

G4 – EMR Settlement Authorisations

EMRS Guidance

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Change Amendment Record

| Version | Date | Description |
|---------|------------------|---|
| V1.0 | 27 April 2015 | Go-live version |
| V2.0 | 23 June 2015 | Housekeeping |
| V3.0 | 2 October 2015 | Revised info on bank validations and bank amendment diagram |
| V4.0 | 12 October 2015 | Housekeeping – updated to include Guidance number |
| V5.0 | 14 April 2016 | Housekeeping update on Table 1 |
| V6.0 | 28 February 2017 | Housekeeping update on Table 1 |
| V7.0 | 25 July 2017 | Document transfer to new template |
| V8.0 | 1 November 2017 | Inclusion of Trading Contact for Volume Reallocation |

1. Introduction

This guidance document explains why EMR Settlement Ltd (EMRS) have implemented Authorised Contacts as a control for the settlement operations for Contracts for Difference (CFD) and the Capacity Market. Suppliers, CFD Generators and Capacity Providers can use Authorised Contacts to manage their EMR Party information and to request certain settlement activities.

2. Purpose

The purpose of this document is to answer the following questions:

- Why are Authorised Contacts required?
- What is an Authorised Contact and what can they do?
- How do authorisations work?
- How can people be authorised by an EMR Party?
- How can Authorised Contacts be amended?

3. Who is the document for?

This document is for all EMR Parties including Suppliers, CFD Generators and Capacity Providers.

4. Associated documents

This document should be read in conjunction with:

- EMRS Working Practice WP31 - Amending EMR Party Details¹

5. Why are Authorised Contacts required?

EMR Party information is required from Suppliers, CFD Generators and Capacity Providers in order to undertake settlement service activities for CFD and the Capacity Market. This information includes: company information (e.g. its registered address); bank information (e.g. bank account details); and contact information for the Party. A full list of EMR Party Details has been specified in Appendix 1 - EMR Party Details.

This information will be used to:

- Issue invoices, notices and other communications to the EMR Party; and
- Ensure actions are only taken with, or instigated by, those persons or organisations who are authorised representatives of the EMR Party.

¹ <https://emrsettlement.co.uk/publications/working-practices/>

Therefore, we require controls to ensure this information is current and accurate, with Authorised Contacts forming a key part of these controls.

6. What is an Authorised Contact and what can they do?

An Authorised Contact is someone appointed by the EMR Party and recognised by EMRS to act on behalf of the Party. This provides EMR Parties with a framework to enable the delegation of certain activities to appropriate persons within their organisation, in line with their own governance and controls.

We've designated a number of authorised roles, detailed in Table 1 below, to enable Suppliers, CFD Generators and Capacity Providers to manage their settlement activities. These roles are set up during an EMR Party's registration processes with EMRS, detailed in the relevant Working Practices on the EMRS website².

Roles have a variety of concessions associated to them depending on their designed scope that relate to the following areas:

- Privileges to receive information and instigate activities;
- Access to the EMR Settlement Portal
- Points of contact within the EMR Party; and
- Requesting information from EMRS.

To operate effectively and provide resilience, EMR Settlement requires each EMR Party to have one Primary Party Authority and a least two independent Finance Authorities registered as a minimum.

Privileges

Privileges have been specified in line with a general hierarchical governance structure to enable EMR Parties to align with their own organisations and relate to EMRS' settlement activities where EMR Party action is required.

Authorised roles will receive notification of any amendments to information they are authorised to amend.

