

BSC Qualification Service Provider's Approach to the Qualification Service

*For the year ending 22
August 2012*

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This document reflects the Qualification approach in place at the current time. Any further changes to the approach will be reflected in an updated version of this document as and when deemed appropriate.

1. Introduction

Purpose

The purpose of this document is to provide an overview of those activities of the Qualification Service which involve the Qualification Service Provider ("QSP") and to set out the approach to be adopted by the QSP.

This document is consistent with the requirements set out in Section J to the Balancing and Settlement Code ("Section J") and Balancing and Settlement Code Procedure 537 entitled "Qualification process for SVA Parties, SVA Party Agents and CVA MOAs" ("BSCP537").

This approach will be adopted for all Qualification (and Re-Qualification) applications where the QSP has been specifically requested by the BSCCo. to provide the Qualification Service.

Background and Responsibilities

The objective of the Balancing and Settlement Code's ("Code's") Qualification Process is to provide Trading Parties to the Code with reasonable assurance that parties required to be Qualified have systems developed in accordance with the Code's Requirements.

An overview of the Re-Qualification approach is covered in section 4 of this document. For the detailed approach described under "Qualification", this is deemed to incorporate "Re-Qualification" also.

Section J and BSCP537 set out the responsibilities for the Qualification Service in respect of Qualification Applications as follows:

Applicants for Qualification:

- a. to perform a self assessment of its systems and procedures against the Code's requirements as embodied within the Self Assessment Document ("SAD");
- b. to ensure the information supplied in the SAD alongside any requested supporting evidence is complete and accurate and provided within the timescales laid down in BSCP537, this may include some key items such as a PID, test strategy and BSCP compliance mapping matrix being submitted in conjunction with the SAD or shortly after to facilitate the risk assessment;
- c. to co-operate fully with the QSP and Performance Assurance Board ("PAB"); and
- d. to provide an annual statement letter to the BSCCo. on or before the 1st April each year to confirm that there have been no material changes undertaken in the year or if there have that due process has been followed.

Qualification Service Provider:

- a. to undertake limited risk based reviews of SADs, supporting evidence and perform Witness Testing as required for all services for which Applicants are seeking Qualification; and
- b. upon completion of that review, to provide the BSCCo. with a report on each application, the BSCCo. will then deliver a recommendation to the PAB based on the QSP's findings.

The Performance Assurance Board:

- a. has sole responsibility for considering the evidence provided to it, including the report provided by the BSCCo., in determining whether or not to Qualify an Applicant.

The Panel:

- a. may issue a Derogation in accordance with BSCP537 to any Qualified Person which may relieve them of their obligation to comply with one or more specified provisions of the Code.

2. Scope of the Qualification Service

The QSP will work in accordance with Section J of the Code and BSCP537 in providing the Qualification Service.

The following new entrants to the market are currently subject to Qualification:

| | | |
|---------------------------------------|---|---------------------------------|
| Supplier Metering Registration Agents | Suppliers | Non Half Hourly Data Collectors |
| Non Half Hourly Data Aggregators | Half Hourly Data Collectors | Half Hourly Data Aggregators |
| Half Hourly Meter Operator Agents | Meter Administrators | Unmetered Supplies Operators |
| Non Half Hourly Meter Operator Agents | Central Volume Allocation Meter Operator Agents | |

Any existing Qualified Person (excluding Suppliers) wishing to undertake a “material change” to their Qualified Service (examples of what might constitute a “material change” are defined in appendix 3.4 of BSCP537) needs to undertake Re-Qualification (as referenced in section 4 of this Approach Document).

In undertaking the Qualification Service, the QSP’s work will be based on the following key principles:

Risk assessment - Initial assessment of risk in the early stages of the application with continual re-assessment throughout the process to ensure the level of review and Witness Testing is appropriate to the risk of the application;

Risk based – the QSP’s work will build on the principles of self assessment established by PAB on behalf of Trading Parties to the Code, focusing on areas that the QSP considers to be inherently more risky than others. Risk focussed review will cover:

- the Self Assessment Document (“SAD”);
- supporting evidence as cited in the SAD and as requested by the QSP;
- Witness Testing in line with the key risks identified relevant to both systems and the Applicant’s SAD and supporting evidence;

MRASCo. testing – where an Applicant has indicated that a question is covered by MRASCo. Witness Testing then the QSP will not seek to duplicate this review. This will only impact Supplier, UMSO and SMRA applications.

Interactive and iterative process – continuous communication between the applicant and QSP throughout the application will be key to ensure appropriate timescales are set for the risk based review elements of the process.

