

ANNEX 1 –TABLE OF PROPOSED CHANGES TO THE CODE

	Section(s)/ Area(s) Affected	Type of Change	Description of Change / Existing Legal Text	Redlined Draft Legal Text
1.	D-5 2.4.1	Amended Reference	There are two section 2.4.1s, in Annex D-5. This section should be renumbered 2.4.1, 2.4.2.	<p>2.4 General</p> <p>2.4.1 All amounts and charges under this paragraph 2 are exclusive of VAT which shall be added to such charges, if applicable.</p> <p>2.4.1² In this paragraph 2 references to Quarters are to Quarters during the Pool NETA Recovery Period.</p>
2.	G 3.3.7	Manifest Error	<p>In Section G3.3.7, the definition of Σ_i should be amended to read "Settlement Period j" rather than "Settlement Period i":</p> <p>Σ_i represents, for each Energy Account a, in Settlement Period j, the sum over all BM Units that are in offtaking Trading Units;</p>	<p>Σ_i represents, for each Energy Account a, in Settlement Period i^j, the sum over all BM Units i^j that are in offtaking Trading Units;</p>
3.	K 1.3.	Amended Reference	Section K of the Code places registration obligations on Licensed Distribution System Operators (LDSOs) and the Transmission System Operator as pertains to System Connection Points. Currently there is no formal process through which all these obligations can be achieved. CP1049-'BSCP to enable the obligations on a LDSO and TSO detailed in Section K of the Balancing and Settlement Code'	<p>See Suggested Legal Text below table *</p> <p>Please note this change is required after implementation of approved CP1049 which is scheduled for February 2005.</p>

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			<p>(CP1049) proposed that a new BSCP (BSCP25) be created in order to enable these obligations to be accomplished and to encompass all the CVA registration obligations of System Operators in one document.</p> <p>CP1049 highlights a change to the Code that will be required when this CP is implemented. Section K, which contains references to BSCP20, will need to be amended to reference BSCP25 as well.</p>	
4.	K3.4	Manifest Error	<p>ELEXON reviewed the treatment of negative numbers following concerns raised by the Panel.</p> <p>ISG paper 42/005 recommended that Section K3.4 be amended as part of a housekeeping Modification.</p>	<p>3.4 Demand Capacity and Generation Capacity</p> <p>3.4.1 The Lead Party of a BM Unit shall estimate and notify to the CRA, in relation to each BSC Season in each year (the "relevant" BSC Season), from time to time in accordance with paragraph 3.4.2, in good faith and as accurately as it reasonably can, what will be the maximum magnitude:</p> <p>(a) of the positive value of QM_{ij} <u>with the maximum magnitude</u> (subject to paragraph 3.4.4) for the BM Unit in the relevant BSC Season; and</p> <p>(b) of the negative value of QM_{ij} <u>with the maximum magnitude</u> (subject to paragraph 3.4.4) for the BM Unit in the relevant BSC</p>

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				<p>Season,</p> <p>3.4.2A The Lead Party of a Supplier BM Unit may, up to twice in each BSC Season, (subject to paragraph 3.4.4), also estimate and notify to the CRA increases in the maximum magnitude of the negative value of QM_{ij} with the maximum magnitude divided by SPD where the Lead Party becomes aware of or believes in good faith that such value will become greater than DC for the remainder of the BSC Season.</p>
5.	M 2.3A.6	Typographical error	Repeated words used in section: 'for which a which a'	<p>SRx(j) represents summation over all Settlement Periods falling within a year before the date on which the Non-Supplier Trading Party in question ceased trading for which the Rx Reconciliation Run has been performed or if the number of Settlement Periods in this sum is less than 1440, then the summation over the last 1440 Settlement Periods for which a which a the Rx Reconciliation Run has been performed.</p>
6.	M 3.3.10	Code Defined Term	<p>Section M 3.3.10 (a) states: "...such Credit Default Cure Period..."</p> <p>Under the P142 changes, both "Level 1 Credit Default Cure Period" and "Level 2 Credit Default Cure Period" will be Code-defined terms, but not "Credit Default Cure Period".</p>	<p>3.3.10 A Level 2 Credit Default Cure Period shall be a period commencing at Gate Closure for Settlement Period J and:</p> <p>(a) (subject to paragraph (c)) where the Query Period referred to in paragraph 3.3.8(c) expires before 1100 hours on a Business Day, such Level 2 Credit Default Cure</p>

