



BSC Audit Process

This document covers:

- What the BSC Audit is and when it takes place
- The meetings BSC Parties are required to attend
- How BSC Audit Issues are communicated to participants

What is the BSC Audit Process?

ELEXON operates a Performance Assurance Framework (PAF) consisting of a complementary set of preventive, detective, incentive and remedial assurance techniques. These techniques are deployed flexibly to address Settlement Risks, by either preventing or detecting occurrence, or correcting the effects of the risk. The BSC Audit is a detective technique.

The BSC Audit is split between two distinct areas of work:

Supplier Volume Allocation (SVA) Process Assessment

This covers Suppliers and SVA Agents, and the scope of this area of Audit is directed by the Risk Operating Plan (ROP), a document setting out ELEXON and the Performance Assurance Board's plan to mitigate Settlement Risks in a given Performance Assurance Operating Period (PAOP).

Central Volume Allocation (CVA) ISAE 3000 Opinion

This covers Central Systems and CVA MOAs, and the scope of this area of Audit is to provide assurance that the Settlement and Funding Share calculation provisions in the BSC and Code Subsidiary Documents are complied with.

Both work areas are defined in [Section H](#) of the BSC and follow the same timings and structure, with further detail available on the [BSC Audit](#) page of the [BSC Website](#).

Individual Issue Documents may be raised against;

- Suppliers,
- Supplier Agents,
- Supplier Meter Registration Agents (SMRAs),
- Licensed Distribution System Operators (LDSOs),
- Unmetered Supplies Operators (UMSOs),
- Meter Administrators (MAs),
- BSC Agents (in relation to Central Systems), and
- ELEXON.

What is the cycle of the BSC Audit Period?

The Audit reporting year runs from 1 April to 31 March (in line with the BSC Year and the PAOP). Two separate reports, the BSC Audit Process Assessment Report and The BSC Auditor's Opinion Report, are published in May following each Audit year. The steps involved in the Audit cycle are summarised below.

1. Planning Meetings

Planning meetings are held between October and January each year before on-site fieldwork (the site visits). The BSC Auditor, the Performance Assurance Party (PAP) and the Operational Support Manager (OSM) will arrange the dates and times of the coming visit, complete information requests and agree working practices.

2. Site Visits

Site visits are held between November and March each year and vary in length according to the number and type of roles present at a site, and whether you are having a Full, Targeted or Limited intensity visit. Site visits are the main part of the BSC Audit. A data request is sent before each visit, and it is important that you complete this in good time to help your site visit go smoothly. The Audit team will perform sampling and checking based on the data request and Audit areas.

Please note that as a result of the site visit, the BSC Auditor might request some additional information to validate its findings.

3. Clearance Meetings

Clearance meetings are held after the site visits (between December and April each year). The Performance Assurance Party, Auditor and ELEXON will discuss the issues identified in draft Issue Documents (see below) and address any concerns that arose during the site visit. All draft Audit Issues should be reviewed in detail by this stage.

4. Issue Documents

Issue Documents are produced by the BSC Auditor, after all issues found at all Performance Assurance Parties have been reviewed collectively for consistency, and to determine impact ratings. ELEXON send out the final versions in July. Issue Documents highlight specific non-compliances against the requirements in the BSC and Code Subsidiary Documents.

The BSC Auditor assigns an impact rating to each Issue Document. Issues are categorised as having a High, Medium or Low impact. The assigned impact rating will determine if an action plan (see below) is required. For more on the rationale behind impact ratings, please visit the [BSC Audit](#) page of the [BSC Website](#).

5. Issue Resolution

Audit Issues rated Low, Medium or High (i.e. Material Issues) may require an Error and Failure Resolution (EFR) plan to be submitted. Where it is determined that an EFR plan is necessary, Parties will then work with the EFR analyst and their OSM to make sure the plan is addressing the issue. If the plans are not adhered to, the Performance Assurance Board (PAB) might request updates. These can be presented by the OSM or the Party itself may be invited to the PAB meeting.

For more details of the **Error and Failure Process** please see the [Error and Failure Resolution](#) page of the [BSC Website](#).

6. Debrief Meetings

ELEXON arranges debrief meetings which are offered to Performance Assurance Parties after the BSC Audit Report has been published each year (usually in June). A debrief meeting provides an overview of the issues identified during the Audit. These meetings are also an opportunity to discuss the requirements and timescales of the next Audit. The BSC Auditor will use these meetings to assess the progress of issues and note any changes in your procedures or systems before Audit work starts.

BSC Audit Communications System

An online tool, the BSC Audit Navigator, has been developed to act as a secure central repository for BSC Audit related documentation and a communications tool between Performance Assurance Parties, the BSC Auditor and ELEXON. Users can upload, view and download information relating to the Audit. Use of the system is optional and you can use traditional methods if you prefer.

Further Information

BSC Audit Reports and other documentation including the Audit Scope and Approach are available on the [Audits](#) page of the [BSC Website](#).

- [Error and Failure Resolution](#)
- [BSC Section H](#)
- [BSC Website](#)

For more information on the BSC Audit process, including how to access the online tool, please contact your [Operational Support Manager](#) or email bscaudit@elexon.co.uk.

For other information please contact the **BSC Service Desk** at bscservicedesk@cgi.com or call **0370 010 6950**. **Intellectual Property Rights, Copyright and Disclaimer**

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