



 **VERSION 1**

# RETAIL ELECTRICITY MARKET

**New Entrant and Market Participant Assurance  
Strategy and Approach**

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### Version Control

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<b>19/11/2024</b>	V0.1	J. McKnight	Re-brand RMDS strategy
<b>27/11/2024</b>	V0.2	J. McKnight and R. McLaughlin	Ownership transfer to Assurance Body and tracked updates
<b>29/01/2025</b>	V0.3	J. McKnight and R. McLaughlin	Update review comments
<b>06/02/2025</b>	V1.0	J McKnight	Approved version for use

### Circulation List

Version	Organisation	Role
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<b>0.3</b>	RMDS	Approval
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### Reference Documents

Title	Description
<b>Irish Retail Electricity Market - Market Change Assurance Strategy</b>	Document outlining the Assurance strategy and process that will apply when changes are being introduced to the Retail Electricity Market.
<b>Retail Electricity Market Balance Scorecard - Guidance Document</b>	Guidance document to outline the framework for the application of the Balance Scorecard.

If, on expiry of the current Agreement between Version 1 Software Ltd (“Consultant”) and RMDS, a replacement consultant is appointed to carry out the Services within the Agreement, the parties agree that this Strategy together with the Balanced Scorecard guidance document, as delivered by the Consultant, can be used by the replacement consultant in the provision of such Services and on instruction by RMDS but its use is restricted only to the Electricity Sector in Ireland.

## 1. INTRODUCTION

### 1.1. Purpose

The purpose of this document is to set out the high-level Assurance framework for Market Participants in the Retail Electricity Market. Specifically, this document outlines the application of assurance services relating to the following four areas:

1. New entrants to the Retail Electricity Market;
2. Continual assessment: applying to -
  - a. Participants certified in the Small and Large Supplier categories as to ensure their market operational systems and processes are maintained at a satisfactory level as they grow in the market.
  - b. Self-Supplier, Export Only, Demand Side Unit and Participant Generators to ensure the rules relevant to the market roles have been maintained.
3. Requalification and Material Change<sup>1</sup>: where existing Market Participants (MPs) wish to enter new market segments (not previously qualified), change their market role or, make changes to existing operational systems (that interact with the market related systems), processes or IT infrastructure.<sup>2</sup>
4. Market Exit: the assurance process applied when a participant leaves the market.

This document provides coverage for both the Strategy and Processes for new entrant and market participant assurance.

Combined with the Market Change Assurance Strategy this document supersedes and replaces the Market Assurance Strategy for the Retail Electricity Market v3.0 issued June 2021 and the Market Assurance Processes for the Retail Electricity Market v3.0 June 2021.

### 1.2. Background

Within the normal ebb and flow of the Retail Electricity Market there is continuous change with participants as a result of market changes, upgrades their own systems or infrastructure changes. From a Market Participant perspective, these changes would typically fall into the following;

- new organisations that wish to become a Market Participant;
- existing Market Participants that have decided to operate in new Market Segments;
- Market Participants seeking to create efficiencies by implementing changes to their own systems, given these changes have the potential to impact on the participants' ability to operate non-disruptively in accordance with the Market Design; and
- Small Suppliers wanting to grow to become a Large Supplier.

The Commission for Regulation of Utilities (CRU) mandated that; independent assurance would be required in order to provide confidence to the Market that the risk of disruption

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<sup>1</sup> defined in Appendix 7 (section 6.7). A Material Change represents a change to a Market Participant's business and/or operational processes, and/or technical infrastructure (e.g. automation) that alters the participant's internal systems and methods of Market interaction from that initially assured

<sup>2</sup> for the avoidance of doubt participants should liaise with RMDS in the first instance to review assurance requirements for the proposed changes

has been mitigated. This function is procured through the Retail Market Design Service (RMDS) to fulfil this activity. The organisation providing the assurance service is referred to as the Assurance Body throughout this document.

In all cases the reference point for assurance is the published Retail Electricity Market Design, as agreed by the Industry Governance Group (IGG), approved by the CRU and published on the RMDS website.

### 1.3. Scope

As part of their licence, Market Participants are required to:

- ensure the successful completion of the relevant aspects of the assurance processes; and
- adherence to assurance requirements conforming to this Assurance Strategy, as approved by the CRU.

New Entrant and Market Participant Assurance is applicable to all new entrants and all existing Market Participants (MPs) that have been certified to operate in any market role within the Retail Electricity Market (as defined in [section 1.4](#)).

As stipulated by the CRU, independent assurance is required as part of a Supplier licence. It is mandatory for all Market Participants to have successfully completed all relevant aspects of the Market Participant Entry process according to the Market Role and market segments requested (detailed in this document), before commencing live operations in any segment of the Retail Electricity Market.

Upon the Assurance Body certifying entry into the Retail Electricity Market, Market Participants are obliged to ensure they comply with the requirements of this Assurance Strategy, and the Market Change Assurance Strategy and the processes outlined, as approved by the CRU. This includes the subsequent phases of Assurance in the Market Participant lifecycle as outlined in this document.

Organisations wishing to enter the Retail Electricity Market should in the first instance contact the CRU to obtain the relevant regulatory license. Following receipt of their license the Market Participant should contact RMDS to discuss the Market Entry processes relevant to their market role and market segments as required.

### 1.4. Definition of Market Roles

There are six market role categories within the Retail Electricity Market (outside of System Operator roles), that are defined below;

Market Role	EMMA <sup>3</sup>	Market Segments <sup>4</sup>	Key definitions
<b>Self-Supplier</b>	No	Non Domestic (QH)	A Self-Supplier is a Supplier who: <ul style="list-style-type: none"> <li>• supplies energy to only one site;</li> <li>• does not compete to supply energy to any third party; and</li> </ul>

<sup>3</sup> Electronic Market Message Application (EMMA) - solution hosted by the Market Participant & ESB Networks TIBCO server environments to facilitate sending and receiving of Retail Electricity Market Messages

<sup>4</sup> As defined in [section 1.5](#)

			<ul style="list-style-type: none"> <li>• does not use market messages to support its operations.</li> <li>• A Self-Supplier may register only one metering point.</li> </ul>
<b>Export Only</b>	No	Non Domestic (QH) (Export Only)	<p>An Export-Only Supplier is a Supplier who:</p> <ul style="list-style-type: none"> <li>• has more than one de minimis / non-participant sites which they want to register for export only up to a maximum of 10 sites;</li> <li>• has financial control over export payments from the SEMO rather than receive payments as a generator via a bilateral contract agreement with a supplier; and</li> <li>• supplies energy to only one site.</li> </ul>
<b>Demand Side Unit <sup>5</sup></b>	No	N/A	<ul style="list-style-type: none"> <li>• Market Role solely for operating a distribution connected DSU in the retail electricity market;</li> <li>• No requirement to register any MPRNs;</li> <li>• One or more individual Demand Sites that can be dispatched by the TSO as if it was a generator.</li> </ul>
<b>Small Supplier</b>	Yes - Small EMMA	All <sup>6</sup>	<ul style="list-style-type: none"> <li>• A Small Supplier is a Supplier that has, or intends to have within the foreseeable future, less than 1,000 MPRNs registered;</li> <li>• Limited to register a maximum of 999 MPRNs.</li> <li>• Sends and receives market messages to operate within the Retail Market;</li> </ul>
<b>Large Supplier</b>	Yes - Large EMMA	All <sup>6</sup>	<ul style="list-style-type: none"> <li>• A Large Supplier is a Supplier that has, or intends to have within the foreseeable future, more than 999 MPRNs registered with no limitation to the number of MPRNs registered;</li> <li>• Sends and receives market messages to operate within the Retail Market;</li> </ul>
<b>Market Participant Generator</b>	Yes <sup>7</sup>	Market Participant Generator	<ul style="list-style-type: none"> <li>• A Generator entering the Market without the use of Market Messages but receiving readings via an EMMA would be subject to assurance for that scope.</li> </ul>

<sup>5</sup> Distribution network connected

<sup>6</sup> Market Participant or new market entrant to select required segments as part of the application form

<sup>7</sup> EMMA type will be dependent on the individual circumstances and requirements

Table 1 - Definition of Market Participant Categories in the Retail Electricity Market

## 1.5 Definition of Market Segments

There are presently five market segments within the Retail Electricity Market, that can be selected by Small and Large Suppliers as part of the initial market entry assurance or entered as part of a later requalification application. The market segments are defined below;

Market Segment	Key definitions
<b>Domestic</b>	<ul style="list-style-type: none"> <li>Domestic is an MPRN with a DUoS group of DG1 or DG2;</li> <li>Metering Types: Non-Interval, Interval (HH).</li> </ul>
<b>Non Domestic</b>	<ul style="list-style-type: none"> <li>Non-Domestic is any MPRN where the DUoS Group is not: DG1, DG2, DG3, DG4;</li> <li>Metering Types: Non-Interval, Interval (HH).</li> </ul>
<b>Non Domestic (QH)</b>	<ul style="list-style-type: none"> <li>Non-Domestic is any MPRN which have a Quarter Hour meter installed and can be identified by a Meter Configuration Code of MCC10 or MCC11;</li> <li>Metering Types: Interval (QH).</li> </ul>
<b>Domestic (Pre-Payment Metered)</b>	<ul style="list-style-type: none"> <li>Prepayment meter owned by ESB Networks and installed for customers who are in financial difficulty (financial hardship PAYG meters);</li> <li>Meter Type: Non-Interval.</li> </ul>
<b>Unmetered</b>	<ul style="list-style-type: none"> <li>Charges for electricity consumption are not measured via a meter and have a DUoS Group of DG3 or DG4. Provided for small electricity loads where the usage is predictable.</li> </ul>

Table 2 - Definition of Market Segments in the Retail Electricity Market

## 1.6 New Market Entrant or Participant Change Assurance Triggers

The triggers for when participant assurance activities are required, are detailed below. The triggers align to the participant assurance lifecycle process that are detailed in [section 4](#).

Market Participant Lifecycle Phase	Assurance Type	Market Roles	Trigger
<b>Phase 1: Application &amp; Entry Assessment</b>	<b>New Entrant</b>	Self-Supplier Export Only Demand Side Unit <sup>3</sup> Participant Generator Small Supplier Large Supplier	Receipt of New Entrant Application form.

<b>Phase 2: Continual Assessment / Balance Scorecard</b>	<b>Recertification</b>	Self-Supplier Export Only Demand Side Unit <sup>3</sup> Participant Generator Small Supplier Large Supplier	CRU requests a Market Participant applies for a requalification or material change depending on the outputs of this Phase.
	<b>Phase 3: Requalification &amp; Material Change</b>	<b>Requalification</b> i) New Market Role and/or	Self-Supplier Export Only Demand Side Unit <sup>3</sup> Participant Generator Small Supplier Large Supplier  Market Participant Requalification Application.
	ii) New Market Segment(s)	Participant Generator Small Supplier Large Supplier	
	<b>Material Change</b>	Participant Generator Small Supplier Large Supplier	Market Participant Material Change Application.
<b>Phase 4: Market Exit</b>	<b>Market Exit</b>	Self-Supplier Export Only Demand Side Unit <sup>3</sup> Participant Generator Small Supplier Large Supplier	Market Participant notifies RMDS intention to leave the market.
	<b>Supplier of Last Resort (SoLR)</b>	Small Supplier Large Supplier	Supplier of Last Resort (SoLR) event is notified to RMDS by the CRU.

Table 3 - Definition of New Market Entrant and Participant Assurance triggers in the Retail Electricity Market

There are several events that may trigger a requirement for assurance to be carried out. The approach to assurance for the different types of events is commensurate with the perceived risk in each case, in line with the guiding principles.

## Phase 1: Application & Entry Assessment

### New entrant

New market entrants typically pose a higher level of risk to the market, therefore there is a greater level of scrutiny required by the Assurance Body. It should be noted that the level of scrutiny is commensurate with the breadth of segments and role being sought.

## **Phase 2: Continual Assessment / Balance Scorecard**

This phase seeks to ensure that the systems, procedures, infrastructure and market message processing assessed for market entry assurance (or requalification where applicable) are being maintained at a satisfactory performance level and within the assurance categories and market segments approved. There are two areas covered within this phase of assurance, continual assessment and the Balance Scorecard.

## **Phase 3: Requalification & Material Change**

### **New Market Role**

Where market participants wish to enter a new market role a requalification application is progressed that will follow similar steps as Phase 1. Where applicable the assurance approach will be tailored to ensure no duplication of assurance activities that have already been completed.

### **New Market Segment**

Typically the assurance process for existing Market Participants entering a new Market Segment(s) is similar to that of a new participant. The focus however is curtailed to the new Segment(s) being sought. By way of example, a Large Supplier wishes to enter the unmetered market segment, they shall undertake Market Assurance for the new unmetered segment only.

### **Material change (Market Participant's systems or processes)**

The systems, infrastructure and processes used by a Market Participant will change, typically where the company is seeking greater efficiencies through automation or stability through enhancements in technology. Should these changes impact on its ability to operate in the Market (e.g. automation of a new Market Message), there will likely be a requirement to provide assurance. The assurance will seek to provide confidence that the change will be managed in such a way that the risk of an adverse impact on the Market has been minimised and that the change is aligned with the retail market design.

## **Phase 4: Market Exit**

The assurance process applied when a participant leaves the market in a planned exit, or via the Supplier of Last Resort process (SoLR).

## 2. OBJECTIVES

### 2.1. The focus and objective of New Entrant and Market Participant Assurance Strategy and Approach

The overall objective of Market Participant Assurance and Approach is that should one of the triggers identified in section 1.6 materialise, the assurance activities and processes will:

- give confidence to the CRU and all Market Participants that potential risks that may cause Market disruption are mitigated; and
- provide confidence that market operations will not be disrupted by the introduction of new market entrants, requalifications and changes.

### 2.2. The guiding principles of New Entrant and Market Participant Assurance Strategy and Approach

The guiding principles underpinning this Assurance Approach can be condensed into the following;

- **Assurance activities should not place an unnecessary burden on the participant;**

The Assurance Body's approach is based on the work to be performed, the Market Participants project plan and the level of risk that is posed by the new entrant or Market Participant.

- **Assurance process must be fitting to all types of new market entrant;**

The Assurance strategy is layered for new entrants and Market Participants. The level of scrutiny is less demanding for Small Suppliers, Self-Suppliers or Generators as for Large Suppliers.

- **Assurance should be commensurate to the level of change/ addition;**

Changes to Participant's own systems, will vary substantially. The assurance approach will assess the nature, size, scope, and impact when changes are introduced. The approach taken by the Assurance Body will be to align the level of effort with the risk from its introduction in the market;

- **Market assurance should be evidence based;**

The assurance approach and subsequent recommendations will be commensurate with the evidence collected by the Participant and RMDS (during testing) and provided to the Assurance Body.

