



Simple Guide to Market Exit

Withdrawal from the BSC

1. Introduction

This guide provides a high-level overview of the processes a Balancing and Settlement Code (BSC) Party needs to follow in order to withdraw from the BSC arrangements in Great Britain. It summarises the processes and obligations contained in both [Section A of the BSC: Parties and Participation of the BSC](#), and Balancing and Settlement Code Procedure (BSCP) [BSCP65: Registration of Parties and Exit Procedures](#), and should be read in conjunction with these.

The BSC and all subsidiary documentation are published on the [BSC Website](#). Additionally, the [Market Entry](#) / [Market Exit](#) sections of the website provide support and information on entering/exiting the market.

Additional guidance and clarification on this document can be obtained by contacting ELEXON. Section 5 of this document details the contact details for the key organisations as well as relevant teams within ELEXON. Alternatively, guidance can be obtained by contacting your [Operational Support Manager](#) (OSM). If you do not know who your OSM is, please contact OSMmanagement@elexon.co.uk or look on the [BSC Signatories page](#) on the [BSC Website](#).

2. Categories of Market Participants

This section covers the withdrawal processes relevant to each category of BSC Party or Central Volume Allocation (CVA) Party Agent.

There are other participants who may wish to withdraw from the market for example, Distribution System Operators and Supplier Volume Allocation (SVA) Party Agents. These participants should contact the [BSC Service Desk](#) for advice on withdrawing from the market as they are not covered in this document.

The following sections describe each category of BSC Party and Party Agent in more detail.

2.1 BSC Parties

This guidance note deals with the following participation capacities:

- Supplier;
- Generator;
- Non-Physical Trader;
- Interconnector User;
- Interconnector Error Administrator; and
- Virtual Lead Party (VLP).

2.1.1 Supplier

These are BSC Trading Parties entitled to supply electricity under the BSC arrangements at any time after completing the relevant Market Entry requirements.

Any Supplier who wishes to withdraw from the BSC must coordinate the de-registration of its Supplier role with the appropriate Market Domain Data (MDD) Go Live date in accordance with [BSCP509: Market Domain Data](#), details of which will be provided during the initial discussions with ELEXON. The deregistration of Supplier Base BM Units will also be carried out in conjunction with the above date.

2.1.2 Generator

These are Trading Parties entitled to generate electricity under the BSC arrangements at any time after completing the market entry requirements.

Any Generator who wishes to withdraw must ensure that a Change of BM Unit Ownership (CoBO) is initiated or deregister its BM Units in accordance with [BSCP15: BM Unit Registration](#) and [BSCP20: Registration of Metering Systems](#).

2.1.3 Non-Physical Trader

These are Trading Parties who do not generate or supply electricity but who trade in the electricity market – for example financial brokers and power exchanges.

2.1.4 Interconnector User

An Interconnector User uses an interconnector to transfer energy to or from Great Britain.

An Interconnector User who wishes to withdraw from the BSC should deregister its Interconnector BM Units in accordance with [BSCP15: BM Unit Registration](#). Interconnector Users should also contact National Grid to discuss its requirements which are distinct from the BSC Withdrawal process.

2.1.5 Interconnector Error Administrator

An Interconnector Error Administrator compares the total deemed volumes for all the Interconnector BM Units with actual meter reading data taken from the Interconnector Users.

2.1.6 Interconnector Administrator

The Interconnector Administrator is responsible for ensuring all the BM Unit Metered Volumes for Interconnector Users are sent to the Settlement Administration Agent (SAA).

2.1.7 Virtual Lead Party

VLPs are aggregators of SVA registered units for the sole purpose of participating in the provision of balancing services. They can participate in both the Balancing Market and Replacement Reserve market (introduced by Project TERRE).

3. Prevention of Withdrawal

A Party may not withdraw from the BSC if:

- The Final Reconciliation Settlement Run has not been carried out in relation to the last Settlement Day in which the Party Traded¹, or the corresponding Payment Date is not yet past;
- The Party has any outstanding debts (any sums accrued and payable under the Code);
- There are any Metering Systems or BM Units registered;
- The Party has an outstanding positive Energy Imbalance and/or positive Information Imbalance in respect of the BSC Party;
- There is outstanding Default capable of being rectified²;
- The Party is an Interconnector Error Administrator (IEA) and no replacement IEA has been appointed; and
- The Party is an Interconnector Administrator (IA), no replacement IA has been appointed.

4. BSC Withdrawal Process

This section covers all processes that may need to be undertaken by any participant prior to exiting the market. Some of the processes are performed separately and some in parallel with each other. Exit from the BSC arrangements can only occur on successful completion of all the relevant processes detailed below.

