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SECTION K: CLASSIFICATION AND REGISTRATION OF METERING SYSTEMS AND BM UNITS

1. GENERAL

1.1 Introduction

1.1.1 This Section K sets out the basis for:

(a) identifying the Parties which are responsible (for the purposes of the Code) for Exports and Imports of electricity at Boundary Points;

(b) the registration in the names of such Parties of the Metering Systems installed (in accordance with Section L) for the purposes of measuring separately such Exports and Imports;

(c) such Parties to establish and register Primary BM Units comprising the Plant and Apparatus for whose Exports and Imports they are responsible, and to assign those Primary BM Units to Trading Units;

(d) the approval of Line Loss Factors by BSCCo~~the Panel~~;

(e) Virtual Lead Parties to establish and register Secondary BM Units comprising the Plant and Apparatus with which such Virtual Lead Parties may provide Balancing Services;

(f) Virtual Lead Parties and Suppliers to establish and register Asset Metering Systems, where so elected in accordance with BSCP602

(g) Parties to register Baselined BM Units where so elected; and

(h) Virtual Trading Parties to establish and register Trading Secondary BM Units comprising the Plant and Apparatus for the purpose of identifying the Deviation Volumes for which those Virtual Trading Parties are responsible.

1.1.1A References to a BM Unit in this Section K, other than in paragraphs 6 and 8, shall mean a Primary BM Unit unless expressly stated otherwise.

1.1.2 This Section K also sets out the requirements for Parties to register Metering Systems at Systems Connection Points for which they are responsible.

1.1.3 In relation to an Interconnector, in the case of any inconsistency between the provisions of paragraph 5 and the other provisions of this Section K, the provisions of paragraph 5 shall prevail.

1.1.4 For the purposes of the Code:

(a) in relation to the terms Export and Import, references to the Plant or Apparatus of a Party shall be treated as including:

(i) the premises of a Customer supplied by that Party;

(ii) Plant and Apparatus of a Third Party Generator for whose Exports that Party has elected to be responsible in accordance with paragraph 1.2.2(a)(ii)(2);

(iii) Plant or Apparatus (whether or not owned or operated by that Party), not forming part of the Total System, by which electricity is transported from the Total System to premises supplied by the Total System or (as the case may be) to the Total System from Generating Plant providing electricity to the Total System;

(iv) an Interconnector in relation to which that Party is an Interconnector User.

(b) subject to paragraphs (c), (d), (e) and (f), unless otherwise provided:

(i) "**Export**" means, in relation to a Party, a flow of electricity at any instant in time from any Plant or Apparatus (not comprising part of the Total System) of that Party to the Plant or Apparatus (comprising part of the Total System) of a Party;

(ii) "**Import**" means, in relation to a Party, a flow of electricity at any instant in time to any Plant or Apparatus (not comprising part of the Total System) of that Party from the Plant or Apparatus (comprising part of the Total System) of a Party;

and Export and Import, as verbs, shall be construed accordingly;

(c) any Export or Import is to be determined at a single Boundary Point;

(d) for the purposes of paragraph (c), in relation to a Party any flow (under paragraph b(i) and (ii) respectively) which occurs at a Boundary Point:

(i) to or from Plant or Apparatus of that Party shall be considered to be a single Export or Import of that Party;

(ii) to or from the Plant or Apparatus of that Party shall be considered to be a separate Export or Import from any Export or Import of any other Party.

(e) notwithstanding paragraphs (c) and (d):

(i) the flow to or from each Generating Unit (where such Generating Unit individually constitutes or is capable of constituting a Licensable Generating Plant) and is not comprised in a CCGT Module and to or from the associated unit transformer of that Generating Unit (if any) shall be combined. Such combined flow shall be considered to be a single Export or Import and separate from any Export or Import of any other Plant or Apparatus; and

(ii) the flow to or from a station transformer associated with a Licensable Generating Plant shall be considered to be a single Export or Import, and separate from any Export or Import of any other Plant or Apparatus.

(f) for the purposes of paragraph (b):

(i) an Export includes:

(1) "**Active Export**", which is a flow of Active Energy at any instant in time from any Plant or Apparatus (not comprising part of the Total System) of that Party to the Plant or Apparatus (comprising part of the Total System) of a Party; and

(2) "**Active Export Related Reactive Energy**", which is any flow of Reactive Energy which occurs at the same Boundary Point at the same instant of time as an Active Export,

and shall be treated as a single flow of electricity, the direction of such flow being the direction of flow of the Active Energy; and

(ii) an Import includes:

(1) "**Active Import**", which is a flow of Active Energy at any instant in time to any Plant or Apparatus (not comprising part of the Total System) of that Party from the Plant or Apparatus (comprising part of the Total System) of a Party; and

(2) "**Active Import Related Reactive Energy**", which is any flow of Reactive Energy which occurs at the same Boundary Point at the same instant of time as an Active Import,

and shall be treated as a single flow of electricity, the direction of such flow being the direction of flow of the Active Energy.

1.1.5 Notwithstanding paragraph 1.1.4, the Exports or Imports of electricity from or to an Offshore Power Park Module(s) comprised in a BM Unit shall be considered to be a single Export or Import, and (notwithstanding any other provision in the Code) the Party responsible for such Exports and/or Imports may locate the Metering Equipment which it is required to install pursuant to this Section K at any location permitted by the relevant Code of Practice. In the event that the Party does so, such location shall be deemed to be the relevant Boundary Point for the purposes of the Code and to be the only Boundary Point at which Metering Equipment relating to such Exports and Imports is required to be installed.

1.1.6 A Party who has located Metering Equipment at a deemed Boundary Point in accordance with paragraph 1.1.5 shall ensure that appropriate accuracy compensation is applied in accordance with the relevant Code of Practice.

1.2 Obligations of Parties in relation to Exports and Imports

1.2.1 Subject to the further provisions of this Section K, the Party responsible (in accordance with paragraph 1.2.2 below) for any Exports or Imports of electricity at a Boundary Point shall:

(a) install, maintain and operate or secure that there is installed, maintained and operated, subject to and in accordance with Section L, Metering Equipment by which (over periods and otherwise in accordance with the further requirements of the Code) the quantities of such Exports and Imports separately can be measured, but subject to the provisions of paragraph 1.2.6 and Section S8 as to Unmetered Supplies;

(b) register the Metering System(s) which result or will result from installation of such Metering Equipment, in accordance with paragraph 2;

(c) establish and register BM Unit(s) comprising the relevant Plant and Apparatus in accordance with paragraph 3;

(d) assign each BM Unit to a Trading Unit established and registered in accordance with paragraph 4.

1.2.2 For the purposes of the Code:

(a) the Party "**responsible**" for an Export:

(i) in the case of an Export from a Generating Plant, subject to paragraph (ii), shall be the Party which generates electricity at that Generating Plant;

(ii) in the case of an Export from Exemptable Generating Plant:

(1) where the person which generates electricity at that Generating Plant is a Party and has elected (by applying to register Metering System(s) for that Generating Plant in accordance with paragraph 2) to be responsible for such Export, shall be that Party;

(2) subject to paragraph 2.5, where the person (whether or not a Party) which generates electricity at that Generating Plant has for the time being authorised a Party to accept responsibility for that Export, and that Party has elected (by applying to register Metering System(s) for that Generating Plant in accordance with paragraph 2) to be so responsible, shall be that Party;

provided that no Party shall be so responsible unless it has so elected;

(iii) in the case of an Export from an Interconnector, shall be determined in accordance with paragraph 5;

(iv) in any other case, shall be determined by BSCCo~~the Panel~~ after consultation with the Authority, on application of any Party;

(b) the Party "**responsible**" for an Import:

(i) in the case of an Import constituting the supply of electricity to premises connected to the Total System, whether or not for consumption at those premises, shall be the person who supplies electricity to those premises;

(ii) in the case of an Import to any Generating Plant at which electricity is generated by a Party holding a Generation Licence, shall be that Party;

(iii) in the case of an Import to an Interconnector, shall be determined in accordance with paragraph 5;

(iv) in the case of an Import (not constituting the supply of electricity to premises) to a distribution system connected to a Distribution System, shall be the person recognised under the REC as responsible for such Import;

(v) in any other case, shall be determined by BSCCo~~the Panel~~ after consultation with the Authority, on application of any Party;

(c) Generating Plant is "**Exemptable**" Generating Plant where the person generating electricity at that Generating Plant is, or would (if it generated electricity at no other Generating Plant and/or did not hold a Generation Licence) be, exempt from the requirement to hold a Generation Licence;

(d) Generating Plant which is not Exemptable is "**Licensable**" Generating Plant;

(e) in paragraph (b)(i), references to the supply of electricity includes the provision of electricity to a person (whether or not the same as the person providing the electricity) at premises connected to the Transmission System.

1.2.3 A Party shall not commence or permit to be commenced any Exports or Imports for which that Party is to be responsible until that Party has complied with the requirements in paragraph 1.2.1 and the registrations under paragraphs (b) and (c) thereof have become effective.

1.2.4 Where a Party has failed for any period to comply with any requirements in paragraph 1.2 in relation to any Plant or Apparatus for which it is responsible, nothing in the Code shall prevent such Party from being held liable for payment of any amount by way of Trading Charges in such period, where (on the basis of retrospective application of steps taken to comply or otherwise) the Code provides for the amount for which the Party is or would have been so liable to be established or determined for the purposes of Settlement.

1.2.5 The Party responsible for any Exports or Imports at a Boundary Point shall ensure that it (or the person otherwise required to do so) has entered into and has in full force and effect all appropriate Connection Agreements with respect to its Exports or Imports at that Boundary Point.