- **Assurance process must be appropriate to market roles in a subset of segments;**

Organisations may choose to operate in only specific Market Segments. The Segments that may be selected are outlined in section 1.5. The assurance approach will therefore focus on the Segment(s) where approval is being sought.

- **The approach and outcomes provide confidence for the CRU and the Market to proceed with the introduction of new entrants or the requalification's / material changes and continual assessment of existing Participants.**

The Assurance Body is providing assurance that the introduction of new market entrants, existing market participants into new market segments or market role categories and market participant changes that are deemed material, and the risks of disruption have been mitigated.

### 3. ASSURANCE APPROACH AND TECHNIQUES

#### 3.1. Summary of the New Entrant and Market Participant Assurance Strategy and Approach

The new entrant and market participant assurance strategy and approach contains seven distinct stages, which typically occur in sequence. It should be noted however depending on the market role / market segment(s) being requested or the level of change being introduced by the market participant, the requirement for some stages may not be required and the depth of probing may differ for certain stages.

Appendix 1 ([section 6.1](#)) details the process flows, that provide an overview of how the steps and stages progress through the Market Participant assurance lifecycle. [Section 3.2](#) below details the activities and desired outputs from each of the stages listed below.



Figure 1 - Outline approach to the New Entrant and Market Participant Assurance Strategy and Approach

The key stages of the approach are **summarised** as follows;

- 1) **Assurance control** - the overall project governance that the Assurance Body will follow including plans, communication strategy and reporting back to Market Participant, RMDS and CRU either through step completion documentation, meetings or an ad-hoc targeted intervention.

- 2) **Assess** - the approach to reviewing (where relevant) the market entry / requalification or material change application form (including participant questionnaire), project plans, impact assessments and test plans for the new entry, requalification or material change, assessing the effective impact on the market.
- 3) **Define** - defining the assurance approach for the new entry, requalification or material change, depending on the market role, market segments being requested and for an existing Market Participant, previous assurance certification undertaken (where applicable). The primary outputs of the define stage will be the creation of the market design coverage tab of the Self-Assessment Return (SAR) and/or the creation of an Assurance Approach document.
- 4) **Business Solution Assessment (BSA)** - the first stage of the Assurance Approach. It has the primary objectives of verifying that the Market Participant's processes, systems and records have been, or are being, designed and built-in compliance with the Market Design and ensuring that the Market Participant has a robust plan for preparing for Market operation. The aim of the BSA stage is to gain assurance that the proposed processes and systems/solutions (or changes to) are/have been designed appropriately to meet the requirements of the Market Design.
- 5) **Integration Test Assessment (ITA)** - the ITA stage is focused on assessing the evidence provided by the new entrant or Market Participant on completion of their internal and integration testing scenarios. With the prime objective of verifying that the Participant has carried out satisfactory testing of their systems and processes before entering the formal market testing stage (IPT). The ITA stage requires the Market Participant to perform integration testing on their systems and processes. The ITA Stage is the stage during which internal integration testing is assessed by the Assurance Body for completeness and effectiveness. All key Market scenarios and the full functionality of any automation must be included in the testing. Test plans, scripts and results must be retained for assessment by the Assurance Body.
- 6) **Interparticipant Testing (IPT)** - IPT provides an opportunity for market testing in a simulated live environment. IPT is seeking to ensure the solution or changes adopted by the new entrant or Market Participant are working as expected before they are released into production. This is the final opportunity for the Market Participant to test the solution developed to enter the market or the changes made to their systems / processes. IPT is used to verify that the Market Participant's processes, systems and staff can operate in the live Market. The Market Participant performs several defined Market scenarios in a test environment that replicates the whole market infrastructure.  
IPT requires co-ordination between the Market Participant, RMDS and ESB Networks with regards to planning, data set-up and gathering of evidence. For IPT to be possible, the Market Participant must have an EMMA installed and be connected to ESB Networks' test market hub.
- 7) **Market Entry / Cut-over readiness** - focused on the ability and confidence to proceed with market entry into the market role and/or the new segment(s) or the change being introduced, the go-live or the cut-over. This stage also seeks to gain confidence in the post go-live support model and contingency plans. From a Market Participant perspective, a self-declaration will be returned to the Assurance Body showing the confidence and approval of their ability to proceed with the market entry or material changes being implemented.

Following these key stages, the Assurance Body will then develop a final assurance assessment report for approval by CRU who uses it to inform its decision on whether to

approve the Market Participant to operate in the Retail Electricity Market. This report provides an outline of the assurance work performed, resultant outcomes, together with a recommendation regarding the progression to Go-Live and/or Cutover.

### 3.2 Assurance specific techniques overview

The Market Design baseline contains the requirements to which the Market Participant's processes and systems must comply for inter-operation in the Market. The Assurance process stages are described below. These stages are applicable to different assurance scenarios. In some cases, the stages may be combined, the depth of assessment reduced or increased, or they may be omitted. Notwithstanding this, the underlying techniques of assurance still apply, and an understanding of these techniques will help to smooth the Assurance Process and potentially reduce timescales.

All new market entrants, requalifications, and material change applications will complete the first three steps, control, assess and define. For new market entrants the table contained in [Phase 1 - Application and Entry Assessment](#) provides the overview of the assurance stages that will be used depending on the market role being applied for. For the other phases in the market participant lifecycle journey an individual assurance approach will be developed where necessary.

These Stages are intended to broadly map onto the Participant's own project for readiness to operate in the Market (for example design, test and go-live). This stepwise approach helps ensure that problems can be identified as early as possible so that any corrective action can be applied by the Participant as easily and economically as possible.

For an assessment to be possible, the Participant must design, develop, and test business procedures and instructions, records systems and possibly IT applications to ensure that they are compliant with the Market Design. The Participant retains documentary evidence to demonstrate this. The Assurance Body carries out the Assessment by:

- examining this evidence, together with the procedures, instructions, and other related information, and comparing them with the requirements;
- reporting any discrepancies that are thereby identified; and
- following up to verify that discrepancies have been corrected.

The Assessment should be timed such that all the documents, records, and information, whether electronic or paper, will already be in existence by the time of the Assessment. Apart from test evidence produced during Inter-Participant Testing, evidence should not be created dynamically within the timeframe of the assessment.

#### Format of assessments at each stage

Generally assessments are undertaken by the Assurance Body at their offices, assessing the evidence provided. In the majority of circumstances the Participant is not required to be present. However it may be required that some elements of an assessment stage are required to be conducted at a Participants office. The general approach for assessment stages follows the steps below:

- Initial dialogue, which may be by meeting, phone or email depending on the circumstances. The Assurance Body will provide the objectives, scope and procedure for the Assessment. The New Entrant or Participant is required to provide an overview of their project and timeline, additionally the structure of its systems, processes, and organisation that they operate or intend to operate within the Market.

- The Participant provides the relevant Market Assurance returns to the Assurance Body, that in turn is analysed, together with any queries clarified where necessary.
- Participant submits the evidence relevant to the assurance stage, (i.e. documented business processes, system specifications, ITA test results, etc.)
- The execution of the tests (IPT Stage only).
- The Assurance Body compares the evidence with the current Market Design. They then discuss the findings with the relevant Market Participant operational team to judge compliance.
- Documentation of outcomes is in the form of areas of concern as appropriate. The outcomes are documented as specific areas of concern when necessary.
- The Participant must provide a corrective action for each area of concern raised and submit evidence to show effective implementation. The Assurance Body will close the area of concern once satisfied.
- There is no requirement for the Participant to respond to observations.
- For new Large Suppliers or lengthy assessments, daily or periodic exchanges of information occur. These are called checkpoint meetings and usually take place via telephone or online. During these meetings, the assessment team (refer to [section 3.4.2](#)) reports its activities, details any areas of concern, and requests the Participant to agree on these and propose corrective actions. The Participant reports its progress, any problems, and anticipated activities for the following day.
- Closing dialogue occurs at the end of the Assessment, here all open areas of concern (where applicable) and Corrective Actions for the Assessment are formally reported to the Participant's representatives.
- The assessment stage report (for lengthy assurance programmes only) is produced by the Assurance Body, addressed to the CRU, and copied to RMDS. This will include:
  - the scope of the assessment,
  - the level of assurance applied (e.g., whether a Large or Small Supplier or Self-Supplier/DSU/Export Only),
  - the Assurance carried out,
  - the number of areas of concern raised (where appropriate),
  - any areas of concern remaining, and
  - whether the Participant has demonstrated compliance for the stage of Assurance involved and any impact on subsequent Assurance stages.
- Production of the outcome report.

### 3.2.1 Control

The assurance control refers to the overall project governance that the Assurance Body will follow including plans, communication strategy and reporting back to the CRU and RMDS either through step completion documentation, meetings with MPs / new entrants or ad-hoc targeted interventions. [Appendix 3 - Roles and Responsibilities](#) provides an overview of the stakeholders involved as participants in this strategy document aligned to the key stages. In addition to the milestone stage completion points, the Assurance Body will have weekly meetings with RMDS and regular meetings with the CRU outlining progress.

### 3.2.2 Assess

The assess step includes reviewing (where relevant) the new entrant or MP application form (market entry, requalification / material change or market participant exit) including participant questionnaire, electricity supply licence, project plans, impact assessments and test plans for the new entry, requalification or material change, assessing the effective impact on the market.

[Phase 1 - Application and Entry Assessment](#) provides an overview of how the Assurance Body will define the techniques used for a new market entrant depending on the market role. A tailored assurance approach will be presented to CRU for approval (at the define stage) for requalification's and material changes where for any reason the defined assurance approach in Phase 1 requires amendment or the assurance trigger is non-standard.

### 3.2.3 Define

The primary deliverable from the define stage is the completion of the Market Design Coverage tab of the Self-Assessment Return (SAR) and/or an Assurance Approach document for approval by CRU (where required, see Section 5).

The SAR is a workbook that contains the outputs of the key assurance deliverables during a participant assurance assessment. An overview of the sections are outlined below;

- **Market Design Coverage** tab will detail the processes required to be assurance certified (dependent upon participant specific requirements). This tab will enable Market Participants to outline their planned operational approach, confirmation of understanding of the market process and will track progress of both the BSA and ITA stages. Internal business processes will be aligned to the Retail Market Design. This makes it easier to review the documents provided and ensures they align correctly with the market steps. Additionally, will include the Assurance Body's assessment comments and feedback.
- **Participant Questionnaires (PQ)** are required for each assurance stage (BSA, ITA, IPT and market entry / cut over). The PQs list a series of questions focused on gathering key information ahead of each stage of assurance, each requiring a response. For some questions the response will require documentary evidence to support. Some of the key areas are listed below;
  - Information on the organisation, structures, locations, architecture of the systems, specifications and the market design processes and solutions have been configured for;
  - How the business will or has developed systems and processes to ensure they align with the Retail Market Design;
  - Systems and infrastructure performance;
  - Integration testing criteria, strategy and various confirmations,
  - Confirmation of resources, connectivity and alignment of process documentation for the IPT phase;
- **Progress trackers** for the BSA and ITA stage;
- **Self-declarations** for BSA, ITA, market entry / cut over (where a change is being made), or market participant exit;
- **Business contacts** and roles for the project;

All new entrants entering the Small and Large Supplier Market Roles will be required to complete a Self-Assessment Return Document (SAR).

For nonstandard requalification and all material change applications an assurance approach will be developed by the Assurance Body for approval by the CRU.

Where IPT will be required a part of the Assurance delivery, a key activity during the define stage will be to schedule the IPT testing window, to ensure availability of ESB Networks and other relevant parties. Sufficient contingency for issue management, data creation and retesting will be required to be factored within the test window defined and agreed.

### **Assess and Define stages Exit Criteria**

In order that the Assess and Define stages have been completed, the Assurance Body will require the review and satisfaction with:

- Completed application form for the relevant Assurance qualification, including the declaration signed by appropriate company executive.

### **Depending on the Supplier Assurance qualification:**

- Participant Questionnaire completion - BSA tab (contained within the SAR).
- Market Design Coverage tab of the SAR agreed and updated for each required MPD, working practice or briefing document with;
  - (i) the planned operational approach,
  - (ii) business process document title and reference,
  - (iii) confirmation of full understanding of the Market Design documents; and
  - (iv) operational responsibility upon go live for the required market process audit requirements.
- Business contacts tab of the SAR completed.
- A plan relevant to the scale and complexity of the project, detailing all the key participant requirements aligned to the completion of the required Assurance activities.
- Participant to provide a timeline relevant to the project, to ensure duration of key assurance phases and milestone dates are agreed with RMDS and the Assurance Body.
- The CRU approval of an Assurance Approach (where required, refer to Section 5).

## 3.2.4 Business Solution or Design Assessment

### 3.2.4.1 Business Solution Assessment (Large Supplier)

The aim of the Business Solution Assessment (BSA) stage is to gain assurance that the Participants systems and processes are designed and built to meet the requirements of the Market Design. It also provides comfort that the personnel who will be operating these systems understand what they will be doing. This step occurs early in the Assurance process as Participants are documenting their business processes and system designs.

The New Entrant or Market Participant will be required to create or update the design of a suite of business process and system designs to the extent necessary to demonstrate compliance with the Market Design baseline. For a participant entering additional Market segments, they will complete the market segments relevant to them. The full list of Market Design documents are available on the RMDS [website](#).

Where the BSA stage assurance technique is required, a completed Self-Assessment Return (SAR) will be required. The scope of the assurance requirements will be confirmed via the SAR during the Assess and Define stages. The BSA stage assessment will encompass:

- Satisfaction with the participants processes to comply with the Market Design. The assessment will cover system automation, exception management and manually triggered processes. System design and architecture, market message creation, processing and validation.
- Review of the participants project management, issue resolution and change manage procedures.
- Where necessary, the Assurance Body may request a site visit to gain a fuller understanding of the Participant's design, especially where there is a significant degree of automation involved.
- Completion of the integration test strategy participant questionnaire will be required to be completed during the BSA stage. The Assurance Body will assess the responses and supporting documentary evidence to ensure comfort that there is a satisfactory test plan and strategy in place before entering the ITA stage.

During the BSA stage the SAR will be updated to provide a log of review comments, feedback, participant responses and confirmation of approvals. In addition, will be updated with the current documentation references and versions for alignment.

Any issues identified are formally documented as areas of concern, and the Market Participant is expected to propose and agree corrective actions. The results of the actions are then verified. An outcome report is produced on completion of the BSA, which is sent to the new entrant and RMDS for information. If corrective actions are completed in a timely manner, then a positive outcome can be reported. Otherwise, the report will be updated on completion of the corrective actions.

