

MODIFICATION REPORT

ATTACHMENT 2 LEGAL TEXT

MODIFICATION P215 ALTERNATIVE 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 O3 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- (c) the Panel has determined that the BM Unit should be treated as qualifying, and has not withdrawn such determination, in accordance with paragraph 3.7.3.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 1.2.1 (a) as follows:

1.2.1 For the purposes of the Code:

- (a) in relation to a Settlement Period j the "**Energy Indebtedness**" (EI_{pj} , in MWh) of a Trading Party p shall be the algebraic sum of:
- (i) the algebraic sum of Actual Energy Indebtedness for Trading Party p for those Settlement Days d within the 29 day period for which (at Gate Closure for Settlement Period j), Gate Closure has passed for the first Settlement Period of the Settlement Day following that on which the Settlement Calendar specifies that the Interim Information Settlement Run for Settlement Day d is to take place (but excluding those days for which, as a result of a delay in the Interim Information Settlement Run in accordance with Section T1.4, the ECVAA does not receive the Interim Information Settlement Run data from the SAA by Gate Closure for the first Settlement Period of the Settlement Day containing Settlement Period j); ~~and~~
 - (ii) the algebraic sum of Metered Energy Indebtedness for Trading Party p in relation to those Settlement Days d within the 29 day period for which ~~paragraph 1.2.1(a)(i) does not apply, and for which (at Gate Closure for Settlement Period j), Gate Closure has passed for the first Settlement Period of the Settlement Day following that on which the Settlement Calendar specifies that the Credit Cover Volume Allocation Run for Settlement Day d is to take place; and~~
 - ~~(#)(iii)~~ (iii) the algebraic sum of Credit Assessment Energy Indebtedness for Trading Party p in relation to that Settlement Period and all prior Settlement Periods in days falling within the 29 day period for which ~~neither~~ paragraphs 1.2.1(a)(i) or 1.2.1 (a) (ii) does not apply;

Amend paragraphs 1.2.1 (d), (e), (f) and (g) as follows:

- (d) for the purposes of paragraph 1.2.1(a)(i), where (by Gate Closure for the first Settlement Period of the Settlement Day containing the Settlement Period j), the ECVAA has not received the Interim Information Settlement Run data from the SAA in accordance with Section T5.3.5 for any Settlement Day d within the 29 day period to which paragraph 1.2.1(a)(i) applies (other than as a result of a delay in the Interim Information Settlement Run in accordance with Section T1.4), the ECVAA shall use the Metered Energy Indebtedness Credit Assessment Energy Indebtedness for the Settlement Periods in that Settlement Day d but without prejudice to paragraph 4; ~~and~~
- (e) for the purposes of paragraph 1.2.1(a)(ii), where (by Gate Closure for the first Settlement Period of the Settlement Day containing the Settlement Period j), the ECVAA has not received the Credit Cover Volume Allocation Run data from the CDCA in accordance with Section R5.7.1(d) for any Settlement Day d within the 29 day period to which paragraph 1.2.1(a)(ii) applies, the ECVAA shall use the Credit

Assessment Energy Indebtedness for the Settlement Periods in that Settlement Day d but without prejudice to paragraph 4:

- ~~(e)~~(f) in relation to a Trading Party and Settlement Day, where BSCCo:
- (i) is aware that the ECVAA has not received relevant Interim Information Settlement Run data from the SAA in accordance with Section T5.3.5; or
 - ~~(ii)~~ is aware that the ECVAA has not received relevant Credit Cover Volume Allocation Run data from the CDCA in accordance with Section R5.7.1(d); or
 - ~~(ii)~~(iii) has substantial evidence or other reasons to believe that the data to be derived from the Initial Settlement Run for that Trading Party and that Settlement Day are likely to be significantly different (in the context of that particular Trading Party) from the corresponding Interim Information Settlement Run data received by the ECVAA from the SAA in accordance with Section T5.3.5; or
 - ~~(iv)~~ has substantial evidence or other reasons to believe that the data to be derived from the Initial Volume Allocation Run for that Trading Party and that Settlement Day are likely to be significantly different (in the context of that particular Trading Party) from the corresponding Credit Cover Volume Allocation Run data received by the CDCA in accordance with Section R5.7.1(d);

the absence of such data or the likelihood of such a significant difference (as the case may be) may, if BSCCo so decides and to the extent that it materially affects matters, constitute a material doubt for the purposes of paragraph 3.4.3(a) (ii); and-

- ~~(f)~~(g) where a Trading Party elects to submit, to BSCCo, such evidence as is referred to in paragraph 1.2.1(e), BSCCo must review that evidence as soon as practicable after receiving it, but must verify any opinion formed in relation to such evidence as soon as practicable after receiving a level 1 default notice (in accordance with paragraph 3.2.1(a)(ii)) in relation to that Trading Party.

