier Hub is a core part of the Electricity Industry. We believe that if we are considering serious changes to the Principle then there should be a wider consultation held by Ofgem. If we are considering any serious change to this principle then there needs to be a wider consultation held by Ofgem.

## Question 3: Do you believe all Supplier Agents should become signatories to the BSC?

### Summary

Yes	No	Neutral/No Comment	Other
5	8	3	

### Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	The BSC already implicitly acknowledges that agents are independent of suppliers with the qualification process. Becoming signatories is just a natural extension of this. We do not believe that agents should have to contribute towards Elexon's operational costs (as these would just be passed back to suppliers/customers). However, signatory status would be required for the introduction of any incentives or obligations to be placed on agents (not necessarily as part of this modification.)
DONG Energy	Yes/No	None provided.
TMA Data Management Ltd	No	Please see answer to question 2.
ENGIE Power Limited	Yes	It would be preferable to cover all agent activity within the mandate of P332, including Agents directly contracted by Suppliers or part of the same business entity as a Supplier. All Supplier Agents should be held accountable for under performance or non-compliance against the BSC, regardless of who their contractual relationship is with.
RWE npower	Yes	All Supplier Agents should be in scope for this modification, whether through enhanced accountability or direct signatory to the BSC for the consistent alignment of performance standards. There are examples of DA, DC and MOP creating settlement problems where they are not appointed directly by a supplier.
G4S Utility and Outsourcing Services (UK) Limited	No	No, we do not believe supplier agents should become signatories to the BSC.
Western Power Distribution	No	We do not believe that any Supplier Agents should become signatories to the BSC.
Siemens Managed	No	The BSC already has the powers to manage and

Respondent	Response	Rationale
Services		investigate Agents and their performance, we do not see what benefit will be delivered through becoming a signatory to the BSC
Salient Systems Limited	Yes/No	Not necessarily, although the role responsibilities and consequences of failure on the part of agents must be revisited somewhere within the wider BSC framework of policy and process requirements attached to settlement-only related activities carried out by agents on behalf of Suppliers.
Flow Energy Ltd	Yes	Nearly all agents ultimately perform actions that can effect a suppliers performance, whether direct or indirect. Due to this they should be signatories
IMServ	No	<p>The only difference specified in the RFI between accountability and being a signatory, is the ability to raise changes to the BSC, which whilst beneficial has no guarantee of success in the implementation of the change. Agents can already request a signatory to raise a change on their behalf (IMServ has done so previously) therefore IMServ does not believe that this benefit justifies the costs of the change and the on-going monitoring of the process of Agents becoming a signatory.</p> <p>IMServ do not believe that having Agents becoming signatories of the BSC will better achieve Objective (d) of the BSC of promoting efficiency.</p>
EDF Energy	-	In principle we see potential benefits in being able to subject agents to performance measures and supplier charges and EFR more directly, but in practice we are doubtful that potential performance improvements would outweigh the costs of significant changes to industry processes. More assessment of the details and costs and benefits of such a change would be required before we can express a firm view.
E.ON Energy Solutions	No	<p>We are not convinced that obliging agents to become signatories will necessarily improve performance.</p> <p>Supplier agents are subject to a significant number of techniques that compose the PAF and breaches of BSC obligations are addressed directly with supplier agents via the EFR process.</p> <p>We note that the PAF is about to undergo a thorough review and suggest that issues raised in this modification are taken into account during this review to ensure the PAF is fit for purpose and</p>

Respondent	Response	Rationale
		address concerns arising through this modification.
SSE Energy Supply Limited	No	At this stage we don't believe sufficient consideration has been given to exploring alternative or revised mechanisms for improving Supplier Agent performance. Some examples may include, considering the formal steps that PAB can take prior to Removal of Qualification, publication of Peer Comparison reports for certain Supplier Agent activities (which could also be made available for customers and serve to promote companies demonstrating compliant behaviour), introducing increased transparency of performance in innovative ways. Ultimately, there needs to be consideration of both the incentives and the appropriate remedies if the status quo is to be challenged.
ScottishPower	No	ScottishPower has yet to be convinced that the issues explored under P332 are significantly material across the industry and is concerned that there has not yet been a comprehensive explanation of the problems that this proposal is seeking to address. ScottishPower believes that it is really important to understand the scale of the problems, the materiality of them and would then like to work with industry to formulate a proportionate and cost effective solution address these.
British Gas	Yes	We believe if agents were to become accountable to the BSC that they should be signatories to the code also.

## Question 4: Should P332 cover HH and NHH Supplier Agents or all Supplier Agents including CVA?

### Summary

Yes	No	Neutral/No Comment	Other
7	3	4	2

### Responses

Respondent	Response	Rationale
SmartestEnergy	-	<p>P332 should definitely cover both HH and NHH. What with Smart/P272 etc there is no point in making a distinction.</p> <p>Whilst this mod is not primarily concerned with the performance of CVA agents it may seem to be something of an anomaly for them not to be included. However, as an agent of Elexon CVA agents are already under more control.</p>
DONG Energy	Yes	Even though visibility of the customer/supplier agents will be very useful, having a blanket approach across all agents, irrespective of relationship, will facilitate better performance if agents are directly responsible. This will also allow changes to be raised by agents, possibly creating a more efficient process.
TMA Data Management Ltd	No	Please see answer to question 2.
ENGIE Power Limited	Yes	The vast majority of CVA agents are not contracted by suppliers. As such we see no requirement to limit P332 to SVA NHH and HH Agents.
RWE npower	Yes	<p>This should cover HH and NHH agents due to:</p> <ul style="list-style-type: none"> <li>Large numbers of customer agent contracts that currently exist throughout the HH measurement classes.</li> <li>There are increased numbers of customers installing NHH AMR for profile class 1-4 sites through a direct customer agent contract.</li> </ul> <p>We are not aware of CVA agent issues but would like to discuss views of other workgroup members.</p>
G4S Utility and Outsourcing Services (UK) Limited	Yes/No	If the supplier hub principle is being removed it would seem most sensible that it is removed for all supplier/supplier agent relationships HH and NHH as both can have direct customer contracts. However

Respondent	Response	Rationale
		we do not know how the CVA relationships work so cannot comment on these.
Western Power Distribution	No	We do not believe that any Supplier Agents should become signatories to the BSC.
Siemens Managed Services	N/A	See Q3
Salient Systems Limited	Yes	Consistent view of agent responsibilities and sanctions preferred, rather than a pick and mix approach.
Flow Energy Ltd	N/A	HH and NHH Supplier agents. CVA don't have an effect on supplier performance so there is no benefit to including them.
IMServ	Yes	Whilst IMServ do not support the proposed P332 changes, if the proposal was approved then IMServ believe that the requirements should apply to all party Agents.
EDF Energy	-	The proposed change, if implemented, should apply to CVA agents and to SVA HHMOA and HHDC agents.
E.ON Energy Solutions	-	<p>It would seem a sensible approach to limit any change to HH and CVA agents while the rollout of smart metering is still in its infancy.</p> <p>As noted in the RFI document, there is current uncertainty as to the role and nature of the supplier agent resulting from potential impacts of smart metering in the longer term. It may therefore be a little premature to apply any changes to all agent parties.</p> <p>There is also a question as to how any assurance arrangements should extend to the DCC as a central data retriever for PC 1-4 customers through the smart meter rollout. This is potentially a further area the PAF review may consider.</p>
SSE Energy Supply Limited	Yes	In keeping with our response to Question 2, there is logic in keeping HH/ NHH and CVA Agents in scope for this Modification. Excluding CVA may risk signalling to the market that CVA compliance with the BSC is of a lesser order, which should not be the case given the highly material impact SVA arrangements can have on Settlements.
ScottishPower	No	As presently proposed, ScottishPower would not support Agents being required to sign onto the BSC. Given the possible scale of the issues presented by



Respondent	Response	Rationale
		Agents, ScottishPower does not believe that it is proportionate when compared to the liabilities and general conditions/sanctions under the BSC. ScottishPower would like to highlight that no issues with the CVA process are experienced.
British Gas	Yes	We believe that P332 should be limited to Customer Contracted Agents and believe that it would be sensible to cover all markets where they operate.

