

CIRCULAR

TYPE & NUMBER ELEXON Circular - EL02896

Date 19 October 2018

To BSC Parties

From BSC Panel

Purpose For information

Default of BSC – Snowdrop Energy Supply Limited

This Circular sets out the resolutions made by the BSC Panel in relation to Snowdrop Energy Supply Limited (company number 09688964, BSC Party ID 'SNOWDROP') ("the Defaulting Party") under Section H3.2.1 of the Balancing and Settlement Code ("BSC"). Provision of a copy of this document to a BSC Party shall constitute notification to that BSC Party of the decisions of the Panel, and shall also constitute notification to that BSC Party of the Default pursuant to BSC H3.2.1(a).

In accordance with the provisions of Section B4.7 of the BSC, an urgent meeting of the Panel was convened at 15:30 on 19 October 2018.

The Panel **NOTED** that the Defaulting Party is in Default under Section H3.1.1(g)(i) of the BSC in that the Defaulting Party has admitted its inability to pay its debts as they fall due.

The Panel considered this matter and, having regard to its objectives under Section B1.2.1 and to its other obligations under the BSC, **RESOLVED** as follows:

- (a) Pursuant to Sections H3.2.1(b) and H3.2.2(a) to:
 - (i) suspend with effect on and from the commencement of Settlement Period 35 (17:00) on 19 October 2018 the right of the Defaulting Party to submit (or have submitted on its behalf) Energy Contract Volume Notifications under Section P of the BSC; and/or
 - (ii) disapply (for the purposes of Settlement) with effect on and from the commencement of Settlement Period 35 (17:00) on 19 October 2018 that part of all Energy Contract Volume Notifications submitted (at whatever time) by or on behalf of the Defaulting Party which relate to the period commencing on and continuing after Settlement Period 35 (17:00) on 19 October 2018.
- (b) Pursuant to Sections H3.2.1(b) and H3.2.2(b) to:
 - (i) suspend with effect on and from the commencement of Settlement Period 35 (17:00) on 19 October 2018 the right of the Defaulting Party to submit (or have submitted on its behalf) Metered Volume Reallocation Notifications under Section P of the BSC; and/or
 - (ii) disapply (for the purposes of Settlement) with effect on and from the commencement of Settlement Period 35 (17:00) on 19 October 2018 that part of all Metered Volume Reallocation Notifications submitted (at whatever time) by the Defaulting Party or on its behalf which relate to the period commencing on and continuing after Settlement Period 35 (17:00) on 19 October 2018.
- (c) Pursuant to Sections H3.2.1 (b) and H3.2.2 (e), to suspend, subject to approval by the Authority, the right of the Defaulting Party to register further Metering Systems and BM Units.
- (d) Pursuant to Section H3.2.1(f), to notify the Funds Administration Agent on behalf of the BSC Clearer to treat the Defaulting Party as a Defaulting Party for the purposes of Section N of the BSC.

CIRCULAR

(e) Pursuant to Sections H3.2.1 (b) and H3.2.2 (g), to suspend with immediate effect the right of the Defaulting Party to vote pursuant to Annex B-2 of the BSC.

(f) To notify the Defaulting Party and, pursuant to Section H3.2.1(a), each other BSC Party of the Default.

ELEXON shall continue to closely monitor and review the situation concerning the Defaulting Party (including its effect on other BSC Parties).

The Panel noted that nothing in these Resolutions should be taken as preventing it from deciding at any time to take any further, additional, different or other steps under Section H3.2.1 of the BSC in relation to the Defaulting Party.

For more information, please email market.operations@elexon.co.uk.