The following information should be read in conjunction with the Exit Checklist - Appendix 3 in [BSCP65](#).

You should contact ELEXON prior to carrying out any of the following actions as information of those that are relevant will be provided in an 'actions email'. Contact details can be found in section 5.

4.1 Submission of Withdrawal Notice

Parties applying to withdraw from the BSC must submit a Withdrawal Notice to ELEXON in line with [Section A of the BSC](#). The Withdrawal Notice can be found in [BSCP65/03](#) and must be signed by a category **A** or **S** Authorised Signatory. If confirmation of existing Authorised Signatories is required please contact ELEXON. Further details of Authorised Signatories and the various categories can be found in [BSCP38](#).

Step 1 - [Submission of Withdrawal Notice](#)

A Party must submit a Withdrawal Notice to ELEXON via post or fax.

The Withdrawal Notice must be submitted at least 28 days prior to the Withdrawal Date specified on the Notice. ELEXON will carry out final checks two business days prior to the Withdrawal Date to ensure all withdrawal criteria have been met.

¹ The 'last' Settlement Day is the final Settlement Day which Trading Charges may be payable.

² Parties in Default solely by virtue of [Section H](#) 3.1.1(g) are permitted to withdraw from the BSC.

Step 2 - Form Validation

ELEXON will check that the Withdrawal Notice has been signed by the appropriate Authorised Signatory and that the details are correct.

Step 3 - Confirmation of receipt and actions

Following validation of the Withdrawal Notice ELEXON will confirm the Notice has been accepted via email.

In addition ELEXON will also send an email detailing the relevant actions required for the Party to complete the Withdrawal³.

4.2 Communication Line Cancellation

Each withdrawing Party must indicate whether they wish to cancel their High or Low Grade Service. To place a formal request, Parties and Party Agents will need to complete and submit a 'Cancellation of High Grade/Low Grade' form to ELEXON. This form can be located on the BSC Guidance Note page of the [ELEXON website](#).

The Cancellation form should be sent to the following email address: market.entry@elexon.co.uk

Step 1 - Submission of Cancellation form

Upon receipt of the cancellation form, ELEXON will validate the request and check that the cancellation request has been made for the correct Communication Line (LGS or HGS). The participant will be contacted if there are any problems with the form.

Step 2 - Placing the order and removal of Communication Lines

Within two working days of receipt, the details of the cancellation will be passed to the the BSC Central Services Agent (CGI). The participant will be contacted regarding the physical and commercial aspects of final disconnection.

Note that for cancellation of a Low Grade Service it is not necessary to physically disconnect the Communication Line.

Step 3 - Confirmation of removal

CGI will contact the participant to confirm actions taken to cancel the service, and that invoices relating to any High Grade Services will cease at the end of the relevant month. If there are any problems with the cancellation, the participant should contact the Market Entry team at market.entry@elexon.co.uk.

³ This actions email may have already been sent to the Party during the initial discussions regarding their withdrawal.

4.3 BSC and Trading Charges

As stated in section 3, a Party must clear all outstanding debts to withdraw from the BSC.

Upon submission of a Withdrawal Notice (or during the initial discussion with the Party), ELEXON will identify if there are any sums accrued and payable relating to the Party. If this is the case, the Party will be informed by ELEXON and they must ensure that payment of the outstanding amounts is cleared prior to the day of the final checks. Copy invoices can be obtained on request.

At this point, ELEXON will also confirm with the Funds Administration Agent (FAA) if there are any outstanding Trading Charges that must be cleared prior to the withdrawal. ELEXON will liaise with the Party to ensure that any issues are resolved.

Withdrawal from the BSC will not be permitted if the above charges remain outstanding on the day of the final checks.

4.4 Trading Disputes

Upon notification that a Party wishes to withdraw, ELEXON will check there are no Trading Disputes affecting the Party. If any issues are identified then this will be discussed with the Party to determine if the withdrawal will be affected.

4.5 Retrieval of Credit Cover

ELEXON will inform the Party if there is any credit cover lodged. If so, a Minimum Eligible Amount (MEA) request (via [BSCP301](#)) to the Energy Contract Volume Aggregation Agent (ECVAA) must be submitted at least **29** days after the last day of trading to retrieve this. A MEA request is from a Party to ECVAA to calculate the minimum amount of Credit Cover that they are permitted to withdraw at one time. The calculation is performed over a 10-day period, and if the minimum eligible amount is zero, the Party is permitted to withdraw all of its credit cover. The actual request to withdraw funds must be submitted within two working days of the ECVAA notification of the minimum eligible amount to the Party.

If there are any questions regarding the forms or process, the FAA will be able to assist.