Amend paragraph 1.2.3 as follows:

1.2.3 The Credit Assessment Credited Energy Volume (CAQCE_{iaj}, 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, \sum_a represents the sum over all Energy Accounts other than the Lead Energy Account.

Insert new paragraphs 1.2.4A, 1.2.4B and 1.2.4C after paragraph 1.2.4 as follows:

1.2.4A For the purposes of paragraph 1.2.1, the Metered Energy Indebtedness (MEI_{pj}, in MWh) of a Trading Party p in relation to a Settlement Period shall be determined as follows:

$$\underline{MEI_{pj} = - (\sum_{a,i} MAOCE_{iaj} - \sum_a QABC_{aj})}$$

where:

- (a) summation on 'a' extends to the Production Energy Account and Consumption Energy Account of the Trading Party; and
- (b) MAOCE_{iaj} is the Metered Credit Assessment Credited Energy Volume determined in accordance with paragraph 1.2.4B.

1.2.4B The Metered Credit Assessment Energy Volume (MAOCE_{iaj} in MWh) shall be determined:

- (a) for each BM Unit which meets all the requirements in paragraph 1.2.4C, and for each Energy Account which is a Subsidiary Energy Account for such BM Unit, as follows:

$$\underline{MAOCE_{iaj} = QM_{ij} * (QMPR_{iaj}/100) + QMFR_{iaj}}$$

- (b) for each BM Unit which meets all the requirements in paragraph 1.2.4C, and for the Energy Account which is the Lead Energy Account for such BM Unit, as follows:

$$\underline{MAOCE_{iaj} = QM_{ij} - \sum_a CAOCE_{iaj}}$$

- (c) for each BM Unit which does not meet all of the requirements in paragraph 1.2.4C, and for each Energy Account, as follows:

$$\underline{MAOCE_{iaj} = QCE_{iaj}}$$

where, for the purpose of paragraph 1.2.4B (b), \sum_a represents the sum over all Energy Accounts other than the Lead Energy Account.

1.2.4C The requirements referred to in paragraph 1.2.4B are that:

- (a) the BM Unit is a Credit Qualifying BM Unit;
- (b) the BM Unit is not a Supplier BM Unit; and
- (c) Metered Volumes were determined by the CDCA for the BM Unit in the Credit Cover Volume Allocation Run for Settlement Period j.

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.

Section R: Collection and Aggregation of Meter Data From CVA Metering Equipment (version 8.0)

Amend paragraph 5.6.1 (a) as follows:

5.6.1 For each Settlement Period in any Settlement Day the CDCA shall, in accordance with BSCP01, determine or re-determine and (subject to and in accordance with

paragraph 5.7) submit Metered Volumes for each Volume Allocation Unit, and GSP Group Take for each GSP Group:

- (a) when the [Credit Cover Volume Allocation Run](#), Interim Information Volume Allocation Run, the Initial Volume Allocation Run and each of the Timetabled Reconciliation Volume Allocation Runs are required in relation to that Settlement Day, in accordance with the Settlement Calendar;

Amend paragraph 5.7.1 as follows:

5.7.1 The CDCA shall submit in accordance with BSCP01:

- (a) for each relevant BM Unit, Interconnector and GSP Group respectively, BM Unit Metered Volumes, Interconnector Metered Volumes and GSP Group Takes for each Settlement Period to the SAA;
- (b) the magnitude of the GSP Group Take for each GSP Group for each Settlement Period to the SVAA (but not in relation to any Interim Information Volume Allocation Run);
- (c) Interconnector Metered Volumes in relation to each Interconnector for each Settlement Period to the Interconnector Administrator; ~~and-~~
- (d) [for each Credit Qualifying BM Unit which is not a Supplier BM Unit Metered Volumes which have been received by the CDCA for each Settlement Period to the ECVAA.](#)

