

Balancing and Settlement Code

BSC PROCEDURE

Corrections to Bid-Offer Acceptance Related Data

BSCP18

Version ~~16.0~~16.3

Date: ~~29 June 2023~~DD MM YY

BSCP18**relating to****Corrections to Bid-Offer Acceptance Related Data**

1. Reference is made to the Balancing and Settlement Code dated Code Effective Date and, in particular, to the definition of “BSC Procedure” in Section X, Annex X-1 thereof.
2. This is BSC Procedure 18, Version ~~16.0~~16.3 relating to Corrections to Bid-Offer Acceptance Related Data.
3. This BSC Procedure is effective from ~~29 June 2023~~DD MM YYYY
4. This BSC Procedure has been approved by the BSC Panel.

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AMENDMENT RECORD

Version	Date	Description of Changes	Changes Included	Mods/ Panel/ Committee Refs
1.0	30/06/04	Designated version	CP995	
2.0	BETTA Effective Date	BETTA 6.3 rebadging changes for the CVA Feb 05 Release		BETTA 6.3
3.0	02/11/05	CVA Programme November 05 Release	P172	Panel
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7.0	26/06/14	June 2014 Release	CP1400	ISG151/04
8.0	26/02/15	February 2015 Release	CP1392	ISG149/06
9.0	05/11/15	November 2015 Release	P323	P245/06
10.0	29/03/19	29 March 2019 Standalone Release	P369	P285/12
11.0	27/06/19	June 2019 Release	P367 Self-Governance	SVG219/02 ISG216/01
12.0	11/12/19	December 2019 Standalone Release	CP1517	ISG220/01
13.0	27/02/20	February 2020 Release	P394 Self Governance	P297/07
14.0	24/10/2022	September 2022 Special Release	P447	P330c/01
15.0	07/12/2022	December 2022 Special Release	P448	P330C/02
16.0	29/06/2023	June 2023 Release	CP1580	P338/04
16.2	26/10/23	MHHS Programme		
16.3	17/01/2024	MHHS Programme		

1 Introduction

1.1 Scope and Purpose of the Procedure

This BSC Procedure (BSCP) defines the processes that BSCCo, the Settlement Administration Agent (SAA), the National Electricity Transmission System Operator (NETSO) and BSC Parties will use. This is specifically to input corrections to erroneous Final Physical Notification (FPN), Bid-Offer Data (BOD), Bid-Offer Acceptance Level (BOAL)¹ and Bid-Offer Acceptance Level Flagged (BOALF)² data (collectively referred to as the 'Bid-Offer Acceptance Related Data') and Replacement Reserve data within the Settlement Administration Agent (SAA) systems or Balancing Mechanism Reporting Agent (BMRA) systems. For the avoidance of doubt, the correction of erroneous Bid-Offer Acceptance Data or Replacement Reserve Data means correcting incorrect data, or removing non-applicable data (e.g. Winter Contingency Offers) or inserting missing data. All changes relating to volume (MW, Time and Duration) are submitted by the NETSO with agreement of the affected BSC Parties (except for Winter Contingency Notifications), and are authorised by BSCCo.

Each Network Gas Supply Emergency Acceptance, which will be entered into Settlement using a similar process to Emergency Instructions, will be reviewed after the event by the Network Gas Supply Emergency Settlement Validation Committee, which may direct changes to FPNs, Bid-Offer Data and/or Acceptance Data relating to the Network Gas Supply Emergency Acceptance. Such changes will be implemented in SAA in the next available Settlement Run³. [See Appendix 1](#) for further details of the Settlement process for Network Gas Supply Emergency Acceptances, and [Appendix 2](#) for draft Terms of Reference for the Network Gas Supply Emergency Settlement Validation Committee.

This procedure also defines the process that BSCCo, the Settlement Administration Agent and the NETSO will use to input manual corrections to erroneous SO-Flagged data fields within the BOALF data changes are submitted by the NETSO and are authorised by BSCCo, agreement is not required from BSC Parties because they are not directly impacted by a flag change.

[MHHS] This BSCP describes the key interfaces and timetables for inputting changes to the affected BMRA and SAA systems. All corrections to the Bid-Offer Acceptance related data and to Replacement Reserve data must have the consent of the associated BSC Parties (aside from SO-Flag changes, Network Gas Supply Emergency Acceptances and Winter Contingency Notifications) and corrections must be applied before the ~~Initial-R1~~ Settlement Run (~~SF~~). If consent, or in the case of Winter Contingency Notification or SO-Flag correction notification from the NETSO, is not received prior to ~~R1SF~~ then the data corrections must be raised as a Trading Dispute and progressed through the Trading Disputes process in accordance with BSCP11.

1.2 Main Users of the Procedure and their Responsibilities

The main users of this BSCP are:

¹ For Settlement Days before the implementation of Approved Modification P217.

² For Settlement Days on or after the implementation of Approved Modification P217.

³ Unlike other Emergency Instructions received after ~~R1SF~~, Network Gas System Emergency Acceptances do not need to be progressed via a Trading Dispute.

