





BSC Modification Proposal Form		At what stage is this document in the process?
<h1>P421</h1> <p>Mod Title: Align the BSC with Grid Code modification GC0144 for TERRE Market suspension</p>		<div>01 Modification</div> <div>02 Workgroup Report</div> <div>03 Draft Modification Report</div> <div>04 Final Modification Report</div>
<p>Purpose of Modification:</p> <p>P421 will align the BSC with provisions introduced into the Grid Code under GC0144 'Alignment of Market Suspension Rights to the EU Emergency and Restoration Code Article 35.1(b)'</p>		
<p>Does this Modification impact any of the European Electricity Balancing Guideline (EBGL) Article 18 Terms and Conditions held within the BSC?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>		
	<p>The Proposer recommends that this Modification should:</p> <ul style="list-style-type: none"> be sent directly into the Report Phase <p>P421 will be presented by the Proposer to the BSC Panel on 8 July 2021. The Panel will consider the Proposer's recommendation and determine how best to progress the Modification.</p>	
	<p>High Impact:</p> <p>None</p>	
	<p>Medium Impact:</p> <p>None</p>	
	<p>Low Impact:</p> <p>Suppliers, Generators, VLPs</p>	

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Timetable

The Proposer recommends the following timetable:

Initial consideration by Panel	08 July 2021
Report Phase Consultation	14 July 2021 – 14 August 2021
Presentation of DMR to Panel	9 September 2021
Send FMR to Ofgem	15 September 2021



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1 Why Change?

What is the issue?

National Grid Electricity System Operator's (NGESO's) Grid Code Modification GC0144 'Alignment of Market Suspension Rights to the EU Emergency and Restoration Code Article 35.1(b)' introduced section BC4.10. BC4.10 describes three scenarios in which TERRE market suspension might occur. This is in, with Commission Regulation (EU) 2017/2196 of 24 November 2017 establishing a network code on electricity emergency and restoration (NCER). It should be noted that Reg 2017/2196 was subsumed into UK law at the end of the Brexit Transition Period on 31 December 2020 and as such is now a UK legislative requirement

The BSC already provides for TERRE suspension in the scenarios detailed in paragraphs (a) and (b) of BC4.10. Paragraph BC4.10(a) of the Grid Code provides for Terre Market suspension where the Balancing Mechanism is suspended in accordance with paragraph OC9.4.6 of the Grid Code in a Black Start situation; BSC paragraph G3 sets out Black Start provisions including Terre Market suspension. Paragraph BC4.10(b) of the Grid Code provides for Terre Market suspension in the event of outages of computer systems (as provided for in BC4.9 of the Grid Code); BSC paragraph Q5A.1 provides for this. BSC paragraph 5A.2 sets out the activities that will be suspended and actions BSCCo will take if the TERRE Market is suspended in either scenario.

The BSC does not cover the remaining TERRE suspension scenario detailed in paragraph BC4.10(c). This paragraph relates to Terre Market suspension as a result of the operators of the TERRE Central Platform [LIBRA] notifying National Electricity Transmission System Operator (NETSO) that the TERRE market has been or is to be suspended. The Proposer believes that a small document only change is required to ensure the BSC and Grid Code align in relation to TERRE market suspension provisions.

Desired outcomes

P421 will align the BSC with Grid Code paragraph BC4.10.

2 Solution

Proposed Solution

Align BSC Section Q5A with the provisions in GC0144. This will change the TERRE Market suspension provisions in BSC paragraph Q5A.1 to expressly provide for the circumstances detailed in BC4.10(c) of the Grid Code. The solution also makes minor updates to ensure the notification processes and obligations of the NETSO and BSCCo set out in the BSC and the Grid Code are aligned in respect of the suspension scenarios detailed in BC4.10 (b) and (c).

Benefits

This Modification will ensure consistency between Grid Code and the BSC. Whilst this Modification is currently not required for compliance purposes, as the UK cannot currently participate in the TERRE market, if this changes, the updates in this Modification will be required.

The Proposer believes raising this Modification at this time is required to ensure that provisions in the BSC are accurate and up to date.

3 Relevant Objectives

Impact of the Modification on the Relevant Objectives:	
Relevant Objective	Identified impact
a) The efficient discharge by the Transmission Company of the obligations imposed upon it by the Transmission Licence	Positive
(b) The efficient, economic and co-ordinated operation of the National Electricity Transmission System	Positive
(c) Promoting effective competition in the generation and supply of electricity and (so far as consistent therewith) promoting such competition in the sale and purchase of electricity	Neutral
(d) Promoting efficiency in the implementation of the balancing and settlement arrangements	Positive
(e) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency [for the Co-operation of Energy Regulators]	Positive
(f) Implementing and administering the arrangements for the operation of contracts for difference and arrangements that facilitate the operation of a capacity market pursuant to EMR legislation	Neutral
(g) Compliance with the Transmission Losses Principle	Neutral

We expect this modification to better facilitate Applicable BSC Objectives (a), (b), (d) and (e) as the suggested amendments ensure that the BSC accurately reflects the provisions relating to TERRE market suspension which are detailed in the NCER (EU 2017/2196). These will form part of the Balancing terms and conditions for Great Britain and as such, the BSC/Grid Code alignment in this respect ensures NETSO is able to run their System efficiently.

