

Balancing and Settlement Code

BSC PROCEDURE

CLEARING, INVOICING AND PAYMENT

~~Volume #~~

BSCP301

Version 3.02

Date: 21/08/01 XX XXXX XX

BSC PROCEDURE 301 VERSION 3.0**relating to****CLEARING, INVOICING AND PAYMENT**

1. Reference is made to the Balancing and Settlement Code Version 1.1 and, in particular, to the definition of “BSC Procedure” in Section X, Annex X-1 thereof.
2. This is BSC Procedure 301, Version ~~3.0-1~~ relating to Clearing, Invoicing and Payment.
3. This BSC Procedure is effective from ~~04/09/2001~~ [xx xxxx xx](#).
4. This BSC Procedure has been approved by the Panel.

For and on behalf of the
Panel

This document contains materials the copyright and other intellectual property rights in which are vested in ELEXON Limited or which appear with the consent of the copyright owner. These materials are made available for you to review and to copy for the purposes of trading in the Electricity Pool of England and Wales, and for the purposes of the establishment, operation or participation in electricity trading arrangements in Great Britain under the Code and the consultation process now taking place in relation thereto. All other commercial use is prohibited. Unless you are a person having an interest in electricity trading in Great Britain, you are not permitted to view, download, modify, copy, distribute, transmit, store, reproduce or otherwise use, publish, licence, transfer, sell or create derivative works (in whatever format) from this document or any information obtained from this document otherwise than for personal, academic or other non-commercial purposes. All copyright and other proprietary notices contained in the original material must be retained on any copy that you make. All other rights of the copyright owner not expressly dealt with above are reserved.

AMENDMENT RECORD

VERSION	DATE	DESCRIPTION OF CHANGES	CRs INCLUDED	PANEL REF
1.0	14 August 2000	Go active version	n/a	n/a
2.0	30 November 2000	Work outstanding at Go Active, resolution of inconsistencies, inclusion of consultation comments	213,186, 244	08/009
3.0	21 August 2001	Credit Cover procedure amended for the ECVAA Interim Release	CP519	
3.1	16 November 2001	Payment and Payment Default procedure amended for Modification P39		

CONTENTS

1	INTRODUCTION	5
1.1	Purpose and Scope of the Procedure	5
1.2	Main Users of the Procedure and their Responsibilities	5
1.3	Key Milestones	5
1.4	Balancing and Settlement Code Provision	66
1.5	Associated BSC Procedures	6
2	ACRONYMS AND DEFINITIONS	7
3	INTERFACE AND TIMETABLE INFORMATION	8
3.1	Payment Calendar and Settlement Calendar	8
3.2	Calculate and Arrange Payments	10
3.3	Payment Procedure	13
3.4	Payment Default	16
3.5	Maintain Arrangements with Banks	2017
3.6	Manage Credit Cover	2219
3.7	Ad Hoc Inputs	2421
4	APPENDICES	2521
4.1	Summary of Forms	2521
4.2	Bank Accounts Context Diagram	3921

1 Introduction

1.1 Purpose and Scope of the Procedure

This BSCP defines the processes that the Funds Administration Agent (FAA) shall use to carry out the transfer of funds in respect of Settlement between Parties and the Code Clearer for Trading Charges and Reconciliation Charges under the Code, and some ancillary activities.

This is achieved by detailing the FAA activities which are driven by the Settlement process and also those enabling processes which are either ad-hoc or have timescales which are independent of the Settlement process.

This BSCP focuses on the interfaces between the FAA and other agencies seen from the perspective of the FAA.

This BSCP also covers the preparation of the Payment Calendar by the FAA and of the Settlement Calendar by the Settlement Administration Agent (SAA).

1.2 Main Users of the Procedure and their Responsibilities

The main users of this Procedure include the:

- a) Funds Administration Agent (FAA)
- b) Settlement Administration Agent (SAA)
- c) Parties
- d) Panel
- e) Code Auditor

By each Notification Date, the FAA has to receive from the SAA, Settlement results for the relevant Settlement Day(s), as set out in the Payment Calendar.

With information for each Settlement Day the FAA uses the Funds Transfer System (FTS) to calculate the necessary exchange of funds between each Payment Party and the Code Clearer on the Payment Date. Advice notes are sent to Payment Parties and the Code Bank prior to the Payment Date. Confirmation Notices to Payment Parties are sent after the Payment Date.

1.3 Key Milestones

There are the following key milestones:

- Production of the Payment Calendar in accordance with section N and of the Settlement Calendar in accordance with Code section U.
- Funds transfer in accordance with Code section N.
- Management and monitoring of credit cover in accordance with Code section M.

1.4 Balancing and Settlement Code Provision

This Procedure should be read in conjunction with the Code and in particular sections M, N and U thereof.

In the event of an inconsistency between the provisions of this BSCP and the Code, the provisions of the Code shall prevail.

