

Emergency And Restoration - Response Proforma

Respondent:	Steve Wilkin & Kathryn Coffin
Company Name:	ELEXON Ltd.
Does this response contain confidential information? If yes, please specify.	No
Name of Consultation this response is in relation to:	Emergency and Restoration Market Suspension

Q1. Do you agree with the approach taken in the proposal? Please provide rationale

ELEXON's response:

Partly.

In principle we agree with the approach of 'no change' to the existing arrangements, and only minimum change where change is necessary. It is not obvious to us that any significant changes are required to the BSC, and we are keen to minimise the disruption of rule changes for BSC Parties where we can. But we do have comments on the detail of the proposal as it is drafted in the letter dated 7 September 2018.

The Network Code on Emergency and Restoration (NC ER) Article 36 requires National Grid ESO to make proposals for rules concerning the suspension and restoration of market activities; and Article 39 of the same Network Code requires a proposal for rules for imbalance settlement, etc.

However, we believe that the approach taken (in the letter dated 7 September 2018 and the accompanying cross-code NC ER to GB codes mapping document, referenced in the letter as Table 1 of Annex A) does not yet provide clear and unambiguous rules setting out what will happen in all the circumstances described in Articles 36 and 39.

It proposes that 'the current Market Suspension rules continue to be held in the existing frameworks and that updates required for European Network Code compliance... will follow the usual modification procedure'. So while this proposal makes clear where the rules will be held and how they will be modified, it does not specify what rules are required to ensure compliance with the European Network Code on Emergency and Restoration.

However, we presume, based on the commentary in Table 1 NC ER 36.1 and 39.1, that the rules proposed are the existing GB rules in the Grid Code and Balancing and Settlement Code (BSC) plus any new ones specified in the proposal letter itself. Although some of the commentary in Table 1 suggests to us that changes to the BSC *may* be required – see, for example, our comments on SOGL 18.3 in the attached ELEXON mark up of your Table 1. (The attached 'ELEXON's comments on the Emergency and Restoration Market Suspension Overview Table_1.0' contains our comments on your mapping to the BSC.)

Wherever the rules are held, we believe that what the rules are must be explicitly stated in the proposal letter. For example it could say that the rules proposed are those BSC, Grid Code, etc. rules as set out in Table 1 attached to this letter, specifically those rules set out in the columns headed 'Code' and 'Section'.

So for most of the rules themselves we reference Table 1. However, this table is currently ambiguous on certain matters as follows:

- We wondered whether the commentary for SOGL 18.3 raises the possibility of an issue where ESO could suspend the markets without meeting the Market Suspension Threshold as defined in the BSC Section G3.1.5. As such this would appear to require a rule change to the BSC, which has not been specified in this proposal. It has also generally been the case that market participants/BSC Parties have argued for certainty of the situations under which markets would be suspended, whereas this issue leaves that uncertain and to the discretion of ESO at the time. However, this ambiguity may be resolved by reference to the commentary for NC ER 36.4, which appears to state that the current BSC G3.1.5 rules shall be adopted as the ESO proposal. We ask ESO to clarify whether this latter interpretation forms the intended proposal.
 - This request for certainty of the rules for market suspension in advance is also partly because ELEXON may be without power during a shutdown and only be able to communicate with BSC Parties as power returns. Having certainty of the rules in advance (which the BSC allows to be enacted post-event if needed) is therefore beneficial to BSC Parties to avoid confusion and the risk that Parties take actions that they think will help but actually make things worse. Further background can be found in the records of the [Issue 42](#) and [P276](#) Workgroups.
- The commentary on NC ER 35.2f does not specify rules for which 'other market activities' may, or will, be suspended. Without such specification, we cannot tell whether there will need to be consequential changes in other market arrangements, e.g. in the BSC rules and systems.
- The commentary on NC ER 35.4 does not specify which TSO processes may, or will, be partially or fully suspended. Without such specification, we cannot tell whether there will need to be consequential changes in other market arrangements, e.g. in the BSC rules and systems.

Q2. Do you agree that the proposal is consistent with the principle of minimum necessary change? Please provide rationale

ELEXON's response:

Yes.

Subject to our other comments in this response on areas where we think clarification of the proposal; and correction of mapping references to the BSC are needed.

Q3. Do you have any other comments in relation to the proposal?

ELEXON's response:

Yes.

- 1) The proposal includes that 'updates required for European Network Code compliance and organic industry changes will follow the usual modification procedure'. We would like to support this.

However, we are aware that there are ongoing discussions relating to the implementation of Article 18 of the Electricity Balancing Guideline (EB GL) into GB arrangements, which will presumably impact this NC ER proposal in a similar way.

