P308 'Alternative security product for securing credit under the BSC'

This Modification proposes to introduce an alternative method for securing credit under the BSC. This product would be provided centrally, and Parties would be able to use it in place of the existing requirements to provide Credit Cover individually.

This Industry Consultation on possible P308 solutions closes:

5pm on **Monday 24 August 2015**

The Workgroup may not be able to consider late responses.

This Modification is expected to impact:

- BSC Parties
- The Energy Contract Volume Allocation Agent (ECVAA)
- The Funds Administration Agent (FAA)
- ELEXON

ELEXON

Phase

Initial Written Assessment

Definition Procedure

Assessment Procedure

Report Phase

Implementation

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About This Document

The purpose of this P308 Industry Consultation is to invite BSC Parties and other interested parties to provide their views on the proposed solutions put forward by INDECS Consulting Limited. We are consulting now so that we can feed Parties' views into the progression of the Modification before INDECS provides its final report for the Workgroup.

INDECS and the P308 Workgroup will consider your responses at its next meeting in September 2015. At this stage the Workgroup is not seeking your views on the pros or cons of P308, as these will be the subject of a subsequent industry consultation.

Please provide your response using the attached response form (Attachment A).

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1 Why Change?

What are the credit arrangements?

Under the BSC arrangements, payments by Trading Parties for Trading Charges arising on any particular Settlement Day are typically made 29 calendar days later. Thus, at any given time, Parties may have debts (or be due payments) for Trading Charges incurred over the previous 29 days. Each Party is required to lodge Credit Cover to cover this period, to ensure that, should it default, we have sufficient collateral available to pay off its debts. Otherwise the debts must are shared across all other BSC Parties.

The BSC does not stipulate the amount of Credit Cover that Parties must provide. Instead it is left to Parties to decide on the level of cover that they wish to provide.

We perform a credit check process every half hour to ensure that each Party's accumulated debt (their Energy Indebtedness) over the 29 day period does not exceed the amount of Credit Cover they have provided. If a Party has insufficient funds lodged to cover this debt, it will receive a default notice.

What is Credit Default?

A Party will receive a default notice if its Credit Cover Percentage (CCP) (the ratio of its Energy Indebtedness compared to the level of Credit Cover lodged) exceeds 80%. If a Party breaches this threshold then it will be given a period of time to investigate the default, in case there are any errors in the data. Normally the Party will lodge additional Credit Cover to bring its CCP below 80% and exit the process within the specified timescales. If it does not, it will enter Credit Default, which can have severe consequences for the Party.

Upon entering Credit Default, the Party's situation is reported to all other participants via the Balancing Mechanism Reporting Service (BMRS). Furthermore, if its CCP goes over 90%, any Energy Contract Volumes Notifications (ECVNs) or Meter Volume Reallocation Notifications (MVRNs) that would increase the Party's Energy Indebtedness will begin to be refused or rejected. This will impact both the Party in Credit Default and the relevant counterparties.

Credit Guidance Notes

More detail on **Credit Cover** and **Credit Default** can be found in the respective Guidance Notes available on our Credit webpage.

What is Payment Default?

Under BSC Section N 'Clearing, Invoicing and Payment', a Party will enter Payment Default if any or all of the Trading Charges due from it has not been received on the relevant Payment Date. At this point, the provisions of BSC Section N9 will be invoked to ensure the BSC Clearer has the necessary funds to clear its accounts to zero for the day. This may include drawing upon credit available to the BSC Clearer, calling upon the defaulting Party's Credit Cover or reducing payments due to be made to other Trading Parties (this will be paid back to them at a later date). If there remains a shortfall after these steps are all taken then this is collected from all other Trading Parties in proportion to their Default Funding Share.

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How do Parties currently provide Credit Cover?

BSC Section M2.1.1 currently provides two means by which Parties can lodge Credit Cover:

- Parties can lodge **cash** directly; or
- Parties can submit a **Letter of Credit (LoC)** meeting the requirements of BSC Section M2.2.

A Party may lodge a combination of both, which can include multiple Letters of Credit, to meet their Credit Cover requirements.