1.2.6 Subject to paragraph 1.2.7, for the purposes of the Code, the Party responsible (in accordance with this paragraph 1.2) for any Imports or Exports of electricity at a single Boundary Point shall ensure that any associated quantities of Active Export Related Reactive Energy and Active Import Related Reactive Energy are measured separately.

1.2.7 The provisions of paragraph 1.2.6 shall not apply in the following circumstances:

(a) where the Metering Equipment is Non Half Hourly Metering Equipment, except as required by the relevant Codes of Practice;

(b) where the Metering Equipment at a Boundary Point is comprised only in CVA Metering Systems, the Registrant of such Metering Systems shall not be required to measure separately Active Export Related Reactive Energy and Active Import Related Reactive Energy, except as required by the relevant Codes of Practice;

(c) where a Metering System:

(i) is not a 100kW Metering System in relation to Imports; and

(ii) does not exceed the Small Scale Third Party Generating Plant Limit in relation to Exports,

and the requirements set out in the relevant Code of Practice in relation thereto provide otherwise; and

(d) the relevant Code of Practice or Metering Dispensation applicable to a Metering System existed prior to the Relevant Implementation Date,

provided that, for the purposes of this paragraph 1.2.7, the term "relevant Code of Practice" shall have the same meaning as set out in Section L3.2.2, subject to Section L paragraphs 3.2.5, 3.2.6 and 3.3.

1.3 Obligations of Parties in relation to Systems Connection Points

1.3.1 Subject to the further provisions of this Section K, the Party responsible for any Systems Connection Point shall:

(a) install, maintain and operate, or secure that there is installed, maintained and operated, in accordance with Section L, Metering Equipment by which (in accordance with the further requirements of the Code), at the Systems Connection Point, the quantities of electricity flowing between the Systems which are connected at that point can be measured; and

(b) register the Metering System(s) which result or will result from such installation in accordance with paragraph 2.

1.3.2 For the purposes of paragraph 1.3.1, the Party responsible for a Systems Connection Point shall be:

(a) in the case of a Grid Supply Point other than an Offshore Transmission Connection Point, the Distribution System Operator whose System is directly connected to the Transmission System at that point;

(b) in the case of a Distribution Systems Connection Point, the Distribution System Operator nominated in accordance with paragraph 1.3.3; and

(c) in the case of an Offshore Transmission Connection Point, the NETSO.

1.3.3 The Distribution System Operators whose Distribution Systems and/or Associated Distribution Systems are connected at a Distribution Systems Connection Point shall, in accordance with BSCP20 and BSCP25, agree between themselves and nominate which of them shall be responsible for such Systems Connection Point.

1.4 Changes in Transmission System Boundary Points and Systems Connection Points

1.4.1 The requirements of this paragraph 1.4 are to be complied with in accordance with BSCP25 by:

(a) the NETSO, in relation to Transmission System Boundary Points and Grid Supply Points;

(b) each Distribution System Operator in relation to Distribution Systems Connection Points and any Distribution Interconnector Boundary Point on its Distribution System(s) and Associated Distribution System(s) (if any).

1.4.2 The NETSO and each Distribution System Operator (as applicable, in accordance with paragraph 1.4.1) shall ensure that the CRA is informed of the location of each Transmission System Boundary Point, Systems Connection Point and Distribution Interconnector Boundary Point.

1.4.3 Where there is to be a new Transmission System Boundary Point, Systems Connection Point, or Distribution Interconnector Boundary Point, as a result of any new connection to be made to any System, or a decommissioned connection at any Transmission System Boundary Point, Systems Connection Point or Distribution Interconnector Boundary Point is to be re-energised:

(a) the NETSO or the relevant Distribution System Operator(s) (as applicable, in accordance with paragraph 1.4.1) shall inform the CRA of the date from which

and location at which such connection is to be made or (as the case may be) of the connection which is to be re-energised;

(b) the CRA shall so inform BSCCo; and

(c) the NETSO or the relevant Distribution System Operators shall not energise or re-energise such connection, or (as the case may be) permit such connection to be energised or reenergised, until BSCCo has confirmed to it that:

(i) a Party has complied with the requirements referred to in paragraph 1.2 in relation to the Transmission System Boundary Point or Distribution Interconnector Boundary Point or (as the case may be) paragraph 1.3 in relation to the Systems Connection Point, and that the Party's registrations required pursuant to those paragraphs have become effective; and

(ii) in the case of a Systems Connection Point, where applicable, Aggregation Rules have been submitted in accordance with Section R3.2.3(b) pursuant to which the relevant Distribution System(s) are included in a GSP Group.

1.4.4 Where a connection to the Transmission System or any Distribution System, constituting a Transmission System Boundary Point, Distribution Interconnector Boundary Point or Systems Connection Point, is to be or has been decommissioned:

(a) the NETSO or the relevant Distribution System Operator(s) shall so inform the CRA;

(b) the CRA shall so inform BSCCo.

1.5 Exemptable Generating Plant

1.5.1 Where any Party which is or is to be responsible for any Generating Plant intends to effect any registration (other than the making of an election as referred to in paragraph 1.2.2(a)(ii)(2) in the case of an SVA Metering System) or take any other step in pursuance of any provision of this Section K which applies by reason of that Generating Plant being Exemptable, that Party shall first provide to BSCCo:

(a) subject to paragraph 1.5.7, details of the Generating Plant and the reasons for which the Party believes the Generating Plant to be Exemptable; and

(b) in accordance with paragraph 3.5.5, the P/C Status that the Lead Party elects for each BM Unit that comprises such Generating Plant should the Generating Plant be determined to be Exemptable.

1.5.2 Within twenty Business Days after receiving any notification under paragraph 1.5.1 BSCCo shall:

(a) take such measures as it considers appropriate to verify whether or not the Generating Plant is Exemptable, and, having undertaken a SAF Consultation,

(b) notify the Party of its conclusions.

1.5.3 The Party shall provide such further details as BSCCo may reasonably request for the purposes of such verification.

1.5.4 Where the Party disagrees with the conclusions of BSCCo under paragraph 1.5.2(b), that Party may request BSCCo to ~~re-consider its conclusions~~fer the matter to the Panel, ~~and BSCCo~~the Panel ~~shall consult the Stakeholder Advisory Forum on its conclusions under paragraph 1.5.2(b)~~undertake a SAF Referral. Following such ~~consultation~~Referral, ~~having taken full and proper account of any recommendation by the Stakeholder Advisory Forum~~, BSCCo shall determine whether (in its opinion) the Generating Plant is Exemptable, and notify to the Party its determination which shall be binding for the purposes of the Code subject to paragraph 1.5.5. ~~Where BSCCo deviates from any advice given by the Stakeholder Advisory , it shall provide a written justification for such deviation alongside its notification to the Party.~~

1.5.5 Within twenty Business Days after BSCCo~~the Panel~~ has notified its determination under paragraph 1.5.4, the Party may, if it wishes the matter to be determined by the Authority, refer to the Authority the question of whether the Generating Plant is Exemptable.

1.5.6 Wherever pursuant to this Section K the CRA or CDCA receives any application for or other notification of a registration or step within paragraph 1.5.1, the CRA or CDCA shall apply to BSCCo for confirmation as to whether the Generating Plant in question is Exemptable, and shall not validate or accept the same unless BSCCo has given such confirmation.

1.5.7 In the case of Generating Plant whose Exports are measured by SVA Metering Systems, BSCCo may:

(a) require the Party to provide (instead of details and reasons as referred to in paragraph 1.5.1) a certificate, signed by a director of that Party, as to the matters referred to in that paragraph (and may require the Party pursuant to Section U1.2.3 to update such certificate from time to time), and

(b) rely on that certificate instead of taking measures under paragraph 1.5.2.

1.5.8 Where:

(a) it has been determined in accordance with the foregoing provisions that particular Generating Plant is Exemptable, and

(b) at any later time BSCCo becomes aware of any change in relevant circumstances or otherwise has good reason to believe that the position may be different,

BSCCo may require that the relevant Party to comply or comply again with paragraph 1.5.1 or 1.5.7(a).

1.6 Identity of Metering Systems

1.6.1 The composition of Metering Systems shall be determined for the purposes of the Code in accordance with the following provisions:

(a) subject to paragraphs (b), (c), (d) and (e), in relation to any Site and any Party, the commissioned Metering Equipment installed for the purposes of measuring the quantities of Exports and Imports at the Boundary Point(s) (collectively) associated with that Site for which that Party is responsible is either:

(i) a single Metering System; or

(ii) such greater number of Metering Systems as that Party applies (in accordance with paragraph 2) to register,

irrespective of whether all or part of the same Metering Equipment is also used to measure the quantities of Imports and/or Exports for which another Party is responsible at that Site, but subject to paragraph 2.5;

(b) in relation to any Site with associated Interconnector Boundary Point(s), the commissioned Metering Equipment installed for the purposes of measuring the quantities of Exports and Imports at the Interconnector Boundary Point(s) (collectively) associated with that Site is either:

(i) a single Metering System; or

(ii) such greater number of Metering Systems as the Party who is to be the Registrant pursuant to paragraph 5.3 applies (in accordance with paragraph 2) to register;

(c) in relation to any Site with associated Systems Connection Point(s) and any Party, the commissioned Metering Equipment installed for the purposes of measuring flows of electricity at the Systems Connection Point(s) (collectively) associated with that Site for which that Party is responsible is either:

(i) a single Metering System; or

(ii) such greater number of Metering Systems as that Party applies (in accordance with paragraph 2) to register,

irrespective of whether all or part of the same Metering Equipment is also used to measure the quantities of Imports and/or Exports for which another Party is responsible at that Site;

(d) where the Metering System is or is to be registered in SMRS, the commissioned Metering Equipment installed for the purposes of measuring the quantities of Exports and Imports for which a Party is responsible at a Metering Point shall be a single Metering System (but subject to paragraph 2.5);

(e) in relation to an Unmetered Supply, the Equivalent Meter or Profiled Unmetered Supply for the purposes of calculating the quantities of Imports and Exports for which a Party is responsible at a Metering Point shall be a single Metering System.

