

LEGAL TEXT FOR PROPOSED MODIFICATION P298

SECTION F: MODIFICATION PROCEDURES (Version 20.0)

Amend paragraph 1.1.5 to read as follows:

- 1.1.5 Paragraphs 1, 2, 5, ~~and 6, 7 and 8~~ of this Section F set out the procedures for modification of the Code as required by the Transmission Licence.

Amend paragraph 2.1 to read as follows:

2.1 Modification Proposals

2.1.1 A proposal to modify the Code may be made by any of the following:

- (a) a Party (other than BSCCo or the BSC Clearer);
- (b) the National Consumer Council;
- (c) such other bodies representative of interested third parties as may be designated in writing for this purpose by the Authority from time to time;
- (d) the Panel:
 - (i) on the recommendation of BSCCo in accordance with Section C3.8.8 or Section H9.8;
 - (ii) on the recommendation of BSCCo following receipt by BSCCo of a change request proposing a change to a Core Industry Document and/or the System Operator-Transmission Owner Code which would, if made, have an impact on the Code;
 - (iii) on the recommendation of BSCCo where BSCCo becomes aware of a change in circumstances, since approval of a Proposed Modification, which would make the implementation of that Approved Modification impossible or significantly more costly than anticipated at the time such Modification was approved or no longer relevant;
 - (iv) on the recommendation of BSCCo to rectify manifest errors in or to correct minor inconsistencies (or make other minor consequential changes) to the Code;
 - (v) on the recommendation of the Trading Disputes Committee in consequence of a Trading Dispute; and
 - (vi) on the recommendation of the Performance Assurance Board in accordance with Section Z8.2,

provided that, where the Panel decides to make a proposal in any of the circumstances set out in paragraphs (i) to (vi), such proposal shall be without

prejudice to the Panel's decision, pursuant to paragraph 2.7, as to whether or not to recommend to the Authority that such modification should be made; ~~and-~~

~~(e) the Authority (in relation only to modifications which it reasonably considers are necessary to comply with or implement the Electricity Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency).~~

2.1.3 If a submitted proposal fails in any material respect to comply with the requirements of paragraph 2.1.2 (excluding paragraphs (e), (g) and (h) thereof) and with the exception of paragraphs 2.1.1(e) and 8.2, the Modification Secretary may refuse to accept such submission provided that:

- (a) the Modification Secretary shall furnish the Proposer with the reasons for such refusal;
- (b) the Modification Secretary shall report such refusal to the Panel at the next Panel meeting;
- (c) if the Panel decides to reverse the Modification Secretary's decision to refuse the submission, the Modification Secretary shall notify the Proposer accordingly and the proposal shall be dealt with in accordance with the succeeding provisions of this paragraph 2;
- (d) nothing in this paragraph 2.1.3 shall prevent a Proposer from submitting a revised proposal in compliance with the requirements of paragraph 2.1.2 in respect of the same subject-matter.

2.1.4 Without prejudice to the development of any Alternative Modification pursuant to paragraph 2.6.2 but subject to paragraph 5.3.2 and 8.5, the Panel may refuse to accept the submission of a proposal made pursuant to paragraph 2.1.1 (with the exception of paragraphs 2.1.1(e) and 2.1.10A) if and to the extent that such proposal has, in the opinion of the Panel, substantially the same effect as:

- (a) a Pending Modification Proposal; or
- (b) a Rejected Modification Proposal, where such proposal is made at any time within 2 months after the decision of the Authority not to direct the Transmission Company to modify the Code pursuant to the Transmission Licence in the manner set out in such Modification Proposal.

2.1.10 The Modification Secretary shall as soon as reasonably practicable:

- (a) send a copy of the Modification Proposal and (if available) the initial assessment prepared by BSCCo pursuant to paragraph 2.1.8 to:
 - (i) each Party;
 - (ii) each BSC Agent;
 - (iii) the Authority;

- (iv) each Panel Member;
 - (v) the National Consumer Council;
 - (vi) any other body designated by the Authority pursuant to paragraph 2.1.1(c); and
 - (vii) each Core Industry Document Owner and the STC Committee; and
- (b) post a copy of the Modification Proposal on the BSC Website or, failing that, publish the Modification Proposal in such other manner as may be appropriate to bring it to the attention of interested third parties.

Insert a new paragraph 2.1.10A to read as follows:

2.1.10A Where a Modification Proposal is raised by the Transmission Company in accordance with paragraph 2.1.1 which subsequently the Authority reasonably considers is necessary to comply with or implement the Electricity Regulation and/or any relevant legally binding decision of the European Commission and/or the Agency, the Authority shall inform the Panel accordingly. Such Modification Proposals shall:

- (a) be processed by the Panel in accordance with the provisions of the Code;
- (b) not be withdrawn by the Transmission Company and/or the Panel pursuant to paragraph 2.1.12 or 2.1.12A without the Authority's prior consent and in the event that such consent is granted shall fall under paragraph 2.1.12B;
- (c) not be amalgamated with any other Modification Proposal in accordance with paragraph 2.3 or otherwise without the Authority's prior consent; and
- (d) proceed in accordance with any timetable(s) directed or amended by the Authority for the:
 - (i) completion of each stage of the Modification Procedure; and/or
 - (ii) implementation of a modification.