- BSCCo – witness and authorise the correction process for each change made (including SO-Flag changes and Winter Contingency Notifications) and confirm that any corrections made are in accordance with the changes agreed (excluding SO-Flag changes and Winter Contingency Notifications) between the affected BSC Parties and the NETSO.
- BSC Parties – confirm that settlement error has occurred and agree to the proposed corrections (excluding SO-Flag changes and Winter Contingency Notifications).
- NETSO – submit corrections directly to the SAA for manual update prior to the Initial Settlement Run, except for any Network Gas Supply Emergency Acceptances which must be actioned prior to the Interim Information Settlement Run (II), if notified to the SAA by the end of the second full working day after the relevant Settlement Date. After the ~~Initial-R1~~ Settlement Run (~~SF~~), all corrections (except for Acceptance Data relating to Network Gas Supply Emergency Acceptances) must be submitted using the Trading Disputes process detailed in BSCP11.
- BMRA – receives corrections via electronic transfer (FTP) directly from the NETSO.
- SAA – receives corrections from NETSO or BMRA and determines the most appropriate changes to be made to the database in order to ensure that the data concerning the Bid-Offer Acceptance or Replacement Reserve data accurately reflects the steps taken by the affected BSC Parties and / or the SO-Flag field is correctly reflected in the database.

1.3 Use of the Procedure

The remaining sections in this document are:

Section 2 – Not Used.

Section 3 - Interface and Timetable Information: this section defines in more detail the requirements of each business process.

1.4 Balancing and Settlement Code Provision

This BSCP should be read in conjunction with the BSC and in particular Sections Q, T, U and W. This BSCP has been produced in accordance with the provisions of the BSC. In the event of an inconsistency between the provisions of this BSCP and the BSC, the provisions of the BSC shall prevail.

1.5 Associated BSC Procedures

BSCP01	Overview of Trading Arrangements
BSCP11	Trading Disputes

1.6 Acronyms and Definitions

1.6.1 List of Acronyms

[MHHS]The terms used in this BSCP are defined as follows;

BOA	Bid-Offer Acceptance
BOAL	Bid-Offer Acceptance Level
BOALF	Bid-Offer Acceptance Level Flagged
BOD	Bid-Offer Data
BSAD	Balancing Services Adjustment Data
BSC	Balancing and Settlement Code
BSCCo	Balancing and Settlement Code Company
BSCP	Balancing and Settlement Code Procedure
FPN	Final Physical Notification
II	Interim Information Settlement Run completed 5 Working Days after the Settlement Day
NETSO	National Electricity Transmission System Operator as the holder of the Transmission Licence and any reference to "NETSO", "NGESO", "National Grid Company" or "NGC" in the Code or any Subsidiary Document shall have the same meaning.
Network Gas Supply Emergency Acceptance	an instruction to reduce or discontinue the offtake of gas issued by a Gas Transporter for the purpose of Load Shedding during Stage 2 or higher of a Network Gas Supply Emergency, where the effect of such instruction is to limit the amount of electricity that can be produced by one or more Generating Units within one or more BM Units.
RR	Replacement Reserve
SAA	Settlement Administration Agent
SD	Settlement Day
SF	Initial Settlement Run completed 746 Working Days after the Settlement Day
<u>R1</u>	<u>Interim Settlement Run completed 30 Working Days after the Settlement Day</u>
UNC	The Uniform Network Code
Winter Contingency Offer	A Bid Offer Acceptance which relates to a Winter Contingency BM Unit and which must be removed from Settlement so that the Offer volume can instead be Settled as Balancing Services Adjustment Data (BSAD) and Applicable Balancing Services Volume Data (ABSVD), in accordance with Approved Modification P447.
Winter Contingency Notification	Details of the data correction required to remove a Winter Contingency Offer from Settlement.
WD	Working Day

Full definitions of the above acronyms are, where appropriate, included in the BSC.

1.6.2 Definitions

Full definitions of the above acronyms are, where appropriate, included in the Balancing and Settlement Code.

2. Not Used

3. Interface and Timetable Information

3.1 Identification and Agreement of Changes to Data (excluding changes arising from Emergency Instructions)

REF	WHEN ⁴	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.1.1	No less than 8 WD before SF-R1 Run.	Identify that a data correction is required to data submitted to SAA.	BSC Party or NETSO ⁵	NETSO	Details of data correction.	E-mail or fax, NETSO Internal reporting.
3.1.2	Within 1 WD of 3.1.1.	Review proposed data correction and determine if data correction request is valid.	NETSO		Proposed data correction.	Internal Process.
3.1.3	Within 2 WD of 3.1.2.	Provide details of proposed data correction and agree action to be taken.	NETSO	BSC Party	Proposed data correction.	
3.1.3a	Within 5 WD of 3.1.2	Provide details of Winter Contingency Notification or SO-Flag correction data	NETSO	SAA BSCCo	Proposed data correction	E-mail.
3.1.4	By 15:00 hrs within 2 WD of 3.1.3.	Agreed Data Correction received by the NETSO. Proceed to Section 3.2.1.	BSC Party	NETSO	Refer to Section 3.2.1.	E-mail.

⁴ The relevant BSC Party and NETSO are required to adhere to the timeframes set out above. However, in exceptional circumstances, which shall be determined by the NETSO e.g. where a number of data corrections are issued in close succession, these timeframes may not be practical. Where the NETSO has deemed that exceptional circumstances exist, the NETSO and the SAA shall determine and notify the BSC Party of the alternative process to be used. For the avoidance of doubt, BSC Parties are expected to contact the NETSO as soon as they become aware of any potential issues.

⁵ The SAA may also notify NETSO of any such errors.