(f) In relation to Plant and/or Apparatus used by a Virtual Lead Party to provide Balancing Services, the commissioned Metering Equipment (not forming part of the Boundary Point Metering System) that is installed, maintained and operated or secured to be installed, maintained and operated by that Virtual Lead Party, to measure the flow of electricity to or from such Plant and/or Apparatus, for Settlement purposes.

(g) In relation to any Asset Metering System registered by a Supplier in accordance with BSCP602 for the purposes of inclusion in an EMR AMSID Declaration.

1.6.2 For the purposes of paragraphs 1.6.1(a) - (f), 5.7.1 and Annex K-2 1.6.1 a "**Site**" is:

(a) a location containing one or more Boundary Points (other than Interconnector Boundary Point(s)) and at which there is situated:

(i) a single Generating Plant; or

(ii) a single set of premises; or

(iii) any combination of one or more Generating Plants and/or sets of premises which may, in the CDCA's reasonable opinion (having regard, among other things, to their physical proximity), be considered to be managed as a single site; or

(iv) any other collection of Plant or Apparatus which the CDCA approves for these purposes (on a case by case basis) consistent with the principles in paragraphs (i), (ii) and (iii);

(b) a location containing one or more Interconnector Boundary Points and at which there is situated a single sub-station; or

(c) a location containing one or more Systems Connection Points and at which there is situated a single sub-station

provided that a location which satisfies more than one of paragraphs (a), (b) or (c) shall constitute a Site in respect of each of paragraphs (a), (b) and/or (c) (as the case may be) individually.

1.6.3 For the avoidance of doubt, the provisions as to the configuration of Metering Systems contained in this paragraph 1.6 are without prejudice to and shall not affect the rules as to the configuration of BM Units as set out in paragraph 3.1.

1.7 Line Loss Factors

1.7.1 Line Loss Factors applying in respect of Metering Systems on Distribution System(s) and Associated Distribution System(s) shall be established in accordance with this paragraph 1.7.

1.7.2 Line Loss Factors may be established for a single Metering System or for a class (of a description specified by the Licensed Distribution System Operator) of Metering System.

1.7.3 For the avoidance of doubt, a Line Loss Factor relating to a Metering System at a Boundary Point on a Distribution System where such Distribution System is indirectly connected to the Transmission System must, when applied to data relating to such Metering System, converts such data into a value at the Transmission System Boundary, with such Line Loss Factor to take into account distribution losses both on:

(a) that Distribution System; and

(b) on the Distribution System by which it is indirectly connected to the Transmission System.

1.7.4 Principles ("**LLF methodology principles**") pursuant to which each Licensed Distribution System Operator shall establish a methodology ("**LLF methodology**") for calculating the Line Loss Factors applying in respect of each Metering System or any class of Metering System on its Distribution System(s) (or Associated Distribution System(s) (if applicable)) shall be contained in BSCP128.

1.7.5 The LLF methodology principles shall seek to balance the requirements for accuracy and consistency of Line Loss Factors and transparency in the establishment of methodologies for calculating Line Loss Factors with the requirement for administrative convenience.

1.7.6 Each Licensed Distribution System Operator shall:

(a) prepare a proposed LLF methodology in accordance with BSCP128 and the LLF methodology principles and submit the proposed LLF methodology to BSCCo;

(b) where authorised to do so by BSCCo,~~the Panel~~ take into account market wide issues in preparing such proposed LLF methodology; and

(c) in accordance with BSCP128, in respect of each BSC Year after the first year for which such LLF methodology was approved by BSCCo~~the Panel~~ pursuant to paragraph 1.7.7~~(d)~~(c), either:

(i) confirm to BSCCo that the prevailing LLF methodology remains consistent with the LLF methodology principles and has not been revised; or

(ii) prepare a proposed revised LLF methodology in accordance with the LLF methodology principles and submit the proposed revised LLF methodology to BSCCo.

1.7.7 In relation to each BSC Year, in accordance with BSCP128:

(a) BSCCo shall review each proposed LLF methodology (which term in this paragraph 1.7.7 shall include a proposed revised LLF methodology) submitted pursuant to paragraph 1.7.6, as to its compliance with the LLF methodology principles;

(b) BSCCo when carrying out the review in accordance with paragraph 1.7.7(a) shall identify:

(i) any non-compliance in the proposed LLF methodology with the LLF methodology principles; or

(ii) a failure by the Licensed Distribution System Operator to submit a proposed LLF methodology or the confirmation referred to in paragraph 1.7.6(c)(i) within the required time and in accordance with the requirements of BSCP128,

and thereafter BSCCo shall so inform the Licensed Distribution System Operator and may allow the Licensed Distribution System Operator to amend or submit its proposed LLF methodology or confirmation (as applicable) within the further timescales provided in BSCP128;

(c) BSCCo shall prepare ~~and issue to the Panel~~ a final report that shall:

(i) ~~recommend the approval of~~approve each proposed LLF methodology where no non-compliance with the LLF methodology principles was identified or where a non-compliance that was identified has been corrected; or

(ii) state if any continuing non-compliance(s) were identified in the proposed LLF methodologies with the LLF methodology principles; or

(iii) state that the Licensed Distribution System Operator has failed (by the required time and in accordance with the requirements of BSCP128) to submit a proposed LLF methodology or (as the case may be) give the confirmation required under paragraph 1.7.6(c)(i);

~~(d) the Panel shall upon receipt of the report referred to in paragraph 1.7.7(c):~~

~~(i) consider whether the proposed LLF methodology complies with the LLF methodology principles and, if it does so comply, approve the proposed LLF methodology; or~~

~~(ii) note any non-compliance(s) in respect of each proposed LLF methodology with the LLF methodology principles; or~~

~~(iii) note that the Licensed Distribution System Operator failed by the required time and in accordance with the requirements of BSCP128 to submit a proposed LLF methodology or (as the case may be) give the confirmation required under paragraph 1.7.6(c)(i);~~ Not used

(e) BSCCo shall prepare and issue to each Licensed Distribution System Operator a ~~report relating to paragraph 1.7.7(d)~~ final report which shall, in respect of that Licensed Distribution System Operator:

(i) state whether their proposed LLF methodology has been approved ~~by the Panel~~; or

(ii) identify any non-compliance(s) in their proposed LLF methodology with the LLF methodology principles ~~that were noted by the Panel~~; or

(iii) ~~confirm that the Panel has noted~~ that the Licensed Distribution System Operator failed by the required time and in accordance with the requirements of BSCP128 to submit a proposed LLF methodology or (as the case may be) give the confirmation required under paragraph 1.7.6(c)(i); and

(f) BSCCo shall prepare and provide to the Performance Assurance Board a report giving details of all non-compliance(s) ~~noted by the Panel~~ in accordance with paragraph 1.7.7(c~~d~~)(ii) and any failure referred to in paragraph 1.7.7(c~~d~~)(iii).

1.7.8 In accordance with BSCP128 each Licensed Distribution System Operator shall:

(a) calculate Line Loss Factors in accordance with its relevant LLF methodology as approved by BSCCo~~the Panel~~ under paragraph 1.7.7~~(d)~~(c); and

(b) submit to BSCCo such Line Loss Factors in relation to each BSC Year;

in respect of each Metering System or class of Metering System on its Distribution System(s) (or Associated Distribution System(s) (if applicable)).

1.7.9 BSCCo shall, in relation to each BSC Year, in accordance with BSCP128:

(a) carry out an audit, on the basis (including as to representative samples) provided in BSCP128, and in respect of the Line Loss Factors submitted by each Licensed Distribution System Operator, as to their compliance with the applicable approved LLF methodology and other requirements of the Code;

(b) where it identifies any non-compliance by any Line Loss Factor(s) with the applicable approved LLF methodology or any other requirement of the Code, inform the Licensed Distribution System Operator of such non-compliance and allow the Licensed Distribution System Operator to amend the relevant Line Loss Factor(s) within the timescales provided in BSCP128;

(c) prepare ~~and issue to the Panel~~ a final report that shall specify:

(i) the Line Loss Factor(s) (including any Line Loss Factor amended under paragraph (b)) for which the audit did; and

(ii) the Line Loss Factor(s) (including any Line Loss Factor amended under paragraph (b)) for which the audit did not,

identify a non-compliance with the applicable approved LLF methodology and other requirements of the Code;

(d) provide to the Performance Assurance Board a copy of such report referred to in paragraph 1.7.9(c) giving details of all non-compliance(s) so identified; and

(e) prepare and issue to each Licensed Distribution System Operator a final report which shall specify in respect of that Licensed Distribution System Operator those matters set out in paragraphs 1.7.9(c).

~~1.7.10 The Line Loss Factors for which no non-compliance was identified in BSCCo's report under paragraph 1.7.9(c) shall be subject to the final approval of the Panel.~~ Not used

1.7.11 Each Licensed Distribution System Operator shall correct any non-compliances identified in BSCCo's report under paragraph 1.7.9(c), and report to ~~the Panel~~BSCCo in respect of such correction. ~~The Panel~~BSCCo may approve the use of a corrected Line Loss Factor(s) for the remainder of the relevant BSC Year with effect from the date of ~~such~~ its approval, and shall notify the Performance Assurance Board ~~and BSCCo~~ of such approval.