3. Approach to the Qualification of new Applicants

3.1 Overview of Qualification of new Applicants

Section J of the Code and BSCP537 indicate that the Qualification process will be based on self assessment by Applicants in conjunction with limited follow up work to be undertaken by the QSP rather than an audit of the system development being undertaken.

The timescales for review of the SAD and follow-up evidence review / Witness Testing will be discussed and provisionally agreed with the Applicant at the planning meeting stage. It is acknowledged that these timescales may change throughout the duration of a project. Where this occurs, the Applicant should provide the QSP with as much notice as possible in order to facilitate re-planning where necessary and prevent further delays in completion of the review. It should be noted that the duration of the process will vary from Applicant to Applicant. Timescales allocated to the project by the Applicant, early communication of timescale changes, risk of the application and quality of the SAD and supporting documentation submissions are some examples of factors which may impact on the duration of an application.

The process timeline in figure 3.1.1 details some of the key deadlines that have to be met during the Qualification process for reporting and communication purposes. These are limited to allow the individual Applicants to determine their own timescales in consultation with the QSP as well as the Applicant's own needs.

Failure to provide the QSP with sufficient advance notice of timing changes or lack of readiness for on-site review or Witness Testing will result in escalation to the BSCCo. and potentially the PAB itself and may impact on the anticipated timescales for reporting to the PAB.

The QSP, through limited risk based review and follow-up site visits* and Witness Testing**, will determine whether Applicant's responses to the questions within the SAD support their self assessment conclusions as to whether they have met the Qualification Requirements.

The QSP will issue a recommendation, based on this review, as to whether the Qualification Requirements have been met and recommend to the BSCCo. whether Applicants should be Qualified in respect of their proposed Services.

BSCP537 requires Applicants to submit to the QSP the following:

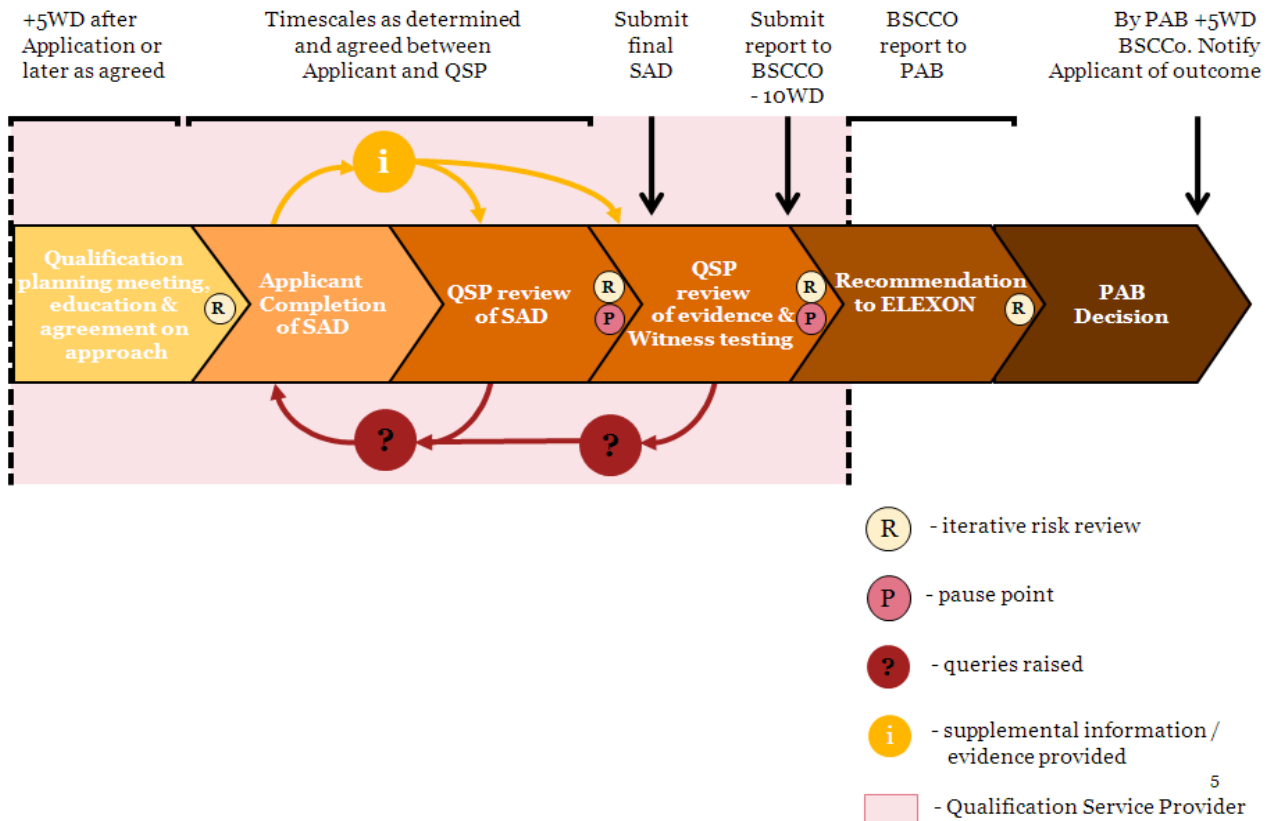
- A fully completed SAD;
- Testing timescales (so suitable agreements can be made on timescales for Witness Testing); and
- Evidence to support the responses as defined in the SAD (the QSP will confirm what evidence it wishes to review).