1.5 Associated BSC Procedures

BSCP01	Overview of Trading Arrangements-	|
BSCP11	Volume Allocation and Settlement Run Queries-	|
BSCP38	Authorisations	
BSCP65	Registration of Parties and Exit Procedures	

2 Acronyms and Definitions

A full list of defined terms and acronyms, and their definitions, can be found in Annex X-1 and X-2 of the Code. The acronyms used locally in this procedure are defined as follows:

BACS	Banks' Automated Clearing Systems
CHAPS	Clearing House Automated Payment Systems
FTS	Funds Transfer System
LC	Letter of Credit

3 Interface and Timetable Information

3.1 Payment Calendar and Settlement Calendar

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.1.1	By 15 th January in each year	Produce draft Payment Calendar for each banking day detailing all Notification Dates and Payment Dates corresponding to Settlement Days falling during the next Code Year (1 st April to 31 st March inclusive)	FAA		Draft Payment Calendar detailing the following dates: Initial Payment Date, Initial Notification Date, Payment Date for Reconciliation Runs, Notification Date for Reconciliation runs, for each Settlement Day of the next following Code Year	Internal process
3.1.2	By 15 th January in each year	Issue draft Payment Calendar for review	FAA	BSCCo SAA	Draft Payment Calendar	Manual / Electronic
3.1.3	Within 5 WD of 3.1.2	Send comments on draft Payment Calendar	SAA	BSCCo	As above	Manual / Electronic
3.1.4	Within 10 WD of 3.1.2	Resolve any issues with SAA and FAA.	BSCCo	SAA FAA		Any
3.1.5	Within 10 WD of 3.1.2	Authorise and send authorised Payment Calendar	BSCCo	FAA	Authorised Payment Calendar	Manual / Electronic
3.1.6	By 31 st January in each year	Distribute authorised Payment Calendar	FAA	BSCCo SAA Payment Parties	Authorised Payment Calendar	Manual / Electronic
3.1.7	Within 10 WD of 3.1.6	Produce draft SAA Settlement Calendar that is consistent with the Payment Calendar	SAA			Internal process
3.1.8	Within 10 WD of 3.1.6	Issue draft SAA Settlement Calendar for review	SAA	BSCCo CDCA SVAA	Draft SAA Settlement Calendar	Manual / Electronic
3.1.9	Within 5 WD of 3.1.8	Send comments on draft SAA Settlement Calendar	CDCA SVAA	BSCCo	As above	Manual / Electronic

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.1.10	Within 10 WD of 3.1.8	Resolve any issues with SVAA, CDCA and SAA	BSCCo	SVAA CDCA SAA	As above	Manual / Electronic
3.1.11	Within 10 WD of 3.1.8	Approve SAA Settlement Calendar	BSCCo	SAA	Approved SAA Settlement Calendar	Manual / Electronic
3.1.12	Within 2 WD of 3.1.11	Publish approved SAA Settlement Calendar Note: each respective Party will create their own calendar from the Settlement Calendar and each Party's calendar will be consistent with the Settlement Calendar and Payment Calendar.	SAA	SVAA CDCA Payment Parties	Approved SAA Settlement Calendar	Manual / Electronic

1.23.2 Calculate and Arrange Payments

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.2.1	To be received by 10:00 on Notification Date.	Send SAA Settlement Results for each relevant Settlement Day (ie all Settlement Days with this Notification Date as per the Payment Calendar)	SAA	FAA	Credits and Debits Report for Initial, Reconciliation and Ad Hoc Settlement Runs For each Settlement Day and for each Trading Party: <ul style="list-style-type: none"> • Daily Party BM Unit Cashflow • Daily Party Non-Delivery Charge • Daily Party Energy Imbalance Cashflow • Daily Party Information Imbalance Charges • Daily Party Residual Settlement Cashflow For each Settlement Day: <ul style="list-style-type: none"> • Daily System Operator BM Cashflow 	Electronic
3.2.2	If SAA Settlement Results not received by 10:00.	Send notification of non-receipt and liaise with SAA to attempt to obtain data in time to run production and despatch processes	FAA	SAA BSCCo	Notification of non-receipt	Tel/Fax
3.2.3	If final Reconciliation postponed.	Reschedule final Reconciliation	FAA			Internal Process
3.2.4	If SAA Settlement Results received on time.	Validate results for completeness, against Standing Data and for balance (within £10) between total debits and total credits.	FAA		Credits and Debits Report	Internal Process

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.2.5	If SAA Settlement Results are invalid (£10 difference or more) or data is missing then notify as soon as possible after receipt from SAA	Notify invalidity or missing data as soon as aware of invalidity. (If this is not done by close of business on Notification Date, SAA will assume that the data are valid.)	FAA	SAA	Notification of invalidity	Tel/Fax
3.2.6	Using its best endeavours	Resolve problem and send revised SAA Settlement Results	SAA	FAA	Revised Credits and Debits Report	Electronic
3.2.7	If valid results available in time for production and despatch processes to be run	Run FTS	FAA			Internal Process
3.2.8	Not later than 17:00 on Notification Date	Send Advice Notes / Statements (Backing Documentation)	FAA	Each Payment Party	Advice Notes showing the amount that is to be paid by the Party to the Code Clearer or to that Payment Party by the Code Clearer on that Payment Date. Sample in Appendix 4.1.1.	Advice Note -Auto fax, confirmed by 1 st Class post Backing Sheet – 1 st Class Post and optionally by e-mail
3.2.9	Not later than 17:00 on Notification Date	Send Bank Reports (Payment Instructions)	FAA	BSC Banker Collection Banks	Bank Reports containing details of amounts payable by each Party and the amount to be remitted to the Clearing Account by each Collection Bank example in Appendix 4.1.2	Fax

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.2.10	By close of business on Notification Date	If it is not possible to determine the amounts to be incorporated in Advice Notes, then postpone Payment Date so that it falls on the second Business Day after the date on which the FAA validates the information from the SAA. (or such later day as the Panel may from time to time decide).	FAA	BSCCo SAA Payment Parties	Advice of Postponed Payment Date	Fax
3.2.11	If Payment Date postponed	Resume at 3.2.6 above on the next Business Day (so that the postponed Payment Date is the second Business Day after valid Settlement Results received)				

