Balancing and Settlement Code

BSC PROCEDURE

CLEARING, INVOICING AND PAYMENT

BSCP301

Version 17.0

Date: 29 June 2017

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BSCP301

relating to

CLEARING, INVOICING AND PAYMENT

1. Reference is made to the Balancing and Settlement Code and, in particular, to the definition of "BSC Procedure" in Section X, Annex X-1 thereof.

2. This is BSC Procedure 301, Version 17.0 relating to Clearing, Invoicing and Payment.

3. This BSC Procedure is effective from 29 June 2017.

4. This BSC Procedure has been approved by the Panel.

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AMENDMENT RECORD

Version	Date	Description of Change	Changes Included	Mods/Panel/ Committee Refs
1.0	14/08/2000	Go active version	n/a	n/a
2.0	30/11/2000	Work outstanding at Go Active, resolution of inconsistencies, inclusion of consultation comments	213,186, 244	08/009
3.0	21/08/2001	Credit Cover procedure amended for the ECVAA Interim Release	CP519 (Part 1)	
4.0	12/08/2002	Modification and Change Proposals for BSC Systems Release 2	CP519 (Part 2), CP554, P39	ISG 16/166, ISG 19/197
5.0	10/12/2002	Modification Changes for BSC System Release 2A	P61, P76	
6.0	24/06/2003	Changes for CVA Programme June 03 Release	CP 750	
7.0	10/3/2004	Change to CVA Programme P127 interim release	P127	ISG 37/419
8.0	30/06/2004	Change proposal for the CVA Programme June 04 release	CP986	ISG/40/003
9.0	03/11/04	Modifications and Change Proposals for the CVA Programme November 04 Release	P152, P142, CP974, CP1032	ISG/39/001 TDC/58/03
10.0	20/12/04	CVA Programme February 05 Release	CP1078, BETTA	ISG/44/001
11.0	02/11/05	CVA Programme November 05 Release	CP1128	ISG/54/002
12.0	26/06/08	June 2008 Release	CP1223 CP1176 (part)	SVG84/02, ISG84/01, TDC109/01, PAB84/11 ISG/68/02 SVG/67/02
13.0	06/11/08	November 2008 Release	P214	Panel 134/05
14.0	25/02/10	February 2010 Release	CP1313 CP1321	ISG105/02 ISG107/01
15.0	23/02/12	February 2012 Release	CP1352	ISG129/02
16.0	25/06/15	June 2015 Release	P307	ISG169/05
17.0	28/06/17	June 2017 Release	CP1486	ISG194/05

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CONTENTS

1	**Introduction**	**5**
1.1	**Purpose and Scope of the Procedure**	**5**
1.2	**Main Users of the Procedure and their Responsibilities**	**5**
1.3	**Key Milestones**	**6**
1.4	**Balancing and Settlement Code Provision**	**6**
1.5	**Associated BSC Procedures**	**6**
2	**Acronyms and Definitions**	**6**
3	**This section is no longer in use**	**7~~6~~**
4	**Interface and Timetable Information**	**8~~7~~**
4.1	**Payment Calendar and Settlement Calendar**	**8~~7~~**
4.2	**Calculate and Arrange Payments**	**10~~9~~**
4.3	**Payment Procedure**	**14~~13~~**
4.4	**Payment Default**	**17~~16~~**
4.5	**Maintain Arrangements with Banks**	**17~~16~~**
4.5.1	Obtain new and changed banking details and authorisations	17~~16~~
4.5.2	Quarterly / Ad hoc Statements (provided to Parties and Customs and Excise for VAT purposes)	19~~18~~
4.6	**Manage Credit Cover**	**20~~19~~**
4.6.1	Reduction of Credit Cover by Parties not in Default	20~~19~~
4.6.2	Reduction of Credit Cover by Withdrawing Parties in Default solely by virtue of Section H3.1.1(g)	21~~20~~
4.6.3	Reduction of Credit Cover by Non-Supplier Trading Parties in Default solely by virtue of Section H3.1.1(g).	23~~22~~
4.6.4	Creation or Increase of Credit Cover	26~~25~~
4.7	**Ad Hoc Inputs**	**27~~26~~**
4.8	**Threshold Governance**	**28~~27~~**
5.	**Appendices**	**29~~28~~**
5.1	**Summary of Forms**	**29~~28~~**
5.1.1	Not in use. BSCP301/01a	29~~28~~
5.1.2	Not in use. BSCP301/02	29~~28~~
5.1.3	Not in use. BSCP301/03a	29~~28~~
5.1.4	BSCP301/04(a) Funds Accession Form	29~~28~~
5.1.5	Not in use. BSCP301/05a	29~~28~~
5.1.6	Not in use. BSCP301/05b	29~~28~~
5.1.7	BSCP301/06 Minimum Eligible Amount Request Form	29~~28~~
5.1.8	Not in use. BSCP301/07	29~~28~~
5.1.4	BSCP301/04(a) Funds Accession Form	30~~29~~
5.1.5	BSCP301/04(b) Amendments to Funds Accession Details	32~~31~~
5.1.7	BSCP301/06 Minimum Eligible Amount Request Form	34~~33~~
5.1.8	BSCP301/07 Minimum Eligible Amount Report Form	35~~34~~
5.2	**Bank Accounts Context Diagram**	**36~~35~~**

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1 Introduction

1.1 Purpose and Scope of the Procedure

This BSCP defines the processes that the Funds Administration Agent (FAA) shall use to carry out the transfer of funds in respect of Settlement between Parties and the Code Clearer for Trading Charges, Ad Hoc Trading Charges and Reconciliation Charges under the Code, and some ancillary activities. It also defines the processes by which Parties may reduce or increase the amount of Credit Cover held by the FAA in relation to that Party.

This is achieved by detailing the FAA activities which are driven by the Settlement process and also those enabling processes which are either ad-hoc or have timescales which are independent of the Settlement process.