This is because EB GL Article 18.2 requires that the EB GL Article 18 terms and conditions 'shall include the rules for the suspension and restoration of market activities..' and 'the rules for settlement in case of market suspension' once approved pursuant to NC ER Article 4.

And, in the light of this, we prefer that the mapping of NC ER rules to BSC rules is not set at such a detailed (paragraph and sub-paragraph) level as currently set out in Table 1. This is because it will cause us extra work (and so cost to the industry) to monitor closely every BSC Modification. A housekeeping change, for example, could change paragraph numbering and so require a change to the mapping and so scope of the EB GL Article 18 change process when applied to BSC. In summary therefore, we prefer the mapping from NC ER rules to BSC to be at the BSC sub-section level, e.g. to BSC G3.3 not to G3.3.1 or anything more granular.

- 2) We note that following Ofgem approval of the rules concerning the suspension and restoration of market activities; and of the rules concerning imbalance settlement, etc., National Grid ESO will publish these rules 'on its website' pursuant to the NC ER Article 36.2 and NC ER Article 39.1. We suggest that, where these rules sit in the Balancing and Settlement Code (BSC), the publication on the National Grid ESO website links through to the official BSC on the ELEXON website, so that there is no confusion between which rules are definitive.
- 3) In its proposed Communication Procedure, we note that National Grid ESO has equated 'balance responsible parties' with BSUoS payers.

We do not believe that this is correct. Under the Electricity Balancing Guideline Article 2(7), a 'balance responsible party' is defined as a market participant or its chosen representative responsible for its imbalances. Imbalances are only settled directly under the BSC, not BSUoS, so we suggest that a better GB equivalent is 'Trading Party' under the BSC, i.e. 'a BSC Party, other than the Transmission Company, which holds Energy Accounts'. This distinction is important because in our view there are a number of parties who are responsible for imbalance but do not pay BSUoS including:

- Non-physical traders (who have a zero metered volume)
- Interconnector BM Units (which are exempt from BSUoS)
- Virtual Lead Parties (as metered volumes are assigned to the primary BM Unit)
- Potentially storage, if exempted under CMP280.

Therefore while we agree that BSUoS payers are often the same as balance responsible parties, the NC ER requires that BSC Trading Parties are the ones that are required to be notified of market suspension and restoration, not BSUoS payers.

We also note that the BSC requires BSCCo to notify all BSC Parties, not only BSC Trading Parties. For more detailed comments on the BSC notification requirements and how well they map to NC ER 38.1, see the attached 'ELEXON's comments on the Emergency and Restoration Market Suspension Overview Table_1.0'.

- 4) NC ER 35.2.c (and also related to 36.3.c). In Table 1 of Annex A it is stated that National Grid ESO may suspend this activity, i.e. may suspend the requirement on a balance responsible party to have a balanced position at the end of the day ahead time frame. However, this is confusing as in its separate proposal for the terms and conditions related to balancing (Article 18 of the EB GL) and in the NC ER proposal letter itself, ESO has proposed that it will not enforce the requirement in normal operations anyway. So the notification of suspension would not be required.

Therefore if the proposal consists of both the letter and Table 1, as we rely on in our response to Question 1, then the proposal is ambiguous on this point and needs clarification.

- 5) NC ER 35.2.d and .e; NC ER 36.3.d and .e – we do not believe that Grid Code OC9.4.6 directly covers the suspension of ECVN submissions. This is covered by OC9.4.6 in combination with BSC G3.2.
- 6) NC ER 36.3.b. For balancing energy bids, we suggest that this is related to the provision of such bids to the TERRE and MARI European balancing platforms pursuant to Articles 19 and 20 of the EB GL. The GB rules for the suspension of such bids must therefore be compatible 'to the extent possible' with the TERRE and MARI rules agreed with other European TSOs. As the TERRE and MARI rules are not yet approved by the relevant EU regulators, this may require future changes to the GB rules for market suspension and restoration.
- 7) NC ER 36.3d. This relates to changes to position, i.e. energy contract volumes in GB terminology, so the mapping reference should be to Section P of the BSC rather than Section F.
- 8) NC ER 36.4d. As noted in an earlier comment above, we believe that balance responsible parties equate to Trading Parties within the BSC arrangements, not BSUoS payers. We note this in case the Restoration Plan is reliant on them being BSUoS payers.
- 9) NC ER 36.4e – see relevant comments above on the operation of: TERRE and MARI European platforms; the need to provide a balanced position; and change of position.
- 10) NC ER 36.5 – the mapping should be to the whole of BSC section G3.1, not only to paragraph G3.1.5 as paragraph G3.1.5 only gives the commencement of market suspension in Partial Shutdown situations. G3.1.5 does not cover the commencement of market suspension in Total Shutdown situations. Other paragraphs in G3.1 cover these other aspects of NC ER 36.5.