1.7.12 In relation to any newly established Metering System(s) for which (in relation to a given BSC Year) Line Loss Factor(s) were not submitted in the annual process under paragraph 1.7.8, and which do not belong to a class of Line Loss Factor approved under paragraph 1.7.10 or 1.7.11, the procedure in paragraphs 1.7.8 to 1.7.11 shall apply but in accordance with the separate timescales set out in BSCP128.

1.7.13 Where and for so long as:

(a) a Licensed Distribution System Operator fails to submit a proposed LLF methodology or the relevant confirmation under paragraph 1.7.6 or the proposed LLF methodology is not approved by ~~the Panel~~BSCCo; or

(b) the Line Loss Factor(s) in respect of any Metering System(s) are not approved by ~~the Panel~~BSCCo under paragraph 1.7.10 or 1.7.11;

then default values for the Line Loss Factor(s) for the relevant Metering Systems shall be determined and applied in accordance with BSCP128.

1.7.14 An approved Line Loss Factor shall not be revised in the BSC Year for which it is approved except:

(a) for a Site Specific Line Loss Factor which may be revised to apply prospectively in accordance with BSCP128. ~~The Panel~~BSSCo may approve such revised Site Specific Line Loss Factor in accordance with BSCP128; or

(b) for a Site Specific Line Loss Factor and/or a Generic Line Loss Factor which may be revised with retrospective effect, where such revision is required to correct material manifest errors. ~~The Panel~~BSCCo may approve such a revised Site Specific Line Loss Factor and/or a Generic Line Loss Factor in accordance with BSCP128. A Site Specific Line Loss Factor and/or a Generic Line Loss Factor

may be retrospectively revised to apply from the beginning of the BSC Year in which the applicable material manifest error was raised, but may also be revised to apply for a lesser extent of time within the BSC Year, in accordance with BSCP128. This paragraph shall allow revisions to Site Specific Line Loss Factors and/or Generic Line Loss Factors with effect from 1st April 2010 onward, in accordance with BSCP128. For the avoidance of doubt, Site Specific Line Loss Factors and/or Generic Line Loss Factors may be revised with effect from 1st April 2010 to correct material manifest errors raised in the BSC Year commencing 1st April 2010.

1.7.15 BSCCo shall submit the applicable values (approved or default, in accordance with paragraphs 1.7.10, 1.7.11 or 1.7.13) of Line Loss Factors in respect of CVA Metering Systems to the CDCA and in respect of SVA Metering Systems to the SVAA and thereafter publish them on the BSC Website.

1.7.16 In addition to the matters specified in paragraph 1.7.9, BSCCo shall audit (with such audit forming part of the audit under paragraph 1.7.9), on the basis (including as to representative samples) provided in BSCP128, as to whether each Licensed Distribution System Operator has assigned to its Metering Systems the correct Line Loss Factor Class~~, and shall report its findings to the Panel~~.

1.7.17 BSCCo shall in accordance with BSCP128 provide to the Performance Assurance Board a copy of the report giving details of any non-compliance(s) identified in paragraph 1.7.16.

1.7.18 BSCCo may contract with another suitably qualified person (not being a Party or Affiliate) to undertake the review under paragraph 1.7.7 and/or audit under paragraph 1.7.9.

1.7.19 A Licensed Distribution System Operator may, with the approval of ~~the Panel~~BSCCo, delegate the carrying out of its functions under this paragraph 1.7 in relation to any Metering System(s) to another person.

1.7.20 The Line Loss Factor Class applicable to an Asset Metering System shall be determined in accordance with the provisions of Section S-2.

1.8 Establishment of Groups of GSPs

1.8.1 The Grid Supply Point(s) which are comprised in a Group of GSPs shall be:

(a) both

(i) subject to paragraph (b), the Grid Supply Point(s) by reference to which the relevant GSP Group was established as at 1st August 2003; and

(ii) subject to paragraph (b), from the BETTA Effective Date, the Grid Supply Points which were known as Bulk Supply Points under the SAS and fell into groups of Bulk Supply Points known as, respectively, North Scotland _P and South Scotland _N and which have been registered pursuant to BSCP25; or

(b) such other Grid Supply Point(s) as ~~the Panel~~BSCCo may determine in accordance with the further provisions of this paragraph 1.8.

1.8.2 ~~The Panel~~BSCCo may determine a revision of the Grid Supply Points comprised in a Group of GSPs (including the establishment of a new Group of GSPs) in accordance with BSCP25:

(a) where there is a new Grid Supply Point or an existing Grid Supply Point is decommissioned; or

(b) where, in ~~the Panel~~BSCCo's opinion, it is appropriate (having regard, among other things, to the matters in paragraph 1.8.3) to do so:

(i) as a result of developments of or in relation to the Distribution Systems for the time being comprised in any GSP Group, and/or the associated Distribution Systems Connection Points;

(ii) in other circumstances in the Panel's sole discretion.

1.8.3 In determining any revision of the Grid Supply Points to be comprised in a Group of GSPs ~~the Panel~~BSCCo shall have regard, among other things, to:

(a) the effect of geographic factors taken into account in establishing Daily Profile Coefficients in relation to a GSP Group for the purposes of Supplier Volume Allocation;

(b) the effect of the size of a GSP Group (that is, the numbers of Half Hourly and Non Half Hourly Metering Systems at Boundary Points in the GSP Group) on GSP Group Correction Factors for the purposes of Supplier Volume Allocation;

(c) the effect of the proximity (in terms of electrical connection) of Boundary Points on the value to the NETSO (in the operation of the NETSO) of Physical Notifications and Bid-Offer Pairs submitted in relation to Supplier BM Units.

1.8.4 Before making any revision of the Grid Supply Points to be comprised in a Group of GSPs ~~the Panel~~BSCCo shall consult with the Authority, the NETSO, the Distribution System Operators of all Distribution Systems comprised or to be comprised in relevant GSP Groups, and all Suppliers.

2. REGISTRATION OF METERING SYSTEMS

2.1 Registration in CMRS

2.1.1 A Boundary Point Metering System shall be registered in CMRS where:

(a) the Metering Equipment measures quantities of Imports to or Exports from Plant or Apparatus which is directly connected to the Transmission System; or

(b) the Metering Equipment measures quantities of Imports to or Exports from a Licensable Generating Plant; or

(c) the Metering Equipment measures quantities of Imports to or Exports from an Interconnector; or

(d) ~~the Panel~~BSCCo has determined, upon the application of any Party, that there are special circumstances by reason of which such Metering System should be registered in CMRS.

2.1.2 Without prejudice to paragraph 2.1.1, a Boundary Point Metering System may be registered in CMRS where the Metering Equipment measures quantities of Exports, or Exports and Imports, at the Site of an Exemptable Generating Plant.

2.1.3 A Systems Connection Point Metering System shall be registered in CMRS.

2.1.4 A Metering System may not be registered in CMRS except pursuant to paragraph 2.1.1, 2.1.2 or 2.1.3.

2.1.5 A Metering System may not be registered in CMRS and SMRS at the same time.

2.1.6 There may only be one Registrant of a CVA Metering System at any one time.

2.2 Registration requirements

2.2.1 A Party may apply to register a Metering System in CMRS by submitting a registration application to the CRA specifying:

(a) the identity of the applicant Party;

(b) the Metering System;

(c) the CVA Meter Operator Agent appointed or to be appointed in accordance with Section J6.1; and

(d) the date with effective from which the applicant wishes the registration to be effective.

2.2.2 An application to register a Metering System in CMRS shall be made in accordance with and subject to BSCP20.

2.2.3 The CRA will validate and process the registration application in accordance with BSCP20.

2.2.4 The following requirements are conditions to a registration of a Metering System in CMRS being effective:

(a) the CRA has been informed of the relevant Boundary Point or Systems Connection Point under paragraph 1.4;

(b) the Metering Equipment has been installed and commissioned in accordance with Section L;

(c) a CVA Meter Operator Agent has been appointed and registered in accordance with Section J;

(d) Meter Technical Details and Aggregation Rules have been submitted to and validated by the CDCA under Section R;

(e) in the case of a Distribution Systems Connection Point, one of the Distribution System Operators has been nominated in accordance with paragraph 1.3.3;

(f) in the case of an Interconnector, an Interconnector Administrator and Interconnector Error Administrator have been appointed in accordance with paragraph 5;

(g) where the applicant is not the Equipment Owner, the consent of the Equipment Owner has been obtained;

(h) (subject to paragraph 5 in relation to Interconnector BM Units) the registrations pursuant to paragraph 3 by the Party of the BM Unit(s) associated with such Metering System (and cancellation or reconfiguration of any existing BM Units

by any other Party pursuant to paragraph 3.6.3) are, but for satisfaction of any condition in paragraph 3 as to the effective registration of such Metering System, effective.

2.2.5 Registration of a Metering System in CMRS will become effective on and from the later of:

(a) the date specified by the applicant pursuant to paragraph 2.2.1(d); and

(b) the day following that on which (in accordance with BSCP20):

(i) the CRA has confirmation that all the requirements listed in paragraph 2.2.4 have been satisfied (and, for these purposes, the CDCA shall provide the CRA with the necessary confirmation, where applicable); and

(ii) the Registrant's Party Registration Data have been registered in accordance with Section A.

2.2.6 The Registrant of a CVA Metering System shall, in accordance with BSCP20, keep its registration up-to-date, by notifying the CRA or CDCA (as applicable) of any change in any of the details contained in the registration, promptly upon any such change occurring.

