

P276 – PROPOSED LEGAL TEXT

SECTION G: CONTINGENCIES (Version 9.0)

2.1 General

Amend paragraph 2.1.1 to read as follows:

- 2.1.1 This paragraph 2 applies for the purposes of determining Avoidable Costs (which are used in the calculation of compensation claims for certain Contingency Provisions) in relation to a BM Unit and:
- (a) such changes ("**relevant changes**") in Exports and/or Imports of that BM Unit during a Settlement Period as are specified in or determined pursuant to the relevant Contingency Provision; or
 - (b) where paragraph 3 (Black Start) applies, a BM Unit that is the subject of a black start instruction (as defined in paragraph 3.3.1~~(b)~~**(c)**) whether or not relevant changes occur.

Amend paragraph 3.1 to read as follows:

3.1 General

- 3.1.1 This paragraph 3 will apply if and only if the Transmission Company informs Users pursuant to OC9.4 of the Grid Code that either a Total Shutdown or a Partial Shutdown exists and that the Transmission Company intends to implement a Black Start (the terms 'Users', 'Total Shutdown', 'Partial Shutdown', 'Black Start' and 'Total System' each having, for the purposes of this paragraph 3, the meanings given thereto in the Grid Code).
- 3.1.2 Where this paragraph 3 applies:
- (a) BSCCo shall (as soon as is practicable following the Transmission Company's notification under OC9.4 of the Grid Code) notify all Parties that a Total Shutdown or Partial Shutdown exists and that the Transmission Company intends to implement a Black Start;
 - (b) the Transmission Company shall (as soon as is practicable following its notification under OC9.4 of the Grid Code) determine, in its reasonable opinion, the time and date with effect from which the Total Shutdown or Partial Shutdown commenced and inform BSCCo of that time and date;
 - (c) BSCCo shall determine the Settlement Period that corresponds with the time and date from which the Total Shutdown or Partial Shutdown commenced (as determined by the Transmission Company under paragraph (b))~~and, as soon and so far as is practicable, notify all Parties of that Settlement Period;~~
 - (d) a Black Start Period shall exist with effect from the start of the Settlement Period determined by BSCCo under paragraph 3.1.2(c) until either:
 - (i) the end of the Settlement Period immediately before the Settlement Period determined by the Panel under paragraph 3.1.8; or
 - (ii) the end of the Settlement Period determined by BSCCo under paragraph 3.1.9(c);

- (e) BSCCo shall, as soon and so far as is practicable, notify all Parties of the Settlement Period from which the Black Start Period commenced;
 - (f) BSCCo shall, as soon and so far as is practicable, keep Parties informed of the operation of BSC Systems and, in so far as it is informed by the Transmission Company, of the operation of the Transmission System during a Black Start Period; and
 - (g) the provisions of paragraph 3.3 shall apply in relation to all Settlement Periods which fall within a Black Start Period.
- 3.1.3 Where the Transmission Company informs Users (pursuant to OC9.4 of the Grid Code) that a Total Shutdown exists, then:
 - (a) a Market Suspension Period shall exist, and the provisions of paragraphs 3.1.8 and 3.2 shall apply, with effect from the start of the Settlement Period determined by BSCCo under paragraph 3.1.2(c) until the end of the Settlement Period immediately before the Settlement Period determined by the Panel under paragraph 3.1.8; and
 - (b) BSCCo shall (as soon and so far as is practicable following its determination under paragraph 3.1.2(c)) notify Parties of the Settlement Period from which the Market Suspension Period commenced.
- 3.1.4 Where the Transmission Company informs Users (pursuant to OC9.4 of the Grid Code) that a Partial Shutdown exists, then the Transmission Company shall, at least once every 15 minutes from the time and date that the Partial Shutdown commenced (as determined by the Transmission Company in accordance with paragraph 3.1.2(b)), monitor the spot time Initial National Demand Out-Turn against its spot time National Demand forecast made day-ahead and prior to the commencement of the Partial Shutdown (the "**baseline forecast**") until the time at which either:
 - (a) the Market Suspension Threshold is met, or deemed to be met, in accordance with paragraph 3.1.5; or
 - (b) the Transmission Company determines (in accordance with paragraph 3.1.9) that the Total System has returned to normal operation.
- 3.1.5 Where, at any time during the Partial Shutdown:
 - (a) the Transmission Company determines, in its reasonable opinion, that the spot time Initial National Demand Out-Turn is equal to or lower than 95% of the baseline forecast (the "**Market Suspension Threshold**");
 - (b) no more baseline forecast data is available to the Transmission Company; or
 - (c) 72 hours have elapsed since the time and date that the Partial Shutdown commenced (as determined by the Transmission Company in accordance with paragraph 3.1.2(b));

