

MODIFICATION P257 - PROPOSED DRAFT LEGAL TEXT

BSC INDEX (version 5.0)

Amend Section W as follows:

SECTION W: ~~TRADING QUERIES AND~~ TRADING DISPUTES

1. General
2. The Trading Disputes Committee
3. The Trading Disputes Process
4. Adjustments Following Resolution of a Trading Dispute
5. Further Provisions

SECTION E: BSC AGENTS (version 4.0)

1.6 Interpretation of Code

Amend paragraph 1.6.2 as follows:

- 1.6.2 The failure of a BSC Agent to perform and discharge any of its functions as provided for in the Code shall not affect the rights and obligations of the Parties in respect of Settlement under the Code (so far as such rights and obligations are capable of being construed and determined notwithstanding such failure), but subject to the express provisions of the Code as to:
- (a) the effect of Volume Allocation Runs and Settlement Runs (as provided in Section U2.6);
 - (b) the resolution of ~~Trading Queries and~~ Trading Disputes;
 - (c) the consequences of an incorrect determination that a Trading Party is in Credit Default (as provided in Section M); and
 - (d) the implementation of Settlement in any case where data is not available or is invalid or in the case of any omission or error on the part of a BSC Agent;
- and to any other provision of the Code which expressly addresses the consequences for Parties of such a failure.

SECTION P: ENERGY CONTRACT VOLUMES AND METERED VOLUME REALLOCATIONS (version 15.0)

4. AGGREGATION

4.4 Determination and submission of aggregated data

Amend paragraph 4.4.2 as follows:

- 4.4.2 Where, following the resolution of a ~~Trading Query or~~ Trading Dispute (but not for the avoidance of doubt in the circumstances described in Section M3.5), any adjustment or

other change is to be made in any of the data referred to in paragraph 4.4.1 in relation to a Settlement Day, the ECVAA shall:

- (a) make such adjustment or other change, and
- (b) resubmit such data (as so adjusted or changed) to the SAA not later than the time required for such data to be taken into account in the next following Reconciliation Settlement Run (whether or not a Timetabled Reconciliation Settlement Run) for the relevant Settlement Day.

SECTION R: COLLECTION AND AGGREGATION OF METER DATA FROM CVA METERING SYSTEMS (version 10.0)

5.6 Volume Allocation Runs

Amend paragraph 5.6.2 as follows:

5.6.2 For each Volume Allocation Run following the Initial Volume Allocation Run in relation to any Settlement Period, where:

- (a) any adjustment or revision in relevant data has been or is to be made following resolution of any ~~Trading Query or~~ Trading Dispute, or
- (b) pursuant to any other provision of the Code the CDCA is required or entitled to employ any new or revised relevant data for the Settlement Period

the CDCA shall use such adjusted, revised or new relevant data.

ANNEX S-2: SUPPLIER VOLUME ALLOCATION RULES (version 16.0)

11. TRADING DISPUTES

11.1 Provision of Information

Amend paragraph 11.1.1 as follows:

11.1.1 Subject to any obligations of confidentiality, the SVAA shall give BSCCo, any other Party or any other BSC Agent which raises a ~~Trading Query or a~~ Trading Dispute pursuant to Section W all such explanations, documents, data and information relating to Supplier Volume Allocation as may be required for the purposes of resolving such ~~Query or~~ Dispute.

SECTION T: SETTLEMENT AND TRADING CHARGES (version 18.0)

5. SETTLEMENT

5.2 Requirement to carry out Settlement Runs

Amend paragraph 5.2.3 as follows:

5.2.3 In carrying out any Reconciliation Settlement Run, the SAA shall:

- (a) use data submitted by the CDCA and SVAA pursuant to the corresponding Reconciliation Volume Allocation Runs;
- (b) make any adjustment or revision to any data submitted by the Transmission Company which is to be made following the resolution of any ~~Trading Query or~~ Trading Dispute, and use such adjusted or revised data;

- (c) use any adjusted or revised data submitted to it for the relevant Settlement Period by the CRA, the CDCA, the ECVA, the Transmission Company, any Interconnector Administrator and any Market Index Data Provider;
- (d) should the Transmission Company submit any revised Balancing Services Adjustment Data, use such revised data.