This BSCP focuses on the interfaces between the FAA and other agencies seen from the perspective of the FAA.

This BSCP also covers the preparation of the Payment Calendar by the FAA and of the Settlement Calendar by the Settlement Administration Agent (SAA).

1.2 Main Users of the Procedure and their Responsibilities

The main users of this Procedure include the:

a) Funds Administration Agent (FAA).

b) Settlement Administration Agent (SAA).

c) Parties.

d) Panel.

e) Code Auditor.

f) ECVAA.

g) CRA.

h) BSCCo.

By each Notification Date, the FAA has to receive from the SAA, Settlement results for the relevant Settlement Day(s), as set out in the Payment Calendar.

With information for each Settlement Day the FAA uses the Funds Transfer System (FTS) to calculate the necessary exchange of funds between each Payment Party and the Code Clearer on the Payment Date. Advice Notes[1] are sent to Payment Parties and the BSCCo prior to the Payment Date. Confirmation Notices[1~~1~~] to Payment Parties and BSCCo are sent after the Payment Date.

[1] Whilst the BSC definition of Advice Note & Confirmation Notice does not specify BSCCo as a recipient, it is expedient to include BSCCo rather than create a duplicate interface.

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Where a Party has access to the Self-Service Gateway and an equivalent online form is provided, the Party may use the online form as an alternative to the paper forms defined in this BSCP.

Where a Party has provided data using the Self-Service Gateway, BSCCo may use the service to validate and confirm the input data or to request additional data. Where this is the case, these online transactions will represent a valid equivalent to the transactions defined in this BSCP.

Please note that there will not always be a one-to-one equivalence between the data collected via the Self-Service Gateway and the paper forms defined in this BSCP. For example, data collected in one paper form, may be collected by more than one online form. Conversely, a single online form may collect data from more than one paper form.

All references to the provision of information using BSCP forms in this Procedure, should be construed as provision either by a paper form or via the Self-Service Gateway. References to the CRA, including checks performed by the CRA, may include the Self-Service Gateway as applicable.

1.3 Key Milestones

There are the following key milestones:

- Production of the Payment Calendar in accordance with section N and of the Settlement Calendar in accordance with Code section U.
- Funds transfer in accordance with Code section N.
- Management and monitoring of Credit Cover in accordance with Code section M.

1.4 Balancing and Settlement Code Provision

This Procedure should be read in conjunction with the Code and in particular sections M, N and U thereof.

In the event of an inconsistency between the provisions of this BSCP and the Code, the provisions of the Code shall prevail.

1.5 Associated BSC Procedures

BSCP01	Overview of Trading Arrangements.
BSCP11	Trading Disputes
BSCP38	Authorisations
BSCP65	Registration of Parties and Exit Procedures

2 Acronyms and Definitions

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A full list of defined terms and acronyms, and their definitions, can be found in Annex X-1 and X-2 of the Code. The acronyms and terms used locally in this procedure are defined as follows:

BACS	Banks' Automated Clearing Systems
CHAPS	Clearing House Automated Payment Systems
FTS	Funds Transfer System
LC	Letter of Credit
SD	Settlement Day
WD	Working Day
Self-Service Gateway	An online portal, accessible through the BSC Website, that allows authorised users to provide and maintain registration data, including (but not limited to) the data defined in this BSCP.

3 This section is no longer in use

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4 Interface and Timetable Information

4.1 Payment Calendar and Settlement Calendar

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.1.1	By 15th January in each year	Produce draft Payment Calendar for each banking day detailing Initial Notification Dates and Initial Payment Dates corresponding to Settlement Days falling during the next Code Year (1st April to 31st March inclusive), and calendar Payment Dates and Notification Dates for Timetabled Reconciliation Settlement Runs where the calendar Payment Date is between the earliest and the latest Initial Payment Dates.	FAA		Draft Payment Calendar detailing the following dates: Initial Payment Date and Initial Notification Date, for each Settlement Day of the next following Code Year, and calendar Payment Dates and Notification Dates for Timetabled Reconciliation Settlement Runs where the calendar Payment Date is between the earliest and latest Initial Payment Dates	Internal process
4.1.2	By 15th January in each year	Issue draft Payment Calendar for review.	FAA	BSCCo	Draft Payment Calendar	Manual / Electronic
4.1.3	At same time as 4.1.2	Send confirmation of the date on which Advice Notes will be sent in relation to each Quarter Date in the following BSC Year.[2]	FAA	BSCCo	Confirmation of date of Advice Note despatch	Manual/ Electronic
4.1.4	At same time as 4.1.2	Publish notification of the date on which Advice Notes will be sent in relation to each Quarter Date in the following BSC Year on BSC Website.	BSCCo		Date of Advice Note despatch	Internal process
4.1.5	Within 5 WD of 4.1.2	Send comments on draft Payment Calendar.	SAA	BSCCo	As above	Manual / Electronic
4.1.6	Within 10 WD of 4.1.2	Resolve any issues with SAA and FAA.	BSCCo	SAA FAA		Any

[2] Where a Quarter Date falls on a non-Working Day, Advice Notes will be sent on the last Working Day prior to the Quarter Date.

