

## MODIFICATION REPORT

### ATTACHMENT 1 LEGAL TEXT

#### MODIFICATION P215 PROPOSED SOLUTION

##### Section K: Classification and Registration of Metering Systems and BM Units (version 25.0)

*Insert new paragraph 3.7 after paragraph 3.6.4 as follows:*

##### 3.7 Credit Qualifying BM Unit

3.7.1 A BM Unit shall be classified as a "Credit Qualifying BM Unit" if:

(a) it is a BM Unit in respect of which Section Q3 applies; and

(b) it is not an Interconnector BM Unit; and

(c) one of the requirements in paragraph 3.7.2 is satisfied in respect of the BM Unit;

and a BM Unit shall cease to be classified as a Credit Qualifying BM Unit if it ceases to meet the requirements in paragraphs (a), (b) and (c) above.

3.7.2 The requirements referred to in paragraph 3.7.1(c) are that:

(a) the BM Unit is a Production BM Unit; or

(b) the BM Unit is an Exempt Export BM Unit; or

(c) the Panel has determined that the BM Unit should be treated as qualifying, and has not withdrawn such determination, in accordance with paragraph 3.7.3.

3.7.3 For the purposes of paragraph 3.7.2(c):

(a) the Lead Party of a BM Unit may, in accordance with BSCP15, apply to the Panel for a determination that the BM Unit should be treated as qualifying;

(b) the Panel shall consider the application and notify its decision to the Lead Party in accordance with the process set out in BSCP15;

(c) the Panel shall determine that the BM Unit should be treated as qualifying if the Panel determines that for the majority of Settlement Periods in the previous six month period, and for that six month period overall, the BM Unit's Exports exceeded its Imports;

(d) the Panel may withdraw its determination, after giving the Lead Party an opportunity to make representations, where it considers that the requirement in paragraph (c) is not or is no longer satisfied in respect of the BM Unit; and

(e) BSCCo shall notify the CRA of each determination by the Panel under paragraph (c), and of each withdrawal of such a determination, in respect of a BM Unit.

##### Section M: Credit Cover and Credit Default (version 19.0)

*Amend paragraph 1.2.3 as follows:*

1.2.3 The Credit Assessment Credited Energy Volume (CAQCE<sub>iaj</sub>, in MWh) shall be determined:

(a) for each BM Unit which is:

- (i) a Consumption BM Unit;
- (ii) a Production BM Unit whose Relevant Capacity is not greater than zero;
- (iii) ~~and~~ not an Interconnector BM Unit; and
- (iv) not a Credit Qualifying BM Unit,

and for each Energy Account which is a Subsidiary Energy Account for such BM Unit, as follows:

$$CAQCE_{iaj} = (SPD * BMCAIC_i) * (QMPR_{iaj}/100) + QMFR_{iaj}$$

(b) for each BM Unit which is:

- (i) a Production BM Unit whose Relevant Capacity is greater than zero;
- (ii) ~~and~~ not an Interconnector BM Unit; and
- (iii) not a Credit Qualifying BM Unit,

and for each Energy Account which is a Subsidiary Energy Account for such BM Unit, as follows:

$$CAQCE_{iaj} = (SPD * BMCAEC_i) * (QMPR_{iaj}/100) + QMFR_{iaj}$$

(c) for each BM Unit which is:

- (i) a Consumption BM Unit;
- (ii) a Production BM Unit whose Relevant Capacity is not greater than zero;
- (iii) ~~and~~ not an Interconnector BM Unit; and
- (iv) not a Credit Qualifying BM Unit,

and for the Energy Account which is the Lead Energy Account for such BM Unit, as follows:

$$CAQCE_{iaj} = (SPD * BMCAIC_i) - \sum_a CAQCE_{iaj}$$

(d) for each BM Unit which is:

- (i) a Production BM Unit whose Relevant Capacity is greater than zero;
- (ii) ~~and~~ not an Interconnector BM Unit; and
- (iii) not a Credit Qualifying BM Unit,

and for the Energy Account which is the Lead Energy Account for such BM Unit, as follows:

$$CAQCE_{iaj} = (SPD * BMCAEC_i) - \sum_a CAQCE_{iaj}$$

(e) for each Subsidiary Energy Account for each Interconnector BM Unit and for each Credit Qualifying BM Unit, as follows:

$$CAQCE_{iaj} = FPN_{ij} * (QMPR_{iaj}/100) + QMFR_{iaj}$$

(f) for the Lead Energy Account for each Interconnector BM Unit and for each Credit Qualifying BM Unit, as follows:

$$CAQCE_{iaj} = FPN_{ij} - \sum_a CAQCE_{iaj}$$

where, for the purposes of paragraphs 1.2.3(c), 1.2.3(d) and 1.2.3(f) only,  $\Sigma_a$  represents the sum over all Energy Accounts other than the Lead Energy Account.

*Insert new paragraph 1.8 as follows:*

## **1.8 Final Physical Notification Data Review**

**1.8.1 The Panel may review a Lead Party's compliance with Section Q3.2 and in connection with any such review:**

- (a) the Transmission Company or the applicable Distribution System Operator shall provide to the Panel such information reasonably requested by the Panel that is relevant to a review of any submission of Final Physical Notification Data; and**
- (b) the Lead Party shall provide to the Panel such information reasonably requested by the Panel to justify the Lead Party's submission of Final Physical Notification Data under Section Q3.2.**

## **Section Q: Balancing Mechanism Activities (version 16)**

*Amend paragraph 1.1.1 (c) as follows:*

- 1.1.1 (c) the submission of Final Physical Notification Data to enable Period FPNs to be established by the ECVAA in respect of Interconnector BM Units and for each Credit Qualifying BM Unit for each Settlement Period;

*Amend paragraph 3.1.1 as follows:*

- 3.1.1 The provisions of this paragraph 3 shall apply:
- (a) in respect of any BM Unit for which (at a given time) there is an obligation under the Grid Code to submit a Physical Notification; ~~and~~
  - (b) in respect of any BM Unit and any Settlement Period for which the Lead Party wishes to submit one or more Bid-Offer Pairs; ~~and-~~
  - (c) in respect of any BM Unit for which the Lead Party wishes to submit Physical Notifications so as to be classified under the Code as a Credit Qualifying BM Unit.

*Amend paragraph 3.2.1 as follows:*

- 3.2.1 Where this paragraph 3 applies, the Lead Party shall ensure that Physical Notifications are submitted (or can be determined) in accordance with the Grid Code such as to enable Final Physical Notification Data to be submitted by the Transmission Company under this Section Q ~~and~~ Point FPNs to be established by the SAA under Section T; and Period FPNs to be established by the ECVAA in respect of Interconnector BM Units and each Credit Qualifying BM Unit. consistent with the requirements of paragraph 3.2.3, for each Settlement Period and for each BM Unit.

**Annex X-1: General Glossary (version 35.0)**

*Insert new definition of Credit Qualifying BM Unit after the definition of Credit Facility as follows:*

| **“Credit Qualifying BM Unit”:** has the meaning given to that term in Section K3.7:

**Annex X-2: Table X:3 Glossary of Acronyms Applying Except In Relation To Section S (version 25)**

*Amend the acronym CAQCE<sub>aij</sub> as follows:*

CAQCE <sub>aij</sub>	MWh	Credit Assessment Credited Energy Volume
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