

CP1413 ASSESSMENT CONSULTATION

About this document

This is an Assessment Consultation document, which provides details of the background, solution, potential impacts and costs associated with CP1413 'Amendments to BSCP535 'Technical Assurance' following a review'. This document is for information only, to be used in line with the Consultation Response form, to which this document is attached.

1. Why Change?

Background

The [Technical Assurance of Performance Assurance Parties](#) (TAPAP) is one of the [Performance Assurance Techniques](#)¹ (PAT)s within the [Performance Assurance Framework](#)² (PAF).

The TAPAP technique is a detective technique that provides assurance that Performance Assurance Parties (PAPs) are meeting their obligations under the Balancing and Settlement Code (BSC) and supporting Code Subsidiary Documents (CSDs). The technique has been designed to uncover non-compliance within the BSC and CSD processes. It is also used to review industry processes and recommend steps to improve existing processes. The TAPAP processes are set out in [BSCP535 'Technical Assurance'](#).

The Performance Assurance Board (PAB) agrees the scope of work for the TAPAP technique annually (and throughout the audit year, as necessary). The scope of the TAPAP is determined by areas of risk to the Settlement processes, in accordance with the Settlement Risks identified within the [Risk Evaluation Register](#) (RER).

What is the issue?

BSCP535 has not been reviewed since 2009. ELEXON has therefore carried out a review of BSCP535 and identified a number of changes. The PAB considered these changes on 24 April 2014 ([PAB159/08](#)). ELEXON raised [CP1413](#) to take the review outcomes forward, following the PAB's consideration of the changes.

2. Solution

Proposed solution

CP1413 proposes to make a number of changes to BSCP535. These changes fall under one of the following categories:

- Housekeeping changes – to correct typographical errors;
- Clarification changes – to add clarity;
- Process reflection – to reflect how the TAPAP technique is operated in practice; and
- Process improvement – to include enhancements to the existing process.

Full details of each change are set out in the following table. Where new process steps are proposed, subsequent process steps within BSCP535 will need to be renumbered.

¹ The PATs are a complementary set of preventive, detective, incentive and remedial assurance techniques. These techniques are used flexibly to address Settlement Risks. The techniques must address both risks to Settlement and the impact of actual failures or errors in Settlement.

² The PAF is in place to provide assurance that: Energy is allocated between Suppliers efficiently, correctly and accurately; Suppliers and Supplier Agents transfer Metering System data efficiently and accurately; and Calculations and allocations of energy and the associated Trading Charges are performed in line with the requirements detailed in the BSC.

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Proposed change	BSCP535 section reference	Description	Category
Section 1			
1	1.1	Inclusion of a reference to the PAB Terms of Reference	Process reflection
2	1.4.1	Correction of 'Auditor' to 'Auditor'	Housekeeping
3	1.4.1	Correction of 'BSSCo' to 'BSCCo'	Housekeeping
4	1.4.1	Correction of 'it's' to 'its'	Housekeeping
5	1.4.1	Acknowledgment that the scope of work will be published through the Risk Operating Plan	Clarification change
6	1.4.1	Inclusion of the milestone for Performance Assurance Parties (PAPs) to agree check results within 2 Working Days – as per the process steps	Process reflection
7	1.4.1	Acknowledgement that the PAP may <i>or</i> may not (not must) be asked to provide rectification details in accordance with BSCP538 'Error and failure Resolution' (EFR) if a non-compliance is identified	Process reflection
8	1.4.1	Reflecting that the Delegated Authority will report to the PAB on all check types and not just targeted checks	Clarification change
9	1.7	Inclusion of BSCP501 'Supplier Meter Registration Service' and BSCP513 'Bulk Change of NHH Supplier Agent' in the Associated BSC Procedures table	Process reflection
Section 3			
10	3.1	Acknowledgement that the PAB approves (rather than notifies the BSCCo of) the scope of work for the TAPAP technique through the Risk Operating Plan (ROP)	Clarification change
11	3.2.1	Removal of 'Telephone' communication method for formal notification of a TAPAP check (whilst it's very likely that a PAP would initially be made aware of a check via a telephone call, the formal notification would be in accordance with the BSCP forms)	Process reflection
12	3.2.2 (new process step)	Inclusion of obligation on the PAP to formally acknowledge the proposed TAPAP check within 5 Working Days of formal notification	Process improvement

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Proposed change	BSCP535 section reference	Description	Category
13	3.2.3 (renumbered from 3.2.2)	Amendment of this step to reflect the new step 3.2.2 (change #12) Additionally, removal of the telephone communication method to supply the required information prior to the TAPAP checks	Process reflection
14	3.2.4 (renumbered from 3.2.3)	Inclusion of the word 'sampling' as a method of performing the TAPAP checks	Process reflection
15	3.2.7 (renumbered from 3.2.6)	Acknowledgement that the TAPAP technique may be a single or series of checks	Process reflection
16	3.2.8 (new process step)	Inclusion of an obligation on the Delegated Authority to report back to the PAB on the findings of the TAPAP check(s) and seek approval to apply the Error and Failure Resolution (EFR) technique if appropriate	Process reflection
17	3.2.9 (renumbered from 3.2.7)	Inclusion of the words 'if appropriate', to clarify that the EFR technique may <u>or</u> may not be appropriate for resolving identified non-compliance (for example, it may not be appropriate to apply the EFR technique where the fix is simple and 'costs' less than administering the EFR technique)	Clarification change
18	3.4.4	Addition of the word 'PAB' into the method section, to clarify that the PAB must be informed of appeal decisions through a PAB Paper	Clarification change
19	3.4.5	Removal of PAP from the 'To' section The PAP would receive the decision on an appeal through the Delegated Authority, although in practice this may all be performed with all parties in the same room	Housekeeping
20	3.4.5	Replacement of 'Written Communication' with 'Minutes of meeting' in the Method section This is to reflect that the decision is recorded in the meeting minutes; however, the communication is likely to include formal written communication and this would be managed between the ELEXON Operational Service Manager (OSM) and the PAP	Housekeeping

