

Irish Retail Electricity Market Re-Qualification for Existing Participants

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Version 1.0 (Approved)



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1. Introduction

1.1 Purpose

This document describes in detail the Re-Qualification process, as outlined in the Assurance Strategy. Re-Qualification is one of a group of market assurance processes under the Assurance Strategy. The Assurance Strategy sets out when a process applies and what the Participant needs to do to initiate a process. It is intended that this document should provide the reader with sufficient information to understand:

- What will be expected of the Participant in undertaking the process;
- Who to contact for advice and guidance.

1.2 Background

All active Participants in the Market have successfully undertaken Market Entry Assurance¹. At that time, these Participants' systems and processes were Qualified as being in compliance with the market design for specified roles and/or market sectors and/or volumes and were approved to operate in the Market.

To assure on behalf of the Commission for Energy Regulation (CER) and the Market as a whole, on-going compliance with the market design when Participants make a Material Change² to their systems or exceed defined thresholds, existing Participants may be subject to Re-Qualification.

¹ The exception are self-suppliers and generators, who are not required to go through the Market Entry Assurance Process

² See the Assurance Strategy document for a description of Material Change

1.3 Scope

The Re-Qualification Process covers the following situations:

- A Participant plans to introduce a Material Change to their systems and/or processes that were the subject of their original assurance or
- A Participant plans to operate outside the defined thresholds or conditions³ specified in their original assurance conditions but within the existing market sectors

1.3.1 Within Scope

Please see Table 2 in Section 3.5 of the Assurance Strategy for some indicative examples of when the Re-Qualification Process is likely to be applied.

1.3.2 Out of Scope

The following situations are outside the scope of the Re-Qualification Assurance Process:

- Changes introduced by a Participant to gain approval for trading in market sectors for which the Participant is not already assured. The Market Entry Assurance Process will apply in these cases.
- Changes which are implemented by a Participant as a result of industry-wide requirements including messaging. These are subject to the Market Design Change Assurance Process.

³ At the time of writing no other conditions have been specified, however CER reserves the right to impose alternative or additional conditions where, in their opinion, this is appropriate

2. Re-Qualification Requirements

Participants must comply with the following requirements when completing the Re-Qualification process:

