

ELELEXION

**SUPPLIER VOLUME ALLOCATION GROUP
(SVG)**

SVG243

4 May 2021

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Apologies

Sarah Ross

ELEEXON

SVG Membership Update

Sarah Ross



PART I

PUBLIC SESSION

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**MDD CHANGE REQUESTS FOR VERSION
311**

Freya Gardner

4 May 2021

Recommendations

We invite you to:

- a) **APPROVE** two General Change Requests for implementation in MDD 311 with a go-live date of 19 May 2021; and
- b) **NOTE** seven Fast Track Change Requests for implementation in MDD 311 with a go-live date of 19 May 2021.

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**CP1540 'Strengthening the Qualification –
Change of Ownership Process**

Nicholas Brocklesby

4 May 2021

Issue

- In April 2020 two companies traded qualification status, citing footnote 22 of BSCP537.
- This footnote was intended to allow internal restructuring within a company, and as such the use of the footnote in April ran against this intention.
- This footnote suggests that it is acceptable that a company can hold Qualified status without the associated people, systems and processes, having purchased the status as an asset.
- Additionally, Elexon are receiving enquiries asking in what circumstances PAB would approve a Change of Ownership, which Elexon are struggling to answer.
- This indicates a need amongst industry, and within Elexon, for clarification on circumstances where Re-qualification would not be required.

Solution

The proposed CP1540 solution has been developed with the assistance of PAB members, and aims to:

- Remove footnote 22 from BSCP537 entirely.
- Add text to BSCP537 stating that “A change of ownership is through the sale and purchase of the majority of the shares in a legal entity with Qualified status which results in a change of control in that entity. A Qualification status cannot be transferred between legal entities except where the transfer takes place between affiliates (as defined in the Code save that, for the purposes of this BSCP, references to a Party in the definition of that term shall be deemed to be a reference to SVA Party Agents and CVA MOAs).”
- To specify “Where the change of ownership process results in a Material Change to the staff, process or system, the applicant must proceed to 2.2 the ‘Re-Qualification Process’.”
- To make these additions in a paragraph in the main body of the text, rather than a footnote.

Consultation Responses

There were two respondents to the CP1540 consultation representing Suppliers and Supplier Agents.

| Question | Yes | No | Neutral | Other |
|--|-----|----|---------|-------|
| Do you agree with the CP1540 proposed solution? | 2 | 0 | 0 | 0 |
| Do you agree that the draft redlining delivers the intent of CP1540? | 2 | 0 | 0 | 0 |
| Will CP1540 impact your organisation? | 0 | 2 | 0 | 0 |
| Will your organisation incur any costs in implementing CP1540? | 0 | 2 | 0 | 0 |
| Do you agree with the proposed implementation approach for CP1540? | 2 | 0 | 0 | 0 |
| Do you have any further comments on CP1540? | 0 | 2 | - | - |

- Both agreed with the proposed solution and implementation plan.
- Both confirmed they would be not incur any costs as part of the CP1540 solution.
- There were no additional comments to consider.

PAB Comments and Decision

The CP1540 Assessment Report was presented to the PAB on 29 April 2021.

Recommendations

We invite the SVG to:

- a) **Approve** the proposed changes to BSCP537 for CP1540;
- b) **Approve** CP1540 for implementation on 4 November 2021 as part of the November 2021 Release, and;
- c) **Note** that CP1540 was also presented to:
 - The PAB on 29 April 2021; and
 - The ISG on 4 May 2021.

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**CP1541 ‘Use of DTC data flow D0004 in
Half Hourly Sector...’**

Assessment Report
Andrew Grace

4 May 2021

CP1541: Issue

- Where a manual Site Visit has been arranged to obtain Half Hourly (HH) data, if successful, HH consumption data will be sent by a HHDC to a Supplier via a D0036 or D0275
- There is currently no prescribed mechanism for Half Hourly Data Collectors (HHDCs) to inform a Supplier, via a dataflow, if they have been unable to manually retrieve consumption data where a Site Visit has been arranged
- This process currently relies on bilateral discussions between HHDCs and Suppliers rather than a consistent Industry process
- Without receipt of a D0004, Suppliers can be reliant on informal methods of communication to understand the results of a Site Visit

CP1541: Solution

- Update BSCP502 Clause 3.4.1 to require HHDCs to send a D0004 flow where a Site Visit to obtain Metering data is unsuccessful

CP1541: Assessment Consultation responses

| Question | Yes | No | Neutral | Other |
|--|-----|----|---------|-------|
| Do you agree with the CP1541 proposed solution? | 6 | 1 | 0 | 1 |
| Do you agree that the draft redlining delivers the intent of CP1541? | 6 | 1 | 0 | 1 |
| Will CP1541 impact your organisation? | 7 | 1 | 0 | 0 |
| Will your organisation incur any costs in implementing CP1541? | 5 | 3 | 0 | 0 |
| Do you agree with the proposed implementation approach for CP1541? | 7 | 1 | 0 | 0 |
| Do you have any further comments on CP1541? | 1 | 7 | - | - |

- Redlining updated following consultation to provide greater clarity
- 1 respondent disagreed with the Solution & Implementation Date on the basis they already cover this via manual reporting and didn't see this as priority with other Industry changes
- All other respondents in favour of the Solution & Implementation Date

CP1541: Recommendations

We invite the SVG to:

- a) **APPROVE** the amendments to the proposed redlining for BSCP502 for CP1541 made following the CP Consultation;
- b) **APPROVE** the proposed changes to BSCP502 for CP1541; and
- c) **APPROVE** CP1541 for implementation on 4 November 2021 as part of the November 2021 Release.