² <https://emrsettlement.co.uk/publications/working-practices/>

Table 1: Authorised roles and privileges available to a Party

| Authorised Role | Privileges | | | | | | | | | | | | | | | |
|--------------------------|---|------------------|--------------------------|---------------------------------|---------------------------|-----------------------------|--------------|--------------------------|----------------------------|---------------|---------------------|--------------------|----------------------|----------------------|-------------|-------------------------|
| | Can amend or request the following ³ : | | | | | | | | | | Will receive: | | | | | |
| | Company information ⁴ | Bank information | Channel for backing data | Primary Party Authority details | Finance Authority details | Operating Authority details | User details | Any contact role details | Excess credit cover return | Submit CMVRNs | Late Payment Advice | Non-payment Notice | Mutualisation Notice | Credit Default Rules | Aggregation | Invoices & Backing Data |
| Company Emails | | | | | | | | | | | ✓ | ✓ | ✓ | ✓ | ✓ | |
| Primary Party Authority | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | | | | | | ✓ |
| Finance Authority | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | | | | | | | ✓ |
| Operating Authority | ✓ | | ✓ | | | ✓ | ✓ | ✓ | ✓ | | | | | | | ✓ |
| User | | | | | | | | | | | | | | | | |
| Finance Contact | | | | | | | | | | | ✓ | ✓ | ✓ | | | ✓ |
| Credit Contact | | | | | | | | | ✓ | | | | ✓ | | | |
| Aggregation Rule Contact | | | | | | | | | | | | | | ✓ | | |
| Meter Contact | | | | | | | | | | | | | | | | |
| Trading Contact | | | | | | | | | ✓ | | | | | | | |

Amendments to bank information require a dual-signed⁵ request on letter headed paper stating current and requested bank information, which then needs to be confirmed by the relevant Authorised Contacts.

Points of contact within the Party

Where an Authorised Contact is privileged to receive or have access to a particular document, they will also be the first point of contact when EMRS has a query or issue related to that area. For example, EMRS will liaise with the Finance Contact regarding late payments.

Where a non-mandatory role has not been nominated, or is not available, the defaulting role will be contacted as specified in Table 2 below.

3 Further details on how Authorised Persons amend Party information can be found in WP31– Amending EMR Party Details

4 Some company information is maintained by organisations other than EMRS. This is specified in Appendix 1

5 Signatures need to be from suitably Authorised Persons as described in Table 1

Table 2: Mandatory roles and allocation of privileges where non-mandatory roles not provided

| Authorised Role | Mandatory Role | The role to which the privileges default to, if this role is not provided |
|--------------------------|----------------|---|
| Primary Party Authority | Yes | N/A |
| Finance Authority | Yes | N/A |
| Operating Authority | No | Finance Authority |
| User | No | Finance Authority |
| Finance Contact | No | Finance Authority |
| Credit Contact | No | Finance Authority |
| Aggregation Rule Contact | No | Operating Authority |
| Meter Contact | No | Operating Authority |
| Trading Contact | No | Operating Authority |

Table 4 in Appendix 2 provides a summary of each role and their privileges.

Requesting information from EMRS

To prevent uncontrolled sharing or amendment of sensitive details, information has been given a tiered level of control:

- Company-sensitive information (e.g. EMR Party Details, statement of account, current credit cover lodging): Identified Authorised Contacts only;
- Semi-public information (e.g. invoices, backing data, issued notices or notifications): Anyone from the respective EMR Party; and
- Public (general EMR settlement information such as payment terms): All.

When individuals request information, EMRS will validate whether that information is appropriate based on their designation (if any) by the recognised Authorised Contacts.

Therefore, EMR Parties should ensure that they have enough Authorised Contacts registered from across their organisation to allow them to access information without significant restriction.

7. How do authorisations work?

An example organisation can be found in Appendix 3, demonstrating how authorised roles could be used by an EMR Party to update their Party information.

8. How can persons be authorised by a Party?

An EMR Party will be able to nominate Authorised Contacts through its relevant EMR settlement services registration process. Initial EMR Party registration will define some or all of the above roles and therefore will need to be supported by a suitable EMR Party representative's signature, such as that of the Primary Party Authority.

Further details can be found in the respective registration working practices for each type of participant⁶.