## Question 5: Should P332 be limited to Supplier Agents who wish to contract directly with customers?

### Summary

Yes	No	Neutral/No Comment	Other
1	14	0	1

### Responses

Respondent	Response	Rationale
SmartestEnergy	No	<p>We are not completely averse to this idea (as it would directly address the defect) but it would be difficult to separate out data associated with direct contracts and there are wider advantages to all Agents' activities being covered by P332.</p> <p>It would also create something of an inconsistency: at the moment in a direct customer relationship the customer is the agent's customer, but in the arrangement envisaged by the BSC, the agent is an agent of the supplier.</p> <p>What P332 would achieve by being applied to all supplier agents' activities would be that the BSC would recognise that the agent is providing services either to customers direct or to suppliers (both of whom are the agent's customers.)</p>
DONG Energy	No	None Provided.
TMA Data Management Ltd	No	Please see answer to question 2.
ENGIE Power Limited	No	<p>No, all Supplier Agents, regardless of who the contracting party is, should be covered by P332. There are benefits in a uniform approach for all agents and making the P332 solution as simple as possible. Also the BSC provisions should be equally as enforceable across customer and supplier appointed agents.</p>
RWE npower	No	<ul style="list-style-type: none"> <li>Whilst PAF procedures do currently apply to supplier agents there is a missing link in the current arrangements between key supplier performance issues e.g. 97%@RF and the agent PAF.</li> <li>There are scenarios where an agent is causing settlement issues but may not be customer appointed e.g. previous agent not sending history on a change of agent.</li> <li>Some agents may switch between supplier</li> </ul>

Respondent	Response	Rationale
		<p>and customer appointed. This would be difficult to identify at industry level and potentially create confusion.</p> <ul style="list-style-type: none"> <li>Having some agents as signatories / accountable to the BSC whilst others are not places enhanced scrutiny on those wishing to directly contract, potentially limiting competition.</li> </ul> <p>For these reasons we believe it would be simpler for all agents to be accountable or a direct signatory to the BSC.</p>
G4S Utility and Outsourcing Services (UK) Limited	No	No. We do not believe it is sensible or efficient to try and have separate processes for those supplier agent that may have direct customer contracts. We believe this would lead to great complexity and potential ambiguity, e.g. what services does the contract with the customer have to cover to become a candidate for P332 changes, is performance/accountability only for those mpans for which there is a direct customer relationship, what happens where there is a customer and supplier contract.
Western Power Distribution	No	We do not believe that any Supplier Agents should become signatories to the BSC.
Siemens Managed Services	N/A	See Q3
Salient Systems Limited	No	<p>Supplier agents may have a mixture of both direct contracts with customers and other contracts with the same customer Supplier and/or other Suppliers. Any new policy adopted should be clearly applicable across the board.</p> <p>An implicit 'contract' between the agent and the supplier ( and indirectly to BSC parties as a whole ) should be assumed whether the agent has a direct contract with the customer or not. See Q12, Q14 responses.</p>
Flow Energy Ltd	No	As the majority of customer contracted agents also contract with suppliers, so in most cases the distinction would be irrelevant. The most efficiencies will be obtained from all agents being held to the same standard and by not applying P332 to all agents the full potential gains in efficiency are lost.
IMServ	No	There would be too many challenges to support and administer an approach that is dependent upon a customer contract type. The performance requirements currently are and should remain,

Respondent	Response	Rationale
		consistent for all agents irrespective of the supporting contractual arrangements.
EDF Energy	No	No.  Any change and related performance measures should apply to all agents for the applicable market and roles.
E.ON Energy Solutions	No	If required, and once proven that customer appointed agents pose a significantly greater risk to settlement than others, there may be a case for limiting the scope. However we believe it would be simpler for this modification to apply to all agent parties to avoid further consequential changes to data flows and necessary carve outs which would make implementation complex.
SSE Energy Supply Limited	No	We see merit in exploring how all Supplier Agents performance could be improved for the benefit of all the market and customers.
ScottishPower	No	No, as this would potentially penalise Agents who wish to contract directly with the customer and therefore be anti-competitive. If this proposal went forward for P332, then ScottishPower believes that it would be unlikely the Ofgem would approve the proposal. ScottishPower does not believe that having different arrangements between Agents is a feasible approach.
British Gas	Yes	Yes we believe that P332 should be limited to Customer Contract Agents if it was to be progressed.  We believe that the current controls in place through the Supplier Hub and also Performance Assurance Techniques (PATs) available to Elexon works well in most instances. If a Supplier Contracted Agent does not meet its obligations then the Supplier is likely to look at that agent's performance and could agree as part of their contractual terms charges for that agents poor performance. If the Agent does not meet these contractual agreements then the Supplier can ultimately look to leave that contract due to a breach.  If a Supplier is unable to influence their Agents Performance then Elexon use PATs that highlight any poor performance and looks for improvements if the required standards are not met. Through the BSC Audit we believe any issues are sufficiently

Respondent	Response	Rationale
		<p>picked up and addressed with agents and any sufficiently material issues can warrant an EFR plan. EFR can also be applied through other aspects such as monitoring agents BUSRR performance.</p> <p>The above PATs are already available to Elexon for monitoring all agent performance. The contractual agreement between the Supplier and Agents is not in place so the Supplier influence over those agents can be limited.</p>

Question 6: In the last 12 months what issues with customer contracted Supplier Agents have you experienced as a result of the current arrangements?

## Responses

Respondent	Response	Rationale
SmartestEnergy	<p>1. There is no process for Suppliers to know when an Agent's contract with the customer ends, which means that there have been examples of Agents who are appointed (in the view of the Supplier) but are not servicing the meter (because the Agent's contract with the customer has ended). When the meter fails (or a period of estimation occurs because a contract has ended and the Agent has turned off the comms) we have had to arrange a new Agent contract and retrospectively appoint that new Agent.</p> <p>2. Advanced Metering with no activated communications; the customer often either hasn't arranged with its MOA to activate communications, usually because they don't want the additional charges; and/or it hasn't contracted with a DC to carry out site visits to do meter reading. This then means that we have had to arrange and pay for visits for a DC to collect meter readings taken with a Hand Held Unit (HHU). These reads are not as accurate and there are sometimes arguments about who should pick up the costs of manual site visits</p> <p>3. The supplier may be able to see who the current agent is on ECOEs when taking on a new customer but it is not known whether this is a direct contract or indeed whether it has lapsed and the Agent is not prepared to do any work.</p> <p>4. DCs may be doing everything they can but the MOP may not have sent out meter details.</p>	
DONG Energy	<p>We have had a number of issues where customer contracts have expired resulting in:</p> <ul style="list-style-type: none"> <li>• Estimated Data – Impacting settlement performance</li> <li>• Delay in Actual data being received due to contract expiration defaulting to Hand Held data retrieval, delaying invoicing.</li> <li>• Receipt of default charges from appointed agents when customer contract expired</li> </ul>	
TMA Data Management Ltd	Not applicable, we do not contract directly with Customers.	
ENGIE Power Limited	<p>Over the last 12 months we have seen the following performance issues:</p> <ul style="list-style-type: none"> <li>- Meter Operator Agents (MOAs) not resolving meter faults in a timely fashion, resulting in poor settlement performance.</li> <li>- MOAs not reacting to work instruction data flows in a timely fashion resulting in meter work not being completed in expected</li> </ul>	