These submissions will be progressed through the Qualification process by the QSP in accordance with the process timeline in figure 3.1.1.

* limited risk based review of SAD supporting evidence may be performed remotely. A site visit may not be required in all circumstances eg. where Re-Qualification is for a simple low risk system and significant assurance can be taken from the supporting documentation provided.

** extent of Witness Testing will be defined for each individual application and may vary according to risk.

3.1.1 Qualification Process Timeline



The overview Qualification process map set out above includes the following key features:

- Planning visits to Applicants which include education on both the process and use of the Qualification On-line tool;
- Limited risk based central review of the SAD by the QSP;
- Limited risk based follow-up site visit based on the SAD;
- Limited risk based Witness Testing (the scope of which will be determined for each application);
- Submission of the final SAD by the Applicant following evidence review and Witness Testing completion;
- Report by the QSP to ELEXON confirming completion of the required activity and details regarding any matters for attention; and
- Report to BSCCo. for inclusion in the PAB Qualification report.

Each of the above elements of the QSP's work is discussed in further detail below.

3.2 Planning meetings with Applicants

Following submission of an application (within 5 working days ('WD') or as agreed), the QSP will arrange a planning meeting. Planning meetings will be tailored to the need of each individual Applicant, according to previous experience and the nature of the application.

Planning meetings will be used for the following purposes:

- to provide guidance on the Qualification process, documentation and Witness Testing expectations;
- to provide information on the Qualification On-line tool available to applicants to facilitate their application (more information on the Qualification On-line tool is provided in section 6 of this approach document) ;
- to assist the Applicant in establishing an appropriate timescale for progressing their application (including agreement of provisional SAD submission and evidence review / Witness Testing dates);
- to provide guidance as to the level of readiness that needs to be demonstrated;
- to provide an indication of areas where issues have arisen with the process previously to help minimise the risk of these issues arising; and
- for the QSP to gain an understanding of the background to the application and confirmation of the systems to be used to support the services for which the Applicant is seeking Qualification and is planning to complete a SAD.

It is not anticipated that these meetings will focus on examining the SAD or its supporting evidence.

In practice this detailed planning meeting will be key in establishing an understanding of the Qualification Requirements, determining the level of detail needed in the SAD and in setting a realistic timetable.

The meeting may take place either in person (at a mutually convenient location) or via conference call. The BSCCo may also attend these meetings.

For Supplier, SMRS and UMSO applications, where possible, joint planning meetings will be held alongside MRASCo.

For those Applicants who choose to use the Qualification On-line tool – key timescales and meeting agendas can be obtained from here. Access to an Applicant's information will be restricted and only be available to the individual Applicant itself, the QSP and BSCCo.

On completion of a planning meeting the QSP will provide the BSCCo. and Applicant with planning meeting minutes.

3.3 Risk focused central review of the SAD by the QSP

The QSP will perform a risk focused central review of the responses to SAD questions. Where the SAD is received on the scheduled date as agreed during the planning meeting, the responses from the review of the SAD will be provided within 10 working days. This timescale cannot be guaranteed for any unscheduled or late submissions. It should be noted that the SAD can be submitted in batches/sections or in full as agreed in advance with the QSP.

The SAD submitted by the Applicant is regarded by the QSP as a complete record of the Applicant's self assessment. Consequently, whilst the QSP may find it useful to discuss the evidence available with Applicants, the responses within the SAD should be complete and not require any further amplification.

This approach will help minimise the amount of on-site work / remote evidence review required by the QSP and therefore the level of intrusion and disruption to the Applicant's organisation. It will also assist the QSP in assessing the risk of the individual application and the level of Witness Testing that needs to be performed.

The objective of this review is to assess whether the Applicant's responses, support their self assessment conclusions to questions in the SAD. It will be at this point the QSP:

- advises Applicants of potential issues arising from this limited risk focused review. Where SAD responses are deemed to be deficient, the QSP will adopt the interactive iterative approach to provide Applicants with this information and review subsequent updates to the SAD. As a result it may be necessary for the Applicant to provide further SAD submission and review their timetable for Qualification. In all cases the final SAD submission should be received prior to the QSP reporting to the BSCCo. at least 12 working days prior to the relevant PAB meeting;
- provides Applicants with a list of evidence required for the Qualification site visit review / remote evidence review; and
- determines the extent of testing that will be required to be reviewed – either test results or where the QSP have performed Witness Testing.