See also our comments on when the 72 hour time lapse applies, which does not apply in all circumstances, in the attached 'ELEXON's comments on the Emergency and Restoration Market Suspension Overview Table_1.0'.

These comments will also require changes to the proposed System Restoration Plan paragraph 2.1.7 as this paragraph does not correctly describe the rules set out in BSC section G3.1.5 for market suspension. In certain circumstances Market Suspension will occur even if the Market Suspension Threshold is not met, e.g. after 72 hours of Partial Shutdown.

- 11) NC ER 37.3 and 37.5 – The restoration of coupling processes, including between the two GB NEMOs, will produce ECVNs. So this action will need to be coordinated with the restoration of ECVN provision, which will have been suspended pursuant to BSC G3.2.
- 12) NC ER 38 – This Network Code Article states that the communication rules should be contained in the market suspension and restoration rules. Our interpretation of this is that the Communications Procedure should be set out in Grid Code OC9 and, where relevant, BSC Section G.
- 13) NC ER 39.1 – The detailed mapping to GB Codes should be amended. See our attached 'ELEXON's comments on the Emergency and Restoration Market Suspension Overview Table_1.0'. If the current rules for imbalance settlement during market suspension periods are being retained, then the references should be to the BSC, not the Grid Code. And the reference should be to BSC section G3.2 alone as this sets out how the imbalance settlement rules for non-market suspension periods are varied for market suspension periods.
- 14) NC ER 39.2 – The third parties referenced in this Article are BSCCo and the BSC Clearer (ELEXON and ELEXON Clear) who have been assigned settlement responsibilities under the EB GL by BEIS for balancing services settled under the BSC and imbalance settlement. The settlement of balancing services (balancing energy) with non-BSC parties; and all balancing capacity settlement is currently performed by National Grid ESO. So the rules in the BSC G3.2 as suggested in the comment above are not sufficient on their own to meet this requirement as they do not cover these latter aspects.
- 15) NC ER 39.3.a (financial neutrality of each TSO and relevant third parties)
 - a. As noted above the third parties are BSCCo and BSC Clearer. These two parties are not for profit and required to be financially neutral under the BSC general rules and the BSC rules during market suspension do not change this.
 - b. National Grid ESO is a profit-making entity but is not exposed to imbalance settlement as it is excluded from being a BSC Trading Party, so is not in our view a balance responsible party.
 - c. National Grid ESO is paid or charged for the net cost of the balancing services it activates via the Balancing Mechanism as part of BSC settlement rules and whether it is financially neutral therefore depends on the BSUoS charges it uses to recover the net cost of this plus its non-BM balancing services costs.
 - d. A BSC Party which is given a 'black start instruction' by the ESO during market suspension periods may seek compensation under the rules set out in BSC section G3.3. This compensation, if approved, is paid for by BSC Trading Parties, so again does not involve National Grid ESO, ELEXON or ELEXON Clear in a financial gain or loss.
 - e. In summary, our view is that the existing BSC rules ensure the financial neutrality of ELEXON and ELEXON Clear; and to the extent that the BSUoS charges require this, National Grid ESO as well.

- 16) NC ER 39.3.b and .c – as already noted, the BSC on its own cannot ensure full compliance on this point as the BSC does not cover balancing energy settlement with non-BSC Parties; or for non-Balancing Mechanism products; or for the settlement of balancing capacity, which is the full scope of the requirement of NC ER 39.1.
- 17) Our comments in the attached 'ELEXON's comments on the Emergency and Restoration Market Suspension Overview Table_1.0' also form part of ELEXON's comments on the proposals.