then the Market Suspension Threshold shall be met, or in the case of paragraphs 3.1.5(b) or 3.1.5(c) shall be deemed to be met, with effect from that time and date.

3.1.6 The Transmission Company shall (as soon as is practicable) notify BSCCo of the time and date on which the Market Suspension Threshold was met in accordance with paragraph 3.1.5(a), or was deemed to be met in accordance with paragraph 3.1.5(b).

3.1.7 Where the Market Suspension Threshold has been met, or deemed to be met, in accordance with paragraph 3.1.5 then:

(a) BSCCo shall determine the Settlement Period that corresponds with the time and date from when the Market Suspension Threshold was met, or deemed to be met, under paragraph 3.1.5;

(b) a Market Suspension Period shall exist, and the provisions of paragraphs 3.1.8 and 3.2 shall apply, with effect from the start of the Settlement Period determined by BSCCo under paragraph 3.1.7(a) until the end of the Settlement Period immediately before the Settlement Period determined by the Panel under paragraph 3.1.8; and

(c) BSCCo shall (as soon and so far as is practicable) notify Parties of the Settlement Period from which the Market Suspension Period commenced.

3.1.8 Where there is a Market Suspension Period under either paragraph 3.1.3 or paragraph 3.1.7, then:

(~~da~~) following the Transmission Company's determination (under OC9.4.7.9 of the Grid Code) of the time the Total System could return to normal operation, the Panel shall determine, after consultation with the Transmission Company, the Settlement Period with effect from which the provisions of ~~this~~ paragraph 3.2 are to cease to apply, having regard to the following matters and any other matters or processes set out in the relevant BSCP:

(i) the time the Total System could return to normal operation under the Grid Code determined by the Transmission Company;

(ii) the desirability of a return to normal operation under the Code at the same time or as soon as practicable thereafter; and

(iii) the amount of time which (in the opinion of the Panel) it is reasonable to allow for Parties to recommence operations under or for the purposes of Sections Q and P;

(~~eb~~) at any time up until one hour prior to the Settlement Period from which the provisions of ~~this~~ paragraph 3.2 would otherwise cease to apply, the Transmission Company may determine (in accordance with OC9.4.7.9 of the Grid Code) that the Total System could not return to normal operation at that time;

(~~fc~~) the Panel shall revise its determination under paragraph (~~da~~) if the Transmission Company determines under paragraph (~~eb~~) that the Total System could not return to normal operation at that time; and

(~~gd~~) BSCCo shall promptly notify all Parties of the Panel's determination under paragraph (~~da~~) and, where applicable, paragraph (~~fc~~).