#### BSA Documents Required

The Participant is required to provide the following prior to the commencement of BSA:

- A plan for their project that shows all their Assurance stages and the project activities on which they depend. Timings must be appropriate for those dependencies. The plan may be included within a more comprehensive project plan.
- A completed Application Form, with the declaration signed by an appropriate company executive.
- A Self-Assessment Return (SAR) with:

- For Large Suppliers, the BSA section of the Participant Questionnaire;
- the message routing worksheet completed except for test references; and
- all other worksheets fully completed.
- Satisfactory responses to requests from the Assurance Body for clarification on the above items.
- A start date and duration agreed with the Assurance Body.

#### **The Participant is required to provide the following on commencement of BSA:**

- a copy of all documented business processes and detailed instructions referred to in their SAR,
- a copy of the job aids for the instigation market messages,
- a copy of all systems specifications and design documents referred to in their SAR,
- a definition of the records that the Participant intends to maintain,
- a copy of the schematics of system architectures of all systems referred to in their SAR, and
- an organisation chart of their organisation and of their project.

#### **BSA Exit Criteria:**

In order that the BSA stage has been completed, the Assurance Body will require the review and satisfaction with:

- ITA Participant Questionnaire completion (contained with the SAR);
- Participants business processes to satisfy the retail market design. For the avoidance of doubt all selected processes on the Market Design Coverage tab of the SAR have been approved by the Assurance Body and updated accordingly;
- BSA declaration signed by appropriate company executive (Self Declaration - BSA) contained within the SAR workbook.

The Business Solution Assessment stage is completed when the Assurance Body has closed all areas of concern following resolution by the New Entrant or Participant.

#### **3.2.4.2 Business Design Assessment (Small Supplier)**

A Small Supplier may have less automated processes to facilitate the retail market business operations, where this is the case and the utilisation of the market provided webforms application is a key feature in the participants processes, an assessment of the business design/processes and records will be carried out to verify their adequacy to support small-scale operations in the Market. Whilst many aspects of the BSA stage for a Large Supplier will apply the key differences will be;

- (i) testing the market knowledge and ability to create validated outbound market messages via webforms;
- (ii) monitoring and actioning the receipt of notification, confirmation and rejection market messages;
- (iii) how internal records are updated with customer/MPRN detail/statuses, meter read/data processing market messages and how individual processes are tracked to completion;
- (iv) access and controls for records management and maintenance.

For the avoidance of doubt where a Small Supplier is implementing an integrated system that will generate market message XMLs (for some or all market processes and messages) and is not using webforms for all XML market message creation, they will be required to follow the Large Supplier assurance steps of BSA and ITA.

### **Process/Records Review Entry Criteria:**

In order that the Assurance Body may commence the Process/Records Review Stage the Participant is required to:

- have defined the records that they intend to maintain for the purposes of supporting their registered metering points,
- have documented all their market-facing business processes, and
- submit the above along with the following documents, duly completed, to the Assurance Body:
  - the Small Supplier Questionnaire, and
  - the Self-Assessment Return (SAR) (test references do not need to be completed as they will not be applicable to a Small Supplier).

### **Small Supplier BDA Exit Criteria:**

In order that the Small Supplier BDA stage has been completed, the Assurance Body will require the review and satisfaction with:

- All applicable market procedures are covered (e.g. Meter Works procedures, Data Processing and Data Aggregation procedures etc);
- The order of events is followed for each market procedure;
- They can populate all outgoing Market Messages to ESB Networks including how they populate these e.g. via Webforms and the source for populating data items;
- They process the data contained in all inbound Market Messages from ESB Networks, including use of incoming data items for updating internal records; and
- They maintain appropriate records to support the above.
- BSA declaration signed by appropriate company executive (Self Declaration - BSA) contained within the SAR workbook.

### **The Process/Records Review Stage can be considered complete when:**

- the Assurance Body has completed its review; and
- any Findings have been satisfactorily addressed by the Participant.

### 3.2.5 Integration Test Assessment (ITA)

The aim of the ITA stage is to ensure that the internal and integration testing undertaken by the Participant is robust and has sufficient depth and width to gain comfort that the system is compliant with the retail Market Design. ITA should be carried out soon after completion of the Participant's internal testing, with the prime objective of verifying that the Participant has carried out satisfactory testing of their systems and processes. It verifies that the following have been carried out satisfactorily:

- Testing has included a set of end-to-end, integrated tests that cover the Market Design functions. This may be referred to as Integration Testing, Acceptance Testing, User Acceptance Testing, Functional Testing, or some other term.
- The testing programme is complete.
- The test outcomes have been reviewed by a competent person.
- Any problems have been fixed and re-tests run as required.
- Results show that the processes and systems are functioning as expected.

Where the ITA stage assurance technique is a requirement, the Self-Assessment Return (SAR) will be used to record and track the stage outputs. The scope of the ITA assurance requirements will be confirmed via the SAR during the Define stage, to ensure a sufficient range of market processes are covered. The ITA stage assessment will encompass:

- Participant to provide test evidence to demonstrate the satisfactory completion of end-to-end integrated testing that cover each of the required elements of the market design agreed in the SAR. Evidence will typically include system screen shots, XML's etc. Also detailing system status, data and processes before and after step executions. To provide comfort that the systems and processes are working as expected.
- The tests should document and follow the steps contained within the business processes provided and assessed during the BSA stage. When the normal business processes trigger communications or documentation as part of system automated end to end customer journey, these should also be provided as part of the ITA evidence pack.
- In addition, the test evidence should be referenced against the SAR ahead of the evidence being provided and aligned to the test strategy/plan provided in earlier assessment stages.
- Detail should be provided on any issues resolved during the testing program and provide evidence of any areas re-tested.
- The Assurance Body will review all of the evidence and generally meet with the Market Participant to probe deeper into the documentation. This meeting also provides an opportunity to deep dive any queries that may arise.
- Should any material issues arise, the Assurance Body will agree a resolution with the Market Participant. Any issues identified are formally documented as areas of concern and the Participant is expected to propose and agree corrective actions. The results of the actions are then verified. The Assurance Body provides written confirmation of the outcome, any corrective actions to be taken, and the next steps on completion of the ITA Stage. If corrective actions are completed in a timely manner, then a positive outcome can be reported. Otherwise, the report will be updated on completion of the corrective actions.

#### **ITA Entry Criteria:**

The Participant is required to meet the following entry criteria prior to the commencement of the ITA Stage.

The Participant must:

- have completed the BSA Stage;
- have no outstanding Findings from the BSA Stage whose correction would require any internal integration tests to be repeated;
- have completed internal Integration testing;
- have submitted the following documents to the Assurance Body prior to the assessment:
  - the ITA section of the SAR, and
  - the SAR updated to include test references,
- have responded satisfactorily to requests for clarification from the Assurance Body on the above; and
- have agreed a start date and duration with the Assurance Body.

### **ITA Documents Required:**

The Participant is required to provide the following on commencement of the ITA Stage:

- a copy of the versions of all documented business processes, detailed instructions, systems specifications, records details, architectures, and organisation charts that were used as the basis of internal integration testing;
- copies of schematics of system architectures, if changed;
- project and company organisation charts, if changed; and
- a complete set of internal Integration test scripts and test results.

### **ITA Exit Criteria:**

In order that the ITA stage has been completed, the Assurance Body will require the review and satisfaction with:

- ITA Participant Questionnaire completion (contained with the SAR);
- Participants Integration Test outputs, evidence and Assurance Body review has been completed for all ITA scenarios identified and agreed in the Market Design Coverage tab of the SAR;
- There are no unresolved issues raised, that have not been satisfied in full;
- The ITA declaration has been signed by an appropriate company executive (Self Declaration - ITA) contained within the SAR workbook.

The ITA Stage is completed when the Assurance Body has closed all areas of concern produced during ITA following resolution by the Participant:

### **ITA Results:**

- Test plans must include tests that contain a robust range of Market scenarios sufficient to provide confidence of accuracy in a live environment.
- Test execution must match the Participant's defined business processes, using integrated environments. Where 3<sup>rd</sup> Parties are being used then they should also be included in the tests i.e. a 3<sup>rd</sup> party call center operation.
- Evidence from testing is inspected on a substantive basis to obtain the necessary confidence that Integration Testing has been carried out in a sufficient and robust manner.
- Test evidence must include evidence of the messages involved and the systems used i.e. screenshots to indicate that the process has been followed and that the data used in the test is reflective throughout the test.

- The evidence of test results should be clearly referenced as to which test and test step evidence it relates to.
- Where manual business processes have been defined in the SAR, the tests must be exercised on that basis. Therefore documents that would be produced in live operations must also be produced and retained as evidence (e.g., letters or contracts).

### 3.2.6 Inter Participant Testing (IPT)

The aim of IPT is to gain assurance that the New Entrant or Market Participant can correctly operate the key scenarios that it will meet in the Market using its declared systems, business processes and operational team within normal, operational conditions and utilising the full Market technical infrastructure. Some operational time constraints may be relaxed.

The process is seeking to get as close to a live environment as is reasonably possible and to provide the New Entrant or Market Participant with the opportunity to conduct testing of their system (or system updates) and processes in regards the Market Process Design and Market Messaging schema, as a final step before market entry, new market segment entry or the cut over of a material change to their live production environment.

Testing scenarios will be developed in line with the Market Design relevant to the market role and market segment, to replicate the requirements that will need to be facilitated by the New Entrant or Market Participant in the live environment. The scenarios will test the end-to-end journey of the retail market processes encompassing different variations and customer / MPRN outcomes. IPT is facilitated by a central test service provided by ESB Networks and coordinated by RMDS. Sufficient planning and co-ordination are essential for managing:

- the schedule for testing, including any re-tests;
- the creation of test data; and
- problem processing.

The IPT stage will be coordinated by RMDS, utilising a IPT workbook that will contain the following information:

- Test plan and schedule outlining the steps, dates and expected messages for each testing scenario;
- Test data set up;
- The test scenarios developed by the Assurance Body and agreed by RMDS (at least two weeks in advance of IPT data prep);
- Market Participant Information including contact details.

In addition to the IPT workbook a prerequisite to testing the participant is required to complete the IPT participant questionnaire, containing a series of questions pertinent to IPT and a confirmation that they can enter this phase. The Assurance Body will review these responses to confirm they are satisfactory before progressing with IPT. Where they are not satisfactory, corrective actions and timeframes are agreed with the Participant.

As far as reasonably possible normal timeframes are maintained during the tests, but some may be relaxed due to IPT window time-constraints.

The tests are run by the New Entrant or Market Participant and ESB Networks, coordinated by RMDS. Both the New Entrant or Market Participant and ESB Networks produce appropriate evidence of each test step to support the test outcomes. This will include, but is not limited to, message prints, screenshots, reports, and file, and database prints.

#### **IPT Entry Criteria:**

For IPT to be a success the following conditions require Assurance Body satisfaction before testing commences:

- All previous stages of Assurance have been satisfied (e.g. BSA and ITA); and
- Have no outstanding areas of concern that would affect the outcome of a test scenario,
- IPT Participant Questionnaire completion (contained within the SAR);

- Respond satisfactorily to any requests for clarification from the Assurance Body following receipt by them of the above,
- The participant has agreed a plan for scenario execution with RMDS, and
- The participant has agreed and/or validate with RMDS the data to be used during the scenario execution.
- Test environments for the participant systems and market provided systems and solutions, required for testing are available and the initial connectivity tests have been successful;
- The IPT plan has been prepared, reviewed by RMDS and cascaded to the relevant New Entrant or Market Participant;
- Agreed test scenarios have been developed by the Assurance Body as incorporated into the IPT workbook, reviewed by RMDS and cascaded to the relevant New Entrant or Market Participant;
- Test data has been developed for use for the IPT tests;
- That the required resources to support IPT have been identified and are available;
- The New Entrant or Market Participant has declared that their systems can undertake IPT testing, and that they have successfully satisfactorily passed any preceding Assurance stages;

### **IPT Test Scenarios:**

The scenarios are created in conjunction with RMDS who are responsible for issuing and ensuring the test data is populated and managing the performance of the tests. The scope of the test scenarios and expected IPT coverage will be dependent upon the market role and market segments requested for new entrants and the specific detail of the requalification or material change for existing market participant changes. These will be selected from a bank of test scripts that cover all of the key retail market procedures currently in the Market Design.

The IPT workbook will define the test scenarios, schedule and track the required outputs. The testing window will usually be scheduled for 3 weeks, that will also cater for a contingency period if required.

### **IPT Test expectations:**

- **Timely Scenario Execution:** Ensure all scenarios are executed promptly according to the agreed schedule to prevent delays for other Participants involved in the testing.
- **Scenario Abandonment Protocol:** Scenarios may only be abandoned with RMDS's agreement, considering the impact on all Participants.
- **Participant Responsibility:** Participants must follow the scenarios and complete all required steps.
- **Evidence Collection:** Participants must gather the specified evidence for each scenario to demonstrate compliance with the Market Design, business processes, and systems, and submit this to the Assurance Body via RMDS. Evidence types are as required for ITA. Unchanged standing documents do not need resubmission.
- **RMDS Evidence Collection:** RMDS will also collect and submit evidence to the Assurance Body.
- **Assurance Body Verification:** The Assurance Body will verify that actual results match expected results. Discrepancies will result in an Incident Record being raised.

### **IPT Exit Criteria:**

In order that the IPT stage has been completed, the Assurance body will require the review and satisfaction with:

- Confirmation from the New Entrant or Market Participant and ESB Networks that all tests have been undertaken and completed successfully;
- Each IPT test will require evidence to be provided by Market Participants and ESB Networks (as detailed below), that has been reviewed and considered passed by the Assurance Body (within the defects tolerance);
- The IPT scenarios/scripts identified must be completed within the maximum level of defects as below:

Class <sup>8</sup>	Max no of defects allowed
1	0% of test population <sup>9</sup>
2	0% of test population <sup>9</sup>
3	5% of test population <sup>9</sup>
4	10% of test population <sup>9</sup>

- There are no defects raised during IPT that remain open and considered material (refer to Appendix 7 - Section 6);
- Retesting where required will be accommodated within the scheduled test period. Where this is not possible a new IPT window will be arranged to facilitate retesting.
- The market entry / cut over readiness declaration has been signed by an appropriate company executive, contained within the SAR workbook.

### **IPT Evidence required:**

The Assurance Body will primarily use screen shot evidence of outputs from the Market Participant systems, webforms (where applicable), test RMP extranet together with XML outputs showing the Market Message details. In addition screenshot evidence will be provided by ESB Networks of XML outputs for the market messages sent and received to the Hub. RMDS will collate the evidence as provided by the Market Participants / ESB Networks and provide to the Assurance Body.