Parties are required to lodge Credit Cover on an individual basis i.e. a Party would lodge Credit Cover only to cover its own Energy Indebtedness, and would not count towards any other Party's cover. Furthermore, Parties will need to lodge sufficient cover to ensure that their CCP remains below 80% to avoid entering Credit Default. This means that they need to lodge Credit Cover amounting to at least 25% again of their maximum likely Energy Indebtedness. Parties will often lodge more than this to keep their CCP lower still. This results in large sums of 'excess credit' being held under the BSC.

What is the issue?

The Proposer considers that the level of credit held under the BSC is in some cases exceptionally high, above and beyond the actual risk that Parties are likely to incur. This is in part due to Parties needing to individually lodge funds to cover their own positions. This is further compounded by the provisions of the BSC which requires each Party to lodge more than is actually required in order to ensure they do not breach the thresholds for entering Credit Default. The credit that is lodged under the BSC appears to cover a large part of the "tail risk" where the largest losses occur but, in terms of probability, are very unlikely.

The Proposer believes that requiring Parties to provide Credit Cover on an individual basis is inefficient, as it results in significant sums of excess money needing to be lodged as Credit Cover. This can be a burden for Parties in the current financial climate, especially smaller ones. They believe it would be more efficient to provide a single central security product that could cover all Parties, which would remove a lot of the excess credit that results from the current BSC arrangements.

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2 Procurement of External Support

Proposer's proposed solution

P308 proposes to introduce a security product as an alternative method for securing credit under the BSC. This would be provided centrally, and would allow Parties to use this product in place of the existing requirements to individually provide cash and/or a LoC as Credit Cover.

Need for external support for the P308 Workgroup

The P308 Workgroup met in July 2014 to consider the Modification Proposal. Members believed that neither they nor ELEXON possessed the necessary experience or expertise to be able to properly identify, develop and assess potential solutions to P308. The Workgroup therefore requested ELEXON procure appropriate external support to assist it in its assessment of P308. It subsequently agreed a brief and a set of requirements for any external support provider.

Product requirements

The Workgroup agreed that as far as possible, any potential product should fulfil the following requirements:

- The product should pay out immediately upon request, in order to allow ELEXON to clear its position for that day following a default. If this is not possible, a view will need to be taken on whether the shortest possible timescales available from insurance companies would be acceptable under the BSC arrangements.
- Parties will have to opt-in to the product, with Parties being able to elect not to and instead continuing to fully cover their own position as per the current arrangements. Only the opted-in Parties would contribute to premiums and claims would only be made for defaults by these Parties.
- The product must provide a true risk transfer, whereby the underwriter takes on the risk.
- The industry will 'self-insure' (via cash or LoC, as at present) up to a value to be agreed, and any central insurance would be to cover costs above that.
- There are two options to consider for the level of pay-out. The first is for unlimited pay-out on a claim and the second is for a cap on any pay-out, with any outstanding money above that being sought from the defaulting Party or, if this is not possible, all Parties via the Default Funding Share. Insurance companies would be asked to provide quotes for each option and, for the latter, to provide an acceptable level at which to set the upper cap.

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Analysis requirements

The Workgroup agreed that the following areas would need to be looked at by the external support provider or presented to any insurance companies they subsequently approach for feedback on:

- It will need to be determined whether the premiums are paid for by the opted-in Parties communally (whereby everyone pays equally based on market share or similar) or constituently (whereby some Parties may pay more based on the risk they pose). Care needs to be taken to ensure premiums do not spiral should there be more claims than expected.
- Any analysis for determining premiums should consider seasonal effects. For example, the system is likely to be tighter in Winter than in Summer, and so imbalance prices would likely be higher then and the risk of default potentially greater. It was noted though that premiums would likely be set on an annual basis rather than a seasonal basis.
- Behavioural changes will also need to be considered. It was considered that the presence of central insurance may cause Parties to take more risk with their position knowing that they are underwritten by everyone else. The impacts of other policies needs to be considered too, for example, the changes proposed by Approved Modification P305 'Electricity Balancing Significant Code Review Developments'. This will introduce a more marginal imbalance price with the potential to be set to Volume of Loss Load (VoLL) (set to ultimately reach £6,000/MWh).