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.1.7	Within 10 WD of 4.1.2	Authorise and send authorised Payment Calendar.	BSCCo	FAA	Authorised Payment Calendar	Manual / Electronic
4.1.8	By 31st January in each year	Distribute authorised Payment Calendar.	FAA	BSCCo SAA Payment Parties	Authorised Payment Calendar	Manual / Electronic
4.1.9	Within 10 WD of 4.1.7	Produce draft SAA Settlement Calendar that is consistent with the Payment Calendar.	SAA			Internal process
4.1.10	Within 10 WD of 4.1.7	Issue draft SAA Settlement Calendar for review.	SAA	BSCCo SVAA	Draft SAA Settlement Calendar	Manual / Electronic
4.1.11	Within 5 WD of 4.1.9	Send comments on draft SAA Settlement Calendar.	SVAA	BSCCo	As above	Manual / Electronic
4.1.12	Within 10 WD of 4.1.9	Resolve any issues with SVAA and SAA.	BSCCo	SVAA SAA	As above	Manual / Electronic
4.1.13	Within 10 WD of 4.1.9	Approve SAA Settlement Calendar.	BSCCo	SAA	Approved SAA Settlement Calendar	Manual / Electronic
4.1.14	Within 2 WD of 4.1.12	Publish approved SAA Settlement Calendar. Note: each respective Party will create their own calendar from the Settlement Calendar and each Party's calendar will be consistent with the Settlement Calendar and Payment Calendar.	SAA	SVAA CDCA Payment Parties	Approved SAA Settlement Calendar	Manual / Electronic

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4.2 Calculate and Arrange Payments

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.2.1	To be received by 10:00 on Notification Date.	Send SAA Settlement Results for each relevant Settlement Day (i.e. all Settlement Days with this Notification Date as per the Payment Calendar).	SAA	FAA	Credits and Debits Report for Initial, Reconciliation and Post-Final Settlement Runs (where applicable) For each Settlement Day and for each Trading Party: • Daily Party BM Unit Cashflow • Daily Party Non-Delivery Charge • Daily Party Energy Imbalance Cashflow • Daily Party Information Imbalance Charges • Daily Party Residual Settlement Cashflow For each Settlement Day: • Daily System Operator BM Cashflow	Electronic
4.2.2	If SAA Settlement Results not received by 10:00.	Send notification of non-receipt and liaise with SAA to attempt to obtain data in time to run production and despatch processes.	FAA	SAA BSCCo	Notification of non-receipt	Tel/Email
4.2.3	If final Reconciliation postponed.	Reschedule final Reconciliation.	FAA			Internal Process
4.2.4	If SAA Settlement Results received on time.	Validate results for completeness, against Standing Data and for balance (within £10) between total debits and total credits.	FAA		Credits and Debits Report	Internal Process

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.2.5	If SAA Settlement Results are invalid (£10 difference or more) or data is missing then notify as soon as possible after receipt from SAA	Notify invalidity or missing data as soon as aware of invalidity. (If this is not done by close of business on Notification Date, SAA will assume that the data are valid).	FAA	SAA	Notification of invalidity	Tel/Email
4.2.6	Using its best endeavours	Resolve problem and send revised SAA Settlement Results.	SAA	FAA	Revised Credits and Debits Report	Electronic
4.2.7	If valid results available in time for production and despatch processes to be run	Run FTS.	FAA			Internal Process
4.2.8	• No later than the Notification Date, if the Advice Note Threshold Limit has been exceeded; or • on a Quarter Date[2]; or • as requested by BSCCo or by a Payment Party in accordance with Section N7.1.8 of the Code; or • as determined by the Panel	Send Advice Note with combined charges[3].	FAA	Each Payment Party	Advice Note showing the combined amount that is to be paid by the Party to the Code Clearer or to that Payment Party by the Code Clearer on that Payment Date. Sample in Appendix 5.1.1.	Email
4.2.9	When Trading Charges are incurred and no later than the Notification Date	Send Trading Charges backing sheets.	FAA	Each Payment Party	Backing Documentation for Trading Charges. Sample in Appendix 5.1.5.	Email

[3] The FAA will include ad-hoc charges into the Advice Note where the Payment Date for the Advice Note matches the ad-hoc charge Payment Date.

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.2.10	• When Default Charges have accrued; and • either the monetary or time thresholds have been exceeded; and • no later than the Notification Date.	Send Default Charges backing sheet.	FAA	Each Payment Party	Backing Documentation for Default Charges. Sample in Appendix 5.1.5.	Email
4.2.11	When an ad-hoc charge occurs, and no later than the Notification Date	Send ad-hoc charges backing sheets.	FAA	Each Payment Party	Backing Documentation for ad-hoc charges. Sample in Appendix 5.1.5.	Email
4.2.12	If Payment Date postponed	Resume at 4.2.6 above on the next Business Day (so that the postponed Payment Date is the second Business Day after valid Settlement Results received).				
4.2.13	10 WD after the FAA receives notification of ad-hoc payment, or as otherwise agreed by the Panel	Include ad-hoc payment in Advice Note for Payment Date in question.[4]	FAA	Payment Party		Email

[4] An Advice Note will not be issued unless the ad-hoc payment breaches the Monetary Threshold or if the Payment Date is on a Quarter Date.

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
Where an undeliverable return receipt is received relating to the electronic delivery of an Advice Note/Confirmation Notice/Advice Note Backing Sheet						
4.2.14	If electronic delivery of an Advice Note / Confirmation Notice / backing sheet fails	Contact affected Party and either: a) request a temporary email address to deliver the file electronically; b) request a fax number to fax to the document to the Party; c) advise the Party of the amount payable or receivable and post the document.	FAA	Payment Party		Telephone
4.2.15	If electronic delivery of an Advice Note / Confirmation Notice / backing sheet fails and telephone contact is not possible	Send document to Party by post until such time as the FAA can contact the Party and confirm the situation or resolve the email non-delivery problem.	FAA	Payment Party		First Class Post
4.2.16	If Payment Party suspects they should have received an Advice Note / Confirmation Notice / backing sheet	Contact FAA and advise of non-receipt of expected document.	Payment Party	FAA		Telephone, Email
4.2.17	Following 4.2.16	Investigate and advise Payment Party as necessary.	FAA	Payment Party		Internal process, telephone, email