The Market Assurance Body will also seek to understand and review any issues from a technical perspective that occurred during IPT i.e., that delayed the progression of testing.

Where applicable the Assurance Body may seek an on premise demonstration of the system to walk through the processes and market interactions. The Assurance Body also reserves the right to be present at the Market Participant's premises during IPT to observe the tests taking place.

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<sup>8</sup> Definition of defect classes contained within Appendix 6 ([section 6.6](#))

<sup>9</sup> Total number of tests conducted as included in the IPT workbook

### 3.2.7 Market Entry / Cut Over Readiness

The final stage of the assurance approach is for the Market Participant to complete a Market Entry or Cut Over Readiness declaration to confirm market readiness for the new entry, requalification or material change and satisfaction that their processes as assessed throughout the assurance stages are ready and complete in their live environment to successfully operate according to the Market Design.

The Cut Over Readiness declaration is a self-declaration to provide comfort that:

- The systems and procedures that have been implemented, or modified or otherwise impacted as a result of the changes (in the case of requalification or material 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 the Market Participants ability to inter-operate with the Market;
- Comfort that the Market Participant has a cut-over plan and where necessary post go-live support.
- Robust levels of training and handover to business and operational teams have occurred.

Upon exit of the IPT stage and receipt of the Cut Over declaration the Assurance body will assess the readiness for the market entry, requalification or material change, where satisfied will issue the final assurance assessment outcome report recommending satisfaction of the market assurance process to the CRU for approval.

## 3.3 Participant Assurance process timelines

Appendix 2 ([section 6.2](#)) outlines estimated timelines for key participant assurance processes. It is important to note that each application will have unique circumstances, and processes involving other parties will depend on the availability of their systems. These timelines do not account for the time participants need to design, build, and test their systems, which will vary based on individual circumstances

When an individual assurance approach is necessary, the document will include a proposed timeline for the assurance activities, reflective of the participant's plan. The Market Entry process is typically estimated to take six to nine months from the notice of Entry. Participants are strongly advised to discuss their specific circumstances with RMDS.

## 3.4 Additional Assurance considerations

### 3.4.1. Involvement of Third Parties

Participants may use third parties to provide specific systems and services, and these third parties may carry out a complete or hybrid business processes on behalf of the Participant. Consequently, a Participant's overall business solution for entering and operating in the Market may include a hybrid of internal and external systems, processes, and services.

Market Entry assurance, including the execution of IPT Scenarios, encompasses all systems, processes, and services that form part of the Participant's business solution, including those provided by third parties. The business processes and system architecture developed by the Participant should be submitted to the Assurance Body as early as possible to assess any impact on the Market Entry Assurance Process.

During the Market Entry Assurance Process, evidence of compliance is required at all necessary stages for both the design and internal testing of all systems, processes, and services described in the business architecture. This means third parties may need to participate in testing and provide test evidence. Evidence from third parties must meet the same level of detail as that required from the Participant.

### 3.4.2. Assessment Team

The Assurance Body will outline their team that will be involved in the assessment of testing. Should more than one person be required, one will act as Lead Assessor and the main point of contact for the Participant. Therefore, a single point of contact will be required by the Participant as the primary channel for communication.

### 3.4.3. On-Site Assessments (Exceptional)

For any on-site assessment activity required by the Assurance Body, the Participant must provide the following:

- **Access to Staff:** Ready access to appropriate Participant staff who can explain to the Assessors how compliance with the Market Design requirements is demonstrated by the evidence.
- **Private Workspace:** A private area where the assessment team can work.
- **Meeting Areas:** An appropriate area for the opening meeting, daily checkpoints, and the closing meeting.
- **Internet Access:** Access to an unrestricted internet connection.

If there are any difficulties in providing the above, these should be discussed with the Lead Assessor well in advance of the Assessment. The Lead Assessor should also be informed of local arrangements, such as working hours, site access arrangements/restrictions, and safety and evacuation procedures.

## 3.5 Assurance Assessment Outcome Report

On completion of all stages of the Market Entry Assurance Processes, the Assurance Body will prepare a report summarising the outcomes from each stage of the process. This report will cover the findings from each stage, the areas of risk / issue, the status of the findings and a recommendation on the readiness of the Participant to commence operation in the Market. This report will be sent to the CRU, copied to RMDS.

The Participant will have sight of the draft report to confirm factual accuracy prior to the Assurance Body issuing the final report to the CRU and RMDS.

## 3.6. Final Assurance Exit Criteria

Assurance is considered complete when:

- **Completion of Assurance Stages:** All applicable Assurance stages have been completed and all exit criteria met.
- **Resolution of Concerns:** The Assurance Body has closed all areas of concern raised during the stages, following their resolution by the Participant(s). This may include further Market Entry Assurance and/or IPT activities.
- **Outcome Report:** The Assurance Body has prepared and submitted an outcome report to the CRU, with copies sent to RMDS.

- **CRU Decision:** The CRU has accepted the outcome report and decided whether to approve the Participant(s) to operate in the Market or to implement the Market Design update.

## 4. MARKET PARTICIPANT ASSURANCE LIFECYCLE PROCESS

### 4.1. Market Participant Assurance Lifecycle Process

The following four phases (outlined in Figure 2) align with the natural path that a Market Participant will ultimately follow and accordingly there should be an Assurance approach and techniques aligned with each phase.

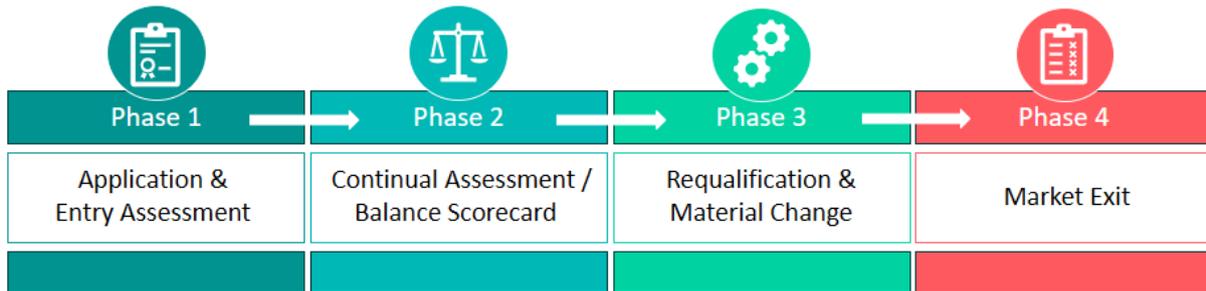


Figure 2 - Market Participant Assurance Lifecycle Process

**Phase 1: Application and Entry Assessment** - The new entrant will complete an application form indicating their desire to enter the market for a Market Role and the relevant and required market segments. The form will also provide high level details on their business organisation and structures. Then follow the relevant entry process depending on the market role and market segments that they are seeking to operate in.

**Phase 2: Continual Assessment / Balance Scorecard** - This phase applies to all participants. A Balance Scorecard will also be produced for all participants certified in the Small and Large Supplier categories in the Retail Electricity Market (irrespective of the approved market segments or MPRN volumes). This phase is aimed at ensuring that once a participant has entered the market, their market operational performance is maintained in line with their certification and at a satisfactory level.

**Phase 3: Requalification and Material Change** - Where market participants wish to enter a new market role or additional market segments a requalification application is progressed that will follow similar steps as Phase 1. Where applicable the assurance approach will be tailored to ensure no duplication of assurance activities that have already been completed. A material change application will be processed where a market participant advises a material change<sup>10</sup> to their previously certified processes, systems and/or infrastructure e.g., new or change to the operating system that creates and processes XML market messages, automation of a previously manual market facing process, change to TIBCO server infrastructure IP address. If in doubt a Market Participant should consult RMDS for advice, who will liaise with the Assurance Body where necessary.

**Phase 4: Market Exit** - The assurance process applied when a participant leaves the market in a planned exit, or via the Supplier of Last Resort process.

<sup>10</sup> defined in Appendix 7 (section 6.7)

## 4.2 Phase 1 – Application and Entry Assessment

### 4.2.1 Assurance activities undertaken

When considering the specific approach for a new Retail Market Entrant, Table 4 outlines the key assurance steps and techniques that will be taken for a new entrant. The assurance stages and techniques depend on the Market Role being entered. Table 4 details the assurance activities that will be undertaken by the Assurance Body:

	Control	Assess	Define	BSA (or BDA)	ITA	IPT	Entry / Cut Over
<b>All Market Roles</b>	Yes	Yes	Yes	-	-	-	-
<b>Self-Supplier</b>				No	No	No	Yes
<b>Demand Side Unit (Distribution Connected)</b>				No	No	No	Yes
<b>Export Only</b>				No	No	No	Yes
<b>Small Supplier</b>				Yes	No <sup>11</sup>	Yes	Yes
<b>Large Supplier</b>				Yes	Yes	Yes	Yes
<b>Generator</b>				Yes	Yes/No <sup>12</sup>	Yes/No <sup>11</sup>	Yes

Table 4 - Summary of assurance activities performed for New Entrant Supplier Assurance

### 4.2.2 New Entrant Assurance Approach

The Assurance Approach is a standardised method to providing assurance for each Market Role.

Table 4 above details the stages of Market Participant Assurance that have been defined in [Section 3](#) of this strategy and approach. Section 3 also provides detail of the assurance technique activity; stage exit criteria and where relevant the entry criteria.

Table 5 below details the documentation, test evidence, reporting and deliverables for each new entrant market role and includes a documentation and reporting matrix for stakeholder visibility and responsibility.

Appendix 1 ([Section 6.1](#)) provides detail of the processes and timelines for typical new entrants into each of the market roles.

<sup>11</sup> Where a Small Supplier is implementing a system that will automate sending of some or all XML market messages the Large Supplier BSA and ITA Assurance stages will be applicable

<sup>12</sup> Depending on market segments and assurance approach agreed

### 4.2.3 Documents, evidence, reports and communication requirements

The following table outlines the key stakeholders involved in the development and approval of the key Assurance requirements, evidence and documents. The documentation and reporting matrix for New Market Entrant Assurance by market role are outlined below. The definitions for the acronyms are as follows:

- who will develop (D) the deliverable documents;
- the stakeholders who will approve (A) these deliverables;
- the stakeholders who will review and provide feedback (R) to the owners of the deliverable documents; and
- those stakeholders who will primarily get sight (I) of the deliverable document for information purposes.

Stage	Document / Evidence / Report <sup>13</sup>	Market Role				Delivery	Stakeholder				
		Self-Supplier, Export Only, Demand Side Unit	Generator	Small Supplier	Large Supplier		Assurance Body	RMDS	CRU	New Entrant / Market Participant	ESB Networks
1	Progress updates and reports	Y	Y	Y	Y	Weekly	D	R	-	-	-
		Y	Y	Y	Y	Ad Hoc	D	R	R	R	-
2	Application form & questionnaire: - Completed for the relevant Supplier Category applied for	Y	Y	Y	Y	Instigate entry process	A	R	I	D	-
3	<u>Self-Assessment Return (SAR)</u> : - BSA Participant Questionnaire tab	N	Y	Y	Y	Agreed Timeline	D	R	I	D	-

<sup>13</sup> Documentation and evidence requirements will be detailed in full in the relevant assurance approach (if required), SAR and IPT Workbook

	- Market Design Coverage tab - Business Contacts tab										
	- New Entrant plan & timeline	N		Y	Y		R	A	-	D	I
<b>4</b>	<u>Business Design Material:</u> - Business solution/process evidence - IT system & data specification / architecture - IT technical infrastructure	N	Y	Y	Y	Agreed Timeline	A	-	-	D	-
	<u>Self-Assessment Return (SAR):</u> - Self Declaration BSA tab	N	Y	Y	Y		A	I	I	D	-
	BSA section of the Final outcome report	N	Y	Y	Y	Milestone	D	A	I	I	-
<b>5</b>	<u>ITA Output Material:</u> - Internal test evidence / scenario outcomes	N	Y	Y/N <sup>14</sup>	Y	Agreed Timeline	A	-	-	D	-
	<u>Self-Assessment Return (SAR):</u> - ITA Participant Questionnaire tab - Market Design Coverage tab - Self Declaration ITA tab	N	Y	Y/N <sup>14</sup>	Y		A	I	I	D	-
	ITA section of the final outcome report	N	Y	Y/N <sup>14</sup>	Y	Milestone	D	A	I	I	-
<b>6</b>	<u>IPT Workbook (that will detail):</u>	N	Y	Y	Y	Agreed Timeline	D	D	-	I	I

<sup>14</sup> Dependant on Small Supplier market facing systems and processes

	- IPT scenarios										
	- IPT Workbook	N	Y	Y	Y		D	A	-	I	I
	- Schedule for testing activities - Data set up requirements (test MPRNs)	N	Y	Y	Y		D	A	-	I	R
	IPT Issues log	N	Y	Y	Y		D	R	I	I	I
	<u><i>IPT Output Material &amp; test evidence (examples below):</i></u> - Market Message XML screenshots from both Supplier's and ESBN systems - Screenshots from Supplier's system to detail registration / MPRN status and process workflows - Screenshot from RMP extranet detailing MPRN Enquiry status	N	Y	Y	Y		A	I	-	D	D
	<u><i>Self-Assessment Return (SAR):</i></u> - IPT Participant Questionnaire tab	N	Y	Y	Y		A	I	I	D	-
<b>7</b>	<u><i>Self-Assessment Return (SAR):</i></u> Market Entry Declaration	N	Y	Y	Y	Agreed Timeline	A	I	I	D	-
	Final Assurance Outcome report	Y	Y	Y	Y		D	R	A	-	-
	Assurance Completion Letter	Y	Y	Y	Y	Milestone	D	I	-	I	-

Table 5 - Summary of document and reporting matrices for Market Participant Assurance Strategy and Approach by Market Role

### **4.3. Phase 2 – Continual Assessment / Balance Scorecard**

This phase seeks to ensure that the systems, procedures, infrastructure and market message processing assessed for market entry assurance (or requalification where applicable) are being maintained at a satisfactory performance level and within the assurance categories and market segments approved. There are two areas covered within this phase of assurance, that primarily relate to Large and Small Suppliers.

#### **4.3.1. Annual assurance declaration and return**

An assurance declaration will be distributed by the Assurance Body to all Small and Large Suppliers on an annual basis. This document will be similar to the Participant Questionnaire though much smaller in content. Suppliers will be required to complete each question and provide a signature from a company executive/senior manager. Suppliers must include details of their current systems, outline if they have had any material changes to their systems, or processes in the last 12-months. Once returned, the Assurance Body will review them and if the changes are considered material in nature (refer to Appendix 7 - Section 6) will recommend a requalification is applied for.