REF	WHEN ⁴	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.1.5	15:00 hrs within 2 WD of 3.1.3.	No agreement reached on proposed corrections Proceed to BSCP11 .	NETSO or BSC Party	BSCCo, NETSO or BSC Party as appropriate.	Refer to BSCP11 .	E-mail.

3.2 (a) Corrections of SAA databases for FPN, BOD and RR data)

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.2.1	Following 3.1.4 and 2 WD before SF Run.	Provide SAA with FPN, BOD and/or RR data correction.	NETSO	SAA BSCCo	Receive Request for Data Change (SAA-I033).	E-mail.
3.2.2	Up to 1 WD before SF Run.	Update SAA database and confirm database updates have been implemented.	SAA	BSCCo NETSO	Report Confirmation of Data Change (SAA-I036).	E-mail.
3.2.3	Following 3.1.3a and up to 1WD before SF Run	Update SAA database and confirm database updates have been implemented	SAA	BSCCo NETSO	Report Confirmation of Data Change	E-Mail.

3.2 (b) Corrections of BMRA and SAA databases (for BOA Changes excluding Emergency Instructions)

[MHHS] Changes to BOALF data (excluding those arising from Emergency Instructions) are applied to the BMRA and SAA databases using an automated process as follows:

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.2.4	Following 3.1.4 and 2 WD before RISF Run.	Provide BMRA BOA data correction	NETSO	BMRA	Balancing Mechanism Data (BMRA-I002)	Electronic.
3.2.5	Following 3.2.3.	Provide SAA with BOA data correction	BMRA	SAA	SAA Balancing Mechanism Data (SAA-I003)	Electronic.

3.3. No longer used

3.4. Corrections to SAA Databases arising from Emergency Instructions

The process is triggered by the issue of an Emergency Instruction by the NETSO.

In accordance with the Grid Code and [Section Q5.1.3\(b\)](#) of the BSC, Emergency Instructions issued in respect of a BM Unit shall be treated as Bid-Offer Acceptances, except certain Black Start processes, Maximum Generation Service and Emergency De-energisation Instructions⁶.

The NETSO identifies Emergency Instructions as being either:

- ‘Emergency Acceptances’; or
- ‘Emergency Flagged’ Acceptances.

BSC Annex T-1 details how Emergency Instructions are treated in the Energy Imbalance Price calculations.

As well as Emergency Instructions, steps 3.4.6 to 3.4.11 may also be used to enter Acceptance Data for Network Gas Supply Emergency Acceptances into SAA databases, in accordance with process steps 3.5.3, 3.5.8 and / or 3.5.13 below.

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.4.1	As soon as possible after issuing Emergency Instruction	Send details of Emergency Acceptance to BMRA and BSCCo.	NETSO	BMRA BSCCo	Receive System Related Data (BMRA-I003) Time of Emergency Instruction Affected BM Unit (s)q	E-mail. Phone/Fax/E-mail.

⁶ For Settlement Periods falling within both a Black Start Period and a Market Suspension Period, no Emergency Instructions shall be treated as Bid-Offer Acceptances. For Settlement Periods falling within a Black Start Period but not within a Market Suspension Period, any Emergency Instructions issued under BC2.9.1.2(e) of the Grid Code shall not be treated as a Bid-Offer Acceptances. See BSC Section G3, BSCP201 and Grid Code BC2 for further details.

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.4.2	Upon receipt of information following 3.4.1	Publish notice on BMRS ⁷	BMRA	BMRS Users	Publish System Related Data (BMRA-I005) Time of Emergency Instruction Affected BM Unit (s)	Electronic.
3.4.3	Upon receipt of information following 3.4.1	Log details of Emergency Acceptance and allocate reference number.	BSCCo		Details of Emergency Acceptance. BSC Service Desk reference number.	Internal Process.
3.4.4	As soon as possible after 3.4.3	Provide reference number for Emergency Acceptance.	BSCCo	NETSO	BSC Service Desk reference number.	Phone/Fax/E-mail.
3.4.5	After 3.4.1 and where possible, at least 1 WD prior to II Run ⁸	Identify and agree Emergency Instruction related Acceptance with BSCCo and Party. Decide whether it is to be treated as 'Emergency Flagged'.	NETSO NETSO	BSCCo Party	Acceptance Data arising from Emergency Instruction Decision on whether the Emergency Acceptance is to be treated as 'Emergency Flagged'.	Phone/Fax/E-mail. Internal Process.

⁷ Notice to be published using the BMRS 'System Warning' function.

⁸ In exceptional circumstances, e.g. where a number of Emergency Instructions have been issued in close succession, the II run target may not be met. In such cases, the data shall be entered into Settlement in time for the Initial Settlement Run (SF Run). A Trading Dispute will need to be raised to enter such data into Settlement after the SF Run.

