

Assessment Consultation Responses: BSC Services Manager Services Description V 1 1

Consultation issued on 18 June 2012

We received responses from the following Parties

Company	No BSC Parties / Non-Parties represented	Role of Parties/non-Parties represented
Drax Power Limited	1/0	Generator
EDF Energy	10/0	Generator/Supplier/Party Agent/ Consolidator/Exemptable Generator/Trader
Electricity North West Limited	1/0	Distributor
EnAppSys Ltd	0/1	Provision of Value Added Data and Information Services
E.ON UK	5/7	Supplier/HH DC/NHH DC
National Grid	1/0	n/a
RWE npower	10/0	Supplier/Generator/Trader/ Consolidator/Exemptable Generator/Party Agent
ScottishPower	7/0	Supplier/Generator/Trader/Consolidator/ Exemptable Generator/Distributor
SSE plc	9/0	Supplier/Generator/Trader/Consolidator/ Embedded Generator

Question 1: Does the BSC Services Manager Services Description appropriately capture all of the services that are currently provided by ELEXON Ltd?

Summary

Yes	No	More time to assess
6	1	2

Responses

Respondent	Response	Rationale
Drax Power Limited	Yes	<p>As stated in the consultation letter, the decision on which services will be included in the new BSC Services Manager's contract will be made at a later date. Therefore, the final Service Description will need to reflect the desired level of outsourcing (if any) to pursue, be subject to further industry consultation and receive Panel approval.</p> <p>This should be done in the context of an open and transparent Board process to identify:</p> <ul style="list-style-type: none"> • what services (if any) are suitable for outsourcing; • what efficiencies will be gained by pursuing such a route; • how issues surrounding brand and intellectual property will be resolved; and • how potential risk to the operation of the BSC, and BSC Parties, will be minimised. <p>On this basis, it is appropriate for the BSC Services Manager Service Description to capture the services listed. We believe that the current list is comprehensive.</p>
EDF Energy	No	<p>At a high level, we believe the Service Description captures all of the services that are currently provided by Elexon. However, that is not to say that it is adequate or satisfactory; we elaborate our concerns below.</p> <p>The consultation states that the scope of the Service Description covers all existing services "as is" and as the definition and standards of the majority of the services provided by Elexon are contained as obligations in the BSC or in Code Subsidiary Documents (CSDs) it is not the intention to replicate the contents of those documents in the Service Description.</p> <p>In practice, however, the manner in which broad headings under the BSC have been interpreted has caused concern. For example, the BSC just refers to a website; it does not go into any detail on how that website works. There is a lot more on the website/portal than described in the BSC or CSDs. The</p>

Respondent	Response	Rationale
		<p>website/portal is a service in itself now, rather like BMRS but with no specification or change process that industry/customers can influence.</p> <p>In the draft Service Description, section 3.3.7.4 Web Services, mentions "provision and maintenance of the Elexon website, the Elexon Portal and the Elexon Assurance Portal to facilitate the delivery of Web Services... ". It also goes on to list a number of document publication services and central services data publication services. But there are no further details in the BSC or CSDs which provide a detailed specification of these services. Moreover, the wording on the draft Service Description suggests that these are not exhaustive services and more could be added to the list. We need to understand whether these services remain part of the core service, or whether they will become "added cost" services owned by the service company in future.</p> <p>Similarly, as mentioned in our response to the P284 consultation, we have some reservations as to whether the BSC Services Manager should be allowed to subcontract any of the core BSC activities, especially in the early years. If this is a possibility, then the current Service Description alone will not give us the necessary comfort we require. Unless we have a complete list of services with a schedule including a detailed specification, there is a significant risk to BSC parties (and potentially BSC Services Manager) that non-specified services resulting in an additional cost. Sub-contracting complicated non-routine services can be expensive. The contract terms/service agreement, particularly with regard to change, is vitally important. Although we are pleased to see the Service Description being prepared in parallel with the P284 consultation, more time and thought needs to be expended before it is finalised.</p>
Electricity North West Limited	Yes	Electricity North West believes the BSC Service Description v1.1 appropriately captures the services currently provide by Elexon Ltd.
EnAppSys Ltd	Yes	Based upon our experience and knowledge of the market we believe that it accurately reflects the services provided by Elexon.
E.ON UK	More time	<p>Can I ask where the oversight of the assessment document will sit following the consultation – will this come to the Mod 284 workgroup or to another group?</p> <p>In terms of our ability to review the document, not having seen it before or having been involved in any discussion about its scope or the level of detail we</p>

Respondent	Response	Rationale
		would expect to see in it, I believe more time is needed to review it properly, I certainly can't do more than a cursory high level review of the document and I would have preferred to have had the opportunity to review this in a development environment.
National Grid	Yes	<p>The BSC Services Description is high level but appears to capture all of the services that are currently provided by the Elexon Ltd.</p> <p>Although the current Service Description refers to relevant BSC sections, one improvement that could be made to the Service Description is to more directly link the contents of the Service Description with those of the BSC, e.g. each section of the Services Description could clearly state the BSC section it relates to.</p>
RWE npower	Yes	<p>The document appears to capture the majority of services provided by Elexon at this time. There are a number of formatting and typo errors throughout the document, which I have not corrected.</p> <p>Comments:</p> <p>A service for maintaining distribution lists and sending out circular messages from Elexon was not found on review of this document. E.g. outages, new BSC participants.</p> <p>3.2.1.1 add 'and any new committees established by Panel.'</p> <p>3.2.1.2 typo with last bullet point.</p> <p>3.2.1.3 add 'timely' to publication of meeting schedule. Final bullet point is missing.</p> <p>3.2.1.9 capitalise Code Administrators and Code Governance Review.</p> <p>3.2.3.2 add photocopying as a bullet.</p>
ScottishPower	Yes	<p>The list of services appears appropriate and contains the main and majority if not all services. However, it needs to be recognised that where a service is not contained in this Service Description and therefore not in the BSC Service Manager Contract, BSCCo must retain the staff to perform it in house.</p> <p>Also, while we have not cross-checked or assessed this in detail, we have reviewed the document and included our comments in track-changed format (attached) for your consideration. In particular, please note our comments on the following:</p> <p>Facilities provisions (e.g. meeting rooms etc.) – we had the impression that these are to be retained by BSCCo.</p> <p>Service Levels – these are not contained in the SD and to be provided in the Contract. If this were the case, we</p>

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		<p>believe that industry should have a view, through the process of consultation or comment prior to contract completion, to ensure that standards are maintained at the current high level.</p> <p><i>Note the ScottishPower red-lined response is included as a separate Attachment B1.</i></p>
SSE plc	More time	<p>SSE have had insufficient time to review the document given the expedited timetable being pursued and other industry priorities. We cannot determine whether the scope of services is complete, but on face value it seems substantial. However, it does not describe the required standards of service and targets in any detail, nor does it describe the detailed incentive package that will apply for meeting standards or compensation package for failing to meet standards. As such, BSC Parties cannot gain assurance from this document that service quality levels will be maintained.</p> <p>Equally, it may be the case that certain functions are more efficiently retained within BSCCo and not outsourced. It is not clear that the structure of the current document allows a modular “plug and play” approach to the outsourcing of BSC Services.</p>