INDECS Consulting Limited

ELEXON undertook a procurement exercise to identify the appropriate support provider for the P308 Workgroup. INDECS Consulting Limited ('INDECS') was subsequently selected to assist the P308 Workgroup to develop an alternative method to secure credit under the BSC. INDECS provides a full spectrum of independent risk management consultancy services for energy and non-energy companies.

ELEXON asked INDECS to consider whether the existing system under the BSC, whereby each Trading Party is required to provide cash and/or LoC to cover its liability for outstanding Trading Charges, could be replaced with an insurance or other securitised financial product. As part of this, INDECS will consider and develop all potential options that could form viable solutions to P308, and will present these to the Workgroup.

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3 Analysis of Potential Solutions

This section covers the potential solutions assessed by INDECS so far. We are seeking Parties' views on these solutions at this early stage so that we can feed these into the progression of the Modification. In parallel with this consultation, INDECS will be seeking views from potential insurers on the viability of the solutions assessed so far. INDECS and the P308 Workgroup will then consider all Parties' and insurers' views at its next meeting in September 2015, where the Workgroup will agree which option or options could form viable solutions to P308 and so should be progressed further.

Following this consultation and the Workgroup's consideration of the responses, INDECS will produce a final report on its work. P308 will then undergo the normal Assessment Procedure steps for any BSC Modification, including an Industry Impact Assessment of the relevant solutions and the Workgroup's Assessment Procedure Consultation.

Phase 1

As part of phase 1 of its work, INDECS identified that the value of cash and LoC is approximately £350 million against an annual Credit Default of about £58,000 and net annual Payment Default of around £120,000. A conservative estimate of the cost of this level of LoC is around £9 million per annum. As identified by the Proposer of P308, INDECS suggested that the current credit arrangements are inefficient as it requires far more credit to be provided than is necessary.

Workgroup requirements

For INDECS to carry out any research and investigation into a potential product, the Workgroup agreed that any replacement to the existing credit arrangements would need to serve the following functions:

- not increase moral hazard in the system for risk of rogue trading or insolvency;
- minimise the risk of unexpected effects on trading behaviour in the market place through changes;
- achieve risk transfer for part or all of the risk;
- consider how losses may be pre or post loss funded;
- remove duplication in securitising of credit risk;
- reduce the cost of risk in the system;
- still protect potential catastrophic failure in the market to a same or similar level as currently provided through LoCs and cash;
- primarily consider solutions which do not change the management or vires of ELEXON to carry risk (but to still consider options that would); and
- ensure solutions are resilient for long term change in management and/or transfer of the credit risks.

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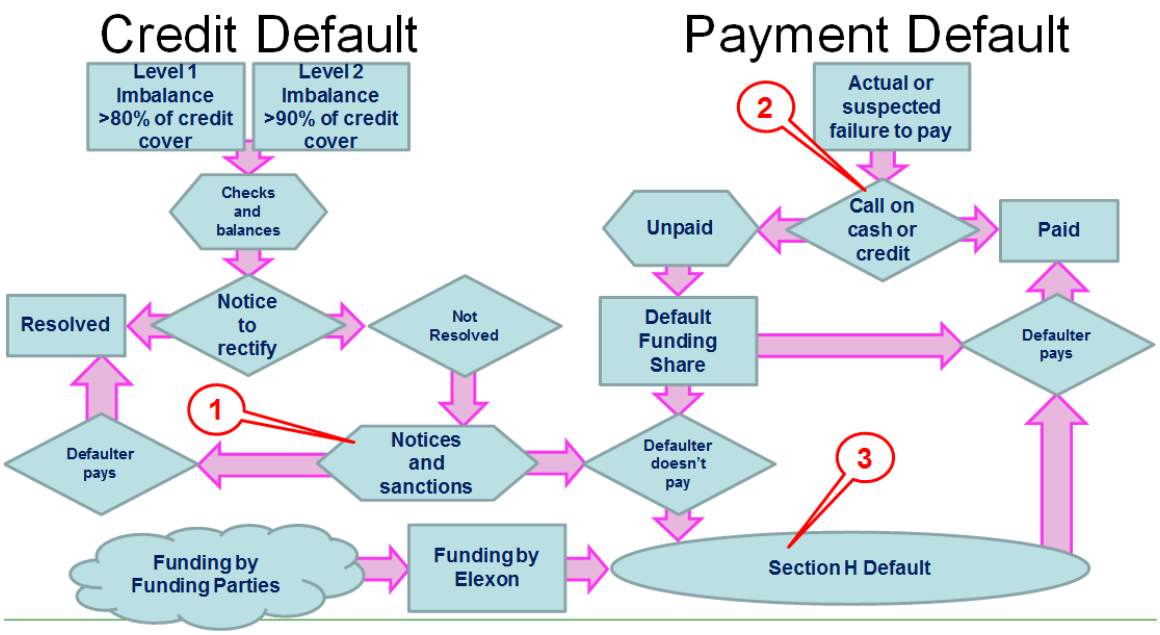
Intervention points