2.3 Withdrawal of registration in CMRS

2.3.1 The Registrant of a CVA Metering System shall continue to be the Registrant until and unless:

(a) the associated Plant and Apparatus is disconnected in accordance with the relevant Connection Agreement and the Metering System is de-registered in accordance with BSCP20;

(b) where permitted under paragraph 2.1, the Metering System becomes registered in SMRS in accordance with paragraph 2.4; or

(c) the Registrant withdraws from the registration in accordance with the further provisions of this paragraph 2.3.

2.3.2 A Party may withdraw as Registrant of a CVA Metering System if and only if another Party (the "**new registrant**"), which is or will (at the effective date of withdrawal) be responsible for Imports and/or Exports to or from the relevant Plant and Apparatus, applies (in accordance with paragraph 2.2) for registration and becomes the Registrant of the CVA Metering System.

2.3.3 The new registrant shall comply with the provisions of paragraph 2.2 in respect of registration and with the further provisions of BSCP20 in respect of a change of registrant.

2.3.4 Where a Registrant ceases or will cease to be the Party responsible for Exports or Imports measured by a CVA Metering System, it shall (subject to paragraph 2.3.2) withdraw from, and consent to the new registrant's application for, registration in respect of the Metering System.

2.3.5 A change of registrant shall be effective, and the withdrawing Party shall cease to be Registrant of the CVA Metering System, conditional upon, and with effect on and from, the new registrant's registration becoming effective in accordance with paragraph 2.2 and the withdrawing Party's cancellation or reconfiguration of BM Units pursuant to paragraph 3.6.2 becoming effective.

2.3.6 A Party shall not be released, by reason of ceasing to be Registrant of a CVA Metering System, from any accrued liabilities as Registrant or (as Lead Party in respect of the associated BM Unit) in Settlement.

2.4 Registration in CSS and SMRS

2.4.1 Subject to paragraph 2.4.2, where a Boundary Point Metering System is not permitted to be, or (if it is permitted, but not obliged) is not, registered in CMRS, the Metering System shall be registered in CSS; and the responsible Party shall be deemed to comply with the requirement in paragraph 1.2.1(b) by complying with the further requirements of this paragraph 2.4 and of the Code relating to registration in CSS and SMRS.

2.4.2 Only a Supplier may comply with the requirement in paragraph 1.2.1(b) pursuant to paragraph 2.4.1.

2.4.3 Where a Supplier intends:

(a) to supply electricity, or

(b) to receive Export Active Energy from a Third Party Generator,

measured by a Metering System which is or is to be registered in SMRS then in respect of that registration, and following registration of such Metering System in CSS, the Supplier shall, in accordance with BSCP501:

(i) not used;

(ii) provide that SMRA with the appropriate information; and

(iii) inform that SMRA from time to time of any changes to that information.

2.4.4 Section S sets out further requirements applying to each SMRA in relation to SMRS.

2.5 Shared SVA Meter Arrangements

2.5.1 Subject to and in accordance with this paragraph 2.5 and the further provisions of the Code, one or more Supplier(s) may make an arrangement (a "**Shared SVA Meter Arrangement**") under which there is a single SVA Metering System for Exports or Imports (from or to the same Plant and Apparatus) for which the one or more Supplier(s) are responsible.

2.5.2 A Shared SVA Meter Arrangement may be made only:

(a) in relation to a SVA Metering System comprising Half Hourly Metering Equipment; and

(b) in relation to Exports or (as the case may be) Imports for which the one or more Suppliers are responsible (and not in relation to a combination of Exports and Imports but without prejudice to paragraph 2.5.4(c)(ii)); and

(c) between no more than the maximum number of Suppliers in relation to a SVA Metering System as may from time to time be determined and published by BSCCo in accordance with the procedures set out in BSCP550 (and, where a maximum number is so specified, references in the Code to one or more

Supplier(s) under a Shared SVA Meter Arrangement are subject to such maximum limit).

2.5.3 A Shared SVA Meter Arrangement shall be made, and related information submitted, maintained and updated, in accordance with and subject to the provisions of BSCP550.

2.5.4 Where Supplier(s) make a Shared SVA Meter Arrangement:

(a) the Suppliers shall ensure that each is informed of each other's identity by the SVA Customer or (as the case may be) SVA Generator, where applicable;

(b) where the Shared SVA Meter Arrangement is made by two or more Suppliers, the Suppliers shall agree which of them is to act as primary Supplier for the purposes of the Code, failing which the Panel shall nominate one of them to act as primary Supplier;

(c) the Supplier(s) shall:

(i) register the Shared SVA Metering System in the CSS with a different SVA Metering System Number, for which each Supplier shall be respectively responsible;

(ii) where the Supplier is the variable supplier as referred to in paragraph 3.5.5 of Annex S-2, register the Shared SVA Metering System in the CSS with two different SVA Metering System Numbers (one classed as import and the other as export in accordance with BSCP550), for which such Supplier is responsible;

(iii) request a logical disconnection by the SMRA and registration deactivation by the CSS if at any time it ceases to be responsible for the Shared SVA Metering System, provided that:

(1) where the Shared SVA Meter Arrangement is made by two or more Suppliers, all such Suppliers may not cease to be so responsible at the same time unless the relevant SVA Metering System is disconnected and registration deactivated at that time or another Supplier or Suppliers assume responsibility for that Metering System in accordance with the provisions of the Code with effect from the time when all such Suppliers cease to be so responsible; and

(2) where a Supplier ceases to be so responsible as a result of another Supplier assuming such responsibility, that other Supplier (rather than the Supplier ceasing to be so responsible) shall inform the CSS;

(iv) maintain and update the information for which it is responsible in the SMRS;

(d) the Primary Supplier shall ensure that an Allocation Schedule and the associated rules for application and maintenance of the Allocation Schedule are established and submitted in accordance with BSCP550.

2.5.5 In connection with any Shared SVA Meter Arrangement, the Primary Supplier shall:

(a) ensure (in accordance with Section J4.1.4) that only one SVA Meter Operator Agent and one Data Collector is appointed for the Shared SVA Metering System;

(b) request the SMRA to provide (for the purposes of paragraph 2.5.4(c)(i)) and, where applicable, paragraph 2.5.4(c)(ii)) SVA Metering System Number(s) for the Shared SVA Metering System;

(c) notify the Secondary Supplier(s) of their SVA Metering System Number(s) , where applicable;

(d) promptly inform any Secondary Supplier(s) of any changes to information for which the Primary Supplier is solely responsible in relation to the Shared SVA Metering System;

(e) ensure that each Secondary Supplier, if any, has equal access, for so long as the Secondary Supplier remains a Secondary Supplier in respect of the Shared SVA Metering System, to the data recorded by the relevant Metering Equipment;

(f) be the Party responsible for submitting the initial Allocation Schedule and any subsequent Allocation Schedules to the Half Hourly Data Collector and the Secondary Supplier(s);

(g) where the initial or any subsequent Allocation Schedule specifies an amount of energy to be employed by way of fixed block or multiple fixed block in accordance with BSCP550, estimate and notify to the Half Hourly Data Collector the maximum output or consumption capacity (as the case may be) of the Plant or Apparatus associated with the Shared SVA Metering System (expressed in MWh per Settlement Period), and revise such estimate from time to time, in each case in accordance with BSCP550.

2.5.6 Where a Secondary Supplier ceases to be a Secondary Supplier in respect of a Shared SVA Metering System and is not replaced by a new Secondary Supplier (or by the Primary Supplier as part of a single Supplier Shared SVA Meter Arrangement) in accordance with BSCP550, and no other Secondary Suppliers form part of the Shared SVA Meter Arrangement:

(a) the SVA Metering System shall cease to be the subject of a Shared SVA Meter Arrangement;

(b) the Primary Supplier shall assume sole responsibility for such Metering System; and

(c) the SMRA shall be requested to mark the SVA Metering System Number of the Secondary Supplier as disconnected.

2.5.7 Where a Secondary Supplier ceases to be a Secondary Supplier in respect of a Shared SVA Metering System and is not replaced by a new Secondary Supplier in accordance with BSCP550 but other Secondary Suppliers still form part of the Shared SVA Meter Arrangement:

(a) the Primary Supplier shall ensure that a subsequent Allocation Schedule is submitted; and

(b) the SMRA shall be requested to mark the relevant SVA Metering System Number(s) of the Secondary Supplier as disconnected.

2.5.8 Where the Primary Supplier ceases to be the Primary Supplier and is not replaced by a new Primary Supplier (or by the Secondary Supplier as part of a single Supplier Shared Meter Arrangement) in accordance with BSCP550, and there is only one Secondary Supplier which forms part of the Shared SVA Meter Arrangement:

(a) the SVA Metering System shall cease to be the subject of a Shared SVA Meter Arrangement;

(b) the Secondary Supplier shall assume sole responsibility for such Metering System; and

(c) the Secondary Supplier shall request the SMRA to mark its SVA Metering System Number as disconnected and to register the Secondary Supplier as the Registrant of such Metering System with the SVA Metering System Number previously assigned to such Primary Supplier.

2.5.9 Where the Primary Supplier ceases to be the Primary Supplier and is not replaced by a new Primary Supplier in accordance with BSCP550 and there is more than one Secondary Supplier which form part of the Shared SVA Meter Arrangement:

(a) the SVA Metering System shall continue to be the subject of a Shared SVA Meter Arrangement;

(b) the Secondary Suppliers shall agree which of them is to act as Primary Supplier, failing which the Panel shall nominate one of them to act as Primary Supplier;

(c) the Secondary Supplier which assumes the role of Primary Supplier shall:

(i) ensure that a subsequent Allocation Schedule is submitted; and

(ii) request the SMRA to mark its Secondary SVA Metering System Number(s) as disconnected and to register it with the SVA Metering System Number previously assigned to the Primary Supplier.

