DRAFT LEGAL TEXT FOR PROPOSED MODIFICATION P364

SECTION K: CLASSIFICATION AND REGISTRATION OF METERING SYSTEMS AND BM UNITS (Version 38.0)

3. CONFIGURATION AND REGISTRATION OF [PRIMARY] BM UNITS

3.1 Configuration of BM Units

Amend paragraph 3.1 to read as follows:

3.1.1 Subject to paragraph 3.3 (Supplier BM Units) and paragraph 5 (Interconnectors), a BM Unit shall comprise Plant or Apparatus or a combination of Plant and/or Apparatus for whose Exports and/or Imports a Party is responsible.

3.1.2 ~~Subject to paragraph~~Save as provided in paragraph 3.1.5~~4s 3.1.4 and 3.1.6(d)~~, a BM Unit must satisfy the following ~~conditions~~registration criteria:

(a) subject to paragraph 3.1.3A only one Party is responsible for the Exports and/or Imports from or to the Plant and/or Apparatus which is comprised in the BM Unit;

(b) subject to paragraph 3.3.9A, the Exports and/or Imports of electricity from and to the Plant and/or Apparatus comprised in the BM Unit are capable of being controlled independently of the Exports or Imports of electricity from or to any Plant or Apparatus which is not comprised in the BM Unit~~, provided that this shall not apply to the extent to which such Imports are measured by Metering Systems which are part of a Teleswitch Group~~;

(c) on the basis of:

(i) the provisions of the Code as to Volume Allocation, and any options or entitlements which the responsible Party has exercised or intends to exercise pursuant to those provisions~~,~~; and

(ii) the Metering Equipment which is or is to be installed pursuant to Section L

the quantities (in aggregate) of electricity Exported and Imported in each Settlement Period from or to the Plant and/or Apparatus comprised in the BM Unit are or will be determined (in accordance with the provisions of the Code as to Volume Allocation) and submitted to the SAA for the purposes of Settlement separately from any quantities Exported or Imported from or to any Plant and/or Apparatus which is not comprised in the BM Unit;

(d) subject to paragraph 3.1.3(A), the BM Unit does not comprise Plant and Apparatus whose Imports and Exports are measured by both CVA Metering System(s) and SVA Metering System(s); and

(e) subject to 3.1.2B, there are no smaller aggregations of the Plant and Apparatus comprised in the BM Unit, for each of which the conditions in paragraphs (a), (b) and (c) would be satisfied.

3.1.2A A BM Unit (other than a Supplier BM Unit or Interconnector BM Unit) comprised of EII Assets shall not be comprised of any:

© ELEXON Limited 2018

(a) Plant or Apparatus that are not EII Assets; and/or

(b) EII Assets with a different Exemption Proportion.

3.1.2B A collection of smaller aggregations of Plant and Apparatus may be registered as a single BM Unit, provided:

(a) the Registered Capacity of that collection of Plant/or Apparatus is no larger than that specified in respect of a "Small Power Station"; and

(b) the Exports from that collection of Plant and/or Apparatus are subject to common control as a single BM Unit.

3.1.3 Subject to paragraphs 3.1.4B and 3.1.4C, the same Plant and Apparatus may be comprised in more than one BM Unit only to the extent that different persons are responsible for the Exports from and the Imports to such Plant and Apparatus. or as permitted in paragraph 3.1.3A.

3.1.3A Plant and/or Apparatus comprised in a BM Unit, whose Exports and/or Imports are measured by CVA Metering System(s), may also be comprised in another BM Unit, Imports to which are measured by a Metering System, which may be registered by a different person, in the SMRS, provided that:

(a) there are measures in place to prevent Exports from that Plant and/or Apparatus to the SVA Metering System associated with that Plant and/or Apparatus;

(b) the SVA connection is equal to or less than the limit determined by the Panel from time to time; and

(c) there are measures in place to prevent instantaneous flow through of electricity:

(i) from the Metering System registered in CMRS to the Metering System registered in SMRS; and/or

(ii) between different Systems.

3.1.4 Subject to paragraph 3.1.6 cEach of the following shall be a single BM Unit, and (except where paragraph 3.1.5 applies) shall be deemed to satisfy the requirements in paragraph 3.1.2:

(a) any Generating Unit, CCGT Module or Power Park Module for whose Exports the Metering System(s) is or are registered in CMRS;

(b) the Plant and Apparatus which comprises part of, and which Imports electricity through the station transformer(s) of, a Generating Plant, where the Metering System(s) for such Imports is or are registered in CMRS;

(c) premises (of a Customer supplied by a Party) which are directly connected to the Transmission System, provided that such premises are so connected at one Boundary Point only;

© ELEXON Limited 2018

(cc) premises (of a Customer supplied by a Party) which are directly connected to the Transmission System at more than one Boundary Point, provided that the total Imports to the Plant and/or Apparatus comprised in the BM Unit are equal to or less than the value limits prescribed in respect of a Small Power Station;

(d) an Interconnector BM Unit, in accordance with paragraph 5;

(e) a Base BM Unit or an Additional BM Unit, in accordance with paragraph 3.3;

(f) any configuration of Plant and Apparatus set out in Table A in Annex I-2; and

(g) any two or more Offshore Power Park Modules (for whose Exports the Metering System(s) is or are registered in CMRS), where the responsible Party wishes to combine these as a single BM Unit and the Transmission Company in its absolute discretion determines that such a configuration is suitable to constitute a single BM Unit (a "**Combined Offshore BM Unit**"); and

(h) an Offshore Power Park Module together with any related Plant and Apparatus used to Import electricity to that Offshore Power Park Module and which are connected to the Transmission System at separate Transmission System Boundary Points; and

(i) a Combined Offshore Power Park Module together with any related Plant and Apparatus used to Import electricity to that Combined Offshore Power Park Module and which are connected to the Transmission System at separate Transmission System Boundary Points.