SECTION U: PROVISIONS RELATING TO SETTLEMENT (version 12.0)

2.5 Data used in Settlement

Amend paragraphs 2.5.2, 2.5.3 and 2.5.4 as follows:

- 2.5.2 Up to the date of the relevant initial run in relation to a Settlement Day, a relevant BSC Agent or relevant Party may adjust or revise any settlement data, subject to paragraph 2.5.3, where it appears to the relevant BSC Agent or relevant Party that there is a ~~s~~Settlement ~~e~~Error (as defined in Section W).
- 2.5.3 For the purposes of paragraph 2.5.2, a relevant BSC Agent or relevant Party shall not adjust or revise any settlement data after such data has first been provided or reported to Parties (including pursuant to an Interim Information Settlement Run or Interim Information Volume Allocation Run), except:
 - (a) where it appears to the relevant BSC Agent or relevant Party that there is a ~~s~~Settlement ~~e~~Error (as defined in Section W) and:
 - (i) if the data was provided by or on behalf of or otherwise relates to a particular Party, with the consent of that Party; or
 - (ii) where paragraph (i) does not apply, with the consent of BSCCo;
 - (b) pursuant to the resolution of a ~~Trading Query or~~ Trading Dispute.
- 2.5.4 After the date of the relevant initial run in relation to a Settlement Day, a relevant BSC Agent or relevant Party may not adjust or revise any settlement data other than pursuant to the resolution of a ~~Trading Query or~~ Trading Dispute in accordance with Section W or pursuant to any other express provision of the Code.

2.6 Effect of Settlement Runs and Extra-Settlement Determinations

Amend paragraph 2.6.1 as follows:

- 2.6.1 Subject to paragraph 2.2.4, where a Party wishes to dispute or challenge the data used in or the results of any Volume Allocation Run or Settlement Run or Extra-Settlement Determination:
 - (a) the Party may do so (subject to the provisions of Section W) by raising a ~~Trading Query or~~ Trading Dispute in accordance with Section W but not otherwise;
 - (b) subject to and in accordance with Section W, the outcome of the ~~Trading Query or~~ Trading Dispute will be taken into account in a subsequent Timetabled Reconciliation Settlement Run or Post-Final Settlement Run or Extra-Settlement Determination;
 - (c) the Party shall not be entitled to a remedy (if any, as provided in Section W) sooner than the carrying out of such subsequent Timetabled Reconciliation Settlement Run or Post-Final Settlement Run or Extra-Settlement Determination

unless otherwise permitted following resolution of a Trading Dispute pursuant to Section W.

Amend Section W title as follows:

SECTION W: ~~TRADING QUERIES AND~~ TRADING DISPUTES (version 11.0)

1. GENERAL

1.1 Introduction

Amend paragraph 1.1.1 as follows:

1.1.1 This Section W sets out:

- (a) arrangements for the resolution of ~~Trading Queries and~~ Trading Disputes under the Code;
- (b) arrangements for the establishment and operation of the Trading Disputes Committee;
- (c) the actions to be taken under the Code upon resolution of a ~~Trading Query or a~~ Trading Dispute; and
- (d) the effect of resolution of a ~~Trading Query or a~~ Trading Dispute.

1.2 Resolution of Trading Disputes

Amend paragraphs 1.2.5 and 1.2.6 as follows:

1.2.5 No Trading ~~Query Dispute~~ may be raised in respect of an affected Settlement Period after the "~~Query Dispute~~ Deadline" as defined in paragraph 3.2; and accordingly a Party may not after such deadline refer to arbitration any matter relating to an affected Settlement Period which would constitute a Trading Dispute (except pursuant to paragraph 3.6 where such matter has been raised as a Trading ~~Query Dispute~~ before such deadline); and each Party hereby agrees to waive any right, claim or remedy it may have, whatsoever and howsoever arising, in respect of matters which, but for this paragraph 1.2.5, would constitute a ~~Trading Query or~~ Trading Dispute in respect of such affected Settlement Period.

