



## Final CP Report – CP1391

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<b>Date</b>	25 June 2013
<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/SVG's final views on its decision to endorse/approve CP1391 'Clarify the existing MDD registration criteria for new Suppliers within the MDD (BSCP509) and Qualification (BSCP537) procedures'.

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### 1. Why Change

#### Background

Following questions from Supplier Volume Allocation Group (SVG) Members, we have recently presented two SVG papers ([142/01](#)<sup>1</sup> and [144/08](#)<sup>2</sup>) clarifying the criteria under which new market participants (and specifically Suppliers) register in Market Domain Data (MDD). In the case of new Suppliers, this involves registering their Market Participant ID (MPID) with the associated Market Participant Role and their Base BM Units.

These papers included our advice that:

- The MDD registration criteria, as set out in BSCP509<sup>3</sup> Appendix 4.3 and introduced by Change Proposal [\(CP\) 1150](#)<sup>4</sup>, distinguish between:
  - New Suppliers and new Licensed Distribution System Operators (LDSOs) who, before registering a MPID and Market Participant Role code in MDD, are only required to have completed Qualification to the point at which they have proven they can communicate with central BSC Systems (as per BSC Section A4.1.5) and whose Qualification does not need to have been approved by the Performance Assurance Board (PAB);
  - New Party Agents, whose Qualification needs to be approved by the PAB before they can register in MDD; and
  - Existing LDSOs, whose Qualification needs to be approved by the PAB before they can register Grid Supply Point (GSP) Group Distributor and Supplier Meter Registration Agent (SMRA) Appointment data in MDD;

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<sup>1</sup> 'Registering New Participants in MDD'.

<sup>2</sup> 'Registration of New Suppliers'.

<sup>3</sup> 'Changes to Market Domain Data'.

<sup>4</sup> 'MDD Registration Principles' (implemented in 2006).



- As noted in BSCP65<sup>5</sup> Section 4.1, a new Supplier needs to register its Market Participant information within Central Registration Agent (CRA) systems and MDD systems at the same time, and the effective dates registered with the Central Registration Agent (CRA) and in MDD must match in order for central systems to interface effectively;
- BSC Section A4.1.3 requires a Party to register in CRA systems (and thereby MDD systems) promptly upon acceding to the BSC; and
- Suppliers are automatically allocated a Base BM Unit per GSP Group upon registering in CRA systems (as per BSC Section K3.3.1), and in accordance with BSCP65 Section 4.1 the effective dates held in CRA and MDD systems for these BM Units must match.

In SVG papers 142/01 and 144/08, we also noted that we had reviewed BSC Sections A<sup>6</sup> and J<sup>7</sup>, and BSCPs 15<sup>8</sup>, 65, 509 and 537<sup>9</sup>, and believed them to be consistent with the exception of two minor issues which we intended to address through a CP.

## What are the issues?

The two minor issues identified are:

### ***Issue 1 - BSCP537 Section 2.1 'Qualification Process'***

The existing wording of steps 2.1.19 and 2.1.20 could, if read in isolation, imply that all new market participants (and not just Party Agents and SMRAs) require PAB approval of their Qualification before registering in MDD.

The steps do cross-reference BSCP509, which states that this is not the case for new Suppliers and new LDSOs.

### ***Issue 2 - BSCP509 entity 61 form 'BM Unit for Supplier in GSP Group'***

A Supplier is required to complete an entity 61 form at the point of initial registration with the CRA. The notes for the 'Effective From Date' within the form currently state that it is "the date on which the Market Participant was Qualified as a Supplier". As there is no requirement for the Supplier to have completed Qualification before registering in CRA/MDD, this wording is misleading.

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<sup>5</sup> 'Registration of Parties and Exit Procedures'.

<sup>6</sup> 'Parties and Participation'.

<sup>7</sup> 'Qualification'.

<sup>8</sup> 'BM Unit Registration'.

<sup>9</sup> 'Qualification Process for SVA Parties, SVA Party Agents and CVA MOAs'.



The entity 61 form is used to ensure that the "effective from" dates of the Supplier's Market Participation Role and Supplier Base BM Units match. Without these matching, central systems will not interface effectively.

## 2. Solution

[CP1391](#) 'Clarify the existing MDD registration criteria for new Suppliers within the MDD (BSCP509) and Qualification (BSCP537) procedures' was raised on 22 March 2013 by ELEXON to address the issues set out above by proposing the following solutions:

### *Issue 1*

Amend BSCP537 Section 2.1 to clarify that a new Supplier or a new LDSO does not need to have their SVA Qualification approved by the PAB before they can register in MDD. The Proposed changes to BSCP537 are provided in Attachment A.