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4.3 Payment Procedure

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.3.1	Not later than the end of the Business Day on Payment Date	Send funds	Party	Collection Account	Payment initiation instructions	Manual or electronic via CHAPS / BACS / DD
In the case of expected non-payment or shortfall in payment						
4.3.2	As soon as BSC Debtor becomes aware that payment will not be credited to Collection Account by the end of the Business Day on Payment Date	Advise that a payment will not be credited to the Collection Account and reasons or, that there will be a shortfall in payment.	BSC Debtor	FAA	Collection Account name, Payment Date, BSC Party, shortfall in funds, deadline for resolution	Telephone, Email
4.3.3	As soon as it becomes aware that a payment has not or will not be credited to the Collection Account by the end of the Business Day on the Payment Date	Notify and liaise with BSCCo.	FAA	BSCCo		Email
4.3.4	By 11:00 on the Business Day following Payment Date	Liaise to establish the reason and agree a resolution.	FAA BSCCo			Telephone, Email
4.3.5	By 11:00 on the Business Day following Payment Date	Advise BSC Debtor of the amount of non-payment or the Shortfall Amount[5]	BSCCo	BSC Debtor	Amount of non-payment/Shortfall Amount.	Telephone, Email

[5] The non-payment amount is the total amount due on the Advice Note. The Shortfall Amount is the difference between what the BSC Debtor has paid and the total amount due on the Advice Note.

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
In the case of excess payment						
4.3.6	By 11:00 on the Business Day following the Payment Date	Use reasonable endeavours to ascertain the nature of the excess payment, calculate the entitlement and instruct the BSC Banker, by 16:00 that day, to: • credit the relevant BSC Debtor's account; or • (if so requested by the BSC Debtor) the Reserve Account; or such other account as authorised by BSCCo.	FAA	BSC Debtor		Manual or electronic via CHAPS / BACS / DD
4.3.7	By the end of the Business Day on Payment Date	Advise amounts credited to the Clearing Account.	BSC Banker	FAA		
4.3.8	By the end of on the Business Day following Payment Date	If there is an excess payment, ascertain the nature of the excess payment, calculate the entitlement and instruct the BSC Banker to credit the Reserve Account with the excess amount.	FAA	BSC Banker		
In the case of normal payments by BSC Debtors						
4.3.9	By 11:00 on the Business Day following Payment Date	Confirm that all amounts have been credited to the Collection Account.	FAA	Party, if required	FAA to contact Parties in the event of non-payment and find out reason for non-payment.	Internal Process
4.3.10	Not later than the end of the Business Day following Payment Date	Ensure the Collection Account balance is swept into the Clearing Account and, if necessary, sweep an appropriate amount from the Borrowing Account into the Clearing Account.	BSC Banker			Internal Process

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.3.11	By 11:00 on the Business Day following Payment Date	Reconcile the actual amounts credited and remitted to the Clearing Account.	FAA			
4.3.12	Within 2 WD of Payment Date	Send Confirmation Notice.	FAA	Party	Confirmation Notice for each Party who received an Advice Note for the relevant Payment Date; will detail amounts received from the Party inclusive and exclusive of VAT. See sample form in Appendix.	Email and optionally First Class Post
In the case of payments to BSC Creditors						
4.3.13	At about 15:00 on Payment Date	Calculate the amounts available for payment by the BSC Clearer to BSC Creditors.	FAA			Internal Process
4.3.14	Not later than 16:00 on Payment Date	Arrange for remittance from the Clearing Account to the relevant Settlement Accounts and if required arrange for transfers from the Reserve Account or Borrowing Account to the Clearing Account or vice versa.	FAA	BSC Banker		
4.3.15	Within 2 WD of Payment Date	Send Confirmation Notice with combined charges.	FAA	Party	Confirmation Notice for each Party who received an Advice Note for the relevant Payment Date; will detail amounts paid to the Party inclusive and exclusive of VAT. See sample form in Appendix 5.1.3.	Email and optionally First Class Post

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4.4 Payment Default

This section has been removed; please reference Code Section N Paragraph 9.

4.5 Maintain Arrangements with Banks

4.5.1 Obtain new and changed banking details and authorisations

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.5.1.1	As required and no later than 5 WD before a change in VAT status that alters the liability of the Party to UK VAT	Send completed and authorised "Funds Accession" form or "Amendments to Funds Accession Details" form, as necessary.	Party	FAA, BSCCo	Sample forms in Appendix 5.1.4 Signatory must be authorised as per BSCP38 BSCP301/04(a) if new details BSCP301/04(b) if details have been changed	Manual / Self-Service Gateway
4.5.1.2	Within 1 WD of 4.5.1.1 where notice of a change in VAT status that alters liability of the Party to UK VAT, has been given	Check "Amendments to Funds Accession Details." Where VAT declaration is complete, notify consent to change in VAT status. Where VAT declaration is incomplete or believed to be erroneous[6] contact Party and resolve.	BSCCo BSCCo	FAA Party	Completed BSCP301/04 (a); or BSCP301/04 (b).	Manual / Self-Service Gateway

[6] Examples of incomplete or erroneous VAT declarations may include (but may not be restricted to): where a Party has declared that they are not liable for UK VAT but provided an UK address (or vice versa); or has given an address within the EU but has not declared a VAT number and/or the two-letter country identifier Code for the relevant EU member state.

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.5.1.3	No later than 3 WD before the Payment Date on which the change in VAT status takes effect, and prior to calculation of payments, where BSCCo has consented to change in VAT status	Validate Funds Accession Form or Funds Accession Details Form & update VAT details	FAA		Consent to change in VAT status from BSCCo	Internal Process
4.5.1.4	Within 4 WD of 4.5.1.1	Check Payment Party's contact details against those received from CRA.	FAA			Internal Process
4.5.1.5	Within 10 WD of 4.5.1.1	Establish / revise transfer details.	FAA	Party Banks	Direct Debit instructions, CHAPS, BACS	Manual
4.5.1.6	Before the new Party can take part in Trading Arrangements	Set up banking communication links.	FAA	BSC Banker, Collection Account	As required	Internal Process

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4.5.2 Quarterly / Ad hoc Statements (provided to Parties and Customs and Excise for VAT purposes)

