**Generator - Market Entry Process video transcript**

Welcome to the market entry presentation for the Generator role. Over the next 10 or 15 minutes, I’ll be running you through the market entry steps required for the Generator role.

The first step is to accede to the BSC, we will provide you with access to the Elexon Kinnect customer solution. From there you can accede to the BSC by completing the online accession form, which asks for company information and there will also be a section for you to upload the Accession Agreement; which is the legal framework and this needs to be signed, but not dated by a registered director (verifiable by Companies House)

We also require a one off **£500 accession fee**, which is an admin fee and payment can be made either by cheque or bank transfer. Once you have completed the company details in the Elexon Kinnect customer solution we can then send you an invoice for this amount if you require one.

Once you have completed all of these steps we can agree an Accession date and it’s from that point you will start paying **Base monthly charge which is £250 per month plus VAT**. The base monthly charge is not pro rata, so most Parties choose to accede at the start of the month but it is up to you when you wish to accede.

The access at this stage will be given to one person and granted at an assistant level until you setup your Authorised Signatories which we will discuss on the next slide.

Once you’re signed up, the next step is to set up you Authorised signatories. The first one will need to be created outside of the Elexon Kinnect customer solutions.

Authorised Persons need to be created to ensure that we are aware of who within your company is authorised to carry out specific BSC activities.

Further information regarding Authorised Persons and the different levels of authorisations can be found within the BSCP38.

* To set up your first set of authorised signatories, we need a director’s letter on company stationery nominating the first signatory.
* And BSCP38 with Parts A and C completed by the person nominated in the letter.

Once authorised that person can gain access to Elexon Kinnect and can add or amend authorised signatories.

A Category ‘A’ Authorised Signatory can act on behalf of all categories. Unless there is a specific person you would like to authorise for a specific category, then please only tick category A.

You will need to register your intended market role in Elexon Kinnect customer solution. The registration process can be found in detail within the form BSCP65.

We will set your role registration to live at the end of the process once we know you have completed all of the market entry steps.

As a party operating within the BSC arrangements you will need to be able to send and receive communications to and from ELEXON and the BSC agents systems. Some communications are manual (via post and email) but most are sent via electronic data flows.

The electronic data flows are sent and received via 2 communication methods.

* the High Grade Service and
* the Low Grade Service.

**The Low Grade Service:** This provides access to all services and data through the public internet, with consequently no guarantees on access times or availability. We use Data Push to deliver the data and you will have to download Xsec Software to decrypt the files. The Low Grade Service is free of charge for all Parties and takes ELEXON around 5 working days to process your request.

**The High Grade Service:** This is a dedicated comms line to our private WAN and involves having a router installed. You will use TIBCO to stream the data and the data is pushed to you. The charges for the High Grade Service can be found within the Schedule of specified communications charges on our website and we have this on the next slide. High Grade Lines in the UK take around 60 working days to install.

Most parties choose the low grade line as it’s just as sufficient.

Once you have decided which service you require you will need to complete a communication line request form which can be found on our website.

All BSC Parties must demonstrate their ability to communicate with BSC central systems and comply with the requirements in Section O of the BSC by completing CVA Qualification Testing as part of the market entry process.

There 3 options for this testing:

* **Full testing** - it consists of a half day booked out with our service provider, CGI, who will send you valid and invalid files, your systems will pick up flows from FTP, load into their systems and send ACK (acknowledged) or NACK (negatively acknowledged) responses depending on validity.
* There is a 10 working day lead time that you will need to take into consideration when booking your appointment with CGI
* **Waiver** – the second option is to waiver testing and this is if you were to reach an agreement with a existing BSC party to use their already Qualified system. You can only apply for the waiver if the Supporting Participant you intend to use has previously tested flows relevant to your role as stated BSCP70. We would require a signed letter from the system owner and then you would be able to waiver testing on the basis that the system was already tested when they went through Market Entry process.
* **Opt out** – we do not recommend the third option which is to opt out as we have no assurance that you’re able to pick up all the settlement data. But it is listed in the code, so we have to mention it. Opting out of testing is done at Parties own risk

You will also need to refer to the CVA Qualification Checklist within BSCP70 to ensure you are prepared for testing and have the necessary validation software and business systems in place before arranging a test date. Once you’re ready to carry out testing please complete the relevant test booking forms in BSCP70 along with a date you would like the testing to take place (just bearing in mind that 10 working days lead time).

BSCP70 gives an overview of the CVA Qualification process and the appendix (or booking form) lists what flows you would need to test for your role.

The files are just flat files and we have example files to send to you if you want to build your own system.

If you did want to build your own system, then the CRD and IDD contain specs of what the system needs to be capable of and a written description of the flow structures.

If you didn’t want to build your own, then the communication requirements document and the interface definition document contain specs of what the system needs to be capable of and a written description of the flow structures.

If you didn’t want to build your own system then there are plenty of third party providers out there. We can send a list of the ones we know of, but not exhaustive and we don’t recommend any one provider.

There is no cost associated with testing as part of Market Entry, so if you don’t pass on first try you can book a second test slot – just bear in mind that 10 working day lead time.

If you wanted to also register as a Notification Agent there is some additional test required as detailed in form BSCP70/01(b).

The **Funds Administration Agent (FAA)** manage the funds transfer between ELEXON and BSC Parties for any Trading Charges owed to or by BSC Parties during the Balancing & Settlement of the market.

The process and forms to complete are within BSCP301. The FAA will require some company financial details from you to ensure they are ready to be able to invoice you for any trading charges owed or payable after go-live.

Please note that the FAA bank account from which you receive / to which you pay Trading Charges is separate to the two bank accounts in to which you pay BSC Charges and lodge Credit Cover. For the trading charges we require a bank that has a UK branch in order to make payment in GBP.

Trading Charge payments are made to or by Parties 29 days after a Settlement Day. **Credit Cover** ensures that ELEXON has enough collateral from you to cover these payments if you cannot make them.

Lodging credit is optional while going through the market entry. However, should you choose to lodge credit during the market entry process then this can be sent in cash, through a letter of credit, or through an Approved Insurance Product.

You will also need to register 2 out of hours credit contacts on the Elexon Kinnect customer in case an urgent issue arises out of normal working hours (e.g., Credit cover breaches etc.).

The credit default team can help run through some credit scenarios with you if you are unsure and we have provided their contact details at the end of this presentation.

BM Units are the units used to represent all energy export and import in Settlement.

There are specific BM Units assigned to each Party and we sum up their volumes and contracts, for each Party, when we carry out the Settlement calculations.

The process is outlined in BSCP15, however these can now be registered in Elexon Kinnect customer solution.

Since we work in conjunction with National Grid on BM Units, there is a 30 working day lead time for setting them up and you will need to talk to the registrations team within our department who will need site diagrams.

Currently the cost for CVA BM Units is set to zero pounds but you will find a list of costs in the schedule of main and CVA specified charges on our website. The box on the top right lists other BSCPs that you will need to complete for the metering equipment on the site.

And finally on this page we have a few additional details. Party Management email address followed by the Market Entry email address. As well as the contact details of our BM Unit team for any BM Unit queries. You’ll also see the credit default email address if you wish to discuss credit scenario as well as the email address for the FAA.