DRAFT LEGAL TEXT FOR THE PROPOSED MODIFICATION TO REMOVE UNUSED BSC PROVISIONS

SECTION C: BSCCO AND ITS SUBSIDIARIES (Version 24.0)

Amend section 3.1.4 as follows:

3.1.4 BSCCo shall have the powers, functions and responsibilities assigned to it:

[P394] (a) in the Implementation Scheme (including without limitation those provided in connection with the Pooling and Settlement Agreement)~~; and~~

[P394] ~~(b) in the Pool Supplement.~~.

SECTION D: BSC COST RECOVERY AND PARTICIPATION CHARGES (Version 21.0)

Amend section 1.1.1 as follows:

1.1.1 This Section D sets out:

(a) the basis on which Trading Parties' various Funding Shares will be determined;

(b) the basis for determining specified charges payable by Parties and others to BSCCo in respect of participation under the Code;

[P394](c) further arrangements pursuant to which BSCCo will recover BSC Costs from Trading Parties; and

[P394](d) ~~arrangements pursuant to which certain Trading Parties will recover certain amounts (not being Trading Charges), directly from other Trading Parties, in respect of Party Funded Costs~~not used;~~ and~~

(e) further arrangements pursuant to which BSCCo will recover:

(i) CFD Settlement Services Provider Costs; and

(ii) CM Settlement Services Provider Costs.

Amend section 2.1.1 (b) as follows:

(b) BSC Costs do not include:

(i) amounts payable by or to the BSC Clearer in respect of Trading Charges pursuant to Section N;

(ii) (to avoid double counting) amounts paid by BSCCo to its Subsidiaries by way of funding;

[P394](iii) ~~Party Funded Costs or~~ any amounts payable to any Parties in respect of Supplier ~~c~~Charges pursuant to Annex S-1;

(iv) any CFD Settlement Services Provider Costs and/or CM Settlement Services Provider Costs incurred by BSCCo and/or any of its Subsidiaries;

Amend section 3.1.1 as follows:

3.1.1 For the purposes of the Code:

[P394](a) "**Specified BSC Charges**" means ~~Specified NETA Funding Charges,~~ Main Specified Charges and SVA Specified Charges;

[P394] (b) ~~"**Specified NETA Funding Charges**" means the charges determined in accordance with paragraph 2 of Annex D-3~~not used;

(c) "**Main Specified Charges**" means the charges determined in accordance with paragraph 3 of Annex D-3;

(d) "**SVA Specified Charges**" means the charges determined in accordance with paragraph 4 of Annex D-3.

Amend section 4.1 (a)(i) as follows:

4.1 Net Annual BSC Costs

For each BSC Year:

(a) "**Annual Net Main Costs**" is the amount of the Annual BSC Costs, less:

[P394] (i) all amounts payable by Parties by way of Main Specified Charges and~~,~~ SVA Specified Charges ~~and specified NETA Funding Charges~~;

Amend section 5 as follows:

[P394]**5.** ~~**PARTY-FUNDED COSTS**~~

~~**5.1 Party-Funded Costs**~~

~~5.1.1 Certain Parties are entitled to repayment (from Parties or classes of Party collectively), in accordance with this paragraph 5, of amounts incurred by them by reference to the following dates:~~

~~(a) no later than the Go-live Date:~~

~~(i) to the extent not already recovered under the terms of the Pooling and Settlement Agreement, costs ("**1998 Programme Costs**") incurred by PES Suppliers in respect of the development (in connection with the Pooling and Settlement Agreement) of arrangements for Supplier Volume Allocation;~~

~~(ii) costs ("**Pool NETA Costs**") incurred by Pool Members in connection with the development of the arrangements to which the Code gives effect.~~

~~(b) no later than the BETTA Effective Date:~~

~~(i) costs ("**BETTA Support Costs**") incurred by Parties in accordance with Section C 8.2.2.~~

~~(c) no later than the Scottish Distributor Start Date:~~

~~(i) Scottish Operational Run-Off Costs.~~

~~5.1.2 For the purposes of the Code:~~

(a) "**Party Funded Costs**" means 1998 Programme Costs, Pool NETA Costs BETTA Support Costs and Scottish Operational Run-Off Costs;

(b) in relation to each kind of Party Funded Costs:

(i) "**Funding Party**" means the Party or Parties entitled to recover amounts in respect of such Party Funded Costs and, in relation to Scottish Operational Run-Off Costs, means the Scottish Distribution Companies;

(ii) "**Party Charge**" means an amount payable by a Party in respect of the recovery by Funding Party(ies) of such Party Funded Costs;

(iii) "**Funding Party Payment**" means an amount payable to a Funding Party in respect of the recovery of such Party Funded Costs.

5.1.3 Annex D-5 sets out, for each kind of Party Funded Costs:

(a) the amount or the basis of determination of the amount recoverable by the Funding Party, or Funding Parties in aggregate, in respect of such Party Funded Costs;

(b) the period over which such amount is recoverable by the Funding Party(ies);

(c) the basis (if any) on which interest will accrue in respect of Party Funded Costs until they are recovered;

(d) the Parties or classes of Party from which amounts are recoverable in respect of such Party Funded Costs;

(e) the basis for determining the amounts payable by such Parties as Party Charges and the due dates for payment of such charges.

5.1.4 Each Party (in each of the capacities referred to in paragraph 5.1.3(d)) shall be liable to the relevant Funding Parties for and shall pay the Party Charges applicable to it.

5.1.5 For the purposes of paragraph 6.5, where one or more Parties is in default of an obligation to pay a Party Charge (of any type) payable in respect of any period, the "**Default Party Charge Share**" of each non-defaulting Party is a proportion determined as the amount payable by the non-defaulting Party by way of Party Charge of the relevant type in relation to the relevant period, divided by the sum for all non-defaulting Parties of such amounts.

5.1.6 For the avoidance of doubt (but without prejudice to paragraph 4.6) this Section D does not apply in relation to Supplier charges under Annex S-1, and such charges are not Party Charges.

5.2 Administration of Party Charges

5.2.1 BSCCo shall act on behalf of Funding Parties:

(a) to determine the amounts from time to time payable by Parties by way of Party Charges and to Funding Parties by way of Funding Party Payments;

(b) to administer the invoicing and receipt of Party Charges and payments of Funding Party Payments, together with any associated amounts in respect of VAT

~~in accordance with the relevant provisions of Annex D-5.~~

~~5.2.2 Pursuant to paragraph 5.2.1(b), BSCCo shall provide to all Parties an invoice or statement in respect of the amounts from time to time payable by and to each Party in respect of Party Charges and Funding Party Payments and any associated amounts in respect of VAT, and showing the basis of calculation of such amounts, in accordance with Annex D-5.~~

~~5.2.3 Whenever BSCCo receives amounts in respect of Party Charges:~~

~~(a) BSCCo shall in accordance with Annex D-5 pay such amounts over to the Funding Parties entitled to receive the same, in the proportions in which they are so entitled in accordance with the relevant provisions of Annex D-5;~~

~~(b) until it pays such amounts over, BSCCo shall hold such amounts on trust for such Funding Parties in such proportions; and such amounts shall be paid to and held in a separate account in accordance with paragraph 6.1.2, but subject thereto BSCCo shall not be required to segregate amounts received in respect of Party Charges (and held by it in such separate account) into separate funds.~~

~~5.2.4 Nothing done or omitted to be done by BSCCo under paragraph 5.2.1 shall affect the rights and obligations of Parties in respect of Party Charges.~~

~~5.2.5 For the avoidance of doubt, BSCCo shall have no liability for any failure by any Party to pay any amount payable in respect of Party Charges.~~**NOT USED**

Amend Annex D-3 paragraph 1.2 as follows:

[P394]1.2 The amounts or rates of each of the Specified BSC Charges ~~(other than Specified NETA Funding Charges)~~, in relation to each BSC Year, shall be the amounts or rates determined and notified to Parties by the Panel, in accordance with this Annex D-3, not later than the start of that BSC Year, provided that the amounts or rates prevailing in one BSC Year shall continue to apply in the following BSC Year if the Panel does so not notify any revised such amounts or rates.