2.5.10 This paragraph 2.5 shall apply on a Supplier ID basis (and a Supplier may be party to a Shared SVA Meter Arrangement in the capacities of its Supplier IDs) and its provisions shall be construed accordingly.

2.6 Transfer of Registration between CMRS and SMRS

2.6.1 A Party which is or is to be the Registrant of a Metering System in CMRS may transfer the registration to SMRS, and a Party which is or is to be the Registrant of a SVA Metering System in SMRS may transfer the registration to CMRS, subject to and in accordance with this paragraph 2.6; and in this paragraph such a transfer is referred to as a "**Registration Transfer**".

2.6.2 A Registration Transfer:

(a) may only be made where the Metering System is eligible (in accordance with this paragraph 2) to be registered in both CMRS and SMRS;

(b) shall be made by (and effective from) registration in CMRS or (as the case may be) SMRS at the same time as withdrawal from registration in the other.

2.6.3 A Registration Transfer shall be made in accordance with and subject to BSCP68.

2.6.4 For the avoidance of doubt, a Registration Transfer may be made in parallel with an application for a change of Registrant and, subject to compliance with this paragraph 2.6 and with paragraphs 2.3 and 2.4, a Registration Transfer may become effective on the same day as a change of Registrant.

2.7 Registration in AMRS

2.7.1 A Virtual Lead Party or Supplier shall register an Asset Metering System in AMRS by submitting a registration application to the SVAA in accordance with and subject to the provisions of BSCP602.

2.7.2 The SVAA will validate and process the registration application in accordance with BSCP602.

2.7.3 The following requirements are conditions which must be met before the registration of an Asset Metering System in AMRS is effective and the Registrant is provided with an AMSID Number:

(a) the Metering Equipment has been installed and commissioned in accordance with Section L;

(b) the Asset Meter has not already been registered within another Asset Metering System;

(c) the Asset Meter is installed in compliance with the requirements of Code of Practice Eleven;

(d) all Associated MSID Pairs have been provided;

(e) where the applicant is not the Equipment Owner, the consent of the Equipment Owner has been obtained; and

(f) the registrations pursuant to paragraph 8 of the BM Unit(s) associated with the Asset Metering System are effective.

2.7.3A For the avoidance of doubt there is no requirement to appoint Asset Metering Party Agents and for these to be effective prior to registering the Asset Metering System. However, the Asset Metering Party Agents must be appointed and be effective before the Asset Metering System is allocated to a BM Unit or used for the purposes of an EMR AMSID Declaration.

2.7.4 Registration of an Asset Metering System in AMRS will become effective on and from the later of:

(a) the date from which the applicant wishes the registration to be effective; and

(b) the day following that on which (in accordance with BSCP602) the SVAA has confirmation that all the requirements listed in paragraph 2.7.3 have been satisfied.

2.7.5 The Registrant of an Asset Metering System shall, in accordance with BSCP602, keep its registration up-to-date, by notifying the SVAA of any change in any of the details contained in the registration, promptly upon any such change occurring.

2.7.6 A Virtual Lead Party shall not be allocated any volumes for Balancing Services as measured by an Asset Metering System until the Asset Metering System registration in the AMRS is effective.

2.8 Withdrawal from AMRS

2.8.1 The Registrant of an Asset Metering System shall continue to be the Registrant until such time as:

(a) where a Virtual Lead Party or Supplier is the registrant of an Asset Metering System and another Virtual Lead Party or Supplier applies (in accordance with paragraph 2.7) for registration of that Asset Metering System and becomes the Registrant (the "**New Asset Metering System Registrant**"); or

(b) the Asset Metering System is de-registered in accordance with BSCP602; or

(c) the Registrant ceases to be a Virtual Lead Party or Supplier.

2.8.2 The New Registrant shall comply with the provisions of paragraph 2.7 in respect of registration of the Asset Metering System and with the further provisions of BSCP602.

2.9 Registration of On-Site Aggregation SVA Metering Systems

2.9.1 Where the owner/operator of a Licence Exempt Distribution Network or its Associated Supplier (as opposed to a Third Party Supplier) chooses to adopt the on-site aggregation option ("On-Site Aggregation Option") as more particularly described in paragraph 4.9.3 of BSCP502, it shall establish and register an on-site aggregation SVA Metering System ("On-Site Aggregation SVA Metering System"). For the purposes of this paragraph, "Licence Exempt Distribution Network" means a Distribution System that is not operated by a Licensed Distribution Operator and which is not an Associated Distribution System, "Third Party Supplier" shall mean a Supplier supplying electricity to SVA Customers on the Licence Exempt Distribution Network other than the owner/operator of the Licence Exempt Distribution Network or its Associated Supplier and "Associated Supplier" shall mean any person responsible for supplying the Import only Metering Equipment on the Licence Exempt Distribution Network.

2.9.2 On-Site Aggregation SVA Metering Systems may:

(a) only comprise Half Hourly Metering Equipment;

(b) in relation to Metering Equipment used for the purpose of Import only, comply with Code of Practice 10; and

(c) in relation to any Plant and Apparatus capable of generation comprising such On-Site Aggregation SVA Metering System ("relevant Plant and Apparatus"), comply with the relevant Code of Practice.

2.9.3 Where the Licence Exempt Distribution Network has multiple feeders, the customer's comprised within the On-Site Aggregation Option connected to each feeder may be:

(a) aggregated under one Import SVA Metering System; or one Import SVA Metering System and one Export SVA Metering System with the agreement of the relevant LDSO; or

(b) aggregated under one Import SVA Metering System; or one Import SVA Metering System and one Export SVA Metering System per independent feeder.

2.9.4 The SVA Meter Operator Agent shall provide a copy (or updated copy accordingly) of an On-Site Aggregation form to BSCCo following registration of an On-Site Aggregation SVA

Metering System or any change thereto requiring an update to the On-Site Aggregation form in accordance with the REC Metering Operations Schedule.

2.9.5 BSCCo will maintain a register of all On-Site Aggregation SVA Metering Systems.

2.9.6 The Measurement Class of the On-Site Aggregation SVA Metering Systems shall be:

(a) Measurement Class "C" where the maximum demand of the output of the On-Site aggregation rules (as set out in BSCP502) comprised within the On-Site Aggregation SVA Metering Systems exceeds or is equal to 100kW;

(b) Measurement Class "E" where the maximum demand of the output of the On-Site aggregation rules (as set out in BSCP502) comprised within the On-Site Aggregation SVA Metering System exceeds or is equal to 69kW but less than 100kW; and

(c) Measurement Class "G" where the maximum demand of the output of the On-site aggregation rules (as set out in BSCP502) comprised within the On-Site Aggregation SVA Metering System is less than 69kW.

2.9.7 Where SVA Metering Equipment originally associated with an SVA Metering System supplied by a Third Party is adopted within an On-Site Aggregation SVA Metering System, the original SVA Metering System shall be logically disconnected.

2.10 Registration in LPAMR

2.10.1 A Virtual Lead Party or Virtual Trading Party shall register an Asset Metering System in LPAMR in accordance with and subject to the provisions of BSCP-607.

2.10.2 The Virtual Lead Party or Virtual Trading Party shall obtain a range of AMSIDs, suitable for allocating to Assets Metering Systems in that VLP's/VTP's LPAMR, from BSCCo in accordance with BSCP-607.

2.10.3 The following requirements are conditions which must be met before the registration of an Asset Metering System in LPAMR is effective and an AMSID number is allocated:

(a) the Metering Equipment has been installed and commissioned in accordance with Section L;

(b) the Asset Meter is installed in compliance with the requirements of Code of Practice Eleven;

(c) all associated Boundary Point MSIDs have been identified;

(d) where the applicant is not the Equipment Owner, the consent of the Equipment Owner has been obtained; and

(e) the registrations pursuant to paragraph 8 of the BM Unit(s) associated with the Asset Metering System are effective.

2.10.4 For the avoidance of doubt there is no requirement to appoint Asset Metering Party Agents and for these to be effective prior to registering the Asset Metering System. However, the Asset Metering Party Agents must be appointed and be effective before the Asset Metering System is allocated to a BM Unit.

2.10.5 The Registrant of an Asset Metering System shall, in accordance with BSCP-607, keep its registration up-to-date.

2.10.6 Each Virtual Lead Party or Virtual Trading Party shall share its LPAMR with BSCCo at a regular frequency as directed by BSCCo.

2.10.7 A Virtual Lead Party shall not be allocated any volumes for Balancing Services as measured by an Asset Metering System until the Asset Metering System registration in the LPAMR is effective.

2.11 Withdrawal from LPAMR

2.11.1 The Registrant of an Asset Metering System shall continue to be the Registrant until such time as:

(a) where a Virtual Lead Party or Virtual Trading Party is the registrant of an Asset Metering System and another Virtual Lead Party or Virtual Trading Party applies (in accordance with paragraph 2.9) for registration of that Asset Metering System and becomes the Registrant (the "**New Asset Metering System Registrant**"); or

(b) the Asset Metering System is de-registered in accordance with BSCP-607; or

(c) the Registrant ceases to be a Virtual Lead Party or Virtual Trading Party; or

(d) the expiry of 5 Working Days from notification by BSCCo that the Asset Metering System is no longer eligible to be registered in LPAMR.

2.11.2 The New Registrant shall comply with the provisions of paragraph 2.9 in respect of registration of the Asset Metering System and with the further provisions of BSCP-607.