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.4.6	After 3.4.5 and where possible at least 1 WD prior to II Run	Send Acceptance Data and details of approach for settling Emergency Instruction to the BMRA, SAA and BSCCo.	NETSO	BMRA SAA BSCCo	Receive System Related Data (BMRA-I003) Receive Request for Data Change (SAA-I033) Acceptance Data arising from Emergency Instruction Specify whether the Emergency Acceptance is to be treated as 'Emergency Flagged'.	E-mail.. Phone/Fax/E-mail.
3.4.7	Upon receipt of information after 3.4.6	Publish details of Acceptance Data to be entered into Settlement and whether it is to be treated as 'Emergency Flagged' ⁷	BMRA	BMRS Users	Publish System Related Data (BMRA-I005) Acceptance Data arising from Emergency Instruction	Electronic.
3.4.8	Upon receipt of information after 3.4.6	Acknowledge receipt of Acceptance Data and approach for settling Emergency Instruction.	BSCCo	NETSO	Acknowledgement of receipt	Phone/Fax/E-mail.
3.4.9	Upon receipt of information after 3.4.6	Request authorisation to input post event Acceptance Data in SAA Database.	SAA	BSCCo	Report Recommended Data Change (SAA-I034)	Phone/Fax/E-mail.
3.4.10	As soon as possible after 3.4.9	Authorise input of post event Acceptance Data in SAA Database.	BSCCo	SAA	Receive Instruction for Data Change (SAA-I035) Acceptance Data arising from Emergency Instruction.	Phone/Fax/E-mail.

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.4.11	As soon as possible after 3.4.10 and where possible, prior to II run	Enter post event Acceptance Data into SAA Database and provide confirmation Database has been updated.	SAA	BSCCo NETSO	Acceptance Data arising from Emergency Instruction Report Confirmation of Data Change (SAA-I036).	Internal Process. Phone/Fax/E-mail.

3.5. Network Gas Supply Emergency Acceptances

The process is triggered by the issue of an instruction to the Lead Party of a BM Unit which contains Generating Unit(s) to reduce or discontinue the offtake of gas by a Gas Transporter for the purpose of Load Shedding during Stage 2 or higher of a Network Gas Supply Emergency. In accordance with Section Q5.1.3 of the BSC, such instruction in respect of a BM Unit shall be called a ‘Network Gas Supply Emergency Acceptance’ and shall be treated as a Bid-Offer Acceptance⁹. See [Appendix 1](#) for further details.

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.5.1	Without undue delay after receipt of an instruction to reduce or discontinue the offtake of gas	Inform BSCCo of the instruction.	Lead Party	BSCCo NETSO	Details of instruction including, but not limited to: <ul style="list-style-type: none"> • BM Unit; • Start date and time • Expected approximate duration • Revised capacity (MW) 	Phone/Fax/E-mail.
3.5.2	After 3.5.1 and no later than the end of the 2 nd full working day after the Start Date in the instruction	NETSO constructs Acceptance Data relating to the Network Gas Supply Emergency Acceptance. Acceptance Data relating to Network Gas Supply Emergency Acceptances shall always be treated as System Flagged.	NETSO		Information provided in 3.5.1, and other available data e.g. copy of notice or recording of telephone call from Gas Transporter to affected station	Internal Process.
3.5.3	After 3.5.2	Process Settlement Data into Settlement, in accordance with steps 3.4.6 to 3.4.11.				

⁹ A Network Gas Supply Emergency Acceptance will always be a Bid.

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.5.4	After 3.5.3	Repeat steps 3.5.2 to 3.5.3 as required. A lengthy Network Gas Supply Emergency Acceptance may require data for multiple Bid Offer Acceptance Numbers for each of multiple Settlement Days.				
3.5.5	After 3.5.4	Receive notification of the end of the Network Gas Supply Emergency.		Lead Party	Network Gas Supply Restoration Time	Phone/Fax/E-mail.
3.5.6	After 3.5.5	Inform BSCCo and the NETSO of the end of the Network Gas Supply Emergency.	Lead Party	NETSO BSCCo	Network Gas Supply Restoration Time	Phone/Fax/E-mail.
3.5.7	After 3.5.6	Construct final element of Acceptance Data to cover the return to the BM Unit's FPN (in accordance with submitted Dynamic Data.	NETSO			Internal Process.
3.5.8	After 3.5.7	Submit final element of Network Gas Supply Emergency Acceptance, in accordance with steps 3.4.6 to 3.4.11.				

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.5.9	After 3.5.8	Request evidence to demonstrate that Final Physical Notifications and Bid Prices gave rise to Trading Charges consistent with Network Gas Supply Emergency Adjustment Principles	Network Gas Supply Emergency Settlement Validation Committee	Lead Party Subsidiary Parties	Request for information	Fax/E-mail
3.5.10	After 3.5.9	Provide evidence to demonstrate that Final Physical Notifications and Bid Prices gave rise to Trading Charges consistent with Network Gas Supply Emergency Adjustment Principles	Lead Party and each Subsidiary Party to affected BM Unit(s)	Network Gas Supply Emergency Settlement Validation Committee	Information required to justify Physical Notifications and Bid Prices (including but not limited to that listed in Section G6.1.2 of the BSC)	Fax/E-mail
3.5.11	After 3.5.10	Network Gas Supply Emergency Settlement Validation Committee considers evidence and decides whether to direct changes to FPNs, Bid Prices or Acceptance Data			As supplied in 3.5.10	Internal process
3.5.12	After 3.5.11	Provide written details of any agreed changes to data, and the reasons for them	Network Gas Supply Emergency Settlement Validation Committee	BSCCo Lead Party Subsidiary Parties		Fax/E-mail

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.5.13	After 3.5.12, if changes are required to Acceptance Data	Submit changes to Acceptance Data into Settlement, in accordance with steps 3.4.6 to 3.4.11 ¹⁰ .				
3.5.14	After 3.5.12, if changes are required to FPNs and/or Bid Price Data	Submit changes to FPNs and/or Bid Offer Data into Settlement, in accordance with steps in 3.2(a) ¹⁰ .				

