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Simple Guide to Market Entry

1. Introduction

1.1 Objectives

This Guidance Note is a high-level overview of the processes a BSC Party or Party Agent needs to follow to enter the BSC arrangements in Great Britain.

It summarises many of the processes and obligations contained in both the Balancing and Settlement Code (BSC) and Balancing and Settlement Code Procedures (BSCPs) and should be read in conjunction with these.

This document:

- Provides market entrants with an easy to follow, simple guide to help them enter the market;
- Identifies and complements the Legal Framework relevant to each category of market entrant;
- Assists market entrants in identifying and resolving any issues relating to market entry;
- Clarifies and communicates the processes involved in entering the market;
- Provides details on how ELEXON can help with specific issues.

The BSC, Code Subsidiary Documents and all other documents referred to in this Guidance Note are available on www.elexon.co.uk. Additionally, the [Market Entry/Exit](#) section of the website provides support and information on entering/exiting the market. Appendix A provides contact details for the key organisations and people within ELEXON who you can speak to about market entry/exit.

If you have comments on any of ELEXON's publications please send them to communications@elexon.co.uk.

2. Categories of Market Entrant

This section specifies the categories of market entrants and the market entry processes applicable to them. It also provides a description of each category of participant so market entrants have a clear understanding of each role.

The market entry processes are explained in more detail in section 3 of this guide.

2.1 BSC Parties and Party Agents

Market participants may be split into two broad groups: BSC Parties (i.e. organisations that have acceded to the BSC) and Party Agents (who are not required to accede to the BSC).

- **BSC Parties**

Trading Parties

Interconnector Administrators

Organisations distributing electricity (Distribution System Operators)

- **Party Agents**

Central Volume Allocation (CVA) related Party Agents

Energy Contract Volume Notification Agent (ECVNA)

Metered Volume Reallocation Notification Agent (MVRNA)

Meter Operator Agent (CVA MOA)

Supplier Volume Allocation (SVA) related Party Agents

Data Transfer Service Provider (DTSP)¹

Half Hourly Data Aggregator (HHDA)

Half Hourly Data Collector (HHDC)

Half Hourly Meter Operator Agent (HHMOA)

Meter Administrator (MA)

Non Half Hourly Data Aggregator (NHHDA)

Non Half Hourly Data Collector (NHHDC)

Non Half Hourly Meter Operator Agent (NHHMOA)

Supplier Meter Registration Agent (SMRA)²

Unmetered Supply Operators (UMSO)³

This list is not exhaustive; other prospective market participants should contact the ELEXON Helpdesk for advice on how to enter the market.

The following sections describe each category of BSC Party and Party Agent in more detail.

2.1.1 BSC Parties

The following participants are required to accede to the BSC:

- Trading Parties (including Suppliers and Interconnector Error Administrators);
- Interconnector Administrators;
- Organisations distributing electricity.

¹ Similar to SMRAs, the DTSP is a special type of Party Agent. Market Entry Processes for a DTSP are not covered in this document. Please contact the ELEXON Helpdesk for further information.

² A SMRA is a special type of Party Agent as it is the Licensed Distribution System Operator acting in its capacity as the provider of a Supplier Meter Registration Service. For the purposes of this document SMRAs will be treated as Party Agents as they are fulfilling a distinct role.

³ As with the SMRA, an UMSO is a special type of Party Agent as it is the Licensed Distribution System Operator acting in its capacity as the provider of an Unmetered Supply Operator. For the purposes of this document UMSOs will be treated as Party Agents as they are fulfilling a distinct role.

a) Trading Parties

The following roles fall within the 'Trading Party' participation capacity:

- Suppliers;
- Generators;
- Non-Physical Traders;
- Interconnector Users; and
- Interconnector Error Administrators.

Suppliers

These are Trading Parties entitled to supply electricity under the BSC arrangements after completing the applicable market entry requirements.

Party Applicants wishing to trade as Suppliers must accede to the BSC and in most cases hold a Supply Licence before trading can start. Licences are granted by the Office of Gas and Electricity Markets (Ofgem). Some Suppliers may be exempt from holding a Licence and applicants are advised to speak to Ofgem's licensing department to discuss requirements.

Suppliers must complete the following market entry processes:

- Accession;
- Communication line acquisition;
- Authorisations;
- CVA Qualification and Registration; and
- SVA Qualification

Registration as a Supplier in the Central Registration Service (CRS) should be coordinated with registration in Market Domain Data (MDD) (section 3.4.4 includes more information). For Supplier Volume Allocation Agent (SVAA) systems and the CRS systems to interface effectively, all Suppliers must complete the CVA Qualification process as defined in BSCP70 and have the 'effective from date' of their Supplier role entered in CRS systems at least two weeks before the targeted MDD Go-Live date. More information on CVA Qualification can be found in section 3.4 of this Guidance note. Parties registering as a Supplier must also update the registration of their Supplier BM Units via BSCP15 (BM Unit Registration) which is detailed in section 3.4.2.

Party Applicants should contact Genserv to discuss the Master Registration Agreement (MRA) requirements.

Generators

These are Trading Parties entitled to generate electricity under the BSC arrangements after completing the applicable market entry requirements.

Party Applicants wishing to trade as Generators must accede to the BSC and in most cases hold a Generation Licence before starting trading. Some Trading Parties in this category may be exempt from holding a Licence. Ofgem, as the licensing authority, should be contacted for more information on Licences and exemptions.