3.1.9 Where a Partial Shutdown exists but there has been no Market Suspension Period:

- (a) ~~the Transmission Company shall inform BSCCo of its determination and, if applicable, any revised determination (under OC9.4.7.9 of the Grid Code) of the time the Total System could return to normal operation;~~
- (b) ~~the Transmission Company shall inform BSCCo as soon as possible of the time at which (in the Transmission Company's determination) the Total System returned to normal operation; and~~
- (c) ~~BSCCo shall determine the Settlement Period that corresponds with the time that the Total System returned to normal operation (as determined by the Transmission Company under paragraph 3.1.9(b)), and shall promptly notify the Panel and Parties of that Settlement Period.~~

~~3.1.3 For the purposes of the Code, a "Black Start Period" is a period commencing at the start of the Settlement Period determined by BSCCo under paragraph 3.1.2(c) and ending at the end of the Settlement Period immediately before the Settlement Period determined by the Panel under paragraph 3.1.2(d) or paragraph 3.1.2(f), whichever is applicable.~~

~~3.1.4 BSCCo shall, as soon and so far as is practicable, keep Parties informed of the operation of BSC Systems and, in so far as it is informed by the Transmission Company, of the operation of the Transmission System during a Black Start Period.~~

Amend paragraph 3.2 to read as follows:

3.2 Variation of rules

3.2.1 In relation to all Settlement Periods which fall within a ~~Black Start Market Suspension~~ Period:

- (a) ~~the~~ operation of the balancing mechanism shall be suspended in accordance with Section Q5.4;
- (b) ~~the Lead Parties of BM Units which are given instructions under the Grid Code shall be entitled to be compensated subject to and in accordance with paragraph 3.3 (and, if otherwise applicable, Section Q8 shall not apply);~~
- (c) ~~the~~ notification of contract volumes shall be suspended in accordance with Section P1.6 (and, if otherwise applicable, Section P5 shall not apply);
- (d) a single imbalance cash-out price shall apply in accordance with Section T1.7;
- (e) the value of Credit Assessment Energy Indebtedness (CEI_{pi}) shall be set to zero for all Trading Parties for the purposes of Section M; and
- (f) the value of Metered Energy Indebtedness (MEI_{pi}) shall be set to zero for all Trading Parties for the purposes of Section M.

3.2.1A In relation to all Settlement Days that fall wholly or partially within a ~~Black Start Market Suspension~~ Period the value of Actual Energy Indebtedness (AEI_p) shall be set to zero for all Trading Parties for the purposes of Section M.

3.2.2 Where this paragraph 3.2 applies, the Panel may, after consultation with the Transmission Company, for the purposes of making arrangements for a return to normal operations under the Code, determine and notify Parties that:

- (a) any data submitted (in accordance with Section Q2, Q3 or Q4) by Lead Parties, and/or

- (b) any Volume Notifications submitted by Volume Notification Agents during any part or parts (as specified by the Panel in such notification to Parties) of the ~~Black Start~~Market Suspension Period, shall be disregarded for the purposes of the Code.

3.3 Lead Party compensation

Amend paragraph 3.3.1 to read as follows:

3.3.1 Subject to the provisions of the Code, each Party which:

- (a) is the Lead Party of any BM Unit (whether or not comprising Plant or Apparatus which is comprised in a Black Start Station as defined in the Grid Code), and
- (b) is given ~~a black start instruction as defined in paragraph 3.3.1C, any instruction (a "black start instruction") by the Transmission Company pursuant to OC9.4.7.4, BC2.7 or BC2.9 of the Grid Code relating to any Settlement Period(s) during a Black Start Period~~

may, within the period of 20 Business Days after the end of the Black Start Period, submit to BSCCo a claim for payment of compensation to be determined in accordance with this paragraph 3.3.

Insert new paragraph 3.3.1C directly after paragraph 3.3.1B but before paragraph 3.3.2 to read as follows:

3.3.1C For the purposes of this paragraph 3.3, a "black start instruction" is:

- (a) in relation to any Settlement Period(s) which fall within both a Black Start Period and a Market Suspension Period, an instruction given by the Transmission Company pursuant to OC9.4.7.4, BC2.7 or BC2.9 of the Grid Code; or
- (b) in relation to any Settlement Period(s) which fall within a Black Start Period but not within a Market Suspension Period, an instruction given by the Transmission Company pursuant to BC2.9.1.2(e)(i) of the Grid Code.