¹⁰Except the role of NETSO shall be replaced by BSCCo.

4. Appendices

Appendix 1 – Process for Settlement of Network Gas Supply Emergency Acceptances

Approved Modification P448 Alternative introduced a process (described in [section 3.5](#) of this Procedure) by which a Load Shedding instruction issued to a gas-fired generator during Stage 2 or higher of a Network Gas Supply Emergency can be treated as a type of Acceptance (a Network Gas Supply Emergency Acceptance) for purposes of the Code. The intent of this process is to protect the affected generators (and/or their associated Lead Parties and Subsidiary Parties) from the Imbalance Charges they would otherwise have incurred if prevented by the Load Shedding instruction from delivering electricity they had contracted to deliver prior to receipt of that instruction.

The term Network Gas Supply Emergency is defined in the Procedure for Network Gas Supply Emergency issued by National Grid Gas plc. The term does not include Local Gas Supply Emergencies (which therefore fall outside the scope of the NGSEA process), but does include all of the following:

- Gas Deficit Emergencies;
- GS(M)R Monitor Breaches; and
- Critical Transportation Constraints.

This Appendix provides additional information on the roles of the Lead Party (or associated Subsidiary Parties) and the Network Gas Supply Emergency Settlement Validation Committee in ensuring that these Acceptances are correctly settled. The Appendices use the following acronyms (in addition to those used in the body of the Procedure):

NGSEA	Network Gas Supply Emergency Acceptance
NGSESVC	Network Gas Supply Emergency Settlement Validation Committee

What types of BM Unit can use the process?

The process for Settlement of NGSEAs is open both to transmission-connected power stations (registered in a CVA BM Unit) and embedded power stations (registered in a CVA BM Unit or a Supplier BM Unit), provided that the Lead Party and/or associated Subsidiary Parties are able to demonstrate to the NGSESVC that the affected power stations had a firmly agreed contracted position prior to receipt of the Load Shedding instruction. This is necessary because the intent of P448 Alternative is to protect Lead Parties and Subsidiary Parties from Imbalance Charges only to the extent that they relate to such contracted positions. See below for further details of the criteria that the NGSESVC is required to take into account when considering whether a contracted position was sufficiently firmly agreed.

Where possible, the NETSO will deem the Acceptance Data relating to an NGSEA. Where the NETSO cannot do this (perhaps because the Lead Party does not submit Physical Notifications for this BM Unit) the NGSESVC will construct Acceptance Data from scratch. However, the nature of the NGSESVC process is that this will take longer, and the NGSEA will therefore not be Settled until a later Reconciliation Run.

Overview of Settlement process for NGSEAs

The process for Settlement of NGSEAs is described in [section 3.5](#) of this Procedure, and can be summarised as follows:

1. In the first instance, the NETSO is responsible for constructing Acceptance Data for the NGSEA, which shows the reduction in output (relative to the FPN) arising from the Load Shedding instruction. If the Load Shedding continues for a protracted period of time NETSO may need to construct Acceptance Data for multiple Settlement Days, and multiple Bid Offer Acceptance Numbers per Settlement Day. The NETSO may do this on a rolling basis, creating further Acceptance Data for each day as it becomes certain that Load Shedding has continued into that day. Where possible the NETSO should submit Acceptance Data prior to the Interim Information (II) run for each Settlement Day, but where this is not possible the data may be entered into Initial Settlement (SF) or subsequent Reconciliation Runs.

2. Entering the Acceptance Data into Settlement (in accordance with [section 3.5](#) of this Procedure) will have the effect of ensuring that, in relation to the Accepted Bid Volume (calculated as the difference between the FPN and the Acceptance Data):

- The Lead Party and/or associated Subsidiary Parties are not subject to Imbalance Charges; and
- The Lead Party must pay the Bid Price (or be paid it, if the price is negative). This payment is intended to reflect the financial benefit to them of not being required to burn the gas and generate the electricity).

3. The intended purpose of these cash flows is to mitigate the risk of generators subject to Load Shedding (and/or their associated Lead Parties and Subsidiary Parties) being exposed to excessive Trading Charges as a result of events outside of their control. They are not intended to allow generators (and/or their associated Lead Parties and Subsidiary Parties) to benefit financially. To provide assurance of this, the NGSESVC will examine the Settlement Data relating to each NGSEA (and accompanying data provided by the Lead Party and/or Subsidiary Parties), and may amend data (for purposes of Settlement) as follows:

- Amend the FPN up or down, to better reflect the contracted position prior to receiving the Load Shedding instruction;
- Amend the Bid Price up or down, to better reflect the Avoidable Costs saved by the generator as a direct result of reducing their generation to comply with the Load Shedding instruction;
- Amend the Acceptance Data constructed by the NETSO to better reflect the Load Shedding instruction(s) issued to the affected power station(s), and their subsequent return to the level of FPN. For example, the NGSESVC would need to do this if it had made a reduction to the FPN which had the effect of reducing the Run-Up time required to return to the FPN Final following the end of Load Shedding;

- Create FPN Data or Bid Offer Data, where none was submitted under Grid Code processes; and/or
- Create Acceptance Data, where the NETSO was not able to do so.
- If a Lead Party or Subsidiary Party disagrees with the changes made to Settlement data by the NGSESVC, they may appeal their decision to the Authority.