1.2.6 The ~~Query Dispute~~ Deadline shall not, in any event, be later than:

- (a) subject to paragraph (b), the day which is 20 months after the Settlement Day in which the affected Settlement Period occurred; or
- (b) if later, where the alleged ~~s~~Settlement ~~e~~Error is an error in a Post-Final Settlement Run or an Extra-Settlement Determination the date 1 month after the date of the Post-Final Settlement Run or Extra-Settlement Determination in which the ~~s~~Settlement ~~e~~Error first occurred.

1.3 Trading Disputes

Amend paragraph 1.3.1 as follows:

1.3.1 For the purposes of the Code:

- (a) a "**Trading Dispute**" is any query, difference or dispute of whatsoever nature and howsoever arising under the Code as to:

- (i) the existence, nature or effect of errors in:
 - (1) the data and/or processes used for the purposes of Settlement; or
 - (2) the application of the rules for Settlement (whether generally or in relation to a particular Party or class of Parties),

to the extent such errors affect or may affect the allocation and/or determination of Trading Charges or the determination and settlement of amounts payable pursuant to Section N by reference to Trading Charges;
- (ii) the existence, nature or effect of errors in the data and/or processes used for the purposes of, or in the application (whether generally or in relation to a particular Party or class of Parties) of the rules as to whether and when a Trading Party is in Credit Default under, Section M;

~~(b) — a "settlement error" is such an error as is referred to in paragraph (a)(i) or (ii);~~

~~(c) — a "Trading Query" is a query as to a matter which, if not resolved in accordance with the query resolution process set out in the relevant BSC Procedure(s) as provided in paragraph 3.2, will be a Trading Dispute;~~

~~(db)~~ a ~~Trading Query or~~ Trading Dispute or ~~s~~Settlement ~~e~~Error may, without prejudice to paragraph 3.2.2, refer to one or more Settlement Period(s) and to Settlement Period(s) in one or more Settlement Day(s); and

~~(ec)~~ an "affected Settlement Period" in relation to a ~~Trading Query or~~ Trading Dispute shall mean a Settlement Period in respect of which a ~~s~~Settlement ~~e~~Error has, or is alleged to have, occurred.

1.4 Duties of BSC Agents

Amend paragraph 1.4.1 as follows:

- 1.4.1 Section U sets out the circumstances in which a BSC Agent may correct a ~~s~~Settlement ~~e~~Error without the application of the procedures in this Section W relating to Trading Queries and Trading Disputes.

Amend paragraph 1.4.3 as follows:

- 1.4.3 For the avoidance of doubt, the provisions of this Section W in relation to the resolution of Trading Disputes and the rectification (or otherwise) of ~~s~~Settlement ~~e~~Errors following such resolution are without prejudice to the rights and obligations of BSCCo and BSC Agents under the BSC Agent Contracts.

1.5 Duties of BSCCo

Amend paragraphs 1.5.1 and 1.5.2 as follows:

- 1.5.1 If BSCCo is informed by a BSC Agent pursuant to paragraph 1.4.2 or otherwise becomes aware of any matters which would or might reasonably be expected to give rise to a Trading Dispute, it shall:

- (a) notify each affected Trading Party and the Transmission Company; and
- (b) raise a Trading ~~Query~~ Dispute in respect thereof in accordance with paragraph 3.2.

1.5.2 For the avoidance of doubt, the requirements of paragraph 1.5.1 shall not apply:

- (a) in relation to a ~~s~~Settlement ~~e~~Error in respect of which a relevant Trading ~~Query~~ Dispute has already been raised; or
- (b) in relation to an affected Settlement Period, after the ~~Query~~ Dispute Deadline pursuant to paragraph 3.2.2(a).

