

Modification P19 – Original Modification

The following text would be inserted in Section P.

2.3A Rectification of ECV Notification Errors

2.3A.1 For the purposes of this paragraph 2.3A:

- (a) an ECV notification error (“**ECV Notification Error**”) occurs where and only where:
 - (i) the information contained in an Energy Contract Volume Notification (taken together with any prior Energy Contract Volume Notification that remains in force pursuant to paragraph 2.3.5(b)) does not, at Gate Closure for any Settlement Period to which that notification relates, accurately reflect a trade of Active Energy; or
 - (ii) a trade of Active Energy is not, at Gate Closure for any Settlement Period to which that trade of Active Energy relates, reflected in an Energy Contract Volume Notification;
- (b) in relation to a claim under paragraph 2.3A.2 for rectification of an ECV Notification Error, a trade of Active Energy is:
 - (i) an agreement between two Trading Parties for the sale and purchase of a quantity (or quantities) of Active Energy in relation to one or more Settlement Periods; or
 - (ii) a resolution on the part of a single Trading Party to transfer Energy Contract Volume(s) from one of its Energy Accounts to the other which has been implemented within the Trading Party’s own books or other records of account.

2.3A.2 In relation to ECV Notification Errors:

- (a) where a Party considers that there has been an ECV Notification Error in relation to any trade of Active Energy to which it is Party, it may, subject to paragraph 2.3A.2(b), as soon as reasonably practicable after becoming aware of the ECV Notification Error and, in any event, no later than 72 hours after [the end of the Settlement Period(s) in relation to which the Party seeks rectification of such error], make a claim for rectification of the ECV Notification Error by giving notice of such claim to BSCCo, together with details of the other Party (if any) to the relevant trade of Active Energy;
- (b) where a Party makes a claim for rectification of an ECV Notification Error, it shall pay a fee to BSCCo, the amount of which (for each such claim) shall be £5,000, or such other amount as the Panel may from time to time, after consultation with Parties, determine upon not less than 30 days’ notice to Parties, which fee shall not be reimbursed in any circumstances;
- (c) where a Party gives notice of a claim for rectification of an ECV Notification Error to BSCCo, BSCCo shall within 24 hours of receiving such notice forward the notice to the Energy Contract Volume Aggregation Agent, and to all Contract Trading Parties and Volume Notification Agents.

2.3A.3 The Panel shall consider claims for rectification of ECV Notification Errors in accordance with the following provisions:

- (a) for the avoidance of doubt, the Panel may establish or appoint a Panel Committee to discharge its functions under this paragraph 2.3A, and (notwithstanding Section W2.2) the Panel may appoint the Trading Disputes Committee, and (if so appointed) that Committee shall have the ability and competence, to do so;
- (b) where a claim for rectification of an ECV Notification Error is made:
 - (i) the Panel Secretary shall arrange for the claim to be placed on the agenda of the Panel (consistently with paragraph 2.3A4(b)(iii)), and shall request:
 - (1) the Party claiming rectification of the ECV Notification Error to provide such evidence and information supporting its claim as it may consider appropriate to resolve the claim; and
 - (2) the Energy Contract Volume Aggregation Agent to provide comments in relation to the claim;
 - (ii) the Panel shall determine in its opinion whether there was an ECV Notification Error and (if so) shall also determine what adjustments are to be made to the relevant Energy Contract Volume Notification or (in the case of an ECV Notification Error under paragraph 2.3A.1(a)(ii)) what Energy Contract Volume Notification should be treated as having been submitted in respect of the relevant Settlement Period(s);
 - (iii) the Panel shall wherever practicable consider and determine the claim in time for any such adjustments to be taken into account in the Initial Settlement Run;
 - (iv) the Panel Secretary shall notify the Panel's determinations to the Energy Contract Volume Aggregation Agent and to all Contract Trading Parties and Volume Notification Agents; and
 - (v) the fee under paragraph 2.3A.2(b) shall be invoiced as and included in determining BSCCo Charges for the relevant Party for the next month for which BSCCo Charges are invoiced following the notification of the Panel's determination under paragraph 2.3A4(b)(iv), and shall be paid accordingly;
- (c) the determination of the Panel (or any Panel Committee established or appointed under paragraph 2.3A(a)) as to whether there was an ECV Notification Error, and (if so) what adjustments are to be made under paragraph 2.3A4(b)(ii), shall be final and binding on all Parties.

