APPROVED LEGAL TEXT FOR PROPOSED MODIFICATION P403

SECTION G: CONTINGENCIES (V12.0)

3. BLACK START

3.2 Variation of rules

Amend paragraph 3.2.1 to read as follows:

3.2.1 In relation to all Settlement Periods which fall within a Market Suspension Period:

(a) the operation of the balancing mechanism shall be suspended in accordance with Section Q5.4;

(b) Section Q8 shall not apply;

(c) the notification of contract volumes shall be suspended in accordance with Section P1.6 (and, if otherwise applicable, Section P5 shall not apply);

(d) a single imbalance cash-out price shall apply in accordance with Section T1.7;

(e) the value of Credit Assessment Energy Indebtedness (CEIpj) shall be set to zero for all Trading Parties for the purposes of Section M; ~~and~~

(f) the value of Metered Energy Indebtedness (MEI_{pj}) shall be set to zero for all Trading Parties for the purposes of Section M~~.~~; and

(g) the operation of the TERRE Market shall be suspended in accordance with paragraph Q5A.2.

SECTION Q: BALANCING SERVICES ACTIVITIES (V34.0)

1. INTRODUCTION

1.2 Interpretation

Amend paragraph 1.2.1 to read as follows:

1.2.1 In this Section Q:

(a) at or in relation to a particular time and in relation to a particular data item, "**prevailing**" means most recently received by the NETSO in accordance with the Grid Code (and not invalidated thereunder) prior to that time or, in the absence of any such receipt and/or during a period of Outage, determined (where applicable) by the NETSO in accordance with the Grid Code;

(b) subject to paragraph 1.2.4, references to a "**relevant BM Unit**" are to a BM Unit in respect of which the Lead Party wishes to submit Bid-Offer Pairs or a Replacement Reserve Bid from time to time under the Code;

(c) an "**Outage**" means any withdrawal by the NETSO (for maintenance or otherwise), breakdown or failure of any electronic data communications systems

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by which the NETSO receives and accesses communications made by Lead Parties, where such withdrawal, breakdown or failure has (and for so long as it has) the effect that all Lead Parties are unable to submit Physical Notifications, ~~or~~ Bid-Offer Data, Replacement Reserve Bid Data or the NETSO is unable to receive or access such data submitted by all Lead Parties;

(d) references to the period of Outage shall be to the period commencing at the time when such Outage first occurs and ending at the time when the NETSO's ability to receive and access Physical Notifications, ~~and~~ Bid-Offer Data and Replacement Reserve Bid Data is restored.

4. BALANCING SERVICES BID-OFFER SUBMISSION

Amend paragraph 4.3 to read as follows:

4.3 Replacement Reserve Bid Data Submission and Default Data

4.3.1 For any Replacement Reserve Auction Period, the Lead Party of a relevant BM Unit may submit Replacement Reserve Bid Data in respect of that BM Unit, for one or more Quarter Hour periods (including in relation to the same Quarter Hour period) within the Replacement Reserve Auction Period provided that such Party has complied with paragraph 3.2.1.

4.3.2 Any submission of Replacement Reserve Bid Data under this paragraph 4.3 shall be communicated to the NETSO in accordance with BC4.5 of the Grid Code and so as to be received no later than Gate Closure for the relevant Replacement Reserve Auction Period.

4.3.3 For each relevant BM Unit, the Lead Party shall ensure that any submission of Replacement Reserve Bid Data under this paragraph 4.3 shall be made in accordance with the TERRE Data Validation and Consistency Rules as defined under the Grid Code.

4.3.4 For the purposes of paragraph 4.3, where Gate Closure for a Replacement Reserve Auction Period occurs during a period of Outage, the NETSO shall establish the Replacement Reserve Bid Data for each relevant BM Unit by applying the Replacement Reserve Bid Data for that BM Unit for that Replacement Reserve Auction Period most recently received by the NETSO prior to the start of such period of Outage or, in the absence of any such receipt, no Replacement Reserve Bid Data shall be established by the NETSO.