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.5.2.1	At the end of each Quarter or ad-hoc as requested	Produce & Send Quarterly / Ad-hoc Statements.	FAA	Parties Customs & Excise (Quarterly Statements only)	Settlement Run data, dispute payments/ receipts, interest from Reserve Account	Post
4.5.2.2	Promptly	Review Quarterly / Ad-hoc Statements.	Parties			Internal Process
4.5.2.3	If discrepancy	Raise query.	Parties	FAA		Phone / Fax / Email
4.5.2.4		Resolve discrepancy.	FAA Parties			Phone / Fax
4.5.2.5	If practicable within 10 WD of receipt of Quarterly Statement	Send Confirmation that statement acceptable.	Parties	FAA		Fax/ Post / Email
4.5.2.6	After 4.5.2.5	Send copy of Quarterly / Ad-hoc Statement & Confirmation.	FAA	BSCCo BSC Auditor	Settlement Run data, dispute payments/ receipts, interest on security cover.	Post

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4.6 Manage Credit Cover

4.6.1 Reduction of Credit Cover by Parties not in Default

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.6.1.1	At any time	Request minimum eligible amount calculation.	Trading Party	ECVAA	ECVAA-I024: Credit Cover Minimum Eligible Amount Request (Form BSCP301/06)	Email/Fax
4.6.1.2	On same WD as 4.6.1.1	Check if Party is in Default of the Code. If Party is not in Default go to 4.6.1.4. If Party is in Default go to 4.6.1.3.	ECVAA			Internal process
4.6.1.3	On same WD as 4.6.1.1	Inform BSCCo and go to 4.6.2.3.	ECVAA	BSCCo		Email/Fax
4.6.1.4	On first WD after the expiry of the Waiting Period[7]	Calculate minimum eligible amount.	ECVAA			Internal Process
4.6.1.5	On same WD as 4.6.1.4	Notify minimum eligible amount.	ECVAA	FAA Trading Party BSCCo	ECVAA-I025: Credit Cover Minimum Eligible Amount Report (Form BSCP301/07)	Email
4.6.1.6	Not later than second WD after 4.6.1.5	Request reduction of Credit Cover.	Trading Party	FAA	Details of LC reduction/cash withdrawal	Letter/Fax/Email
4.6.1.7	In response to 4.6.1.6	Consent to reduction/withdrawal of Credit Cover.	FAA	Trading Party or BSC Banker	Notification of consent or instruction to transfer money or return or exchange LC	Letter/Fax/Email

[7] The definition of the Waiting Period is dependent on the minimum eligible amount calculation rule specified by ECVAA as per Section M 2.3 of the Code.

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4.6.2 Reduction of Credit Cover by Withdrawing Parties in Default solely by virtue of Section H3.1.1(g)

Withdrawing Parties in Default solely by virtue of Section H3.1.1(g) of the Code are entitled to request a reduction of Credit Cover, providing they have satisfied the criteria for withdrawal stipulated in Section A5.1 of the Code.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.6.2.1	To meet the timescales for withdrawal and the requirements in Sections M2.3 and A5.1.3 of the Code[8]	Request minimum eligible amount calculation.	Trading Party	ECVAA	ECVAA-I024: Credit Cover Minimum Eligible Amount Request (Form BSCP301/06)	Email/Fax
4.6.2.2	On same WD as 4.6.2.1, where 4.6.2.1 occurred on a WD, or on the first WD after 4.6.2.1, where 4.2.6.1 occurred on a non-WD	Request minimum eligible amount calculation rule.	ECVAA	BSCCo	ECVAA-I026: Minimum Eligible Amount Rule Request	Email/Fax
4.6.2.3	On same WD as 4.6.2.2	Check that the Party has submitted a Withdrawal Notice Form and is in Default of the Code solely by virtue of Section H3.1.1(g). If not, go to 4.6.2.4. If so, continue at 4.6.2.5.	BSCCo			Internal process
4.6.2.4	Following 4.6.2.3 and on same WD as 4.6.2.3	Inform Party the minimum eligible amount calculation request has been refused and provide reasons for refusal. END PROCESS.	BSCCo	ECVAA Trading Party		Internal process

[8] In order to meet the Code requirements and work out the appropriate date to submit a minimum eligible amount calculation request, Withdrawing Parties would typically need to count 2-4 WD back from their Withdrawal Date followed by a further 10SDs. Withdrawing Parties are advised to contact BSCCo for more detailed guidance at least three weeks prior to the Withdrawal Date.

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.6.2.5	Following 4.6.2.3 and on the same WD as 4.6.2.3	Notify ECVAA of minimum eligible amount calculation rule.	BSCCo	ECVAA Trading Party		Email/Fax
4.6.2.6	On the first WD following the expiry of the Waiting Period	Perform minimum eligible amount calculation and notify Party of minimum eligible amount arrived at.	ECVAA	FAA Trading Party	ECVAA-I025: Credit Cover Minimum Eligible Amount Report (Form BSCP301/07)	Fax/Email
4.6.2.7	2 WD prior to the Withdrawal Date	Check that Withdrawal Date has been confirmed. If so, inform Party and FAA and continue to 4.6.2.8 If not, inform Party and the FAA that the reduction in Credit Cover has been refused and why. END PROCESS.	BSCCo	FAA Trading Party		Internal process
4.6.2.8	Following 4.6.2.7, to meet withdrawal timescales and Code requirements in Section M2.3	Request reduction of Credit Cover.	Trading Party	FAA	Details of LC reduction/cash withdrawal	Email/Fax
4.6.2.9	On same WD as 4.6.2.8	Consent to reduction of Credit Cover and END PROCESS.	FAA	Trading Party or BSC Banker	Notification of consent or instruction to transfer money or return or exchange LC	Letter/Fax/Email

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4.6.3 Reduction of Credit Cover by Non-Supplier Trading Parties in Default solely by virtue of Section H3.1.1(g).

