

ELEXON

**Re-insert correct definition of
Settlement Error**

318A/02 – Andrew Grace (Elexon)

16 September 2021

Issue, Proposed Solution and Views Against Objectives

Issue

- Text was incorrectly and inadvertently removed from Section W Clause 1.3.1 as part of P420 'Retail Code Consolidation Significant Code Review'
- The text was removed in response to Industry feedback suggesting the proposed wording was not clear
- The deleted text, means that Parties will be unable to raise Disputes that arise from data and/or processes used for the purposes of Settlement

Solution

- Update Section W clause 1.3.1 to re-insert wording to include the data and/or processes used for the purposes of Settlement

Views Against Objectives

- (d) Promoting efficiency in the implementation of the balancing and settlement arrangements

Proposed Progression

- Urgent Modification – acknowledged by Ofgem
 - Due to potential commercial impact on Parties
 - Seeking retrospective implementation to 1 September 2021
- Requesting to be raised by the BSC Panel in accordance with BSC Section F 2.1.1(d)(iv)
 - on the recommendation of BSCCo to rectify manifest errors in or to correct minor inconsistencies (or make other minor consequential changes) to the Code;

Urgent Proposal Timetable

Event	Date
Panel considers Modification Proposal	16 September 2021
Report Phase Consultation	17 September 2021 - 24 September 2021
Draft Modification Report presented to Panel	Week commencing 27 September 2021
Final Modification Report submitted to Authority	Panel considers Draft Modification Report +1 Working Day
Implementation Date	+1 Working Day after Authority Decision

Impacts and Costs

Impacts

This Modification is expected to impact:

- Elexon
- All Trading Parties

No Impact on EBGL T&C's

Costs

Party	Implementation	Ongoing
Elexon	<£1k	N/A

- Only costs for Elexon are associated with document changes
- No costs anticipated for other Parties

Recommendations

We invite the Panel to:

- a) **RAISE** the Modification Proposal (in accordance with F2.1.1(d)(iv));
- b) **RECOMMEND** to the Authority that this Modification should be treated as an Urgent Modification Proposal;
- c) **AGREE** the Urgent progression timetable for recommendation to the Authority;
- d) **AGREE** that this Modification progresses directly to the Report Phase;
- e) **AGREE** that the Modification:
 - o **DOES** better facilitate Applicable BSC Objective (d);
- f) **AGREE** that the Modification **DOES NOT** impact the EBGL Article 18 terms and conditions held within the BSC;
- g) **AGREE** an initial recommendation that the Modification should be **approved**;
- h) **AGREE** an initial Implementation Date of:
 - o +1 Working Day after Authority Decision
- i) **AGREE** the draft legal text;
- j) **AGREE** an initial view that this Modification should not be treated as a Self-Governance Modification; and
- k) **NOTE** that Elexon will issue the Draft Modification Report (including the draft BSC legal text) for a 5 Working Day consultation and will present the results to the Panel at its meeting on week commencing 27 September 2021.