The annual assurance declaration will be quick and easy in terms of providing a response. With the aim not to be too onerous on suppliers, it will consist of a series of questions which will provide sufficient evidence to confirm systems and processes are aligned to the certified level.

However, it should be noted that any Market Participant should notify RMDS in advance of making a material change at any stage during the year e.g., changing their business management systems. They should not wait for the annual assurance declaration and return.

#### **4.3.2. Balance Scorecard**

The Balance Scorecard consists of an assessment to ensure that once a participant has entered the market, their market operational performance is maintained in line with their certification and at a level above what is indicated as satisfactory in the Balance Scorecard Guidance Document.

Performance is measured across a number of key areas on a bi-annual basis as defined in the Retail Electricity Market Balance Scorecard Guidance Document. The Retail Electricity Market Balance Scorecard Guidance Document is designed to give a detailed summary of the Balance scorecard sections and the calculation method used for each of the following sections.

1. Market Message Rejections
2. TIBCO Outages
3. Base Certification
4. Operational Systems

#### **4.3.3. Process for sustained poor performance**

##### **4.3.3.1. Potential Market related identified issue**

Should several suppliers receive a poor/red overall Balance Scorecard, then this would typically be a trigger for the Assurance Body to investigate whether this has been caused by Market related issue or a supplier issue. A Market related issue will affect several suppliers in the Market and suggest that a retail market system, processing or market design clarity may need to be reviewed for overall improved performance. The Assurance Body may propose a cross body workshop consisting of RMDS, Market Participants and ESB Networks

to identify the root cause of the scorecard identified issue. Depending on the outcome of the workshop, the next steps could potentially include a review of the market design and or the current systems/software, for suppliers to review their own internal processes and systems to resolve the issues encountered, or for market assurance lessons learned.

#### 4.3.3.2. Large or Small Supplier specific performance

If a supplier individually receives a poor/red Balance Scorecard, the Assurance Body will initially schedule a meeting with the supplier. This meeting will review and analyse the scorecard with the individual Market Participant to provide feedback to the supplier on the factors impacting the scores. The Assurance Body and RMDS will assist the supplier to provide feedback and advice on how to improve their scorecard in the future. For example it might be a case of staff requiring additional internal training in areas such as sending Supplier outbound Market Messages or how to correctly schedule a planned TIBCO outage.

Where a Supplier has breached its certification limits or operating in a category not certified for, the Assurance Body will begin to put a plan in place for the supplier to requalify or advise the participant they need to return to the certified limits.

The Balance Scorecard will be completed on a bi-annual basis. Any supplier that has received four consecutively red Balance Scorecards will be referred to the CRU for review and next steps will be decided. If the CRU determines that a recertification is required, the following steps will be taken.



Figure 3 - Resolution plan once triggered by the CRU.

The decision taken by the CRU will then be discussed with the Participant, RMDS and the Assurance Body. It would be anticipated that a high-level resolution plan is created incorporating key milestones and suggested dates and stakeholder responsibilities.

- The Recertification activities undertaken are broadly aligned with the requalification processes outlined in [section 4.4](#);
- Finally, a report summarising the outcome from the above stages is prepared by the Assurance Body, reviewed by RMDS and submitted for approval to the CRU. The Assurance Body will include a recommendation together with a summary of the evidence that was used to support the decision. The recommendation indicates whether in the Assurance Body's view the Participant has successfully passed recertification and whether there are any outstanding considerations.

The Assurance Body will provide the outcome report to the CRU for their final review and approval of the recertification.

## 4.4 Phase 3 - Requalification and Material Change

Phase 3 of the Market Participant lifecycle provides assurance activities relating to Market Participant requalification requests for a new market role and/or additional market segment (not initially assurance certified). In addition any Material Changes required by Participants to their systems, infrastructure or processes previously certified by the Assurance Body.

### 4.4.1. Market Participant Requalification

There are three key triggers instigating a Market Participant requalification, from an assurance perspective. An existing Market Participant applying for entry into a new market role, an existing market participant applying for entry into a new market segment (not previously market assured) or due to supplier specific performance (see [Section 4.3.3.2](#)). A combined assurance approach will be considered where market participants are requesting a new market role in addition to a request to enter new market segments or is accompanied by a material change application.

#### 4.4.1.1 New Market Role Category

When considering the specific approach for a participant wishing to enter a market role, Table 6 outlines the key assurance steps and techniques that will be undertaken depending on the existing market role approved. The assurance stages and techniques will depend on the Market Role being applied for.

	Control	Assess	Define	BSA	ITA	IPT	Entry / cut over
<b>All Market Roles</b>	Yes	Yes	Yes	-	-	-	-
<b>Self-Supplier, Demand Side Unit or Export Only to Small Supplier <sup>15</sup></b>				Yes	No	Yes	Yes
<b>Self-Supplier, Demand Side Unit or Export Only to Large Supplier <sup>16</sup></b>				Yes	Yes	Yes	Yes
<b>Small Supplier to Large Supplier</b>				Yes	Yes/No <sup>17</sup>	Yes	Yes

Table 6 - Summary of assurance activities performed for New Market Role Assurance

### Assurance Approach

Where a Small Supplier wishes to requalify as a Large Supplier, this could also be combined with entry into new market segments. The Assurance Approach for the requalification will require to be assessed based on the suppliers' specific new requirements, previous assurance qualifications undertaken and any changes to the market segments requested. This will be covered in the Assess and Define stages of the Supplier Assurance process. This will require an Assurance Approach document created and approved by the CRU.

<sup>15</sup> Requalification will follow the same approach and process as a New Entrant into the Small Supplier category, refer to [Section 4.2](#)

<sup>16</sup> Requalification will follow the same approach and process as a New Entrant into the Large Supplier category, refer to [Section 4.2](#)

<sup>17</sup> Depending on individual supplier circumstances

#### 4.4.1.2. New Market Segment

When considering the specific approach for a participant wishing to enter a new market segment, Table 7 outlines the key assurance steps and techniques that will be undertaken depending on the existing Market Role approved. The assurance stages and techniques will be dependent on the existing market role in addition to the market segments being applied for.

	Control	Assess	Define	BSA	ITA	IPT	Entry / cut over
<b>Overall</b>	Yes	Yes	Yes	-	-	-	-
	<b>Small Supplier</b>			Yes	No	Yes	Yes
	<b>Large Supplier</b>			Yes	Systems & segment dependent <sup>18</sup>	Yes	Yes

Table 7 - Summary of assurance activities performed for a Supplier New Market Segment entry

#### Assurance Approach

A bespoke Assurance Approach will be required for new market segment entry. This will be dependent upon the market segments requested for entry, previous assurance qualifications undertaken and the market role (this may also be subject to a change application). This will be covered in the Assess and Define stages of the Market Participant Assurance process. Applications for new market roles and new market segments (or if accompanied with a material change application), the assurance process will be combined.

Where the Participant is also introducing a Material Change, which may well be the case in an expanding business and very likely where the Large Supplier approach is applicable, the assurance for the Material Changes will be carried out in parallel. These will depend on the nature of the changes to business processes and systems, the planned volume of registrations and other pertinent factors. In this way, the Participant will be subject to only one assurance programme.

The following Requalification activities will apply:

- **Initial Discussions:** Initial discussions between the Participant and the Assurance Body regarding the planned changes and by inference the level of effort from the Assurance Body.
- **Assurance Plan Agreement:** Agreement of an assurance plan between the Participant and the Assurance Body.
- **Supporting Documentation:** Provision of any requested supporting documentation from the Participant to the Assurance Body. The Assurance Body will assess the requirements and propose appropriate actions based on:
  - The size and scale of the change
  - Any market requalification thresholds set (e.g. small to large Supplier)
  - The Participant's previous assessment certifications (if able) and

<sup>18</sup> Will be dependent upon the market segments involved together with the proposed supplier systems and processes.

- o The Participants current experience levels in the market

#### 4.4.2. Supplier Material Change

A Material Change, as defined: represents a change to a market participant’s business and/or operational processes, and/or technical infrastructure (e.g. automation) that alters the market participant’s internal systems and methods of Market interaction from that initially or previously assured. When considering the specific approach for a supplier wishing to make material changes to their systems, processes and infrastructure please also refer to Appendix 7 - Section 6). Table 8 outlines the key assurance steps and techniques that will be undertaken depending on the existing market role. The assurance stages and techniques will be dependent on the existing market role in addition and the specific detail of the material change being considered.

It is the responsibility of market participants to ensure that any material changes to their systems, processes and infrastructure are advised to RMDS, with instigation of the material change assurance process (completion of the material change application form). As a minimum, Participants are required to inform RMDS of a Material Change through submitting the Requalification for Material Change Application form and questionnaire as early as possible once a change is identified. Appendix 7 - Section 6 details some typical examples of what is considered a trigger for a Material Change requalification. If a supplier is in any doubt that a proposed change requires an assurance approach, RMDS should be contacted in the first instance.

	Control	Assess	Define	Self-Assessment	ITA	IPT	Cut Over
<b>Overall</b>	Yes	Yes	Yes	-	-	-	-
			<b>Small Supplier</b>	Yes	No	Yes / No <sup>19</sup>	Yes
			<b>Large Supplier</b>	Yes	Yes / No <sup>19</sup>	Yes / No <sup>19</sup>	Yes

Table 8 - Summary of assurance activities performed for a Supplier Material Change

### Assurance Approach

The Assurance Approach for a material change application will be tailored to the specific detail of the changes being implemented, in addition within the context of market role and market segments. The Assurance Approach will be developed in the Assess and Define stages of the assurance process.

## 4.5 Phase 4 – Market Exit

### 4.5.1 Decision for Market Exit

Market Exit or Supplier of Last Resort (SoLR) Assurance can arise from a number of scenarios or triggers and stakeholders, an overview has been provided below:

#### 4.5.1.1. Participant requested exit and sudden Supplier exit

In the event a Participant is no longer wanting to be part of the Retail Market they will notify a number of stakeholders, including CRU and RMDS. This will be a trigger for RMDS to

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<sup>19</sup> Will be dependent upon the specific detail of the supplier material change

notify the Assurance Body. This trigger can also be the consequence of a SoLR process commencing.

#### **4.5.1.2. Commission for Regulation of Utilities (CRU) action**

CRU decision that a Market Participants supply licence will be revoked for reasons deemed appropriate by them.

#### **4.5.2. Assurance Body activities**

In terms of Assurance, the focus will be to ensure the Participant has taken the appropriate business and technical steps to confirm there is no risk to other Participants in the market or the central market systems.

Upon receiving the notice from RMDS, the Assurance Body issues a participant questionnaire for the Participant to populate. The questions contained in the spreadsheet focus on the steps that have been / are being taken by the Participant during their withdrawal. This includes how MPRN's will be transferred to other Participants whether via Change of Supplier where it is a planned exit or a SOLR event. It also covers how their market systems are decommissioned and removed from their solution and technical landscape.

The Questionnaire will also contain a declaration by a company executive confirming that they have taken the necessary business and technical steps required to ensure no risk to other Participants in the market.

The Assurance Body will review the responses to the questionnaire and prepares a short report for the CRU and RMDS.

If any issues arise, then the Assurance Body will contact the Participant to discuss and seek an agreeable resolution.

#### **4.5.3 Documentation requirements**

The following documents will be completed as part of the Market Exit / SoLR assurance process:

1. Notice of Supplier Market Exit / SoLR letter signed by a company executive / senior manager or notice provided by the CRU where applicable;
2. Participant Questionnaire;
3. Declaration signed by a company executive or senior manager;
4. Report to the CRU.

#### **4.5.4. Inactive Suppliers**

The Assurance Body as part of the annual reassurance process will undertake a review of any Market participant deemed inactive. Where the Market Participant has requested to retain assurance certification of their market role and approved market segments, this will require Assurance Body approval.

Inactive market participants are required to ensure that their market facing systems, processes and infrastructure are maintained at a level to ensure compliance with the retail market design. Therefore, there is no special assurance dispensation for inactive market participants, and they are required to complete all relevant assurance phases of Market Releases (where applicable).

An inactive market participant is defined as having any of the following identified (for a minimum period of one year):

- A Large or Small Supplier retaining an EMMA application / capability and TIBCO server infrastructure, however not having any MPRNs registered to their supplier ID e.g. a supplier who was previously active in the market that has no MPRNs registered to them, however, wishes to retain the capability to register MPRNs at some point in the future that is not presently known;
- A Self-Supplier or Export Only Supplier with no MPRNs registered;
- A Supplier who gained approval for Market Entry but who has not connected to the live central systems and, in the period since approval, one or more Market Design Releases have been completed, will be subject to Requalification before it may commence operation.

#### **4.5.5. Market Exit timescales**

The Assurance Body will align the timescales for Market Exit / SoLR assurance activities to those provided by the exiting participant or the CRU.

Where there is an immediate exit the assurance body will assume the above documentation will be completed by the company or its administrators (where applicable).

## **5. ASSURANCE GOVERNANCE AND REPORTING**

### **5.1. Assurance governance**

#### ***5.1.1. Market Participant Obligations***

New entrants and existing Market Participants are obliged to comply with the Market assurance processes within in this strategy. Where a Market Participant fails to satisfactorily complete the applicable assurance processes, the Assurance Body will inform the CRU, who will make a judgement and determine a course of action.

#### ***5.1.2. Approval of Assurance Process***

The Assurance Processes are contained in this document and supporting documents (e.g. balanced scorecard guidance document). These documents are available to all Market Participants via the RMDS website. Any changes will require the approval of the CRU, and any approved updates will be published on the RMDS website. Responsibility for maintaining the assurance processes rests with the Assurance Body, to whom requests for clarification should be addressed. The review and approval process for this Assurance Strategy document is the same as for Market Design documents and changes. This includes the opportunity for all Market Participants to comment on any changes to it, and for the IGG to recommend a course of action. Any Market Participant may raise a change request; this will be circulated to all Market Participants and will be discussed at the IGG.

#### ***5.1.3. Approval of Assurance Operations***

The CRU is the approval body in all cases. The Assurance Body will prepare reports at each of the approval points containing recommendations to the CRU. The CRU will then determine whether to approve or reject the recommendations. An approval may be subject to conditions as directed by the CRU. If this is the case, then the Market Participant will be required to provide to the CRU (through the Assurance Body) any reasonable information required to monitor compliance with such conditions and to determine when the conditions may be lifted. Market Participants must complete the appropriate assurance and be approved for each Market Segment in which they wish to operate. Any approval is limited to the scope for which assurance has been satisfactorily completed and for which the CRU has specifically given its approval.