Role of the Lead Party and/or Subsidiary Party

When a power station is subject to Load Shedding in Stage 2 or higher of a Network Gas Supply Emergency, the Lead Party of the BM Unit must inform the NETSO and BSCCo without undue delay. If the Lead Party is not directly involved in operation of the power station they may need to ensure that the generator informs them, so that they can inform the NETSO and BSCCo. If there is a delay in providing this notification it may prevent the NETSO from constructing Acceptance Data, and hence prevent or delay the Lead Party (and/or other parties involved) receiving any protection from Imbalance Charges.

During the period of Load Shedding the Lead Party can continue to update Physical Notifications, Bid Offer Data and Dynamic Data in accordance with the provisions of the Grid Code. However, in accordance with those Grid Code provisions, Physical Notifications for the period of Load Shedding should reflect the firm contracted position of the BM Unit prior to receipt of the Load Shedding instruction. In particular:

- The Lead Party may submit Physical Notifications (for periods where they have not already done so), but these Physical Notifications must match the firm contracted position prior to receipt of the Load Shedding instruction; and
- The Lead Party may increase or reduce the level of existing Physical Notifications, but only to bring them in line with the firm contracted position prior to receipt of the Load Shedding instruction.

The Lead Party (and any associated Subsidiary Parties) must also retain (and provide on request) any records that will allow the NGSESVC to validate their Physical Notifications and Bid Price.

Demonstrating that Physical Notifications reflect a firm contracted position

One of the roles of the NGSESVC is to verify that the Final Physical Notifications (used to calculate the Accepted Bid Volume) do reflect the BM Unit's firm contracted position prior to receipt of the Load Shedding instruction. The Lead Party and/or associated Subsidiary Parties are therefore required to provide the NGSESVC with records demonstrating that, prior to the power station receiving the Load Shedding instruction:

- They knew that the power station intended to generate at the level reflected in the BM Unit's Final Physical Notification; and

- This level of generation was reflected in firm power contracts. The P448 Alternative allows the NGSE SVC to treat a power contract as firm if either:
 - (i) The agreed level of generation was reflected in Energy Contract Volume Notifications (i.e. as a direct result of the power station's planned generation they either notified the sale of that energy volume, or decided not to notify the purchase of that energy volume); or
 - (ii) The level of generation was agreed between the Lead Party and a Third Party Generator, provided that the agreement (e.g. Power Purchase Agreement) requires the Third Party Generator to pay the Lead Party the System Buy Price in relation to quantities of Active Energy that are not delivered.
- With relation to point (i) above, Energy Contract Volume Notifications (and the contracts to which they relate) do not identify a BM Unit, so the Lead Party and/or Subsidiary Party will need to have other evidence demonstrating that they did intend (prior to the Load Shedding instruction) to deliver them using the power station that received the Load Shedding instruction. For example, such evidence could take the form of:
- Internal records demonstrating that the decision to enter into the contract was made as a result of that power station notifying its intended level of generation; or
- Evidence of the 'merit order' in which the party generally despatched the units available to it, demonstrating that the contract in question would have been delivered with the power station subject to Load Shedding.

Appendix 2 - Draft Terms of Reference for the NGSESVC

This document is a draft set of terms of reference for a Network Gas Supply Emergency Settlement Validation Committee (NGSESVC) established for the purpose of verifying that Trading Charges relating to Network Gas Supply Emergency Acceptances are consistent with the Network Gas Supply Emergency Adjustment Principles set out in [Section G6.1.3](#) of the Code.

This document is provided for guidance only. The Panel retains the discretion whether or not to establish any such NGSESVC and the form any such Committee would take.

Unless otherwise stated, words and expressions used in these Terms of Reference shall have the meanings attributed to them under the Balancing and Settlement Code ('the Code'). References to Sections are to Sections of the Code.

1. Establishment And Purpose

1.1 Establishment

- 1.1.1 A Panel Committee has been established by the Panel pursuant to [Section B5.1.1](#).
- 1.1.2 The Committee is known as the Network Gas Supply Emergency Settlement Validation Committee (NGSESVC).
- 1.1.3 The NGSESVC has been established in order to discharge the Panel's functions under Sections G6 as further described in these Terms of Reference.
- 1.1.4 For the purposes of Section B5.5.1(a), the Panel has delegated its decision-making functions under Sections G6 to the NGSESVC, as further described in these Terms of Reference, and accordingly, for the purposes of the Code:
- (a) decisions of the NGSESVC under these Terms of Reference are binding on Parties;
 - (b) [there is no right of reference or appeal to the Panel in respect of any decision of the NGSESVC] - to be determined by the Panel at the time; and
 - (c) the Panel is not responsible for overseeing or reviewing any decision of the NGSESVC.
- 1.1.5 The NGSESVC shall remain in existence until such time as it has discharged its functions as described in these Terms of Reference or, if sooner, until the Panel determines that it shall cease to be established.