1.33.3 Payment Procedure

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
	In the case of expected non-payment or shortfall in payment					
3.3.1	By 12:00 Close of Banking Business on Payment Date	Advise that a payment will not be credited to the relevant Collection Account or there will be a shortfall in payment	BSC Debtor or relevant Collection Bank	FAA	Collection Bank name, Payment Date, BSC Party, shortfall in funds, deadline for resolution	Telephone, Fax
3.3.2	As soon as it becomes aware that a payment has not or will not be credited	Establish the reason	FAA	BSC Debtor		Telephone, Fax
3.3.3	By 12:30 Close of Banking Business on Payment Date	Notifies the FAA that there will be an amount in default	Settlement Bank	FAA		
	In the case of excess payment					
3.3.4	By 12:30 Close of Banking Business on Payment Date	Advise payment by BSC Debtor	Collection Bank	FAA		
3.3.5	By 13:30 Close of Banking Business on Payment Date	Advise amounts credited to the Clearing Account	BSC Banker	FAA		
3.3.6	By 14:30 Close of Banking Business on Payment Date	If there is an excess payment, ascertain the nature of the excess payment, calculate the entitlement and instruct the BSC Banker to credit the relevant account	FAA	BSC Banker		

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
	<i>In the case of normal payments by BSC Debtors</i>					
3.3.7	By 12:00 <u>Close of Banking Business</u> on Payment Date	Send funds	Party	Collection Account at relevant Collection Bank	Payment initiation instructions	Manual or electronic via CHAPS / BACS / DD
3.3.8	When all funds received	Send notification that funds received	Collection Banks	FAA	Collection Bank name, Payment Date, total amount received, confirmation that transfer to Clearing Account has been initiated	Fax / Phone
3.3.9	Not later than <u>By 13:00 Close of Banking Business</u> on Payment Date	Confirm that all amounts have been credited to the Collection Account	FAA		FAA to contact Parties in the event of non-payment and find out reason for non-payment.	Internal Process
3.3.10	Not later than <u>By 13:30 Close of Banking Business</u> on Payment Date	FAA to ensure that all amounts credited to each Collection Account have been remitted to the Clearing Account	Collection Banks	Clearing Account		
3.3.11	Not later than 14:30 on Payment Date	Reconcile the actual amounts credited and remitted as above	FAA			
3.3.12	Within 2WD of Payment Date	Send Confirmation Notice	FAA	Party	Confirmation Notice for each Party who received an Advice Note for the relevant Payment Date; will detail amounts received from the Party inclusive and exclusive of VAT. See sample form in Appendix.	First Class Post
	<i>In the case of payments to BSC Creditors</i>					

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.3.13	Prior to 14:30 on Payment Date	Calculate the amounts available for payment by the BSC Clearer to BSC Creditors	FAA			Internal Process
3.3.14	Not later than 14:30 on Payment Date	Arrange for remittance from the Clearing Account to the relevant Settlement Accounts and if required arrange for transfers from the Reserve Account or Borrowing Account to the Clearing Account.	FAA	BSC Banker		
3.3.15	Within 2WD of Payment Date	Send Confirmation Notice	FAA	Party	Confirmation Notice for each Party who received an Advice Note for the relevant Payment Date; will detail amounts paid to the Party inclusive and exclusive of VAT. See sample form in Appendix 4.1.3.	First Class Post

1.43.4 Payment Default

<u>REF</u>	<u>WHEN</u>	<u>ACTION</u>	<u>FROM</u>	<u>TO</u>	<u>INFORMATION REQUIRED</u>	<u>METHOD</u>
3.4.1	By Close of Banking Business on the Payment Date	Calculate the Amount in Default for any Affected Party in accordance with section N of the Code	FAA			Internal Process
3.4.2	After 3.4.1 and by Close of Banking Business on the Payment Date	If a Credit Facility is available to the BSC Clearer, make a drawing by debiting the Borrowing Account and crediting the Clearing Account with a sum being the lesser of the Amount in Default and the amount available for drawing under the Credit Facility.	FAA			Internal Process
3.4.3	After 3.4.2 and by Close of Banking Business on the Payment Date	If there is still an Amount in Default after 3.4.2, contact the relevant Party and notify BSCCo that there is an Amount in Default and that this will be paid by debiting Cash Cover from their Reserve Account or calling on their Letter of Credit.	FAA	Party BSCCo	FAA to confirm whether there is adequate Credit Cover in place.	Telephone
3.4.4	After 3.4.3 and by Close of Banking Business on the Payment Date	If the Party fails to pay the Amount in Default, debit the Reserve Account and credit the Clearing Account with a sum being the lesser of the Amount in Default and any Cash Cover available.	FAA			Internal Process

<u>REF</u>	<u>WHEN</u>	<u>ACTION</u>	<u>FROM</u>	<u>TO</u>	<u>INFORMATION REQUIRED</u>	<u>METHOD</u>
3.4.5	After 3.4.4 and by Close of Banking Business on the Payment Date	If there is still an amount in default after 3.4.4, call on the Letter(s) of Credit supplied by the relevant Party for a sum not exceeding the lesser of the Amount in Default and the available amount of such Letter(s) of Credit, and use the proceeds of such calling on the Letter of Credit to be paid into the Clearing Account.	FAA			Internal Process
3.4.6	After 3.4.5 and by Close of Banking Business on the Payment Date	If there is still an Amount in Default after 3.4.5, reduce payments by the BSC Clearer to all BSC Creditors in proportion to the amounts payable to them.	FAA	Party		Electronic via CHAPS / BACS
3.4.7	On Payment Date + 1	If the FAA reduced payments to BSC Creditors on the Payments Date, debit the Borrowing Account with the sum being the lesser of the Amount in Default and that available in the Borrowing Account and credit the Settlement Accounts of the Shortfall Creditors.	FAA	Party		Electronic via CHAPS / BACS
3.4.8	On Payment Date + 1	If there is still an Amount in Default after 3.4.7, debit the Reserve Account with a sum being the lesser of the Amount in Default and the relevant Party's Cash Cover and credit the Settlement Accounts of the Shortfall Creditors.	FAA	Party		electronic via CHAPS / BACS
3.4.9	On Payment Date + 1	Send notification of any action that has been undertaken and provide details of outstanding defaults.	FAA	BSCCo		Telephone and/or email