A Non-Supplier Trading Party in Default solely by virtue of Section H3.1.1(g) is entitled to request a reduction of Credit Cover, providing they have satisfied the criteria for withdrawing from the Code stipulated in Section A5.1.3 of the Code. Conditions for the reduction of Credit Cover under this circumstance are outlined in Section M.2.3A of the Code.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.6.3.1	At any time	Apply in writing for reduction of Credit Cover.	Trading Party	BSCCo	Application for reduction of Credit Cover as a Non-Supplier Trading Party	Letter/ Email/Fax
4.6.3.2	On receiving application	Request Withdrawals Checklist[9] Request details of outstanding liabilities and Credit Cover.	BSCCo	CRA FAA	Withdrawal Checklist Request (CRA-I044) Request for outstanding liabilities and Credit Cover	Email Email/Fax Self-Service Gateway
4.6.3.3	Within 2 WD of 4.6.3.2	Send Withdrawals Checklist. Send details of outstanding liabilities and Credit Cover.	CRA FAA	BSCCo	Withdrawals Checklist (CRA-I047) Statement of Outstanding Liabilities	Email / Fax / Self-Service Gateway

[9] The Withdrawal Checklist contains all information required to carry out the checks outlined in section M of the Code. Parties should note that they are not required to withdraw from the Code for this process.

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.6.3.4	Within 10 WD of 4.6.3.3	Check that Party has: a) no Supplier BM Units registered after the date of the latest RF run b) no ECVNs or MVRNs in force after the date of the request c) terminated all ECVNA Authorisations and MVRNA Authorisations d) paid all Trading Charges e) paid all BSCCo Section D charges f) de-registered all BM Units g) an Energy Indebtedness of zero or negative over a period of 30 days prior to the date of the notice given If the Party fails any of the checks go to 4.6.3.5. If the Party completes the checks continue to 4.6.3.6.	BSCCo		Withdrawals Checklist (CRA-I047)	Internal Process
4.6.3.5	Within 1 WD of completion of 4.6.3.4	Inform Party that their request for reduction in Credit Cover has been refused and why. END PROCESS	BSCCo	Trading Party	Results from 4.6.3.4	Letter/ Email/Fax
4.6.3.6	Within 1 WD of completion of 4.6.3.4	Calculate reduction in Credit Cover.	BSCCo		Withdrawals Checklist	Internal Process
4.6.3.7	At next Panel meeting	BSCCo to confirm Party has met all requirements and recommend a reduction in Credit Cover to the amount calculated in 4.6.3.6.	BSCCo	Panel	Confirmation that the Party has satisfied all criteria in 4.6.3.4 and the calculated minimum Credit Cover required	Panel Paper

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.6.3.8	At Panel meeting	Panel decide: a) Party has satisfied the required criteria and be allowed to reduce its Credit Cover. Go to 4.6.3.11. b) insufficient information has been provided. Go to 4.6.3.10. c) Party should not be allowed to reduce its Credit Cover. Go to 4.6.3.9.	Panel	BSCCo	Details of checks performed and calculated minimum Credit Cover required	Meeting Minutes
4.6.3.9	Within 10 WD of 4.6.3.8	Inform Party that their request for reduction in Credit Cover has been refused and why. END PROCESS	BSCCo	Trading Party	Panel minutes	Letter/ Email/Fax
4.6.3.10	Within 10 WDs of 4.6.3.8	Party informed of prescribed steps needed to be taken by next Panel meeting to enable a decision to be made.	BSCCo	Trading Party	Prescribed steps needed to be taken to enable a decision to be made by the Panel	Letter/ Email/Fax
4.6.3.11	Within 10 WDs of 4.6.3.8	Notify minimum level of Credit Cover required.	BSCCo	Trading Party, FAA	Minimum level of Credit Cover required FAA-I031- Credit Policy	Email/Fax
4.6.3.12	Same WD as 4.6.3.11	Reduce Credit Cover as notified and END PROCESS.	FAA	Trading Party or BSC Banker	Notification of instruction to transfer money	Letter/ Email/Fax

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4.6.4 Creation or Increase of Credit Cover

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.6.4.1	By 15:00 on any WD (if later, this will be treated as done on the next WD)	Provide cash and/or Letters of Credit.	Trading Party	FAA	Details of cash/Letter of Credit	Electronic Funds Transfer/ Letter
4.6.4.2	On the same WD as 4.6.4.1	Assess whether Credit Cover is substantially in the form set out in Annex M-1 of the BSC (or another form approved by the BSC Panel). If it does not continue to 4.6.4.3. If it does continue to 4.6.4.4.	FAA			Internal process
4.6.4.3	On the same WD as 4.6.4.1 and following 4.6.4.2	Reject the Letter of Credit and inform Party. END PROCESS.	FAA	Trading Party	Notice of rejection of Letter of Credit	Letter/Email
4.6.4.4	On the WD specified in 4.6.4.2	Update Credit Cover[10] and Energy Credit Cover.	FAA			Internal process
4.6.4.5	On the WD specified in 4.6.4.4	Notify Energy Credit Cover to ECVAA. END PROCESS.	FAA	ECVAA	FAA-I019: Credit Limit Data	Electronic

[10] Note that if the Credit Cover as calculated is negative it shall be treated as zero.