3. CONFIGURATION AND REGISTRATION OF PRIMARY BM UNITS

3.1 Configuration of Primary BM Units

3.1.1 Subject to paragraph 3.3 (Supplier BM Units) and paragraph 5 (Interconnectors), a BM Unit shall comprise Plant or Apparatus or a combination of Plant and/or Apparatus for whose Exports and/or Imports a Party is responsible.

3.1.2 Save as provided in paragraph 3.1.4, a BM Unit must satisfy the following registration criteria:

(a) subject to paragraph 3.1.3A only one Party is responsible for the Exports and/or Imports from or to the Plant and/or Apparatus which is comprised in the BM Unit;

(b) subject to paragraph 3.3.9A, the Exports and/or Imports of electricity from and to the Plant and/or Apparatus comprised in the BM Unit are capable of being controlled independently of the Exports or Imports of electricity from or to any Plant or Apparatus which is not comprised in the BM Unit;

(c) on the basis of:

(i) the provisions of the Code as to Volume Allocation, and any options or entitlements which the responsible Party has exercised or intends to exercise pursuant to those provisions; and

(ii) the Metering Equipment which is or is to be installed pursuant to Section L

the quantities (in aggregate) of electricity Exported and Imported in each Settlement Period from or to the Plant and/or Apparatus comprised in the BM Unit are or will be determined (in accordance with the provisions of the Code as to Volume Allocation) and submitted to the SAA for the purposes of Settlement

separately from any quantities Exported or Imported from or to any Plant and/or Apparatus which is not comprised in the BM Unit;

(d) subject to paragraph 3.1.3A, the BM Unit does not comprise Plant and Apparatus whose Imports and Exports are measured by both CVA Metering System(s) and SVA Metering System(s); and

(e) subject to 3.1.2B there are no smaller aggregations of the Plant and Apparatus comprised in the BM Unit, for each of which the conditions in paragraphs (a), (b) and (c) would be satisfied.

3.1.2A A collection of smaller aggregations of Plant and Apparatus may be registered as a single BM Unit, provided:

(a) the Registered Capacity of that collection of Plant and/or Apparatus is no larger than that specified in respect of a Small Power Station; and

(b) the Exports from that collection of Plant and/or Apparatus are subject to common control as a single BM Unit.

3.1.3 Subject to paragraphs 3.1.4B and 3.1.4C, the same Plant and Apparatus may be comprised in more than one BM Unit only to the extent that different persons are responsible for the Exports from and the Imports to such Plant and Apparatus or as permitted in paragraph 3.1.3A.

3.1.3A Plant and/or Apparatus comprised in a BM Unit, whose Exports and/or Imports are measured by CVA Metering System(s), may also be comprised in another BM Unit, Imports to which are measured by a Metering System, which may be registered by a different person, in the SMRS, provided that:

(a) there are measures in place to prevent Exports from that Plant and/or Apparatus to the SVA Metering System associated with that Plant and/or Apparatus;

(b) the SVA connection is equal to or less than the limit determined by the Panel from time to time; and

(c) there are measures in place to prevent instantaneous flow through of electricity:

(i) from the Metering System registered in CMRS to the Metering System registered in SMRS; and/or

(ii) between different Systems.

3.1.4 Each of the following shall be a single BM Unit, and shall be deemed to satisfy the requirements in paragraph 3.1.2:

(a) any CCGT Module or Power Park Module for whose Exports the Metering System(s) is or are registered in CMRS;

(b) the Plant and Apparatus which comprises part of, and which Imports electricity through the station transformer(s) of, a Generating Plant, where the Metering System(s) for such Imports is or are registered in CMRS;

(c) premises (of a Customer supplied by a Party) which are directly connected to the Transmission System, provided that such premises are so connected at one Boundary Point only;

(cc) premises (of a Customer supplied by a Party) which are directly connected to the Transmission System at more than one Boundary Point, provided that the total Imports to the Plant and/or Apparatus comprised in the BM Unit are equal to or less than the value limits prescribed in respect of a Small Power Station;

(d) an Interconnector BM Unit, in accordance with paragraph 5;

(e) a Base BM Unit or an Additional BM Unit, in accordance with paragraph 3.3;

(f) any configuration of Plant and Apparatus that was determined as part of the transitional arrangements for the implementation of BETTA; and

(g) any two or more Offshore Power Park Modules (for whose Exports the Metering System(s) is or are registered in CMRS), where the responsible Party wishes to combine these as a single BM Unit and the NETSO in its absolute discretion determines that such a configuration is suitable to constitute a single BM Unit (a "**Combined Offshore BM Unit**"); and

(h) an Offshore Power Park Module together with any related Plant and Apparatus used to Import electricity to that Offshore Power Park Module and which are connected to the Transmission System at separate Transmission System Boundary Points; and

(i) a Combined Offshore Power Park Module together with any related Plant and Apparatus used to Import electricity to that Combined Offshore Power Park Module and which are connected to the Transmission System at separate Transmission System Boundary Points.

3.1.4A A combination of Power Park Modules (including any Power Park Module(s) comprised in a BM Unit located Offshore), with the same Lead Party, may be identified as a "**Switching Group**" in accordance with this paragraph 3, in which case each such BM Unit shall be described as "belonging" to that Switching Group.

3.1.4B Power Park Modules may belong to a Switching Group on the basis that Plant and Apparatus can be selected to run in any of the BM Units belonging to that Switching Group.

3.1.4C Subject to Section R3, Plant and Apparatus comprised in Power Park Modules belonging to a Switching Group shall be deemed to be comprised in the BM Unit in which the Plant and Apparatus is selected to run at any given time.

3.1.4D A Power Park Module may not belong to more than one Switching Group at any given time.

3.1.5 Paragraph 3.1.6 applies in any case where (pursuant to this Section K) one or more BM Units are required to be established, comprising particular Plant and/or Apparatus (the "**relevant**" Plant and Apparatus), if the relevant Plant and Apparatus does not fall into a category listed in paragraph 3.1.4 and:

(a) a Party's application to register a BM Unit has been rejected by the CRA for not satisfying the registration criteria set out in paragraph 3.1.2, and the Party wishes to refer the question of application of the registration criteria to the Panel; or

(b) the CRA considers that there is a reasonable doubt as to whether a Party's application to register a BM Unit satisfies the registration criteria set out in paragraph 3.1.2, and the CRA wishes to refer the question of application of the registration criteria to the Panel.

3.1.6 In any case where this paragraph 3.1.6 applies:

(a) the responsible Party and/or the CRA shall refer the question of the establishment of the BM Unit(s) to ~~the Panel~~BSCCo;

(b) the Panel shall determine, taking into account any representations of the Party responsible for the relevant Exports and/or Imports, and after consulting the NETSO, whether the proposed configuration of the relevant Plant and Apparatus into BM Unit(s) satisfies the criteria in paragraph 3.1.2;

(c) where ~~the Panel~~BSCCo considers that the proposed configuration will not satisfy the criteria in paragraph 3.1.2, ~~the Panel~~BSCCo may determine a configuration of the relevant Plant and Apparatus into BM Unit(s) which in ~~the Panel's~~its opinion most nearly achieves the objectives which are reflected in the criteria in paragraph 3.1.2;

(d) the determination of ~~the Panel~~ BSCCo under this paragraph shall be final and binding.

3.1.7 BSCCo shall keep a copy of all determinations made by ~~the Panel~~it pursuant to paragraph 3.1.6 and any decision regarding a BM Unit that was determined as part of the transitional arrangements for the implementation of BETTA and shall make such determinations and /or decisions available to any Party upon request.

3.1.8 A BM Unit comprised of CFD Assets shall, unless permitted by the Contracts for Difference relating to that BM Unit or agreed in writing by the CfD Counterparty, be comprised solely of the CFD Assets specified in the Contracts for Difference relating to that BM Unit and shall not include any other Plant or Apparatus (the "**Relevant CFD Assets**"). A BM Unit comprised of CFD Assets shall, unless otherwise agreed in writing by the CfD Counterparty, be comprised of CFD Assets specified in a single Contract for Difference.

3.1.9 Any change in any of the details contained in the registration of a BM Unit must meet the criteria for registration set out in this section K and the Lead Party for the BM Unit shall notify the CRA promptly upon any such change occurring, in accordance with paragraph 3.6 and BSCP15.

3.2 Registration of BM Units

3.2.1 Each Party shall ensure that all Plant and Apparatus, for whose Exports and/or Imports it is responsible, is comprised in BM Units established and registered by it in compliance with this paragraph 3.

3.2.2 The further provisions of this paragraph 3.2 shall only apply to BM Units comprising Plant and/or Apparatus, for whose Exports and/or Imports a Party is responsible, measured by CVA Metering Systems.

3.2.3 A Party may apply to register a BM Unit by submitting a registration application to the CRA specifying:

(a) the identity of the applicant Party;

(b) the date from which the applicant wishes the registration to be effective;

(c) the estimated amounts referred to in paragraph 3.4.1 (for the purposes of establishing the Generation Capacity and the Demand Capacity) for the proposed BM Unit;

(d) the CVA Metering Systems associated with the proposed BM Unit; and

(e) the Switching Group to which the BM Unit belongs (if any).

3.2.4 An application to register a BM Unit shall be made in accordance with and subject to BSCP15.

3.2.5 The CRA (after consultation with BSCCo and the CDCA) will validate (as to compliance with paragraph 3.2.6 and otherwise) and process the registration application in accordance with BSCP15.