Insert a new paragraph 2.1.10B to read as follows:

2.1.10B In respect of any Modification Proposal which has been raised pursuant to paragraph 2.1.10A the views of the relevant Workgroup, the voting rights of the Panel or the recommendation of the Panel in respect of such Modification Proposal shall not be fettered or restricted notwithstanding that such Modification Proposal has been so raised under paragraph 2.1.10A.

Amend paragraph 2.1.12 to read as follows:

2.1.12 Subject to paragraphs 2.2.3(b)(iii), 2.5.9(c), 2.9.4A, 2.7A.9, 2.1.10A, ~~and~~ 5.3.1(b) and 8.3, a Proposer may:

- (a) withdraw his Modification Proposal on notice to the Modification Secretary at any time prior to the final evaluation by the Workgroup (in accordance with its terms of reference and working practices) of that Modification Proposal and, subject to paragraph 2.1.12B, any Modification Proposal so withdrawn shall lapse; or
- (b) vary his Modification Proposal on notice (which may be given verbally) to the chairman of the Workgroup at any time prior to the final evaluation by the Workgroup (in accordance with its terms of reference and working practices) of that Modification Proposal provided that such varied Modification Proposal:
 - (i) shall address the same issue or defect originally identified by the Proposer in his Modification Proposal; and
 - (ii) shall be deemed to be the Proposer's Modification Proposal.

Amend paragraph 2.1.12A to read as follows:

2.1.12A Subject to paragraph 2.1.10A, 5.3.1(b) and 8.3, the Panel may (but shall not be obliged to) require a Modification Proposal to be withdrawn at any time if, in the Panel's opinion, the Proposer of that Modification Proposal is deliberately and persistently disrupting or frustrating the work of the Workgroup and that Modification Proposal shall be deemed to have been so withdrawn. In the event that a Modification Proposal is so withdrawn, the provisions of paragraphs 2.1.12B and 2.1.12C shall apply in respect of that Modification Proposal.

Insert new paragraph 8 to read as follows:

8. AUTHORITY RAISED OR DIRECTED MODIFICATION PROPOSALS

8.1 Authority Raised Modification Proposals

8.1.1 Where a Modification Proposal has been raised pursuant to paragraph 2.1.1(e), the Panel shall comply with any direction(s) issued by the Authority in respect of that Modification Proposal setting and/or amending a timetable for the;

- (a) completion of each stage of the Modification Procedure; and/or
- (b) implementation of the modification.

8.2 Authority Directed Modification Proposals

8.2.1 Subject to paragraph 5.3, the Authority may direct the Transmission Company to raise a Modification Proposal only in relation to modifications which the Authority reasonably

considers are necessary to comply with or implement the Electricity Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency.

8.2.2 The Transmission Company and the Panel shall comply with any direction(s) issued by the Authority in accordance with paragraph 8.2.1:

(a) requiring the Transmission Company to raise a modification proposal; and/or

(b) setting or amending a timetable for the:

(i) completion of each of the proposal steps; and/or

(ii) implementation of a modification.

8.3 Acceptance of Authority Raised or Directed Modification Proposals

8.3.1 The Panel shall not refuse to accept such a Modification Proposal which has been raised pursuant to paragraphs 8.1 or 8.2 whether in accordance with paragraph 2.1.4 or otherwise.

8.4 Withdrawal of Authority Raised or Directed Modification Proposals

8.4.1 Modification Proposals raised or directed by the Authority in accordance with paragraphs 8.1 or 8.2 shall not be withdrawn by the Transmission Company and/or the Panel pursuant to paragraphs 2.1.12 and 2.1.12A respectively without the prior consent of the Authority.

8.4.2 If, pursuant to paragraph 8.3.1, the Authority consents to the withdrawal of a Modification Proposal, the provisions of paragraph 2.1.12B shall apply to such Modification Proposal.

8.5 Amalgamation of Authority Raised or Directed Modification Proposals

8.5.1 The Modification Proposal which has been raised pursuant to paragraph 8.1 or 8.2 shall not be amalgamated with any other Modification Proposal in accordance with paragraph 2.3 or otherwise without the prior consent of the Authority.

8.6 Non-Fettering of Voting Rights

8.6.1 In respect of any Modification Proposal which has been raised pursuant to paragraph 8.1 or 8.2 the views of the relevant Workgroup, the voting rights of the Panel or the recommendation of the Panel in respect of such Modification Proposal shall not be fettered or restricted notwithstanding that such Modification Proposal has been so raised under paragraph 8.1 or 8.2.

ANNEX X-1: GENERAL GLOSSARY (Version 58.0)

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

"Agency":

means the agency for the cooperation of the energy regulators established by Regulation 2009/713/EC of the European Parliament and of the Council of the 13 July 2009 establishing an Agency for the Cooperation of Energy Regulators as amended from time to time;

"Electricity Regulation":

means the Regulation 2009/714/EC 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 and repealing Regulation 2003/1228/EC as amended from time to time;

"European Commission":

means the institution of that name established under the Treaty on European Union as amended from time to time;