<u>REF</u>	<u>WHEN</u>	<u>ACTION</u>	<u>FROM</u>	<u>TO</u>	<u>INFORMATION REQUIRED</u>	<u>METHOD</u>
3.4.10	Between Payment Date + 2 or maximum date in accordance with Appendix 4.3	If there is still an Amount in Default issue a Payment Default Notice giving the Party 3 Business Days to pay the amount in full before progressing the matter to the Panel in accordance with section H of the Code.	BSCCo	Party		Email, letter or fax
3.4.11	Between Payment Date + 2 or maximum date in accordance with Appendix 4.3	If the FAA has made a Drawing by debiting the Borrowing Account and the Amount in Default is not paid in full by the relevant Party, debit the Reserve Account with a sum being the lesser of the Amount in Default and the Cash Cover and credit the Borrowing Account with that sum.	FAA			Internal Process
3.4.12	After 3.4.11 and between Payment Date + 2 or maximum date in accordance with Appendix 4.3	If there is still an Amount in Default after 3.4.11, call on the Letter(s) of Credit supplied by the relevant Party for a sum not exceeding the lesser of the Amount in Default and the available amount of such Letter(s) of Credit., and use the proceeds of such call to be paid into the Borrowing Account.	FAA			Internal Process
3.4.13	After 3.4.12 and between Payment Date + 2 or maximum date in accordance with Appendix 4.3	If there is still an Amount in Default after 3.4.12, determine each Party's Default Share Amount in accordance with section N of the Code	FAA			Internal Process

<u>REF</u>	<u>WHEN</u>	<u>ACTION</u>	<u>FROM</u>	<u>TO</u>	<u>INFORMATION REQUIRED</u>	<u>METHOD</u>
3.4.14	After 3.4.13 and between Payment Date + 2 or maximum date in accordance with Appendix 4.3	Despatch to each Payment Party other than the Non-paying BSC Debtor, an Advice Note showing the amount or amounts determined in section N of the Code.	FAA	Party		Advice Note -Auto fax, confirmed by 1st Class post Backing Sheet – 1st Class Post and optionally by e-mail
3.4.15	3 WD after 3.4.10	Escalate the defaulting Party to the Panel in accordance with section H of the Code.	BSCCo	Panel		Panel paper

[This section has been removed, please reference Code Section N Paragraph 9.](#)

4.53.5 Maintain Arrangements with Banks**4.13.5.1 Obtain new and changed banking details and authorisations**

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.5.1.1	As required	Send completed and authorised Funds Accession Form”	Payment Party	FAA	Sample form in Appendix 4.1.4 Signatory must be authorised as per BSCP 38	Manual
3.5.1.2	Within 4 WD of 3.5.2.2	Check Payment Party’s details against those received from CRA	FAA			Internal Process
3.5.1.3	Within 10 WD of 3.5.2.1	Establish / revise transfer details	FAA	Party Banks	Direct Debit instructions, CHAPS, BACS	Manual
3.5.1.4	Before the new Party can take part in Trading Arrangements	Set up and test banking communication links in accordance with BSCP65	FAA	BSC Banker, Collection Banks	As required	Internal Process

1.1.23.5.2 Quarterly / Ad hoc Statements (provided to Parties and Customs and Excise for VAT purposes)

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.5.2.1	At the end of each Quarter or ad-hoc as requested	Produce & Send Quarterly / Ad-hoc Statements	FAA	Parties	Settlement Run data, dispute payments/ receipts, interest from Reserve Account	Post
3.5.2.2	Promptly	Review Quarterly / Ad-hoc Statements	Parties			Internal Process
3.5.2.3	- if discrepancy	Raise query	Parties	FAA		Phone / Fax
3.5.2.4		Resolve discrepancy	FAA Parties			Phone / Fax
3.5.2.5	Once Quarterly / Ad-hoc Statement agreed	Send Confirmation that statement acceptable	Parties	FAA		Fax/ Post
3.5.2.6	After 3.5.3.5	Send copy of Quarterly / Ad-hoc Statement & Confirmation	FAA	BSCCo BSC Auditor	Settlement Run data, dispute payments/ receipts, interest on security cover.	Post

1.63.6 Manage Credit Cover

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.6.1	At any time	Notify desired level of credit cover	Trading Party	FAA	Desired Credit Cover or Energy Credit Cover	Fax
3.6.2	Within 1 WD of 3.6.1	Confirm amount of credit cover to be provided or withdrawn	FAA	Trading Party	Amount to be provided	Fax
	<i>in case of reduction of credit cover</i>					
3.6.3	At any time	Request reduction in credit cover	Trading Party	ECVAA	Credit cover minimum eligible amount request (Form BSCP301/06)	Fax/Email
3.6.4	On Working Day when request is received ¹	Request minimum eligible amount calculation rule	ECVAA	BSCCo	Trading Party identifier and date of request	Email
3.6.5	On same Working Day as 3.6.4	Notify minimum eligible amount calculation rule	BSCCo	ECVAA	Minimum eligible amount calculation rule	Email
3.6.6	On first Working Day after the expiry of the Waiting Period ² or on the date of receipt of the rule confirmation by BSCCo, whichever is the later	Calculate minimum eligible amount	ECVAA			

¹ A request can only be received and processed on a Working Day. Where requests are received after 3pm, the next Working Day will be deemed to be the day of receipt. If a request were to arrive at ECVAA after 3pm on Friday, the Settlement Day on which the Waiting Period commences will be the following Monday.