1.2 Role and Objectives

- 1.2.1 The NGSESVC is established in order to, pursuant to [Section G6](#):
- (a) validate whether the Trading Charges calculated in relation to each Network Gas Supply Emergency Acceptance can reasonably be regarded as complying with the Network Gas Supply Emergency Adjustment Principles; and
 - (b) determine whether the Trading Charges relating to each Network Gas Supply Emergency Acceptance could be made more consistent with the Network Gas Supply Emergency Adjustment Principles by amending (for purposes of Settlement) Final Physical Notifications, Bid Prices or Acceptance Data.
- 1.2.2 The NGSESVC shall discharge all the functions of the Panel as set out in [Section G6](#)
- 1.2.3 The NGSESVC shall not have any powers, functions or duties by virtue of the Panel's delegation of functions as described in these Terms of Reference save as set out in these Terms of Reference.

2. COMPOSITION

2.1 Membership

- 2.1.1 The NGSESVC is to comprise [X] members.
- 2.1.2 The Panel may replace any member of the NGSESVC at any time if, in the Panel's opinion, such member is unwilling or unable to carry out their duties in accordance with these Terms of Reference.

2.2 Chair

- 2.2.1 The Panel has appointed [X] to be the Chair of the NGSESVC (the 'Chair').
- 2.2.2 If, at any time, such person is unwilling or unable to act as the Chair and/or as a member of the NGSESVC for whatever reason, such person shall cease to be a member of the NGSESVC and the Panel shall appoint a new member (being a person with similar skills and qualifications, where possible) in place of such member, and that new member shall be appointed as the Chair.
- 2.2.3 In addition to their responsibilities as a member of the NGSESVC, the Chair shall be responsible for the matters described in [paragraph 5.2](#) (and, for the purposes of [Section B5.1.4](#) and [B5.5.1\(a\)](#), the Panel expressly requires and permits the delegation of those functions to the Chair).

2.3 Secretary

- 2.3.1 There shall be a secretary to the NGSESVC (the 'Secretary') who shall be a person nominated and provided by BSCCo and approved by the Chair from time to time.
- 2.3.2 The Secretary shall provide such administrative and secretarial support to the NGSESVC and the Chair as the NGSESVC and the Chair may require.

3. Duties

3.1 NGSESVC

- 3.1.1 The NGSESVC shall act in accordance with these Terms of Reference (as modified from time to time by the Panel).
- 3.1.2 In accordance with Section B5.3.1, the provisions of Section B1.2 shall apply to the NGSESVC in the conduct of its business as it applies in relation to the Panel and to the extent applicable to functions of the NGSESVC.
- 3.1.3 The NGSESVC shall not act as an expert or an arbitrator and the Arbitration Act 1996 shall not apply to any decision made pursuant to [Section G6](#).

3.2 Members

- 3.2.1 Each member of the NGSESVC shall act impartially and shall not be representative of, and shall act without undue regard to, the particular interests of any particular person or class of persons (including their employer).
- 3.2.2 Each member of the NGSESVC shall disclose to the Panel from time to time any interests of such member which constitute, in such member's reasonable opinion, an actual or perceived conflict of interest in the discharge of its functions as a member of the NGSESVC, and the Panel shall determine whether such member may continue to hold office or whether to replace such member.
- 3.2.3 The Panel may require confirmation from any member of the NGSESVC and/or their employer in terms equivalent to those set out in [Section B2.8.2](#).
- 3.2.4 Unless otherwise agreed by the Panel, a member of the NGSESVC shall not be entitled to appoint an alternate or otherwise delegate any of its responsibilities as a member of the NGSESVC to any other person.

3.3 Chair

- 3.3.1 Where the Chair is assigned functions under these Terms of Reference, the provisions of paragraphs [3.1](#) and [3.2](#) shall apply to the Chair in the discharge of those functions, as if references to the NGSESVC were references to the Chair.

4. Remuneration And Liabilities

4.1 Remuneration

4.1.1 Each member of the NGSESVC shall be entitled to be paid by BSCCo such remuneration, benefits and expenses as may be included in its terms of engagement with BSCCo.

4.1.2 For the avoidance of doubt, any payments by BSCCo pursuant to [paragraph 4.1.1](#) shall be BSC Costs.

4.2 Liabilities and indemnities

4.2.1 BSCCo shall indemnify and keep indemnified each member of the NGSESVC and the Secretary (as an 'indemnity beneficiary') in accordance with [Section B2.9.1](#).

4.2.2 The provisions of [Section B2.9](#) shall apply to each member of the NGSESVC and the Secretary (as an 'indemnity beneficiary').

5. Powers and Functions

5.1 NGSESVC

5.1.1 The NGSESVC shall discharge the functions assigned to the Panel under [Section G6](#) save for those matters which are assigned to the Chair as set out in [paragraph 5.2](#) below.

5.1.2 Without prejudice to the generality of the foregoing, the functions of the NGSESVC shall include the following, in relation to each Network Gas Supply Emergency Acceptance:

- (a) determining what volumes of Active Energy the relevant Lead Party or Subsidiary Party intended prior to the Network Gas Supply Emergency Acceptance Time (or can reasonably be inferred to have intended) to deliver using Generating Units affected by the Network Gas Supply Emergency Acceptance;
- (b) determining the net saving in Avoidable Costs as a result of the Network Gas Supply Emergency Acceptance;
- (c) validating whether the Trading Charges calculated in relation to the Network Gas Supply Emergency Acceptance can reasonably be regarded as complying with the Network Gas Supply Emergency Adjustment Principles; and
- (d) determining whether the Trading Charges relating to the Network Gas Supply Emergency Acceptance could be made more consistent with the Network Gas Supply Emergency Adjustment Principles by amending and/or creating data as follows for purposes of Settlement:
 - (i) the Final Physical Notification;
 - (ii) the Bid Price and other Bid-Offer Data; and/or
 - (iii) the Acceptance Data; and
- (e) providing reasons in writing for any determination to amend data for purposes of Settlement.