END

Article	Text	Code	Section	Commentary	ELEXON comments on BSC references
SOGL 18.3.a	A transmission system shall be in the emergency state when at least one of the following conditions is fulfilled: There is at least one a violation of a TSOs operational security limits defined in accordance with Art 25	Grid Code BSC	OC9.4.1 Section G 3.1.5	<p>NGET view there to be two situations involving partial shutdown that would require the declaration of an emergency state.</p> <p>The TSO declares a partial shutdown as detailed in the BSC has not been met. NGSO will have met article 18.3.c by declaring a partial shutdown. An issue could arise in some situations the GBSO could declare that we have met the requirements under E&R article 35 to suspend the markets without meeting the 5% demand loss threshold.</p> <p>The TSO declares a partial shutdown as detailed in the Grid Code and market suspension as detailed in the BSC. NGSO will have met point 3 (c) above by declaring a partial shutdown and suspending the market.</p>	<p>We are unclear on the meaning of the second paragraph – is a change to the BSC intended/required?</p> <p>If the E&R Code allows National Grid to suspend the market even though the BSC's Market Suspension Threshold has not been met, the BSC has no supporting rules for this. This may not be a problem if National Grid intends never to use this ability; however if it does it could find it is restricted by the BSC.</p> <p>We note that BSC Parties prefer to have certainty of the rules that will apply in a Black Start situation, for the reasons given by the Issue 42 and P276 Workgroups.</p>
18.3.b	Frequency does not meet the criteria for the normal state and for the alert state defined in accordance with paragraphs 1 and 2				
18.3.c	At least one measure of the TSOs system defence plan is activated				
18.3.d	There is a failure in the functioning of tools, means and facilities for longer than 30minutes				
18.4	A transmission system shall be in the blackout state when at least one of the following conditions is fulfilled: a) loss of more than 50% of demand in the concerned TSOs control area b) total absence of voltage for at least three minutes in the concerned TSOs control area, leading to the triggering of restoration plans	Grid Code BSC	OC9.4.1 G 3.1.3	<p>The definition of a “Blackout State” for GB should be aligned with the current definition of “Total Shutdown” and remain defined within the Grid Code.</p> <p>Both have aligned definitions within the BSC and Grid Code.</p>	The BSC reference is incorrect, as G3.1.3 covers notification of a Market Suspension Period. BSC G3.1.1 defines a Total Shutdown as having the meaning given in the Grid Code.
ER 35.1. a	A TSO may temporarily suspend one or more market activities laid down where: a) the transmission system of the TSO is in blackout state	Grid Code BSC	OC 9.4.2 G 3.1.3, G 3.1.4	<p>Situations within the Grid Code and BSC.</p> <p>Both have aligned definitions.</p>	BSC G3.1.3 covers the automatic Market Suspension in a Total Shutdown (blackout state). The Market Suspension Threshold for a Partial Shutdown is in BSC G3.1.4-G3.1.7, not just G3.1.4.
35.1. b	The TSO has exhausted all options provided by the market and the continuation of market activities under the emergency state would deteriorate one or more of the conditions referred to in Article 18(3)	Grid Code	OC 9.4.2 G3.1.4	This section of the grid code states that at least one part of the system defence plan is activated in reference to NGET triggering an emergency procedure “blackstart”	As above comment.
35.1. c	The continuation of market activities would decrease significantly the effectiveness of the restoration process to the normal or alert state, or;	Grid Code	OC 9.4.2	Without an instruction by NGET to enter into a black start the system would not be able to function as a normal state.	N/A
35.1. d	Tools and communication means necessary for the TSOs to facilitate market activities are not available.	Grid Code	OC 9.4.2	References that the generation in the system has ceased. Generation can be defined as a necessary tool.	N/A
35.2. a	The following market activities may be suspended pursuant to paragraph 1: a) The provision of cross zonal capacity for capacity allocation on the corresponding bidding zone borders for each market time unit where it is expected that the transmission system shall not be restored to the normal or alert state	Grid Code	OC 9.3.2	Provisions for contingency planning between NGET and externally connected SO's are set out in bi-lateral agreements.	N/A