9. How can Authorised Contact be amended?

Once an EMR Party has registered, the creation of new Authorised Contacts or amendment of existing authorisations can be made by submitting an EMR Party Details amendment form, described in EMRS Working Practice WP31 – Amending EMR Party Details. Resultant notifications will be sent out to the relevant Authorised Contacts, as described in section 6 above.

10. Need more information

For more information, please visit our website www.emrsettlement.co.uk or email us at contact@emrsettlement.co.uk.

11. Acronyms and Definition

A list of acronyms and definitions can be found in the 'Acronyms and Definition' document on our website.⁷

⁶ <https://emrsettlement.co.uk/publications/working-practices/>

⁷ <https://www.emrsettlement.co.uk/publications/working-practices/> Useful Links>

Appendix 1 - EMR Party Details

The following Party details will be used by EMRS to perform settlement. Mandatory items are detailed on the relevant forms.

Table 3: Party details for EMRS to perform settlement

| | Supplier | CFD Generator | Capacity Provider |
|---|----------------|----------------|-------------------|
| Company information | | | |
| EMR Party ID ⁸ | ✓ | ✓ | ✓ |
| Company name | ✓ ^A | ✓ ^B | ✓ ^C |
| Company registration number | ✓ ^A | ✓ ^B | ✓ |
| Address | ✓ | ✓ ^B | ✓ |
| General company emails ⁹ | ✓ | ✓ | ✓ |
| Telephone number | ✓ | ✓ | ✓ |
| Method/channel for receiving backing data | ✓ | ✓ | ✓ |
| CFD ID | | ✓ ^B | |
| Project name | | ✓ ^B | |
| CMU ID | | | ✓ ^C |
| Letter of Credit return address | | | ✓ |
| Bank information (for all accounts used) | | | |
| Bank name | ✓ | ✓ | ✓ |
| Account number | ✓ | ✓ | ✓ |
| Sort code | ✓ | ✓ | ✓ |
| IBAN | ✓ | ✓ | ✓ |
| SWIFT/BIC | ✓ | ✓ | ✓ |
| Consent to use direct debit | ✓ | ✓ | ✓ |
| Contact information¹⁰ | | | |
| Name | ✓ | ✓ | ✓ |
| Authorised Contact role | ✓ | ✓ | ✓ |
| Job title | ✓ | ✓ | ✓ |
| Email | ✓ | ✓ | ✓ |
| Telephone number | ✓ | ✓ | ✓ |

A – This data needs to align to (and will be validated against) Ofgem records

⁸ Agreed between EMRS, BSCCo and the EMR Party. Once set, an EMR ID cannot be amended

⁹ All notices, invoices and credit notes will be sent to these email addresses

¹⁰ Required for all Authorised Contacts

B – This data is maintained by LCCC and amendments should be made through them

C – This data needs to align to (and will be validated against) National Grid’s Capacity Market Register

Appendix 2 – Authorisations

The below table provides a summary of each of the Authorised Contact roles available to an EMR Party.

Table 4: Authorised roles available to a Party

| Authorised Role | Example Company Role | Privileges | Mandatory | The role to which the privileges default to, if this role is not provided |
|----------------------------|--|---|-----------|---|
| Primary Party Authority | Director or company secretary | Ultimate signatory for CFD and Capacity Market on behalf of the company; Access to the EMR Settlement Portal; Amend company information; Amend all Authorised Contacts and contact roles; Request bank information and final confirmation of bank information (if required) Request return of excess Credit Cover | Yes | N/A |
| Finance Authority (min. 2) | CFO or Financial Controller | Access to the EMR Settlement Portal Amend company information; Amend Authorised Contacts (excluding the Primary Party Authority) and contacts; Request and Confirm bank information amendments Request return of excess Credit Cover | Yes | N/A |
| Operating Authority | Senior person (not responsible for financial activity) | Access to the EMR Settlement Portal Amend company information Amend Operating Authorities, Users and contacts | No | Finance Authority |