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CP1542 'Transfer the obligation to visit de-energised sites annually from Data Collector to Supplier'

Assessment Report
George Crabtree

4 May 2021

CP1542: Issue

- There is an obligation in BSCP504 'Non Half Hourly Data Collection for SVA Metering Systems Registered in SMRS' on Non Half Hourly Data Collectors (NHHDCs) to visit de-energised sites annually (footnote 102)
- Footnote 102 exists within BSCP504 to ensure that, where sites are registered as de-energised, they do not have any Meter advances thus protecting the integrity of Settlement
- In a scenario where the Supplier doesn't instruct the NHHDC to visit de-energised sites, the footnote 102 provision has the potential to cause NHHDCs to become non-compliant under obligations in BSCP504
- The obligation is solely put on the NHHDCs with no matching obligation on the Supplier leaving Party Agents exposed to non-compliance
- This CP1542 has been raised to implement the agreed solution from Issue 85 'Removal of obligation to visit de-energised sites once every 12 months from BSCP504'

CP1542: Solution

- Transfer the obligation in BSCP504 to visit de-energised sites on an annual basis from NHHDCs to Suppliers
- The BSCP502 'Half Hourly Data Collection for SVA Metering Systems Registered in SMRS' obligation for Half Hourly Data Collectors (HHDCs) to visit de-energised sites will also be placed on Suppliers for consistency
- The CP1542 solution does not intend to have significant operational impacts for DCs or Suppliers, rather it is just a clarification of accountability, in line with the Supplier hub principle.
- Rearrange the table in section 3.4.1 in BSCP504 to incorporate the important information in footnote 102 into the table

CP1542: Assessment Consultation responses

| Question | Yes | No | Neutral | Other |
|---|----------------------------|----|---------|-------|
| Do you agree with the CP1542 proposed solution? | 5 | 5 | 0 | 0 |
| Do you agree that the draft redlining delivers the intent of CP1542? | 6 | 3 | 0 | 1 |
| Will CP1542 impact your organisation? | 7 | 2 | 1 | 0 |
| Will your organisation incur any costs in implementing CP1542? | 6 | 3 | 1 | 0 |
| Do you agree with the proposed implementation approach for CP1542? | 7 | 2 | 1 | 0 |
| Do you agree with the proposed redlining removing the obligation on Data Collectors to automatically make an annual Site Visit to de-energised sites with no working communications and replace it with an obligation on suppliers to arrange a visit and then instruct the DC to attend? | 4 | 5 | 0 | 1 |
| What impact on current DC processes would this have? | | | | |
| Would these process changes be feasible or cause challenges in DC business operation? | | | | |
| Do you anticipate that this solution will have any impact on the accuracy of Settlement of sites recorded as de-energised in SMRS? | 8 | 0 | 1 | 1 |
| Do you think that this will impact Settlement Risk 16 and the control strength? If you believe there will be an impact, will the impact be positive or negative and to what scale? | 8 (4 positive, 4 negative) | 0 | 2 | 0 |

CP1542: Assessment Consultation responses

| Question | Yes | No | Neutral | Other |
|--|-----|----|---------|-------|
| Do you agree that the proposed solution should align the NHH and HH process? | 9 | 1 | 0 | 0 |
| Do you have any further comments on CP1542? | 4 | 6 | 0 | 0 |

- Two respondents stated that there was no reason for the CP as there is already an implicit obligation on the Supplier through their agents. Exelon highlights that this is a specific case where the BSCP documentation can be improved and made clear by a specific obligation that is in-line with the Supplier hub principle.
- After clarifying the intent to respondents, eight out of ten respondents supported the solution, subject to the wording being amended to better reflect the intent of the CP

CP1542 Revised Solution

Following industry engagement, we have made the following changes to the redlining:

- Replaced timescale term 'Annually' for 'within 12 months of previous Site Visit or SSD' (Supply Start Date)
- Made clear that Supplier must request NHHDC conducts site visits (rather than instruct which could imply a date is scheduled by the Supplier)
- Made clear that the NHHDC conducts the site visits which it may also schedule, to align to current industry operations whilst retaining flexibility for Supplier to instruct if that's how the operating relationship works between DC/Supplier. This may also be situation specific where parties need to agree a specific date due to access challenges
- Removed the requirement for the use of the D0005 data flow as this was not mandated under the previous wording. Rather, the comms method should be agreed bilaterally, which may be contractual, email, D0005 or other agreed documented mechanism
- For complete alignment, we have updated the 'When' box to mirror the wording across the two BSCPs

CP1542: Proposed Timetable

| Event | Date |
|---|--|
| CP Assessment Paper v1.0 presented to SVG for decision on re-consulting | 4 May 2021 |
| Second CP Consultation | 10 May 2021 – 7 June 2021 |
| CP Assessment Report v2.0 presented to SVG for decision | 6 July 2021 |
| Proposed Implementation Date | 24 February 2022 (February 2022 BSC Release) |

CP1542: Recommendations

We invite the SVG to:

- a) **AGREE** the amendments to the proposed redlining for BSCP502 and BSCP504 for CP1542 made following the CP Consultation;
- b) **AGREE** that CP1542 be sent for a second Industry Consultation; and
- c) **NOTE** the proposed progression timetable for CP1542.



PART II
CONFIDENTIAL
SESSION



PART III

PUBLIC SESSION

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BSC Operations Headline Report

4 May 2021

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BSC Change Report

4 May 2021

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Actions

Sarah Ross/Paige Binet

4 May 2021

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Panel Update

Tom Edwards

4 May 2021

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Minutes from previous meeting

Sarah Ross/Paige Binet

4 May 2021

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Any other business

4 May 2021



NEXT MEETING:
TUESDAY 1 JUNE