Generators must complete the following market entry processes:

- Accession;
- Communication line acquisition;
- Authorisations; and
- CVA Qualification and Registration.

Generators must also register BM Units (see section 3.4.2) and Metering Systems (see section 3.4.3).

Non-Physical Traders

These are Trading Parties who do not generate or supply electricity but who trade electricity - for example financial brokers and power exchanges.

Non-Physical Traders must complete the following market entry processes:

- Accession;
- Communication line acquisition;
- Authorisations; and
- CVA Qualification and Registration.

Interconnector Users

An Interconnector User can act as a Supplier or Generator of electricity and uses an Interconnector to transfer energy in either direction.

Interconnector Users must complete the following market entry processes:

- Accession;
- Communication line acquisition;
- Authorisations; and
- CVA Qualification and Registration.

Interconnector Users must also register Interconnector BM Units using BSCP15 (BM Unit Registration), which is detailed in section 3.4.2 of this Guidance Note.

Interconnector User applicants should also contact the Transmission Company, National Grid, to discuss their market entry requirements which are distinct from the BSC market entry processes.

Interconnector Error Administrators

An Interconnector Error Administrator compares the total deemed volumes for all the Interconnector BM Units with actual meter reading data taken from the Interconnector Meters.

Interconnector Error Administrators must complete the following market entry processes:

- Accession;
- Communication line acquisition;
- Authorisations; and
- CVA Qualification and Registration.

Interconnector Error Administrators must also register BM Units. This process is detailed in section 3.4.2 of this Guidance Note.

b) Interconnector Administrator

The Interconnector Administrator is responsible for ensuring all the BM Unit Metered Volumes for Interconnector Users are sent to the Settlement Administration Agent (SAA).

Interconnector Administrators must complete the following market entry processes:

- Accession;
- Communication line acquisition;
- Authorisations; and
- CVA Qualification and Registration.

c) Organisations Distributing Electricity

The BSC supports the participation capacity of Distribution System Operator (DSO) for those Parties that distribute electricity through a Distribution System.

As explained in BSCP65 it is possible to accede to the BSC in this capacity without being licensed. However, as BSCP65 also explains, this capacity has little meaning within the BSC without being licensed, and so is known as a Licensed Distribution System Operator or LDSO. In recognition that it is expected that all Parties with a participation capacity of Distribution System Operator will also be an LDSO, this document explains the activities LDSOs must undertake to enter the market.

LDSOs must complete the following market entry processes:

- Accession;
- Communication line acquisition;
- Authorisations;
- CVA Qualification and Registration; and
- SVA Qualification (for the SMRA and UMSO functions).

An LDSO also acts as an SMRA (and may also provide the UMSO service and will undergo the market entry processes for these roles. ELEXON has produced a Guidance Note specifically for LDSOs explaining the Market Entry and on-going operational requirements. This Guidance Note is available on the Publications section of www.elexon.co.uk.

2.1.2 Party Agents

CVA Party Agents

Energy Contract Volume Notification Agent (ECVNA)

An ECVNA is a Party Agent who submits Energy Contract Volume Notifications on behalf of Trading Parties to the Energy Contract Volume Aggregation Agent (ECVAA).

ECVNAs must complete the following market entry processes:

- Communication line acquisition;
- Authorisations; and
- CVA Qualification and Registration.

ECVNAs register their details in the CRS using BSCP71 (ECVNA and MVRNA Registration, Authorisation and Termination).

Metered Volume Reallocation Notification Agent (MVRNA)

An MVRNA is a Party Agent who submits Metered Volume Reallocation Notifications to the ECVAA on behalf of Trading Parties.

MVRNAs must complete the following market entry processes:

- Communication line acquisition;
- Authorisations; and
- CVA Qualification and Registration.

MVRNAs also register their details using BSCP71.

Central Volume Allocation Meter Operator Agent (CVA MOA)

A CVA MOA is a Party Agent who maintains and installs Metering Equipment, compliant with Codes of Practice (CoPs), in respect of any Metering Systems registered with the Central Registration Agent (CRA).

CVA MOAs must complete the following market entry processes:

- Communication line acquisition;
- Authorisations;

- CVA Qualification and Registration; and
- SVA Qualification

CVA MOAs do not register using the standard registration process (i.e. as described in BSCP65 or BSCP71). Their registration is carried out by the CRA after notification from ELEXON that the MOA has successfully completed the SVA Qualification process in accordance with BSCP537 (Qualification Process for SVA Parties, SVA Party Agents and CVA MOAs) and CVA Qualification testing in accordance with BSCP70 (CVA Qualification Testing for Parties and Party Agents).

SVA Party Agents

Supplier Volume Allocation Meter Operator Agent (SVA MOA)

A SVA MOA is a Party Agent who maintains and installs Metering Equipment, compliant with Codes of Practice (CoPs) in respect of any Meter Point registered with a Supplier Meter Registration Service (SMRS).

SVA MOAs must complete the following market entry process:

- SVA Qualification

Data Collector (DC)

A DC is responsible for collecting and processing SVA metered data, or determining estimates and submitting data files to a Data Aggregator (DA).

For Half Hourly (HH) metered customers, the HHDC retrieves and provides data on customers' consumption in each half hour of a Settlement Day.

For Non Half Hourly (NHH) metered customers, the NHHDC determines the Meter Reading Advance; this is the difference between the latest two sequential readings. Using the Meter Advance and Profile data, the NHHDC determines an Annualised Advance (AA), i.e. the annualised (equivalent to 12 months) consumption that is implied by the Meter Advance. It also updates the Estimated Annual Consumption (EAC), which is the projection of the annualised consumption for the period following the latest meter reading.