² The definition of the Waiting Period is dependent on the Minimum Eligible Amount calculation rule specified by BSCCo in Step 3.6.5 as follows:

- If BSCCo specifies that the 75% rule shall be applied then the Waiting Period is defined as the period of 10 Settlement Days commencing on the Settlement Day on which the Trading Party's request for a reduction in credit cover is received by the ECVAA.
- If BSCCo specifies that the 80% rule shall be applied then the Waiting Period is defined as the period of 1 Settlement Day commencing on the Settlement Day on which the Trading Party's request for a reduction in credit cover is received by the ECVAA.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.6.7	On same Working Day as 3.6.6	Notify minimum eligible amount	ECVAA	FAA Trading Party	Minimum eligible amount (Form BSCP301/07)	Fax/Email
3.6.8	Not later than second Working Day after 3.6.7	Request reduction of Credit Cover	Trading Party	FAA	Details of LC reduction/cash withdrawal	Letter/Fax/Email
3.6.9	In response to 3.6.8	Consent to reduction/withdrawal	FAA	Trading Party or BSC Banker	Notification of consent or instruction to transfer money or return or exchange LC	Letter/Fax
	<i>in case of creation or increase of credit cover</i>					
3.6.10	By 15:00 on any WD (if later, this will be treated as done on the next WD)	Provide cash and/or letters of credit	Trading Party	FAA	Details of cash/letter of credit	Letter/Fax
3.6.11	On the WD of 3.6.10	Assess whether credit cover is substantially in a form approved by BSCCo	FAA			Internal process
	<i>if in any other form</i>					
3.6.12	Within 1 WD of 3.6.10	Notify BSCCo	FAA	BSCCo	Form of credit cover	Fax
3.6.13	By 15:00 on any WD (if later, this will be treated as done on the next WD)	Approve (or not) form of credit cover	BSCCo	FAA	Approval or disapproval	Fax
	<i>in any case</i>					
3.6.14	On the WD specified in 3.6.13 (if applicable) or 3.6.10 (otherwise)	Calculate Credit Cover and Energy Credit Cover	FAA			Internal process
3.6.15	On the WD specified in 3.6.13 (if applicable) or 3.6.10 (otherwise)	Notify Energy Credit Cover to ECVAA	FAA	ECVAA	Energy Credit Cover	Electronic

1.73.7 Ad Hoc Inputs

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.7.1	On-going as applicable	Determine changes of Credit Ratings for issuers of Letters of Credit, using Credit Agency data	FAA		Credit rating information	Internal Process
3.7.2	On-going as applicable	Send notification of Bank Base Rate changes	BSC Banker	FAA	Details of current and historic Base Rates	Manual
3.7.3	On-going as applicable	Send notification of VAT Rate changes	BSCCo	FAA	Details of current and historical VAT Rates	Manual
3.7.4	On-going as applicable	Send notification of Income tax Rates	BSCCo	FAA	Details of current and historic Income Tax Rates	Manual
3.7.5	On-going as applicable	Send Information Exception Report	ECVAA	FAA	Data exceptions	Electronic
3.7.6	On-going as applicable	Send new value of Credit Assessment Price	BSCCo	FAA ECVAA Trading Parties	Credit Assessment Price and effective date	Manual

4 Appendices

[1.14.1](#) Summary of Forms


4.1.1 BSCP301/01 Advice Note

Settlement Date	Sett Code	Description	Amount	Total Inc Vat
21-JUL-2000	EP	Amount Payable	£3,892.00	£4,283.36
		Gross Interest	£3.78	£3.78
		Income Tax @15%	(£0.57)	(£0.57)
29-JUN-2000	R1	Amount Receivable	(£1,494.00)	(£1,755.45)
		Gross Interest	(£2.07)	(£2.07)
		Income Tax @15%	£0.31	£0.31
30-JUN-1999	RP	Amount Receivable	(£157.00)	(£188.80)
		Gross Interest	(£20.06)	(£20.06)
		Income Tax @15%	£3.01	£3.01
Total Amount Payable Net of Income Tax				£2,263.51

DO NOT NET YOUR PAYABLES TO YOUR RECEIVABLES

A wholly owned subsidiary of The National Grid Company plc. Regd. in England No 2444187 VAT No 547 8638 11

ADVICE NOTE



ELEXON
ELEXON CLEAR LIMITED

Energy Pool Funds Administration Ltd.
 Room 301
 185 Park Street
 London
 SE1 9DY
Telephone (020) 7620 9789
Fax No (020) 7401 2799

Date 08-NOV-2000

Name ANGLIAN POWER

Address gedgdggdfg
gdgd

Advice Note 53
Payment Date 18-AUG-2000
Page 2 of 2

Fax No

THIS IS NOT A TAX INVOICE


VAT Code	Description	Trade Value	VAT Rate	VAT Amount	Total Inc VAT
	VAT Amount Receivable				
D	Discounted Rate	(€165.00)	8.00	(€13.20)	(€178.20)
S	Standard Rate	(€1,500.00)	17.50	(€262.50)	(€1,762.50)
	VAT Amount Payable				
D	Discounted Rate	€3,892.00	8.00	€311.36	€4,203.36
S	Standard Rate	€14.00	17.50	€2.45	€16.45