1.6 Duties of Parties

Amend paragraph 1.6.1 as follows:

1.6.1 Each Party shall:

- (a) provide, and shall procure that any Party Agent appointed by it shall provide, to BSCCo or the Disputes Secretary, in accordance with the relevant BSC Procedure(s), such data, reports and other information as may reasonably be required:
 - (i) by BSCCo, to enable it to assess any Trading ~~Query~~ Dispute referred to it; or
 - (ii) by the Trading Disputes Committee, for the purposes of fulfilling its functions set out in this Section W; and
- (b) otherwise co-operate (and shall procure that its Party Agents co-operate) with BSCCo, the Disputes Secretary, the Disputes Trading Committee and relevant BSC Agent with a view to the resolution of any ~~Trading Query or~~ Trading Dispute as quickly, efficiently and accurately as reasonably possible.

Amend paragraph 1.6.3 as follows:

1.6.3 Each Party (including for the avoidance of doubt the Transmission Company in relation to matters subject to Section Q) shall take, and shall procure that its Party Agents take, such steps as are necessary or requisite to correct or give effect to the correction (in any Settlement Run or otherwise) of a ~~s~~Settlement ~~e~~Error:

- (a) in accordance with the instructions of BSCCo (in accordance with paragraph 3.2.7(d)) in relation to a Trading ~~Query~~ Dispute; or
- (b) in accordance with any decision of the Trading Disputes Committee or the Panel pursuant to paragraph 3 or 4 in relation to a Trading Dispute.

3. THE TRADING DISPUTES PROCESS

3.1 Introduction

Amend paragraph 3.1.1 as follows:

3.1.1 For the purposes of this Section W:

- (a) in relation to a ~~Trading Query or~~ Trading Dispute:
 - (i) references to the relevant BSC Procedure(s) are to BSCP11;

- (ii) references to the next Settlement Run are (unless the context otherwise requires) to the Initial Settlement Run or next following Timetabled Reconciliation Settlement Run (as the case may be) scheduled to take place after resolution of the ~~Trading Query or~~ Trading Dispute in respect of the Settlement Day(s) to which such ~~Query or~~ Dispute relates;
- (b) references to Settlement Runs shall be taken to include Volume Allocation Runs;
- (c) references to the materiality of a Trading Dispute shall be determined in accordance with the relevant BSC Procedure(s);
- (d) references to "affected" Parties in relation to a ~~Trading Query or~~ Trading Dispute are to such Party or Parties as the Trading Disputes Committee (or before the Committee has considered the matter, BSCCo or the Disputes Secretary) considers from time to time to be particularly affected by the ~~Query or~~ Dispute;
- (e) references to an "SVA Half Hourly ~~QueryDispute~~" shall mean a Trading ~~Query~~ Dispute raised in respect of those matters which have been taken into account for the purposes of Settlement in respect of those SVA Metering Systems which are associated with Measurement Classes C and D;
- (f) references to an "SVA Non Half Hourly ~~Query Dispute~~" shall mean a Trading ~~Query Dispute~~ raised in respect of those matters which have been taken into account for the purposes of Settlement in respect of those SVA Metering Systems which are associated with Measurement Classes A, B and E.

Amend paragraph 3.1.3 as follows:

- 3.1.3 The Trading Disputes Committee (and the Panel where applicable) shall not consider and determine matters relating to a Trading Dispute pursuant to paragraphs 3.4 and 3.5 unless the relevant Trading ~~Query Dispute~~ has been validly raised by BSCCo or a Party in accordance with paragraph 1.5.1 or 3.2.1 respectively.

Amend paragraphs 3.2, 3.2.1, 3.2.2, 3.2.3, 3.2.4, 3.2.5, 3.2.6, 3.2.7 and 3.2.8 as follows:

3.2 Raising a Trading ~~QueryDispute~~

- 3.2.1 A Party may raise a Trading ~~QueryDispute~~ in respect of an affected Settlement Period by giving notice of such Trading ~~QueryDispute~~, in accordance with the provisions of BSCP11, to the Disputes Secretary no later than the ~~QueryDispute~~ Deadline.
- 3.2.2 Subject to paragraph 1.2.6, with respect to a Trading ~~QueryDispute~~, the ~~QueryDispute~~ Deadline in relation to an affected Settlement Period is:
- (a) subject to paragraphs (b) and (c), the 20th Business Day following the day on which the relevant Settlement Run was carried out; or
 - (b) where the Trading ~~QueryDispute~~ is:
 - (i) an SVA Non Half Hourly ~~QueryDispute~~;
 - (ii) a Trading ~~QueryDispute~~ concerning data relating to profile coefficient; or