Amend Annex D-3 paragraph 2 as follows:

[P394]**2.** ~~**Specified NETA Funding Charge**~~

~~2.1 The Specified NETA Funding Charge for each Trading Party in respect of each month shall be a charge determined as the Trading Party's Main Funding Share (for the relevant month) of the Monthly NETA Recovery Amount.~~

~~2.2 For the purposes of this paragraph 2:~~

~~(a) the "**Monthly NETA Recovery Amount**" is an amount determined as 1/n of the BSC NETA Funding Amount, where 'n' is the number of complete months from the Go-live Date until 31st March 2005;~~

~~(b) the "**BSC NETA Funding Amount**" is the aggregate amount of costs incurred and/or expenditure funded by BSCCo prior to the Go-live Date in relation to NETA Implementation; and includes all amounts of BSCCo Transitional Costs allocated to the categories in paragraphs E5.1.3(b) and (c) of the Implementation Scheme, other than those funded by Pool Members as described in paragraph 2 of Annex D-5 (where NETA Implementation and~~

~~BSCCo Transitional Costs have the meanings given to those terms in the Implementation Scheme);~~

~~(c) the Panel shall determine and notify to Parties the amount of the BSC NETA Funding Amount as soon as practicable after the Go-live Date.~~**Not Used**

Amend Annex D-5 as follows:

[P394]**ANNEX D-5: NOT USED ~~PARTY FUNDED AMOUNTS~~**

~~**1. 1998 PROGRAMME COSTS**~~

~~**1.1 Entitlement of PES Suppliers to recover amounts in respect of 1998 Programme Costs**~~

~~1.1.1 The principal amount ("**Aggregate PES Recoverable Amount**") recoverable as at the BSC 1998 Start Date by PES Suppliers in aggregate in respect of 1998 Programme Costs shall be:~~

~~(a) £63,388,000, being the total initial principal amount recoverable by PES Suppliers in aggregate in respect of 1998 Programme Costs, less~~

~~(b) the aggregate amounts recoverable up to and including the Quarter Date immediately before the BSC 1998 Start Date in respect of principal of that amount by PES Suppliers pursuant to those provisions of the Pooling and Settlement Agreement equivalent to this paragraph 1;~~

~~and the Panel shall determine and notify to all Parties the Aggregate PES Recoverable Amount as soon as practicable after the BSC 1998 Start Date.~~

~~1.1.2 For the purposes of this paragraph 1:~~

~~(a) the "**1998 Programme Recovery Period**" is the period over which PES Suppliers are entitled to recover amounts in respect of 1998 Programme Costs, and is the period beginning on the BSC 1998 Start Date and expiring on 31st March 2003;~~

~~(b) the "**BSC 1998 Start Date**" is the day after the Quarter Date preceding the Go-live Date (or if the Go-live Date is a Quarter Date, the day after the Go-live Date).~~

~~1.1.3 The respective percentages ("**PES 1998 Recovery Shares**") in which PES Suppliers are entitled to recover the Aggregate PES Recoverable Amount are as follows:~~

~~**Column 1**~~ ~~**Name of PES Supplier**~~	~~**Column 2**~~ ~~**PES 1998 Recovery Shares**~~
~~Eastern Electricity plc~~	~~13.82%~~
~~PowerGen Energy plc~~	~~9.61%~~
~~London Electricity plc~~	~~8.50%~~
~~Manweb plc~~	~~5.71%~~
~~Midlands Electricity plc~~	~~9.64%~~
~~Northern Electric plc~~	~~5.44%~~
~~NORWEB Plc~~	~~8.99%~~

~~Column 1~~ ~~Name of PES Supplier~~	~~Column 2~~ ~~PES 1998 Recovery Shares~~
~~SEEBOARD PLC~~	~~8.91%~~
~~Southern Electric plc~~	~~11.75%~~
~~South Wales Electricity plc~~	~~3.64%~~
~~South Western Electricity plc~~	~~6.21%~~
~~Yorkshire Electricity Group plc~~	~~7.78%~~

~~1.1.4 In the event of any merger between one or more PES Suppliers any successor company shall have the aggregate PES 1998 Recovery Shares of its predecessors. Any successor to part only of the authorised area (as such term is defined in its PES Supply Licence) of a PES Supplier and the PES Supplier retaining the other part shall have such PES 1998 Recovery Shares as the Authority shall determine.~~

~~**1.2 Amounts payable by Suppliers**~~

~~1.2.1 The "**Quarterly 1998 Programme Amount**" ('Q1998PA') in respect of each Quarter beginning on the BSC 1998 Start Date shall be the amount determined in accordance with the following formula:~~

$$Q1998PA = \frac{PACL * r}{(1-(1+r)^{-L})}$$

~~where:~~

~~r is the rate (expressed as a quarterly rate, and as a decimal value) determined by the Panel to be the time weighted average of the Base Rates prevailing during the preceding Quarter;~~

~~L is the remaining part of the 1998 Programme Recovery Period (specified in Quarters) as at the beginning of the relevant Quarter;~~

~~PACL is the remaining portion of the principal amount comprised in the Aggregate PES Recoverable Amount not recoverable in respect of previous Quarters.~~

~~1.2.2 As soon as reasonably practicable after the beginning of each Quarter, BSCCo shall determine the Quarterly 1998 Programme Amount in respect of that Quarter.~~

~~1.2.3 For each Supplier, in respect of each Quarter, the "**Quarterly 1998 Programme Charge**" (Q1998PC) payable by it in respect of that Quarter, shall be determined in accordance with the following formula:~~

~~Q1998PC = Q1998PA x (C1998MWH / TC1998MWH)~~

~~where:~~

~~C1998MWH is the Chargeable 1998 MWh for the Supplier;~~

~~TC1998MWH is the aggregate of Chargeable 1998 MWh for all Suppliers;~~

~~Q1998PC is the Quarterly 1998 Programme Charge for the Supplier; and~~

~~Q1998PA is the Quarterly 1998 Programme Amount for that Quarter.~~

~~1.2.4 For the purposes of paragraph 1.2.3, the Chargeable 1998 MWh ('C1998 MWH') for each Supplier in respect of a Quarter shall be the sum of the Supplier NHH MWh for that Quarter and the Supplier HH MWh for that Quarter.~~

~~1.2.5 For the purposes of paragraph 1.2.4:~~

~~(a) the Supplier NHH MWh in respect of a Supplier shall be the number of MWh supplied by that Supplier during the relevant Quarter in respect of Non Half Hourly Metering Systems (not being 100kW Metering Systems); and~~

~~(b) the Supplier HH MWh in respect of a Supplier shall be the number of MWh supplied by that Supplier during the relevant Quarter in respect of Half Hourly Metering Systems (not being 100kW Metering Systems).~~

~~1.2.6 In each Quarter BSCCo will, not less than 16 Business Days before the end of the Quarter:~~

~~(a) estimate and notify to each Supplier, the Chargeable 1998 MWh and (by reference to that estimate) the Quarterly 1998 Programme Charge for each Supplier for that Quarter;~~

~~(b) determine (by way of reconciliation in respect of the preceding Quarter) and notify to each Supplier:~~

~~(i) the Chargeable 1998 MWh and Quarterly 1998 Programme Charge in relation to the preceding Quarter;~~

~~(ii) the difference between the amount of the Quarterly 1998 Programme Charge previously estimated (under paragraph (a)) for the preceding Quarter and the amount of that charge determined under paragraph (i);~~

~~(c) determine and notify to each Supplier the net amount payable by the Supplier in that Quarter (being the net aggregate of the amounts under paragraphs (a) and (b)(ii).~~

~~1.2.7 In determination pursuant to paragraph 1.2.6, BSCCo shall take into account the most recent information received by it from PES Suppliers, the SAA and the SVAA as at the 30th day before the end of the relevant Quarter in which the determination falls to be made.~~

~~1.2.8 BSCCo shall be entitled, in the absence of manifest error and in the absence of information to the contrary derived from the Supplier Volume Allocation System or provided by the SAA:~~

~~(a) to assume that all Non Half Hourly Metering Systems relate to Metering Systems which are not 100kW Metering Systems; and~~

~~(b) to rely on information provided by a Supplier pursuant to paragraph 1.2.9 as to its Supplier HH MWh.~~

~~1.2.9 For the purposes of paragraph 1.2.4 (unless otherwise agreed by the Panel) each Supplier shall inform BSCCo in writing, no later than 30 days before the end of each Quarter, of the number of MWh supplied by it to Half Hourly Metering Systems not being 100kW Metering Systems during the preceding Quarter.~~