#### ***5.1.4 Approval of Assurance Strategy***

The New Market Entrant and Market Participant Assurance Strategy and Approach and any subsequent reversioning will require IGG and CRU approval.

### **5.2 Assurance reporting**

#### ***5.2.1 RMDS AND CRU***

As co-ordinating and authorising bodies respectively, RMDS and the CRU will be kept informed of the progress being made by organisations undertaking the specific Assurance Processes. The CRU will authorise completion of the assurance undertaken and will provide an approval or rejection of the matter being assured, whether it be a new Market Entrant, Market Participant Requalification or Material Changes being introduced.

The Assurance Body will produce a report for the CRU, and a copy of the report will also be sent to RMDS. Depending on the type of assurance, the report will include details on some or all the following:

- a description of the Assurance carried out;
- a summary of how the Participant completed each stage of the process;
- a description of the Material Change and/or change or removal of thresholds;
- how the Participant has managed the design, implementation and testing of the change or has prepared for increased traffic;
- a summary of Observations and Findings raised; and/or
- the Assurance Body's opinion.

The Assurance Body will keep RMDS informed of the timeframes. RMDS will contact the Participant shortly before the Participant's implementation date and arrange for ESB Networks to monitor the Market Messages and provide appropriate support should any issues arise in the early stages.

The CRU, as the regulatory authority, will be kept informed of the progress being made by named new entrants and existing Market Participants undertaking assurance activity. The CRU will be provided with detailed reports to support its informed decisions on:

- approval for a Market Participant to begin operation in the Retail Electricity Market or in an additional Market Segment;
- a go/no-go decision on the cutover to live operation of a change for which a Market Participant has been the subject of Requalification.

### **5.2.2 INDUSTRY GOVERNANCE GROUP (IGG)**

The Assurance Body reports at each meeting of the IGG. The reports include an update on all active Assurance activities, such as new Suppliers entering the Market, Market Design change assurance and Requalification's. These reports are provided at a high level. No information of a confidential nature will be shared for the updates.

The updates will focus on:

- The scale of activity with respect to new entrants, existing Market Participants' assurance for new Market Segments, and Material Changes being made by Market Participants to their systems;
- Assurance plans, progress, and status report for Market Design changes; and
- Plans and progress for changes to the Assurance Process itself, including the results of Post Implementation Reviews.

### **5.2.3 Reporting to ESB Networks and MRSO**

RMDS and the Assurance Body will keep both ESB Networks and the MRSO informed of the various Market level activities and support requirements to ensure coordination to support the new entrant or existing participants. They will be kept informed of:

- The date a new entrant wishes to commence trading and in what Market Segments;
- The implementation dates for Material Changes being developed by Market Participants; and
- Inter-Participant - Testing requirements.

Information of a commercial nature will not be shared in this way.

### 5.3 CRU report approval – New Market Entrant:

Table 9 below provides a summary of the reports that will be developed for CRU approval:

Approach or Stage Output Report	Self-Supplier, Export Only, Demand Side Unit	Generator	Small Supplier	Large Supplier	Comments
Assurance Approach	N	Y	N	N	Standard Assurance Approach detailed in <a href="#">Section 4.2</a> applies
Business Solution Assessment (or Design for Small Suppliers)	n/a	Y/N <sup>20</sup>	Y <sup>21</sup>	Y <sup>21</sup>	
Integration Test Assessment	n/a	Y/N <sup>20</sup>	n/a	Y <sup>21</sup>	
Inter-Participant Testing	n/a	Y/N <sup>20</sup>	Y	Y	Where IPT has been successful, the IPT report will be combined with the Final Assurance report
Final Assurance Outcome report	Y	Y	Y	Y	

Table 9 - Summary of reports that will be developed for CRU approval

### 5.4 CRU report approval – Requalification and Material Change:

Table 10 below provides a summary of the reports that will be developed for CRU approval:

Approach or Stage Output Report <sup>22</sup>	New Market Segment	Material Change	Comments
Assurance Approach	Y	Y	Standard Assurance Approach detailed in <a href="#">Section 4.2</a> apply
Business Solution Assessment (or Design for Small Suppliers)	Y <sup>21</sup>	Y <sup>21</sup>	
Integration Test Assessment	Y/N <sup>20</sup>	Y/N <sup>22</sup>	ITA report section dependent upon the Assurance Approach agreed. Not applicable for Small Suppliers.

<sup>20</sup> Dependent upon the Assurance Approach agreed

<sup>21</sup> Relevant section of the final assurance outcome report

<sup>22</sup> Reports will be dependent on the inclusion of Assurance phases as dictated by the type of Requalification and/or Material Change Assurance Approach

Inter-Participant Testing	Y/N <sup>23</sup>	Y/N <sup>23</sup>	ITP report section dependent upon the Assurance Approach agreed.
Final Assurance Outcome report	Y	Y	

Table 10 - Summary of assurance activities performed for a Supplier Material Change

### 5.5. Matrix of reporting and communications

Table 5 in section 4.2.3 provides the matrix for documents, evidence, reports and communication requirements for market entry applications, in addition requalification’s defined in section 4.4.

When individual assurance approach documents are required (i.e. for a material change project aligned to a specific suppliers project), the matrix will be aligned to the requirements in each stage provided in Table 5.

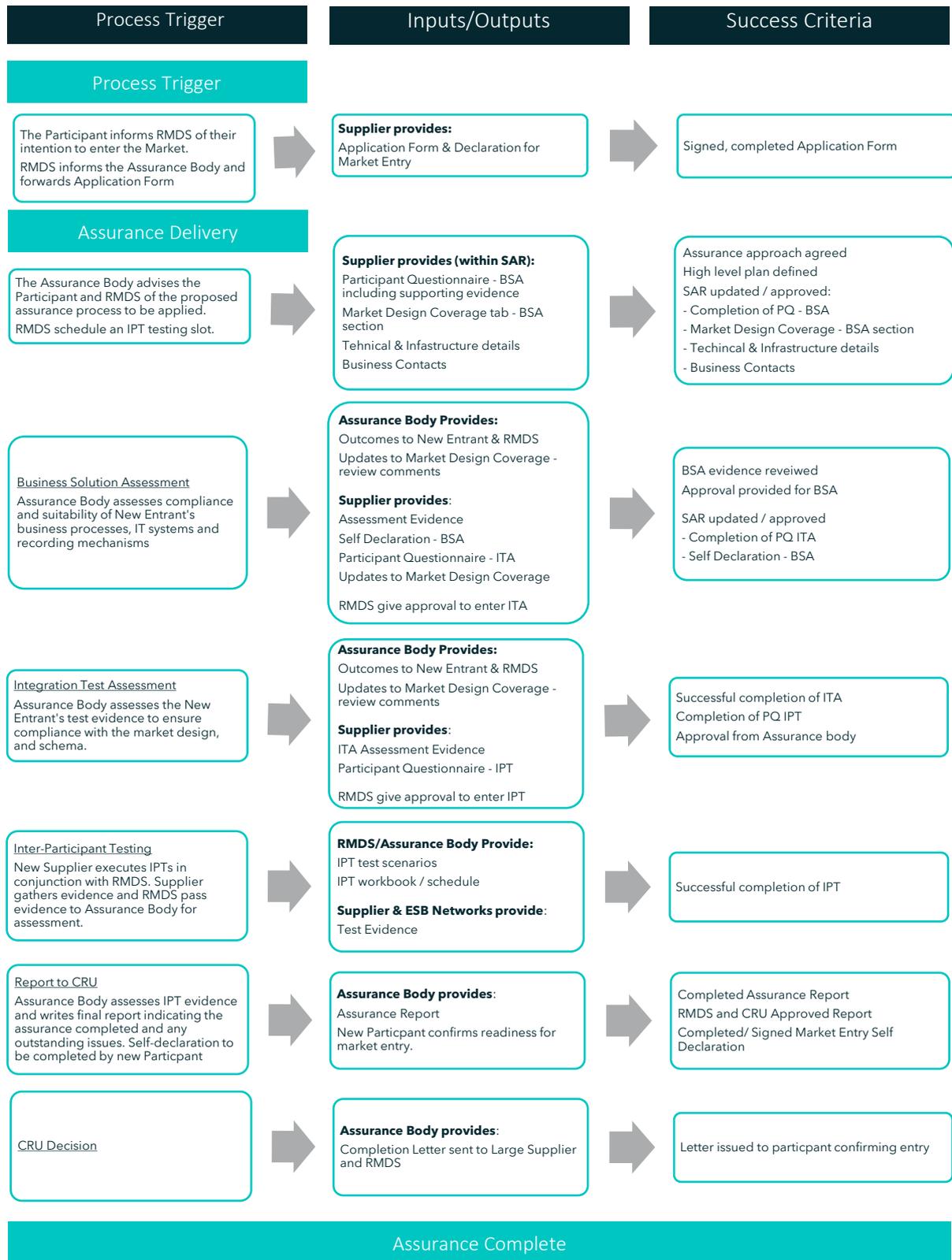
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<sup>23</sup> Where IPT has been successful, the IPT report will be combined with the Final Assurance report

## 6. APPENDICES

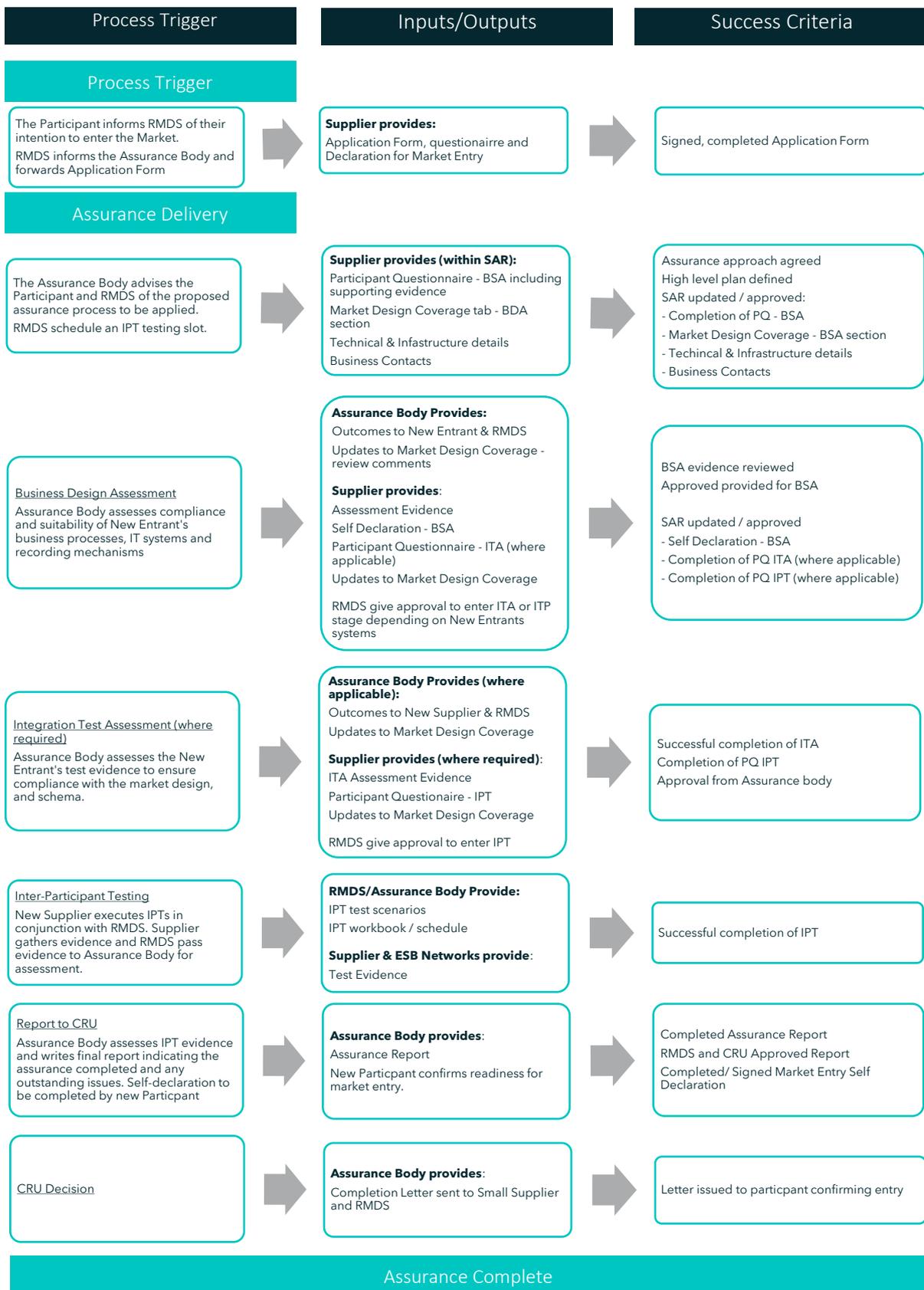
### 6.1. Appendix 1 – Market Participant Assurance Process flows<sup>24</sup>