HH and NHH DCs must complete the following market entry process:

- SVA Qualification

Data Aggregator (DA)

A DA is responsible for the aggregation of SVA data provided by a DC (within specified categories) by Grid Supply Point Group (GSP Group) and by Supplier. The DA then submits these aggregated data files to the SVA Agent (SVAA).

For Half Hourly metered customers, the HHDA also calculates the distribution line losses of the Supplier's customers' consumption (the electrical losses incurred in distributing electricity to customers across the distribution system).

For Non Half Hourly metered customers the distribution line losses are added to the customers' consumption by the SVAA.

HH and NHH DAs must complete the following market entry process:

- SVA Qualification

Supplier Meter Registration Agent (SMRA)

Each LDSO has a Supplier Meter Registration Agent (SMRA), which carries out a Supplier Meter Registration Service (SMRS). This service provides for the registration of Metering Systems at Boundary Points on its Distribution Systems(s) and Associated Distribution System(s) in accordance with the Master Registration Agreement (MRA).

SMRAs must complete the following market entry process:

- SVA Qualification

Please see the ELEXON Guidance Note 'LDSO Market Entry and Ongoing Operational Activities' for more information.

Meter Administrator (MA)

A MA will calculate estimated energy consumption for equivalent Unmetered Supplies and provide the relevant data to the HHDC.

MAs must complete the following market entry process:

- SVA Qualification.

3. ELEXON Market Entry Processes

This section covers all processes that may need to be undertaken by any participant to enter the market. Some of the processes are performed separately and some in parallel. Operation in the BSC arrangements may only start on successful completion of all applicable processes.

The Market Entry processes outlined in this section are:

- Accession;
- Communication line acquisition;
- Authorisation;
- CVA Qualification and Registration (Parties, Party Agents, BM Units, Metering Systems and Registration in Market Domain Data); and
- SVA Qualification process.

3.1 Accession

Accession is the process defined in Section A of the BSC, which ends in a company becoming a Party to the BSC.

To accede to the BSC the following steps need to be completed:

Step 1 – Submission of Documentation

Party Applicants must complete and submit the following documentation to the Customer Operations Team at ELEXON:

- Accession Form – provides ELEXON with contact and licence details, and includes information on the ordering of communication lines.
- BSC Accession Agreement – obliges compliance with the BSC. Each Party Applicant is required to submit two signed copies of the Agreement, which should not be dated as this will be done by ELEXON when the Agreements are countersigned.
- The Accession Form and Agreements must be signed by a registered Company Director.

All Accession documentation is available on the Market Entry/Exit section of www.elexon.co.uk or from the Customer Operations Team.

Step 2 – Payment of Application Fee

Each Party Applicant must pay the Application Fee (£500) by Company cheque, BACs or CHAPs. Cheques should be made payable to ELEXON Limited.

Step 3 – Countersigning of BSC Accession Agreement

On receipt of the Accession documentation, the Customer Operations Team will contact the Party Applicant to advise whether the application is accepted or whether additional information is required to satisfy the admission requirements. On acceptance, ELEXON will countersign and date the BSC Accession Agreements and send one copy of the Agreement back to the Party Applicant with a letter confirming completion of the requirements.

When a new Party accedes to the BSC, the Authority, all BSC Parties, BSC Panel Members and BSC Agents are notified of the name, address and participation capacity of the new Party. BSC Parties are charged a Base Monthly fee of £250 from the point they accede in any given month. Parties are encouraged to accede to the BSC at the beginning of the month so they don't pay a whole month's fee for only part of a month.

3.2 Communication line acquisition

3.2.1 Overview

This step is part of the CVA Qualification process, but due to the lead times involved for the High Grade Service, participants are advised to order communication lines as soon as possible⁴.

⁴ BSC Parties should do this as soon as possible after acceding.

The communication lines transmit the same data flows: however, with the Low Grade Service (LGS), participants are required to 'pull' the information from the BSC Agents whereas the High Grade Service (HGS) provides a 'push/pull' functionality. The LGS uses the Internet to transfer information and participants are responsible for establishing Internet Service arrangements. The HGS uses dedicated communication lines to transfer information. The Participant Communications Definition Document – available on www.elexon.co.uk – provides a detailed description of the capabilities of the HGS and LGS.

Participants should note the lead times for ordering the HGS is 60 days.

Details of charges for the HGS can be found in Section D Annex D3 of the BSC. There is no charge for LGS, including the PCSec file based encryption software, which will be sent to the applicant by the NETA CSA.

3.2.2 Communication line ordering process

The process for ordering communication lines is:

Step 1 – Confirmation of Service Required

The Party Applicant must indicate on the Accession Form which service they would like to order.

On acceding, the Party is required to place a formal order by submitting the Communication Line Request Form to the Customer Operations Team. ECVNAs, MVRNAs and CVA MOAs who are not required to accede to the BSC, should also submit the Communication Line Request Form as soon as possible.

The form is available from the CVA Qualification section of www.elexon.co.uk. Once the form has been submitted the order is regarded as firm.

Step 2 – Placing the Order and Installation

On receipt of the Communication Line Request Form, ELEXON places an order with the NETA CSA. The participant will then be contacted by the NETA CSA to discuss installation.

For High Grade Service orders the physical line is then installed and tested.

