

## **Attachment 1 to P28 Definition Report**

### **Annex F-1 of the Balancing and Settlement Code**

#### **ANNEX F-1: CONTENTS OF REPORTS**

1. The matters referred to in paragraph 2.6.4 of Section F are (to the extent applicable to the proposal in question):
  - (a) an analysis of and the views and rationale of the Modification Group as to whether (and, if so, to what extent) the Proposed Modification would better facilitate achievement of the Applicable BSC Objective(s);
  - (b) a description and analysis of any Alternative Modification developed by the Modification Group which, as compared with the Proposed Modification, would better facilitate achievement of the Applicable BSC Objective(s) and the views and rationale of the Group in respect thereof;
  - (c) an assessment or estimate (as the case may be) of:
    - (i) the impact of the Proposed Modification and any Alternative Modification on BSC Systems;
    - (ii) any changes and/or developments which would be required to BSC Systems in order to give effect to the Proposed Modification and any Alternative Modification;
    - (iii) the total development and capital costs of making the changes and/or delivering the developments referred to in paragraph (ii);
    - (iv) the time period required for the design, build and delivery of the changes and/or developments referred to in paragraph (ii);
    - (v) the increase or decrease in the payments due under the BSC Agent Contracts in consequence of the Proposed Modification and any Alternative Modification;
    - (vi) the additional payments (if different from those referred to in paragraph (v)) due in connection with the operation and maintenance of the changes and/or developments to BSC Systems as a result of the Proposed Modification and any Alternative Modification;
    - (vii) any other costs or liabilities associated with BSC Systems attributable to the Proposed Modification and any Alternative Modification;
  - (d) an assessment of:
    - (i) the impact of the Proposed Modification and any Alternative Modification on the Core Industry Documents;
    - (ii) the changes which would be required to the Core Industry Documents in order to give effect to the Proposed Modification and any Alternative Modification;

- (iii) the mechanism and likely timescale for the making of the changes referred to in paragraph (ii);
- (iv) the changes and/or developments which would be required to central computer systems and processes used in connection with the operation of arrangements established under the Core Industry Documents;
- (v) the mechanism and likely timescale for the making of the changes referred to in paragraph (iv);
- (vi) an estimate of the costs associated with making and delivering the changes referred to in paragraphs (ii) and (iv),

together with a summary of representations in relation to such matters;

(e) an assessment of:

- (i) the likely increase or decrease in BSC Costs (to the extent not already taken into account in paragraph (c) above) in consequence of the Proposed Modification and any Alternative Modification;
- (ii) the changes required to Systems and processes of BSCCo in order to give effect to the Proposed Modification and any Alternative Modification; and
- (iii) the BSC Costs which are expected to be attributable to the implementation of the Proposed Modification and any Alternative Modification, to the extent not taken into account under any other provision of this Annex F-1;

(f) to the extent such information is available to the Modification Group, an assessment of the impact of the Proposed Modification and any Alternative Modification on Parties in general (or classes of Parties in general) and Party Agents in general, including the changes which are likely to be required to their internal systems and processes and an estimate of the development, capital and operating costs associated with implementing the changes to the Code and to Core Industry Documents;

(g) an assessment of the Proposed Modification and any Alternative Modification in the context of the statutory, regulatory and contractual framework within which the Code sits (taking account of relevant utilities, competition and financial services legislation);

(h) a summary of the representations (pursuant to paragraph 2.2.6 or 2.6.5(b) of Section F) made by Parties and interested third parties during the consultation undertaken in respect of the Proposed Modification and any Alternative Modification and the views and comments of the Modification Group in respect thereof;

(i) a summary of the analysis and impact assessment prepared by the Transmission Company pursuant to paragraph 2.6.6 and the views and comments of the Modification Group in respect thereof;

(j) a summary of the impact assessment prepared by relevant BSC Agents and the views and comments of the Modification Group in respect thereof;

- (k) a summary of any impact assessment prepared by Core Industry Document Owners and the views and comments of the Modification Group in respect thereof;
- (l) a copy of the terms of reference and any report or analysis of external consultants or advisers engaged in respect thereof;
- (m) a list of the key assumptions which the Modification Group has made in formulating its views;
- (n) any other matters required by the terms of reference of such Modification Group;
- (o) any other matters which the Modification Group consider should properly be brought to the attention of the Panel to assist the Panel in forming a view as to whether the Proposed Modification and any Alternative Modification would better facilitate achievement of the Applicable BSC Objective(s);
- (p) subject to paragraph 2.6.8 and 2.6.9 of the Section F, the proposed text to modify the Code in order to give effect to the Proposed Modification and any Alternative Modification, together with a commentary setting out the nature and effect of such text and of other areas of the Code which would be affected by the changes;
- (q) the Modification Group's proposed Implementation Date(s) for implementation (subject to the consent of the Authority) of the Proposed Modification and any Alternative Modification;
- (r) an executive summary of the project brief prepared by BSCCo pursuant to paragraph 2.6.6(e);
- (s) a recommendation (where applicable) as to whether, if the Proposed Modification or Alternative Modification is approved, Settlement Runs and Volume Allocation Runs carried out after the Implementation Date of such Approved Modification in respect of Settlement Days prior to that date should be carried out taking account of such Approved Modification or not;
- (t) the proposed text (if any) to modify the Memorandum and Articles of Association of BSCCo and/or the BSC Clearer in order to give effect to the Proposed Modification and any Alternative Modification, together with a commentary setting out the nature and effect of such text and of other areas of the Memorandum and Articles of Association and/or the Code which would be affected by the changes; and
- (t) a summary of any changes which would be required to Code Subsidiary Documents as a consequence of such Proposed Modification or Alternative Modification.