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4.7 Ad Hoc Inputs

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.7.1	On-going as applicable	Determine changes of Credit Ratings for issuers of Letters of Credit, using Credit Agency data.	FAA		Credit rating information	Internal Process
4.7.2	On-going as applicable	Send notification of Bank Base Rate changes.	BSC Banker	FAA	Details of current and historic Base Rates	Manual
4.7.3	On-going as applicable	Send notification of VAT Rate changes.	BSCCo	FAA	Details of current and historical VAT Rates	Manual
4.7.4	On-going as applicable	Send notification of Income tax Rates.	BSCCo	FAA	Details of current and historic Income Tax Rates	Manual
4.7.5	On-going as applicable	Send Information Exception Report.	ECVAA	FAA	Data exceptions	Electronic
4.7.6	On-going as applicable	Send new value of Credit Assessment Price.	BSCCo	FAA ECVAA Trading Parties	Credit Assessment Price and effective date	Manual/Email
4.7.7	On-going as applicable	Send notification of change of monetary Advice Note Threshold Limit, and effective date.	BSCCo	FAA	New Advice Note Threshold Limit and effective date	Email

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4.8 Threshold Governance

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
4.8.1	As requested by BSCCo	Provide data for analysis of Advice Note Threshold Limit.	FAA	BSCCo	Advice Note Threshold Limit	Email
4.8.2	As appropriate	Conduct analysis of the fitness for purpose of the monetary Advice Note Threshold Limit, and present to the Panel for consideration.	BSCCo	BSC Panel	Proposed threshold	Internal Process
4.8.3	Upon receipt of proposed threshold	Review BSCCo internal analysis and issue a recommendation of proposed monetary threshold for consultation.	BSC Panel	Industry	Proposed threshold and BSCCo analysis	Email
4.8.4	Following Panel review of analysis	Return consultation responses.	Industry	BSC Panel	Proposed threshold, BSCCo analysis and Panel recommendation	Email
4.8.5	Panel meeting following receipt of industry responses	Determine a monetary Advice Note Threshold Limit.	BSC Panel		Consultation responses	
4.8.6	Upon receipt of Panel decision to change the Advice Note Threshold Limit	Notify the FAA and BSC Parties of the amended value and the effective date.	BSCCo	BSC Parties FAA	Amended threshold and effective date	Email

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5. Appendices

5.1 Summary of Forms

5.1.1 Not in use. BSCP301/01a

Not in use. BSCP301/01b

5.1.2 Not in use. BSCP301/02

5.1.3 Not in use. BSCP301/03a

Not in use. BSCP301/03b

5.1.4 BSCP301/04(a) Funds Accession Form

BSCP301/04(b) Amendments to Funds Accession Details[11]

5.1.5 Not in use. BSCP301/05a

Not in use. BSCP301/05b

5.1.6 Not in use. BSCP301/05b

5.1.7 BSCP301/06 Minimum Eligible Amount Request Form

5.1.8 Not in use. BSCP301/07

5.2 Bank Accounts Context Diagram

[11] It is the responsibility of each Party to notify the FAA and BSCCo immediately upon any changes to its Funds Accession Details by submitting this BSCP 301/04(b) form. In the absence of such notification, and any notice or other communication given in connection with the Code or relevant BSC Procedure(s) and sent to the Funds Accession Details provided by a Party shall be treated as valid for the purposes of the Code, except where otherwise expressly provided in the Code or relevant Code Subsidiary Document.

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5.1.4 BSCP301/04(a) Funds Accession Form

To: FAA, BSCCo	**Date Sent:** _____
From: Participant Details	Participation Capacity: _____
Party ID: _____	Name of Sender: _____
Sender email address: _____	
Our Ref: _____	Contact Tel. No. _____
Name of Authorised Signatory: _____	
Authorised Signature[12]: _____	Password: _____

PARTY NAME:			
Party Address:			
Company Registered Number:			
Point of Contact Name[13]:			
Point of Contact Postal Address[14]:			
Point of Contact Telephone Number:			
Point of Contact Facsimile Number:			
Point of Contact email address (for general queries)[15]:			
Payment Notice email address[16]			
Collection Account:	Barclays Bank	Elect Method of Payment	CHAPS/BACS Direct Debit

[12] Refer to BSCP38 for authorised signatory category details.
[13] This must be a department name (e.g. 'Accounts Payable') or, if this is not possible, a job title (e.g. 'Finance Director').
[14] If the FAA is unable to deliver Advice Notes, Confirmation Notices and/or Advice Notes Backing Sheets to the Payment Notice email address specified below, it may deliver these to this postal address in accordance with section 4.2 of this Procedure.
[15] This email address will be used as the first point of contact for the FAA.
[16] This email address will be used for the delivery of all Advice Notes, Confirmation Notices and Advice Note Backing Sheets, except in the event of an email delivery failure as described in section 4.2 of this Procedure. This email address must be an anonymised email address which should be accessible to more than one individual recipient e.g. bscpaymentnotice@nameofparty.co.uk

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For the purposes of Council of the European Union Directive 2003/92/EC as regards the rules on the place of supply of gas and electricity, should the place of supply of electricity for this Party ID be considered to be in the UK or not?	UK / Non-UK (delete as applicable)
VAT Number:	
If for the purposes of Council of the European Union Directive 2003/92/EC as regards the rules on the place of supply of gas and electricity, the place of supply of electricity for this Party ID is within the European Union, please supply the two-letter identifier code for the place of supply country.	
Type of Credit Cover:	

Settlement Bank Name: _____

Settlement Bank Address: _____

_____

_____

Settlement Bank Sort Code: _____

Settlement Account Number: _____

Settlement Name of Account: _____

Settlement Bank Contact Details _____

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5.1.5 BSCP301/04(b) Amendments to Funds Accession Details[17]

To: FAA, BSCCo:	**Date Sent:** _____
From: Participant Details	Participation Capacity: _____
Party ID: _____	Name of Sender: _____
Sender email address: _____	
Our Ref: _____	Contact Tel. No. _____
Name of Authorised Signatory: _____	
Authorised Signature[18]: _____	Password: _____

		Current Details	New Details	Effective Date
PARTY NAME:				
Party Address:				
Company Registered Number:				
Point of Contact Name[13~~12~~]:				
Point of Contact Postal Address[14~~13~~]:				
Point of Contact Telephone Number:				
Point of Contact Facsimile Number:				
Point of Contact e-mail (for general queries)[15~~14~~]:				
Payment Notice email address[16~~15~~]				
Collection Account:	Barclays Bank			
Elect Method of Payment	CHAPS/BACS Direct Debit			
For the purposes of Council of the European Union Directive 2003/92/EC as regards the rules on the place of supply of gas and electricity, should the place of supply of electricity for this Party ID be considered to be in the UK or not?		UK / Non-UK (delete as applicable)		

[17] It is the responsibility of each Party to notify the FAA and BSCCo immediately upon any changes to its Funds Accession Details by submitting this BSCP 301/04(b) form. In the absence of such notification, and any notice or other communication given in connection with the Code or relevant BSC Procedure(s) and sent to the Funds Accession Details provided by a Party shall be treated as valid for the purposes of the Code, except where otherwise expressly provided in the Code or relevant Code Subsidiary Document.