If a Party is in Default solely due to administration and wishes to retrieve credit cover this can be done once the final withdrawal checks have been completed. Therefore the Minimum Eligible Amount request must be submitted **15** days prior to the proposed Withdrawal Date, confirmation of this date will be provided by ELEXON.

4.6 Cancellation of Authorisations

Following completion of the withdrawal checks by ELEXON, all Parties, Energy Contract Volume Notification Agents (ECVNAs) and Metered Volume Reallocation Notification Agents (MVRNAs) must cancel their Authorised Signatories in accordance with BSCP38. This involves completing the relevant sections in two forms – [BSCP38/5.1 Part B](#) and [BSCP38/5.3 Part B](#)

4.7 Deregistration of Party Agent Role/s

A withdrawing Party may wish to cancel any Party Agent roles they have registered. The following process will enable this.

4.7.1 Termination of ECVNA/MVRNA Authorisations

A Party will need to terminate any ECVNA or MVRNA authorisations they have in place by submitting [BSCP71/03 and 04 forms](#) to ELEXON. When specifying the Effective To Date, the Party should ensure there are no non-zero contract notifications in place which would affect any period on or subsequent to the specified Effective To Date.

4.7.2 Deregistration of ECVNA and MVRNA roles

Upon cancellation of any ECVNA and MVRNA authorisations, a Party should deregister its Party Agent role/s. This must be done using a [BSCP71/06 form](#): ECVNA or MVRNA De-Registration Form.

Step 1 - [Submission of BSCP71 \(06\)](#)

Form BSCP71/06 should be emailed to ELEXON at market.entry@elexon.co.uk.

Step 2 - [Form validation](#)

ELEXON validates the form ensuring it has been signed by the appropriate Authorised Signatory. ELEXON will then request confirmation from the NETA Central Services Agent that there are no authorisations in place relating to the Party ID affecting any Settlement Period after the proposed Effective To date. If this request comes back as nil, ELEXON will authorise the deregistration with the Effective To Date stated on the form.

Step 3 - [Confirmation of Deregistration](#)

The NETA Central Services Agent will confirm to ELEXON when the form has been processed. The Party will be only contacted if there are problems with the process.

4.8 Deregistration of a Participation Capacity

Once a Party has completed the termination of all ECVNA and MVRNA authorisations it is necessary to deregister remaining roles using the BSCP65/01 form.

Step 1 – [Submission of BSCP65/01](#)

[BSCP65/01](#) must be submitted to ELEXON by email. On this form an Effective To Date for the roles they wish to de-register (i.e. Trading Party - Generator) must be set.

The Effective To Date on the form can be set prior to the proposed Withdrawal Date and must be at least two working days in the future to ensure the form can be processed in time.

Step 2 - [Form Validation](#)

ELEXON validates the form ensuring it has been signed by the appropriate Authorised Signatory. ELEXON will then request confirmation from the BSC Central Services Agent that there are no authorisations in place relating to the Party ID affecting any Settlement Period after the proposed Effective To Date. If this request comes back as nil, ELEXON will authorise the deregistration with the Effective To Date stated on the form.

Step 3 - [Confirmation of Deregistration](#)

The NETA Central Services Agent will confirm to ELEXON when the form has been processed. The Party will only be contacted if there are problems with the process.

4.10 Specific actions relating to the Deregistration of a Participation Capacity

Sections 4.1 to 4.9 outlines the main activities required to withdraw from the BSC, however this section details the additional activities that need to be carried out by particular Participation Capacities.

4.10.1 Suppliers

To deregister a Supplier role and associated BM Units, a Party will need to send a letter to the CRA and ELEXON at least 30 Working days prior to the next Market Domain Data (MDD) Go Live date in accordance with [BSCP15](#)⁴, the Effective To Date on the form should be on or after the next MDD Go Live date.

The letter should:

- State the Party is ceasing to Supply and wishes to de-register the SVA BM Units associated with their Party name.
- Confirm that there are no longer any SVA Metering Systems or Standing Data associated with the BM Units and nor will there be in the future.
- State that the Party has contacted Ofgem to comply with the obligations of their Supply Licence.

At least 15 Working Days prior to the Effective To Date the Party should submit the [BSCP509/01](#) form and related entity forms to the MDD Co-ordinator at ELEXON to update MDD. Contact details of the MDD Co-ordinator can be provided by ELEXON when required.

All Suppliers must submit a BSCP65/01 form to the CRA to de-register the Supplier Trading Party role with the same Effective To Date. For the CRA systems to interface successfully with the MDD process, the letter and the BSCP65/01 form must be received, validated and processed at least 14 Working Days prior to the Effective To Date.