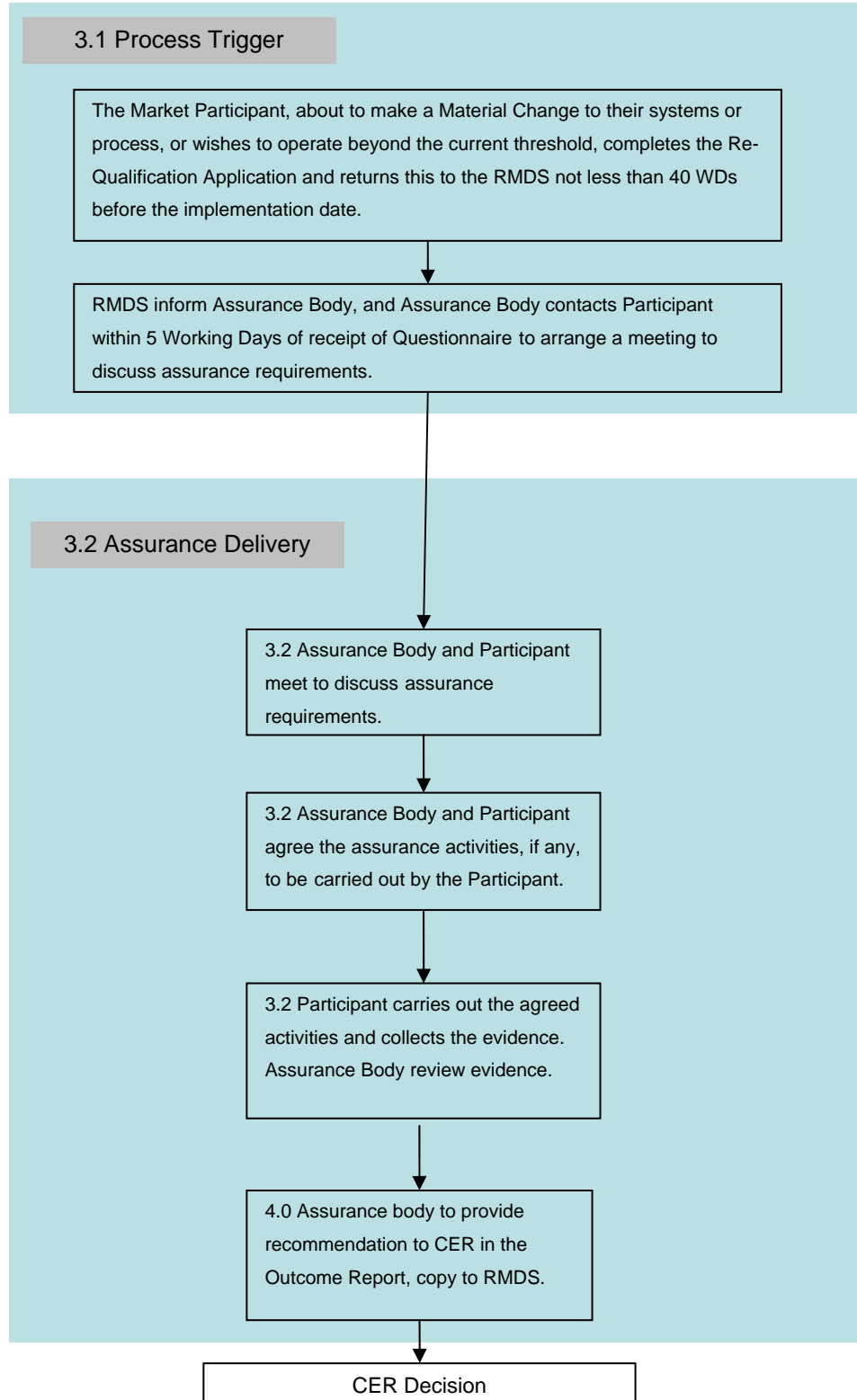
- The Participant must ensure that any Material Changes are designed, developed, tested and implemented in accordance with their own management procedures;
- The Participant must notify the RMDS when proposed Material Changes are identified or when registration thresholds⁴ are likely to be met or exceeded. This should be as soon as possible and must be not less than 40 working days prior to the intended date of introduction of such changes into their normal market operations and/or not less than 40 working days prior to the predicted date when registration thresholds will be met;
- The Participant must keep management records and allow the Assurance Body reasonable access to these records and other evidence as appropriate, and allow interviews of business users where necessary. In this manner, the Assurance Body may gain a reasonable level of understanding of the business and management processes employed by the Participant in market operations and implementation of changes.

⁴ Applicable to small suppliers only

3. The Process

The Diagram below (Fig 1) outlines the main process steps for Re-Qualification. These steps are described in more detail in the following sections.

Fig 1 Re-Qualification Process Diagram



3.1 Process Trigger

Table 2 in Section 3.5 of the Assurance Strategy gives some examples of events that may require a Re-Qualification (A copy of this table is also included in Appendix C of this document). Note that it is the changes to systems, processes and staff that determine whether a change is Material. A change to any one of these may be Material, and a combination of changes in any one of these areas that are not of themselves material individually, may also be Material

The Re-Qualification Process is formally triggered by a Participant submitting a Request for Re-Qualification together with the questionnaire (see Appendix A).

Participants should contact the RMDS at the earliest opportunity (as soon as it has been determined that the change is, or may be, material) so that an assessment of the Re-Qualification Requirements, if any, can be made. As a minimum, Participants are required to inform the RMDS of a Material Change no less than 40 working days before the proposed implementation date.