4 Potential Impacts

Impacts on Core Industry Documents

Impacted Core Industry Documents			
<input type="checkbox"/> Ancillary Services Document	<input type="checkbox"/> Connection and Use of System Code	<input type="checkbox"/> Data Transfer Services Agreement	<input type="checkbox"/> Use of Interconnector Agreement
<input type="checkbox"/> Master Registration Agreement	<input type="checkbox"/> Distribution Connection and Use of System Agreement	<input type="checkbox"/> System Operator Transmission Owner Code	<input type="checkbox"/> Supplemental Agreements
<input type="checkbox"/> Distribution Code	<input type="checkbox"/> Grid Code	<input type="checkbox"/> Transmission License	<input type="checkbox"/> Other (please specify)

This Modification is expected to align the BSC with the provisions introduced under Grid Code Modification GC0144 as such it is not expected that this Modification will impact any core industry documents.

Impacts on BSC Systems

Impacted Systems				
<input type="checkbox"/> CRA	<input type="checkbox"/> CDCA	<input type="checkbox"/> PARMS	<input type="checkbox"/> SAA	<input type="checkbox"/> BMRS
<input type="checkbox"/> EAC/AA	<input type="checkbox"/> FAA	<input type="checkbox"/> TAAMT	<input type="checkbox"/> NHHDA	<input type="checkbox"/> SVAA
<input type="checkbox"/> ECVAA	<input type="checkbox"/> ECVAA Web Service	<input type="checkbox"/> Elexon Portal	<input type="checkbox"/> Other (Please specify)	

No system impacts have been identified

Impacts on BSC Parties

Impacted Parties			
<input checked="" type="checkbox"/> Supplier	<input type="checkbox"/> Interconnector User	<input type="checkbox"/> Non Physical Trader	<input checked="" type="checkbox"/> Generator
<input type="checkbox"/> Licensed Distribution System Operator	<input type="checkbox"/> National Electricity Transmission System Operator	<input checked="" type="checkbox"/> Virtual Lead Party	<input type="checkbox"/> Other (Please specify)

We expect there to be impacts on Suppliers, Generators and VLPs as BSC Party processes will need to align with the provisions in the event of TERRE market suspension.

Impacts on consumers and the environment

Impact of the Modification on consumer benefit areas:	
Consumer benefit area	Identified impact
Improved safety and reliability	Neutral
Lower bills than would otherwise be the case	Neutral
Reduced environmental damage	Neutral
Improved quality of service	Neutral
Benefits for society as a whole	Neutral

This Modification is not expected to impact any customer benefit areas.

Legal Text Changes

Changes are required to Section Q 'Balancing Service Activities'. Draft legal text is provided in Attachment B.

5 Governance

Self-Governance

<input type="checkbox"/> Not Self-Governance – A Modification that, if implemented:	
<input type="checkbox"/> materially impacts the Code's governance or modification procedures	<input type="checkbox"/> materially impacts sustainable development, safety or security of supply, or management of market or network emergencies
<input type="checkbox"/> materially impacts competition	<input type="checkbox"/> materially impacts existing or future electricity consumers
<input type="checkbox"/> materially impacts the operation of national electricity Transmission System	<input type="checkbox"/> is likely to discriminate between different classes of Parties
<input checked="" type="checkbox"/> involves any amendments to the EBGL Article 18 Terms and Conditions related to Balancing; except to the extent required to correct an error or as a result of a factual change	
<input type="checkbox"/> Self-Governance – A Modification that, if implemented:	
Does not materially impact on any of the Self-Governance criteria provided above	

This Modification is expected to impact BSC Section Q5A of the BSC. These alternations constitute changes to the EBGL Article 18 Terms and Conditions and therefore cannot be progressed as a Self-Governance Modification.

Progression route *(choose one)*

<input type="checkbox"/> Submit to assessment by a Workgroup – A Modification Proposal which:	
does not meet any criteria to progress via any other route.	
<input checked="" type="checkbox"/> Direct to Report Phase – A Modification Proposal whose solution is typically:	
<input checked="" type="checkbox"/> of a minor or inconsequential nature	<input checked="" type="checkbox"/> deemed self-evident
<input type="checkbox"/> Fast Track Self-Governance – A Modification Proposal which meets the Self-Governance Criteria and:	
is required to correct an error in the Code as a result of a factual change including but not limited to:	
<input type="checkbox"/> updating names or addresses listed in the Code	<input type="checkbox"/> correcting minor typographical errors
<input type="checkbox"/> correcting formatting and consistency errors, such as paragraph numbering	<input type="checkbox"/> updating out of date references to other documents or paragraphs
<input type="checkbox"/> Urgent – A Modification Proposal which is linked to an imminent issue or current issue that if not urgently addressed may cause:	
<input type="checkbox"/> a significant commercial impact on Parties, Consumers or stakeholder(s)	<input type="checkbox"/> a Party to be in breach of any relevant legal requirements.
<input type="checkbox"/> a significant impact on the safety and security of the electricity and/or gas systems	

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

No impacts identified. We have requested that Ofgem treat this Modification as a SCR exempt Modification on 1 July 2021

Does this Modification impact any of the EBGL Article 18 Terms and Conditions held within the BSC?

This Modification is expected to impact Section Q5A of the BSC. These alternations constitute changes to the EBGL Article 18 Terms and Conditions.

Implementation approach

We recommend an implementation date of:

- **4 November 2021** as part of the November 2021 BSC release.

To ensure that the BSC accurately reflects the Grid Code provisions as soon as practicable.