Step 3 – Confirmation of successful installation

After installation and when preparations for CVA Qualification testing are complete, the participant should contact the Customer Operations Team to discuss preferred testing dates. Please see BSCP70 – 'CVA Qualification Testing for Parties and Party Agents' – for more information and the CVA Qualification Checklist.

3.3 Authorisations

All Parties, ECVNAs, MVRNAs and CVA MOAs must register Authorised Persons in accordance with BSCP38 (Authorisations). This involves completing BSCP38/5.1 form. The categories of authorisation are listed below:

BSCP38 / 5.1 – to be submitted to the Central Registration Agent (CRA)

- A – Changing Authorisation
- B – Accept / Reject Data Estimation
- C – Site Witnessing of Meter Readings
- D – Planned Work on Metering Systems and Breaking Seals
- E – Raise / Agree Standing Data Changes
- F – BM Units
- G – Metering System Registration / Deregistration & MOA Appointment
- H – Metering System Technical Details and Proving Tests
- I – Technical Assurance Site Visit Acceptance
- J – Party Registration and Changes to Details
- K – Submission & Termination of ECVNA or MVRNA Authorisations
- L – Submitting Aggregation Rules
- M – Amendments to Non Confidential Report Requirements
- N – Banking Details Registration and Changes to Details
- O – Query / Dispute Process
- P – Submitting CVA Line Loss Factors
- Q – Registration and Deregistration of Trading Units
- R – Metering Dispensation Applications

S – Party Withdrawal
 T – Transfer of Metering Systems between SMRS and CMRS
 U – Party Agent Registration and Changes to Details
 V – Transmission of Reports to all Parties
 W – Submitting SVA Standing Data Changes
 X – Submitting SVA Line Loss Factors
 Y – Submitting MDD Change Requests
 Z – Requesting and banning/unbanning user access to the ECVAA Web Service
 ZA – Registration of Transmission System Boundary Points, Grid Supply Points, GSP Groups and Distribution Systems Connection Points
 ZB – Signing the SAD and Qualification Letter
 ZC – Signing the Annual Company’s Statement of Qualified Status and Re-qualification letter.

- When registering Authorised Persons for the first time, participants should submit the forms with a covering letter from a Company Director, on Company stationary, declaring himself/herself Category A authorised.

3.4 CVA Qualification and Registration

BSC Parties, ECVNAs, MVRNAs and CVA MOAs are required to complete both the CVA Qualification and Registration processes.

BSC Parties and Party Agents may qualify by undertaking a series of tests (specifically for the role they wish to register as defined in the Communications Requirement Document). BSC Parties and CVA MOAs have the option to ‘opt out’ of testing all or specific flows relevant to the role in which the organisation will register in CRS. *Where a BSC Party or CVA MOA decides not to undertake testing it’s at their own risk.*

ECVNAs and MVRNAs must complete all relevant CVA Qualification testing.

All BSC Parties and BSC Party Agents have the option to waive all or specific test flows in line with the CVA Qualification waiver process detailed in BSCP70.

BSCP70 (CVA Qualification Testing for Parties and Party Agents), the CVA Qualification Guide, Participant Communications Definition Document and the Communication Requirements Document provide further guidance.

The Party Registration process is defined in BSCP65 (Party Registration and Exit Procedures). Parties should register their details, including their participation capacity and Party ID, using form BSCP65/01. The Party ID is any alphanumeric sequence with a maximum length of eight characters.

The ECVNA and MVRNA registration process is defined in BSCP71 (ECVNA and MVRNA Registration, Authorisation and Termination). Applicants should register their Party Agent ID which is an alphanumeric sequence with a maximum length of eight characters.

Participants cannot complete their registration in the CRS until they have completed the CVA Qualification process in accordance with BSCP70.

Further registration requirements and obligations are explained in section 6. These processes do not apply universally; details of the processes and applicability are provided in sections 3.4.2 – 3.4.4 of this document.

3.4.1 CVA Qualification/Registration Process

BSC Parties, ECVNAs, MVRNAs and CVA MOAs register and qualify by completing two steps.

Step 1 – CVA Qualification Testing/Waiver of CVA Qualification Testing

CVA Qualification Testing

The CVA Qualification process is defined in BSCP70 and is outlined below:

- As explained in section 3.2 communication lines must be ordered and installed prior to requesting a CVA Qualification test slot. Once test preparations for CVA Qualification testing are complete, the qualifying participant should contact the Customer Operations Team to discuss requirements and to formally request test slots using the CVA Qualification Test Booking form (BSCP70/01);
- The Customer Operations Team will forward the BSCP70/01 form on to the CRA to schedule test slots and confirm with the Qualifying Participant that the test slots requested have been booked. Each set of tests is allocated a four-hour slot;

- The CRA will contact the qualifying participant prior to the test date to confirm arrangements;
- Once the tests are completed, the Customer Operations Team will confirm whether all the requirements have been met. If they have, a 'CVA Qualification Statement' will be issued to the participant;
- The Customer Operations Team then instructs the CRA to register the qualified participant's details.

Waiver of CVA Qualification Testing

Participants may complete CVA Qualification via a waiver. This would apply where the qualifying participant will be using the communication lines of a third party (the 'supporting participant') which have been successfully tested in respect of the data flows applicable to the qualifying participant. Where a waiver is applied for and approved, the qualifying participant will not be required to test in respect of the waived flows.