- (iii) a Trading QueryDispute relating to Market Domain data, the applicable deadline specified in BSCP11 in relation to Trading Queries Disputes of such kind; or
 - (c) where the Trading QueryDispute is an SVA Half Hourly QueryDispute it is the applicable deadline specified in BSCP11 in relation to Trading Queries Disputes of such kind or, if later, the 20th Business Day following the day on which the relevant Timetabled Reconciliation Settlement Run was carried out.
- 3.2.3 For the purposes of paragraph 3.2.2, the "**relevant Settlement Run**" is the Initial Settlement Run or Timetabled Reconciliation Settlement Run in which the ~~s~~Settlement eError first occurred in respect of the affected Settlement Period.
- 3.2.4 If, in relation to a particular Trading QueryDispute and an affected Settlement Period, the Trading Disputes Committee (or the Panel, pursuant to paragraph 3.5.5) in its sole discretion determines that there are exceptional circumstances as a result of which the requirement pursuant to paragraph 1.2.5 to raise the Trading QueryDispute with respect to that affected Settlement Period by the QueryDispute Deadline should not apply, it may waive such requirement provided that such requirement may not be waived so as to allow a Trading QueryDispute to be raised after the relevant date in paragraph 1.2.6.
- 3.2.5 Each Trading QueryDispute shall be treated in accordance with the relevant BSC Procedure(s).
- 3.2.6 A Party who has raised a Trading QueryDispute shall complete and comply with the process for query-dispute resolution in accordance with BSCP11.
- 3.2.7 Following the treatment of a Trading QueryDispute raised by a Party under paragraph 3.2.1:
- ~~(a) — BSCCo may decide to address the questions in paragraph (b);~~
 - ~~(b) if it so decides, BSCCo will determine, and notify to each affected Party, whether or not it is satisfied that:~~
 - ~~(i) — the Trading Query was raised, as to all affected Settlement Periods no later than the applicable Query Deadline;~~
 - ~~(ii) — a settlement error exists; and~~
 - ~~(iii) — the materiality of the Trading Query is not less than the amount specified in BSCP11;~~
 - ~~(ea)~~ if:
 - (i) BSCCo is not satisfied ~~as to the matters in paragraph (b), but that:~~
 - (1) the Trading Dispute was raised, as to some or all affected Settlement Periods within the applicable Dispute Deadline; and
 - (2) a Settlement Error exists; and
 - (3) the materiality of the Trading Dispute is at least equal to the materiality threshold specified in BSCP11, but

- (ii) by the time specified in BSCP11, no affected Party has notified BSCCo that it objects to the Trading ~~Query~~Dispute proceeding no further

then, subject to paragraph 3.2.8 and paragraph 3.3.1(e), BSCCo shall give notice to that effect to all affected Parties, whereupon the Trading ~~Query~~Dispute shall lapse in relation to those affected Settlement Periods for which BSCCo is not satisfied as to any of the matters referred to in paragraph (a)(i);

- (~~eb~~) if BSCCo is satisfied that:

- (i) ~~BSCCo is satisfied as to the matters in paragraph (b)~~the Trading Dispute was raised as to some or all affected Settlement Periods within the applicable Dispute Deadline; and

- (ii) a Settlement Error exists; and

- (iii) the materiality of the Trading Dispute is at least equal to the materiality threshold specified in BSCP11,

then the Trading Dispute in relation to those affected Settlement Periods for which BSCCo is satisfied as to the matters referred to in paragraph (b)(i), (ii) and (iii) shall be referred to the Trading Dispute Committee in accordance with paragraph 3.3.1.