Respondent	Response	Rationale
	<p>timescales.</p> <ul style="list-style-type: none"> <li>- Data Collectors (DCs) entering incorrect estimated data into settlement resulting in poor settlement performance and incorrect invoicing</li> <li>- DCs not estimating data in time for the SF run, resulting in poor settlement performance and incorrect invoicing.</li> <li>- Transfer of data flows in a timely fashion across all agents, resulting in settlement risk and poor customer service.</li> </ul> <p>The major issue we have for all of the above with customer contracted agents is not being able to escalate along contractual lines with the relevant agent. This in the past has led to a perception of our being ignored by the appointed agent who continues with the poor performance.</p> <p>We are then in a position where we cannot resolve a performance issue. During this time we can continue to receive supplier charges, have a potential customer relationship issue (as the customer may not understand how their agent is affecting their billing), and are unable to rectify the issue by appointing an alternate agent.</p>	
RWE npower	<p>We have experienced a number of issues with customer contracted Supplier Agents, and their sub-agents over the past 12 months. Examples include:</p> <p>Performance / standards for customer contracted supplier agents (and their sub agents) – non accountability / issues encountered, including:</p> <ul style="list-style-type: none"> <li>• The ability to rectify communication issues, and take readings, where the customer agent is appointed in the role of data collector, and not in the role of data retriever (with a field force capability to take manual readings).</li> <li>• Full transparency and visibility of metering activity.</li> <li>• Inadequate organisational contact points to assist with resolution / escalation. (e.g. P272, HH (SF), RF)</li> <li>• Failure to notify the supplier when customer contract with their agent ceases.</li> <li>• Where the relationship breaks down between agent and customer before the end of a contract.</li> <li>• Provision of (cut price?) limited service such as no ground force availability to obtain manual reads from non-polling AMR meters.</li> <li>• Lack of industry expertise or sufficient resource to resolve issues.</li> <li>• Time taken to act where actions are required.</li> </ul>	

Respondent	Response	Rationale
	<p>Data provision in adherence with BSC provisions, including</p> <ul style="list-style-type: none"> <li>No specific obligations to provide industry data reports. For example, while NHH DA test run reporting isn't currently mandated across the industry, obtaining these reports from Supplier Agents is far easier than from those where only a customer to agent relationships exist. This reporting is vital for effective RF performance management.</li> <li>(Customer) terminated customer agent contracts where the agent fails to send appropriate metering and data information to market participants.</li> </ul> <p>It is worth noting that in some scenarios it is customers own (in)actions that are the root cause of the settlement issue. In this context we would like to see both the supplier and customer appointed agent working together to resolve the issue. Shared responsibility for action would promote this outcome.</p>	
G4S Utility and Outsourcing Services (UK) Limited	N/A - we believe this question is directed at suppliers	
Western Power Distribution	We have encountered no particular issues with the current arrangements.	
Siemens Managed Services	We are an Agent, therefore we don't believe that it is appropriate for us to answer this question.	
Salient Systems Limited	None provided.	
Flow Energy Ltd	None provided.	
<b>IMServ</b>	<p>Whilst this question is directed at Suppliers only, IMServ has provided a response from an Agent perspective as, we believe this information is required for the debate and any decision making.</p> <p><b>***Additional confidential response provided***</b></p>	
EDF Energy	We have had instances where a data collector has refused to provide reading and consumption data to us because we do not have a contract in place with them.	
E.ON Energy Solutions	<p>We have had customer contracted agents impact a drop in performance in our HH market portfolio where one or two MPANs with a specific agent in a specific GSP region has caused an issue, however we do not have similar experiences with customer contracted agents in the NHH market.</p> <p>It is worth noting however that similar performance issues can and do occur with supplier contracted agents which can prove troublesome to resolve even with a direct contractual relationship.</p>	



Respondent	Response	Rationale
	Managing agent parties (contracted directly or otherwise) is one ultimately of a relationship management exercise and is a commercial issue for suppliers to manage.	
SSE Energy Supply Limited	The P272 Project has seen a significant number of Metering Systems having a Change of Agent coincidental with the Change of Measurement Class. Where the Customer no longer wishes to contract with their Agent in the Half Hourly market, we are finding difficulties with the Non Half Hourly Customer Contracted Agent in passing Meter Technical Details to the new Half Hourly Agent.	
ScottishPower	<p>ScottishPower has experienced issues with customer contracted Agents. A summary of some of the issues is below, however ScottishPower believes that these could be more effectively resolved by means other than requiring Agents to be signatories to the BSC. Other means could include, but are not be limited to, better educating Agents/TPIs, making customers more aware of Agent performance and the role that they play in the Supplier Hub model and publishing league tables of Agent performance.</p> <p>Please see below details of the issues that have been experienced:</p> <ul style="list-style-type: none"> <li>• Readings not being taken or provided by the Agent, as the customer contract had concluded</li> <li>• Meter readings being provided by Agents on different dates of the month, providing no consistency</li> <li>• Dial up issues</li> <li>• Change of Measurement Class at Change of Supplier under P272 has proven an issue with the Agents, who did not seem to anticipate how Suppliers would operate</li> <li>• Also in respect of P272 Agents are having difficulties with the technical details, as they were not the NHH Agent previously</li> </ul>	
British Gas	<ul style="list-style-type: none"> <li>- Site visit issues. This is has been a longstanding issue we have experienced in the HH market where a metering issue occurs on site. This issue in a customer contracted scenario should be resolved between the Customer and the Agent but we find we need to intervene to try and have this matter resolved in a timely manner.</li> <li>- Not knowing the Contract End date. We believe that not knowing the contract end date results in the Supplier not knowing when a contract is no longer valid. This is often found out when we request a site visit and is informed by the agent that they are no longer contracted.</li> <li>- Not knowing where a Contract Exists. There is no clear indicator to show when there is a Customer Led Contract Agreement. This leads to inefficient acquisitions with incorrect appointments.</li> <li>- Settlement Performance. The Settlement performance Customer contracted agents is typically lower than that of our</li> </ul>	

Respondent	Response	Rationale
	<p>Supplier Contracts. We have agreed targets, reporting and fines for not meeting performance with our Contracted Agents. This level of information and control is not available with our contracted agents.</p> <p>- Forced Relationships. Customer Contracted Agents force the Supplier to operate with an agent they would choose to operate with. This has resulted in instances where we have to operate different functions that we would not normally have to resulting in additional resource required to do so.</p>	

Question 7: Do Suppliers find that their performance is disproportionately affected where they do not have a direct contractual relationship with a Supplier Agent?

**Summary**

Yes	No	Neutral/No Comment	Other
9	2	3	2

**Responses**

Respondent	Response	Rationale
SmartestEnergy	Yes	As we have previously stated 90% of our portfolio by volume is on contracts with a direct customer/agent relationship. We would estimate that 99 – 100% of our liquidated damages are related to issues where there is a direct customer/agent relationships.
DONG Energy	Yes	The largest issues we have faced with estimated data or delay to data receipt have all stemmed from direct customer HH MOA contracts.
TMA Data Management Ltd	-	N/A Supplier only question.
ENGIE Power Limited	Yes	We find that it is more the ability to resolve underperformance which is disproportionately affected. Where issues are identified we find that some customer contracted agents are much slower to respond than our supplier contracted agents.
RWE npower	Yes	npower has previously raised issues with customer agents within BSC Issue 50, as and still believe there are issues concerning the industry governance of direct relationship customers. As the relationship exists between the customer and agent, leverage and performance controls which presently exist between supplier and these agents is severely reduced which in turn affects a suppliers ability to meet BSC obligations.  In some scenarios the supplier can also contract with the customer appointed agent, however this can't be enforced and will incur additional cost, which may not be conducive to a competitive arrangement.
G4S Utility and Outsourcing Services (UK)	-	N/A