DO NOT NET YOUR PAYABLES TO YOUR RECEIVABLES

A wholly owned subsidiary of The National Grid Company plc. Regd. in England No 2444187 VAT No 547 8638 11

[1.1.24.1.2](#) BSCP301/02

Bank Advice Report (Payment Instructions)

Bank Advice Report		08-NOV-2000 TESTUSER Version 2.05 Page 1	 ELEXON CLEAR LIMITED
<i>Funds Transfer System</i>			
BSC Clearing Bank Receipt Advice			
Payment Date: 09-OCT-2000		Time Run: 14:48:59	
<u>Account Details</u>	<u>Amount Receivable</u>	<u>For Bank Use Only</u> <u>Amount Received</u>	
(Collection Bank not defined)	£26,148.72	.....
Total	£26,148.72		
Authorized Signature:			

Bank Advice Report		08-NOV-2000 TESTUSER Version 2.05 Page 2	 ELEXON CLEAR LIMITED
Funds Transfer System			
Collection Bank Advice			
Payment Date: 25-OCT-2000		Time Run: 14:45:59	
(Collection Bank not defined)			
<u>Member Account Details</u>	<u>Amount Payable</u>	<u>For Bank Use Only</u> <u>Amount Paid</u>	
INTERCONNECTOR OSHB (BSC Clearing Bank not defined)			
Advice Note:	1 BSC Party Billing	£484.69	
	11 BSC Party Billing	£484.69	
		£969.38	.....
LICENSED GENERATOR 1 (BSC Clearing Bank not defined)			
Advice Note:	3 BSC Party Billing	£3,845.19	
	13 BSC Party Billing	£3,845.19	
		£7,690.38	.....
LICENSED SUPPLIER 1 (BSC Clearing Bank not defined)			
Advice Note:	6 BSC Party Billing	£2,122.93	
	16 BSC Party Billing	£2,122.93	
		£4,245.86	.....
LICENSED SUPPLIER 2 (BSC Clearing Bank not defined)			
Advice Note:	7 BSC Party Billing	£3,684.05	
	17 BSC Party Billing	£3,684.05	
		£7,368.10	.....
NATIONAL GRID COMPANY (NOC) (BSC Clearing Bank not defined)			
Advice Note:	9 BSC Party Billing	£2,917.50	
	19 BSC Party Billing	£2,917.50	
		£5,835.00	.....
ORDC NAME (BSC Clearing Bank not defined)			
Advice Note:	10 BSC Party Billing	£0.00	
	20 BSC Party Billing	£0.00	
		£0.00	.....

Bank Advice Report

08-NOV-2000
TESTUSER
Version 2.05
Page 3



ELEXON CLEAR LIMITED

Funds Transfer System

Collection Bank Advice

Payment Date: 05-OCT-2000

Time Run: 14:48:53

(Collection Bank not defined)

Member Account Details

Amount Payable

For Bank Use Only
Amount Paid

Total For Collection Bank

£26,348.72

Authorized Signature:

Bank Advice Report

08-NOV-2000
 TESTUSER
 Version 2.05
 Page 4



ELEXON CLEAR LIMITED

Funds Transfer System

BSC Clearing Bank Advice

Payment Date: 05-OCT-2000

Time Run: 14:48:58

Member Account Details

Amount Payable

**For Bank Use Only
Amount Paid**

BSCROW ACCOUNT

(BSC Clearing Bank not defined)

Advice Note	6 BSC Party Billing	£0.01	
	18 BSC Party Billing	£0.01	
		<hr/>	
		£0.02	.....

LICENSED GENERATOR 2

(BSC Clearing Bank not defined)

Advice Note	4 BSC Party Billing	£586.62	
	14 BSC Party Billing	£586.62	
		<hr/>	
		£1,173.24	.....

SYSTEM OPERATOR

(BSC Clearing Bank not defined)

Advice Note	6 BSC Party Billing	£7,345.43	
	15 BSC Party Billing	£7,345.43	
		<hr/>	
		£14,690.86	.....

TRADER NOT PHYSICAL


(BSC Clearing Bank not defined)

Advice Note	1 BSC Party Billing	£5,342.38	
	12 BSC Party Billing	£5,342.38	
		<hr/>	
		£10,684.76	.....

Total for BSC Clearing Bank

£26,148.72

Authorized Signature:

Bank Advice Report		08-NOV-2000 TESTUSER Version 2.05 Page 5	 ELEXON CLEAR LIMITED
<i>Funds Transfer System</i>			
BSC Clearing Bank Advice (Office Copy)			
Payment Date: 05-OCT-2000		Time Run: 14:48:58	
<u>Details</u>	<u>Total</u>	<u>For Bank Use Only</u>	
Total Receipts:	£26,148.73	.....
Total Payment:	£26,148.72	.....
Difference:	£0.00		
Authorized Signature:			
*** END OF REPORT ***			

1.1.34.1.3 BSCP301/03

Confirmation Notice

Settlement Date		Sett Code	Description	Amount Exc Vat	Vat Amount	Total Inc Vat
21-JUL-2000	SF		Amount Paid	£3,892.00	£311.36	£4,203.36
			Gross Interest	£3.78		£3.78
			Income Tax @15%	(£0.57)		(£0.57)
29-JUN-2000	RI		Amount Received	(£1,494.00)	(£261.45)	(£1,755.45)
			Gross Interest	(£2.07)		(£2.07)
			Income Tax @15%	£0.31		£0.31
30-JUN-1999	RP		Amount Received	(£167.00)	(£11.00)	(£168.00)
			Gross Interest	(£20.06)		(£20.06)
			Income Tax @15%	£3.01		£3.01
Total Amount Paid Net of Income tax						£2,263.51