- (ii) ~~by the time specified in BSCP11, no affected Party has notified BSCCo that it objects to the Trading Query being so corrected;~~

~~then, subject to paragraph 3.2.8, BSCCo shall instruct the relevant BSC Agent(s) to adjust Settlement to correct the settlement error in respect of each affected Settlement Period in the next Settlement Run (if any), and shall notify such adjustment to each affected Party.~~

3.2.8 ~~Where BSCCo shall as soon as reasonably practicable publish details of all Trading Disputes which have lapsed pursuant to paragraph 3.2.7(a) on the BSC Website, proposes to give notice pursuant to paragraph 3.2.7(c) or issue an instruction pursuant to paragraph 3.2.7(d):~~

- (a) ~~BSCCo shall, in accordance with BSCP11:~~

- (i) ~~before giving such notice or issuing such instruction, report its determination (under paragraph 3.1.1(d)) as to which Parties it considers are affected Parties; and (as applicable)~~

- (ii) ~~before issuing such instruction, report its findings pursuant to paragraph 3.2.7(b)(i) and (ii) to the Trading Disputes Committee at its next meeting; and~~

- (b) ~~if at such meeting the Trading Disputes Committee determines (with reasons):~~

- (i) ~~(in a case within paragraph 3.2.8(a)(i) or (ii)) that it considers that any other Party was an affected Party, BSCCo shall not give such notice or issue such instruction (as applicable);~~

- (ii) ~~(in a case within paragraph 3.2.8(a)(ii)):~~

- (1) ~~that it disagrees with such findings, BSCCo shall not issue such instruction;~~

- ~~(2) — that it agrees with some but not all of such findings, BSCCo shall issue such instruction as will correct the settlement error insofar as (and in respect of those Settlement Periods in relation to which) the Trading Disputes Committee agreed with BSCCo's findings.~~

Amend paragraphs 3.3 and 3.3.1, 3.3.2 and 3.3.3 as follows:

3.3 Trading Dispute referral to the Trading Disputes Committee

3.3.1 A Trading ~~Query~~Dispute shall ~~(following completion of the query resolution process relating to the Trading Query) become a Trading Dispute~~ be referred to the Trading Disputes Committee:

- (a) where BSCCo raised the Trading ~~Query~~Dispute pursuant to paragraph 1.5.1;
- (b) where ~~BSCCo is unable to reach a determination on any of the matters in paragraph 3.2.7(a) or paragraph 3.2.7(b) (pursuant to paragraph 3.2.7(a)) BSCCo decided not to address the matters in paragraph 3.2.7(b);~~
- (c) where (in a case within paragraph 3.2.7(ea)) ~~:(i)~~ any affected Party notified (by the time therein referred to) its objection to the Trading ~~Query~~Dispute proceeding no further;
 - ~~(ii) — pursuant to paragraph 3.2.8(b), the Trading Disputes Committee considered that another Party was an affected Party; or~~
- (d) where ~~(pursuant to paragraph 3.2.7(b)), BSCCo is satisfied as to the matters in (in a case within paragraph 3.2.7(db)(i), (ii) and (iii); and) either:~~
 - ~~(i) any affected Party notified (by the time therein referred to) its objection to the Trading Query being corrected; or~~
 - ~~(ii) pursuant to paragraph 3.2.8(b), the Trading Disputes Committee disagreed (and to the extent to which it disagreed) with BSCCo's findings; or~~
- (e) ~~where, in relation to any of the affected Settlement Periods, the Final Reconciliation Settlement Run has (at the time at which the Trading Query is raised) been, or in BSCCo's opinion will (at the time at which the query resolution process is likely to be completed) have been, carried out.~~ where no later than 14 days after details of a lapsed Trading Dispute are published pursuant to paragraph 3.2.8 any Party notifies the Disputes Secretary that it considers that it was an affected Party in respect of such Trading Dispute but did not receive notification pursuant to paragraph 3.2.7(a), provided that such Trading Dispute shall not be treated as having lapsed pursuant to paragraph 3.2.7(a).

Insert new paragraph 3.3.1A as follows:

3.3.1A BSCCo shall prepare a report of its findings pursuant to paragraph 3.2.7(b) (and where appropriate pursuant to paragraph 3.2.7(a)) and submit such report to the Trading Disputes Committee at its next meeting.

