

Redlined BSCP537 text for P344

P344 proposes changes to sections 1.1, 1.2, 1.6, 2.1, 2.2, 2.4, 3.4 and 3.6. We have redlined these changes against Version 8.0

There is no impact on any other part of this document for this change.

Amend section 1.1 to 1.2 as follows:

1. Introduction

1.1 Scope and Purpose of the Procedure

The purpose of this BSCP is to set out the process that Applicants must follow so that they can be Qualified under the Balancing and Settlement Code (the Code). Qualification ensures that all those participants who are required to be Qualified have developed their systems and processes to accepted industry standards and are able to fulfil the requirements of the Code.

It also defines the roles and responsibilities of the main users. In addition it specifies various processes associated with Qualification including the Removal of Qualification and Re-Qualification processes.

The Qualification Documentation, as defined in Section J of the Code, consists of BSCP537 Appendix 1 ‘Self Assessment Document (SAD)’, and BSCP537 Appendix 2 ‘Testing Requirements’; BSCP537 Appendix 3 is ‘Guidance Notes on Completion of the SAD’.

The table below sets out which Applicants or Qualified Persons are subject to the processes set out in Section 2 ‘Interface and Timetable Information’.

	Supplier	SMRA	UMSO	HHDC	NHHDC	HHDA	NHHDA	HH SVA MOA	NHH SVA MOA	CVA MOA	MA	VLP
Qualification Process	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Re-Qualification Initiating Process		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Removal of Qualification Process				✓	✓	✓	✓	✓	✓	✓	✓	
Annual Statement of Qualified Status Process		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Surrender of Qualification Process				✓	✓	✓	✓	✓	✓	✓	✓	
Change of Ownership Process				✓	✓	✓	✓	✓	✓	✓	✓	
Derogations Process				✓	✓	✓	✓	✓	✓	✓	✓	
Compliance with P62		✓										

1.2 Risk Based Performance Assurance Framework

Performance Assurance Techniques (PAT) will be applied to a [Performance Assurance Party \(PAP\)](#) based on the net significance of the applicable Settlement Risk and an assessment of the PAP's contribution to the Settlement Risk.

Settlement Risks and their net significance are captured on the Risk Evaluation Register. All the Settlement Risks identified are rated in terms of severity of impact and probability (including a weighting for the strength of controls).

The Settlement Risks are assigned Performance Assurance Techniques to mitigate those risks and these Performance Assurance Techniques are recorded in the Risk Operating Plan against each Settlement Risk.

The Risk Evaluation Register and the Risk Operating Plan are produced for a Performance Assurance Operating Period in accordance with the Annual Performance Assurance Timetable and the agreed Risk Evaluation Methodology, which details the processes used to identify and evaluate the Settlement Risks and assess their materiality.

At the end of a Performance Assurance Operating Period, the PAB will prepare an Annual Performance Assurance Report for the Panel detailing the assurance that has been provided during the course of the period, the extent to which Settlement Risks have been mitigated, and BSCCo costs of providing that assurance.

Qualification Techniques, including Re-Qualification and Removal of Qualification, will be deployed to a PAP in relation to relevant Settlement Risks.

Amend section 1.6 as follows:

1.6 Acronyms and Definitions

Any capitalised term that is not defined in this BSCP shall have the same meaning given to it in the Code.

The following is a list of acronyms used in this BSCP:

BSC	Balancing and Settlement Code (the "Code")
BSC Panel	Balancing and Settlement Code Panel
BSCCo	Balancing and Settlement Code Company
BSCP	BSC Procedure
CRA	Central Registration Agent
HHDA	Half Hourly Data Aggregator
HHDC	Half Hourly Data Collector
LDSO	Licensed Distribution System Operator
MDD	Market Domain Data

MOA	Meter Operator Agent
MRASCo	Master Registration Agreement Service Company Limited
NHHDA	Non-Half Hourly Data Aggregator
NHHDC	Non-Half Hourly Data Collector
PAA	Performance Assurance Administrator
PAB	Performance Assurance Board
<u>PAP</u>	<u>Performance Assurance Party</u>
SAD	Self Assessment Document
RIA	Risk and Impact Assessment
ROP	Risk Operating Plan
RoQ	Removal of Qualification
SMRA	Supplier Meter Registration Agent
SVAA	Supplier Volume Allocation Agent
TAA	Technical Assurance Agent
UMSO	Unmetered Supplies Operator
<u>VLP</u>	<u>Virtual Lead Party</u>
WD	Working Day

Note also, that in the procedure:

<i>R</i>	is the date that the Removal of Qualification process is triggered
<i>Written Confirmation</i>	Written Confirmation which is required to be given or received under this BSCP which can be in the form of an email, facsimile, circular or letter.