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Proposed change	BSCP535 section reference	Description	Category
21	3.4.7	Removal of reference to BSCP538 from the Action and Information Required sections, to clarify that the EFR technique may <u>or</u> may not be appropriate for resolving identified non-compliance that had been appealed	Clarification change
22	3.4.7	Amendment to the Method section to reflect that the outcome would be communicated to the PAP through written communication and the use of the EFR technique, if appropriate	Clarification change
Section 4			
23	4.8	Acknowledgement that the structure of the forms will be agreed between the PAP, PAB and the 'Delegated Authority', rather than BSCCo as the TAPAP checks could be contracted out	Clarification change
24	4.8 BSCP535/01	Change the form title from 'Site Selection of a TAPAP check' to 'Notification of a TAPAP check'	Clarification change
25	4.8 BSCP535/01	<ul style="list-style-type: none"> Removal of 'Proposed Time of Check' – in practice this happens once a date has been agreed and an agenda prepared in collaboration with the PAP) Replacement of 'BSCCo' with the 'Delegated Authority' in reference to determination of the 'Check Reference' Addition of clarity to the details that should be included when requesting documentation from the PAP Housekeeping changes to improve the flow of the text in the section Addition of clarity around when the PAP must accept the proposed TAPAP check New item addition – Date by which the PAP must provide the required documentation Addition of clarity around the contact details for the delegated Authority 	Process reflection Clarification change Clarification change Housekeeping Clarification change Process improvement Clarification change
26	4.8 BSCP535/02	Change of form title from 'Confirmation of Attendance' to 'Acceptance of TA Check'	Clarification change

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Proposed change	BSCP535 section reference	Description	Category
27	4.8 BSCP535/02	<ul style="list-style-type: none">Replacement of 'BSCCo' with the 'Delegated Authority' in reference to determination of the 'Check Reference'Removal of 'Proposed Time of Check' – in practice this happens once a date has been agreed and an agenda prepared in collaboration with the PAP)Housekeeping changes to improve the flow of the text in the section	Clarification change Process reflection Housekeeping
28	4.8 BSCP535/06	<ul style="list-style-type: none">Housekeeping changes to improve the flow of the text in the sectionReplacement of 'BSCCo' with the 'Delegated Authority' in reference to determination of the 'Check Reference'	Housekeeping Clarification change

CPC Consultation Question

Do you agree with the proposed changes?

Please provide your rationale

3. Impacts and costs

Central impact and costs

This CP will require updates to BSCP535 to implement the proposed solution and you can find the proposed changes in Attachment B. No system changes will be required for this CP.

Central impacts	
Document impacts	System impacts
BSCP535	None

The central implementation costs for CP1413 will be approximately £240 (1 man day) for ELEXON to implement the relevant document changes. There are no BSC Agent costs or impacts

BSC Party and Party Agent impacts

The changes to BSCP535 will have an impact on the how TAPAP checks are carried out. The impact of the changes to parties subject to TAPAP checks should be minor as CP1413 aims ensure that BSCP535 reflects how the TAPAP

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technique is operated in practice, including recent process improvements to ensure the efficient and effective operation of the PAT.

BSC Party & Party Agent impacts	
BSc Party/Party Agent	Impact
LDSOs	Minor – The proposed changes to BSCP535 will reflect how the TAPAP technique is operated in practice
Suppliers	
HHDAAs	
HHDCs	
HHMOAs	
NHHDAAs	
NHHDCs	
NHHMOAs	

CPC Consultation Question

Is your organisation impacted?

If 'yes', please answer the following questions:

(a) How is your organisation impacted?

Please provide a description of the impact(s) on your organisation and any activities which you will need to undertake between the approval of CP1413 and CP1413 Implementation Date (including any necessary changes to your systems, documents and processes). Where applicable, please state which of the roles that you operate as will be impacted and any differences in the impacts between each role.

(b) What are the associated costs on your organisation to implement this change?

Please provide details of these costs, how they arise and whether they are oneoff or on-going costs.

4. Implementation approach

Proposed Implementation Date

CP1413 is proposed for implementation on 6 November 2014 as part of the November 2014 BSC Systems Release as this is the earliest Release that this CP can be included in. Also the proposed changes to BSCP535 will reflect how the TAPAP technique is operated in practice and by implementing these changes in the November 2014 Release will ensure BSCP535 is aligned with current practice as quickly as possible.

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CPC Consultation Question

Do you agree with the implementation approach?

Please provide your rationale.

5. SVG initial views

We presented CP1413 to the SVG for comment at its meeting on 3 June 2014 (SVG160/10). The SVG had no initial comments on the proposed changes.

Appendices

None

Attachments

Attachment A: CP1413 form

Attachment B: BSCP535 redlining v0.1

For more information, please contact;

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