Taking the above functions into account, INDECS identified three intervention points where it could research and investigate a potential product which would meet the specification under P308.

- **Intervention Point 1 'Trading Control'** - Level 1 and Level 2 Credit Default where there is no LoC or Cash Cover in place. This is a tool for loss control and management of credit risk rather than the point for risk transfer to effectively occur;
- **Intervention Point 2 'Temporary Default'** - This position relates to where a payment default occurs and there is insufficient cover (either LoC or cash) provided by the defaulting Party to allow the FAA to clear its accounts by the end of the day; and
- **Intervention Point 3 'Permanent Default'** - This is an irrevocable point where BSC Parties have entered Section H default. At this point the BSC Panel has extensive powers under Section H3.2.1, which can have reputational consequences.

These three intervention points are demonstrated in the diagram below.



Intervention Point 1 'Trading Control'

Level 1 and Level 2 Credit Default where there is no Letter of Credit (LoC) or Cash Cover in place. This is a tool for loss control and management of credit risk rather than the point for risk transfer to effectively occur.

The Workgroup agreed that as a trading control, it would be possible to insert an alternative metric to the current credit calculation into the existing BSC methodology, for example, a function of a Party's historic or expected trading levels or the value of the discontinued credit arrangements. The rules triggered by Level 1 and 2 Credit Default would still apply, however possibly augmented by more severe financial charges or trading constraints to ensure there is no adverse moral hazard.

INDECS confirmed that this intervention point would not be of interest to insurers as it is only a temporary default position and there is no risk transfer and so no product would be

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likely. The Workgroup therefore agreed that it will give further consideration to the development of an appropriate metric that can be used to control trading activity in the same way as the existing CCP calculation but would not consider any insurance product for this point.

Consultation Question
Do you agree that intervention point 1 should be removed as a possible solution option for P308? *Please provide your rationale.*
The Workgroup invites you to give your views using the response form in Attachment A.

Intervention Point 2 'Temporary Default'

This position relates to where a payment default occurs and there is insufficient cover (either LoC or Cash Cover) provided by the defaulting Party to allow the FAA to clear its accounts by the end of the day.

Two possibilities at this intervention point were discussed:

- ELEXON retains LoCs and Cash Cover as mechanisms, but only to cover the comparatively tiny volumes of Default that we see at this intervention point; or
- ELEXON adopts either a pre-funded or post-funded approach to temporarily cover these defaults.

Pre-funding

INDECS considered whether this position could be covered by pre-funding. Pre-funding involves Parties placing money into a fund that builds up over time. The Workgroup agreed that this mechanism ensures that funds are available for an immediate resolution with no need for a funding call on the other Parties.

INDECS highlighted that the level of advance funding would be uncertain, which may lead to over or under-estimation of funds (too much would be expensive but too little would necessitate a funding call). It also identified that the mechanism for ELEXON being able to hold the funds would need to be taken into consideration. ELEXON advised that its vires does not allow for it to have liabilities or assets in its accounts at the end of each year. It noted that these accounts are cleared daily and therefore any funds it may hold would need to be on trust. In addition, the Workgroup highlighted that the comparatively low value at risk would not appear to justify the expense and effort of setting up an alternative system. It was also considered that it would take time for funds to build to a suitable level, and would still, as now, involve a large sum of Trading Parties' money being held in a separate account.