For those Applicants who choose to use the Qualification On-line tool – a log of queries and evidence requests will be accessible from here. Refer to On-line tool section 6 for further information.

3.4 Risk focused follow up visit of SAD and Testing

The approach utilises a combination of Witness Testing and evidence review.

3.4.1 Evidence review

These reviews will be used to assess whether the self assessment responses and operability of the systems and service are supported by appropriate documentary evidence and to consider the risk of the application and determine the level of Witness Testing to be performed.

As part of the limited risk based central review of the SAD, the QSP will have identified and communicated to the Applicant the pieces of documentary evidence cited in the SAD that are required for review. These items will be reviewed to determine if the self assessment responses are supported by appropriate documentary evidence.

To minimise intrusion, the Applicant may opt for elements of the initial evidence review to be performed off-site. The QSP would then perform a condensed site visit to follow-up on specific queries arising from this review and to review the testing outputs (including Witness Testing – see also below).

The QSP will attempt to provide Applicants advance notice of the evidence to be inspected (this notice period will be dependent upon the timing of submission of the SAD by the Applicant). Some key pieces of information such as the PID, Test Strategy document and BSCP Compliance mapping matrix may be requested in advance of any formal evidence review to support the assessment of risk by the QSP.

The applicant will be contacted by the BSCCo. no later than a week from the scheduled start date of the evidence review to ensure that the required evidence is available for review. If the evidence is not available at the time of the site visit a revised date will be agreed upon with the applicant..

If upon commencing a site visit there is a substantial element of the evidence that is unavailable at the start of the site visit then the QSP may suspend the visit immediately.

3.4.2 Witness Testing

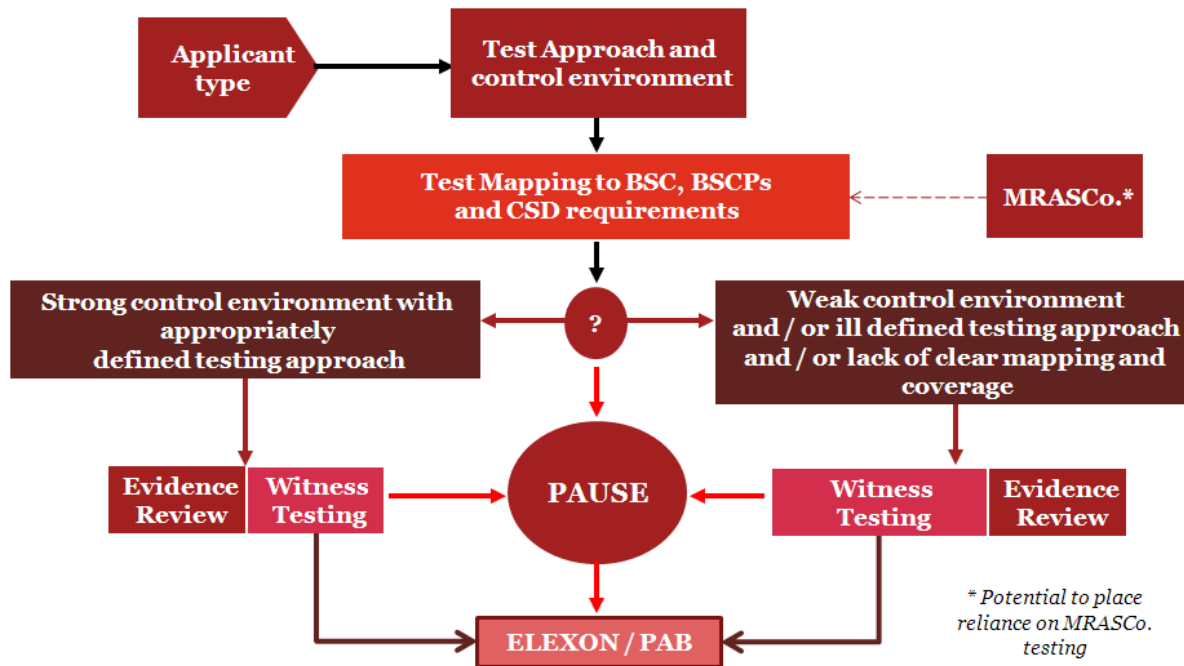
Following the review of the SAD, the Applicant will also have been provided with details of the expected level of Witness Testing to be performed. Timescales for the execution of this will have been mutually agreed at the planning stage. Timescale changes will be gauged through regular contact with the Applicant throughout the duration of the process. The Applicant should notify the QSP immediately if there are any slippages in the preparation for Witness Testing or indeed in the progress of their own testing programme.