Respondent	Response	Rationale
Limited		
Western Power Distribution	Yes/No	Not applicable
Siemens Managed Services	N/A	We are an Agent, therefore we don't believe that it is appropriate for us to answer this question.
Salient Systems Limited	N/A	None provided.
Flow Energy Ltd	Yes	<p>Whilst Flow Energy do not have any customers who have directly appointed their own agents, we have staff who have experienced these detrimental effects within previous roles. The main effects were:</p> <ul style="list-style-type: none"> <li>• A lack of accurate timely data.</li> <li>• Detrimental impact to settlement risks (SR22, SR25, SR28, SR81). These risks very real impacts on settlement performance.</li> <li>• Zero visibility of issues between MOP and DC until detriment has occurred.</li> </ul>
<b>IMServ</b>	<b>No</b>	<p>Again whilst this question is directed at Suppliers only, IMServ has provided a response from an Agent perspective as, we believe this information is required for the debate and any decision making.</p> <p>IMServ systems and processes are set up so that performance standards are managed and delivered regardless of the customer contract type. IMServ do not separate out or report the performance for the different contract types and therefore, irrespective of the mix, the same performance standards are sought for all sites in line with the BSC, or higher if agreed with the Supplier.</p> <p>IMServ do not have any End User contracts where the performance requirements are set lower than the BSC requirements.</p> <p><b>***Additional confidential response provided***</b></p>
EDF Energy	Yes	<p>Yes.</p> <p>Some agents appear to have direct customer contracts that do not cover the base services that they are required to provide under the relevant BSCP. If there is no Supplier/Agent contract in place they might refuse to carry out industry related activities because they have no way of recovering the associated costs.</p>

Respondent	Response	Rationale
E.ON Energy Solutions	No	No. We recognise some of the issues discussed in the modification but do not consider these to be disproportionately affecting our settlement performance.
SSE Energy Supply Limited	Yes	Our experience is that where we, as a Supplier, do not have a direct contract with the Supplier Agent there is a lower performance than those we directly contract with. It is also more difficult to resolve this poor performance without a contract in place. In these scenarios we may contact the Supplier Agent, the customer and Elexon; however there is no/limited leverage to address the performance.
ScottishPower	Yes	There are issues with Agents, at points in time, depending on the processes that are taking place (for example customer gains), where an Agent appointed by the customer can have an effect on Supplier performance. This can be particularly the case where a multi-site contract is gained or a customer contract with their Agent has lapsed.
British Gas	Yes	<p>As mentioned in Q.6 we find that on an agent by agent basis our Settlement Performance is lower for Customer Contracted Agents than it is for Supplier led Agents. Through our contracts with agents we agree targets, reporting to be completed and schedule regular meetings to ensure performance is maintained and that any issues are picked up early and resolved.</p> <p>This does not exist to the same level with Customer Contracted Agents with less information available due to the agreements not being in place.</p>

Question 8: What are the implications to your contractual arrangements if some/all Supplier Agents become accountable and/or signatories to the BSC?

**Responses**

Respondent	Response	Rationale
SmartestEnergy	None provided.	
DONG Energy	There will be a requirement to revisit SLA's which reference the BSC.	
TMA Data Management Ltd	N/A Supplier only question.	
ENGIE Power Limited	We do not envision any contractual impact.	
RWE npower	No change in most scenarios. Where we have contacts in place they are generally more stringent than the BSC. This modification should endeavour to create fall back arrangements where either the contractual route does not exist or does not work. We would not like to see disruption to contractual arrangements that already work.	
G4S Utility and Outsourcing Services (UK) Limited	All our contracts with suppliers would have to be reviewed and re-negotiated. The scope of this would depend on the scope of P332 changes, but would be like to include contractual requirements on suppliers to ensure we could meet any BSC obligation that became directly imposed on supplier agents, and remove any similar terms on supplier agents that would no-longer be appropriate. These would be a massive undertaking and increase costs for both G4S and its' customers.	
Western Power Distribution	We would require legal advice as to the effects on our contractual relationships with Suppliers as a result of this change and have been unable to arrange for this to be done within the timescales available.  However currently, as a DNO, we have a contract with the Supplier who is directly responsible for all issues caused by the registered Supplier Agent. Changes to the relationship under the BSC may require direct contractual relationships to be established between us and the Supplier Agents to avoid there being cases where a Supplier states they are not responsible for something and the Supplier Agent(s) state the same.	
Siemens Managed Services	If this were to happen it would require a rewrite of all contracts with our customers and the retailers. This would be a time consuming process involving thousands of contracts.	
Salient Systems Limited	None provided.	
Flow Energy Ltd	As BSC requirements are a standard part of most agent contracts all other contract terms will be above and beyond them. Therefore, agents becoming signatories will have not detrimental effects.	

Respondent	Response	Rationale
<b>IMServ</b>	<p>IMServ will have to complete significant contract variations with all of our customer types, including suppliers, for each of our services, to mitigate the risk of being a signatory to the BSC.</p> <p>The supplier hub principle framework is significantly affected by Agents becoming signatories. IMServ contracts with Suppliers and Energy Users are influenced by the supplier hub principle and as a result of the proposed change being approved, IMServ would need to make significant changes to all contract types.</p> <p><b>***Additional confidential response provided***</b></p>	
EDF Energy	<p>It is likely that agent services would become more expensive to cater for the perceived risks and liabilities associated with the change (e.g. supplier charges and centralised costs). It is not clear whether reductions in supplier risks associated with improvements in agent performance would outweigh increased agent costs.</p> <p>If the level of perceived risk is greater than the actual risk (i.e. agents catering for the worst case scenario) the increased costs would likely exceed any supplier savings resulting from the modification, making the overall market less efficient. Conversely, if the actual risks exceed those that are foreseen it could drive agents out of the market, reducing competitiveness.</p> <p>This modification may adversely affect existing contractual arrangements between the agent and the customer – if it is approved how would it be implemented to minimise disruption to the market?</p>	
E.ON Energy Solutions	<p>The level of changes will depend ultimately on the final scope of the modification. There are potentially changes required to all our contractual relationships with our existing agents that could for example incur a review of Service Levels and Key Performance Indicators.</p>	
SSE Energy Supply Limited	<p>This is commercially sensitive area. It is sufficient to state contract negotiations can be costly and time consuming. The scope of any change may or may not be determined by the scope of this modification so it is not possible to provide any further comment at this stage.</p>	
ScottishPower	<p>ScottishPower would be concerned that any additional accountability to the BSC that the Agent has may see a route opened up through the BSC modification process that could undermine existing commercial contracts. In such instance consideration would have to be given as to which contract takes precedence.</p>	
British Gas	<p>We would have to review our current contracts with Agents as a number of requirements are based on the BSC obligations.</p>	

Question 9: Do you believe that liquidated damages/charges should be enforced upon Supplier Agents should their poor performance impact Suppliers?

## Summary

Yes	No	Neutral/No Comment	Other
6	7	3	0

## Responses

Respondent	Response	Rationale
SmartestEnergy	No	<p>In theory we believe that this would be a good thing. However, previous attempts to make changes to the arrangements have failed because liquidated damages are meant to reflect a genuine pre-estimate of loss and the monies need to be recycled. In a nutshell, liquidated damages reflect an end-result and could not be used as an incentive.</p> <p>That aside we also feel it would be a massive undertaking practically to allocate charges on the causes of poor performance rather than the resulting poor performance, and this would also alter the nature of supplier charges, even though this is ultimately the best option if supplier charges are to remain.</p>
DONG Energy	Yes	This should be done on an incident basis as volume is not reflective of issues which may arise in specific scenarios. i.e estimated data, delay in MTD's etc.
TMA Data Management Ltd	No	<p>Performance issues are usually complex in nature and are rarely caused by a single point of failure. Determining exactly which party/agent is ultimately responsible for the performance issue(s) would require a major reporting change that is unlikely to bring the clarity and transparency sought out by the proposer. The BSC yearly Audit does look at issues and their root cause(s), if the root causes appear to be external to the Party/Agent audited, it is fed back to the team dealing with the Audit for the Agent/Supplier in question and is investigated further to pick up systemic failures. Many Suppliers also have claw back clauses in place with their Supplier Agents.</p>
ENGIE Power Limited	Yes	We agree with the principle that where charges due to poor performance can be directly attributed to the actions of a single agent, that agent should cover those charges. However we agree that it