35.2.b	The submission by a balancing service provider of balancing capacity and balancing energy bids	Grid Code	OC 9.4.6	Communication to the balancing provider to suspend this activity.	Suspension of the balancing mechanism (i.e. Bids-Offer Acceptances) is also covered in BSC G3.2.
35.2. c	The provision by a balance responsible party of a balanced position at the end of the day ahead time frames if required by the terms and conditions related to balancing:	Grid Code	OC 9.4.6	Communication to the balancing provider to suspend this activity.	See comments in our main response.
35.2. d	The provision of modifications of the position of balance responsible parties	Grid Code	OC 9.4.6	Communication to the balancing provider to suspend this activity.	If this is about suspending Bid-Offer acceptances, Energy Contract Volume Notifications (ECVNs) and/or Metered Volume Reallocation Notifications (MVRNs), this is covered by BSC G3.2.
35.2. e	The provision of schedules referred to in Article 111(1) and (2) of Regulation (EU) 2017/1485 and	Grid Code	OC 9.4.6	This refers to generation, consumption, internal communication, and external schedules namely the PN and ECVN submissions. The referenced Grid Code allows NGET to inform all “Users which in NGETs opinion need to be informed”. This can be included under this definition	If this is about suspending ECVNs/MVRNs, this is also covered by BSC G3.2.
35.2. f	Other relevant market activities in the suspension of which is deemed necessary to preserve and or restore the system	Grid Code	OC 9.4.6	The referenced Grid Code allows NGET to inform all “Users which in NGETs opinion need to be informed.	General comment on market suspension: Currently, if the market is suspended all BSC activities listed in G3.2 are automatically suspended – there is no ability to pick and choose which of these are suspended. It would not make sense, for example, to suspend Bid-Offer Acceptances and ECVNs/MVRNs but not suspend BSC Trading Parties’ energy indebtedness positions.
35.3	In case of suspension of market activities pursuant to paragraph 1, upon request of the TSO, each SGU shall operate where technically possible at an active power set-point established by the TSO	Grid Code	OC 9.4.7.3	Users are to abide by NGETs instructions during a black start. This permits SGUs to be a part of NGETs instructions.	N/A
35.4	When suspending market activities pursuant to paragraph 1 the TSO may fully or partially suspend the operation of its processes impacted by such suspension.	Grid Code	OC 9.4	Allows for the provision of a total or partial suspension.	N/A
35.5.a	When suspending market activities pursuant to paragraph 1, the TSO shall coordinate at least with the following parties: a) the TSOs of the capacity calculation regions of which the TSO is a member of	Grid Code	OC 9.4.6	Users in which NGETs opinion need to be informed. NGET will view these as needing to be informed also detailed in letter.	N/A
35.5. b	The TSOs with which the TSO has arrangements for the coordination of balancing	Grid Code	OC 9.4.6	Users in which NGETs opinion need to be informed. NGET will view these as needing to be informed also detailed in letter.	N/A
35.5.c	The NEMO and other entities assigned or delegated to execute market functions in accordance with Regulation (EU) 2015/1222 within its control area;	Grid Code	OC 9.4.6	Users in which NGETs opinion need to be informed. NGET will view these as needing to be informed also detailed in letter.	N/A
35.5. d	The TSOs of a load frequency control block of which the TSO is a member of; and	Grid Code	OC 9.4.6	Users in which NGETs opinion need to be informed.	N/A

				NGET will view these as needing to be informed also detailed in letter.	
35.5.e	The coordinated capacity calculator of the capacity calculation regions of which the TSO is a member of	Grid Code	OC 9.4.6	Users in which NGETs opinion need to be informed. NGET will view these as needing to be informed also detailed in letter.	N/A
35.6	In case of suspension of market activities each TSO shall launch the communication, procedure set out in Art 38.			Refer to Art 38.	See our comments on Article 38 below.
36.1	By 18 December 2018 each TSO shall develop a proposal for rules concerning the suspension and restoration of market activities.			Detailed within this proposal and existing GB rules Grid Code and BSC.	It is not obvious from this mapping whether changes are needed or proposed to the existing Grid Code and BSC rules. See our other comments.
36.2	TSO shall publish these rules on its website following their approval by the relevant regulatory authority in accordance with Article 37	Detailed within covering letter.		Upon approval from our relevant NRA NGET will publish on its website the rules concerning the suspension and restoration of market activities.	Suggest National Grid's website should link directly to the version of the BSC on ELEXON's website.
36.3.a	The rules for suspension and restoration of market activities shall be compatible to the extent possible with: a) the rules on provision of cross zonal capacity within the concerned capacity calculation regions;	Detailed within covering letter.		Whilst developing the rules for suspension and restoration of market activities NGET have considered the harmonization and compatibility of the rules with the following: - the rules on provision of cross zonal capacity with the concerned capacity calculation regions namely the IU and Channel regions.	N/A
36.3.b	The rules for submission by balancing service providers of balancing capacity and balancing energy bids resulting from arrangements with other TSOs for the coordination of balancing;	Detailed within covering letter.		- The rules detailed in Art 33 EBGL relating to the rules of submissions by balancing service providers of balancing capacity and balancing energy.	N/A
36.3.c	The rules for provision by balance responsible party of a balanced position at the end of day-ahead timeframe if required by the terms and conditions related to balancing;	Detailed within covering letter		- The rules detailed in Art 18(7) EBGL relating to the balanced position at the end of day-ahead timeframe.	N/A
36.3.d	Rules for provision of modifications of the position of balance responsible parties; an	Detailed within covering letter.		- The rules detailed in section F of the BSC relating to the provision of modifications of the balance responsible parties.	The BSC reference is incorrect, as BSC Section F relates to raising and progressing Modification Proposals to change the BSC. Rules regarding modifying BSC Parties' positions through Bid-Offer Acceptances are in BSC Section Q, while BSC Section P contains the rules by which Parties can modify their positions through ECVNs and MVRNs.
36.3.e	The rules for provision of schedules referred to in Article 111(1) and (2) of Regulation (EU) 2017/1485.	Detailed within covering letter. EBGL	Art 111-Notification of Schedules within scheduling areas.	- The rules within the Electricity balancing guideline relating to the following schedules; Generation, Consumption, Internal Commercial Trade, and External Commercial trade.	N/A
36.4.	When developing the rules for suspension and restoration of market activities, each TSO shall convert the situations referred to in Article 35(1) into objectively defined parameters taking into account the following factors: (a) the percentage of load disconnection in the LFC area of the TSO corresponding to:	BSC	G 3.1.5	These parameters are pre-defined within the BSC.	This is correct in that BSC Section G3.1.5 defines the Market Suspension Threshold for Partial Shutdowns. The automatic suspension of the market in a Total Shutdown is covered in BSC Section G3.1.3, so this reference also seems relevant to this Article.