Suppliers must contact Ofgem to arrange the withdrawal of their licence obligations.

4.10.2 Generators

All generators must deregister their Trading Units in accordance with [BSCP31](#). Generators will also need to either carry out a Change of BM Unit Ownership (CoBO) or deregister the BM Units and Metering Systems via [BSCP15](#) and [BSCP20](#) respectively. ELEXON should be contacted during the initial stages of the process so assistance can be given.

Generators must contact Ofgem to arrange the withdrawal of their license obligations. ELEXON can provide the necessary contact details.

4.10.3 Interconnector Users and Interconnector Error Administrators

All Interconnector Users must consult with National Grid to discuss the requirements under the Grid Code.

A [BSCP15/4.2](#) form must be submitted to the CRA to deregister BM Units ensuring that the Effective From Date is at least **20** Working days after the submission of the form (this may be reduced with the approval of all the parties involved).

⁴ The next MDD Go Live date can be obtained by emailing MDDC@elexon.co.uk.

4.11 Final Checks

ELEXON will carry out the following final checks in line with [BSC Section A](#) as at 5pm **two** business days prior to the proposed Withdrawal Date:

- Check with the BSC Central Services Agent that all ECVNA and MVRNA authorisations, Trading Party roles, BM Units and Metering Systems relating to the Party ID have been deregistered.
- Check with the the BSC Central Services Agent that the Payment Date relating to the last day of trading for the Party has passed.
- Confirm that all BSC Charges relating to the Party ID have been cleared.
- The FAA will confirm if all Trading Charges relating to the Party ID have been cleared.
- If applicable, ELEXON will confirm that the Party is in Default solely due to administration.

If the above checks are satisfied ELEXON will confirm to the Party of the final Withdrawal Date by email and letter. Formal notification of the withdrawal will also be provided to the industry via an ELEXON Circular. At this point the Party will cease to be registered in the Central Registration Systems (CRS) and will no longer be able to trade

Where the above checks fail and outstanding issues have been identified, the Party will not be permitted to withdraw. Notification of failure to pass the checks will be provided via email and letter, the Party must then re-submit a Withdrawal Notice and follow the process again.

5. ELEXON Support during the Withdrawal Process

During the Market Exit process, ELEXON will provide ongoing support and guidance. The first point of contact will be the ELEXON Market Entry team, who manage the BSC withdrawal process. All queries in relation to the process can be directed to the following contact details:

ELEXON Customer Operations Team:

Email: market.entry@elexon.co.uk

Postal Address: ELEXON Limited, 350 Euston Road, London, NW1 3AW

Alternatively a Party may contact the **BSC Service Desk** at bscservicedesk@cgi.com or call **0370 010 6950**.

APPENDIX A: ACRONYMS

Acronym	Definition
BM Unit	Balancing Mechanism Unit
BSC	Balancing and Settlement Code
BSCP	Balancing and Settlement Code Procedure
COBO	Change of BM Unit Ownership
CRA	Central Registration Agent
CVA	Central Volume Allocation
ECVAA	Energy Contract Volume Aggregation Agent
ECVNA	Energy Contract Volume Notification Agent
EPFAL	Energy Pool Funds Administration Ltd
FAA	Funds Administration Agent
MDD	Market Domain Data
MRA	Master Registration Agreement
MVRNA	Metered Volume Reallocation Notification Agent
NETA	New Electricity Trading Arrangements
Ofgem	Office of Gas and Electricity Markets
SVA	Supplier Volume Allocation
VLP	Virtual Lead Party

APPENDIX B: List of Forms

The following forms must be used in completing the BSC withdrawal process. All forms can be located on the [BSC Website](#).

Action	Item(s)
Submission of Withdrawal Notice	BSCP65/03
Communication Line Cancellation	Cancellation of HGS LGS
Cancellation of Reports	BSCP41/01
Retrieval of Credit Cover	BSCP301/06
Cancellation of Authorisations	BSCP38/5.1 Part B BSCP38/5.3 Part B
Deregistration of Party Agent Role/s	BSCP71/03 and 04 BSCP71/06
Deregistration of Trading Party Role/s	BSCP65/01
Deregistration or COBO of BM Units	BSCP15/4.2 Deregistration of CVA BM Units Letter in accordance with BSCP15 3.6 Cessation of Supply BSCP15/4.11 COBO of CVA BM Units BSCP15/4.6 Supplier ID Transfer
Deregistration of Trading Units	BSCP31/4.6
Deregistration of Metering Systems	BSCP20/4.7
Market Domain Data	BSCP509/01

Need more information?

For more information please contact the **BSC Service Desk** at bscservicedesk@cgi.com or call **0370 010 6950**.

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