Respondent	Response	Rationale
		would be difficult to identify and calculate the materiality of these instances under the current arrangements.
RWE npower	Yes	Obligations where any new arrangements are likely to be useful are not as clear cut as being a customer appointed agent or supplier obligation e.g. obtaining meter reads, the agent should be there on time, the supplier needs to make sure the customer provides access. Applying damages/charges to both will incentivise closer working together and resolve settlement issues more rapidly. For non-engaging agents where there are extreme performance concerns the ability for Elexon (Panel/PAB?) to stop new customer take on should be considered.
G4S Utility and Outsourcing Services (UK) Limited	No	No, not through the BSC. These may be agreed bi-laterally/multi-laterally by the parties involved, even where there are direct supplier agent/customer contracts. We have experience of this in such circumstances.  Again we believe trying to introduce these fairly into the BSC will greatly added to the complexity and possibly ambiguity. Does P332 also seek to leave/create charges on the supplier where processes impact an agent's performance?
Western Power Distribution	No	We do not believe that any Supplier Agents should become signatories to the BSC and as such it would be difficult to apply liquidated damages charges to them.
Siemens Managed Services	No	In many instances these contractual obligation are already backed off into separate Retailer / Agent contracts. In our view, this is best practice and should be standard procedure
Salient Systems Limited	Yes	Progressive banding of LD charges by volume of performance failures.
Flow Energy Ltd	Yes	We strongly believe that liquidated damages/charges should be enforced upon Supplier Agents should their poor performance impact Suppliers. Without enforcing them there will be no proper incentive for agents to improve their standards and risks the benefits of them becoming signatories to the BSC. We believe for them to correctly implemented different approaches will be required for the NHH and HH markets; Volume based for HH and incident based for NHH.

Respondent	Response	Rationale
IMServ	No	<p>In principle IMServ support liquidated damages and already has many existing contracts that can result in payments made to suppliers when performance does not meet the required standards. The liquidated damages apply to the performance of all supplied sites, including those where IMServ have a direct customer contract.</p> <p>The BSC should not have to influence commercial contracts with liquidated damages between any parties.</p>
EDF Energy	-	<p>In principle we support the idea of agents being accountable for their performance, however, there is currently no mechanism in place that would correctly attribute the point of failure to the relevant party. PARMs serials indicate that an agent or supplier has not been able to carry out their duties within the required timescales - not that they are "at fault". Some examples illustrating the difficulties involved are provided below:</p> <p><b>Example 1:</b> On a change of supplier coincident with a change of agent scenario the supplier sends a D0148 containing the incorrect old agent details.</p> <p>Impact: The specified old agent will be unable to process the request from the new agent because they have no associated appointment.</p> <p><b>Example 2:</b> The supplier does not provide the agent with the correct or full site information (e.g. bank, government or utility sites with access restrictions)</p> <p>Impact: The agent is unable to carry out their relevant on site activities</p> <p><b>Example 3:</b> The LDSO exchanges a meter without informing the MOA within the required timescales.</p> <p>Impact: The MOA does not provide the updated meter technical details to the data collector, resulting in read or dial failures.</p> <p>If so, do you think such a charge should be on an incident basis or a volume basis?</p> <p>N/A</p> <p>If not, what do you propose as an alternative incentive?</p> <p>Introduce an initial agent PARMs data submission deadline set at 16WD after the reporting period end</p>

Respondent	Response	Rationale
		<p>date. Parties would then have 4WD to resolve any submission issues before SP01a supplier charges are levied.</p> <p>Review the Performance Assurance Framework and EFR processes as they are perceived to be inadequate. There is currently no mechanism in place to raise and manage urgent cases that are site specific or limited in nature but could still have a significant impact on the supplier.</p>
E.ON Energy Solutions	Neutral	<p>Under existing arrangements these are managed through contracts with agents and relationships with customers.</p> <p>If Supplier Agents were to be BSC parties, an appropriate performance framework would need to be considered to ensure the correct performance related charges impact the party who caused the issue in the first place and has the means and capability within the terms of the code to affect a suitable resolution.</p> <p>We suggest an aim of the planned PAF review that should be to ensure that the root cause of any issue can be readily identified to avoid further potential disputes.</p>
SSE Energy Supply Limited	Yes/No	Given our responses to Questions 2 and 3 it is premature to consider liquidated damages till wider consideration is given to alternative solutions.
ScottishPower	No	None provided.
British Gas	Yes	<p>We believe that Suppliers can do this through contracts they have with their agents. If their agent's performance results the Supplier in getting liquidated damages then there can be an agreement for the agent to pay that charge back to the Supplier.</p> <p>To just apply this to only Customer Contracted Agents would be more difficult as that agreement is not in place. We believe that trying to apply this through PARMs will result in a number of new serials that apply to some Agents and not others with a further subset of sites that it applies to. A potential way to do this whilst avoiding introducing a number of new serials is if Elexon facilitate a method for a Supplier to claim back liquidated damages from an agent if their Performance is poor.</p>

Question 10: Do you think Supplier Charges should be abolished on the grounds that they are no longer appropriate if Supplier Agents are made to be more accountable?

## Summary

Yes	No	Neutral/No Comment	Other
2	11	2	1

## Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	<p>In combination with greater accountability of agents, the Supplier Charges should be unnecessary.</p> <p>However, the main reason that Supplier Charges should be abolished is that they are patently unfair on suppliers who have no control over their agents.</p> <p>An area worth exploring is the suspension of supplier charges where there is a direct contract in place. This could be achieved through more consistent use of service level references.</p>
DONG Energy	No	Supplier Charges in respect of Supplier Agents should be reviewed if the modification is approved.
TMA Data Management Ltd	-	No comment.
ENGIE Power Limited	Yes/No	Supplier charges as they stand now should be revised under any new arrangements. Should P332 be implemented, we would support a full review of the supplier charging mechanism.
RWE npower	No	In principle, we believe there should be appropriate damages/charges to both supply and agent. It may be appropriate to apply relief to certain supplier obligations / charges if accountability is seen to fall outside of supplier control.
G4S Utility and Outsourcing Services (UK) Limited	No	No, we believe there is no need to be changes to supplier charges for P332, there may be other reason they are no-longer appropriate.
Western Power Distribution	No	We do not believe that Supplier Charges should be abolished as we believe that Suppliers should remain accountable.
Siemens Managed Services	N/A	We are an Agent, therefore we don't believe that it is appropriate for us to answer this question.

Respondent	Response	Rationale
Salient Systems Limited	No	Possible Supplier poor performance will still persist.
Flow Energy Ltd	Yes	Not abolishing supplier charges would amount to the supplier being charged twice, as these potential costs are likely to be factored into agents cost/fees. These costs could ultimately be passed through to the customer. If the agent is directly accountable under the BSC there are no grounds for the supplier to be charged where they are not at fault. However, it is important that the supplier is made aware of any charges to agents that have had an effect on their performance.
IMServ	No	<p>IMServ is answering this question with the assumption being made that these charges are for poor performance and not the funding of Elexon.</p> <p>The supplier hub principle generally works and providing suppliers have the right contractual arrangements with agents and engage with agents accordingly, then there should be no reason to make changes to the existing process.</p> <p>IMServ do not believe that Supplier charges can be abolished as most suppliers will recognise that they can cause performance issues, some of the key issues that affect performance that are created by Suppliers are; sending retrospective appointment flows, missing D148s, missing or incorrect EACs</p> <p>Retrospective appointment/deappointment flows;</p> <p>When a supplier sends an appointment or de-appointment flow retrospectively in error that data performance can be affected. If an appointment flow is sent with a start date of longer than 1 month ago, then the actual data that has been collected by the original DC will be overwritten by the retrospectively appointed DC with estimates as they often can not collect data that is older than 1 month.</p> <p>Missing D148s;</p> <p>Where the Supplier does not send the D148 to confirm the MOP to the DC, then the DC cannot chase the MOP for MTDs, this leads to performance issues. Similarly when the MOP is not advised of the details of the DC, they are unable to issue the MTDs.</p> <p>Missing/Incorrect EAC;</p>

Respondent	Response	Rationale
		<p>Performance can be impacted by the Supplier not providing the correct EAC and therefore higher than required estimations on sites is being applied.</p> <p>Not all charges can be levied at Agents as some issues are the result of suppliers: the PARMS serials with regards to the appointment process continually report poor performance which impacts data completeness.</p>
EDF Energy	No	No. Suppliers are still in the best position to resolve issues relating to settlement performance. As the smart meter rollout progresses the suppliers will become increasingly responsible for obtaining and providing accurate configuration and consumption data and should therefore remain accountable for it.
E.ON Energy Solutions	No	No. If changes are made, an appropriate PAF framework needs to be considered to ensure the correct party incurs the penalty for their failures, to avoid potential disputes.
SSE Energy Supply Limited	No	Supplier Agent performance and any potential incentives/ remedies that may arise from this modification are highly unlikely to remove the benefits of Supplier Charges completely.
ScottishPower	No	ScottishPower believes that the Supplier Charges regime is beneficial in providing the correct incentives for Suppliers to manage their performance and ensure that they have commercial contracts in place with their Agents to meet the required performance levels. Further ScottishPower sees that there are other means of incentivising customer appointed agents to ensure that they operate in a way that does not materially impact on Suppliers performance, but this is not by requiring the Agents to be signatories to the BSC.
British Gas	No	We believe that the charges should still be in place and more charges should be introduced for Agents to pay charges too. This will allow for the poor performance to be attributed to a party.