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			<p>Credit Default Cure Period should be replaced with Level 2 Credit Default Cure Period.</p> <p>These inconsistencies were not identified during the assessment phase and Legal drafting of P142.</p>	<p>Period shall expire at 1200 hours on that day;</p> <p>(b) (subject to paragraph (c)) where the Query Period referred to in paragraph 3.3.8(c) expires on a day other than a Business Day, such Credit Default Cure Period shall expire at 1200 hours on the next Business Day following the expiry of such Query Period; and</p> <p>(c) if, in relation to any Settlement Period, the relevant Trading Party's Credit Cover Percentage becomes greater than 100%, such Level 2 Credit Default Cure Period shall expire at Gate Closure for such Settlement Period.</p>
7.	M 1.2.1 (f)	Code Defined Term	<p>Section M1.2.1 (f) refers to "...a Level 1 Default notice...", this is not a Code-defined term and is found as "...a level 1 default notice..." in other instances in the Code</p> <p>Therefore the term should not be capitalised in this section</p>	<p>(f) 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 Hlevel 1 Ddefault notice (in accordance with paragraph 3.2.1(a)(ii)) in relation to that Trading Party.</p>

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8.	N 4.9.7	Amended Reference	There are two 4.9.7 paragraphs. This section should be renumbered 4.9.7, 4.9.8.	4.9.7 Neither the BSC Clearer nor the FAA may amend, supplement or cancel the Credit Facility without the prior approval of the Panel. 4.9. 7 8 The FAA on behalf of the BSC Clearer shall:
9.	N 6.7.5	Amended Reference	There are two 6.7.5 paragraphs. This section should be renumbered 6.7.5, 6.7.6.	6.7.5 A Payment Party may query an amount calculated, and/or notified to it in an Advice Note, by the FAA if, and only if, it has paid the amount in accordance with this Section N. 6.7. 5 6 The FAA shall promptly investigate the query and shall, if so directed by the Panel, issue corrected Advice Notes to all affected Parties for payment by or to the BSC Clearer (subject to the provisions of paragraphs 2.4 to 2.7 (inclusive)) five Business Days after the date of the corrected Advice Notes.
10	Q 6.5.1	Amended Reference	Should refer to paragraph 6.5 not 6.4.	6.5.1 In this paragraph 6. 4 5:
11	Q 7.3.2	Typographical Error	".....specifying the identifi <u>y</u> of the BM Unit,...." It should say: ".....specifying the identifi <u>t</u> y of the BM Unit,...."	At the same time as giving notice (under paragraph 7.2.2 or 7.3.1) of a claimed Manifest Error, the Transmission Company shall ensure that a manifest error notice is posted on the BMRS, specifying the identifi <u>t</u> y of the BM Unit, the relevant Settlement Period(s) and the Bid Price or Offer Price to which the claimed error relates.

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12	R 5.6.1(b)	Code Defined Term	Section R 5.6.1(b) makes a reference to Ad Hoc Volume Allocation runs - these were removed by P61. The term should be 'Post-Final Volume Allocation Run'.	on any occasion on which a Post-Final Volume Allocation Run <u>Post-Final Volume Allocation Run</u> is required by the Panel pursuant to Section U2, in accordance with the timetable set by the Panel.
13	R 6.1.1	Amended Reference	This section should reference BSCP02 rather than BSCP20.	6.1.1 In accordance with BSCP Q20 and in conjunction with the relevant Meter Operator Agent, the CDCA shall carry out proving tests on CVA Metering Systems and shall report any resulting errors to the relevant Meter Operator Agent and Registrant.
14	S-2 3.5.5	Manifest Error	Double Strikethrough is in equation on final subscript j. The j should not be deleted as it is correct in the context of the equation.	(g) (ii) otherwise: $SMMC_{ZaKj} = SSMMC_{ZnanKri}$
15	S-2 6.6.5(a)	Amended Reference	'7.6.6' should read '6.6.6'	6.6.5 Paragraph 6.6.6 shall apply in the case where the set of Switched Load State Indicators associated with the Standard Settlement Configuration and Settlement Day then being processed has: (a) a value of one for a single Settlement Period of such Settlement Day (for the purposes of paragraph 7.6.6 such Settlement Period being labelled "J1"); and (b) a value of zero for every other Settlement Period of the