#### 6.1.1. New Market Entrant – Large Supplier assurance process flow

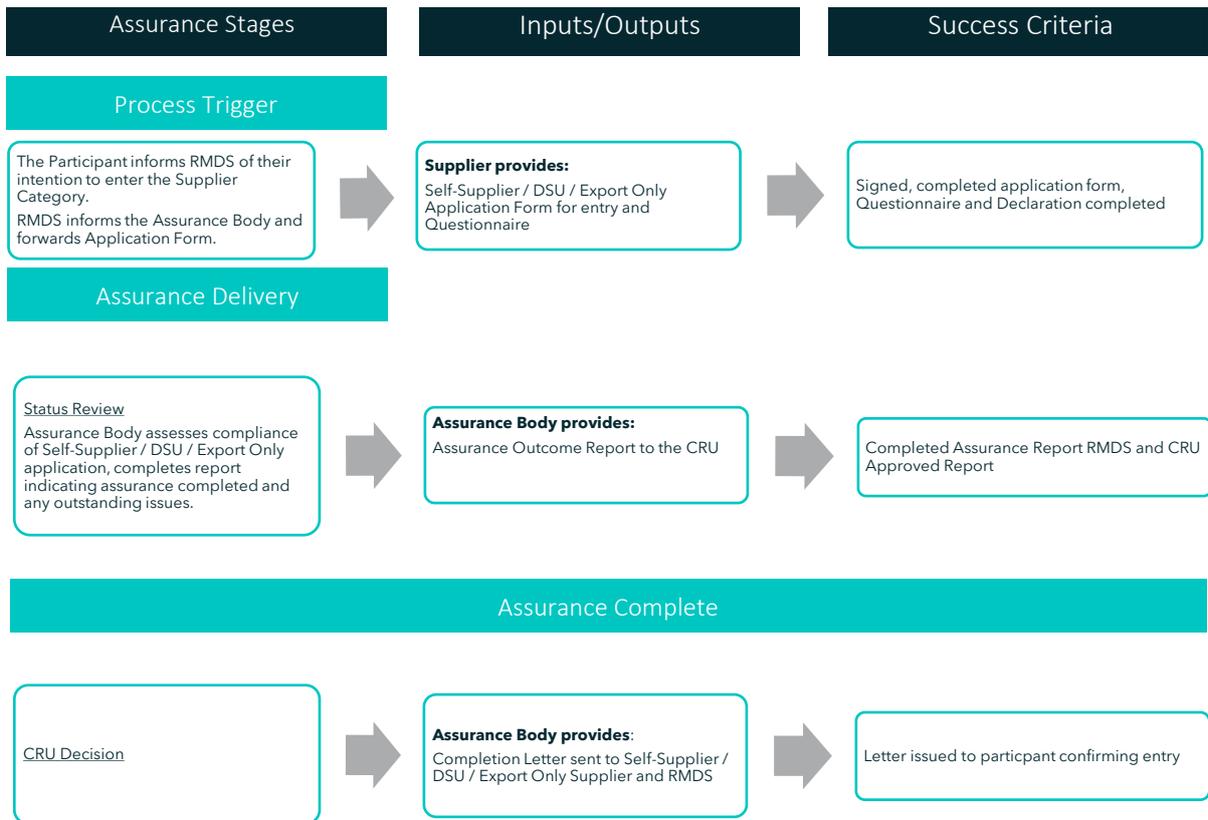


<sup>24</sup> Participant generator process will be assessed on a case by case basis

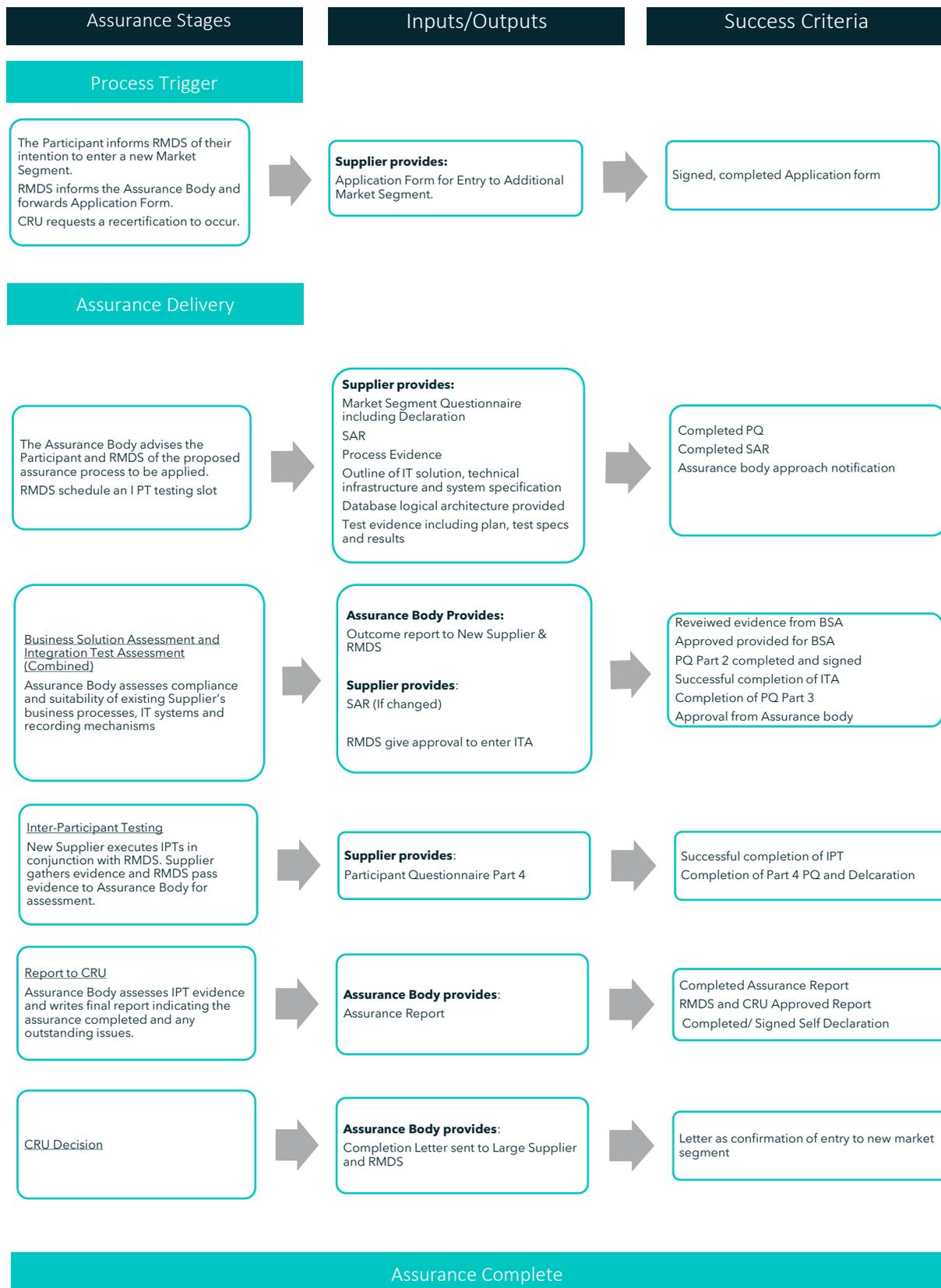
### 6.1.2. New Market Entrant – Small Supplier assurance process flow



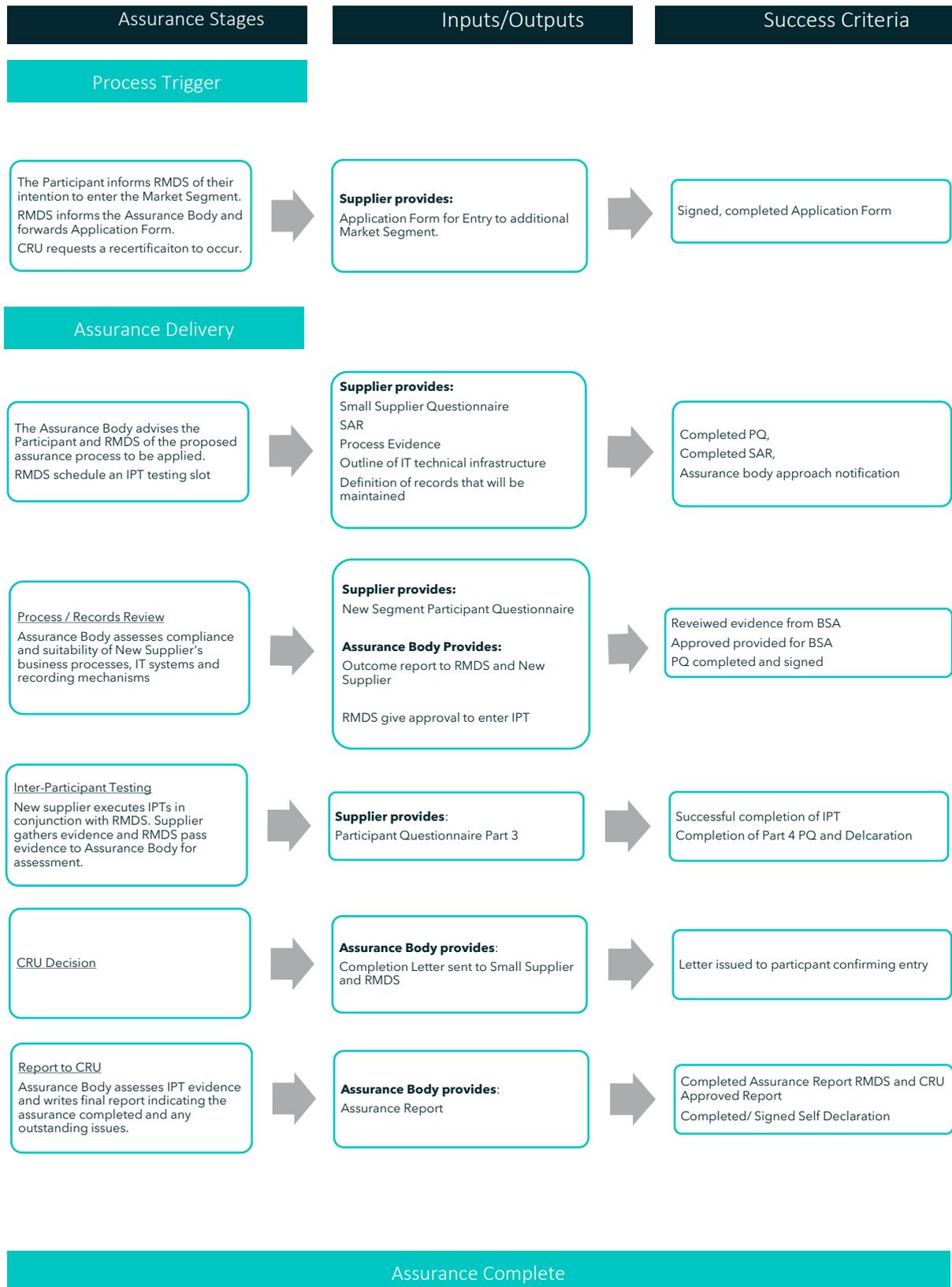
### 6.1.3 New Market Entrant – Self Supplier, Export Only and Demand Side Unit assurance process flow



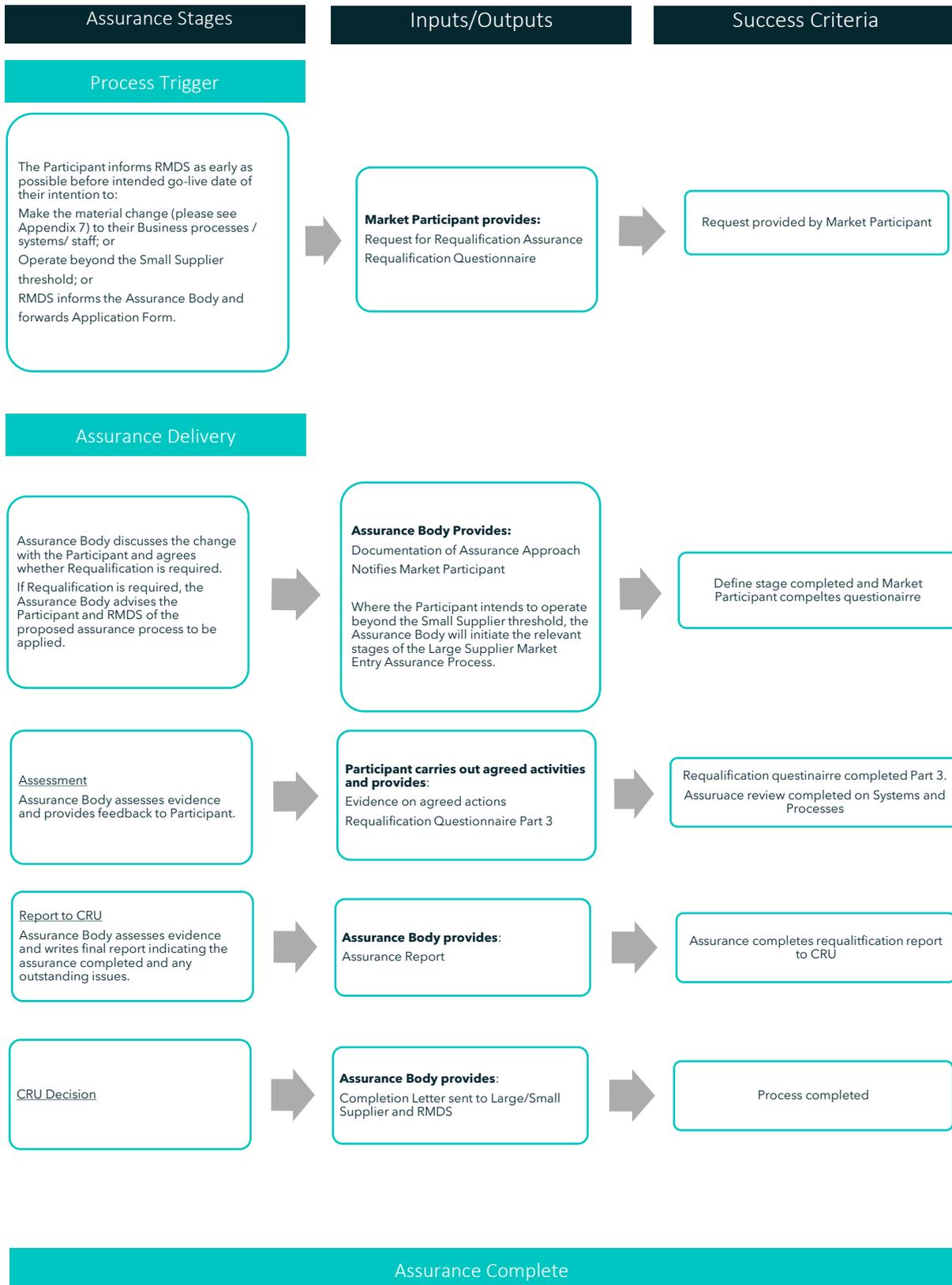
### 6.1.4. Requalification – Large Supplier entering new market segment process flow