## Question 11: Should Supplier Agents be brought under the breach and default process?

### Summary

Yes	No	Neutral/No Comment	Other
7	6	3	0

### Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	None provided.
DONG Energy	Yes	If the outcome of the Modification is that Supplier Agents become signatories to the BSC then, where applicable, the breach and default process should apply.
TMA Data Management Ltd	No	The Breach and Default as defined in Section H of the BSC relates to BSC Parties. There is a process defined to remove the accreditation of Supplier Agents already in place as described in BSCP537, there is no reason to bring Supplier Agents under the breach and default process.
ENGIE Power Limited	Yes	We would expect supplier agents to be subject to the same sanctions as other BSC parties.
RWE npower	Yes	The breach and default process should apply to both suppliers and agents equally to underpin BSC performance. It is likely that where there is both a supplier and agent responsible for a BSC underperformance and the breach and default process is applied, interaction between them will be increased and therefore lead to a more favourable outcome.
G4S Utility and Outsourcing Services (UK) Limited	Yes/No	We have limited understanding of the breach and default processes as a supplier agent, but it seems that if supplier agents become signatories to the BSC then this would have to be part of the change. Equally any application of supplier charges would have to include Supplier Agents.
Western Power Distribution	No	Agent performance issues should be addressed under the existing qualification/requalification/removal of qualification processes outlined in BSCP 537 and BSC Section J – Party Agents and Qualification under the Code.
Siemens Managed Services	No	See Q3

Respondent	Response	Rationale
Salient Systems Limited	Yes	None provided.
Flow Energy Ltd	Yes	It is important that there is a proper route to escalate any issues and avoid the risk of parties choosing to adsorb charges rather than actually improving their performance.
IMServ	No	This is not required as Elexon already have the ability to remove party agents qualified status as noted in question 2 thereby providing sufficient of a sanction for poor/under performance.
EDF Energy	-	In principle we can see the benefit of making agents accountable for their performance. The difficulty seems to be that of finding a practical and cost-effective means to identify both the root cause and those most responsible for any reported cases of poor performance. Currently this is not required because the supplier is automatically held accountable under the supplier hub principle.
E.ON Energy Solutions	No	It is not clear to us what the benefit of doing this would be.  As stated in previous answers there is already a process for dealing with agents one of which is the re qualification process.  This may be another area that the planned PAF review could consider.
SSE Energy Supply Limited	Yes/No	Section J of the BSC allows for the Performance Assurance Board to remove Qualification, which is a significant remedy for sustained non-compliance. It may be that aspects of the Default arrangements under Section H could be considered alongside arrangements under Section J. We would expect that a breach and default process would need to be specific to Supplier Agents and may have to include a risk based approach to non-compliance.
ScottishPower	No	As per the answers above, ScottishPower does not believe that the case has been made that it would be proportionate solution to require Agents to sign onto and be bound by the BSC. In addition ScottishPower is unclear how it would be mandated to require that Agents sign onto the BSC to be "allowed" to operate in the market.
British Gas	Yes	It will introduce a further control and incentive for Agents to meet performance requirements.



Question 12: Should Supplier Agents be obliged to remain appointed to a Metering System until another Agent is appointed (with an obligation remaining with the Supplier only on a new connection)?

## Summary

Yes	No	Neutral/No Comment	Other
10	3	2	1

## Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	This (or an agent of last resort) is the best way of ensuring that settlement issues do not arise from a customer being out of contract with their agent.
DONG Energy	Yes	Agents should fulfil all obligations for a site until the point at which they are de-appointed. Transparency in the customer appointed agents segment, will allow action to be taken in the lead up to contract termination, so that the necessary steps can be taken to appoint other agents, if required.
TMA Data Management Ltd	-	Our understanding of the current BSC process is that the Supplier Agent's obligations remain until a D0151 has been received or a new D0155 has been received.
ENGIE Power Limited	Yes	Many agents already operate under this principle. Where a contract has expired we would expect an agent to charge the supplier / customer default rates until an alternate agent is appointed.
RWE npower	Yes	Agents can't de-appoint themselves but may in effect stop acting in the capacity they are officially appointed in. There should be onus on agent to notify the appointed supplier in this scenario and to continue to operate fully in that appointed capacity. The agent should be receive fair remuneration for this service, taking into account working at commercial risk.
G4S Utility and Outsourcing Services (UK) Limited	Yes	We believe that a supplier agent is already obliged to remain appointed until de-appointed by the supplier, or appointed by another supplier. The services the agents performs while appointed may vary dependent on contracts but the supplier agent is still obliged to remain compliant with the BSC.

Respondent	Response	Rationale
Western Power Distribution	Yes	<p>Once a meter point becomes traded there should be no period of time where a Supplier or Supplier Agent is not held as being appointed to the meter point.</p> <p>Changing this requirement would have significant impact our registration system and could potentially cause operational difficulties if queries arise concerning a meter point to which no Supplier/Supplier Agent is appointed.</p>
Siemens Managed Services	No	<p>Clarification is required, however in usual instances this is the supplier's responsibility.</p> <p>Supplier Agents should be maintained in line with their contractual obligations either to the direct customer or the Retailer. Those obligations should cover this situation.</p>
Salient Systems Limited	Yes	<p>Agents with direct contracts with customers have opportunity to build into such contracts the remedies to customers who choose to terminate such contracts, which might include an obligation to continue to pay the agent for settlement related services provided to the Supplier over any period where the Customer does not contract elsewhere. If such clauses are not included at agent/customer contract then in the absence of specific supplier/agent contracts then the conditions attached to a default 'implicit' supplier/agent contract should apply. The construction and incorporation into BSC framework of such 'implicit' supplier/agent contract default positions is a primary target of P332 in our view.</p>
Flow Energy Ltd	N/A	<p>This is not practical under current arrangements as they will be de-appointed at a change of supplier. Not doing so runs the risk of data being sent to an incorrect party with potential data protection issues.</p>
<b>IMServ</b>	<b>No</b>	<p>This ability is already in place and exercised by suppliers however could be improved.</p> <p>The supplier hub principle enables the Supplier to appoint their chosen Meter Operator and/or Data Collector, the Agent cannot de-appoint themselves. The Supplier should ensure that a Meter Operator and/or Data Collector is appointed that either has a direct customer contract or is contracted directly by the Supplier to provide the service.</p> <p>If the supplier does not have the correct commercial terms in place with the appointed Agent, then the</p>

Respondent	Response	Rationale
		<p>supplier should use the supplier hub principle to appoint their chosen Agent to deliver the service.</p> <p>Issues will arise if the contract between the Agent and Energy User is terminated, however the Agent is still appointed to perform the MOP or DC role. The Agent can rightly expect to be paid to deliver these services, but until a new contract is in place with the Energy User the MOP and DC services are provided to the Supplier. IMServ believe that if suppliers had the appropriate commercial terms in place with a Meter Operator and/or Data Collector, then the Supplier would be incentivised to appoint their chosen Agent and receive a performance agreed within the contract.</p> <p><b>***Additional confidential response provided***</b></p>
EDF Energy	-	<p>An agent should have the option to request the termination of their appointment once it becomes apparent that no contract will be in place.</p> <p>The customer may have been paying the agent costs whilst a direct contract was in place. When this contract expires the customer may choose not to renew the contract or sign a new one with another agent. The incumbent agent may then incur costs (e.g. line charges) that they are unable to recover from the customer or supplier because they have no contract in place with either party.</p>
E.ON Energy Solutions	No	<p>It is important that agents are required to maintain services for an intervening period so that performance is maintained until they are de appointed and for there to be some surety that they will be recompensed.</p> <p>We would wish to avoid situations occurring where agents might remove equipment from a site that would otherwise be required to continue services, as a result of them perceiving to be "out of contact" with the customer.</p> <p>We are not convinced that placing such an obligation through the BSC would necessarily rectify these issues.</p> <p>This may be better serviced through commercial arrangements between the agent, customer and supplier.</p>
SSE Energy Supply	Yes	None provided.