Amend section 2.1 to 2.2 as follows:

2.1 Qualification Process

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.1.1	As required	Provide information and guidance on the Qualification Process and any other entry processes applicable to the Applicant.	BSCCo	Applicant	High level overview of Qualification Process including which Qualification Documents must be completed and the location of the information pack on the BSC Website.	Phone/Written Confirmation
2.1.2	After 2.1.1	Applicant submits its proposed market role details and Qualification Letter ¹ . Where the Applicant intends to be a Party to the Code it has applied to become a Party in accordance with Section A of the Code. Applicant sends appropriate Qualification Fee (if applicable).	Applicant	BSCCo	Applicant's proposed market role details and Qualification Letter ² or Applicant's application to be a Party to the Code. BSCP65 "Registration of Parties and Exit Procedures". Menu of Qualification Fees.	Written Confirmation
2.1.3	5WD after 2.1.2	BSCCo sends confirmation that the Applicant intends to commence the Qualification Process (and where applicable confirms receipt of any documentation or otherwise).	BSCCo	Applicant	Confirmation of Applicant's intention to commence Qualification Process.	Written Confirmation

¹ The Applicant can voluntarily withdraw their Qualification Application, or put this application on hold, at any point in the process.

² An Applicant intending to be a Party does not require a separate Qualification Letter

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.1.4	Prior to PAB Meeting	Applicant ensures and BSCCo confirms that any additional steps required to complete the Qualification Process have been carried out.	BSCCo Applicant		<p>Confirmation that Accession has been completed for Suppliers <u>and VLPs</u>.</p> <p>Confirmation that the confidentiality disclosure and licence agreement have been received for NHHDA and NHHDC applications.</p> <p>For BSC Parties and CVA MOAs- Confirmation that the Applicant has completed additional qualification testing (BSCP70 “CVA Qualification Testing for Parties and Party Agents”).</p> <p>For CVA MOAs - Confirmation that the Applicant has registered for CVA MOA Sealing ID for CVA MOA applications (BSCP06 “CVA Meter Operations for Metering Systems Registered in CMRS”).</p>	Internal Process
2.1.5	5WD after 2.1.3 or later as agreed	<p>Meet to discuss or communicate the Qualification Process in particular the necessity for completing the SAD and/or any testing requirements and/or witness testing³.</p> <p>In the case of BSC Parties liaise with MRASCo to discuss possibility of combining any meeting. The aim of such meeting to discuss application timescales for the coordination of testing/witnessing.</p>	BSCCo	Applicant MRASCo	Mutually convenient date, time and venue.	Phone/Written Confirmation

³ VLP parties will not be required to undergo witness testing.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.1.6	After 2.1.5	Applicant completes any relevant section of the SAD and submits to BSCCo for initial review ^{4 5} .	Applicant	BSCCo	Completed SAD.	Written / Electronic Confirmation
2.1.7	At any time after 2.1.5	Applicant completes internal testing of systems and processes which may be witnessed by BSCCo until such time as BSCCo confirms that witnessed testing demonstrates that requirements have been met.	Applicant BSCCo		Completion of internal testing by Applicant and witnessing, if required, by BSCCo.	Internal Process
2.1.8	Within 10WD after 2.1.6	High level review of SAD by BSCCo. BSCCo returns reviewed SAD and provides guidance, education and clarification on sections where requirements have not been met. If the requirements have been met proceed to 2.1.10.	BSCCo	Applicant	Reviewed SAD.	Phone/Written / Electronic Confirmation
2.1.9	After 2.1.8	Applicant further completes the SAD and submits to BSCCo for additional review.	Applicant	BSCCo	Completed SAD.	Written / Electronic Confirmation
2.1.10	Within 10WD of 2.1.9	BSCCo reviews SAD to ensure that it is prepared to the required standard. If prepared to the required standard then proceed to 2.1.11. If the requirements have not been met proceed to 2.1.6.	BSCCo			Internal Process

⁴ The SAD may be either submitted in full or section by section, as agreed between Applicant and BSCCo.