The extent of Witness Testing to be performed would initially be determined at a high level following review of the SAD. Further review of supporting evidence may result in an increase / decrease in the level of Witness Testing to be performed.

The extent of Witness Testing will be dependent on a number of factors including but not exhaustively:

- the level of controls both documented and evidenced by the Applicant;
- the risk of the proposed system to be used in provision of the Qualified service;
- the prior experience of the Applicant;
- the complexity of the proposed systems and service;
- the number of issues identified during testing; and
- the use of third parties.

A decision tree as to how the extent of Witness Testing will be determined is detailed below:



Note – The process may be paused where there is lack of evidence / poor quality evidence to support the control environment reported in the SAD, or where significant issues or delays have been encountered in testing.

At this point the QSP would notify the BSCCo. of the delays and work with the Applicant to redefine more appropriate timescales.

For those Applicants who choose to use the Qualification On-line tool to assist their application – a log of areas to be reviewed as part of Witness Testing will be accessible from here. See Qualification On-line tool section 6 for further information.

3.4.3 Final SAD

The QSP will report to the BSCCo. at least 10 WD prior to PAB. All supporting evidence requested by the QSP will need to be provided by the Applicant in advance of this date.

As part of the Qualification process, the Applicant should consider the date of the PAB it wishes to be Qualified at and whether this clashes with the MDD dates. Where there is a clash this can be raised with BSCCo. who will then ascertain whether it is possible for the PAB to make an ex-committee decision.

The Applicant should note that the final SAD should not materially differ from that submitted for review by the QSP prior to the evidence review start date. The QSP will provide the applicant with a ‘Protected’ version of the SAD following the initial review. Any subsequent changes made to the SAD will be highlighted to the QSP in track changes in the word document before a final version is submitted. These track changed documents can be submitted to the QSP via email or the Qualification On-line tool.

3.5 QSP Reporting to the BSCCo.

The QSP will issue a report to the BSCCo. for each Qualification Application following its completion of the appropriate review.

The QSP will report, based on the results of his work, the following:

- whether the Applicant has completed the Qualification process in line with requirements;
- details of any significant delays or pauses to the application during the Qualification process; and
- whether there are any outstanding determinations which should be referenced in the BSCCo.'s report to the PAB recommending qualification.

The reports provided by the QSP will normally take one of four forms as set out below:

Clean Report;

- Report with "determinations" i.e. where certain conditions need to met / actions need to be taken within a specified timeframe post PAB decision which will be formally followed up by ELEXON;
- Report with "determinations" as described above and including a recommendation that a 'Post Qualification Check' is to be undertaken by ELEXON; and
- The QSP has not been able to form a recommendation.

Whilst the QSP will endeavour to issue a report in one of the first three forms above, if requested to report within a reduced / set timescale, the report may take the form of:

The QSP has not been able to form a recommendation

This report is only envisaged when the QSP is unable to form a recommendation as to whether the Qualification requirements have been met or not. The circumstances requiring such a report are considered to be limited and, in particular, are most likely when the work of the QSP has been limited through lack of access to the Applicant's evidence; the circumstances necessitating such a report would be set out in the report itself. The QSP will report, either to recommend Qualification or to reject Qualification, whenever possible.

Clean Report

In order for the QSP to provide a clean report (without caveat), the Applicant will need to have completed the SAD to the required standard and provided appropriate supporting evidence, or have received a derogation.

Adequate written explanations to support these responses will need to be provided by the Applicant, and the QSP's limited risk based work (including evidence review and Witness Testing) will need to have found nothing that called into question the Applicant's self assessment.

Report with "determinations"

If an Applicant is unable to provide appropriate responses or sufficient evidence to support all the relevant questions in the SAD, this does not necessarily indicate that the Applicant's Service will not be recommended for Qualification. In certain circumstances the QSP may consider issuing a report with determinations, but only for specified reasons which the Applicant has indicated would be rectified prior to market entry or within a defined period of time post entry dependent on the associated risk.

Examples of recommendations of this type have to date included: where a detailed disaster recovery test has not been performed; and where the Applicant is yet to complete MRASCo testing.

A report with determinations will identify those areas where requirements have not been met, and will outline the actions the QSP believes the Applicant needs to take to address those requirements and the timescales within which those should be achieved.

Where a 'Post Qualification Check' has been recommended the QSP believes that although suitable for Qualification there are potential operating risks that the Applicant may experience, which the BSCCo. should monitor.