The Assurance Body will complete an initial review of the Re-Qualification Questionnaire and contact the Participant to arrange a meeting to discuss assurance requirements within 5 Working Days of receiving the questionnaire.

3.2 Assurance Delivery

Assurance delivery has been split into two types of Re-Qualification:

- Re-Qualification triggered by a change and;
- Re-Qualification triggered by an approaching threshold(s) (applicable to Small Suppliers only)

3.2.1 Re-Qualification triggered by a change

Assessment for changes under the Re-Qualification Process may comprise some or all of the techniques under the Entry Assessment Process; however such assessment will be contingent on the nature of the change and may place greater emphasis on change and configuration management. The following Re-Qualification activities shall apply where the Re-Qualification Process is triggered by a change:

- Initial discussions between the Participant and the Assurance Body regarding the planned changes and any potential assurance requirements;
- The Participant will agree a plan with the Assurance Body for the required Assurance techniques and other activities, against which it will execute the specified activities and be assessed by the Assurance Body as described in the Assurance Strategy. For large programmes of work, it may be appropriate to sub-divide the work into two or more Re-Qualifications as agreed between the Assurance Body and the Participant. The emphasis is on self-assessment, so that:
 - as far as practical, assurance review points will coincide with an appropriate subset of project review points; and
 - appropriate documents defined within the Participant's project will often provide any required evidence, so that there may be no need to carry out additional activities and prepare additional documentation solely for the purpose of achieving the necessary assurance requirements.
- Undertaking relevant activities under the Entry Assessment Process, as appropriate; and
- Completion of Re-qualification will be when:

- all of the planned assurance activities have been completed and all Findings closed by the Assurance Body; and
- the Assurance Body's evaluation report has been received by the Participant and CER; and
- CER has approved implementation of the change prior to the change becoming operational.

3.2.2 Re-Qualification triggered by Thresholds (for Small Suppliers only)

The Re-Qualification Process will normally comprise some or all of the techniques under the Entry Assessment Process, however such assessment will be contingent on the targets in the Participant's business plan. Where the Participant is also introducing a Material Change, the assurance will be carried out in parallel and will depend on the nature of the changes to business processes and systems,, the planned volume of registrations and other pertinent factors. The following Re-Qualification activities shall apply where the Re-Qualification Process is triggered by a threshold:

- The RMDS will arrange for the Assurance Body to meet with the Participant to discuss requirements.
- The Participant will provide any requested supporting documentation to the Assurance Body who will assess the requirements and propose appropriate actions based on:
 - Scope of the request;
 - Re-Qualification Thresholds set;
 - The Participant's business plan;
 - The Participant's previous Entry Assessment; and
 - The Participant's operational experience.
- The Participant will agree a plan with the Assurance Body for the required Assurance techniques and other activities, against which it will execute the specified activities and be assessed by the Assurance Body as described in the Assurance Strategy.

- Completion of Re-qualification will be when:
 - all of the planned assurance stages and activities have been completed and all Findings closed by the Assurance Body; and
 - the Assurance Body's evaluation report has been received by the Participant and CER; and
 - CER has set new thresholds or removed them altogether.

4. Reporting requirements

4.1 CER and RMDS

As authorising body, the CER will be kept informed of the progress being made by Participants undertaking a Re-Qualification. CER will authorise completion of the assurance undertaken. The RMDS will also be kept informed. A report to CER and RMDS will outline:

- A description of the Material Change and/or change/removal of Thresholds.
- How the Participant has managed the design, implementation and testing of the change or has prepared for increased traffic.
- The assurance that was carried out.
- The Assurance Body's opinion.

The Assurance Body will keep the RMDS informed of the Re-Qualification timeframes. The RMDS will contact the Participant shortly before the Participant's implementation date and arrange for the Hub team at ESB Networks to monitor the market messages and provide appropriate support should any issues arise.

4.2 IGG

The Assurance Body will provide a high level update to the IGG following the completion of the Re-Qualification in terms of the techniques and strategies used during assurance.

