

4.1 CP Form

Change Proposal – F40/01	CP No: 1031 Version No:
Title (<i>mandatory by originator</i>) Entry Process Testing - Clarification for Party Agents	
Description of Problem/Issue (<i>mandatory by originator</i>)	
<p>The current requirement is for Party Agents (HH and NHH MOP, DC and DA) to demonstrate compliance with the BSC and relevant BSCPs. However it is not specified within the BSC or the Code Subsidiary Documents what scenarios need to be tested and this has been interpreted as a requirement for Party Agents to test all scenarios regardless of that Agents' business operation and contractual arrangements. For example, an NHHDC may choose, for business reasons, to provide services to any Supplier wishing to use it's services in one geographic location, i.e. one GSP Group. This is simply because the NHHDC does not wish to employ meter reading (data retrieval) resources outside of this GSP Group area and has no intention of expanding this activity into new locations.. Under the current interpretation of the BSC and CSDs, confirmed by the Performance Assurance Board, this would still require the Agent to execute tests that would be irrelevant to the business operation and failure to complete these would be interpreted as not complying with the documented requirements of the Entry Process Testing</p> <p>The fundamental problem with this interpretation of the BSC is that it assumes that individual Party Agents will be 'all things to all men' and therefore does not allow for niche players wishing to restrict the provision of services to a particular geographic location or to a limited number of Suppliers. To force Party Agents to comply with this interpretation requires them to spend money setting up systems and processes to fulfill Entry Process Requirements which they will not use in the real world and for which they will not be able to recover the corresponding costs. This introduces inefficiency and cost into the industry in general and therefore acts against the objectives of the BSC and the Competition Act as it does not 'promote effective competition'.</p>	
Proposed Solution(s) (<i>mandatory by originator</i>)	
<p>This CP proposes that the BSC should be interpreted to take into consideration the Party Agents' business operation and commercial arrangements when carrying out Entry Process Testing and only those aspects appropriate to the Agents' activities should be tested. It should be noted that a safeguard already exists whereby Elexon can monitor Agents' compliance through the Supplier Hub process. Should Agents with exemptions wish to extend the scope of their activities, then further application for Entry Process Testing will be necessary.</p>	
Justification for Change (<i>mandatory by originator</i>)	
<p>The current interpretation of the BSC is at odds with the BSC objective of financial prudence/keeping costs down/etc. It is also at odds with the Competition Act as it forces Party Agents to incur additional costs to develop systems that they do not require operating their business</p>	

Change Proposal – F40/01	CP No: 1031 <i>Version No:</i>
Configurable Items Potentially Affected by Proposed Solution(s) <i>(optional by Originator)</i>	
Impact on Core Industry Documents <i>(optional by originator)</i> BSCP 512 - clarification of the interpretation of the Entry Process Requirements to take into consideration the operation and contractual agreements of Metering Agents	
Related Changes and/or Projects <i>(mandatory by BSSCo)</i>	
Requested Implementation Date <i>(mandatory by originator)</i> By 31 st January 2004, to coincide with the industry agreed date for the implementation of P62. Reason: To prevent significant and avoidable wasted investment in systems/processes that are not required and will never be used.	
Agreed Release/Implementation Date <i>(mandatory by BSSCo)</i>	
Originator's Details: <i>BCA Name Sue Macklin</i> <i>Organisation: Scottish and Southern Energy plc</i> <i>EmailAddress:sue.macklin@scottish-southern.co.uk</i> <i>Date 5th January 2004</i>	
Attachments: No <i>(delete as appropriate)</i>	