⁵ The Applicant can go to the PAB at any time during the drafting of the SAD for advice, clarification or endorsement of its plans.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.1.11	After 2.1.10	BSCCo and Applicant confirm that evidence review can commence and mutually agree timescales. ⁶	BSCCo Applicant		Details of SAD supporting evidence to be reviewed.	Written Confirmation
2.1.12	After 2.1.11 and within the agreed timescales.	BSCCo reviews supporting evidence ⁷ to determine if evidence provides the appropriate confirmation that the required standard has been met. When required standards have been met proceed to 2.1.13. Where the required standards have not been met, BSCCo will provide guidance, assistance and clarification to the Applicant as to why. In this circumstance the Applicant should proceed to 2.1.9.	BSCCo	Applicant	Supporting evidence.	
2.1.13	After 2.1.12	Applicant submits final version of SAD authorised by a registered director of the Applicant (the registration of the latter to be verifiable with Companies House) or by such other person accepted as the authorised signatory pursuant to Section 3.6 hereof.	Applicant	BSCCo	SAD.	Signed Off Hard copy
2.1.14	At any time between 2.1.5 and 2.1.13	BSCCo shall provide the Applicant Written Confirmation of the outcome of any review carried out by BSCCo.	BSCCo	Applicant		Written Confirmation

⁶ When completing the SAD the Applicant should detail what pieces of evidence can be provided in support of its response. BSCCo may request that these are provided for review, the 'evidence review'. Examples of types of evidence include documentation or evidence of testing.

⁷ This review may be at the Applicant's site, if so required.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.1.15	At any time between 2.1.5 and 2.1.13 but at least 12WD prior to PAB meeting	If Applicant disagrees with any aspect of the review carried out by BSCCo in relation to the Applicant's Qualification the Applicant may request that the PAB makes a Qualification determination in respect of its Application.	Applicant	PAB	Details of Applicant's appeal.	Written Confirmation
2.1.16	At least 12 WD before PAB Meeting and after 2.1.14.	BSCCo prepares and submits Qualification report to the PAB (and provides a copy of the same to the Applicant) recommending whether the Applicant should be Qualified.	BSCCo	PAB Applicant	Qualification Report.	Written Confirmation
2.1.17	At PAB Meeting	PAB decides whether the Applicant should be Qualified. If yes, then proceed to 2.1.18 ⁸ . If the application is deferred, then proceed to 2.1.21.	PAB	BSCCo	Qualification decision.	Meeting
2.1.18	Within 2WD of 2.1.17	Notification of PAB's decision to accept Qualification. Advise CRA to add relevant information to CRS (except in the case of SVA Party Agents).	BSCCo	All interested parties Applicant CRA	PAB Decision.	Written Confirmation
2.1.19	At any point after 2.1.2	Applicant or Qualified Person may commence with MDD change request process ⁹ .	Applicant / Qualified Person	BSCCo	MDD change request form F509/01 in accordance with BSCP509	Email / Fax.
2.1.20	After PAB decision	Raise MDD Change Request to add Qualified Person information to MDD database in accordance with BSCP509.	BSCCo	SVAA	PAB decision on Qualification Approval.	As per BSCP509.

⁸ The PAB may also approve the Applicant's Qualification and also impose certain conditions or requirements on the Qualified Person.

⁹ A Supplier/LDSO does not have to be Qualified by the PAB before registering in MDD. [A VPL does not register in MDD.](#)

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.1.21	Within 5 WD of 2.1.17 (if Qualification deferred)	Applicant informed in writing of the rationale for the decision. BSCCo to provide guidance, assistance and clarification to the Applicant as to why its Application was deferred. Proceed to 2.1.6.	BSCCo	Applicant	Areas of the SAD that are not acceptable and/or other areas which require further testing or evidence to be provided as determined by the PAB.	Written Confirmation

2.2 Re-Qualification Process¹⁰

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
Where initiated by Qualified Person						
2.2.1	Before implementation of a Material Change to Qualified Person's systems and processes	Qualified Person performs its RIA and identifies that a change it wishes to implement is a Material Change.	Qualified Person		Appendix 3.4 'Re-Qualification'.	Internal Process
2.2.2	Following 2.2.1 if change is deemed to be Material.	Submit completed Re-Qualification Letter to BSCCo.	Qualified Person	BSCCo	Appendix 3.8 'Re-Qualification Letter' (including a summary of change to systems and/or processes).	Written Confirmation