Examples of risks identified to date include:

The Applicant has utilised a third party extensively throughout its application and concerns have arisen as to the ability for the applicant to operate independently; and

Significant problems or delays have occurred during the Qualification process and assurance should be obtained that these do not arise during the go-live operation of the service.

Derogations

Section J of the Code and BSCP537 set out the Derogations process whereby a temporary relaxation of certain aspects of the Qualification requirements as set out in the SAD may be granted by a Panel Meeting. The QSP will recognise and take account of any Global Derogations and Specific Derogations approved by the Panel and invoked by Applicants, in forming his report. Where those Derogations have been invoked by Applicants the QSP will not qualify his report in respect of such matters.

4. Re-Qualification

The Re-Qualification process is similar to the Qualification process. It should be noted that Suppliers do not fall under the remit of the requirement for Re-Qualification. As with the Qualification process this is risk-focused, interactive, iterative and includes:

- **Determining the risk of the application** based on industry knowledge, an early view of the application obtained from the planning meeting in addition to initial review of the SAD. This would also include the discussion of any open audit issues;
- **Agreeing which sections of the SAD should be completed.** This would need to be determined on a case by case basis in line with the changes proposed by the Applicant. The QSP would only expect the sections relating to the systems or processes that are impacted by the planned change to be covered. Dependent on the extent of the change individual questions may be specified for completion instead of full SAD sections.
- **Review of the SAD and provision of queries**, in addition to the provision of a list of evidence required for review; and
- **Performing review of requested evidence.** Again the nature and extent of the review would be determined by the associated risk of the proposed changes and the quality of the SAD responses provided.

Where there are considered to be significant risks posed as a result of the proposed change, our approach may also consider the use of Witness Testing. The scope and extent of this would be determined following the planning meeting and initial review of the SAD.

Reports would be presented in the same way as for the Qualification process.

5. Other responsibilities of the Qualification Service Provider

5.1 Attendance at Performance Assurance Board Meetings

The QSP may be invited to attend meetings of the PAB if required, to provide progress updates, ad-hoc reports, other information or similar.

5.2 Ad-hoc advice to be provided at the specific request of PAB or BSCCo.

The QSP may be requested to perform ad hoc work which may include providing input into the continuing evolution of the Qualification process and preparation of clarification notes at the request of PAB / BSCCo.

The QSP will agree a specific scope with PAB/BSCCo. in respect of all requests for ad-hoc work prior to undertaking significant amounts of work. This will include any requests by the BSCCo. for assistance in performing work on Applications for Qualification or for Re-Qualification.

6. Qualification On-line Tool

General Use

A web based communication mechanism for use by Applicants, BSCCO. and ourselves has been developed and is available at:

<http://www.elexon-assurance.co.uk>

This may be used as a repository for the following:

- Agendas and minutes for planning, evidence review and Witness Testing meetings;
- SAD submission and supporting documentation;
- Query management following initial SAD review;
- Administrative details for the site visits;
- Tracking the status of an application; and
- Information requests for site visits and Witness Testing.

This provides Applicants and BSCCo. with 'real time' access to view the status of individual Applications.

The functionality of the website will be discussed with and demonstrated to Applicants at the planning stage of their application after which time user accounts will be set up upon request. Further guidance on how to use the website is available on the website itself.

Where an Applicant is not able to have internet access, alternative operational procedures are in place to assist with the Qualification process. These include the submission of evidence and SAD sections via email. The means of communication to be used by an Applicant would be discussed and agreed upon at the planning meeting.

An Applicant's information stored on the website will be archived following Qualification being achieved. The website is to be used as a repository for Qualification review and communication purposes during the application process only. It is not to be used as an alternative storage area by an Applicant and copies of relevant documentation should be retained by Applicants on their own storage devices.

Security

The Website is fully operational and available via secure internet access to BSCCo. and applicants on a request basis.

Strict security measures over the maintenance of the website and user access are in place and monitored on an ongoing basis.

Applicants are restricted to access their own Qualification information only. For each Applicant organisation requiring access an electronic certificate is provided which is required in order to gain access to the website. The website is then accessible only upon installation of this certificate and upon entering the allocated user name and password provided. If multiple people within one organisation require access, the certificate will need to be installed on each individual's computer. Dependent on the level of access users have to their own computer, they may be able to install the certificate themselves or they may require assistance from their respective IT support function.

Both the BSCCo. and the QSP use the tool as part of their standard operational procedures and therefore Applicants have the flexibility to request access to the tool part way through their application should they so wish.

7. Dependencies and Risks identified

Dependencies

The timetable for Qualification of new Applicants wishing to enter the market is driven by the needs of the Applicant as agreed by the QSP at the planning meeting. Some of the key stages and associated deadlines are outlined in BSCP537.