Respondent	Response	Rationale
Limited		
ScottishPower	Yes	ScottishPower believes that there should still be an obligation on Supplier Agents to remain appointed until another Agent is appointed. There is however a question over who pays the associated charges
British Gas	Yes	<p>As detailed in Q.6 we believe that this would help a longstanding issue in that the Supplier does not have a view of when the Customer Contract is due to end. This often results in the Supplier requesting an action on site. Through this request the Supplier is informed that there no longer is a contract.</p> <p>Agents remaining appointed to sites would be an incentive for them to be active in informing Suppliers that they are no longer contracted by the Customers. This can result in a contract between the Agent and Supplier being agreed or the Supplier de-appointing and appointing their preferred agent.</p>

## Question 13: Are you willing to provide addition information/data about your portfolio make up?

### Summary

Yes	No	Neutral/No Comment	Other
5	5	4	2

### Responses

Respondent	Response	Rationale
SmartestEnergy	Yes	<p>Of our HH portfolio, 100% of MPANs are on a direct contract with an agent for MOP services and 79% are on a direct contract with an agent for DC services.</p> <p>In our NHH portfolio 57% of MPANs are on a direct contract for MOP and DC services.</p> <p>Note that, by volume, 98% of our portfolio is HH and only 2% is NHH.</p> <p>Therefore, on a weighted volume basis, 89% of agent relationships within our portfolio are between the customer and the agent.</p>
DONG Energy	Yes	<p>Spreadsheet of portfolio make up attached with submission.</p> <p><b>***Additional confidential response provided***</b></p>
TMA Data Management Ltd	-	N/A Supplier only question.
ENGIE Power Limited	No	We are unable to provide this information at the moment but would be willing to consider this as the P332 workgroup progresses.
<b>RWE npower</b>	<b>Yes</b>	<b>***Confidential response provided***</b>
G4S Utility and Outsourcing Services (UK) Limited	No	N/A. We believe this question is directed at suppliers.
Western Power Distribution	No	Not applicable.
Siemens Managed Services	Yes/No	<p>Supplier Agent</p> <p>HHDC 14000          HHMOA 24800</p> <p>NHHCC 1078800      NHHMOA 102500</p>
Salient Systems Limited	N/A	None provided.
Flow Energy Ltd	N/A	As we currently do not have any customer appointed agents our current portfolio will not be relevant.
IMServ	Yes	<b>***Confidential response provided***</b>

Respondent	Response	Rationale
EDF Energy	-	Please see the attached file containing the confidential data relating to the LOND, SEEB and SWEB supplier IDs.  <b>***Additional confidential response provided***</b>
E.ON Energy Solutions	Yes	<b>***Confidential response provided***</b>
SSE Energy Supply Limited	No	None provided.
ScottishPower	No	None provided.
British Gas	Yes/No	None provided

## Question 14: Would you like to make any further comments on P332?

### Summary

Yes	No
10	6

### Responses

Respondent	Response	Comments
SmartestEnergy	No	N/A
DONG Energy	No	N?A
TMA Data Management Ltd	Yes	<p>Proposed P332 would mean a profound change in the BSC resulting in enormous cost for all parties involved with little benefit demonstrated, therefore not supporting BSC Applicable Objective d.</p> <p>The issue(s) listed as a justification for raising P332 should be dealt with upstream of the BSC processes. Suppliers are free to add in their quoting process questions about Customers contracted agents to have early visibility of which agents they might deal with. Suppliers are also free to add clauses in their contracts with Customers that in order to fulfil their BSC obligations they have the right to use a different Supplier Agent from the one contracted with by the customer.</p> <p>We understand this is a very real issue but we fail to see it being a BSC issue.</p>
ENGIE Power Limited	No	N/A
RWE npower	Yes	<p>We believe either direct accountability or becoming a signatory to the BSC (differences should be explored by the workgroup) is required by supplier agents to reduce settlement risk. This should not be a shifting of responsibility from supply to agent but to provide additional accountability / escalation where current legitimate arrangements fail or do not provide for certainty of a positive outcome for settlements.</p>
G4S Utility and Outsourcing Services (UK) Limited	Yes	<p>Should supplier agents become signatories to the BSC we believe this may also mean the requirements/processes for supplier agent qualification/re-qualification should be reviewed to bring them more in-line with other signatories to the BSC. We do not support the implementation of</p>

Respondent	Response	Comments
		<p>P332 and believe the arrangements within the BSC for suppliers to manage their hub and for any Supplier Agent underperformance to be addressed is sufficiently robust already.</p> <p>We do not believe that a proper assessment of P332 can be made without the solution containing at an outline of the full extent of the changes including a revised supplier charging methodology and all other consequential changes e.g. parms, qualification. Without this we do not believe a meaningful assessment of the cost, benefit or implementation timescales could be made. Further we would like to clearly understand how these details we would determined and how the industry would be involved in that processes.</p>
Western Power Distribution	Yes	<p>There are already arrangements under the BSC for Supplier Agents performance to be monitored and for sanctions to be applied.</p> <p>If the root of the problem prompting this change proposal to be raised is poor Supplier Agent performance then strengthening the policing and application of penalties including disqualification should be considered rather than changes to the relationship between the BSC and Supplier Agents.</p> <p>In the background information there is mention of Issue 50 and details of potential remedies which may be more effective than this modification, however, it is not clear whether these remedies have been considered by the working group. In particular, there is no mention of Third Party Intermediaries in the Workgroup's initial discussion section, which, according to the background of Issue 50 "is often the root cause of many of the issues".</p> <p>Within the documentation Elexon have provided an analysis of Supplier and Supplier Agent Performance. This analysis is able to highlight where there has been poor performance but does not identify whether the Supplier Agent is appointed by the customer, therefore, the analysis does not assist in supporting or otherwise the issue this modification is seeking to address. Can we put a figure on the cost of the problems caused by Agents not being a signatory to the BSC as this change proposal would seem to be a costly exercise for both the BSC and the individual Supplier Agents.</p>



Respondent	Response	Comments
Siemens Managed Services	Yes	<p>The proposal would initially have an impact on Parties as they would be required to revise contracts with Agents. In addition there would be a cost to Parties to implement any required changes to Industry reporting mechanisms.</p> <p>This Proposal comes at a time when there is already significant Industry change happening. Ofgem are currently conducting a wider review of Industry roles and undertaking a Significant Code Review, we believe that any changes to the Supplier Hub principle should be addressed by the SCR.</p> <p>If the Proposal was approved not only would there be a change to the BSC we believe that a significant rewrite of the supporting BSCP documentation would be required.</p>
Salient Systems Limited	Yes	<p>P332 may be primarily driven by an attempt to alleviate particular issues at Supply companies where customers have direct contracts with agents. However, P332 has also illustrated that currently there are wider issues to be addressed so that settlement risk and penalties are apportioned more fairly across the Supplier Hub – an exercise worth pursuing.</p> <p>Any changes to agent/customer/supplier arrangements to be considered at the industry level must acknowledge that there will continue to be three partners to the arrangement and each partner will continue to have both a set of responsibilities and accountability for their actions.</p> <p>Supplier/customer and agent/customer contracts are existing vehicles that can and will contribute to providing clear statements of expectation of one on the other at such arrangements. However, where there exist gaps between one and the other in terms of clear expectations, for example where contracts do not exist between agent and supplier, then such gaps are clear candidates for attention at the industry level and could be addressed via clear statements of implicit requirements of one party on another.</p> <p>It is likely that significant change to PARMS reporting, analysis and objection handling regimes will be required in order to provide an effective performance reporting framework to support fairer apportionment of penalties due to any party introducing increased settlement risk. This will introduce additional central and agent costs</p>