[18] Refer to BSCP38 for authorised signatory category details.

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	Current Details	New Details	Effective Date
VAT Number:			
If for the purposes of Council of the European Union Directive 2003/92/EC as regards the rules on the place of supply of gas and electricity, the place of supply of electricity for this Party ID is within the European Union, please supply the two-letter identifier code for the place of supply country.			
Type of Credit Cover:			

	Current Details	New Details	Effective Date
Settlement Bank Name:			
Settlement Bank Address:			
Settlement Bank Sort Code:			
Settlement Account Number:			
Settlement Name of Account:			
Settlement Bank Contact Details			

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5.1.7 BSCP301/06 Minimum Eligible Amount Request Form

From:		**To:**	
Party ID*		Party ID*	
Party Role*		Party Role*	
Name of sender*		Date Sent*	
Signature*			
Password*			

* Denote a mandatory field

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5.1.8 BSCP301/07 Minimum Eligible Amount Report Form

From:		To:	
Party ID*		Party ID*	
Party Role*		Party Role*	
Name of sender*		Date Sent*	
Signature*			
Password			

Minimum Eligible Amount Details	
BSC Party ID*	
Minimum Eligible Amount Rule (75 or 80%)*	
Waiting Period Start Date*	
Waiting Period End Date*	
Maximum Indebtedness Settlement Day*	
Maximum Indebtedness Settlement Period*	
Minimum Eligible Amount (MWh)*	

* Denote a mandatory field

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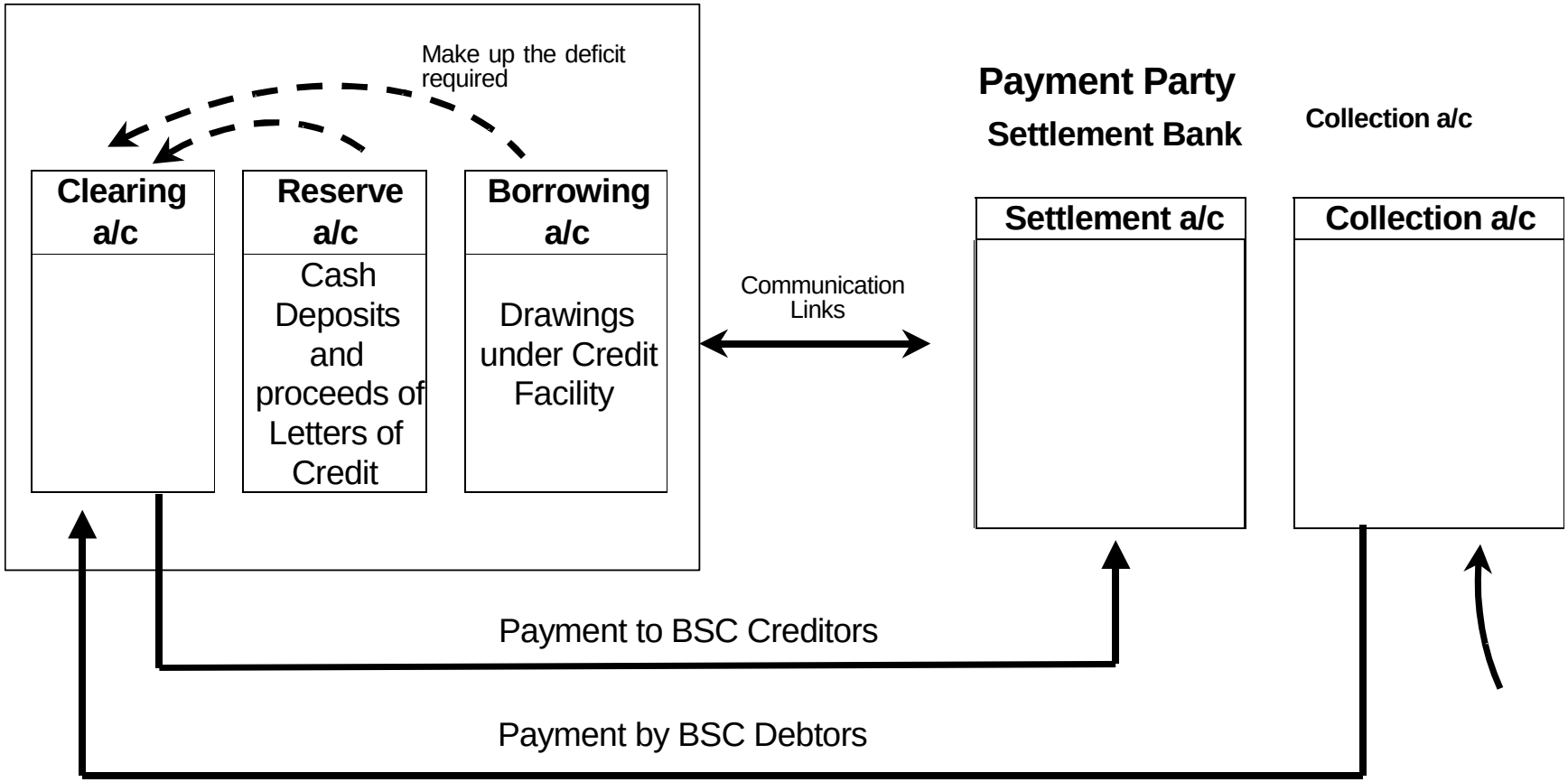
5.2 Bank Accounts Context Diagram



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