~~1.2.10 Any Supplier which is a Supplier for part only of any Quarter shall pay charges on an interim basis of such amount as the Panel estimates to be reasonable for such Quarter.~~

~~Adjustments to charges on all Suppliers as a result of existing Suppliers leaving or new Suppliers joining will be made in such manner as the Panel shall determine, whereupon the Suppliers and/or former Suppliers shall be required to pay such additional amount or be entitled to such reimbursement as may be determined by the Panel by an adjustment to charges in respect of the then current Quarter.~~

~~1.2.11 The Panel may, in its discretion, determine the charges to be payable by Suppliers pursuant to this paragraph 1.2 according to such transitional arrangements as it considers appropriate from time to time having regard to the availability of information concerning Half Hourly Metering Systems or (as the case may be) Non Half Hourly Metering Systems, which are not 100kW Metering Systems and quantities of energy attributable to particular Suppliers.~~

~~1.2.12 Each Supplier shall pay, no later than the penultimate Business Day of each Quarter during the 1998 Programme Recovery Period (which shall be the due date for the purposes of Section D6.2.1), the amount determined and notified to pursuant to paragraph 1.2.6(c) in respect of the Quarterly 1998 Programme Charge for that Quarter.~~

~~1.3 Reimbursement to PES Suppliers~~

~~1.3.1 The amounts recovered from Suppliers pursuant to paragraph 1.2 in respect of a Quarter shall be distributed among the PES Suppliers on the last Business Day of that Quarter according to their proportionate PES 1998 Recovery Shares.~~

~~1.3.2 Any amounts received late from Suppliers shall be distributed on the same basis as soon as reasonably practicable following their receipt.~~

~~1.3.3 Following the end of each Quarter BSCCo shall monitor the amounts due to each PES Supplier since the BSC 1998 Start Date and the amounts paid, in each case in accordance with the provisions of this paragraph 1.~~

~~1.3.4 After the expiry of the 1998 Programme Recovery Period, BSCCo shall produce a statement showing the amounts due to each PES Supplier and the amounts paid, in each case in accordance with the provisions of this paragraph 1.~~

~~1.3.5 The Panel shall review the materiality of any differences between the amounts referred to in paragraph 1.3.4 and propose a mechanism for resolving them.~~

~~1.4 General~~

~~1.4.1 All amounts and charges under this paragraph 1 are exclusive of VAT which shall be added to such charges, if applicable.~~

~~1.4.2 In this paragraph 1 references to Quarters are to Quarters during the 1998 Programme Recovery Period.~~

~~2. POOL MEMBER NETA FUNDING~~

~~2.1 Recoverable amounts and shares~~

~~2.1.1 The amounts recoverable by Pool Members as Pool NETA Costs are amounts expended or funded by or on behalf of Pool Members before the Go-Live Date under work packages authorised pursuant to arrangements made in the NETA Programme; and include amounts of BSCCo Transitional Costs allocated to the categories in paragraphs E5.1.3(b) of the Implementation Scheme to the extent funded:~~

~~(a) by payments pursuant to paragraph E5.2.4 of the Implementation Scheme in respect of Authorised Pool Expenditure;~~

~~(b) by payments pursuant to paragraph E5.3.2 of the Implementation Scheme (made in accordance with this Section D as modified by paragraph G6 of the Implementation Scheme);~~

~~(where terms not otherwise defined in the Code have the meanings given to them in the Implementation Scheme)~~

~~2.1.2 For the purposes of this paragraph 2:~~

~~(a) "**Aggregate Pool NETA Costs**" means the aggregate amount of Pool NETA Costs, with interest on each amount of Pool NETA Costs at the Base Rate from the first day of the month following that in which such amount was expended to the Pool NETA Start Date;~~

~~(b) the "**Pool NETA Start Date**" is the day after the Quarter Date following the Go-live Date (or if the Go-live Date is a Quarter Date, the day after the Go-live Date).~~

~~2.1.3 Pool Members shall be entitled to recover the Aggregate Pool NETA Costs in the respective percentages ("**Pool NETA Recovery Shares**") in which, pursuant to the Pooling and Settlement Agreement, such amounts were expended by them (determined taking account of the interest adjustment to the Pool NETA Start Date under paragraph 2.1.2(a), and determined including as Pool Members such persons as is referred to in paragraph 2.3.5 and their percentage shares).~~

~~2.1.4 The period the ("**Pool NETA Recovery Period**") over which Pool Members are entitled to recover amounts in respect of Aggregate Pool NETA Costs is the period commencing on the Pool NETA Start Date and ending on 31st March 2005.~~

~~2.1.5 The Panel shall on or as soon as practicable after the Pool NETA Start Date determine the Aggregate Pool NETA Costs and the Pool NETA Recovery Shares for all Pool Members and provide a statement thereof to all Parties and the Authority, and the Panel's determination shall be final and binding in the absence of manifest error.~~

~~2.1.6 Pool Members shall provide to the Panel all such information as the Panel may reasonably require in connection with its determinations under paragraph 2.1.5.~~

~~**2.2 Amounts payable by Trading Parties**~~

~~2.2.1 The "**Quarterly Pool NETA Amount**" in respect of each Quarter beginning on the Pool NETA Start Date shall be the amount determined in accordance with the following formula:~~

$$QPNA = \frac{RPNC * r}{(1 - (1 + r)^{-L})}$$

~~where:~~

~~r is the rate (expressed as a quarterly rate, and as a decimal value) determined by the Panel to be one percentage point per annum above the time weighted average of the Base Rates prevailing during the preceding Quarter;~~

~~L is the remaining part of the Pool NETA Recovery Period (specified in Quarters) as at the beginning of the relevant Quarter;~~

~~RPNC is the remaining portion of the principal amount comprised in the Aggregate Pool NETA Costs not recoverable in respect of previous Quarters.~~

~~2.2.2 As soon as reasonably practicable after the beginning of each Quarter, BSCCo shall determine the Quarterly Pool NETA Amount in respect of that Quarter.~~

~~2.2.3 The amount payable by each Trading Party, in respect of each Quarter in the Pool NETA Recovery Period, shall be an amount determined as:~~

$$QPNA * (S1 + S2 + S3) / 3$$

~~where:~~

~~QPNA is the Quarterly Pool NETA Amount in respect of that Quarter;~~

~~S1, S2 and S3 are the Trading Party's Main Funding Shares for each of the three months in that Quarter.~~

~~2.2.4 In each Quarter BSCCo will, not less than 16 Business Days before the end of the Quarter:~~

~~(a) estimate in relation to each Trading Party:~~

~~(i) the Main Funding Share for each month in that Quarter, and~~

~~(ii) on the basis of such estimated shares, the amount payable by such Trading Party pursuant to paragraph 2.2.3 in relation to that Quarter;~~

~~(b) determine (by way of reconciliation in respect of the preceding Quarter):~~

~~(i) the amount payable by each Trading Party pursuant to paragraph 2.2.3 in relation to the preceding Quarter (based on actual data as to Main Funding Shares);~~

~~(ii) the difference between the amount previously estimated (under paragraph (a)(ii)) for the preceding Quarter and the amount determined under paragraph (i);~~

~~(c) determine the net amount payable by the Trading Party in that Quarter (being the net aggregate of the amounts under paragraphs (a)(ii) and (b)(ii);~~

~~(d) notify the amounts so estimated and determined to each Trading Party.~~

~~2.2.5 Each Trading Party shall pay, no later than the penultimate Business Day of each Quarter in the Pool NETA Recovery Period (which shall be the due date for the purposes of Section D6.2.1), the amount determined under paragraph 2.2.4(c) in respect of that Quarter.~~

~~**2.3 Reimbursement to Pool Members**~~

~~2.3.1 The amounts recovered from Trading Parties pursuant to paragraph 2.2 in respect of a Quarter shall be distributed among Pool Members on the last Business Day of that Quarter according to their proportionate Pool NETA Recovery Shares.~~

~~2.3.2 Any amounts received late from Trading Parties shall be distributed on the same basis as soon as reasonably practicable following their receipt.~~

~~2.3.3 Following the end of each Quarter BSCCo shall monitor the amounts due to each Pool Member since the start of the Pool NETA Recovery Period and the amounts paid, in each case in accordance with the provisions of this paragraph 2.~~