The waiver procedure is defined in section 4.2 of BSCP70. The process is outlined below at a high level:

- Complete and submit the Application for a waiver of CVA Qualification Testing (BSCP70/02) to ELEXON, along with a letter from the supporting participant confirming they agree to support the qualifying participant in their chosen capacity, along with evidence of tests which show the supporting participant has tested for the flows applicable to the qualifying participant's role;
- The Customer Operations Team will assess the Application and supporting evidence and will issue a CVA Qualification Statement if all the requirements are met;
- If all the requirements are not met, further information may be requested, or the qualifying participant may be required to undertake CVA Qualification tests.

Step 2 – Submission of Registration and Authorisation Forms

Party Registration

- The Party completes forms BSCP65/01 (Party Registration) and BSCP38/5.1 (Authorisation) and submits them to the CRA.

ECVNA/MVRNA Registration

- The Applicant completes the forms BSCP71/05 (ECVNA/MVRNA registration) and BSCP38/5.1 (Authorisation) and submits these to the CRA.

Registration of CVA MOAs

- The CRA carries out the registration of CVA MOAs on notification from ELEXON that the MOA has initiated the SVA Qualification process in accordance with BSCP537 (Qualification Process for SVA Parties, SVA Party Agents and CVA MOAs) and completed the CVA Qualification requirements in accordance with BSCP70.

3.4.2 Registration of BM Units

This section is only applicable to Trading Parties (including Suppliers).

Prior to registering a BM Unit, a Party must have completed CVA Qualification and Party Registration. However, the processes may be initiated simultaneously.

Parties should follow the steps detailed in Section K of the BSC and BSCP15 (BM Unit Registration) to register BM Units with the CRA. All forms submitted must be signed by a registered authorised signatory.

Requests to register a BM Unit should be made at least 30 Working Days before the first trading day by completing BSCP15/4.1.

Base BM Units are automatically generated when the Supplier role is processed. Suppliers must update the registration details for the BM Units by completing the BSCP15/4.1 and submitting it to the CRA before the 'effective from date' of the BM Units. Parties registering BM Units of Generation or Demand Capacity greater than 50 MW in England and Wales, a Demand Capacity greater than 5 MW in Scotland, a Generation Capacity greater than 5 MW in the North of Scotland or a generation Capacity greater than 30MW in the South of Scotland or registering Interconnector BM Units should contact National Grid on 0800 085 4806 to discuss their Grid Code obligations.

3.4.3 Registration of Metering Systems

This section applies to all Trading Parties generating or supplying electricity, the Transmission Company and LDSOs⁵.

The CVA Metering System registration process (and related processes) are contained within BSCP20 (Registration, Commissioning and Proving of Metering Systems for Central Volume Allocation), BSCP501 (Supplier Meter Registration Service) and Sections K, L and R of the BSC.

CVA Metering System Registrants initiate this process by submitting form BSCP20/4.1 - 'Registration of Metering System' - or form BSCP20/4.2 - 'Registration of Metering System at Point of Connection of Distribution Systems' - to the CRA.

The SVA Metering System Registrations should refer to BSCP501 (Supplier Meter Registration Service).

Metering System Registrants must be BSC Parties or must become a BSC Party before or on the 'effective from date' of the Metering System registration. The MOA associated with the Metering System must also be accredited.

3.4.4 Registration in MDD

All participants operating in the Supplier Volume Allocation (SVA) market must register a Market Participant ID (MPID) in Market Domain Data (MDD) using the processes and forms in BSCP509 (Changes to Market Domain Data). The MPID is a unique reference which allows participants to be identified in the SVA market. The MPID chosen must be four alpha characters and must not have been used previously by any other participant. Participants should liaise with ELEXON to confirm that the ID chosen is acceptable.

Participants must select at least one 'role code' to be associated with their MPID. The Role Code selected depends on the participant's role(s). A single MPID may be associated with a number of Role Codes. Details of all Role Codes are held within MDD.

The ELEXON 'Market Domain Data' Handbook and BSCP509 provide information on further registration activities that may be necessary depending on the participant's role(s). Suppliers should coordinate their registration in MDD with the registration of their Supplier role with the CRA. For the Supplier Volume Aggregation Agent (SVAA) and the CRS to interface effectively, Suppliers must have completed CVA Qualification and have the 'effective from date' of their Supplier role entered in CRS at least two weeks prior to the targeted MDD Go Live date.

LDSOs should also coordinate their registration in CRS with their registration in MDD.

3.5 SVA Qualification

SVA Qualification is defined in Section J of the BSC and BSCP537 (Qualification Process for SVA Parties, SVA Party Agents and CVA MOAs). The process ensures that all participants required to be Qualified have developed their systems and processes to accepted industry standards and can meet BSC requirements. A guidance note containing more information on the SVA Qualification Process is available on the Qualification section of www.elexon.co.uk.

The SVA Qualification procedure has four key stages:

Qualification Letter

The Applicant provides details of its proposed market role and submits the Qualification Letter. A template for this letter is available in BSCP537.

Planning Meeting

ELEXON and the Qualification Applicant discuss the Qualification Process, in particular the completion of the Self Assessment Document (SAD), testing requirements and witness testing. In cases where applications are from prospective electricity Suppliers or SMRAs, ELEXON liaises with MRASCo to align the MRA and BSC market entry requirements for testing and witnessing.

Drafting and Review of the Self Assessment Document

All Qualification Applicants must complete a SAD (BSCP537 appendix 1), which embodies the Qualification Requirements. The Applicant completes the relevant sections of the SAD and submits this to ELEXON for review. During completion and review of the SAD, the applicant will also provide additional evidence supporting its application. In most cases this will be an iterative process until the SAD is completed to an acceptable standard. ELEXON may also request that some of the applicant's internal testing is witnessed, Guidance on completion of the SAD, the provision of supporting evidence and witness testing will be provided by ELEXON during the process.

