



CP Report – CP1391

Meeting Name	Supplier Volume Allocation Group
Meeting Date	4 June 2013
Purpose of paper	For Decision
Summary	This report provides details of the background, solution, impacts and industry views for CP1391 'Clarify the existing MDD registration criteria for new Suppliers within the MDD (BSCP509) and Qualification (BSCP537) procedures'. We invite the SVG to approve the CP for implementation in the November 2013 Release.

1. Why Change

Background

Following questions from Members, we have recently presented two SVG papers ([142/01](#)¹ and [144/08](#)²) 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 BSCP509³ Appendix 4.3 and introduced by Change Proposal ([CP](#)) [1150](#)⁴, 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;

¹ 'Registering New Participants in MDD'.

² 'Registration of New Suppliers'.

³ 'Changes to Market Domain Data'.

⁴ 'MDD Registration Principles' (implemented in 2006).

- As noted in BSCP65⁵ 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 in CRA and 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 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 A⁶ and J⁷, and BSCPs 15⁸, 65, 509 and 537⁹, 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 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.

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.

⁵ 'Registration of Parties and Exit Procedures'.

⁶ 'Parties and Participation'.

⁷ 'Qualification'.

⁸ 'BM Unit Registration'.

⁹ 'Qualification Process for SVA Parties, SVA Party Agents and CVA MOAs'.



2. Solution

We raised [CP1391](#) 'Clarify the existing MDD registration criteria for new Suppliers within the MDD (BSCP509) and Qualification (BSCP537) procedures' on 22 March 2013 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. You can find our proposed changes to BSCP537 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. Attachment B contains our proposed changes to BSCP509 Appendix: MDD Entity Change Request Forms.

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's effort, equating to £240.
BSCP509 Appendix		

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. SVG's Initial Views

ELEXON presented the New CP Progression paper for CP1391 to the SVG at its meeting on 5 March 2013 ([SVG145/08](#)). SVG Members had no comments on the CP at that stage.

6. 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.

The following table shows the breakdown of responses. 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.

Comments on the proposed redlining

No respondents commented on the proposed redlined changes to BSCP537 or BSCP509 Appendix.

7. Recommendations

Assessment review

CP1391 proposes to make document changes to the wording in BSCP537 Qualification Process and to an MDD Entity form in BSCP509 Appendix, to provide clarity and to address the two minor issues identified.

No respondents to the Participant Impact Assessment disagree with the CP or its proposed Implementation Date.

CP1391 has no Central Volume Allocation (CVA) impact. However, as BSCP537 is jointly owned by the SVG and the Imbalance Settlement Group (ISG), we will also present CP1391 to the ISG on 3 June 2013 for approval. Whilst the change is not directly linked to matters that the PAB oversees, we will also present the CP to the PAB on 30 May 2013 for endorsement due to its impact on BSCP537.

Recommendations

ELEXON invites the SVG to:

- a) **NOTE** that CP1391 was presented to the PAB for endorsement on 30 May 2013 and to the ISG for approval on 3 June 2013;
- b) **APPROVE** CP1391 for implementation on 7 November 2013, as part of the November 2013 Release; and
- c) **AGREE** the proposed amendments to BSCP509 Appendix: MDD Entity Change Request Forms and BSCP537.

Appendices:

None

Attachments:

Attachment A – BSCP537 Redlining v0.1

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

Attachment C – CP1391 Consultation Responses

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