



## Final CP Report – CP1406

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<b>Date</b>	29 April 2014
<b>Purpose of paper</b>	For Information
<b>Summary</b>	This report provides details of the background, solution, impacts, industry views and the PAB, ISG and SVG's final views on its decision to approve CP1406 'Electronic version of the Self Assessment Document'.

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### 1. Why Change

#### Background

The current Self Assessment Document (SAD), found in Appendix 1 to BSC Procedure (BSCP) [537](#) 'Qualification Process for SVA Parties, SVA Party Agents and CVA Meter Operators', is a large Word-based document. New entrants or Qualified Persons, going through Qualification or re-Qualification respectively, must complete this.

#### What is the issue?

Having a large continuous document makes it difficult for the Applicant to both complete and submit the SAD in separate sections. Currently, the Applicant separates the Word document into different sections whilst trying to maintain the formatting. In addition, it has to attach supporting evidence separately.

ELEXON raised CP1406 'Electronic version of the Self Assessment Document' on 31 January 2014 to address this issue.

### 2. Solution

In addition to the current SAD submission process of submitting a Word document, this CP proposes to have an alternative electronic version of the SAD available to complete via an online portal.

KPMG, as the current Auditor and Qualification Service Provider (QSP)<sup>1</sup>, will host the electronic SAD using its 'ELEXON Navigator' tool, which will be hosted on KPMG's servers. This is an online tool which features an online version of the SAD.

This CP will require amendments to BSCP537 to include the additional alternative option to complete and submit the SAD either electronically or via the Word document.

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<sup>1</sup> <http://www.elexon.co.uk/wp-content/uploads/2013/11/Qualification-Approach-Document-for-year-ending-30-September-2014.pdf>



Having the option for the SAD to be completed electronically as well as through the current Word version would be helpful for the Applicants, ELEXON and the QSP.

Introducing an optional electronic format of the SAD will be more user friendly for Applicants, as it will allow them to submit separate SAD sections and to attach supporting evidence more easily. This will also reduce the amount of time spent on the application as each section will be on a separate webpage containing the relevant questions. The electronic version of the SAD will also enable ELEXON to manage queries from Parties during the Qualification process itself, including the ability for ELEXON to log on and support those currently in the process. As is the current process, Applicants will still be reminded regularly at the beginning of the Qualification process that they will need to send the SAD and other data directly to KPMG as the QSP, rather than to ELEXON.

The electronic SAD will provide ELEXON with one central location where all SADs for different Applicants can be stored electronically. This will provide ELEXON with easier and faster access to all submitted SADs. It will also subsequently provide better version control during the review cycle, as the tool will provide better tracking options of when the SAD sections are submitted. In turn, this will improve the efficiency of the Qualification process by giving the QSP an earlier opportunity to review submitted SAD sections. The one central location will also make it easier to locate and search for information within the SADs, and allow for key items of data to be indexed e.g. company name, system used, name of third party consultant used etc.

It should be noted that the Navigator is currently ready to use but will not be switched on until the amendments to BSCP537 have been made.

### 3. Impacts and Costs

#### Central impacts and costs

CP1406 will require a minor update to BSCP537, with no central system impacts as the tool is already in place.

ELEXON estimated costs and potential impacts		
Document Changes	System Changes/Impacts	Total Costs
BSCP537	No system changes or impacts identified	1 man day equating to £240

#### Participant impacts and costs

Six of the 12 respondents to the CP Impact Assessment indicated an impact, but only to the extent that a new option is available. Two of these respondents also advised that they would only be impacted should they submit a re-Qualification application.

Only two of the twelve respondents indicated that there may be associated costs with CP1406, although they indicated that these are negligible.



## 4. Implementation Approach

CP1406 is targeted for implementation on 26 June 2014 as part of the June 2014 BSC Systems Release.

Four of the 12 respondents commented on the implementation approach, indicating that they had a neutral view on the proposed Implementation Date as CP1406 would not impact them. One of these respondents commented that they would prefer to have a chance to test both methods in 2014, but noted that the electronic version is only an alternative option.

