

# CIRCULAR

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<b>TYPE &amp; NUMBER</b>	ELEXON Circular – EL02921
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<b>Date</b>	22 November 2018
<b>To</b>	BSC Parties
<b>From</b>	BSC Panel
<b>Purpose</b>	For information

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## BSC Default – Extra Energy Supply Limited

This Circular sets out the resolutions made by the BSC Panel in relation to Extra Energy Supply Limited (Company number 08053154; BSC Party ID 'CALLISTO') ('the Defaulting Party') under Section H3.1.1(c)(iii) 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 Section 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 **10:30** on **22 November 2018**.

The Panel **NOTED** that the Defaulting Party is in Default under Section H3.1.1(c)(iii) of the BSC in that the Trading Party's Credit Cover Percentage, as determined by the ECVA, was not equal to or lower than 90% by the end of the same numbered Settlement Period on the second to next occurring Working Day after the Settlement Period during which the Trading Party was in Level 2 Credit Default and had a Credit Cover Percentage exceeding 100%.

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 immediate effect 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) dis-apply (for the purposes of Settlement) with immediate effect, any such Energy Contract Volume Notifications as have already been submitted at any time (except to the extent that they relate to Settlement Periods for which the Submission Deadline has occurred prior to the time when the Panel notifies the Parties of such disapplication).
- (b) Pursuant to Sections H3.2.1(b) and H3.2.2(b) to:
  - (i) suspend with immediate effect 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) dis-apply (for the purposes of Settlement) with immediate effect any such Metered Volume Reallocation Notifications as have already been submitted at any time (except to the extent that they relate to Settlement Periods for which the Submission Deadline has occurred prior to the time when the Panel notifies the Parties of such disapplication).
- (c) Pursuant to Sections H3.2.1 (b) and H3.2.2 (f), with effect on and from the commencement of Settlement Day Monday 26 November 2018 to suspend the right of the Defaulting Party to receive reports and data under Section V.
- (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.

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

ELEXON will 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](mailto:market.operations@elexon.co.uk).