~~2.3.4 After the expiry of the Pool NETA Recovery Period, BSCCo shall produce a statement showing the amounts due to each Pool Member and the amounts paid, in each case in accordance with the provisions of this paragraph 2; and Pool Members shall make appropriate adjusting payments as specified by the Panel in respect of any differences between the amounts referred to in paragraph 2.3.3.~~

~~2.3.5 Trading Parties agree, subject as follows, that a person which is not a Party but was a Pool Member shall be paid any amount which would be payable pursuant to this paragraph 2.3 if that person were a Party; and BSCCo shall (so far as it is reasonably able to do identify and contact such person) arrange for payment of such amount on behalf of Trading Parties to such person; provided that where that person remains liable to pay to Pool Members any amounts accruing but unpaid under the Pooling and Settlement Agreement, BSCCo shall act in accordance with the instructions of the Panel as to any deduction, withholding or set-off to be made before any payments are made to such person.~~

~~**2.4 General**~~

~~2.4.1 All amounts and charges under this paragraph 2 are exclusive of VAT which shall be added to such charges, if applicable.~~

~~2.4.2 In this paragraph 2 references to Quarters are to Quarters during the Pool NETA Recovery Period.~~

~~**3 TRADING PARTY BETTA FUNDING**~~

~~**3.1 Recoverable amounts and shares**~~

~~3.1.1 The amounts recoverable by Trading Parties as BETTA Support Costs are amounts expended or funded by and on behalf of Trading Parties before the BETTA Effective Date under work specifications authorised pursuant to Section C 8.1.2 and amounts which are otherwise described in the Code as being BETTA Support Costs.~~

~~3.1.2 For the purposes of this paragraph 3:~~

~~(a) "**Aggregate BETTA Costs**" means the aggregate amount of the BETTA Support Costs, with interest on each amount of BETTA Support Costs at the Base Rate from the first day of the month following that in which such amount was expended to the BETTA Start Date;~~

~~(b) the "**BETTA Start Date**" is the day after the Quarter Date following the BETTA Effective Date (or if the BETTA Effective date is a Quarter Date, the day after the BETTA Effective Date);~~

~~(c) "**BETTA Trading Party**" means a person who is a Trading Party as at BETTA Effective Date or who subsequently becomes a Trading Party in accordance with the provisions of the Code.~~

~~3.1.3 Trading Parties shall be entitled to recover the Aggregate BETTA Costs in the respective percentages ("**BETTA Recovery Shares**") in which, pursuant to the Code, such amounts~~

~~were expended by them (determined taking account of the interest adjustment to the BETTA Start Date under paragraph 3.1.2(a), and determined including as Trading Parties such persons as are referred to in paragraph 3.3.5 and their percentage shares).~~

~~3.1.4 The period ("**BETTA Recovery Period**") over which Trading Parties are entitled to recover amounts in respect of Aggregate BETTA Costs is the period commencing on the BETTA Start Date and ending 5 years thereafter.~~

~~3.1.5 The Panel shall, on or as soon as practicable after the BETTA Start Date, determine the Aggregate BETTA Costs and the BETTA Recovery Shares for all Trading Parties and provide a statement thereof to all Parties and the Authority, and the Panel's determination shall be final and binding in the absence of manifest error.~~

~~3.1.6 Trading Parties shall provide to the Panel all such information as the Panel may reasonably require in connection with its determinations under paragraph 3.1.5.~~

~~**3.2 Amounts payable by BETTA Trading Parties**~~

~~3.2.1 The "**Quarterly BETTA Amount**" in respect of each Quarter beginning on the BETTA Start Date shall be the amount determined in accordance with the following formula:~~

$$QBA = \frac{RBC * r}{(1 - (1 + r)^{-L})}$$

~~where:~~

~~r is the rate (expressed as a quarterly rate, and as a decimal value) determined by the Panel to be one percentage point per annum above the time weighted average of the Base Rates prevailing during the preceding Quarter;~~

~~L is the remaining part of the BETTA Recovery Period (specified in Quarters) as at the beginning of the relevant Quarter;~~

~~RBC is the remaining portion of the principal amount comprised in the Aggregate BETTA Costs not recoverable in respect of previous Quarters.~~

~~3.2.2 As soon as reasonably practicable after the beginning of each Quarter, BSCCo shall determine the Quarterly BETTA Amount in respect of that Quarter.~~

~~3.2.3 The amount payable by each BETTA Trading Party, in respect of each Quarter in the BETTA Recovery Period, shall be an amount determined as:~~

$$QBA * (S1 + S2 + S3) / 3$$

~~where:~~

~~QBA is the Quarterly BETTA Amount in respect of that Quarter;~~

~~S1, S2 and S3 are the BETTA Trading Parties' Main Funding Shares for each of the three months in that Quarter.~~

~~3.2.4 In each Quarter BSCCo will, not less than 16 Business Days before the end of the Quarter:~~

~~(a) estimate in relation to each BETTA Trading Party:~~

~~(i) the Main Funding Share for each month in that Quarter, and~~

~~(ii) on the basis of such estimated shares, the amount payable by such BETTA Trading Party pursuant to paragraph 3.2.3 in relation to that Quarter;~~

~~(b) determine (by way of reconciliation in respect of the preceding Quarter):~~

~~(i) the amount payable by each BETTA Trading Party pursuant to paragraph 3.2.3 in relation to the preceding Quarter (based on actual data as to Main Funding Shares);~~

~~(ii) the difference between the amount previously estimated (under paragraph (a)(ii)) for the preceding Quarter and the amount determined under paragraph (i);~~

~~(c) determine the net amount payable by the BETTA Trading Party in that Quarter (being the net aggregate of the amounts under paragraphs (a)(ii) and (b)(ii);~~

~~(d) notify the amounts so estimated and determined to each BETTA Trading Party.~~

~~3.2.5 Each BETTA Trading Party shall pay, no later than the penultimate Business Day of each Quarter in the BETTA Recovery Period (which shall be the due date for the purposes of Section D6.2.1), the amount determined under paragraph 3.2.4(c) in respect of that Quarter.~~

~~**3.3 Reimbursement to Trading Parties**~~

~~3.3.1 The amounts recovered from BETTA Trading Parties pursuant to paragraph 3.2 in respect of a Quarter shall be distributed among Trading Parties on the last Business Day of that Quarter according to their proportionate BETTA Recovery Shares.~~

~~3.3.2 Any amounts received late from BETTA Trading Parties shall be distributed on the same basis as soon as reasonably practicable following their receipt.~~

~~3.3.3 Following the end of each Quarter BSCCo shall monitor the amounts due to each Trading Party since the start of the BETTA Recovery Period and the amounts paid, in each case in accordance with the provisions of this paragraph 3.~~

~~3.3.4 After the expiry of the BETTA Recovery Period, BSCCo shall produce a statement showing the amounts due to each Trading Party and the amounts paid, in each case in accordance with the provisions of this paragraph 3; and Trading Parties shall make appropriate adjusting payments as specified by the Panel in respect of any differences between the amounts referred to in paragraph 3.3.3.~~

~~3.3.5 Trading Parties agree, subject as follows, that a person which has ceased to be a Party by virtue of it becoming a Discontinuing Party prior to the BETTA Effective Date shall be paid any amount which would be payable pursuant to this paragraph 3.3 if that person were a Party; and BSCCo shall (so far as it is reasonably able to do identify and contact such person) arrange for payment of such amount on behalf of BETTA Trading Parties to such person; provided that where that person remains liable in accordance with Section A5.3.3 for any amounts unpaid under the Code, BSCCo shall act in accordance with the instructions of the Panel as to any deduction, withholding or set-off to be made before any payments are made to such person.~~

~~**3.4 General**~~

~~3.4.1 All amounts and charges under this paragraph 3 are exclusive of VAT which shall be added to such charges, if applicable.~~

~~3.4.2 In this paragraph 3 references to Quarters are to Quarters during the BETTA Recovery Period.~~

~~4. SCOTTISH OPERATIONAL RUN-OFF COSTS FUNDING~~

~~4.1 Recoverable amounts and shares~~

~~4.1.1 The amounts recoverable by the Scottish Distribution Companies as Scottish Operational Run-Off Costs are described in this paragraph 4.~~