The work of the QSP will be planned in accordance with an agreed timetable of activities. This will however be dependent on the condition that Applicants meet the timetable for the completion of the SAD, in providing sufficient evidence for the QSP's evidence review, providing appropriate notice and access to perform defined Witness Testing and provision of the final SAD.

Monitoring of progress against agreed timescales for each Applicant will be performed by the QSP and status / progress of each Application reported to the BSCCo. on a weekly basis.

The timing of work to be carried out by the QSP may be impacted by the level of new applications received by the BSCCo. It is therefore important to ensure that required timescales are clearly identified by an Applicant up front and any timescale slippage is communicated to the QSP at the earliest opportunity.

In addition the following points have been identified as potentially impacting the work of the QSP:

- Appropriate access for the QSP team to the Applicants systems, procedures and staff;
- Applicants having systems and arrangements in place in order to allow the necessary follow-up work to be performed on a timely basis;
- Applicants completing the SAD returns completely, honestly and on a timely basis;
- insufficient contingency being built into the Applicants planning process to accommodate project slippage; and
- Applicants not retaining evidence to support the responses documented in the SAD.

Risks

Set out below are the key risks identified as potentially affecting Qualification. In many cases it is beyond the power of the QSP to mitigate these risks, thus in the table below the QSP has described the processes he will follow to communicate the risks to those who may have the power to mitigate the risk:

| <i>Ref</i> | <i>Risk</i> | <i>Risk to BSC Parties</i> | <i>Risk to Applicant</i> | <i>Methods of mitigating risk</i> |
|------------|---|----------------------------|--|--|
| 1 | Lack of understanding of the Qualification process by Applicants. | Low | Unable to demonstrate compliance with the Qualification Requirements leading to delayed entry to market – High | The QSP will attend a planning meeting with the Applicant to discuss the Qualification process, evidence and Witness Testing requirements. Each applicant is walked through the different stages of the process during the planning stage of the application. If additional queries are raised these are managed and responded to by a member of the Qualification service team. |
| 2 | Non adherence with the timetable as set out in BSCP537 by Applicants. | Low | Delay to the application for Qualification being progressed – High | The QSP will agree the principles of the process and timetable with Applicants during planning meetings. The QSP will not undertake limited risk based follow up site visits until the Applicant indicates that the evidence is available and ready for review. |

| Ref | Risk | Risk to BSC Parties | Risk to Applicant | Methods of mitigating risk |
|------------|--|----------------------------|--|--|
| | | | | <p>The QSP will bring to the attention of BSCCo. any Applicants that indicate substantially more evidence is available for review than proves to be the case.</p> <p>Non adherence with the timetable may result in escalation to the BSCCo. Under the Qualification process, the timetable is expected to be more fluid however timescales for review of the SAD and execution of evidence review and Witness Testing do need to be agreed up front at the planning stage to mitigate against unnecessary delays to an application. Where timescales for an application do slip, the QSP will work with the Applicant to agree a revised timetable of activities / review.</p> |
| 3 | SADs are not completed adequately | Low | Unable to demonstrate compliance with the Qualification Requirements leading to delayed entry to market – High | <p>Regular communication will be held with each applicant throughout the lifecycle of an application to identify if any problems are being experienced. The QSP will provide guidance and education (through planning meetings) prior to the applicant completing a SAD to highlight key pitfalls and areas of good practice.</p> <p>Also an iterative approach to the review can be taken whereby individual sections can be completed and a response provided prior to the next section to improve the overall quality of the finished document.</p> <p>Should it become apparent that SADs are completed in an inadequate manner they will be returned to the Applicant together with an explanation.</p> |
| 4 | Applicants do not keep proper documented evidence to support answers given in SAD. | Low | Unable to demonstrate compliance with the Qualification Requirements leading to delayed entry to market – High | <p>The QSP will arrange a planning visit to discuss the Qualification process, requirements and provide guidance throughout the interactive Qualification process.</p> <p>It should be noted however that the QSP will not be able to perform a review or make a recommendation to the BSCCo. where there is inadequate supporting evidence available.</p> |
| 5 | Applicants mislead QSP or are not open with him. | High | <p>Delay to the application for Qualification being progressed – High</p> <p>Or non recommendation of application for Qualification – High</p> | <p>The Self Assessment process relies on trust existing between Applicants, Trading Parties to the Code and the QSP. There is also a requirement for the SAD to be signed off by a Director of the Applicant's organisation. The responsibilities of Applicants and the QSP are clearly set out in Section J and BSCP537.</p> <p>The QSP will take a robust approach with any Applicant believed to be providing misleading information and discuss with them potential impacts on the report. The QSP will bring any such concerns to the attention of the BSCCo.</p> |
| 6 | Applicants insist on submitting applications to PAB before they are ready to do so | Low | <p>Non recommendation for Qualification being progressed - Low.</p> <p>Delay in Application- Medium.</p> | <p>The QSP will arrange planning visits to discuss the Qualification process. The QSP will take a robust approach with any Applicant who he believes is submitting applications too early.</p> <p>Where a SAD is rejected and the Applicant is required to resubmit then the timetable for Qualification progression will be impacted.</p> |
| 7 | Applicant is unable to access the Qualification Communications Website | Low | Unable to use on line Qualification On-line tool to assist application - Low | <p>The QSP has in place a number of manual work-around procedures in place to mitigate any risk that the applicant is unable to access the website. These include increased use of e-mail and telephone.</p> <p>Inability to access the website would not impact an Applicants ability to progress through the Qualification process.</p> |