	<p>(i) the inability of a significant share of balancing responsible parties to maintain their balance; or</p> <p>(ii) (ii) the necessity for the TSO not to follow the usual balancing processes to perform an efficient re-energisation;</p>				
36.4.b	the percentage of generation disconnection in the LFC area of the TSO corresponding to the inability of a significant share of balancing responsible parties to maintain their balance;	BSC	G 3.1.5	These parameters are pre-defined within the BSC.	
36.4.c	<p>the share and geographic distribution of unavailable transmission system elements corresponding to:</p> <p>(i) the desynchronisation of a significant part of the LFC area rendering the usual balancing processes counterproductive; or</p> <p>(ii) the reduction to zero of cross zonal capacity on a bidding zone border(s);</p>	Restoration Plan	Paragraph X	These parameters are pre-defined within the restoration plan	N/A
36.4.d	<p>the inability of the following affected entities to execute their market activities for reason(s) outside their control:</p> <p>(i) balance responsible parties;</p> <p>(ii) balancing service providers;</p> <p>(iii) NEMOs and other entities assigned or delegated to execute market functions pursuant to Regulation (EU) 2015/1222;</p> <p>(iv) transmission connected DSOs;</p>	Restoration Plan	Paragraph X	These parameters are pre-defined within the restoration plan	N/A
36.4.e	<p>the absence of properly functioning tools and communication means necessary to perform:</p> <p>(i) the single day-ahead or intraday coupling or any explicit capacity allocation mechanism; or</p> <p>(ii) the frequency restoration process; or</p> <p>(iii) the reserve replacement process; or</p> <p>(iv) the provision by balance responsible party of a balanced position in day ahead and the provision of change of its position; or</p> <p>(v) the provision of schedules referred to in Article 111(1) and (2) of Regulation (EU) 2017/1485.</p>	Restoration Plan	Paragraph X	These parameters are pre-defined within the restoration plan.	N/A
36.5	The rules for suspension and restoration of market activities shall define a time delay to be respected for each parameter defined pursuant to paragraph 4, prior to starting the procedure for suspension of market activities.	BSC	G 3.1.5	The BSC specifies a 72 hour time-lapse.	This is not quite correct. The market is suspended immediately in a Total Shutdown, from the point that the shutdown commenced (BSC G3.1.3). In a Partial Shutdown, the market can be suspended sooner than 72 hours if any other part of the Market Suspension Threshold is met – the 72 hours is a backstop after which the market is suspended even in the absence of meeting any other part of the threshold (see BSC G3.1.5).
36.6	The concerned TSO shall assess in real-time the parameters defined pursuant to paragraph 4, on the basis of the information at its disposal.	BSC	G 3.1.5	This is contained within the BSC as forecasting data.	Not just forecasting data – there are other parts of the Market Suspension Threshold that National Grid needs to monitor, as set out in BSC G3.1.5.
36.7	By 18 December 2020, ENTSO for Electricity shall submit to the Agency a report assessing the level of harmonisation of the rules for suspension and restoration of market activities established by the TSOs and identifying, as appropriate, areas that require harmonisation.			Not a TSO requirement	N/A