~~4.1.2 For the purposes of this paragraph 4:~~

~~(a) "**Scottish Distributor Recoverable Amount**" or "**SDRA**" means the sum of the amounts notified by the Authority, with interest at the rate specified as r in paragraph 4.2.1 from the first day of the month following the Scottish Distributor Start Date in respect of the Scottish Operational Run-Off Costs for:~~

~~(i) SP Transmission & Distribution Limited and the amount notified shall be known as **SPDLA**; and~~

~~(ii) Scottish Hydro-Electric Power Distribution Limited and the amount notified shall be known as **SHEPDLA**;~~

~~(b) the "**Scottish Distributor Start Date**" is the next Quarter Date which occurs following the date that the Authority notifies the Panel of the Scottish Distributor Recoverable Amount for each Scottish Distribution Company.~~

~~4.1.3 Each Scottish Distribution Company shall be entitled to recover the Scottish Distributor Recoverable Amount in the applicable percentage ("**Scottish Distributor Recovery Share**") set out at paragraph 4.3.1.~~

~~4.1.4 The period (the "**Scottish Distributor Recovery Period**") over which each Scottish Distribution Company is entitled to recover amounts in respect of Scottish Operational Run-Off Costs is the period commencing on the Scottish Distributor Start Date and ending one year thereafter.~~

~~4.1.5 The Panel shall on or as soon as practicable after the Scottish Distributor Start Date provide a statement of the Scottish Distributor Recoverable Amount and the Scottish Distributor Recovery Shares thereof to all Trading Parties, the Scottish Distribution Companies and the Authority.~~

~~4.1.6 The Trading Parties shall provide to the Panel all such information as the Panel may reasonably require in connection with its determinations under paragraph 4.1.5.~~

~~4.1.7 In the event of any merger of any Scottish Distribution Company any successor company shall have the aggregate Scottish Distributor Recovery Share of its predecessor. Any successor company to a part only of the Scottish Distribution Company shall have such Scottish Distributor Recovery Share as the Authority shall determine.~~

~~4.2 Amounts payable by Trading Parties~~

~~4.2.1 The "**Quarterly Distributor Run-Off Amount**" (QDRA) in respect of each Quarter beginning on the Scottish Distributor Start Date shall be the amount determined in accordance with the following formula:~~

$$QDRA = \frac{r * SDRC}{(1-(1+r)^{-t})}$$

~~where:~~

~~r is the rate (expressed as a quarterly rate, and as a decimal value) determined by the Panel to be one percentage point per annum above the time weighted average of the Base Rates prevailing during the preceding Quarter;~~

~~L is the remaining part of the Scottish Distributor Recovery Period (specified in Quarters) as at the beginning of the relevant Quarter;~~

~~SDRC is the remaining portion of the principal amount comprised in the Scottish Distributor Recoverable Amount not recoverable in respect of previous Quarters.~~

~~4.2.2 As soon as reasonably practicable after the beginning of each Quarter, BSCCo shall determine the Quarterly Distributor Run-Off Amount in respect of that Quarter.~~

~~4.2.3 The amount payable by each Trading Party, in respect of each Quarter in the Scottish Distributor Recovery Period, shall be an amount determined as:~~

~~QDRA * (S1 + S2 + S3) / 3~~

~~where:~~

~~QDRA is the Quarterly Distributor Run-Off Amount in respect of that Quarter;~~

~~S1, S2 and S3 are the Trading Party's Main Funding Shares for each of the three months in that Quarter.~~

~~4.2.4 In each Quarter BSCCo will, not less than 16 Business Days before the end of the Quarter:~~

~~(a) estimate in relation to each Trading Party:~~

~~(i) the Main Funding Share for each month in that Quarter, and~~

~~(ii) on the basis of such estimated shares, the amount payable by such Trading Party pursuant to paragraph 4.2.3 in relation to that Quarter;~~

~~(b) determine (by way of reconciliation in respect of the preceding Quarter):~~

~~(i) the amount payable by each Trading Party pursuant to paragraph 4.2.3 in relation to the preceding Quarter (based on actual data as to Main Funding Shares);~~

~~(ii) the difference between the amount previously estimated (under paragraph (a)(ii)) for the preceding Quarter and the amount determined under paragraph (i);~~

~~(c) determine the net amount payable by the Trading Party in that Quarter (being the net aggregate of the amounts under paragraphs (a)(ii) and (b)(ii));~~

~~(d) notify the amounts so estimated and determined to each Trading Party.~~

~~4.2.5 Each Trading Party shall pay, no later than the penultimate Business Day of each Quarter in the Scottish Distributor Recovery Period (which shall be the due date for the purposes of Section D6.2.1), the amount determined under paragraph 4.2.4(c) in respect of that Quarter.~~

~~**4.3 Reimbursement to Scottish Distribution Companies**~~

~~4.3.1 The amounts recovered from Trading Parties pursuant to paragraph 4.2 in respect of a Quarter shall be distributed among the Scottish Distribution Companies on the last Business Day of that Quarter according to the following percentages (the "**Scottish Distributor Recovery Share**"):~~

~~(i) SP Transmission & Distribution Limited:~~

~~Scottish Distributor Recovery Share (%) =~~ $\frac{SPDLA * 100}{SDRA}$

~~(ii) Scottish Hydro-Electric Power Distribution Limited:~~

~~Scottish Distributor Recovery Share (%) =~~ $\frac{SHEPDLA * 100}{SDRA}$

~~4.3.2 Any amounts received late from Trading Parties shall be distributed on the same basis as soon as reasonably practicable following their receipt.~~

~~4.3.3 Following the end of each Quarter BSCCo shall monitor the amounts payable by each Trading Party since the start of the Scottish Distributor Recovery Period and the amounts paid by each Trading Party, in each case in accordance with the provisions of this paragraph 4.~~

~~4.3.4 After the expiry of the Scottish Distributor Recovery Period, BSCCo shall produce a statement showing the amounts paid by each Trading Party, in each case in accordance with the provisions of this paragraph 4; and Trading Parties shall make appropriate adjusting payments as specified by the Panel in respect of any differences between the amounts referred to in paragraph 4.3.3.~~

~~**4.4 General**~~

~~4.4.1 All amounts and charges under this paragraph 4 are exclusive of VAT which shall be added to such charges, if applicable.~~

~~4.4.2 In this paragraph 4 references to Quarters are to Quarters during the Scottish Distributor Recovery Period.~~

SECTION F: MODIFICATION PROCEDURES (Version 30.0)

Amend paragraph 1.1.7 as follows:

[P394]1.1.7 ~~For the avoidance of doubt the provisions of this Section F apply to the Code including the Pool Supplement.~~Not used

Amend paragraph 3.1.6 as follows:

[P394]3.1.6 ~~For the purposes of this Section F, Code Subsidiary Documents shall be construed as including the Agreed Procedures, Codes of Practice, Service Lines and Supplier Service Lines referred to in (and, in each case, as defined in) the Pool Supplement.~~Not used

SECTION G: CONTINGENCIES (Version 12.0)

Amend paragraph 3.3.7 as follows:

[P394]3.3.7 ~~Subject to Section I5.1, f~~For the purposes of the Code, in relation to any Trading Party, the Black Start Reallocation Proportion is the proportion determined as:

$$\sum_d \sum_a \sum_i QCE_{iaj} \;/\; \sum_d \sum_p \sum_i QCE_{iaj}$$

where

$\sum_i$ represents, for each Energy Account a, in Settlement Period j, the sum over all BM Units i that are in offtaking Trading Units;

$\sum_a$ represents the sum over all Energy Accounts a, for Party p;

$\sum_p$ represents the sum over all Trading Parties p;

$\sum_d$ represents the sum over all Settlement Periods in the seven Settlement Days immediately preceding the Settlement Day on which the Black Start Period commenced

provided that, where such seven day period includes any day before the Go-live Date, there shall (in the above formula) be used, in relation to Settlement Periods in any such day, such quantities (pursuant to the Pooling and Settlement Agreement or otherwise) as the Panel shall determine to be appropriate.