Amend paragraphs 3.3.2 and 3.3.3 as follows:

3.3.2 If the Trading Disputes Committee resolves that a Trading Dispute ~~which resulted from a Trading Query~~ raised by a Party under paragraph 3.2.1, is of a vexatious or frivolous

nature, the Trading Disputes Committee may (subject to and in accordance with the relevant BSC Procedure(s)) require such Party to pay to BSCCo an amount (as from time to time approved by the Panel) towards the cost of administration of any such Trading Dispute, and such Party shall pay such amount.

3.3.3 Where ~~a Trading Query becomes~~ a Trading Dispute is referred to the Trading Disputes Committee under paragraph 3.3.1, the Disputes Secretary shall:

- (a) send a copy of a notice to each affected Party and each relevant BSC Agent;
- (b) subject to and in accordance with the relevant BSC Procedure(s):
 - (i) take steps to obtain information and representations and any necessary clarifications from affected Parties, and to obtain the assistance of and any necessary information from each relevant BSC Agent, in relation to the Trading Dispute ~~(to the extent not obtained in relation to the prior Trading Query)~~;
 - (ii) collate all relevant information, documentation and reports in respect of the Trading Dispute including the report prepared by BSCCo pursuant to paragraph 3.3.1(A); and
 - (iii) include the Trading Dispute on the agenda for the next meeting (or next practicable meeting, allowing for completion of the matters in paragraphs (i) and (ii)) of the Trading Disputes Committee.

3.4 Consideration and Determination by the Trading Disputes Committee

Amend paragraph 3.4.3 as follows:

3.4.3 In relation to each Trading Dispute, having considered all relevant material available to them and any representations made (and evidence submitted) in accordance with this Section W or where relevant the provisions of BSCP11, the Trading Disputes Committee shall:

- (a) determine, in relation to each affected Settlement Period, whether the relevant Trading ~~Query~~Dispute was raised by the ~~Query~~Dispute Deadline or, if applicable, it should exercise its discretion under paragraph 3.2.4; and
- (b) in relation to those affected Settlement Periods (if any) for which it determined that the Trading ~~Query~~Dispute was raised by the ~~Query~~Dispute Deadline, or exercised its discretion under paragraph 3.2.4, determine:
 - (i) whether there was a ~~s~~Settlement ~~e~~Error; and
 - (ii) if so, what changes in data, processes or the application of rules (as referred to in paragraph 1.3.1(a)) are appropriate to correct the ~~s~~Settlement ~~e~~Error; and
 - (iii) (to the extent to which the Trading Disputes Committee can determine such matters) the materiality of the error.

3.4A Determinations of Trading Disputes Committee

Amend paragraphs 3.4.A.1 and 3.4.A.2 as follows:

3.4.A.1 The Disputes Secretary shall, promptly following:

- (a) the making of a determination by the Trading Disputes Committee in respect of a ~~Trading Query or a~~ Trading Dispute in accordance with ~~paragraphs 3.2.8(b) and~~ paragraph 3.4.3 ~~respectively~~; or
- (b) ~~notification of a determination by the Panel pursuant to paragraph 3.5.5~~not used;

notify each Party, each relevant BSC Agent and the BSC Auditor of the determination made (and the reasons given by the Trading Disputes Committee), or where the Trading Disputes Committee failed to reach a majority decision in relation to the Trading Dispute, of that fact.

- 3.4A.2 Any determination of the Trading Disputes Committee pursuant to paragraphs ~~3.2.8(b) and~~ 3.4.3 shall be final and binding on all Parties, and each Party shall comply with such determination, until and unless such determination is referred under paragraph 3.5 or 3.6.