The complete SAD is signed by an Authorised Signatory of the applicant organisation.

⁵ Further information on the requirements applicable to LDSOs is provided in the ELEXON Guidance Note 'LDSO Market Entry and Ongoing Operational Activities'.

Application is presented to PAB

Once the SAD and evidence review process is complete, ELEXON reports to the Performance Assurance Board and gives its recommendation on whether the applicant should Qualify based on the assessment of the SAD and supporting evidence. The PAB determines whether an applicant Qualifies.

4. ELEXON Support During Market Entry

During Market Entry, ELEXON provides a number of services to assist participants, including:

- Customer Operations Team;
- SVA Qualification Coordinator;
- ELEXON Helpdesk (Tel: 020 7380 4222);
- Market Entry/Exit section of www.elexon.co.uk - <http://www.elexon.co.uk/participating/MarketEntryExit/default.aspx>;
- Presentation on Market Entry;
- Ongoing support – ELEXON’s Operational Support Managers (OSMs).

4.1 Customer Operations Team

The Customer Operations Team supports all aspects of the Accession, communication line acquisition, Party Registration, CVA Qualification and Market Domain Data processes.

You can contact the Customer Operations Team, via the ELEXON Helpdesk. The Helpdesk can only support queries regarding communication lines until an order is placed, following which you should contact the Logica NETA Helpdesk.

4.2 SVA Qualification Coordinator

The SVA Qualification Coordinator provides advice and guidance on the SVA Qualification process and is the central point of contact for all SVA Qualification applications at ELEXON. You can contact the SVA Qualification Coordinator via the ELEXON Helpdesk.

4.3 The ELEXON Helpdesk

To ensure your query is logged, prioritised and progress monitored, you should call the ELEXON Helpdesk. First line support is provided by the Helpdesk. If the Helpdesk team cannot resolve the problem, the call is passed to the relevant team within ELEXON and the caller kept updated on progress until satisfactory resolution. All calls are categorised by priority (agreed with the caller). The priorities and applicable initial response times are indicated below:

4.4 Market Entry/Exit section of ELEXON Website

Documentation on market entry can be found on the Market Entry section of www.elexon.co.uk. To easily keep track of the information on this, or any section of the website, you can use ELEXON’s new website functionality, myELEXON which allows you to register and receive email updates when certain pages or documents are updated. If you have any questions or comments about myELEXON, please email communications@elexon.co.uk.

4.5 Presentation on Market Entry

Applicants are encouraged to attend a market entry presentation where the following areas will be outlined and

Call Prioritisation Category	Initial response to be provided
Very High	10mins
High	30mins
Medium	Four hours
Low	Three working days

clarified:

- An introduction to the BSC arrangements;
- The role of ELEXON;

- An overview of the key Market Entry processes (including the SVA Qualification process, where applicable);
- How ELEXON supports applicants; and
- Contact details for ELEXON staff supporting the Market Entry processes.

4.6 Ongoing Support

ELEXON has a team of Operational Support Managers (OSMs) who provide support to participants. An OSM will be assigned to each SVA participant following Accession. CVA Participants will be allocated an OSM on request. The OSMs help participants understand the systems and processes that form the BSC arrangements. A meeting between an OSM, other ELEXON staff and participants can be organised.

5. Other Contractual Agreements and Requirements within the Electricity Industry

5.1 Credit Cover Process

Trading Parties must demonstrate they have adequate Credit Cover in place. This process is managed by the Funds Administration Agent (FAA).

Under the BSC arrangements, payments to and from Trading Parties for Trading Charges arising on any particular Settlement Day are made, on average, 29 calendar days later. This means at any given time, Trading Parties may have debts (or be due payments) in respect of Trading Charges incurred over the previous twenty-nine days. The purpose of Credit Cover is to ensure that sufficient collateral is available to pay debts, should a Trading Party default.

The BSC does not stipulate the amount of Credit Cover that Trading Parties must provide. Trading Parties decide how much Credit Cover they wish to provide. Credit checking is undertaken to ensure a Trading Party's debts accumulated over the 29 day period does not exceed the Credit Cover provided.

If a Party believes it will never have a positive Energy Indebtedness it may decide not to lodge Credit Cover. However, if a Party's Energy Indebtedness (EI) increases beyond pre-determined parameters, ELEXON is obliged to act to prevent a further increase in the level of EI.

A Party is informed if its EI reaches 80% of its Credit Cover. If its EI reaches 90% the Party is informed and the industry may also be informed. New and existing notifications which increase the Party's EI may also be refused.

Information Sheets on Credit Cover and Credit Default which explain these processes in more detail are available from the Publications section of www.elexon.co.uk.

5.2 Ofgem Requirements

Ofgem, the Office of Gas and Electricity Markets, is an independent body set up by the Government to regulate the electricity and gas markets. Ofgem grants licences to persons who wish to supply, transmit, distribute or generate electricity under general authority from the Secretary of State.

Applicants should contact Ofgem to discuss application requirements. It can provide information on the application process, a list of licensed companies and copies of licences.

5.3 MRA Requirements

The Master Registration Agreement (MRA) was developed to provide a contractual framework for SVA registration in a single document. It is a multi-party agreement signed by all registration Service Providers and Suppliers, as well as the Settlement bodies.