SECTION H: GENERAL (Version 26.0)

Amend paragraphs 1.2.1 and 1.2.2 as follows:

1.2.1 The Code comprises:

[P394](a) each of the Sections; and

[P394] (b) any Annex attached to a Section.~~; and~~

[P394]~~(c) the Pool Supplement.~~

[P394]1.2.2 ~~The Pool Supplement includes provision for the determination, settlement and reconciliation of liabilities (as provided in the Pool Supplement) arising under or by reference to the Pooling and Settlement Agreement in respect of the period prior to the Go-live Date and, accordingly, references in the Code to the Code, insofar as it applies to or by reference to Settlement Periods from (and including) the First Settlement Period shall not include the Pool Supplement, unless otherwise expressly stated.~~Not used

Amend paragraph 1.2.7(b) as follows:

[P394] (b) without prejudice to paragraph 1.5 and other than in Section A, Section F, Section H~~,~~ and ~~-~~Section X (including Annex X-1 and Annex X-2~~) and the Pool Supplement~~ references in the Code to the Code shall be interpreted to include all relevant Code Subsidiary Documents, unless the context otherwise requires; and

Amend paragraph 1.5.5 as follows:

[P394]1.5.5 ~~References in this paragraph 1.5 to the Code shall not include the Pool Supplement.~~Not used

Amend paragraph 2.1.1 as follows:

[P394]2.1.1 Without prejudice to paragraph~~s~~ 2.3~~ and 2.4~~, the Code shall come into force and take effect on and from the Code Effective Date.

Amend paragraph 2.4 as follows:

[P394]**2.4** ~~**Pool Supplement**~~

~~2.4.1 The arrangements set out in the Pool Supplement shall apply on and from the date and in relation to the matters set out in the Pool Supplement.~~**Not Used**

SECTION I: TRANSITIONAL ARRANGEMENTS FOR IMPLEMENTATION OF BETTA (V10.0)

Remove Section I from the baseline statement.

SECTION K: CLASSIFICATION AND REGISTRATION

OF METERING SYSTEMS AND BM UNITS (Version 41.0)

Amend paragraph 3.1.4 as follows:

3.1.4 Each of the following shall be a single BM Unit, and shall be deemed to satisfy the requirements in paragraph 3.1.2:

(a) any 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;

(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;

~~[~~[P394](f) any configuration of Plant and Apparatus ~~set out in Table A in Annex I 2~~that was determined as part of the transitional arrangements for the implementation of BETTA; 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 NETSO 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.

Amend paragraph 3.1.7 as follows:

[P394]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~~that was determined as part of the transitional arrangements for the implementation of BETTA and shall make such determinations and /or decisions available to any Party upon request.

Amend paragraph 3.3.9 as follows:

[P394]3.3.9 ~~Where the SVA Metering System(s) associated with Plant and/or Apparatus for the time being assigned to a Supplier BM Unit are part of the same Teleswitch Group or Groups which includes SVA Metering Systems of which the Supplier is not the Registrant:~~

~~(a) the Supplier may in accordance with BSCP15 designate the Supplier BM Unit as a Joint BM Unit by notice to the CRA specifying the relevant Teleswitch Group(s) and teleswitched Standard Settlement Configuration(s);~~

~~(b) the CRA shall validate such designation in accordance with BSCP15;~~

~~(c) such designation will become effective with effect from the later of the date specified in such notice by the Supplier for such effectiveness and the day following that on which BSCCo has confirmed to the CRA that all of the requirements specified for such effectiveness in that BSC Procedure have been satisfied.~~Not used

Amend paragraph 3.6.3 as follows:

[P394]3.6.3 A Supplier may cancel its registration of an Additional BM Unit in accordance with BSCP15 provided that any Plant or Apparatus associated with SVA Metering Systems (of which it is Registrant) in a GSP Group which are assigned to such Additional BM Unit shall automatically be assigned with effect from the date of cancellation of the Additional BM Unit to such Supplier's Base BM Unit for that GSP Group, in accordance with paragraph ~~3.3.8~~3.3.8~~3.3.9~~.

Amend paragraphs 3.7.2 and 3.7.3 as follows:

[P394]3.7.2 The requirements referred to in paragraph 3.7.1(c) are that:

(a) the BM Unit is a Production BM Unit; or

~~(~~b) the BM Unit is an Exempt Export BM Unit; ~~or~~

~~(c) the Panel has determined that the BM Unit should be treated as qualifying, and has not withdrawn such determination, in accordance with paragraph 3.7.3.~~

~~[~~P394]~~3.7.3 For the purposes of paragraph 3.7.2(c):~~

~~(a) the Lead Party of a BM Unit may, in accordance with BSCP15, apply to the Panel for a determination that the BM Unit should be treated as qualifying;~~

~~(b) the Panel shall consider the application and notify its decision to the Lead Party in accordance with the process set out in BSCP15;~~

~~(c) the Panel shall determine that the BM Unit should be treated as qualifying if the Panel determines that for the majority of Settlement Periods in the previous six month period, and for that six month period overall, the BM Unit's Exports exceeded its Imports;~~

~~(d) the Panel may withdraw its determination, after giving the Lead Party an opportunity to make representations, where it considers that the requirement in paragraph (c) is not or is no longer satisfied in respect of the BM Unit; and~~

~~(e) BSCCo shall notify the CRA of each determination by the Panel under paragraph (c), and of each withdrawal of such a determination, in respect of a BM Unit.~~

Amend paragraph 7.3.6 as follows:

7.3.6 Each Replacement Supplier BM Unit established pursuant to paragraph 7.3.2 shall be configured in the same way and have the same attributes as the Affected BM Unit of the failing Supplier to which it corresponds, including:

(a) the Generation Capacity and the Demand Capacity;

(b) the Credit Assessment Load Factor;

(c) (where applicable) the CVA Metering Systems associated with that BM Unit;

(d) (where applicable) the GSP Group in which that BM Unit is situated;

(e) (where applicable) the status of that BM Unit as a Base BM Unit or an Additional BM Unit;

(f) (where applicable) the SVA Metering Systems associated with that BM Unit;

(g) the P/C Status;

(h) (where applicable) the Aggregation Rules;

(i) the Trading Unit to which that BM Unit belongs;

[P394](j) ~~the Joint BM Unit Data (if any)~~not used;

(k) whether that BM Unit is considered a relevant BM Unit for the purposes of Section Q,

but without prejudice to the Replacement Supplier's rights and obligations to revise such configuration and attributes, or otherwise to the revision of such configuration and attributes, from time to time pursuant to any other provision of the Code.

SECTION L: METERING (Version 21.0)

Amend paragraph 3.4.6 as follows:

[P394]3.4.6 BSCCo shall maintain an up-to-date record of all Metering Dispensations agreed or established pursuant to this paragraph 3.4, and those established as part of the transitional arrangements for the implementation of BETTA, and shall provide to the TAA a copy of such record and (promptly following making any such amendment) a copy of each amendment made to such record.

Amend paragraph 3.8.1 as follows:

[P394]3.8.1 ~~Subject to Section I6.7.1 t~~The Registrant of each Metering System shall procure that the Metering Equipment shall be sealed in accordance with the relevant Code of Practice and, if applicable, the Act.

SECTION M: CREDIT COVER AND CREDIT DEFAULT (Version 30.0)

Section M contains only housekeeping changes.

SECTION P: ENERGY CONTRACT VOLUMES

AND METERED VOLUME REALLOCATIONS (Version 20.0)

Amend paragraph 1.1.1 (b) as follows:

(b) the basis on which Energy Contract Volume Data and Metered Volume Reallocation Data:

(i) may be notified on behalf of Contract Trading Parties and validated;

[P394](ii) ~~may be matched in relation to a Settlement Period so as to be taken into account in Settlement;~~not used;

(iii) may be treated as refused or rejected in certain cases of Credit Default; and

(iv) will be aggregated in order to be taken into account in Settlement.

Amend paragraph 2.3.7 as follows:

2.3.7 The Energy Contract Volume Aggregation Agent shall:

[P394] (a) validate (as to compliance with the requirements in paragraph 2.3.4) each Energy Contract Volume Notification submitted to it pursuant to this paragraph 2.3; and

[P394](b) determine whether such Energy Contract Volume Notification is to be treated as refused in accordance with paragraph 2.5.1.~~; and~~

[P394] (c) ~~match Settlement Periods where the requirements of paragraph 2.4.2 are satisfied.~~not used.