5. BALANCING MECHANISM BID-OFFER ACCEPTANCE

Insert new Section 5A after paragraph 5.6 to read as follows:

5A SUSPENSION OF THE TERRE MARKET

5A.1 Outages of computer systems leading to the suspension of the TERRE Market

5A.1.1 This paragraph 5A.1 will apply if and only if Planned Maintenance Outages or unplanned computer system failures have occurred in one of the circumstances set out in BC 4.9 of the Grid Code and the TERRE Market is or will be suspended pursuant to BC4.9 of the Grid Code (the terms 'Users' and 'Planned Maintenance Outages' each having, for the purposes of this paragraph 5A.1, the meanings given in the Grid Code).

5A.1.2 Where paragraph 5A.1 applies:

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(a) following the occurrence of any of the circumstances set out in BC4.9 of the Grid Code NETSO shall (as soon as is practicable) notify BSCCo that the TERRE Market will be or has been suspended pursuant to that provision;

(b) BSCCo shall (as soon as is practicable following the NETSO's notification under paragraph 5A.1.2(a)) notify all Parties that the TERRE market will be or has been suspended pursuant to BC4.9 of the Grid Code;

(c) the NETSO shall (as soon as is practicable following its notification under paragraph 5A.1.2(a)) determine, in its reasonable opinion, the time and date with effect from which the TERRE Market suspension commenced and inform BSCCo of that time and date;

(d) BSCCo shall determine the Settlement Period that corresponds with the time and date from which the TERRE Market suspension commenced (as determined by the NETSO under paragraph 5A.1.2(b));

(e) BSCCo shall, as soon and so far as is practicable, notify all Parties of the Settlement Period from which the TERRE Market suspension commenced;

(f) the NETSO shall (as soon as is practicable) determine, in its reasonable opinion, the time and date with effect from which the TERRE Market suspension concluded and notify BSCCo of that time and date;

(g) BSCCo shall determine the Settlement Period that corresponds with the time and date from which the TERRE Market suspension concluded (as determined and notified by the NETSO under paragraph 5A.1.2(f));

(h) BSCCo shall, as soon and so far as is practicable following its determination under paragraph 5A.1.2(g), notify all Parties of the Settlement Period from which the TERRE Market suspension concluded;

(i) BSCCo shall, as soon and so far as is practicable, keep Parties informed of the operation of BSC Systems and, in so far as it is informed by the NETSO, of the operation of the Transmission System during TERRE Market suspension; and

(j) the provisions of paragraph 5A.2 shall apply in relation to all Settlement Periods that fall within a period of TERRE Market suspension as determined by the BSCCo in accordance with this paragraph 5A.1, with effect from the start of the Settlement Period determined by BSCCo under paragraph 5A.1.2(d) until the end of the Settlement Period determined by the BSCCo under paragraph 5A.1.2(g).

5A.2 TERRE Market Suspension General Provisions

5A.2.1 Where, for the purposes of paragraph 5A.1 or any Contingency Provisions, the operation of the TERRE Market is to be suspended in relation to any Settlement Period:

(a) no communication issued by the NETSO under the Grid Code relating to that Settlement Period shall be classed as Replacement Reserve Auction Result Data or as "RR Instruction Flagged" Acceptance Data;

(b) accordingly (without prejudice to any further provisions applying under the Grid Code in the relevant circumstances):

(i) the arrangements in paragraph 5 regarding Replacement Reserve Auction Result Data, and

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(ii) the entitlements and liabilities of Parties pursuant to the provisions in Section T for the determination of Daily Party RR Cashflow, Daily Party RR Instruction Deviation Cashflow, BM Unit Period Non-delivery Charge (where this charge is derived from Replacement Reserve Auction Result Data and (unless otherwise provided in the relevant Contingency Provisions) Information Imbalance Charge (where this is charge is derived from Replacement Reserve Auction Result Data),

shall not apply;

(c) the NETSO shall accordingly not submit Replacement Reserve Bid Data, Replacement Reserve Auction Result Data or "RR Instruction Flagged" Acceptance Data to the BMRA or SAA pursuant to paragraph 6.

SECTION X – ANNEX X-1: GENERAL GLOSSARY (V91.0)

Insert the following new definition into the general glossary in alphabetical order to read as follows:

"**TERRE Market**":	means the European market for the exchange of balancing energy from Replacement Reserves (the Trans-European Replacement Reserves Exchange) in accordance with Article 19 of Commission Regulation (EU) 2017/2195 and Commission Regulation (EU) 2017/1485;

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