

Change Proposal – F40/01

CP No: 1084

Version No: 1.0

Title:

Amendments to delivery of Peer Comparison Reports

Description of Problem/Issue

The Panel has directed that ELEXON should improve peer group comparison mechanisms through a Change Proposal(s). This request has been prompted by their consideration of Modification Proposal P157, 'Replacement of current Supplier Charges rules'.

Remit for peer group comparison publication exists within the Code, pursuant to paragraph J1.4.2(d), which states that:

1.4.2 The functions, duties and responsibilities of the Performance Assurance Board shall be:

- (d) the conduct and administration of (including the making of determinations under) the performance assurance standards and tests set out or referred to in BSCP 533 and BSCP 534, including the conduct and administration of, and publication of the results of, any peer group comparison associated with any such performance assurance standards and tests;*

Peer group comparison functionality is delivered primarily through BSCP534, 'PARMS Techniques'. This details the content and recipients of Peer Comparison Reports. Peer Comparison Reports detail the performance of Suppliers and Supplier Agents against specified Serials and Standards.

Current mechanisms for Peer Comparison Reports are considered to be ineffective in encouraging performance improvements, for two key reasons:

Firstly, because they are distributed only to one nominated recipient at each Supplier or Supplier Agent. This restricts the level of public visibility of performance data, which may be reducing the incentive on Suppliers and Supplier Agents to improve their performance.

Secondly, because BSCP533 and BSCP534 do not contain Serials and Standards to allow peer group comparison for all of the performance issues that PAB may wish to apply the technique to. This restricts the ability of the Performance Assurance Board (PAB) to focus market attention on those performance issues causing them particular concern at any given time through the application of the peer group comparison technique.

For the avoidance of doubt, this Change Proposal is focussing on the public Peer Group Comparison of data relating to Serials and Standards already contained within BSCP534 and does not seek to introduce new Serials and Standards at this time.

Change Proposal – F40/01

CP No: 1084

Version No: 1.0

Proposed Solution(s) *(mandatory by originator)*

1. Introduction of a new PARMS technique:

A new PARMS technique will be introduced to empower the PAB to publish Supplier Performance Assurance Serials and Standards (contained in BSCP 533 and/or 534) (“Peer Comparison Reports”) on the BSC Website. A dedicated page on the BSC Website should be established through which any user may access live and archived Peer Comparison Reports. For the avoidance of doubt, this will be a new technique to supplement existing PARMS techniques and will not replace the current system of provision of potentially more extensive Peer Comparison Reports to notified contacts within Suppliers and their Supplier Agents.

BSCP534 should stipulate that

- a PARMS technique exists allowing the PAB to publish all, none or some of the Peer Comparison Reports to the BSC Website.

2. The Serials and Standards to be published using this technique:

BSCP534 shall stipulate that:

- PAB may choose to publish all, none or some of the Serials and Standards set out within BSCP533;
- PAB is not obligated to choose to publish the same set of Serials and Standards publicly to those that are made available to the nominated recipient at each Supplier or Supplier Agent.

3. The process for changing the subset of Serials and Standards published using this technique:

BSCP534 shall set out a process for changing the subset of Serials and Standards published. This process shall stipulate:

- the objective criteria that will apply to PAB’s ability to revise the subset of Serials and Standards published [see section 4 below];
- that PAB may change the subset of Serials and Standards published if such criteria are met, but that is not obliged to do so;
- that PAB shall be obligated to give two months notice of its intention to change the subset of Serials and Standards published prior to the commencement of publication of these Serials and Standards;
- that any change to the published subset of Peer Comparison Reports may only be prospective;
- that PAB shall not be able to retrospectively change the subset of Peer Comparison Reports published in order to highlight the performance of a Supplier in a month for which PAB has already seen performance data.

Change Proposal – F40/01

CP No: 1084

Version No: 1.0

4. Criteria for a change to the Serials and Standards publicly published:

BSCP534 shall set out objective criteria for when PAB may change the subset of published Serials and Standards. The following criteria shall be stipulated:

- PAB may change the subset of Serials and Standards published to highlight a specific performance issue that has been flagged up as requiring attention by either the BSC Auditor, the Authority, the Panel or the BSCCo;
- Irrespective of whether the PAB chooses to publish Peer Group Comparison reports for a subset of Serials and Standards, it must include the performance data of all Suppliers.

5. Changes to frequency of publication

BSCP534 currently stipulates that Peer Comparison Reports shall be provided quarterly. The PAB shall be given the ability to increase this frequency to allow for a greater focus on contemporary performance.

BSCP534 shall stipulate that:

- Peer Comparison Reports shall be published every two months, or at another frequency determined by the PAB.

6. Changes to information made available to Suppliers

Suppliers currently have a five working day window in which to query the validity of data used in Peer Comparison Reports, but do not have provision to query the graphs generated from this data. The ability to query these graphs shall be introduced.

BSCP534 shall stipulate that:

- the graphs made publicly available in Peer Comparison Reports shall be made available to Suppliers at the same time as the data used to create them is made available to them for query;
- Suppliers may have a reasonable period of time within which to query the validity of the graphs as well as the data supporting them.

Justification for Change *(mandatory by originator)*

ELEXON has been requested to progress this issue by the BSC Panel who believe that broadening the recipients of Peer Comparison Reports will result in greater incentive for Suppliers and Supplier Agents to improve their performance.

Change Proposal – F40/01	CP No: 1084 Version No: 1.0
Configurable Items Potentially Affected by Proposed Solution(s) BSCP533, BSCP534	
Impact on Core Industry Documents None identified.	
Related Changes and/or Projects P157, 'Replacement of current Supplier Charges rules'	
Requested Implementation Date Reason:	
Agreed Release/Implementation Date <i>(mandatory by BSCCo)</i>	
Originator's Details: BCA Name OrganisationELEXON Email Address Date31 August 2004	
Attachments: Y/N* (If Yes, No. of Pages attached:.....) <i>(delete as appropriate)</i>	