

Consultation on ElectraLink's emerging TPI Code of Practice

Introduction

ElectraLink operates at the heart of the energy industry developing and managing utility governance arrangements, complimented by our energy data insight and network services capabilities. Established by industry back in 1998, we remain an independent organisation managing a growing number of industry codes many of which contain robust on-going assurance activities.

Since Electralink's initial declaration and intention to develop an independent industry TPI Code of Practice (TPICoP) in July 2018, we have continued to work with industry across TPI and supplier communities and our engagement has extended to interested independent third parties.

A founding principle of this code development is to establish an independent code which delivers value to TPIS, suppliers and ultimately customers in the business market with a particular focus on SME market.

In a continuation of our open and transparent approach to developing the Code, we are now providing a further opportunity to validate our Code structure and core principles. The publication of this short consultation aims to verify the outcome of discussions raised during our engagement with industry and independent third parties.

Consultation Documents

The documents within this consultation pack include:

- the latest draft version of the Code (reflecting input received by ElectraLink through a combination of the industry working groups held in September and October and on-going bilateral discussions).
- our proposed establishment of the TPICoP Co Ltd, signatories to the Code and the determination of apportioned costs of being a TPICoP member; and
- draft standardised Letter of Authority (LOA).

Consultation Questions

Code of Practice

Question 1:

Do you agree with the purpose of the Code?

Question 2:

Do you agree with the definitions as set out in the Code including the revised definition of a TPI?

Question 3:

Do you agree with the scope of the Code as currently drafted? Are there any additional principles that should be considered? If yes, please provide a short explanation.

Question 4:

Do you agree that TPIs should be required to disclose commission rates or confirm how they are remunerated in the spirit of transparency?

Standardised Letter of Authority (LoA)

Question 5:

Do you agree with the proposed LoA template which aims to standardise the industry process?

Question 6:

Would you like to see a set of LoA principles set out in the Code to which signatories would demonstrate on-going compliance?

Question 7:

Would you like to see a guideline document included within the Code setting out the management of the LoA process?

Data

Within the Code we highlight the opportunity for TPIs to validate customer consumption on a real-time basis with the appropriate data protection provisions in place.

Question 8:

Do you agree that TPIs should have access to industry data to support contract negotiation process and that a data schedule will serve to establish a clear demarcation between the Code and such data services in terms of governance and separate assurance controls to access such data? Please provide a short explanation.

TPICoP Company Limited

Question 9:

Do you agree with the proposed construct of the TPICoP Co Ltd, TPICoP Board and TPICoP Governance Panel?

Question 10:

Do you agree with the ratio of costs which would be attributed to TPIs and Suppliers? Please provide a short explanation.

Question 11:

Do you agree with the proposed roles and responsibilities for members of the TPICoP Board and TPICoP Governance Panel set out in the Code of Practice and Framework document?

Assurance

Question 12:

Do you agree with the proposed assurance framework for TPIs including a pre-audit prior to becoming a formal signatory, followed by scheduled annual assurance audits and interim checkpoints?

Question 13:

Do you agree with the tiering of TPIs for assurance purposes as set out in section 4.10 of the TPI Code of Practice Framework document.

Question 14:

Non-compliance will be dealt with on a case-by-case basis in the first instance and managed through corrective action plans agreed between the Code Manager, Governance Panel and affected TPI. Are there any other metrics / sources outside the Code i.e. complaints, that should be considered? Please explain your reasoning.

Question 15:

How do you think signatories should be managed where on-going non-compliance with the Code is identified? Please consider the maturity of the Code in your answer?

General

Question 16:

Are there any other aspects of the Code or proposed governance arrangements that you wish to comment on or additional scope that requires further consideration?

Responding to this Consultation

We would welcome your views on the proposed TPI CoP which reflects our engagement with industry and independent third parties since our initial launch in July 2018.

If you wish to respond, please respond to ElectraLink's TPICoP Team via the following email address: tpicop@electralink.co.uk

Responses should be returned by close of business on **Friday 23 November 2018**.

Next Steps

ElectraLink will consider all responses received by the consultation closing date. Where appropriate we will update documents accordingly before publishing a baseline TPICoP document on ElectraLink's website on the 30 November 2018.

During the consultation period, the TPICoP team will be looking to set up meetings to on-board founder membership and these meetings will be on a bilateral basis.

Consistent with our launch plan we intend to establish the TPICoP Co Ltd, Board and Panel during December 2018 with a view to official launch of the code on behalf of industry during January 2019.

Privacy Statement

All responses will be aggregated and where necessary reflected in the appropriate documents.

Where further clarification is required, a member of the TPICoP Team will contact the relevant organisation using the contact details provided before the baseline Code of Practice is published.

Where necessary, responses will be aggregated, anonymised and published as a referenceable Q&A.

Kind regards

ElectraLink TPICoP Team