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				Settlement Day then being processed.
16	S-2 10.1.1(b)	Amended Reference	Annex S-2 references BSCP524 which is a non-existent BSCP. This section should reference section W4.2.3. In addition, Ad hoc Volume Allocation Run is now redundant.	(b) on each occasion on which a Ad Hoc-Post-Final Volume Allocation Run is required by the Panel in accordance with the timetable specified by the Panel in accordance with BSCP 524 Section W4.2.3.
17	V - Table 7	Code Defined Term	In the Category of Data column, TuoS should be TUoS and DuoS should be DUoS.	D UoS Report T <u>U</u> oS Report
18	V – Table 8	Amended Reference	The reference should be to Q6.5 not Q6.4.	1. In this table terms shall have the meanings given to them in Section Q6. 54 .
19	W1.2.6	Redundant Clause	The three month amnesty following implementation of P107 (for raising Trading Disputes more than 20 months after the affected Settlement Day) expired February 2004. As a result Paragraph W1.2.6 (b) is now redundant. Leaving the existing text in place has no impact on the Trading Disputes that can be raised. Removal of the section would provide clarity and improve efficiency as Parties will not be	1.2.6 The Query Deadline shall not, in any event, be later than: (a) subject to paragraphs; (b) and (c) , the day which is 20 months after the Settlement Day in which the affected Settlement Period occurred; <u>or</u> (b) subject to paragraph (c), in the case of a Settlement Day more than 17 months before 4 November 2003, the earlier of the date 3 months after 4 November

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			attempting to raise invalid Trading Disputes.	<p>2003 and the third anniversary of such Settlement Day; or</p> <p>(eb) if later, where the alleged settlement error is an error in a Post-Final Settlement Run or an Extra-Settlement Determination the date 1 month after the date of such Post-Final Settlement Run or Extra-Settlement Determination.</p>
20	W 4.2.1	Manifest Error	<p>Change identified to P131 Legal Text, where the Trading Disputes Committee are not required but rather can make recommendations to the panel.</p> <p>This change was not identified during the Modification Process but a potential ambiguity was highlighted during implementation.</p>	<p>4.2.1 Where the materiality of the Trading Dispute is not less than the materiality threshold specified in BSCP 11 the Trading Disputes Committee shall <u>may</u> recommend to the Panel:</p> <p>(a) where the Final Reconciliation Settlement Run has taken place, that a Post-Final Settlement Run and/or Extra-Settlement Determination should be performed; or</p> <p>(b) where the period to the next Timetabled Reconciliation Settlement Run (considered together with the materiality of the Dispute) is such that the Trading Disputes Committee believes that an Extra-Settlement Determination is justified, that an Extra-Settlement Determination should be performed.</p>

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21	X-1 p21	Code Defined Term	The following terms in X1-23 of the Code are incorrect are should begin with a small "k": KW, KVA _r , KWh	k W k VAr k Wh
22	X-2 3.6.2	Amended Reference	3.6.2 appears twice, the first bullet should be 3.6.1	3.6. 12 In Section S of the Code, unless the context otherwise requires, whenever linear interpolation is referred to, the procedures set out in paragraphs 3.6.2 to 3.6.4 shall be followed. 3.6.2 Where the relationship between two variables, x and y, is defined only for a set of related pairs of spot values, (x ₁ , y ₁), (x ₂ , y ₂) ... (x _n , y _n), and where a value for y, y _i , is to be calculated by linear interpolation for a value of x, x _i , which is not a spot value contained in the set of related pairs, but which lies within the range of x spanned by the set of related pairs, the following formula shall be applied:
23	X-2	Amended Reference	"Total Output Usable" references Q6.4. It should reference Q6.5.	Has the meaning given to that term in Section Q6. 45 .
24	X-2	Amended Reference	"Zonal Output Usable" references Q6.4. It should reference Q6.5.	Has the meaning given to that term in Section Q6. 45 .
25	X-2	Inconsistency	Inconsistent use of BM Unit i and Settlement Period j within table QMPR _{iaj} , QMFR _{iaj} QMPR _{ziaj} QMFR _{ziaj}	Please see text below table at **

