

P293 – PROPOSED LEGAL TEXT

SECTION H: GENERAL (v.17.0)

Amend paragraphs 5.3.1 as follows:

- 5.3.1 The terms of the relevant BSC Agent Contract shall require the BSC Auditor:
- (a) to disclose to the Panel the existence and nature of all assignments of the BSC Auditor with any Party or BSC Agent or Market Index Data Provider or service provider of Profile Administrative Services referred to in Section C9.3.1 for the carrying out of financial audits;
 - (b) to permit the external auditors of each Trading Party and the Transmission Company to liaise with the BSC Auditor in accordance with normal professional standards, including provision of access to working papers;
 - (c) to require the BSC Auditor to report forthwith any material concerns with respect to matters forming the subject of a BSC Audit;
 - (d) as a condition precedent to its appointment, to execute a confidentiality undertaking, in such form as may be reasonably required from time to time by the Panel, in favour of:
 - (i) each BSC Agent;
 - (ii) each Market Index Data Provider; and
 - (iii) BSCCo on behalf of each Party;
 - (e) with (and only with) the consent of the Panel, to execute a confidentiality undertaking, in such form as may be reasonably required from time to time by the Panel, in favour of such other person as may request the BSC Auditor to do so in connection with the BSC Audit.

5.4 Reporting

Amend paragraphs 5.4.1, 5.4.4 and 5.4.5 to read as follows:

- 5.4.1 Unless otherwise established by the Panel, the results of the BSC Audit to be carried out by the BSC Auditor will be reported ~~twice a year~~, with the delivery of an ~~interim report in October, and the delivery of an~~ opinion ~~in April (each at the~~ **"BSC Audit Report")** at a time set out in the terms of reference for the BSC Auditor.
- 5.4.2 The BSC Auditor will not be required to report in respect of particular matters with a potential financial impact below such threshold as the Panel shall from time to time determine.
- 5.4.3 The BSC Audit Report shall be addressed to the Panel for and on behalf of Trading Parties and the Transmission Company in the Audit Year, and shall include all of the BSC Auditor's findings and conclusion.
- 5.4.4 The BSC Auditor shall deliver the BSC Audit Report to the Panel; and shall, upon request from the Panel, send copies of the report to the Performance Assurance Board, each Trading Party, the Transmission Company and the Authority.

- | 5.4.5 BSCCo shall procure the production by the BSC Auditor of a version of the BSC Audit Report that is suitable for publication (having regard to the provisions of paragraph 4.3.4).
- 5.4.6 BSCCo shall post on the BSC Website the version of the BSC Audit Report referred to in paragraph 5.4.5 and shall provide a copy thereof to any person upon request, subject to payment of the reasonable costs of providing such copy.