Amend paragraph 2.4 as follows:

[P394]**2.4 Not used~~Matching~~**

~~2.4.1 For the purposes of this paragraph 2.4:~~

~~(a) in relation to an ECVN Authorisation the "**corresponding**" Energy Contract Volume Notification is the Energy Contract Volume Notification submitted by the other Energy Contract Volume Notification Agent;~~

~~(b) a "**matched**" Settlement Period is a Settlement Period in relation to which the requirements of paragraph 2.4.2 are satisfied.~~

~~2.4.2 In relation to an Energy Contract Volume Notification, a Settlement Period shall be matched if, and only if:~~

~~(a) the Energy Contract Volume Notification is valid;~~

~~(b) the corresponding Energy Contract Volume Notification is valid; and~~

~~(c) the quantity of Active Energy (expressed in MWh) for the Settlement Period specified in the Energy Contract Volume Notification and the corresponding Energy Contract Volume Notification is the same.~~

~~2.4.3 Where valid Energy Contract Volume Notifications are submitted by the same person in respect of both the Relevant Contract Parties each Settlement Period shall be deemed to be matched.~~

~~2.4.4 Where a valid Energy Contract Volume Notification (the "**later**" notification) is submitted in respect of a matched Settlement Period, the later notification will only be effective if:~~

~~(a) a corresponding valid Energy Contract Volume Notification ("**corresponding later**" notification) is made; and~~

~~(b) both the later notification and the corresponding later notification are expressed to replace or (as the case may be) to be in addition to the prevailing notifications in respect of the matched Settlement Period.~~

~~2.4.5 An Energy Contract Volume Notification may only amend a matched Settlement Period pursuant to paragraph 2.4.4~~

Amend paragraph 3.3.7 as follows:

3.3.7 The Energy Contract Volume Aggregation Agent shall:

[P394] (a) validate (as to compliance with the requirements in paragraph 3.3.4) each Metered Volume Reallocation Notification submitted to it pursuant to this paragraph 3.3; and

[P394] (b) determine whether such Metered Volume Reallocation Notification is to be treated as refused in accordance with paragraph 3.5.1.

~~; and~~

[P394](c) ~~match Settlement Periods where the requirements of paragraph 3.4.2 are satisfied.~~not used.

Amend paragraph 3.4 as follows:

[P394]**3.4** ~~**Matching**~~

~~3.4.1 For the purposes of this paragraph 3.4:~~

~~(a) in relation to a MVRNA Authorisation the "**corresponding**" Metered Volume Reallocation Notification is the Metered Volume Reallocation Notification submitted by the other Metered Volume Reallocation Notification Agent;~~

~~(b) a "**matched**" Settlement Period is a Settlement Period in relation to which the requirements of paragraph 3.4.2 are satisfied.~~

~~3.4.2 In relation to a Metered Volume Reallocation Notification, a Settlement Period shall be matched if, and only if:~~

~~(a) the Metered Volume Reallocation Notification is valid;~~

~~(b) the corresponding Metered Volume Reallocation Notification is valid; and~~

~~(c) the quantity of Active Energy (expressed in MWh) and the percentage value for the Settlement Period specified in the Metered Volume Reallocation Notification and the corresponding Metered Volume Reallocation Notification are the same.~~

~~3.4.3 Where Metered Volume Reallocation Notifications are submitted by the same person in respect of both the Lead Party and the Subsidiary Party which are valid for a Settlement Period, the Settlement Period shall be deemed to be matched.~~

~~3.4.4 Where valid Metered Volume Reallocation Notification (the "**later**" notification) is submitted in respect of a matched Settlement Period, the later notification will only be effective if:~~

~~(a) a corresponding valid Metered Volume Reallocation Notification ("**corresponding later**" notification) is made; and~~

~~(b) both the later notification and the corresponding later notification are expressed to replace or (as the case may be) to be in addition to the prevailing notifications in respect of the matched Settlement Period.~~

~~3.4.5 A Metered Volume Reallocation Notification may only amend a matched Settlement Period pursuant to paragraph 3.4.4.~~**Not Used**

SECTION Q: BALANCING SERVICES ACTIVITIES (Version 32.0)

Amend paragraphs 2.3 and 2.4 as follows:

[P394]**2.3** ~~**Quiescent Physical Notifications**~~

~~2.3.1 For each relevant BM Unit, the Lead Party may submit to the NETSO Quiescent Physical Notifications (as defined in the Grid Code) in accordance with the provisions of the Grid Code.~~

~~2.3.2 The Lead Party may change Quiescent Physical Notifications for a relevant BM Unit as provided in the Grid Code by notifying the NETSO in accordance with the Grid Code and any such change shall be effective from such time as provided in the Grid Code.~~**Not Used**

[P394]**2.4** ~~**Joint BM Unit Data**~~

2.4.1 ~~Where a Supplier has designated a Supplier BM Unit as a Joint BM Unit pursuant to Section K3.3.9, the Joint BM Unit Data will be submitted to the NETSO by the CRA.~~**Not Used**

Amend paragraph 5.1.13 as follows:

[P394]5.1.13 ~~A communication shall not be an Acceptance in relation to a Joint BM Unit unless there is an equivalent communication classed (subject only to this paragraph 5.1.13) as an Acceptance in respect of all Joint BM Units for which the Joint BM Unit Data are the same.~~Not used.

Amend paragraph 5.2.1 as follows:

5.2.1 The data referred to in paragraph 5.1.3(a)(ii)(1), in respect of the BM Unit to which a communication relates, are:

(a) the Physical Notification prevailing at Gate Closure for each of the Settlement Periods respectively to which the communication relates, adjusted in each case to take account of any previous Acceptances in respect of such Settlement Period;

[P394] (b) the Dynamic Data Set prevailing at the Bid-Offer Acceptance Time; and

[P394] (c) the Maximum Export Level and Maximum Import Level data referred to in paragraph 2.2.1 prevailing at the Bid-Offer Acceptance Time

~~; and~~

[P394](d) ~~the Quiescent Physical Notification data referred to in paragraph 2.3.1 prevailing at Gate Closure for each of the Settlement Periods respectively to which the communication relates.~~not used.

Amend paragraph 6.1.10 as follows:

6.1.10 Not later than 15 minutes following Gate Closure for each Settlement Period, the NETSO shall send to the BMRA the following data, so far as relating to that Settlement Period, received by Gate Closure, for each BM Unit for which it has so received such data:

[P394] (a) the Maximum Export Limit data or the Maximum Import Limit data (including any change to such data) submitted in accordance with paragraph 2.2

~~, and~~

[P394](b) ~~any Quiescent Physical Notification data (including any change to such data) submitted in accordance with paragraph 2.3;~~not used

and where after Gate Closure the NETSO is notified of any change in any such data (so far as relating to such Settlement Period) the NETSO shall send to the BMRA such changed data, and the time of notification and the effective time of such change, not later than 5 minutes following receipt of notification of such change.

Amend paragraph 6.2.1 as follows:

6.2.1 In respect of each Settlement Day, for each BM Unit for which such data is received or determined by the NETSO under this Section Q, the NETSO shall send to the SAA (so that such data has been sent by the time which is 15 minutes following the end of such Settlement Day) the following data:

(a) the Final Physical Notification Data established pursuant to paragraph 3.2 in respect of each Settlement Period within such Settlement Day;

(b) changes to the Dynamic Data Set data received by the NETSO pursuant to the Grid Code to apply in respect of such Settlement Day and the notification time of each such receipt by the NETSO;

[P394] (c) changes to the Maximum Export Limit and Maximum Import Limit data ~~and Quiescent Physical Notification data~~ received by the NETSO to apply in respect of such the Settlement Day in accordance with paragraph 2.2 and 2.3 respectively;

(d) Bid-Offer Data in respect of each Settlement Period within such Settlement Day submitted or determined in accordance with paragraph 4; and

(e) Acceptance Data, other than in relation to Acceptances which fall within paragraph 5.1.3(b).

Amend paragraph 6.2C.1(c) as follows:

[P394] (c) changes to the Maximum Export Limit and Maximum Import Limit data ~~data~~ received by the NETSO to apply in respect of such the Settlement Day in accordance with paragraph 2.2 and 2.3 respectively;

SECTION S: SUPPLIER VOLUME ALLOCATION (Version 31.0)

Amend paragraph 1.2.4 as follows:

[P394]1.2.4 Notwithstanding paragraph 1.2.3 ~~and other than as provided in Section I~~, SAS Data shall not be used in relation to Annex S-1.