3.1.4A A combination of Power Park Modules (including any Power Park Module(s) comprised in a BM Unit located Offshore), with the same Lead Party, may be identified as a "**Switching Group**" in accordance with this paragraph 3, in which case each such BM Unit shall be described as "belonging" to that Switching Group.

3.1.4B Power Park Modules may belong to a Switching Group on the basis that Plant and Apparatus can be selected to run in any of the BM Units belonging to that Switching Group.

3.1.4C Subject to Section R3, Plant and Apparatus comprised in Power Park Modules belonging to a Switching Group shall be deemed to be comprised in the BM Unit in which the Plant and Apparatus is selected to run at any given time.

3.1.4D A Power Park Module may not belong to more than one Switching Group at any given time.

3.1.5 Paragraph 3.1.6 applies in any case where (pursuant to this Section K) one or more BM Units are required to be established, comprising particular Plant and/or Apparatus (the "**relevant**" Plant and Apparatus), if the relevant Plant and Apparatus does not fall into a category listed in paragraph 3.1.4 and:

(a) the relevant Plant and Apparatus does not fall into a category listed in paragraph 3.1.4;

(ba) the relevant Plant and Apparatus does fall into such a category, but the responsible Party considers that a different configuration would satisfy the requirements in paragraph 3.1.2a Party's application to register a BM Unit has been rejected by the CRA for not satisfying the registration criteria set out in paragraph 3.1.2, and the Party wishes to refer the question of application of the registration criteria to the Panel; or

© ELEXON Limited 2018

(~~c~~b) the ~~CDCA or~~ CRA considers that there is a reasonable doubt as to whether ~~the~~ a Party's application to register a BM Unit satisfies the registration criteria set out in paragraph 3.1.2, and the CRA wishes to refer the question of application of the registration criteria to the Panel~~relevant Plant and Apparatus falls into a category listed in paragraph 3.1.4.; or~~

~~(d) (except in the case of an Interconnector) the relevant Plant and Apparatus Exports or Imports at a CVA Boundary Point at which there are other Exports or Imports for which another person is responsible (whether or not the relevant Plant and Apparatus falls into a category listed in paragraph 3.1.4).~~

3.1.6 In any case where this paragraph 3.1.6 applies:

(a) the responsible Party and/or the ~~CDCA or~~ CRA shall refer the question of the establishment of the BM Unit(s) to the Panel;

(b) the Panel shall determine, taking into account any representations of the Party responsible for the relevant Exports and/or Imports, and after consulting the Transmission Company, ~~what~~ whether the proposed configuration of the relevant Plant and Apparatus into BM Unit(s) ~~will best~~ satisfiesy the ~~requirements~~ criteria in paragraph 3.1.2;

(c) where the Panel considers that ~~no such~~the proposed configuration will not satisfy ~~such~~ the criteria in paragraph 3.1.2~~requirements~~, the Panel ~~shall~~ may determine a configuration of the relevant Plant and Apparatus into BM Unit(s) which in the Panel's opinion most nearly achieves the objectives which are reflected in the ~~requirements~~ criteria in paragraph 3.1.2;

(d) the determination of the Panel under this paragraph ~~as to the configuration of the relevant Plant and Apparatus into BM Unit(s)~~ shall be final and binding.

3.1.7 BSCCo shall keep a copy of all determinations made by the Panel pursuant to paragraph 3.1.6 and any decision regarding a BM Unit set out in Table A in Annex I-2 and shall make such determinations and /or decisions available to any Party upon request.

3.1.8 A BM Unit comprised of:

(a) CFD Assets shall be comprised solely of the CFD Assets specified in the Contract for Difference relating to that BM Unit and shall not include any other Plant or Apparatus (the "**Relevant CFD Assets**"); and

(b) CM Assets shall be comprised solely of the CM Assets specified in the Capacity Agreement relating to that BM Unit and shall not include any other Plant or Apparatus.

3.1.9 Any change in any of the details contained in the registration of a BM Unit must meet the criteria for registration set out in this section K and the Lead Party for the BM Unit shall notify the CRA promptly upon any such change occurring, in accordance with paragraph 3.6 and BSCP15.

3.2 Registration of BM Units

Amend paragraph 3.2.8 to read as follows:

© ELEXON Limited 2018

3.2.8 The Lead Party for a BM Unit shall~~, in accordance with BSCP15,~~ keep its registration up-to-date in accordance with paragraph 3.1.9~~, by notifying the CRA of any change in any of the details contained in the registration, promptly upon any such change occurring~~.

3.3 Supplier BM Units

Insert a new paragraph 3.3.9A to read as follows:

3.3.9A Paragraph 3.1.2(b) shall not apply to the extent to which Imports of electricity to the Plant and/or Apparatus comprised in a BM Unit are measured by Metering Systems which are part of a Teleswitch Group.

SECTION X: DEFINITIONS AND INTERPRETATION
ANNEX X-1: GENERAL GLOSSARY (V82.0)

Insert the following new definitions as follows:

"Small Power Station":	has the meaning given to that term in the Grid Code;

© ELEXON Limited 2018