3.5 References to the Panel

Amend paragraph 3.5.1 as follows:

- 3.5.1 Subject to paragraphs 3.5.2, ~~and~~ 3.5.3, ~~and 3.5.5~~, where:

- (a) a Party disagrees with the determination of the Trading Disputes Committee pursuant to paragraphs ~~3.2.8(b) or~~ 3.4.3; or
- (b) the Trading Disputes Committee has sought but failed to reach a majority decision in respect of a Trading Dispute

the Party or (as the case may be) the Trading Disputes Committee may (and in a case where the TDC Terms of Reference so require, the Trading Disputes Committee shall) refer the matter to the Panel for determination.

Delete paragraph 3.5.5 as follows:

~~3.5.5 In circumstances where a Party has referred a determination of the Trading Disputes Committee pursuant to paragraph 3.5.1(a) and, in relation to an affected Settlement Period, the Panel determines that the Trading Query was raised within the Query Deadline or, where applicable, the Panel exercises its discretion in respect of the matters referred to in paragraph 3.2.4, the Panel Secretary shall notify the Panel's decision to the Disputes Secretary and remit the matter to the Trading Disputes Committee, in accordance with the provisions of BSCP11, for a determination under paragraph 3.4.3(b).~~

3.6 Arbitration

Amend paragraph 3.6.1 as follows:

- 3.6.1 Subject to paragraph 3.6.2, a Party may refer a matter that is the subject of a Trading Dispute to arbitration in accordance with the provisions of Section H7:
- ~~(a) where it disagrees with a decision of the Panel made under paragraph 3.5 (with the exception of paragraph 3.5.5);~~
 - ~~(a) where it disagrees with a decision of the Panel made under paragraph 3.5;~~
 - (b) after a decision has been made under paragraph 3.5.3 that the Trading Dispute should not be referred to the Panel.

Amend paragraph 3.6.3 as follows:

- 3.6.3 ~~Subject to paragraph 3.6.4, in circumstances where, following a Party's referral under paragraph 3.6.1(a) in respect of a decision of the Panel under paragraph 3.5.1(a), the arbitrator determines, in relation to an affected Settlement Period, that the relevant Trading Query was raised within the Query Deadline, the Disputes Secretary shall following notification of such determination remit the matter to the Trading Disputes Committee, in accordance the provisions of BSCP11, for a determination under paragraph 3.4.3(b)Not used.~~

ADJUSTMENTS FOLLOWING RESOLUTION OF A TRADING DISPUTE

4.1 General

Amend paragraphs 4.1.1 and 4.1.1A as follows:

- 4.1.1 Subject to paragraph 4.1.1A, following a decision of the Trading Disputes Committee, or (pursuant to a reference under paragraph 3.5) the Panel, in respect of a Trading Dispute that there was a ~~s~~Settlement ~~e~~Error, the Trading Disputes Committee shall:
- (a) determine that the error should be corrected in the next Settlement Run relating to the relevant Settlement Day; or
 - (b) where the period to the next Timetabled Reconciliation Settlement Run (considered together with the materiality of the Trading Dispute) is such that the Trading Disputes Committee believes that an Extra Settlement Determination is justified, recommend to the Panel that an Extra-Settlement Determination should be performed; or
 - (c) where a Trading Dispute is not resolved until after the relevant Final Reconciliation Settlement Run, recommend to the Panel that one of the following steps should be taken:
 - (i) that the error should not be corrected, having regard to all the circumstances (including the materiality of the Trading Dispute and the length of time which has elapsed since the occurrence of the event giving rise to the Trading Dispute);
 - (ii) that an Extra-Settlement Determination and/or Post-Final Settlement Run should be undertaken.
- 4.1.1A Following a decision of the Trading Disputes Committee, or (pursuant to a reference under paragraph 3.5) the Panel, in respect of a Trading Dispute that there was a ~~s~~Settlement ~~e~~Error, the Trading Disputes Committee shall determine the materiality of the Trading Dispute and in cases where it is less than the materiality threshold specified in BSCP11 they shall not correct the error.

ANNEX X-1: GENERAL GLOSSARY (version 46.0)

Insert the following term:

“Settlement Error”: means an error as referred to in Section W1.3.1(a)(i) or (ii);

Delete the following term:

"Trading Query":

~~has the meaning given to that term in Section W1.3.1;~~