Respondent	Response	Comments
		<p>certainly - for testing at any further round(s) of industry follow up RFI's.</p> <p>P332 may take some time before reaching final conclusions and proposals. Nevertheless, it is considered timely that the issues uncovered at P332 are being considered now – well in advance of other market developments which will very likely increase the attraction of agent/customer contracts to customer groups beyond I&amp;C, as HH settlement is rolled out to SME's and domestic customers and customer groups.</p>
Flow Energy Ltd	Yes	<p>Whilst Flow Energy do not currently have any customer appointed agents we do have many members of staff with extensive experience with them. We strongly agree that agents should be full signatories to the BSC. Any other route presents further risks and unnecessary complication, which is likely to either diminish the effectiveness of any incentives or not fully realise the potential for transparency and accountability. All of which are crucial factors in promoting competition and increasing performance.</p> <p>It is imperative that any changes are futureproof. With the current changes to the energy markets, particularly Faster Switching, ensuring all parties are on a level playing field will greatly increase the ability for all parties to engage as well as removing the potential obstacles that different accountabilities among parties creates.</p>
IMServ	Yes	<p>IMServ recognises the challenges some suppliers may have with some agents, particularly if 90% of their portfolio is with customers that have appointed their own agent. IMServ believe however that the suppliers can ensure the correct agreements are in place with agents to ensure performance standards are delivered to the desired level for any site for which they are the supplier.</p> <p>IMServ is struggling however to understand the extent to which performance is impacted and how this has not already been identified by the PAF as, all techniques applied under this regime, including PARMS, the BSC audit and all TAPAP checks, review agent performance on all appointed sites, irrespective of the associated commercial/contractual arrangements.</p> <p>IMServ is therefore concerned that a blanket approach is being sought unnecessarily under this</p>

Respondent	Response	Comments
		<p>proposal (and potentially at great expense) for what may amount to specific issues, either by type or by party. Reference has been made several times in the RFI to peer comparison, which itself has the potential to address any generic issues. IMServ advocates the transparency of Agent performance and publishing details of performance against BSC standards. In addition IMServ suggest that supplier performance is made public too, so that the customer has a complete view of performance across all parties to make an informed decision.</p> <p>This RFI has wrongly assumed that all respondents are familiar with and understand the process and suggestions included and has not considered that the parties most affected by the proposals, i.e. Agents, do not need to have any knowledge of such and therefore look to the RFI for this information. As a result of this gap, responses have been provided by IMServ (and potentially other Agents) based on the best of our ability and understanding and the brief information provided.</p> <p>IMServ struggled somewhat with the overall intent and purpose of the RFI and questions as, there were some suggestions which were not followed up, others where questions were asked, but done in such a way to potentially not gather all the required information (e.g. no request for quantification of any issue) and other questions regarding some very significant issues, e.g breach and default. We are therefore concerned that the RFI may result in an incomplete or misleading set of responses and information.</p> <p>In addition, IMServ feel that the questions being asked are worded in a way that is biased to the proposer's views. There needed to be questions that a) required answers to be quantified so that the size and extent of the problem/s can be established and b) sought to establish the contributing factors for those sites where these arrangements already successfully exist and performance is not detrimentally affected.</p> <p>Whilst IMServ does not support this Modification, IMServ does support the opinion that poor performance needs to be addressed and if it helps, an incentive introduced to support this. Whatever action is taken however, this needs to be proportionate to the problem and be delivered as quickly, effectively and at a cost which is justifiable</p>

Respondent	Response	Comments
		to the whole industry.
EDF Energy	No	N/A
E.ON Energy Solutions	No	N/A
SSE Energy Supply Limited	No	N/A
ScottishPower	Yes	ScottishPower is concerned about making decisions around Agents involvement in the BSC at this time, given the on-going changes within the industry model in respect of the centralisation of registration and convergence of the energy market rules and governance. It would therefore seem more appropriate to consider other less strategically significant means of delivering the objective of P332, in making customer Agents more accountable to Suppliers.
British Gas	Yes	<p>The concept of Supplier Hub is a core part of the Electricity Industry. If we are considering any serious change to this principle then there needs to be a wider consultation held by Ofgem. Making any significant changes to the Supplier Hub Principle is not something that should be decided within the scope of this Modification.</p> <p>We think that making all Agents directly accountable to Elexon is extreme for the limited impact that Customer Contracted Agents have on the market. We believe that the 'full P332' solution could create conflicts in interest between Suppliers and Agents. If Agents concentrated on meeting their own performance targets it could result in Suppliers with small portfolios with Agents not receiving the same service as the Suppliers with Larger portfolios.</p> <p>It will be difficult to attribute the blame appropriately for poor performance which could result in Supplier and Agents blaming each other.</p> <p>The current PATs in place at Elexon are sufficient to ensuring agents meet requirements. Issues with Customer Contracted Agents can be resolved through small changes such as an alert to notify there is a contract and when that end date is, or having the Agent remain appointed until they are de-appointed. This will improve visibility of customer contracts in the market and resolve timing issues as detailed above. If Customer Contracted Agent performance is detrimental and costly to the</p>

Respondent	Response	Comments
		Supplier then we believe a mechanism could be introduced for Suppliers to claim back liquidated damages from those Customer Contracted Agents or look to create new PARMs Serials to monitor and apply charges to the Agents directly

## Appendix 1: Additional Responses

This section provides details of additional responses received to the P332 Request for Information (RFI), where a response for was not used. The Workgroup will consider all responses received to the P332 RFI.

### Utilita

The issue is clearly related to customer appointed agents therefore the solution, although resolving the issue has significantly wider ramifications. Either a mod stating better the issues experienced beyond customer appointed agents needs to be raised or the solution should focus on the issue at hand.

Making this change under the BSC does not take into account the processes and supplier hub matters outside of the BSC, for example, there are processes under MRA which require Mops to perform tasks on behalf of the supplier which would be unaffected by this change. Therefore some of the MOp work would be mandated directly by the BSC and other work done through the supplier hub, this is going to increase the complexity of supplier/agent relationships.

Utilita can identify some benefits to this mod, forcing agents to become more consistent and also targeting the points of failure rather than the supplier responsible for the metering point – for example, when a previous agent fails to send MTDs, the new supplier's performance is affected. This change would enable the old agent to be held to account.

If this change progresses, the timing of implementation must be very carefully considered in relation to the DCC and the rollout of smart meters. Many agents will be significantly resource constrained during this time and any significant diversion of resource during the rollout is unacceptable.

It is unclear what the benefits of including DC and DA in this change are.

We have concerns about the inevitable increase in BSC costs. Even if this cost is passed directly on to agents signed up to the BSC, this cost will be passed on to the supplier. Therefore we need to see a strong case for this mod compared to the cost –we would need to see, as part of this change, accurate cost implications and a robust methodology for how those costs are recovered. This also needs to consider the types of agents, for example, if the change ultimately impacts only customer appointed agents, domestic suppliers would not expect to see cost changes.

In summary, we do see merit in considering this change but the ramifications on agents, the BSC, the Elexon costs and other energy codes must be considered and presented fully as part of this Mod for consideration. The impacts could be significant, at a time when the market is going through unprecedented change which has given us cause for concern.