## 6.1.5. Requalification – Small Supplier entering new market segment process flow



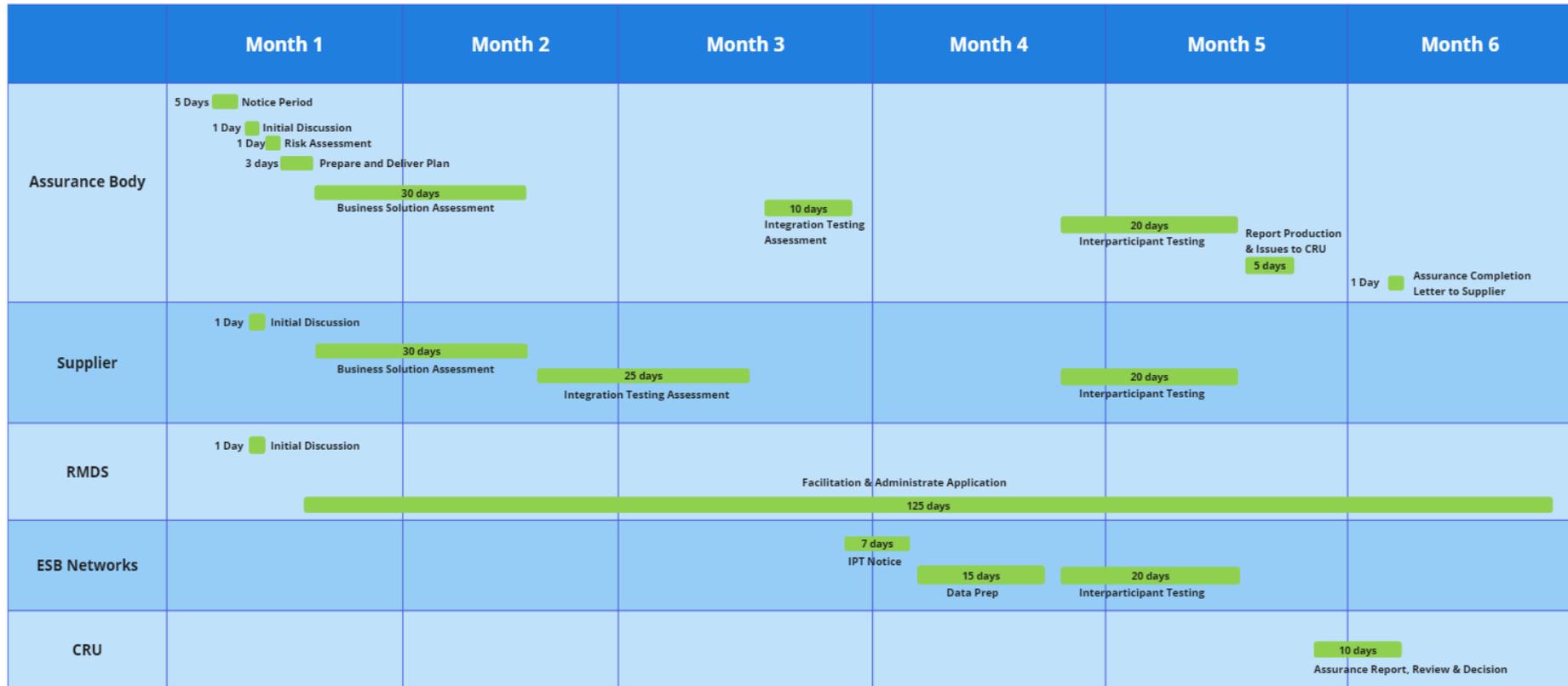
## 6.1.6 Material Change process flow



## 6.2. Appendix 2 – Supplier Assurance estimated timelines <sup>25</sup>

### 6.2.1 New Market Entrant / Requalification (additional market segment)– Large Supplier assurance timeline

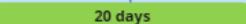
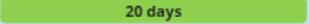
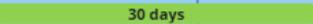
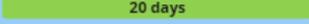
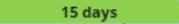
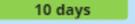
New Market Entry / Entry to additional Market Segment (Large Supplier - Estimated)



<sup>25</sup> All timelines are provided for estimate purposes only, in order to outline indicative durations for each of the Assurance stages. Actual timings will be dependent upon the level of assurance required as well as the individual Suppliers ability to complete each Assurance assessment stage in addition to the ability to schedule infrastructure requirements and IPT windows.

## 6.2.2 New Market Entrant / Requalification (additional market segment)– Small Supplier assurance timeline

New Market Entry / Entry to additional Market Segment (Small Supplier - Estimated)

	Month 1	Month 2	Month 3	Month 4
<b>Assurance Body</b>	5 Days  Notice Period 1 Day  Initial Discussion 1 Day  Risk Assessment 3 days  Prepare and Deliver Plan 20 days  Process Records Review		20 days  Interparticipant Testing	Report Production & Issues to CRU 5 days  Assurance Completion Letter to Supplier 1 Day 
<b>Supplier</b>	1 Day  Initial Discussion 30 days  Process Records Review		20 days  Interparticipant Testing	
<b>RMDS</b>	1 Day  Initial Discussion			Facilitation & Administrative Application
<b>ESB Networks</b>		7 days  IPT Notice 15 days  Data Prep	20 days  Interparticipant Testing	
<b>CRU</b>				10 days  Assurance Report, Review & Decision

### 6.2.3 New Market Entrant – Self-Supplier, Export Only, Demand-side Unit assurance timeline

Self-Supplier/Demand-side unit/Export Only Market Entry Assurance indicative timeline

	Week 1	Week 2	Week 3	Week 4
<b>Assurance Body</b>	Initial Discussion 1 day Risk Assessment 1 day Report Production & Issues to CRU 2 days			Assurance Completion Letter to Supplier 1 day
<b>Supplier</b>	Initial Discussion 1 day			
<b>RMDS</b>	Initial Discussion 1 day Facilitation & Administrative Application	20 days		
<b>CRU</b>	Assurance Report, Review & Decision		10 days	

### 6.3. Appendix 3 – Roles and Responsibilities

Title	Role	Description	Responsibility
Commission for Regulation of Utilities (CRU)	Regulatory Authority	The CRU is responsible for the regulation of all utilities, including the electricity market, in Ireland.	<p>Responsible for the review and approval of the New Entrant and Market Participant Assurance strategy and approach document.</p> <p>The CRU has the ultimate approval for all market entry's (new entrants, new market roles or new market segments for existing participants) and go live / cutovers for requalification / material change applications.</p>
EirGrid	Transmission System Operator (TSO)	Independent TSO for the electricity market and the Market Operator in the wholesale electricity trading system.	Responsible for ensuring adequate knowledge of the approved strategy and process and ensuring relevant assurance phases and stages are adhered to.
ESB Networks (ESBN)	Distribution System Operator (DSO)	ESB Networks Ltd is the independent Distribution System Operator for Ireland. It provides connection and metering services for all electricity customers.	Responsible for ensuring adequate knowledge of the approved strategy and process and ensuring relevant assurance phases and stages are adhered to.
IGG	Industry Governance Group	Oversees the ongoing operation of the Retail Electricity Market. Chaired by the CRU and consists of representation from Suppliers, RMDS, DSO, MRSO and EirGrid.	<p>Responsible for the review and approval of the New Entrant and Market Assurance strategy and approach document.</p> <p>This includes the opportunity for all Market Participants to comment on any changes to it, and for the IGG to recommend a course of action. Any Market Participant may raise a change request; this will be circulated to all Market Participants and will be discussed at the IGG.</p>
Market Participants (MPs)	Suppliers (Small and Large), Self-Suppliers, Export Only, Demand Side Unit, Generators	Any participant in the SEM who has a license to supply electricity in accordance with the applicable governing rules.	Responsible for ensuring adequate knowledge of the approved strategy and process and ensuring relevant assurance phases and stages are adhered to.
RMDS	Retail Market Design Service	A ringfenced function within ESNB, responsible for all aspects of the retail market design. The role of RMDS involves the cost effective support for and delivery of quality systems that will help achieve the CRU's objectives of encouraging	Responsible for providing support/coordination to assist with fulfilling the assurance strategy and process activities.

		competition in supply markets and quality of service to all customers.	
Version 1	Retail Electricity Market Assurance Body	Role to conduct independent assurance work on the market, its participants, their market facing systems, and market facing IT infrastructure. Report to the CRU.	Responsible for fulfilling the assurance strategy and process activities.

## 6.4 Appendix 4 – Glossary

The glossary used within this document can be found on the RMDS website here: [Glossary of Terms | RMDS \(rmdservice.com\)](#)

## 6.5 Appendix 5 – Risk approach

The Assurance Body when reviewing the Market Participant Self-Assessment Questionnaires will align its approach around a risk score methodology.

The Assurance Body will assess the responses and evidence gathered and decide on an overall risk score.

The risk score is based upon a Quantitative Methodology. The Assurance Body use a risk matrix which contains two dimensions to the scoring, namely;

- The **severity of the risk** - how significant the risk will be in achieving the overall goals of the project (impact), and
- The **likelihood of the risk** materialising.

Each of these dimensions are assigned a score weighting from 1 to 5 and when combined, provide an overall risk score. The matrix below outlines the various combinations of scores.

		Impact					
		1	2	3	4	5	
Risk	1	1	2	3	4	5	Rare
	2	2	4	6	8	10	Unlikely
	3	3	6	9	12	15	Possible
	4	4	8	12	16	20	Likely
	5	5	10	15	20	25	Very Likely
		Negligible	Small	Moderate	High	Very High	

Figure 4 - Risk matrix

## 6.6 Appendix 6 – IPT log defect Severity Classification

The classification of severity will be as follows:

- **Class 1** - Defects that render the entire IPT scenario unusable. All testing activities shall be immediately stopped. Testing should only be resumed after evaluation and corrective measures have been completed. Will usually require the provision a new test window.
- **Class 2** - Defects which render a critical function of the processes or IPT test scenario unusable. They include drastic program or system errors such as application failures, inability to perform data transfers, failure to access databases, and inability to display information to the users. Testing of the specific scenario/test should be immediately stopped. Testing should only be resumed after evaluation and corrective measures have been completed.
- **Class 3** - Defects that produce erroneous results from any material function of the process. These are defects that prevent a test scenario/script from completing successfully.

Although the expected results do not match those expected:

- it will not adversely impact key processes and procedures; or
- there is a workaround which enables the expected outcome to be achieved and will be progressed towards a permanent solution;

Testing will continue and the defect will be evaluated and corrected by the end of the IPT stage;

- **Class 4** - This class of defect includes items that do not significantly impact the usability of the processes, such as an error in text or view displayed, spelling errors or documentation errors. A correction plan will be established, testing will continue, and the defect will be evaluated and corrected at a time agreed with the Supplier.

## 6.7 Appendix 7 – Examples of Material Change

A Material Change represents a change to a Market Participants business and/or operational processes, and/or technical infrastructure (e.g. automation) that alters the Market Participant s internal systems and methods of Market interaction from that initially assured.

The table below details some typical examples of what is considered a trigger for a Material Change requalification.

If a market participant is in doubt as whether the change is considered material, RMDS should be consulted in the first instance.

### 6.7.1. Material Change requalification assurance required

Change Type	Description
System Change or update	Relocation of EMMA server (resulting in change to IP addresses)
	New or replacement to the market facing back office system that will generate XML market messages

	New or replacement middleware that provides interface between the back office system and the EMMA
Change to processes	Automation of several market processes that were previously manually processed
	Change to how key process steps and stages are structured
Business transformation project	Acquisition or merger of supplier portfolios by bulk transfer of MPRNs
	Acquisition of supplier portfolio by a company not presently in the Electricity Market, resulting in a high proportion existing staff being made redundant
New Market Role or additional market segments <sup>26</sup>	Should a small supplier MPRN volume be expected to permanently exceed 999 MPRNs
	As identified in section 1.1 should there be any MPRNs held in market segments not certified by the Assurance Body

### 6.7.2 Material Change requalification assurance unlikely to be required <sup>27</sup>

Change Type	Description
System Change or update	Change to customer facing portal (e.g. website) where customers obtain copies for bills and communications
	Additional customer sales acquisition channels that utilise the same market processes
	Creation of new tariff types
Change to processes	Refinements to process steps or stages that follow the same structure

<sup>26</sup> Threshold relates to small supplier only. If identified will follow requalification supplier assurance process.

<sup>27</sup> If a market participant is in doubt as whether the change is considered material, RMDS should be consulted in the first instance.

## 6.8 Appendix 8 – Examples of Assessment Evidence

The evidence that will be required to provide assurance for a project will be dependent on the scale, scope and nature of the change(s) involved. Typically, however, examples of evidence will include the following:

### **Change management**

Evidence that the required changes are fully understood and a detailed implementation plan has been created.

### **Detailed cutover plan**

This plan should show how all changes will be rolled out into the Market Participant's live environment. This may include reminders to staff on revised business process changes or software system updates. For New Entrants generally a central plan with timed tasks for the cutover day will be developed by RMDS in conjunction with Market Participants.

### **Database/Records Definition**

This is part of the system specification, defining the data held by the Participant for supporting market inter-operation and its structure. This could be a database definition or spreadsheet layout.

### **Documented Business Processes**

Whilst the Market Design provides a high-level view of events and actions, these are insufficient to define a specific Participant's internal processes for operating. Each Participant is therefore expected to set its internal processes out in some documentary form. Processes referenced as applicable to the Supplier's segment(s) in the SAR must be defined and documented to reflect the Participant's internal processes.

Such processes should describe, as a minimum:

- How to initiate a Market activity (e.g., energise a meter), including the source of data within the Participant's records required to populate a Market message.
- How to react to a Market event (e.g., receipt of specific Market messages), including updating Participant's records using the data from the message that has been received and any response that is required.
- Where there is automated processing there should be a definition of that automation.
- A definition of the records held to support Market-facing activities

Business processes may be in any form, including text, diagrammatic or a combination, and may refer to the Market Design as necessary.

### **Dress rehearsals**

Evidence that the cutover plan has been trialled at full scale, including all logistics considerations. Especially where a significant timescale is involved

### **Roll-back plan**

This plan should explain how operations will continue if the intended changes fail. It should detail workaround systems and how the Participant will deal with other affected Participants.

### **IT System Specification**

A detailed definition of where Market Design requirements are embodied as system functions, including the Participant's database (for the automated elements of a Participants business processes).

**IT Technical Infrastructure**

A high-level definition of the technical elements of the Participant's Market systems, including servers, message routers, communication links and applications. The intention is to describe the elements deployed for Market activities and the path(s) followed by Market Messages/market data.

**Problem management**

Evidence of an effective problem management system to capture and resolve issues during implementation of systems/processes or changes to them.

**Test Outcomes**

A summary of tests carried out, their outcomes and any re-tests.

**Test Plan**

As a minimum, a list of all tests (test cases) to be carried out, grouped as necessary including, timing and resource allocation.

**Test Results**

Detailed evidence from which the test outcomes are derived, including results recorded by the tester and for Inter-Participant Testing, this will be supplemented by 'before' and 'after' screenshots (for systems and/or database/records at each step).

Evidence should be taken before and after each test step, such that the effects of receiving a Market Message, are demonstrated and, conversely, from where the data that populates an outgoing Market Message is derived.

**Test Specification/Script**

A detailed specification of each test (case), including initial conditions (required to be created in advance of testing), each step to be carried out, the expected results (this could be per step or overall) and the completion criteria. This can also be referred to as a 'script' and is usually formatted so that results can be recorded both stepwise and overall.

**Test Strategy**

A document outlining the broad approach to testing, including (but not limited to), types of testing (i.e., integration test, system test or user acceptance test), test environments, staff involved (and their roles / responsibilities), the test management structure.



# Thank you

For more information,  
please visit [version1.com](http://version1.com)