## 5. Industry Views

ELEXON issued CP1406 for CP Impact Assessment via CPC00737. We received 12 responses, of which 11 agreed with the CP and one was neutral.

The following table shows the breakdown of responses. You can find the full collated participant responses to CP1406 in Attachment B and on the [CP1406](#) page of the BSC Website.

### Summary of Responses for CP1406

Organisation	Capacity in which Organisation operates (Supplier, Licensed Distribution System Operator (LDSO) etc.)	Agree?	Impacted?
British Gas	Supplier	Yes	No
EDF Energy	Supplier, Half Hourly (HH) and Non Half Hourly (NHH) Meter Operator Agent (MOA), NHH Data Collector (DC) and NHH Data Aggregator (DA)	Yes	Yes
Electricity North West	Licensed Distribution System Operator (LDSO)	Yes	Yes
E.ON	Supplier, HHDC, NHHDC, HHMOA, NHHMOA, HHDA, NHHDA	Yes	Yes
Northern Powergrid Northeast and Yorkshire	LDSO	Yes	Yes
RWE Npower	Supplier, Supplier Agents (HH & NHH)	Neutral	No
ScottishPower	Supplier, Generator, LDSO, Supplier Agents	Yes	Yes
SSE Energy Supply Ltd	Supplier	Yes	No
SSEPD	LDSO	Yes	No
TMA Data Management Ltd	HHDC, NHHDC, HHDA, NHHDA	Yes	No
UK Power Networks	LDSO, Supplier Meter Registration Agent (SMRA)	Yes	Yes
Western Power Distribution	LDSO	Yes	No

All respondents agreed that introducing an alternative means of submitting the SAD will enhance the Qualification and re-Qualification processes. Respondents commented that they were supportive of the efficiencies the process may bring to Parties, as the change:



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- Removes the need for the applicant to submit the relevant sections by email (either all sections at once or individually);
- Enables a direct input through the Navigator tool; and
- Gives improved access to review previous SAD submissions.

Respondents noted that the change will not benefit those Parties who choose to continue to use the current method or those that would still need an internal sign off even if they submitted online.

Two respondents highlighted the impact of accessing the SAD online on security, protection and transfer of data. ELEXON confirmed that secure access will be one of the main focuses during implementation. We highlighted that the Navigator is hosted on secure KPMG servers within the European Union. Participants who want to use the ELEXON Navigator will have to submit a 'Request for Login' form which will only grant access to the specific individuals (who will only be able to access and view their own Participant page), although KPMG as the QSP and ELEXON will have access to all Participant pages.

One respondent also questioned whether there would be a receipt acknowledgement for the electronic submission. ELEXON noted that at every point that an update or submission is made on the Navigator by a user (e.g. document upload, query raised or online SAD section submission), an alert will be sent out to notify the changes that have been made. We also noted that the final electronic submission of the SAD will need a scanned copy of the Director's signed off page of the SAD.

## Comments on the proposed redlining

No comments were received on the proposed redlined text for CP1406.

## 6. Final Decision

### PAB, ISG and SVG's final views and decision

ELEXON presented CP1406 to the PAB<sup>2</sup> at its meeting on 27 March 2014 for endorsement and to the ISG<sup>3</sup> and SVG<sup>4</sup> for approval at its meetings on 25 March 2014 and 1 April 2014 respectively.

ELEXON presented the background, solution, impacts and industry views for CP1406. ELEXON invited the PAB to endorse and the ISG and SVG to approve CP1406 for implementation in the June 2014 Release.

An ISG Member noted that all of the respondents to the CP Consultation were from organisations that would not necessarily use the Self Assessment process. The Member asked that ELEXON consider getting a view on

<sup>2</sup> Further information on this meeting, including the CP1406 paper, can be found on the PAB158 page of the BSC Website [here](#).

<sup>3</sup> Further information on this meeting, including the CP1406 paper, can be found on the ISG155 page of the BSC Website [here](#).

<sup>4</sup> Further information on this meeting, including the CP1406 paper, can be found on the SVG158 page of the BSC Website [here](#).