Further to this, INDECS advised that this could be the most hazardous intervention point for changing the current arrangements as it requires estimation of defaults which is likely to be inaccurate. It noted that moral hazard would not be addressed and it would be difficult to price individual credit risk. In addition, this position would not be appealing to insurers as it is only a temporary position. INDECS and the Workgroup therefore agreed that this option should not be progressed any further as the negatives of this solution outweigh the positives.

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Consultation Question
Do you agree that the pre-funding option should not be developed any further by INDECS and removed as a possible solution option for P308? *Please provide your rationale.*
The Workgroup invites you to give your views using the response form in Attachment A.

Post-funding

Post-loss funding arises once losses occur. It involves ELEXON calling upon Parties to relatively quickly make up the difference in funds for a Party who has entered a default position, and is similar to what ELEXON currently does should it need to cover such a shortfall. INDECS highlighted that the risk of transferring a permanent default to the other Parties remains; however there is the benefit that the BSC already has funding arrangements in place. There would therefore be no need to create an additional fund holding mechanism and the defaulting Party could be charged for late payment (e.g. penalised through a levy as detailed above).

INDECS advised that it could be possible to further refine the moral hazard controls by using this information to moderate the procedures in place for Level 1 and Level 2 defaults. They suggested that historic three-month data could be used to look at a Party's trading and behaviour. This data would encourage better trading behaviour amongst Parties and alleviate moral hazard. This is because a Party that demonstrates more behaviour is likely to be able to demonstrate more stability. The Workgroup considered using a Party's previous three months' data to monitor behaviour would be beneficial in flagging a default earlier. However, it noted that this method would need to be further developed as part of this Modification.

The Workgroup noted that if a Trading Party continues to enter into temporary default, it should have to face the consequences and penalty of a late payment. The Workgroup suggested that the Party could be penalised through a levy for not clearing their accounts each day, for example by applying a charge of 2% on any late payment. They noted that Parties would then have an incentive not to use the temporary default position or it would prove costly.

Overall the Workgroup agreed that the post-funding option would again not be appropriate for insurers as it is only a temporary default position. The Workgroup therefore agreed that this intervention point is better managed by ELEXON who could use a combination of the current Credit Cover arrangements in using LoC and cash, but with its own form of insurance cover for the remaining risk i.e. penalties for entering default.

Consultation Question
Do you agree that the post-funding option should not be developed any further by INDECS and removed as a possible solution option for P308? *Please provide your rationale.*
The Workgroup invites you to give your views using the response form in Attachment A.

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Intervention Point 3 'Permanent Default'

This is an irrevocable point where BSC Parties have entered Section H default. At this point the BSC Panel has extensive powers under Section H3.2.1, which can have reputational consequences.

INDECS identified that there are two default positions at this intervention point:

- Low value "attritional losses", for example due to a change in a Party's trading behaviour or an increase in imbalance prices, which occur occasionally but are covered through funding calls from other Trading Parties; and
- High value "catastrophic losses"; systematic failure of a larger participant which can be insured or managed, depending on expected exposure.

INDECS advised that attritional losses can be looked at on a 'per event' basis or by looking at an individual Party's annual averages. However, a method for this may need to be developed. They noted that this option would transfer the risk from "innocent" Parties who have good trading behaviour and could potentially reduce the cost of the current arrangements when compared with LoC. The Workgroup noted that under P305, new VoLL pricing arrangements will take effect from November 2015. Members commented that they believed there would be a significant change in behaviour of Parties for imbalance once this change is implemented. INDECS noted that unless the amounts being defaulted significantly increase once the P305 VoLL pricing takes effect, the low cost concerned is unlikely to justify the effort and expense of setting up a specific insurance programme.

