

<p align="center"><b>Change Proposal – F40/02 (Page 1 of 3)</b></p>	<p><b>CP No: 541</b>  <i>(mandatory by BSCCo)</i></p>
<p><b>Title</b> <i>(mandatory by originator)</i>  Changes to BMCAEC / BMCAIC affecting Energy Indebtedness Calculations Retrospectively V1.2</p>	
<p><b>Description of Change</b> <i>(mandatory by originator)</i></p> <p>Section M 1.2.4 of the BSC states that any change to the BM Unit Credit Assessment Export or Import Capability for a BM Unit should result in the re-determination of Energy Indebtedness for the associated Trading Party(s), as if the change were in effect from the first of the 29 days used in the calculation of Energy Indebtedness.</p> <p>BMCAEC and BMCAIC are defined in the BSC Section M 1.6.1 (a) and (b), respectively, and it can be seen from these definitions that a change to BMCAEC and / or BMCAIC will occur when any of the following parameters change:</p> <ul style="list-style-type: none"> <li>• Credit Assessment Load Factor (CALF)</li> <li>• Generation Capacity (GC)</li> <li>• Demand Capacity (DC)</li> </ul> <p>However, the current ECVAA functionality does not apply the amended BMCAEC / BMCAIC values retrospectively in the Energy Indebtedness calculations. Therefore the functionality requires amendment.</p>	
<p><b>Proposed Solution(s)</b> <i>(mandatory by originator)</i></p> <p>The required amendment to functionality is that only where Elexon determine that retrospective application of revised values of BMCAEC / BMCAIC is required, that:</p> <ul style="list-style-type: none"> <li>• Manual notification is provided by Elexon to ECVAA that the revised values of BMCAEC / BMCAIC, are to be applied to from the 'ECVAA effective date' specified by Elexon. This date is the effective date that the revised values should be applied in Energy Indebtedness calculations for the relevant Trading Party(s).</li> </ul> <p>It should be noted that Elexon / BSC Party (according to the variable being updated) will continue to provide the actual Effective from Settlement Date for the revised value(s) to CRA. This functionality is required in ECVAA to provide Elexon with the option of specifying a retrospective effective date for use in ECVAA Energy Indebtedness calculations only and this 'ECVAA effective date' should not be held by CRA, nor reported by CRA in any registration reports.</p> <p>Any amended ECVAA functionality should cater for the potential for this discrepancy between ECVAA and CRA effective dates as a result of this process, and ensure that under the circumstances detailed that the CRA value does not overwrite the ECVAA effective date for the purposes of Energy Indebtedness calculations only.</p> <p>On receipt of the manual notification from Elexon, ECVAA should apply the revised BMCAEC / BMCAIC values as if they were effective from the 'ECVAA effective date' specified in the notification from Elexon to Energy Indebtedness calculations for the relevant Trading Party(s).</p>	

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<p><b>Justification for Change</b> <i>(mandatory by originator)</i></p> <p>The current ECVAA system functionality is not believed to be operating in accordance with the Balancing and Settlement Code, Section M 1.2.4, in that the ECVAA system does not appear to be applying changes to BMCAEC / BMCAIC retrospectively in the Energy Indebtedness calculations.</p> <p>Any amendment to ECVAA system functionality needs to take into consideration the circumstance where a BSC Party, in conjunction with BSCCo, determines that a change to any of these variables is required. An example would be a successful appeal by a BSC Party on the value of CALF set for a BM Unit, which would require retrospective application of any revised value into Energy Indebtedness calculations in ECVAA.</p> <p>Another consideration when determining required amendments, is that the BSC Panel has determined that it is inappropriate to apply Seasonal changes to these variables retrospectively in Energy Indebtedness calculations, and that this approach is consistent with the intent of the BSC (Panel Paper 17/021 - Changes to Generation Capacity and Demand Capacity and the Effect on Credit Checking), as the Seasonal changes were determined by the BSC Panel to be distinct from those 'ad hoc' changes defined in BSC Section K 3.4.6.</p> <p>Therefore in order that ECVAA be able to determine the requirement, or not, for retrospective application of revised BMCAEC / BMCAIC in Energy Indebtedness calculations, it is proposed that ECVAA apply changes to BMCAEC / BMCAIC retrospectively in Indebtedness calculations only on specific request from Elexon, as defined under BSC Section U 2.5.2 and 2.5.3.</p> <p>Therefore, as the latest copy of the Service Description that Logica have signed states in Section E 10.1 that "The ECVAA shall, where relevant, perform credit check calculations and carry out the obligations and duties pursuant to Section M1.2 of the Code", ECVAA functionality is required to be amended to comply with the obligations set out under the BSC.</p>	
<p><b>Other Configurable Items Potentially Affected by Proposed Solution(s)</b> <i>(optional by BSCCo)</i></p> <p>ECVAA Specification Documentation</p>	
<p><b>Impact on Core Industry Documents</b> <i>(optional by originator)</i></p> <p>None</p>	
<p><b>Related Changes and/or Projects</b> <i>(mandatory by BSCCo)</i></p> <p>None</p>	

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<p><b>Originator's Details:</b></p> <p><i>BCA Name</i>.....</p> <p><i>Organisation</i>.....</p> <p><i>Email Address</i>.....</p> <p><i>Date</i>.....</p> <p><i>[BSC Panel Representative]</i>.....</p> <p><i>Organisation</i>.....</p>	
<p>Attachments: N* (If Yes, No. of Pages attached:.....) (delete as appropriate)</p>	