A wholly owned subsidiary of The National Grid Company plc. Regd. in England No 2444187 VAT No 547 8638 11

VAT Code	Description	Trade Value	VAT Rate	VAT Amount	Total Inc VAT
VAT Amount Received					
D	Discounted Rate	(€165.00)	8.00%	(€13.20)	(€178.20)
S	Standard Rate	(€1,500.00)	17.50%	(€262.50)	(€1,762.50)
VAT Amount Paid					
D	Discounted Rate	€3,892.00	8.00%	€311.36	€4,203.36
S	Standard Rate	€14.00	17.50%	€2.45	€16.45

A wholly owned subsidiary of The National Grid Company plc. Regd. in England No 2444187 VAT No 547 8630 11

1.1.44.1.4 BSCP301/04**Funds Accession Form**

Party Name:			
Party Address:			
Company Registered Number:			
Address details for Advice Note:			
Point of Contact Telephone Number:			
Point of Contact Facsimile Number:			
Point of Contact e-mail:			
Collection Bank ³ :	Barclays Bank Natwest Royal Bank of Scotland HSBC	Elect Method of Payment ¹	CHAPS BACS Direct Debit

Settlement Bank Name:

Settlement Bank Address:

Settlement Bank Sort Code:

Settlement Account Number:

Settlement Name of Account:

Settlement Bank Contact Details

Authorised Signature:

Name:


³ Delete as appropriate

4.1.5 BSCP301/5 Advice Note Backing Sheet

Advice Note Backing Sheets

Funds Transfer System

10-OCT-2000



Page 1 of 2 ELEXON CLEAR LIMITED

Advice Note No 53

Payment Date 18-AUG-2000

BSC Party

ANGLIAN POWER

Sett Date: 21-JUL-2000	Sett Date: 29-JUN-2000	Sett Date: 30-JUN-1999
Current	Current	Current
Sett Code: SF	Sett Code: R1	Sett Code: RF
Pay Date: 18-AUG-2000	Pay Date: 18-AUG-2000	Pay Date: 18-AUG-2000
Charge	Amount	VAT
B	0.00	S
E	0.00	D
I	0.00	S
N	3,892.00	D
R	0.00	S
S	0.00	S
Total	3,892.00	
Difference	3,892.00	
Interest	3.78	
VAT	311.36	
Tax	(0.57)	
Amount	4,206.57	

Sett Date: 29-JUN-2000	Sett Date: 30-JUN-1999	Sett Date: 30-JUN-1999
Current	Current	Current
Sett Code: R1	Sett Code: RF	Sett Code: RF
Pay Date: 18-AUG-2000	Pay Date: 18-AUG-2000	Pay Date: 18-AUG-2000
Charge	Amount	VAT
B	0.00	S
E	0.00	D
I	0.00	S
N	0.00	D
R	6.00	S
S	0.00	S
Total	6.00	
Difference	(1,494.00)	
Interest	(2.07)	
VAT	(261.45)	
Tax	0.31	
Amount	(1,757.21)	

Sett Date: 30-JUN-1999	Sett Date: 30-JUN-1999	Sett Date: 30-JUN-1999
Current	Current	Current
Sett Code: RF	Sett Code: RF	Sett Code: RF
Pay Date: 18-AUG-2000	Pay Date: 18-AUG-2000	Pay Date: 18-AUG-2000
Charge	Amount	VAT
B	0.00	S
E	0.00	D
I	0.00	S
N	(165.00)	D
R	8.00	S
S	0.00	S
Total	(157.00)	
Difference	(157.00)	
Interest	(20.06)	
VAT	(11.80)	
Tax	3.01	
Amount	(185.85)	

Charge Type Descriptions :

B Daily Party BM Unit Cashflow	E Daily Party Energy Imbalance Cashflow
I Daily Party Information Imbalance Cashflow	N Daily Party Non-Delivery Charge
R Daily Party Residual Settlement Cashflow	S Daily System Operator BM Cashflow

Advice Note Backing Sheets

10-OCT-2000



Funds Transfer System

Page 2 of 2

ELEXON CLEAR LIMITED

Advice Note No 53 Payment Date 18-AUG-2000 BSC Party ANGLIAN POWER

Settlement Code	RF	Settlement Date	30-JUN-1999				
Start Date	End Date	No of Days	Principal	Interest Rate	Interest Amount	Total Including Interest	
18-AUG-2000	17-AUG-2000	0	(157.0000)	2.20	0.0000	(157.0000)	
					Total Interest	(20.06)	

Settlement Code	R1	Settlement Date	29-JUN-2000				
Start Date	End Date	No of Days	Principal	Interest Rate	Interest Amount	Total Including Interest	
18-AUG-2000	17-AUG-2000	0	(1,494.0000)	2.20	0.0000	(1,494.0000)	
					Total Interest	(2.07)	

Settlement Code	BP	Settlement Date	21-JUL-2000				
Start Date	End Date	No of Days	Principal	Interest Rate	Interest Amount	Total Including Interest	
18-AUG-2000	29-AUG-2000	12	3,892.0000	2.20	2.8160	3,894.8160	
30-AUG-2000	31-AUG-2000	2	3,894.8160	4.50	0.9604	3,895.7764	
					Total Interest	3.78	

