

SECTION F: MODIFICATION PROCEDURES (Version 19)

Insert a new sub-section 7 into Section F to read as follows:

7. POTENTIAL CODE MODIFICATION PROPOSALS

7.1 Role of the Transmission Company

7.1.1 Subject to paragraph 7.1.2, the Transmission Company shall report to and consult with the Panel on each proposal concerning European electricity markets that it considers has the potential to require a change to the Code (a "**European proposal**"). In particular, the Transmission Company shall, where it becomes aware of such matters in the ordinary course of its business:

- (a) inform the Panel of forthcoming workshops and/or meetings arranged with the Transmission Company where European proposals will be discussed and/or considered;
- (b) inform the Panel of the outcome of discussions on European proposals at any such workshops and meetings attended by the Transmission Company;
- (c) to the extent that it is practicable to do so (and recognising that the Transmission Company may have confidentiality to others in respect of such matters), keep the Panel apprised of the development of European proposals and in particular the development of the European Network Codes;
- (d) consider the views of the Panel, and as the Panel considers necessary the views of Parties, on European proposals and in particular the European Network Codes throughout their development.

7.1.2 The Transmission Company's obligations pursuant to paragraph 7.1.1 shall only arise if:

- (a) the Transmission Company is acting in its capacity as NETSO; and
- (b) the European proposal is not currently being considered under the Code Modification Procedures.

7.2 Joint European Standing Group

7.2.1 With a view to facilitating consideration of European proposals, the Panel may, in conjunction with the Transmission Company, establish a group to discuss and respond to European proposals and similar proposals in respect of the Grid Code and Connection and Use of System Code ("**Joint European Standing Group**").

7.2.2 The Panel in conjunction with the Transmission Company shall determine the membership and terms of reference of the Joint European Standing Group (which may include standing terms of reference as well as specific terms of reference for any particular European proposal) and may change those terms of reference from time to time as it sees fit.

7.2.3 The Panel may, in the terms of reference for the Joint European Standing Group, authorise the Group to consider the matters reported to the Panel pursuant to paragraph 7.1, and where the Panel has so authorised, the Group may publish its views and deliberations on the European proposals in such a manner as the Panel shall direct; provided that neither the

views of the Joint European Standing Group nor anything done by it in relation to a European proposal shall have any consequence or significance in relation to the Code or its implementation or operation or interpretation, and the Panel shall not be required to have regard thereto or act in any way in consequence thereof.

7.2.4 Each member of the Joint European Standing Group shall act:

- (a) in accordance with its terms of reference as determined (and, if applicable changed) pursuant to paragraph 7.2.2; and
- (b) with a view to ensuring that the Code facilitates achievement of the Applicable BSC Objective(s).

7.2.5 The Joint European Standing Group shall not be a Panel Committee for the purposes of Section B5 nor a Workgroup for the purposes of paragraph 2.4.

ANNEX X-1: GENERAL GLOSSARY (Version 51)

Insert the following new definitions into the general glossary in alphabetical order to read as follows:

<u>"Electricity Regulation No 714/2009":</u>	<u>Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross border exchanges in electricity;</u>
<u>"European Network Codes":</u>	<u>those codes required to be established under Electricity Regulation No 714/2009;</u>
<u>"European proposal":</u>	<u>has the meaning given to that term in Section F7.1.1;</u>
<u>"Joint European Standing Group":</u>	<u>has the meaning given to that term in Section F7.2.1;</u>
<u>"NETSO":</u>	<u>The role and activities undertaken by the Transmission Company pursuant to Section C (System Operator Standard Conditions) of the Transmission Licence;</u>