In relation to high value "catastrophic losses", INDECS advised that these losses relate to a systemic risk arising if one of the larger Parties may, through a physical or financial catastrophe, enter a permanent Payment Default. ELEXON highlighted that the financial consequences of a major generator defaulting would be sufficient that the Government would step in to cover the position. However, failure of a medium sized Party could result in a sum of about £100 million being defaulted on should a Party default during a demand control event with imbalance prices rising to VoLL under P305. This is because both demand and exposure of imbalance prices will be higher than they are now. Members of the Workgroup commented that the purpose of VoLL is to act as a significant incentive to encourage Parties to invest in flexible capacity. INDECS advised the Workgroup that a potential insurer would need to assess the potential real exposure taking into account various factors including the retention of risk, predictability, behaviour, and frequency of defaulting.

Overall, INDECS highlighted that "catastrophic losses" lend themselves more readily to an insurance solution. They noted that there are currently no provisions for these failures in the BSC. From a potential insurer's perspective, there has been no previous experience of such a loss, which makes it difficult for them to quantify the risk and rate the initial premium cost of the product. In addition, insurance is unlikely to provide an immediate funding of a default as each claim will have to be validated, so there may be a requirement for a temporary funding by the Trading Parties or ELEXON prior to Settlement.

If an insurance product were to be applied to the risk of a major default, a self-insured deductible or excess could be set at a level within which the attritional losses could be managed by post-loss funding. Consequently, the Workgroup agreed that this intervention point should be developed further and high level feedback from insurance and capital markets should be received.

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Consultation Question
Do you agree that intervention point 3 should be developed further as part of P308? *Please provide your rationale.*
The Workgroup invites you to give your views using the response form in Attachment A.

Insurance Options

INDECS has identified six potential insurance options for P308. It will consult with contacts within the insurance market on the viability of the above solutions in parallel with this industry consultation. The P308 Workgroup will then consider all the responses from all angles at its next meeting to determine the most appropriate solutions to progress further under P308.

Commercial Insurance Market

INDECS advised that the commercial insurance market consists of constant and capital-based specialist insurance providers who look to insure a Party on a long-term relationship basis. These providers offer cover subject to certain terms and conditions, in return for an annual premium which reflects their understanding of the risk. However, INDECS asked the Workgroup to note that the lack of claims experience within the market would make it difficult to rate the catastrophic risk. This means that, initially, insurers will take a conservative view, although the cost of premiums may reduce over time with good claims experience.

INDECS noted that a policy could be set up for each Trading Party or for ELEXON, with the Parties bearing a rateable share of premium costs under the latter. The Workgroup agreed that INDECS should begin exploratory discussions with selected specialist insurers on a "no names" basis to test the appetite of the market to provide a suitable product.

Captive Insurance Company

INDECS noted that a captive insurer owned and operated by the organisation it insures may be an efficient risk management system, especially in the case of specialist risks where the insurance market has little relevant experience. It highlighted that some of the medium-sized Suppliers in the electricity industry will already have this type of insurance as it is a method of accumulating risk through a pre-funding group.

INDECS suggested that ELEXON could use National Grid's captive, as the shareholder of ELEXON, rather than ELEXON having to set up its own. The Workgroup highlighted that this option would present a number of vires and governance issues for ELEXON which it would need to overcome before this could be progressed as a viable option. They noted that these issues would be problematic, as the current ELEXON structure does not allow it to hold funds from one year to another.

Overall, INDECS noted that while captive insurance may be appropriate in theory, it is likely to be expensive and cumbersome to establish. The Workgroup advised that necessitating ELEXON to change its constitution is not something that should be considered as part of this Modification. They therefore agreed that INDECS should not consider this option any further.

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Mutual Insurance Company

INDECS advised that a mutual insurer is owned by the Parties it offers cover to (the members) and is usually industry specific. Each member has its own policy and would recover its losses, for example those incurred through funding the permanent default of another Trading Party, which could make for an inefficient operation in practice. It noted that the issues of cost of setup, risk quantification and premium rating still remain.

Overall, INDECS and the Workgroup agreed that this option should be discounted.

Pooling/Pre-Loss Funding by Parties

The advantages and disadvantages of pre-loss funding are detailed above under intervention point 2. The Workgroup, however, considered that there are two further accounting issues associated with this type of insurance option:

1) it would take time to build up the funds to a sufficient level and there would be no risk transfer; and

2) funds would keep building up but would essentially continue to be held in an account doing nothing.