5.1.3 The NGSESVC shall implement the procedures ascribed in [Section G6](#) and BSC Procedure BSCP18 in relation to the functions listed in [paragraph 5.1.2](#); and may determine and implement such further detailed procedures, guidance and indicative timetables, consistent with such procedures, as it sees fit.

5.1.4 The NGSESVC may do anything necessary for or reasonably incidental to the discharge of the functions assigned to it under these Terms of Reference.

5.1.5 Without prejudice to the generality of the foregoing, for the purposes of discharging its functions hereunder (and not for any other purpose):

- (a) the NGSESVC may use and disclose such data as it sees fit, subject to and in accordance with Section B3.3, and for these purposes, the Panel's decision-

making powers under Section B3.3 are delegated to the NGSESVC and further delegated to the Chair as set out in paragraph 5.2 below; and

- (b) the NGSESVC may request BSCCo to procure such expert or external advice and assistance as it considers appropriate.

5.1.6 Subject to the delegation of certain functions to the Chair as set out in [paragraph 5.2](#) below, the NGSESVC shall not further delegate to any person any of its powers, responsibilities and functions save as expressly permitted by the Code or the Panel (but without prejudice to paragraph 5.3).

5.1.7 The NGSESVC shall endeavour to perform its functions in relation to all Network Gas Supply Emergency Acceptances in a timely fashion.

5.2 Chair

5.2.1 In addition to their duties as a member of the NGSESVC, the Chair shall be responsible for the following functions:

- (a) scheduling meetings of the NGSESVC (as they see fit or as requested by any other member of the NGSESVC);
- (b) setting the agenda for and chairing meetings of the NGSESVC;
- (c) deciding the application of procedural rules to individual Lead Parties and Subsidiary Parties and determining any procedural issues relating to individual Lead Parties and Subsidiary Parties (within the parameters of the Code and BSC Procedure BSCP18, and within the parameters of any more detailed procedures established by the NGSESVC) including any variation or extension of time;
- (d) determining the grouping of Network Gas Supply Emergency Acceptances and the order in which they should be considered by the NGSESVC;
- (e) determining whether other persons should attend meetings of the NGSESVC and where appropriate inviting such persons to attend and speak at any meeting;
- (f) taking such other steps and determining such other matters or queries as may be ascribed to the Chair; and
- (g) determining such other procedural or ancillary matters and queries at any stage as may be necessary to ensure the proper, timely and efficient conduct of the functions of the NGSESVC.

5.2.2 Where the Chair is to discharge any function assigned to them as Chair pursuant to [paragraph 5.2.1](#), it shall not be necessary to hold a meeting of the NGSESVC for that purpose (except in the case of chairing meetings of the NGSESVC).

5.2.3 Where a function of the Chair is the determination of a matter, the Chair shall record any decision made in the exercise of such functions and shall report such decisions to the next meeting of the NGSESVC.

5.2.4 The decision of the Chair in relation to any matters or queries to be determined by the Chair pursuant to this [paragraph 5.2](#) shall be final and binding on Parties, the NGSESVC and the Panel.

5.3 BSCCo

5.3.1 In addition to any functions assigned to BSCCo under [Section G6](#), BSCCo shall:

- (a) provide or arrange for the provision of such facilities, resources and other support as may be required by the NGSESVC and/or the Chair to enable them to discharge their respective functions as described in these Terms of Reference;
- (b) provide secretarial and administrative services in connection with meetings of the NGSESVC;
- (c) at the request of the NGSESVC or the Chair, procure such expert or external advice and assistance as may be so requested; and
- (d) keep BSC Parties informed of the operation of the NGSESVC, including the publication of data on the determinations of the NGSESVC, as it sees fit to disclose in accordance with [Section B3.3](#).

6. Proceedings

6.1 General

- 6.1.1 Subject to the matters prescribed in [paragraph 6.2](#) below, the NGSESVC shall determine the manner in which the proceedings and business of the NGSESVC shall be conducted (including the frequency and convening of meetings, the circulation of NGSESVC papers and the minuting of meetings) and, for the purposes of [Section B5.4](#), the provisions of [Section B4](#) (in relation to the Panel) shall not apply to the NGSESVC.
- 6.1.2 Any decision as to application of [Section B4.5.1](#) to NGSESVC meetings shall be made by the Chair in accordance with [Section B4.5.2](#).

6.2 Prescribed matters

- 6.2.1 Any matter of the NGSESVC to be decided shall:
- (a) be put to the vote at the request of any member of the NGSESVC; and
 - (b) be decided by simple majority vote (and, for these purposes, each member shall hold one vote).
- 6.2.2 A resolution in writing signed by or on behalf of all the NGSESVC members in respect of any business of the NGSESVC shall be valid and effectual as if it had been agreed to at a duly convened meeting of the NGSESVC.

6.3 Attendance

- 6.3.1 Subject to [paragraphs 6.3.2](#) and [5.2.1\(e\)](#), all meetings of the NGSESVC shall be held in closed session.
- 6.3.2 The Authority shall be entitled to receive notice of, and to appoint one or more representatives to attend.