CP1406 from industry participants that may have recently been through the process. Another ISG Member commented that its organisation had recently been through the process and that the changes proposed by CP1406 would have made the process a lot easier. The Member added that they are currently producing a Self Assessment Document and that if this process had been in place, then they would have used it. An ISG Member questioned how the use of this system might work in practice within larger organisations. The Member added that there are a lot of internal processes to prepare all the material required for a Self Assessment Document. This means that someone will work on creating a Word document and then have to paste all the information into an online form. Another Member noted that their organisation has one team who deals with this process so that a single document does not have to travel to different teams or departments. The Member noted that having an online portal where someone could put their part of the text in would simplify the internal processes at their organisation.

An ISG Member questioned the practicality of using this system and wondered if organisations would become dependent on and 'pull away' from internal processes. ELEXON advised the ISG that the use of the online form is optional and that Applicants can still fill in a hard copy or a Word document and send that in via email (which is what most people are doing now).

An ISG Member noted that CP1406 prompted more questions to be raised, for example, by using this tool. ELEXON may have limited options in future procurement for this role. Another Member agreed with this view and questioned whether it is ELEXON who owns the software and data or if in fact it is KPMG. ELEXON advised that the tool is being developed by KPMG and is therefore under their ownership. However, ELEXON owns the data that goes into the system and can request the data at any time.

An ISG Member queried whether a new bidder in the procurement process would need to develop a similar tool as it was highlighted that this may become a barrier for those wishing to tender for the role in future. ELEXON advised that it did not take the implementation costs of a bidder into consideration when procuring for the role as it would be seen to be an unfair advantage to the current service provider. This assessment decision should again be taken into account during the next procurement to maintain a fair assessment of any bidders.

An ISG Member noted that, based on the discussions, it would appear that any service provider who wishes to tender for this role will need to produce an online tool and therefore the service provider would need to take the price of that development into account. ELEXON confirmed that this could be something it considers when procuring for the role in future, and that a service provider being able to develop and provide a tool should be an additional benefit and not a requirement.

ELEXON advised the ISG that the previous service provider developed the tool as an innovation to the service and the use of this tool was successful. However, ELEXON noted that it awarded the contract to the best bidder at that particular point in time and elected to move away from the current service provider. An ISG Member wished to clarify that if this role was re-procured, ELEXON would request to receive the data it owned. ELEXON advised that it would request for all the data to be returned before the tool is decommissioned.



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An ISG Member noted that, if CP1406 is approved the requirement for an online Self Assessment Document (and the developed tool in question) will be implemented as part of the CP. ELEXON responded that CP1406 has been developed to support what ELEXON currently has and not for the new tool to be developed as this is already in place. ELEXON clarified that CP1406 is simply putting the additional option to send an electronic Self Assessment Document into BSCP537. The ISG Member noted that by putting this option into the BSCP, ELEXON are formally noting this tool as an ELEXON system. The Chairman referred to the proposed BSCP537 redlining for CP1406 and noted that the tool is not specifically mentioned but rather the additional option of an alternative 'electronic method'.

An ISG Member queried whether ELEXON could hold the Intellectual Property (IP) of the tool in the future and whether it would then be possible to assign the tool to any service provider that tendered for the role. ELEXON commented that it did not want to formalise the tool as it may limit innovation on a similar tool in the future.

An SVG Member queried whether it should be mandated for the Self-Assessment Document (SAD) to be submitted electronically. Members of the SVG highlighted that if they did this they would then have to wait longer for the change to be implemented due to the impact on participants. An SVG Member also noted that although some respondents to the CP Impact Assessment indicated that they agreed with the change, they commented that they would still use the original option of submitting the Word document. An SVG Member commented that an optional solution gave immediate benefits to 'early adopters', and that mandating use of the electronic SAD could be potentially considered again in the future.

No PAB Members had any further comments.

## Final decision

The PAB endorsed and the ISG and SVG approved CP1406 for implementation on 26 June 2014 as part of the June 2014 BSC Systems Release and agreed the proposed amendments to BSCP537.

### Attachments:

Attachment A – BSCP537 Redlining v0.1

Attachment B – CP1406 Consultation Responses

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