| <i>Ref</i> | <i>Risk</i> | <i>Risk to BSC Parties</i> | <i>Risk to Applicant</i> | <i>Methods of mitigating risk</i> |
|------------|---|----------------------------|--|--|
| 8 | Significant increase in number of applications made, which cannot be turned around within BSCP537 timescales by the core Qualification team | Low | Applicant's preferred timescales for Qualification may not be able to be met by the QSP - Medium | <p>Timescales for each application need to be mutually agreed between the QSP and the individual Applicant. These would be managed to mitigate against any resourcing issue.</p> <p>There is an extensive pool of trained BSC resource that could be utilised across multiple applications in the event of a significant number of applications being received at the one time.</p> <p>In addition the QSP team has close links to the BSC Auditor and is able to utilise experienced members of the team to facilitate reviews where necessary.</p> |
| 9 | Combining Witness Testing and evidence review may significantly increase the time taken for completion of successful Qualification | Low | Increased duration of site visit - Medium | <p>A risk based approach to Witness Testing and evidence review is to be used to ensure that the most time and cost efficient method for the Applicant is used when reviewing any application without reducing the level of assurance sought.</p> <p>The level of intrusion from a visit by the QSP can be further reduced by provision of supporting documentation in advance of Witness Testing to facilitate remote review – limiting the level for site visit time required to complete the evidence review / outstanding queries.</p> |

Appendix 1 – Programme of Qualification Activities

| Ref. | Activity | Responsibility | | Timescale / Deadline |
|------|--|----------------|----------------------------------|--|
| | | From | To | |
| 1 | Qualification Letter to BSCCo.* | Applicant | BSCCo. | As determined by Applicant |
| 2 | BSCCo. confirms receipt of Application and raises works order | BSCCo. | QSP | Upon Receipt |
| 3 | Arrange planning meeting | QSP / BSCCo. | Applicant | Within 5 working days ('WD') of notification of application or later as agreed with applicant |
| 4 | Agreement of timetable for SAD submission, evidence and Witness Testing review | Applicant | QSP | At planning meeting |
| 5 | SAD completion and initial submission | Applicant | QSP | At time as agreed at planning meeting |
| 6 | SAD review and feedback | QSP | Applicant | Within 10WD of receipt |
| 7 | Subsequent iterations of the SAD | Applicant | QSP | As per timescales in 5&6 above |
| 8 | Provision of list of evidence required for review | QSP | Applicant | Following SAD review, a minimum of one months notice to be provided (or such period as agreed) |
| 9 | Provision of queries resulting from SAD review | QSP | Applicant | Following SAD review |
| 10 | Provision of list of Witness Testing to be performed | QSP | Applicant | |
| 11 | Perform evidence review | QSP | Applicant | At a time agreed with the Applicant |
| 12 | Perform Witness Testing | QSP | Applicant | |
| 13 | Submit final SAD | Applicant | QSP | Following completion of site visit at least 14 WD prior to PAB |
| 14 | Make recommendation | QSP | BSCCo. | At 10 WD before PAB ** |
| 15 | Confirm recommendation made | QSP | BSCCo. | |
| 16 | Findings presented to PAB | BSCCo. | PAB | On PAB day |
| 17 | Confirmation of PAB decision | BSCCo. | Applicant and interested parties | Within 5 WD of PAB |

*Application for a Supplier or SMRA is considered to take place at the point that applicant accedes to the Code.

** Where the BSCCo. is planning to present the material business unit's (MBU) risk management plans (RMP) to the same PAB as its Qualification approval, additional information may be requested from the QSP to facilitate the BSCCo.'s judgement on the MBU's risk rating and therefore the techniques that will be deployed post approval. Where this instance arises, the BSCCo. will inform the QSP well in advance of the paper date.

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