¹⁰ This process does not apply to a Qualified Person that is acting in its capacity as a Supplier or VLP.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.2.3	Following 2.2.2	Proceed to 2.1.5 and follow the Qualification Process as if the references to Qualification were references to Re-Qualification and as if references to Applicant were references to Qualified Person.	Qualified Person			
Where initiated by the PAB						
2.2.4	As required	PAB determines Qualified Person needs to Re-Qualify ¹¹ .	PAB	BSCCo	Details of PAB decision.	Meeting
2.2.5	5WD after 2.2.4	BSCCo sends confirmation that the Qualified Person is required to Re-Qualify.	BSCCo	Qualified Person	Details of PAB decision.	Written Confirmation
2.2.6	5WD after 2.2.5	Proceed to 2.1.5 and follow the Qualification Process as if the references to Qualification were references to Re-Qualification and as if references to Applicant were references to Qualified Person.	Qualified Person			

¹¹ Reasons may include but are not limited to a Qualified Person having a number of Errors/Failures (in accordance with BSCP538 – Error and Failure Resolution) identified in relation to it.

Amend section 2.4 as follows:

2.4 Annual Statement of Qualified Status Process¹²

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
2.4.1	On or before 1st April each year	Send annual statement signed by a registered director of the Applicant (the registration of the latter to be verifiable with Companies House) or by such other person accepted as the authorised signatory pursuant to Section 3.6 hereof	Qualified Persons	BSCCo	Annual statement letter ¹³ .	Written Confirmation
2.4.2	After 2.4.1	Receive letters and present summary of letters to the PAB.	BSCCo	PAB	Paper summarising receipt of letters from Qualified Persons.	PAB Meeting

¹² Suppliers and VLPs are not required to provide an annual statement.

¹³ This letter must contain a statement that the Qualified Person has made no Material Changes to its systems or processes (as defined in this Appendix 3.4 'Re-Qualification') since their last annual statement, or their original Qualification, whichever is the later (no supporting evidence is required in this case). Where this is not the case, the letter must state which Material Change(s) have been made over that period, and refer to the application(s) for Re-Qualification in respect of this/these.

Amend section 3.4 as follows:

3.4 Re-Qualification

Re-Qualification does not apply to Suppliers or VLPs.

BSCCo will provide guidance, assistance and clarification to the Applicant (where required) for all matters relating to the Re-Qualification Initiating Process (Section 2.2).

Qualified Persons should perform a Risk and Impact Assessment (RIA)¹⁴ ¹⁵to determine if any change (or group of changes) that it plans to implement will be a Material Change. The Risk and Impact Assessment procedure should be used to assess both industry driven changes and changes initiated by the Qualified Person.

If the RIA confirms that it will be a Material Change then the Qualified Person is required to re-Qualify in accordance with the Code and this BSCP.

Possible events and scenarios that may trigger a Material Change and therefore re-Qualification include:

- Changes that are highly likely to have an impact on the systems and processes which enable the Qualified Person to meet its obligations as detailed in the Code and Code Subsidiary Documents;
- In the case of Party Agents (excluding Meter Administrators) and SMRAs, a planned significant increase (or step change) in the number of Metering Systems for which that person is responsible;
- Significant change to the IT systems which are core to (or interface with the systems which are core to) the operation of the agency service, for example:
 - Hardware/software changes or upgrades
 - Implementation of new core agency systems and data migration
 - Changes to data flow management systems
- Significant change to operational procedures; and
- In the case of SMRAs please see section 3.5 for details of further triggers of re-Qualification.

Consideration should be given to the impacts on systems, processes, and staff when assessing whether a change is a Material Change.

¹⁴ This is the Participant's own RIA.

¹⁵ RIA procedures are subject to Section 5 - 'Change Management and Risk Assessment Process' of the SAD.

Amend section 3.6 as follows:

3.6 Authorised Signatories

An authorised signatory for any and all Qualification matters that may arise under or in connection with this BSCP shall be a registered director so verifiable by Companies House. In limited circumstances BSCCo may, at its sole discretion, accept as an authorised signatory an acceptable senior company representative who has been given appropriate delegated signing authority by his/her Company.

If a Company wishes to propose that a person other than a registered director of the Company should be the relevant authorised signatory, such Company shall write accordingly to BSCCo providing clear details of the reasons for its request, including the reason why it is not possible or practical for its proposed authorised signatory to be a registered director. This letter shall also contain the relevant proposed authorised signatory's delegated authority or be accompanied by an original or certified copy of such delegated authority.