Amend paragraph 3.3.2 to read as follows:

3.3.2 For the purposes of this paragraph 3.3, in relation to a Settlement Period in the Black Start Period and a BM Unit:

- (a) the "black start compensation amount" shall be an amount determined as:

$$(A - B)$$

where

A is the amount of the Avoidable Costs of the Lead Party in relation to the operation of the BM Unit as determined by the Panel under paragraphs 3.3.4(a) and 3.3.4(c);

B is an amount determined ~~as~~in accordance with paragraph (b) or (c);

- (b) if the Settlement Period falls within a Market Suspension Period, the amount B shall be determined as:

$$(BSCQ_{ij}^n * P_{ij}^n)$$

where P_{ij}^n is the System Sell Price (equal, in accordance with Section T1.7.1, to the System Buy Price) for that Settlement Period; ~~and~~

- (c) ~~if the Settlement Period falls within a Black Start Period but not within a Market Suspension Period, the amount B shall be determined as:~~

$$\sum_a (BSCAEI_{aj}^n - BSCAEI_{aj}^{(n-1)})$$

~~where \sum_a is the sum over the Lead Party Energy Account and all Subsidiary Party Energy Accounts for the BM Unit;~~

- (d) ~~for the purposes of paragraph (c), $BSCAEI_{aj}^n$ is the Account Energy Imbalance Cashflow calculated for Energy Account a in accordance with Section T4, except that:~~

- (i) ~~for the BM Unit i to which the claim relates, the BM Unit Metered Volume QM_{ij} shall be replaced with:~~

$$QM_{ij} - BSCQ_{ij}^n$$

- (ii) ~~for any BM Unit i' for which the Panel has previously determined a black start compensation volume $BSCQ_{ij}^{n'}$ for Settlement Period j, the BM Unit Metered Volume QM_{ij} shall be replaced with:~~

$$QM_{ij} - BSCQ_{ij}^{n'}$$

- (e) ~~for the purposes of paragraph (c), $BSCAEI_{aj}^{(n-1)}$ is the Account Energy Imbalance Cashflow calculated for Energy Account a in accordance with Section T4, except that for any BM Unit i' for which the Panel has previously determined a black start compensation volume $BSCQ_{ij}^{n'}$ for Settlement Period j, the BM Unit Metered Volume QM_{ij} shall be replaced with:~~

$$QM_{ij} - BSCQ_{ij}^{n'}$$

- (f) ~~for the purposes of paragraphs (b) to (e), $BSCQ_{ij}^n$ is the quantity (in MWh) determined by the Panel under paragraph 3.3.4(b) and shall be called the "black start compensation volume";~~

- (~~bg~~) for the purposes of paragraphs ~~(ab)~~ to (e), $BSCQ_{ij}^n$ shall be negative where it represents an increase in net Imports or a reduction in net Exports, zero (0) where it represents no change in Exports and/or Imports and otherwise positive.

SECTION T: SETTLEMENT AND TRADING CHARGES (Version 20.0)

Amend paragraph 1.7.1A to read as follows:

- 1.7.1A Where a single imbalance price is to apply in relation to a relevant Settlement Period for the purposes of Section G3 or Section G4, the Panel shall, subject to the approval of the Authority, determine that single imbalance price in accordance with this paragraph 1.7.1A or, where the Panel, in its opinion, considers this provision unsuitable, in accordance with paragraph 1.7.2. For the purposes of this paragraph 1.7.1A the single imbalance price shall be:

- (a) subject to paragraphs (b) and (d), the mean of the System Sell Price and the System Buy Price calculated respectively for each set of corresponding Settlement Periods in the 30 whole Settlement Days immediately preceding the Settlement Day on which the Black Start Period (as defined in Section G3.1.2(d)3) or Security Period (as defined in the Fuel Security Code) commenced;
- (b) the Transmission Company shall determine that certain Settlement Periods within the Settlement Days identified under paragraph (a) be excluded from the single imbalance price calculation if those Settlement Periods occur within a Black Start Period or Security Period or if during those Settlement Periods emergency instructions were issued under the Grid Code;
- (c) where paragraph (b) applies, the Panel shall use the System Sell Price and the System Buy Price from additional Settlement Periods to achieve a mean of 30 System Sell Prices and System Buy Prices for each corresponding Settlement Period. Such additional Settlement Periods shall be those corresponding Settlement Periods in the Settlement Day immediately preceding the Settlement Days identified in paragraph (a);
- (d) where a Clock Change Day occurs in the 30 Settlement Days immediately prior to the Black Start Period or Security Period that Settlement Day is to be excluded for the purposes of this paragraph 1.7.1A and a further Settlement Day in accordance with paragraph (e) is to be selected;
- (e) where paragraph (d) applies, the Panel shall use the System Sell Price and the System Buy Price from an additional Settlement Day (immediately prior to the 30 Settlement Days referred to in paragraph (a)) to achieve a mean of 30 System Sell Prices and System Buy Prices for each corresponding Settlement Period;
- (f) where a Clock Change Day occurs in a Black Start Period or Security Period:
 - (i) if the Clock Change Day is short (46 Settlement Periods) the third and fourth Settlement Periods (and thus the single imbalance price calculated in accordance with this paragraph 1.7.1A for the third and fourth Settlement Periods) shall be ignored for that Clock Change Day; and
 - (ii) where the Clock Change Day is long (50 Settlement Periods) the single imbalance price calculated in accordance with this paragraph 1.7.1A for the third and fourth Settlement Periods shall be repeated for the fifth and sixth Settlement Periods of that Clock Change Day. The single imbalance price for the remaining Settlement Periods for that Clock Change Day will be the single imbalance price calculated in accordance with this paragraph 1.7.1A but (other than for the first and second Settlement Periods) for two Settlement Periods earlier (that is to say the single imbalance price calculated for Settlement Period five will apply to Settlement Period seven on a long Clock Change Day, the single imbalance price calculated for Settlement Period six will apply to Settlement Period eight and so on); and
- (g) in this paragraph 1.7.1A, save for paragraph (f), "corresponding" means corresponding in sequence (that is to say, the first Settlement Period of a Settlement Day corresponds to the first Settlement Period of another Settlement Day and so on).

ANNEX X-1: GENERAL GLOSSARY (Version 53.0)

Amend the definition of System Warning to read as follows:

"System Warning": has the meaning given to the ~~eat~~ term National Electricity System Warning in the Grid Code;

Insert the following new definitions in alphabetical order:

"Black Start Period": means the period described in Section G3.1.2(d);

"Market Suspension Period": the period determined in accordance with Section G3.1.3(a) or G3.1.7(b), as applicable;

"Market Suspension Threshold": has the meaning given to that term in Section G3.1.5;

ANNEX X-2: TECHNICAL GLOSSARY (Version 33.0)

Amend those definitions set out in Table X-2 as follows:

Account Energy Imbalance Volume	$QAEI_{aj}$	MWh	The quantity determined in accordance with Section T4.6.3. <i>The Account Energy Imbalance Volume is the sum of the Account Credited Energy Volume, plus the Account Period Bid-Offer Volume less the Account Bilateral Contract Volume for Energy Account a, in Settlement Period j.</i>
Initial National Demand Out-Turn	INDO	MW	The half hour average MW demand metered by the Transmission Company taking into account transmission losses but not including station transformer load, pumped storage demand or Interconnector demand. <u>References to INDO in Section Q6.1.13 and in Table 1 of Section V Annex V-1 mean the half-hour average INDO for a Settlement Period. References to INDO in Section G3.1.4 mean the spot time INDO measured by the Transmission Company in accordance with that paragraph.</u>
National Demand			Has the meaning given to the term GB -National Demand as defined in the Grid Code.
Transmission System Demand			Has the meaning given to the term GB - <u>National Electricity</u> Transmission System Demand as defined in the Grid Code.