36.8	By 18 June 2019, each TSO shall submit to ENTSO for Electricity the data required to prepare and submit the report in accordance with paragraph 7.	Detailed in letter.		NGET to publish this report in 2019.	N/A
37.1	The concerned TSO, in coordination with the NEMO(s) active in its control area and with the neighbouring TSOs, shall launch the procedure for the restoration of market activities suspended pursuant to Article 35(1) when: (a) the situation triggering the suspension has ended and no other situation referred to in Article 35(1) applies; and (b) the entities referred to in Article 38(2) have been duly informed in advance in accordance with Article 38.	Grid Code	OC 9.4.7.9	This section in the Grid Code relates to the restoration of the system back to a normal state. The Grid Code states that all users should be informed as soon reasonably possible and that no situation that initially triggered suspension is compromising the integrity of the system at present.	N/A
37.2	The concerned TSO, in coordination with neighbouring TSOs, shall launch the restoration of TSO processes impacted by the suspension of market activities when the conditions of paragraph 1 are fulfilled or before, if necessary to restore market activities.	Grid Code	OC9.4.7.9	In making the determination that the total system could return to normal operation states that the above factors amongst others are considered.	N/A
37.3	The concerned NEMO(s), in coordination with TSOs and entities referred to in Article 35(5), shall launch the restoration of the relevant single day ahead and/or single intraday coupling processes as soon as the TSO(s) notifies that the TSOs' processes have been restored.			Currently ongoing discussions are being held with the Power Exchanges. Our understanding is that these requirements are covered within bi-lateral agreements.	N/A
37.4	4. When the provision of cross zonal capacity has been suspended and subsequently restored, each concerned TSO shall update the cross zonal capacities for capacity allocation by using, from the following, the most feasible and efficient option for each market time unit: (a) by using the latest available cross zonal capacities calculated by the coordinated capacity calculator; (b) by launching the regional capacity calculation processes applicable in accordance with Articles 29 and 30 of Regulation (EU) 2015/1222; or, (c) by determining, in coordination with			Currently ongoing discussions are being held with the Power Exchanges. Our understanding is that these requirements are covered within bi-lateral agreements.	N/A
37.5	When part of the total coupled area where market activities have been suspended is back to the normal state or alert state, the NEMO(s) of this area shall be entitled to execute a market coupling in a part of the total coupled area, in consultation with the TSOs and entities referred to in Article 35(5), provided that the TSO has restored the capacity calculation process.			Currently ongoing discussions are being held with the Power Exchanges. Our understanding is that these requirements are covered within bi-lateral agreements.	N/A
37.6	No later than 30 days after the market activities have been restored, the TSO(s) that suspended and restored market activities shall prepare a report at least in English containing a detailed explanation of the rationale, implementation and impact of the market suspension and a reference to the compliance with the rules for suspension and restoration of market activities and shall submit it to the relevant regulatory authority in accordance with Article 37 of Directive 2009/72/EC, and make it available to the	Detailed within covering letter.		The report shall be published on our website.	In practice, we would expect ELEXON and the BSC Panel to also be involved in the production of this report. It is the BSC Panel who decides the timing of market restoration under BSC G3.1.8 and ELEXON (and its service providers) who enact the suspension and restoration of market activities.

	entities referred to in Article 38(2).				
37.7	The regulatory authorities of the Member States or the Agency may issue a recommendation to the concerned TSO(s) to promote good practices and prevent similar incidents in the future.			This is not a TSO requirement.	N/A
38.1	The rules for suspension and restoration of market activities developed pursuant to Article 36 shall also contain a communication procedure detailing the tasks and actions expected from each party in its different roles during the suspension and restoration of market activities.	Detailed within covering letter.			<p>BSC Section G requires that National Grid notifies ELEXON of the following:</p> <ul style="list-style-type: none"> • That a Total Shutdown or Partial Shutdown exists (G3.1.1) • The time and date from which the Total Shutdown or Partial Shutdown commenced (G3.1.2) • The time and date, if applicable, on which the Market Suspension Threshold was met (G3.1.6) • The operation of the Transmission System during a Black Start (G3.1.2) • The time that the Total System could return to normal operation (G3.1.8) • The time at which, if there is no market suspension, the Total System returned to normal operation (G3.1.9) <p>It also requires ELEXON to notify all BSC Parties of the following:</p> <ul style="list-style-type: none"> • That a Total Shutdown or Partial Shutdown exists (G3.1.2) • The Settlement Period from which the Total Shutdown or Partial Shutdown commenced (G3.1.2) • The existence of, and Settlement Period representing the start of, any Market Suspension Period (G3.1.3) • The operation of BSC Systems and, so far as ELEXON is informed by National Grid, the operation of the Transmission System during a Black Start (G3.1.2) • The Settlement Period (as determined by the BSC Panel) from which normal market operations, if suspended, shall be restored (G3.1.8) • The Settlement Period at which, if there is no market suspension, the Total System returned to normal operation (G3.1.9) <p>NC ER Article 38 paragraph 2 gives a list of entities who must be notified of key steps in the suspension/restoration of the Transmission System and of the market. Currently, communications under BSC Section G will only be sent to BSC Parties. These include balance responsible parties, DSOs and power</p>
38.2	The communication procedure shall provide that information is sent, simultaneously, to the following entities: (a) the parties referred to in Article 35(5); (b) the balance responsible parties; (c) the balancing service providers; (d) the transmission connected DSOs; and (e) the relevant regulatory authority of the concerned Member States in accordance with Article 37 of Directive 2009/72/EC.	Detailed within covering letter.			
38.3	The communication procedure shall include at least the following steps: (a) the notification by the TSO that market activities have been suspended in accordance with Article 35; (b) the notification by the TSO of best estimate for the time and date for transmission system restoration; (c) the notification by the NEMO and other entities designated to execute market functions according to Regulation (EU) 2015/1222 and to Regulation (EU) 2016/1719 of the suspension of their activities, if any; (d) the updates by the TSOs on the process for restoration of the transmission system; (e) the notification by the entities referred to in points (a) to (d) of paragraph 2, that their market tools and communication systems are operational; (f) the notification by the TSO(s) that the transmission system has been restored back to normal state or alert state; (g) the notification by the NEMO and other entities assigned or delegated to execute market functions according to Regulation (EU) 2015/1222 of the best estimate for time and date when market activities will be restored; and (h) the confirmation by the NEMO and other entities assigned or delegate	Detailed within covering letter.			
38.4	All notifications and updates by the TSO(s), the NEMO(s) and other entities assigned or delegated to execute market functions referred to in paragraph 3, shall be published on the websites of those entities. When notification or update on the website is not possible, the entity subject to the obligation to notify, shall inform via email, or via any other available means, at least those parties directly participating in	Detailed within covering letter.			