Distribution companies are responsible for providing the registration service (SMRS). Suppliers must ensure that data provided to the Registration Services is correct and any errors must be corrected in accordance with the MRA Agreed Procedure (MAP) 04.

Suppliers should contact the Master Registration Agreement Service Company (MRASCo) to discuss MRA requirements.

5.4 Electralink

Electralink was originally established by the 14 Public Electricity Suppliers of England, Scotland and Wales to act as the Data Transfer Service Controller to manage the Data Transfer Service (DTS) on their behalf. Electralink is responsible for providing the network, gateways and support services to system users and for ensuring the service meets users' requirements.

Contact Electralink for information on the DTS or placing orders for connection to the service.

5.5 Transmission Company Requirements

National Grid is the sole holder of the Transmission Licence for Great Britain and also fulfils the Transmission Asset Owner (TAO) and System Operator (SO) roles.

In its TAO role, National Grid maintains, develops and invests in the Main Interconnected System (MIS). Parties must apply for access to the MIS and accede to the Connection Use of System Code (CUSC). The CUSC gives legal force to the Grid Code, which specifies day-to-day procedures for planning and operational purposes.

In addition to BSCP15/4.1 forms, participants must complete National Grid registration forms for BM Units with a capacity greater than those documented in section 3.4.2 or may choose to register with National Grid of their own volition.

The SO role covers all short-term operational activities to keep the system balanced and operating within safe limits. The SO uses Physical Notifications for each Settlement Period combined with forecasts of demand and knowledge of system constraints, to fulfil its Balancing Mechanism role for resolving energy and system imbalance close to real time. Parties who wish to participate in the Balancing Mechanism must inform National Grid of their Bids and Offers per Half Hourly Settlement Period. National Grid determines which Bids and Offers to accept to balance the system nationally and locally and to ensure the quality and security of supplies is maintained.

Additionally, National Grid makes Market Information available to the Balancing Mechanism Reporting Agent (BMRA) and the Settlement Administration Agent (SAA). This information enables the BMRA to publish the appropriate Market Information on the Balancing Mechanism Reporting Service (BMRS) and for the SAA to calculate the Settlement data.

Under the Grid Code:

- All BM participants must use electronic data communications facilities known as Electronic Data Transfer (EDT) to submit data to National Grid;
- Any Party that wishes to participate in the Balancing Mechanism must ensure that appropriate logging devices are installed at the Control Points of the BM Units. This facility is called Electronic Dispatch Logging (EDL).

6. Other Operational Requirements

While successful completion of the Market Entry processes is a pre-requisite to trading, there are other requirements that apply to a Party/Agent as soon as it starts operating in the market. The major requirements are listed below, and all applicants are advised to contact the ELEXON Helpdesk to arrange a briefing on these areas in advance of operating in the market.

6.1 BSC Audit

The BSC Audit is defined in Section H5 of the BSC. The objective of the Audit is to provide assurance to market participants that the provisions of the BSC and CSDs relating to Settlement have been complied with.

The scope of the BSC Audit is determined by the Panel and includes the processing of Settlement data by the Central Systems, Suppliers and Supplier Agents.

Participants will typically receive two site visits from the BSC Auditor in each BSC Audit Year. The BSC Auditor may raise Audit Issue Documents against individual participants highlighting areas of non-compliance with the BSC. The Audit Issue Resolution process ties in with the Error and Failure Resolution process and the PAB Escalation Cycle defined within BSCP534 (PARMS Techniques).

For more information on the BSC Audit, go to

<http://www.elexon.co.uk/participating/MarketGuidance/PerformanceAssuranceFramework/bscaudit.aspx>

A Fact Sheet on the BSC Audit and an Information Sheet on the Error and Failure Resolution process are available from the Publications section of www.elexon.co.uk

6.2 Technical Assurance

Technical Assurance covers three main areas:

1. Technical Assurance of Metering Systems registered in CMRS

A five percent sample of the Metering Systems registered with the CRA is inspected annually to determine compliance

with the BSC and CSDs, with particular reference to the Metering Codes of Practice (CoPs). Parties, as Registrants, must ensure that the relevant Meter Operator Agent (MOA) is in attendance and that non-compliances identified are rectified. This Technical Assurance process is documented in BSCP27 (Technical Assurance of Half Hourly Metering Systems for Settlement Purposes).

2. Technical Assurance of Metering Systems registered in SMRS

A two percent sample of the Metering Systems registered in SMRS is inspected on an annual basis to determine compliance with the BSC and CSDs, with particular reference to the Metering CoPs. Suppliers must ensure that the relevant MOA is in attendance and that non-compliances identified are rectified. This Technical Assurance process is documented in BSCP27.

3. Technical Assurance of Suppliers and Supplier Agents

On-site and central checks are conducted throughout the year by ELEXON to confirm a participant's compliance with its obligations detailed in the BSC and CSDs. The scope of this Technical Assurance technique, which outlines what checks are going to be performed in the year, is agreed annually by the PAB and is published on www.elexon.co.uk. Suppliers and Supplier Agents must provide access and information on request. Notices of compliance or non-compliance will be issued as appropriate, and the progress of rectification is monitored. This Technical Assurance process is documented in BSCP535 (Technical Assurance).

In addition to the planned inspections and checks, targeted inspections or checks to Metering Systems, Suppliers or Supplier Agents may be performed. These checks are ad-hoc and are usually authorised by the PAB.