2.3A.4 Where the Panel has determined pursuant to paragraph 2.3A.3(b)(ii) that adjustments are to be made to the relevant Energy Contract Volume Notification or that an Energy Contract Volume Notification should be submitted:

- (a) a notification in such terms shall be treated as having been submitted by the relevant Energy Contract Volume Notification Agent in respect of the relevant Settlement Period(s) in accordance with paragraph 2.3A.4(b);
- (b) subject to paragraph 2.3A.5, an Energy Contract Volume Notification submitted in accordance with paragraph 2.3A.4(a):

- (i) shall be deemed (for the purposes of the Code) to have been received:
 - (1) in the case of an ECV Notification Error under paragraph 2.3A.1(a)(i), at the time at which the original such notification was received; or
 - (2) in the case of an ECV Notification Error under paragraph 2.3A.1(a)(ii), at the time immediately before Gate Closure for the first Settlement Period to which the relevant trade of Active Energy relates;
- (ii) if valid in accordance with paragraph 2.3.4, shall, notwithstanding that it may be submitted after Gate Closure for any Settlement Period, be in force and (subject to paragraph 2.4) effective for Settlement Periods for which:
 - (1) in the case of an ECV Notification Error under paragraph 2.3A.1(a)(i), the original Energy Contract Volume Notification would (consistent with paragraph 1.2.4) have been in force; or
 - (2) in the case of an ECV Notification Error under paragraph 2.3A.1(a)(ii), the trade of Active Energy relates.

2.3A.5 Where an Energy Contract Volume Notification (the "**rectified notification**") is treated as having been submitted in accordance with paragraph 2.3A.4(a), such notification shall be taken into account for the purposes of the determination of the relevant Contract Trading Parties' Credit Cover Percentages in relation to Settlement Periods for which Gate Closure occurs after, but not earlier than, the time of the rectification, and accordingly:

- (a) where, in accordance with Section M, a relevant Contract Trading Party was treated before the time of the rectification as being in Credit Default and would not have been so treated had the rectified notification been submitted,
 - (i) Section M3.5 shall not apply; and such Party shall not be entitled to any right or remedy in respect of being so treated;
 - (ii) to the extent that, as a result of such Party being so treated, any other Volume Notification was treated as rejected (in relation to any Settlement Period) or refused in accordance with paragraph 2.4 or 3.4, such refusal or rejection shall not be affected or prejudiced by the rectification of the ECV Notification Error and Section M4 shall not apply in relation thereto;
- (b) where, in accordance with Section M, a relevant Contract Trading Party would have been treated before the time of the rectification as being in Level 2 Credit Default had the rectified notification been submitted, and was not so treated, the rectification of the ECV Notification Error shall not affect or prejudice any other Volume Notification which was not treated as refused before, or rejected as to Settlement Periods for which Gate Closure was before, the time of the rectification;

and for the purposes of this paragraph 2.3A.5, the time of the rectification of an ECV Notification Error is the time with effect from which the ECVAA enters into its BSC Agent System the adjustments determined under paragraph 2.3A3(b)(ii).

2.3A.6 The provisions of this paragraph 2.3A shall apply in respect of a trade in Active Energy relating to any Settlement Period (since the Go-live Date), whether before, on or after the date on which such provisions come into effect, provided that:

- (a) no claim for rectification of an ECV Notification Error relating (in whole or in part) to any Settlement Period for which Gate Closure has occurred prior to the date on which the provisions of this paragraph 2.3A come into effect may be made after the expiration of five days from such date;
- (b) in relation to such a claim as is described in paragraph (a), the requirement under paragraph 2.3A.2(a) (that such claim be submitted within 72 hours after the end of the Settlement Period to which the trade of Active Energy relates) shall not apply.

3.3A Rectification of MVR Notification Errors

[To follow]

The following new definitions will be inserted in Annex X-1:

"ECV Notification Error" has the meaning given to that term in Section P2.3A.1(a);

"MVR Notification Error" has the meaning given to that term in Section P3.3A.1(a);

The following text shall be inserted as a new Section G1.1.2(b) and the existing Section G1.1.2(b) and remaining paragraphs of Section G1.1.2 shall be renumbered according:

"(b) Sections P2.3A and P3,3A, which address the possibility of notification errors in the submission of Energy Contract Volume Notifications and Metered Volume Reallocation Notifications;"

The following text shall be inserted in Section D4.1(a)(v):

"(v) any amounts paid to BSCCo by way of fee pursuant to Section P2.3A.2(b) or P3.3A.2(b) or Section Q7.2.3;"