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26	X-2 Table X- 2	Inconsistency	<p>Energy Contract Volume is expressed in Section P (e.g. P2.5.1) and in Table X3 as "ECOzabj".</p> <p>In Table X2, it is defined as "ECOxabj".</p> <p>It should be "ECOzabj", as Table X1 defines 'x' as "The order number of a Ranked Price Offer" and 'z' as "Energy Contract Volume Notification or Metered Volume Reallocation Notification".</p>	<p>ECOxabj will change to ECOzabj (as in legal text below)</p> <p>ECOzabj</p>

* These changes relate to proposed change 3 in the table and impact Sections K1.3.3, K1.4.1 and K1.8.2 of the Code.

1.3 Obligations of Parties in relation to Systems Connection Points

1.3.3 The Distribution System Operators whose Distribution Systems and/or Associated Distribution Systems are connected at a Distribution Systems Connection Point shall, in accordance with BSCP 20 and BSCP25, agree between themselves and nominate which of them shall be responsible for such Systems Connection Point.

1.4 Changes in Transmission System Boundary Points and Systems Connection Points

1.4.1 The requirements of this paragraph 1.4 are to be complied with in accordance with BSCP25 by:

- (a) the Transmission Company, in relation to Transmission System Boundary Points and Grid Supply Points;
- (b) each Distribution System Operator in relation to Distribution Systems Connection Points and any Distribution Interconnector Boundary Point on its Distribution System(s) and Associated Distribution System(s) (if any).

1.8 Establishment of Groups of GSPs

1.8.2 The Panel may determine a revision of the Grid Supply Points comprised in a Group of GSPs (including the establishment of a new Group of GSPs) in accordance with BSCP25:

- (a) where there is a new Grid Supply Point or an existing Grid Supply Point is decommissioned; or
- (b) where, in the Panel's opinion, it is appropriate (having regard, among other things, to the matters in paragraph 1.8.3) to do so:
 - (i) as a result of developments of or in relation to the Distribution systems for the time being comprised in any GSP Group, and/or the associated Distribution Systems Connection Points;
 - (ii) in other circumstances in the Panel's sole discretion.

** These changes relate to proposed change 27 in the table and impact Section X-2 of the Code.

Defined Term	Acronym	Units	Definition/Explanatory Text
Metered Volume Fixed Reallocation	QMFR _{iaj}	MWh	<p>A MWh value determined in accordance with Section P4.3.1.</p> <p><i>In relation to any BM Unit I, for any Settlement Period I, Metered Volume Fixed Reallocation means, for Energy Account a of a Contract trading Party, the aggregate of all Metered Volume Reallocation Notification Fixed Data for Metered Volume Reallocation Notifications relating to such Energy Account.</i></p>
Metered Volume Percentage Reallocation	QMPR _{iaj}	%	<p>A percentage value determined in accordance with Section P4.3.1.</p> <p><i>In relation to any BM Unit I, for any Settlement Period I, Metered Volume Percentage Reallocation means, for Energy Account a of Contract Trading Party, the aggregate of all Metered Volume Reallocation Notification Percentage Data for Metered Volume Reallocation Notifications relating to such Party.</i></p>
	QMFR _{ziaj}	MWh	<p>An Active Energy value in accordance with Section P3.5.2(a).</p> <p><i>In relation to any BM Unit H, for any Settlement Period j, QMFR_{ziaj} is a fixed volume of Active Energy to be allocated to the corresponding Energy Account a, of a Contract Trading Party other than the Lead Party from the Energy Account of the Lead Party to which the associated Metered</i></p>

Defined Term	Acronym	Units	Definition/Explanatory Text
			<i>Volume Reallocation Notification z, refers.</i>
	$QMPR_{ziaj}$	%	<p>A percentage value in accordance with Section P3.5.2(b).</p> <p><i>In relation to any BM Unit H, for any Settlement Period j, $QMPR_{ziaj}$ is a percentage of the BM Unit Metered Volume to be allocated to the corresponding Energy Account a of a Contract Trading Party other than the Lead Party from the Energy Account of the Lead Party to which the associated Metered Volume Reallocation Notification z, refers.</i></p>