Appendix A

Request for Re-Qualification

| | |
|--|--|
| Organisation Name: | Market Participant ID: |
| Contact Name: | Date: |
| Contact Details: Tel: Fax: Email: | Market Sectors for which Approved (Suppliers only): QH ⁵ <input type="checkbox"/> NQH ⁶ (non-Domestic) <input type="checkbox"/> NQH (Domestic) <input type="checkbox"/> Unmetered <input type="checkbox"/> SoLR ⁷ <input type="checkbox"/> |
| Date change required to be introduced to live Market: (Please also complete the attached questionnaire) | |
| Date Threshold likely to be reached⁸: | |
| Signed: (for Participant) | Date: |

Date received by Assurance Body: _____

⁵ Quarter Hourly metered supply

⁶ Non-Quarter Hourly metered supply

⁷ Supplier of Last Resort

⁸ Applicable to Small Suppliers only

| # | Item to be Assessed | Your response | Evidence available/supplied |
|----|--|---------------|-----------------------------|
| 1. | What is the nature of the change(s) that you wish to introduce into your operational systems? | | |
| 2. | How have you identified the items (procedures, instructions, applications etc.) that are impacted by the change(s)? | | |
| 3. | What management processes will you use to ensure that all necessary changes have been included? | | |
| 4. | What management processes will you use to ensure that the change(s) have been effectively tested? | | |
| 5. | Do you think that testing needs to be carried out with other Market Participants with respect to this change(s)? | | |
| 6. | If the answer to 5 above is 'No', how will you ensure that the change(s) will allow you to inter-operate correctly with other Market Participants? | | |
| 7. | Have you updated your Self Assessment Return (SAR) to reflect the change? | | |

Appendix B

Participant Organisation:

DECLARATION BY COMPANY EXECUTIVE

With the exception of those items explicitly detailed below we confirm that:

- we have verified the necessity for the Material Change;
- the design of this change, and its introduction into our systems, has been and will continue to be effectively managed;
- the systems and processes that have been modified or otherwise impacted as a result of this change will, at the time of implementation, continue to fully meet the applicable market design obligations, work together correctly and accurately, have been completely and successfully tested and will not degrade our ability to inter-operate with any other market participant.

Please detail any exceptions here :

Prepared by :

| | | | |
|------------|-----------|----------|-------|
| ----- | ----- | ----- | ----- |
| Print Name | Signature | Position | Date |

Approved by :

| | | | |
|------------|-----------|----------|-------|
| ----- | ----- | ----- | ----- |
| Print Name | Signature | Position | Date |

Appendix C

This table is a copy of Table 2 in Sect 3.5 of the Assurance Strategy document. (The Table in the Assurance Strategy document is the 'master' copy)

Table 2. Illustration of Re-Qualification assurance requirements

| | Typical Impact on Market Obligations and Likelihood that Independent Assurance is required | | |
|------------------------------|--|---|--|
| Examples of Change | Not Likely | Possibly | Very Likely |
| System Change | Change to non industry-facing system (e.g. pure billing system) | Significant change to industry-facing system | |
| | | Replacement of industry-facing system with established, proven system | Replacement of industry-facing system with a new, unproven system. |
| | Change to user interface | | Replacement of MPCC with other message interface mechanism |
| | Bulk migration of industry data using industry processes | | Bulk migration of industry data but not using industry processes |
| Process Change | Process updates for improvement of accuracy and clarity | Manual process replaced by automated process (industry-facing) | Multiple manual processes replaced by automated processes (industry-facing) |
| | Minor process change to reflect changing reporting structure or internal company policy | | Major rewrite of process |
| Staff Change | Routine staff changes and associated intra-company re-organisations | Staff changes due to acquisition of new company | Relocation requiring total staff replacement |
| Threshold⁹ | Increasing level of activity within the threshold | Activity oscillating around the threshold (say within 10%) | Planned growth that will result in activity permanently in excess of the threshold |

⁹ For Small Suppliers only