4.1.6 BSCP301/06 Minimum Eligible Amount Request Form

From:		To:	
Party ID*		Party ID*	
Party Role*		Party Role*	
Name of sender*		Date Sent*	
Signature*			
Password			

* Denote a mandatory field

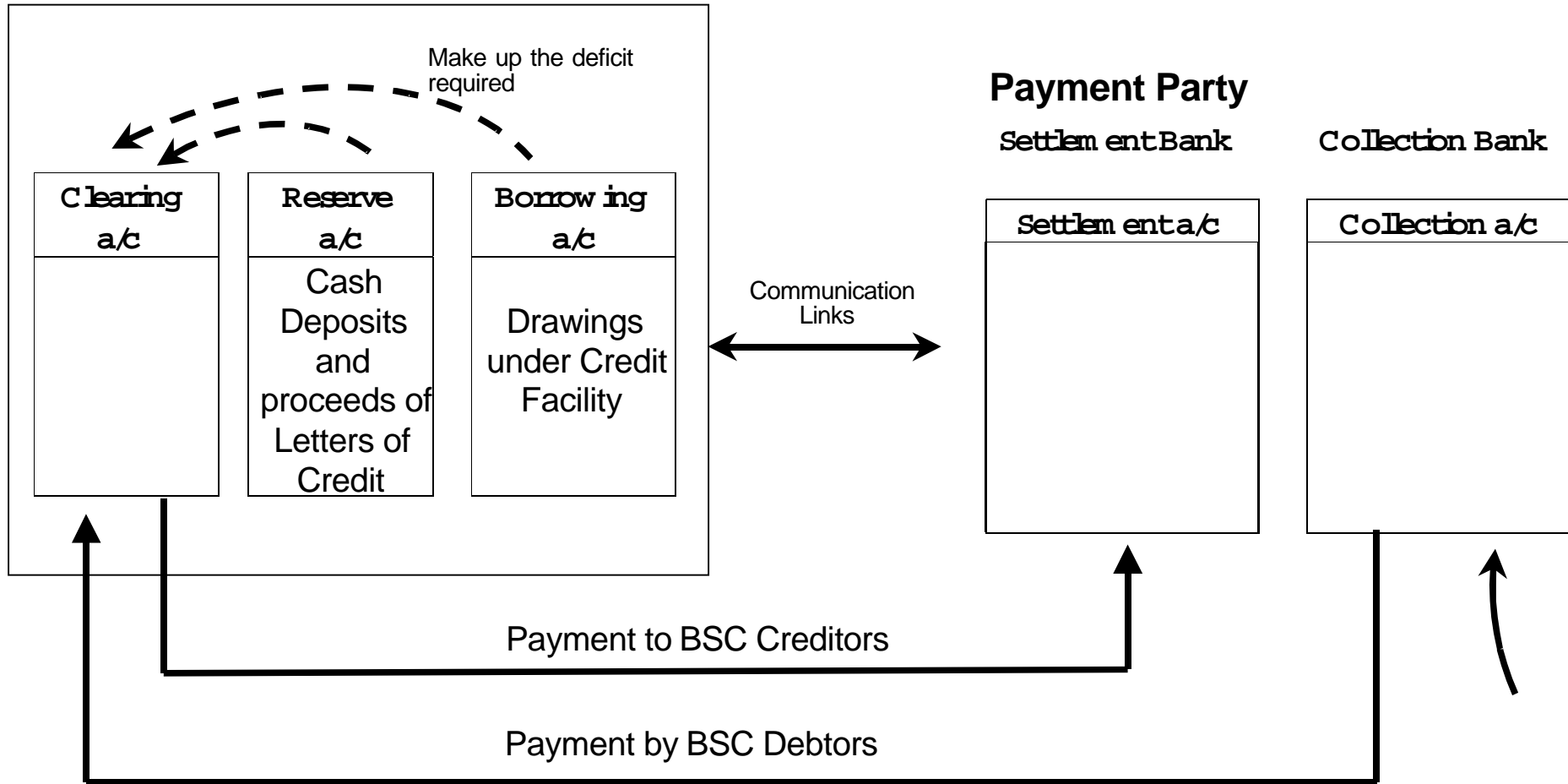
4.1.7 BSCP301/07 Minimum Eligible Amount Report Form

From:		To:	
Party ID*		Party ID*	
Party Role*		Party Role*	
Name of sender*		Date Sent*	
Signature*			
Password			

Minimum Eligible Amount Details	
BSC Party ID*	
Minimum Eligible Amount Rule (75 or 80%)*	
Waiting Period Start Date*	
Waiting Period End Date*	
Maximum Indebtedness Settlement Day*	
Maximum Indebtedness Settlement Period*	
Minimum Eligible Amount (MWh)*	

* Denote a mandatory field

1.24.2 Bank Accounts Context Diagram



4.24.3 Payment Default Thresholds

The timescales in section 3.4 will differ depending on the cumulative Amount in Default in accordance with the following categories:

<u>Category</u>	<u>Amount in Default</u>	<u>Maximum timescale for steps 3.4.11 to 3.4.15</u>
<u>1</u>	<u>Greater than £250,000</u>	<u>Payment Date +2 WD</u>
<u>2</u>	<u>Between £20,000 and £250,000</u>	<u>Payment Date +7 WD</u>
<u>3</u>	<u>Less than £20,000</u>	<u>Payment Date +15 WD</u>

These are the parameters by which the FAA will operate, however BSCCo may request that these actions are progressed within shorter timescales if appropriate.