### *Issue 2*

Amend notes for BSCP509 entity 61 to clarify that the 'Effective From Date' (of the Supplier's Market Participation Role) must match the Effective From Date {BMUIGG} and the Supplier Base BM Unit in CRA. The Proposed changes to BSCP509 Appendix: MDD Entity Change Request Forms are provided in Attachment B.

## 3. Impacts and Costs

### Central Impacts and Costs

CP1391 will require updates to BSCP537 Section 2.1 and to the BSCP509 entity 61 notes. The following table shows the estimated ELEXON implementation effort:

ELEXON Estimated Implementation Costs		
Documents	Systems	Total
BSCP537	No system changes or impacts identified.	1 man day effort equating to £240
BSCP509 Appendix		(included in above)

### Participant Impacts and Costs

As the proposed changes are for clarification only, CP1391 has no impact or cost for any participants.



## 4. Implementation Approach

CP1391 is targeted for implementation as part of the November 2013 BSC Release on 7 November 2013, which is the next available release.

## 5. Industry Views

ELEXON issued CP1391 for Participant Impact Assessment via CPC00727. We received ten responses of which nine agreed with the CP and one was neutral.

A breakdown of responses is shown in the following table. You can find the full collated participant responses to CP1391 in Attachment C and on the BSC website [here](#).

Summary of Responses for CP1391			
Organisation	Capacity in which Organisation operates	Agree?	Impacted?
British Gas	Supplier, Meter Operator	Yes	No
EDF Energy	Supplier, NHHDC, HHDC, Meter Operator	Yes	No
Electricity North West	Distributor	Yes	No
Northern Powergrid	Distributor, UMSO	Neutral	No
Npower	Supplier and Supplier Agents (HH & NHH)	Yes	No
ScottishPower	Supplier, NHHDC, NHHDA	Yes	No
Southern Electric Power Distribution (SOUT)/ Scottish Hydro Power Distribution (HYDE)	Distributor	Yes	No
SSE Energy Supply Ltd	Supplier, NHHDC, Meter Operator	Yes	No
TMA Data Management Ltd	HHDC, HHDA, NHHDC and NHHDA	Yes	No
Western Power Distribution	Distributor	Yes	No

No respondents are impacted by CP1391. Only a few respondents provided comments agreeing that the change will clarify the requirements to remove uncertainty and should assist new entrants on entering the market.

### Comments on the Proposed Redlining

No comments were received on the proposed redlined changes to BSCP537 or BSCP509 Appendix.



## 6. Final Report

### PAB/ISG/SVG's Final Views

**ELEXON presented CP1391 to the PAB for endorsement at its meeting on 30 May 2013<sup>10</sup> and to the ISG and SVG on 3 June 2013<sup>11</sup> and 4 June 2013<sup>12</sup> respectively for approval.**

ELEXON outlined the background, solution, impacts and industry views to the PAB, ISG and SVG on CP1391. Each Committee was invited to consider the report and to reach a decision on whether to endorse (in the case of PAB) or approve (in the case of ISG/SVG) the CP and its proposed implementation.

At its meeting on 3 June 2013, an ISG member stated that it seemed appropriate that Parties should be qualified before being able to register and questioned why this is not the case. ELEXON responded that the CRA and MDD registrations have to be undertaken in parallel, and that the BSC is clear that new Suppliers do not need to be SVA Qualified before doing so. ELEXON noted that the SVG has considered the appropriateness of, and potential risks associated with, this, however, CP1391 simply ensures that the existing rules are clear and is not seeking to change them. The ISG noted that CP1391 mainly affects the CRA in ISG's concern. An ISG member recommended that the ISG should follow the SVG's decision in this case.

No comments or questions were asked by members of the PAB or SVG regarding CP1391.

### Final Decision

The PAB endorsed and both the ISG and SVG approved CP1391 for implementation on 7 November 2013 as part of the November 2013 BSC Systems Release. The PAB, ISG and SVG agreed with the proposed amendments to BSCP537 and BSCP509 Appendix: MDD Entity Change Request Forms.

### Attachments:

Attachment A – BSCP537 Redlining v0.1

Attachment B – BSCP509 Appendix: MDD Entity Change Request Forms Redlining v0.1

Attachment C – CP1391 Consultation Responses

### For more information, please contact:

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<sup>10</sup> Further information on this meeting, including the CP1391 paper, can be found on the PAB148 page of the BSC Website [here](#).

<sup>11</sup> Further information on this meeting, including the CP1391 paper, can be found on the ISG145 page of the BSC Website [here](#).

<sup>12</sup> Further information on this meeting, including the CP1391 paper, can be found on the SVG148 page of the BSC Website [here](#).