	<i>the suspended market activities.</i>				<i>exchanges but exclude any non-BM ancillary service providers. We understand that National Grid intends to directly notify those non-BM balancing service providers with which it has contracts.</i>
38.5	<i>Notification pursuant to point (e) of paragraph 3 shall be done via email or via any other available means to the concerned TSO.</i>	<i>Detailed within the covering letter.</i>			<i>See also our comments on BSUoS parties in our main response.</i>
39.1	<i>By 18 December 2018, each TSO shall develop a proposal for rules for imbalance settlement and settlement of balancing capacity and balancing energy which shall be applicable for imbalance settlement periods during which the market activities were suspended. The TSO may propose the same rules it applies for normal operations. The TSO shall publish these rules on its website following their approval by the relevant regulatory authority in accordance with Article 37 of Directive 2009/72/EC. A TSO may delegate the TSO's tasks referred to in this Article to one or more third parties, provided that the third party can carry out the respective function at least as effectively as the TSO(s). A Member State or, where applicable, a regulatory authority, may assign the tasks referred to in this Article to one or more third parties, provided that the third party can carry out the respective function at least as effectively as the TSO(s).</i>	BSC	Section G 3.3.2 and T 4.4	<i>The TSO is allowed to propose the same rules of which are applied in normal circumstances during the imbalance settlement phase. NGET will propose the same rules as listed in Section G and T of the Grid Code.</i>	<i>BSC G3.3.2 relates to black start compensation claims. The rules for settling balancing energy during a market suspension (i.e. the application of a special imbalance price and suspension of Parties' imbalance positions) are in BSC G3.2.</i>
39.2	<i>The rules referred to in paragraph 1 shall address the settlements of TSO's and third parties, where relevant, with balance responsible parties, and balancing services providers.</i>	BSC	Section G 3.3.1 and T 4.4	<i>References the settlements of TSOs and third parties where relevant.</i>	<i>See above comment.</i>
39.3	<i>The rules developed in accordance with paragraph 1 shall: (a) ensure the financial neutrality of each TSO and relevant third party referred to in paragraph 1; (b) avoid distortions of incentives or counterproductive incentives to balance responsible parties, balance service providers and TSOs; 28.11.2017 EN Official Journal of the European Union L 312/77 (c) incentivise balance responsible parties to strive to be balanced or help the system to restore its balance; (d) avoid any financial penalties imposed on balance responsible parties and balancing service providers due to the execution of the actions requested by the TSO; (e) discourage TSOs from suspending market activities, unless strictly necessary, and incentivise TSOs to restore the market activities as soon as possible; and (f) incentivise balance service providers to offer services to the connecting TSO that helps restore the system to normal state.</i>	BSC	Section T 4.4 and G 3.3	<i>The rules detailed within sections T 4.4 and G 3.3 of BSC: - Ensure the financial neutrality of all parties - Avoid distortions of incentives to balance responsible parties, balance service providers - Incentivizes balance responsible parties to strive to be balanced or help the system to restore its balance - Avoid any financial penalties imposed on balance responsible parties and providers - Discourages TSOs from suspending market activities unless necessary - Incentivizes balance service providers to offer services to the connecting TSO that helps restore the system to a normal state,</i>	<i>See our comments in our main response.</i>