The Proposer highlighted that the purpose of this Modification is to resolve the inefficiency of significant sums of excess money being lodged. This insurance option would not improve the current arrangements as it would still require Parties to lodge money separately. The Workgroup therefore agreed to remove this as a possible option.

Capital Markets

INDECS advised that the capital markets have developed securitised bonds for particular catastrophe scenarios, and are marketing these to cover a defined menu of selected major natural catastrophes, for example hurricanes in the United States. They noted that capital markets are generally much more expensive than insurance solutions since they are charged at the full cost of capital. Nevertheless, INDECS suggested that it makes some discreet enquiries as to whether there is an appetite in these markets for the catastrophe risk financing. The Workgroup agreed that INDECS should carry out this investigation.

Government backing for a major failure

For completeness, INDECS advised that the Energy Supply Company Administration Rules 2013 provide, Government backing in the event of a large Supplier becoming insolvent. However, the timescales for the Government stepping in are unclear, meaning that Parties or ELEXON could still face shorter term liquidity issues. This could require possible temporary funding through one of the options discussed above. The Workgroup therefore agreed that Government backing is not an appropriate insurance for systematic failure of a medium Supplier. It did not consider that this option should be progressed.

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Consultation Question
Do you agree that INDECS should consider the Commercial Insurance Market and Capital Markets further but discount the other insurance options? *Please provide your rationale.*
The Workgroup invites you to give your views using the response form in Attachment A.

Consultation Question
Are there any other options you believe should be considered? *Please provide your rationale.*
The Workgroup invites you to give your views using the response form in Attachment A.

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4 Impacts & Costs

This section summarises the impacts that P308 is expected to have on participants, documents and systems.

P308 impacts

Impact on BSC Parties and Party Agents	
Party/Party Agent	Impact
BSC Parties	BSC Parties will be indirectly impacted as a result of the option to use an alternative to the current Credit Cover provisions. This may mean they can reduce their levels of Credit Cover.

Impact on Transmission Company
None anticipated.

Impact on BSCCo	
Area of ELEXON	Impact
Credit Arrangements	ELEXON will need to manage the ability for Parties to use the new security products in place of or alongside the existing Credit Cover arrangements.
Finance	The addition of alternative security products may impact Finance arrangements.

Impact on BSC Systems and process	
BSC System/Process	Impact
ECVAA	Changes will be required to implement the proposed solution.
FAA	

Impact on Code	
Code Section	Impact
Section M	Changes will be required to implement the proposed solution.
Section X Annex X-1	

Impact on Code Subsidiary Documents	
CSD	Impact
BSCP301	Changes will be required to implement the proposed solution.

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Other Impacts	
Item impacted	Impact
Credit Cover Guidance Note	Changes will be required as a result of this Modification.
Credit Default Guidance Note	

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Appendix 1: Glossary & References

Acronyms

Acronyms used in this document are listed in the table below.

Acronyms	
Acronym	Definition
BMRS	Balancing Mechanism Reporting Service
BSC	Balancing and Settlement Code
BSCP	Balancing and Settlement Code Procedure
CCP	Credit Cover Percentage
ECVN	Energy Contract Volumes Notification
FAA	Funds Administration Agent
LoC	Letter of Credit
MVRN	Meter Volume Reallocation Notification
VoLL	Volume of Loss Load

External links

A summary of all hyperlinks used in this document are listed in the table below.

All external documents and URL links listed are correct as of the date of this document.

External Links		
Page(s)	Description	URL
3	BSC Sections page on the ELEXON website	https://www.elexon.co.uk/bsc-related-documents/balancing-settlement-code/bsc-sections/
3	Credit Cover and Credit Default Guidance Notes page on the ELEXON website	https://www.elexon.co.uk/reference/credit-pricing/credit/
6	P305 page on the ELEXON website	https://www.elexon.co.uk/mod-proposal/p305/
6	INDECS Consulting webpage	https://www.indecs.co.uk/
13	The Energy Supply Company Administration Rules 2013 on the Government legislation website	http://www.legislation.gov.uk/uksi/2013/1046/made

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