6.3 Performance Assurance Reporting and Monitoring System (PARMS) Reporting

From the first month of trading, all Suppliers must submit monthly performance reports against agreed serials for their performance and that of their Agents. Data will be provided partly by the Supplier and partly by the Agents the Supplier appointed. The process and format of the reports is specified in BSCP533 (PARMS Data Provision).

The information provided to PARMS is used for monitoring and reporting to the PAB. Data from PARMS is also used to produce Peer Comparison reports and calculate Supplier Charges as detailed in BSCP534 (PARMS Techniques) and BSCP536 (Supplier Liquidated Damages).

6.4 Disputes

Trading Queries and Trading Disputes can be raised under Section W of the BSC. If a Party identifies a settlement error that it believes would either result in incorrect bills going to it and/or another Party, or give rise to an incorrect determination of Credit Default, that Party may raise a Trading Query. This should be done in accordance with the process set out in BSCP11 (Trading Queries and Trading Disputes). Should the Trading Query require escalation to the Trading Disputes Committee (TDC) for resolution, it will become a Trading Dispute.

All Trading Queries/Disputes are judged against breaches of the BSC or CSDs (e.g. BSCPs or PSLs) and evidence of the breach is required. In addition, the procedure specifies the time limits within which Trading Queries must be raised.

Appendix A – Further Assistance

ELEXON Helpdesk:

Telephone: 020 7380 4222

Fax: 020 7380 4058

Email: helpdesk@elexon.co.uk

Postal Address: ELEXON Limited, 350 Euston Road, London, NW1 3AW

ELEXON Customer Operations Team:

Telephone: 020 7380 4320

Fax: 020 7380 4058

Email: market.entry@elexon.co.uk

Postal Address: ELEXON Limited, 350 Euston Road, London, NW1 3AW

Central Registration Agent, Logica Consortium:

Telephone: 0870 833 5602

Facsimile: 0870 833 5601

Email: neta@imserv.invensys.com

Transmission Company, National Grid:

Telephone: 0800 777770

Email: iscustomerservicesupport@uk.ngrid.com

Registration – Email: sue.stewart@uk.ngrid.com

Website: www.nationalgrid.com/uk

CUSC, National Grid:

Telephone: 024 7642 3234

Fax: 024 7642 3298

Email: cusc.team@uk.ngrid.com

Website: www.nationalgrid.com/uk/indinfo/cusc/index

Grid Code, National Grid:

Telephone: 024 7642 3234

Fax: 024 7642 3298

Email: grid.code@uk.ngrid.com

Website: www.nationalgrid.com/uk/indinfo/grid_code/index

FAA, LogicaCMG EPFAL

Telephone: 0800 3163 776

Facsimile: 020 7401 2799

Email: logicaepfal.helpdesk@logica.com

Postal Address: Logica EPFAL, 84-86 Great Portland Street, London W1W 7NR

The Authority (Ofgem):

Telephone: 020 7901 7000

Facsimile: 020 7901 5197

Email: licensing@ofgem.gov.uk

Website: www.ofgem.gov.uk

MRASCo, Gemserv Limited:

Telephone: 020 7090 1029

Facsimile: 020 7090 1001

Email: helpdesk@gemserv.co.uk

Website: www.gemserv.co.uk

Electralink:

Telephone: 020 7462 8700

Facsimile: 020 7452 8715

Email: helpdesk@electralink.co.uk

Website: www.electralink.co.uk

Appendix B – Acronyms

Acronym	Definition
BM Unit	Balancing Mechanism Unit
BSC	Balancing and Settlement Code
BSCP	Balancing and Settlement Code Procedure
CDCA	Central Data Collection Agency
CRA	Central Registration Agent
CRS	Central Registration System
CVA	Central Volume Allocation
DC	Data Collector
DA	Data Aggregator
DTS	Data Transfer Service
ECVAA	Energy Contract Volume Aggregation Agent
ECVNA	Energy Contract Volume Notification Agent
EDL	Electronic Dispatch Logging
EDT	Electronic Data Transfer
FAA	Funds Administration Agent
FAF	Funds Accession Form
HH	Half Hourly
LDSO	Licensed Distribution System Operator
MDD	Market Domain Data
MOA	Meter Operator Agent
MPID	Market Participant ID
MRA	Master Registration Agreement
MVRNA	Metered Volume Reallocation Notification Agent
NETA	New Electricity Trading Arrangements
NETA CSA	NETA Central Services Agent
NHH	Non Half Hourly
Ofgem	Office of Gas and Electricity Markets
OSM	Operational Support Manager
PAB	Performance Assurance Board
SAD	Self Assessment Document
SMRA	Supplier Meter Registration Agent
SMRS	Supplier Meter Registration Service
SVA	Supplier Volume Allocation
UMSO	Unmetered Supply Operator

Appendix C – List of Forms

The following forms are used in each part of the process:

Accession

Accession Form
BSC Accession Agreement

Registration and CVA Qualification

BSCP65/01
BSCP70/01a, BSCP70/01b, BSCP70/01c and/or BSCP70/02
BSCP71/04
BSCP301/04(a) (sent to the FAA)

Market Domain Data
BSCP509

Registration BM Units

BSCP20/4.1
BSCP20/4.2

Registration Metering Systems

BSCP20/4.1
BSCP20/4.2

Authorisation

BSCP38/5.1

SVA Qualification

BCSP 537
Qualification Letter
Self Assessment Document (SAD)

Copies of all forms are available on the website or from the Customer Operations Team.