| Authorised Role | Example Company Role | Privileges | Mandatory | The role to which the privileges default to, if this role is not provided |
|---------------------------------|--|--|-----------|---|
| User | Member of an operating function, such as a metering team or finance team | Request invoices and backing data. | No | N/A |
| Finance Contact | Finance Assistant | Access to the EMR Settlement Portal, receive late payment advice, non-payment notices, and first point of contact for financial queries, such as non-payment and mutualisation. | No | Finance Authority |
| Credit Contact | Finance Assistant | Receive credit default notices and first point of contact for credit related queries / issues, such as credit shortfalls / default. | No | Finance Authority |
| Aggregation Rule Contact | General operations role, or metering role | Receive EMR Aggregation Rules and first point of contact for queries relating to metered data | No | Operating Authority |
| Meter Contact | Metering Role | First point of contact for metering related queries, such as further conditions precedent, metering assurance or checks, loss adjustments | No | Operating Authority |
| Trading Contact | | Submit Capacity Market CMVRNs on behalf of a Capacity Provider for trading during the Volume Reallocation Window | No | Operating Authority |

Appendix 3 - Example EMR Party organisation

The below theoretical organisation demonstrates how an organisation can apply the designated EMR authorisations to their own structure.

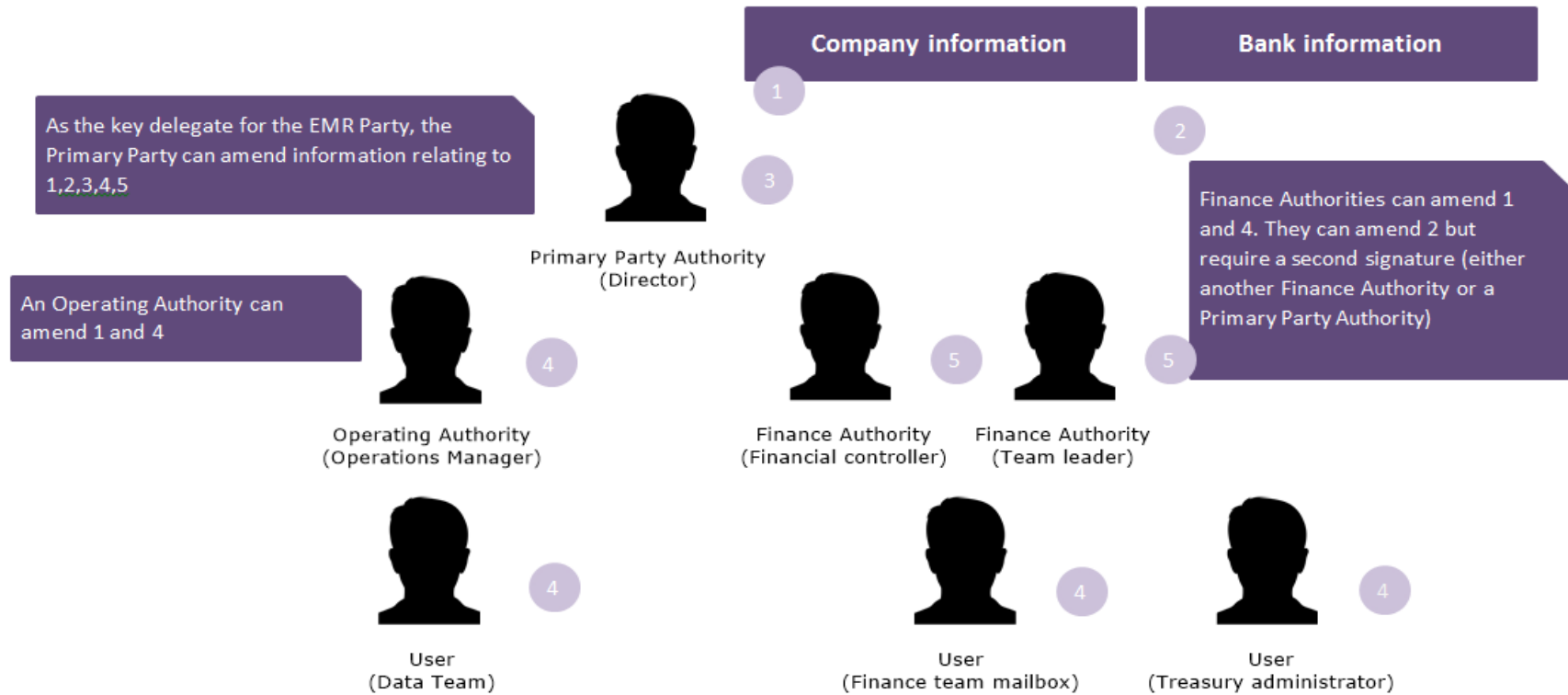


Figure 1: How organisations can apply the designated EMR authorisations to their own structure

Appendix 4 – Amending Bank Information

This is an example of how the organisation could amend their EMR Party Details.

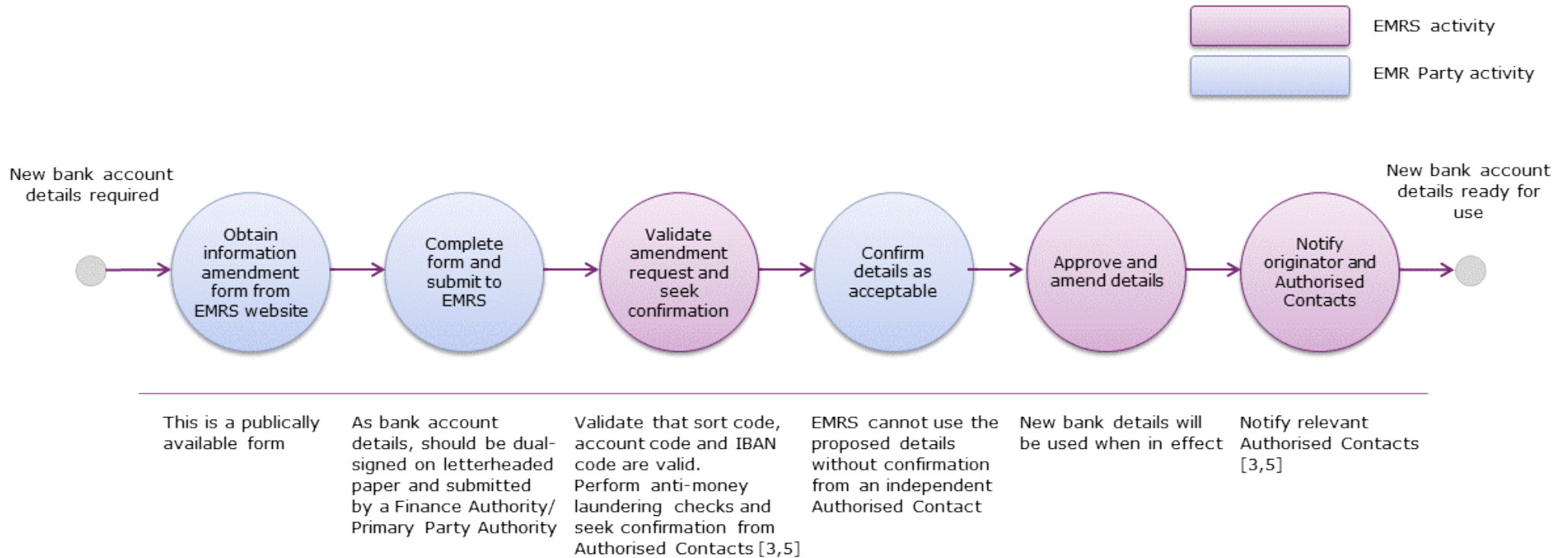


Figure 2: Example of how organisations could amend their EMR Party Details