Amend paragraph 1.6.5 as follows:

1.6.5 Each Transferee BM Unit established pursuant to paragraph 1.6.2 shall be configured in the same way and have the same attributes as the Relevant BM Unit of the ID Transferor to which it corresponds, including:

(a) the Generation Capacity and the Demand Capacity;

(b) the Credit Assessment Load Factor;

(c) (where applicable) the GSP Group in which that BM Unit is situated;

(d) (where applicable) the status of that BM Unit as a Base BM Unit or an Additional BM Unit;

(e) the SVA Metering Systems associated with that BM Unit;

(f) the P/C Status;

[P394] (g) the Trading Unit to which that BM Unit belongs; and

[P394] (h) ~~the Joint BM Unit Data (if any); and~~not used

(i) whether that BM Unit is considered a relevant BM Unit for the purposes of Section Q,

but without prejudice to the ID Transferee's rights and obligations to revise such configuration and attributes, or otherwise to the revision of such configuration and attributes, from time to time pursuant to any other provision of the Code.

SECTION V: REPORTING (Version 40.0)

Amend paragraph 1.1.5 as follows:

[P394]1.1.5 The provisions of paragraphs 1.1.4(b) ~~and Section I14.4.1(b)~~ are without prejudice to:

[P394] (a) the obligations of the NETSO to send specified data to the BMRS and BSCCo pursuant to Section Q6 ~~or Section I14~~;

(b) the obligations of each Market Index Data Provider to send specified data to the BMRS and BSCCo under the relevant Market Index Data Provider Contract;

(c) the obligations of:

(i) the BMRA under the relevant BSC Agent Contract for the provision of the BMRS as required by paragraph 2;

(ii) other BSC Agents under the relevant BSC Agent Contracts for the provision of reports as required by paragraph 3;

(d) the obligations of the Financial Service Provider to send the Settlement Exchange Rate to the BMRS under paragraph 2.2.2D.

Remove the following entries from Table V-3

~~Acceptance Feedback Report for matched ECVNs~~	~~Promptly after successful matching~~	~~Parties, ECVNA~~	~~For each Contract Trading Party, a positive feedback to report the matching of those ECVNs where the effective date of the ECVN is no greater than 72 Settlement Periods ahead, provided no such report will be issued if the ECVNs are deemed to be matched pursuant to Section P2.4.3~~
~~Acceptance Feedback Report for matched MVRNs~~	~~Promptly after successful matching~~	~~Parties, MVRNA~~	~~For each Contract Trading Party, a positive feedback to report the matching of those MVRNs where the effective date of the MVRN is no greater than 72 Settlement Periods ahead, provided no such report will be issued if the MVRNs are deemed to be matched pursuant to Section P3.4.3~~

SECTION W: TRADING DISPUTES (Version 17.0)

Amend paragraph 5.5 as follows:

[P394]**5.5 Not used~~Pool run-off~~**

~~5.5.1 The Panel shall ensure that disputes in respect of matters affecting:~~

~~(a) final settlement and reconciliation under the Pool Supplement; and~~

~~(b) Settlement (including Volume Allocation) under other provisions of the Code,~~

~~shall be considered and resolved in a co-ordinated manner with a view to ensuring as far as possible that the resolution of such disputes produces the same outcome in respect of equivalent matters.~~

~~5.5.2 The Panel may determine that disputes in respect of data required for the same or substantially the same purpose under the Pool Supplement and under other provisions of the Code shall be resolved together by the Trading Disputes Committee in accordance with the provisions of this Section W.~~

SECTION X: DEFINITIONS AND INTERPRETATION (Version 5.0)

Amend paragraph 2.1.1 as follows:

2.1.1 In the Code, unless the context otherwise requires:

(a) a reference to a particular Section, paragraph or Annex is to a Section or paragraph of or Annex to a Section of the Code (and shall be construed as meaning such Section, paragraph or Annex as modified from time to time in accordance with the Transmission Licence);

(b) a reference in a particular Section or Annex to a particular paragraph is to such paragraph of that Section or Annex (as the case may be);

[P394] (c) ~~a reference in the Pool Supplement to a paragraph is to such paragraph of the Pool Supplement;~~not used;

(d) a reference to a Section includes any Annex to that Section;

(e) words in the singular may be interpreted as including the plural and vice versa;

(f) the word "**including**" is to be construed as meaning "including without limitation";

(g) a derivative term of any defined or interpreted term shall be construed in accordance with the relevant definition or interpretation;

(h) a reference to a particular gender may be interpreted as including any other gender.

ANNEX X-1: GENERAL GLOSSARY (Version 88.0)

Remove the following definitions from Annex X-1:

[P394]~~"**1998 Programme Costs**":~~	~~has the meaning given to that term in Section D5.1.1;~~
[P394]~~"**1998 Programme Recovery Period**":~~	~~has the meaning given to that term in paragraph 1.1.2 of Annex D-5;~~

[P394]~~"**Aggregate PES Recoverable Amount**":~~	~~has the meaning given to that term in paragraph 1.1.1 of Annex D-5;~~
[P394]~~"**Aggregate Pool NETA Costs**":~~	~~has the meaning given to that term in paragraph 2.1.2 of Annex D-5;~~
[P394]~~"**BSC 1998 Start Date**":~~	~~has the meaning given to that term in paragraph 1.1.2 of Annex D-5;~~
[P394]~~"**BSC NETA Funding Amount**":~~	~~has the meaning given to that term in paragraph 2.2 of Annex D-3;~~
[P394]~~"**Joint BM Unit Data**":~~	~~means, in relation to a Joint BM Unit, the Teleswitch Group(s) and the teleswitched Standard Settlement Configuration(s) registered by a Supplier in relation to that BM Unit in accordance with Section K3.3.9;~~
[P394]~~"**Joint BM Unit**":~~	~~means a Supplier BM Unit comprising SVA Metering System(s) some or all of which belong to a Teleswitch Group and which the Lead Party has chosen to designate as such in accordance with Section K3.3.9;~~
[P394]~~"**Monthly NETA Recovery Amount**":~~	~~has the meaning given to that term in paragraph 2.2 of Annex D-2;~~
[P394]~~"**Party Funded Costs**":~~	~~has the meaning given to that term in Section D5.1.2;~~
[P394]~~"**PES 1998 Recovery Shares**":~~	~~has the meaning given to that term in paragraph 1.1.3 of Annex D-5;~~
[P394]~~"**Pool NETA Costs**":~~	~~has the meaning given to that term in Section D5.1.1(a);~~
[P394]~~"**Pool NETA Recovery Period**":~~	~~has the meaning given to that term in paragraph 2.1.4 of Annex D-5;~~
[P394]~~"**Pool NETA Recovery Shares**":~~	~~has the meaning given to that term in paragraph 2.1.3 of Annex D-5;~~
[P394]~~"**Pool NETA Start Date**":~~	~~has the meaning given to that term in paragraph 2.1.2 of Annex D-5;~~
[P394]~~"**Pool Supplement**":~~	~~means that part of the Code entitled the Pool Supplement;~~
[P394]~~"**Quarterly 1998 Programme Amount**":~~	~~has the meaning given to that term in paragraph 1.2.1 of Annex D-5;~~
[P394]~~"**Quarterly 1998 Programme Charge**":~~	~~has the meaning given to that term in paragraph 1.2.3 of Annex D-5;~~
[P394]~~"**Quarterly Pool NETA Amount**":~~	~~has the meaning given to that term in paragraph 2.2.1 of Annex D-5;~~

[P394]"~~**Quiescent Physical Notification**~~":	~~has the meaning given to that term in the Grid Code;~~
[P394]"~~**Scottish Distributor Recovery Period**~~":	~~means the period described in Annex D-5-4;~~
[P394]"~~**Scottish Operational Run-Off Costs** ~~":	~~means the costs described in Annex D-5-4;~~
[P394]"~~**Specified NETA Funding Charge**~~":	~~has the meaning given to that term in paragraph 2.1 of Annex D-3;~~

ANNEX X-2: TECHNICAL GLOSSARY (Version 45.0)

Remove the following definitions from Table X-2

[P394]~~Joint BM Unit Data~~			~~Is defined in Annex X-1.~~

BALANCING AND SETTLEMENT CODE – POOL SUPPLEMENT (Version 2.0)

Remove the Pool Supplement from the baseline statement.