Section U: Provisions Relating to Settlement (version 9.0)

Amend paragraph 2.3.2 as follows:

2.3.2 In addition to the foregoing, [the following Settlement Runs and Volume Allocation Runs, not giving rise to Settlement, will be carried out before the Initial Settlement Run:-](#)

- (a) ~~an interim Settlement Run ("Interim Information Settlement Run"), and an interim Volume Allocation Run in respect of Central Volume Allocation (an "Interim Information Volume Allocation Run"), not giving rise to Settlement, will be carried out before the Initial Settlement Run,~~ for the purposes only of [Section M1.2 and](#) informing Trading Parties and the Transmission Company of the amounts expected to give rise to payments under the Initial Settlement Run and enabling them to identify and seek correction of any errors they believe to have been made in the determination of such amounts ~~and for the purposes of Section M1.2.;~~ [and](#)
- (b) [a Volume Allocation Run in respect of Central Volume Allocation \(a "Credit Cover Volume Allocation Run"\) for the purposes only of Section M1.2.4A.](#)

Amend paragraph 2.4.2 as follows:

2.4.2 The SAA shall, following receipt from the FAA of the Payment Calendar under Section N3.3.2, prepare in accordance with BSCP01 and deliver to BSCCo, each

other Party, the CDCA, the SVAA and the ECVAA, a Settlement Calendar showing, for the next following BSC Year:

- (a) the date upon which, for each Settlement Day in the BSC Year, the Interim Information Settlement Run, the Initial Settlement Run and each of the Timetabled Reconciliation Settlement Runs are to be carried out;
- (b) the date upon which each of the corresponding Volume Allocation Runs, [and the Credit Cover Volume Allocation Run](#), are to be carried out and the resulting data delivered to the SAA [and/or other BSC Agents](#).

2.4.3 The Settlement Calendar shall be consistent with the Payment Calendar.

Annex X-1: General Glossary (version 35.0)

Insert new definition of Credit Cover Volume Allocation Run after the definition of Credit Cover Percentage as follows:

"Credit Cover Volume Allocation Run": [has the meaning given to that term in Section U2.3.2\(b\)](#)

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](#);

Amend the definition of Volume Allocation Run as follows:

"Volume Allocation Run": means a determination ~~(for the purposes of Settlement)~~, in relation to a Settlement Day, by way of Central Volume Allocation and/or Supplier Volume Allocation, of quantities of Active Energy Exported or Imported (or to be treated as Exported or Imported) by Parties in each Settlement Period in that Settlement Day; and where the context requires a reference to a Volume Allocation Run includes the data and information produced by the CDCA and/or SVAA following such a determination and delivered to the SAA in accordance with Section R or S;

Annex X-2: Technical Glossary (version 25.0)

In Table X:2 Terms and Expressions Applying Except in Relation to Section S insert new terms and expressions Metered Credit Assessment Credited Energy and Metered Energy Indebtness after the term and expression Maximum Import Limit as follows:

Metered Credit Assessment Credited Energy Volume	MAOCE_{ij}	MWh	<p>is defined in Section M1.2.4A.</p> <p><i>The Metered Credit Assessment Credited Energy Volume is the contribution to a Trading Party's Metered Energy Indebtness from BM Unit i and Energy Account a in Settlement Period j.</i></p>
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Metered Energy Indebtness	MEI_{ij}	MWh	is defined in Section M1.2.4A. <u><i>The Metered Energy Indebtedness is the net energy contribution determined to be allocated to a Trading Party for Settlement Periods as defined in Section M1.2.4A.</i></u>
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In Table X:3 Glossary of Acronyms Applying Except In Relation To Section S amend the acronym CAQCE_{ij} as follows:

CAQCE_{ij}	MWh	Credit Assessment Credited Energy Volume
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In Table X:3 Glossary of Acronyms Applying Except in Relation to Section S insert new acronym MCAQCE_{ij} and MEI_{ij} after the acronym k as follows:

MCAQCE_{ij}	MWh	Metered Credit Assessment Credited Energy Volume
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In Table X:3 Glossary of Acronyms Applying Except in Relation to Section S insert new acronym MEI_{ij} after the acronym MDC_m as follows:

MEI_{ij}	MWh	Metered Energy Indebtedness
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