3.2.6 The following requirements are conditions to a registration of a BM Unit being effective:

(a) the BM Unit is configured in accordance with the requirements of paragraph 3.1;

(b) subject to paragraph 5 (in relation to Interconnector BM Units), the registration(s) pursuant to paragraph 2 of the CVA Metering System(s) associated with such BM Unit are, but for satisfaction (where applicable) of any condition in paragraph 2 as to the effective registration of such BM Unit, effective;

(c) the estimated amounts (for the purposes of establishing the Generation Capacity and Demand Capacity) for the BM Unit have been notified to the CRA in accordance with paragraph 3.4.2(a);

(d) Aggregation Rules for such BM Unit have been submitted to and validated by the CDCA under Section R; and

(e) a Credit Assessment Load Factor has been allocated to the BM Unit in accordance with Section M1.5.

3.2.7 Registration of a BM Unit will become effective, and the applicant will become the Lead Party of that BM Unit, on and from the later of:

(a) the date specified by the applicant pursuant to paragraph 3.2.3(b); and

(b) the day following that on which (in accordance with BSCP15) BSCCo confirms to the CRA that all of the requirements (including those in paragraph 3.2.6) specified for such effectiveness in that BSC Procedure have been satisfied.

3.2.8 The Lead Party for a BM Unit shall, keep its registration up-to-date in accordance with paragraph 3.1.9.

3.3 Supplier BM Units

3.3.1 Each Supplier shall:

(a) automatically be registered as holding one BM Unit for each GSP Group, irrespective of whether it has any Registered SVA Metering Systems in the GSP Group (and, for the purposes of this paragraph (a), a Party shall be deemed to have applied for such registrations upon applying to register itself as a Supplier pursuant to Section A4); and

(b) notify the estimated amounts (for the purposes of establishing the Generation Capacity and Demand Capacity) for each such BM Unit in accordance with paragraph 3.4.2(a) at or before the registration of such BM Unit, provided that if such Supplier fails to notify such amounts as required by this paragraph (b), it

shall be deemed to have notified a value of zero for each such amount (but without prejudice to paragraph 3.4.2(c)).

3.3.2 In addition, a Supplier may apply to register a BM Unit associated with a GSP Group by giving notice to the CRA specifying:

(a) the identity of the Supplier;

(b) the GSP Group with which the BM Unit is to be associated;

(c) the date with effect from which the BM Unit is to be established;

(d) the estimated amounts referred to in paragraph 3.4.1 (for the purposes of establishing the Generation Capacity and the Demand Capacity) for the proposed BM Unit; and

(e) whether the BM Unit constitutes a Baselined BM Unit.

3.3.3 Application for registration of a BM Unit pursuant to paragraph 3.3.2 shall be made in accordance with and subject to BSCP15, and the registration shall be effective, and the Supplier will become the Lead Party of that BM Unit, on the later of:

(a) the date specified by the applicant pursuant to paragraph 3.3.2(c); and

(b) the date when registration is confirmed by BSCCo to the CRA in accordance with BSCP15.

3.3.4 The CRA shall validate and process applications for registration of a Supplier BM Unit in accordance with and subject to BSCP15.

3.3.5 For any Supplier and any GSP Group, the "**Base BM Unit**" is the Supplier BM Unit which was registered for the Supplier pursuant to paragraph 3.3.1, and each other Supplier BM Unit is an "**Additional BM Unit**".

3.3.6 A Supplier may not cancel or withdraw from the registration of a Base BM Unit while it remains a Supplier.

3.3.7 A Supplier may assign the Plant and Apparatus associated with particular SVA Metering Systems (of which it is Registrant) in any GSP Group to any Additional BM Unit registered by it for that GSP Group, subject to the conditions set out in and in accordance with the provisions of Section S6.

3.3.8 All of the Plant and Apparatus associated with a Supplier's Registered SVA Metering Systems in a GSP Group which are not for the time being assigned to an Additional BM Unit shall be comprised in its Base BM Unit for that GSP Group.

3.3.9 Not used.

3.3.9A Paragraph 3.1.2(b) shall not apply to the extent to which Imports of electricity to the Plant and/or Apparatus comprised in a BM Unit are measured by Metering Systems which are part of a Teleswitch Group.

3.3.10 The Lead Party for a Supplier BM Unit shall, in accordance with BSCP15, keep its registration up-to-date, by notifying the CRA of any change in any of the details contained in the registration, promptly upon any such change occurring.

3.3.11 This paragraph 3.3 shall apply on a Supplier ID basis and its provisions shall be construed accordingly, and:

(a) a Supplier will be registered under paragraph 3.3.1 in respect of each of its Supplier IDs as holding one BM Unit for each GSP Group (and accordingly will hold a set of Base BM Units for each of its Supplier IDs); and

(b) a Supplier:

(i) holding one Supplier ID may not cancel or withdraw from the registration of a Base BM Unit relating to that Supplier ID while the Supplier remains a Supplier;

(ii) holding more than one Supplier ID may cancel and withdraw from the registration of the set of Base BM Units relating to an additional Supplier ID:

(A) provided the Supplier has no Registered SVA Metering Systems with the additional Supplier ID in any GSP Group;

(B) following which cancellation and withdrawal the Supplier shall no longer hold, for the purposes of the Code, the additional Supplier ID.

3.3.12 Where a Supplier is the Registrant of SVA Metering System(s) associated with CFD Assets, the Supplier shall in respect of those CFD Assets:

(a) ensure that Additional BM Unit(s) have been registered in accordance with this Section K; and

(b) assign only the Relevant CFD Assets to such Additional BM Unit(s).

3.3.13 If at any time BSCCo receives a notice from an EMR Settlement Services Provider in respect of CFD Assets to register or de-register Additional BM Units in a GSP Group then BSCCo shall:

(a) in respect of the GSP Group to which those CFD Assets are connected, register Additional BM Units for each Supplier identified by BSCCo under paragraph 3.3.14; or

(b) de-register any Additional BM Unit in that GSP Group which were registered under paragraph 3.3.13(a) and which are connected to those CFD Assets but which are no longer required,

in each case in accordance with BSCP15.

3.3.14 In respect of each GSP Group BSCCo shall establish and maintain a list identifying:

(a) Active Power Purchasing Suppliers in that GSP Group; and

(b) any other Qualified Half Hourly Supplier that has requested to be included on that list.

3.3A Exempt Export BM Units

3.3A.1 A Supplier BM Unit shall not be classified as an Exempt Export BM Unit unless (disregarding paragraph 3.1.4(e)) the BM Unit would, if the Metering System(s) comprised in the BM Unit were CVA Metering Systems, satisfy the requirements in paragraph 3.1.2, for which purposes paragraph 3.1.6 shall apply as if the question referred to therein were whether the configuration of Plant and Apparatus comprised in the BM Unit satisfies (or best satisfies) those requirements.

3.4 Demand Capacity and Generation Capacity

3.4.1 The Lead Party of a BM Unit shall estimate and notify to the CRA, in relation to each BSC Season in each year (the "**relevant**" BSC Season), from time to time in accordance with paragraph 3.4.2, in good faith and as accurately as it reasonably can, what will be:

(a) the positive value of QM_{ij} with the maximum magnitude (subject to paragraph 3.4.4) for the BM Unit in the relevant BSC Season; and

(b) the negative value of QM_{ij} with the maximum magnitude (subject to paragraph 3.4.4) for the BM Unit in the relevant BSC Season,

provided that (in either case) if there is none, the value shall be the most recent declared value of the preceding BSC Season. Where no preceding BSC Season value is available the value shall be zero.

3.4.2 The Lead Party shall estimate and notify to the CRA amounts under paragraph 3.4.1:

(a) initially, at the time of registration of the BM Unit under paragraph 3.2 or 3.3;

(b) not later than the time specified in BSCP15 in the BSC Season preceding the relevant BSC Season; and

(c) within such period after the criteria set out in paragraph 3.4.3 have been met as is specified in paragraph 3.4.5, provided that the Lead Party shall have no obligation to submit a revised estimate of any such amount in circumstances where such criteria have been met as a result of the CRA notifying the Lead Party that the CRA has identified that either or both of the GC and DC Breach Monitoring Criteria have been met, pursuant to paragraph 3.5.7D(b)(ii).

3.4.2A The Lead Party of a Supplier BM Unit may, up to twice in each BSC Season, (subject to paragraph 3.4.4), also estimate and notify to the CRA increases in the negative value of QM_{ij} with the maximum magnitude divided by SPD where the Lead Party becomes aware of or believes in good faith that such value will become greater than DC for the remainder of the BSC Season.

3.4.3 The criteria referred to in paragraph 3.4.2(c) are that, for any Settlement Period in the relevant BSC Season, or (as the case may be) the remainder of the relevant BSC Season following a revised estimate notified in accordance with paragraph 3.4.2A:

(a) the positive value of QM_{ij} (subject to paragraph 3.4.4) for the BM Unit divided by SPD exceeds or the Lead Party becomes aware or believes in good faith that such value will exceed GC by the GC Limits;

(b) the negative value of QM_{ij} (subject to paragraph 3.4.4) with the maximum magnitude for the BM Unit divided by SPD is less than or the Lead Party becomes aware or believes in good faith that such value will be less than DC by the DC Limits.

3.4.3A For the purposes of the Code the GC Limits and DC Limits shall be such values as determined by ~~the Panel~~BSCCo from time to time after consultation with BSC Parties and in accordance with the published guidance described in 3.4.3B.

3.4.3B ~~The Panel~~BSCCo will establish guidance for the determination and review of the GC Limits and DC Limits.

3.4.3C BSCCo will publish GC Limits and DC Limits described in in 3.4.3A and the guidance described 3.4.3B on the BSC Website.

3.4.4 For the purposes of paragraphs 3.4.1(a) and (b), 3.4.2A and 3.4.3(a) and (b), any part of the BM Unit Metered Volume which is delivered or taken or which the Lead Party reasonably believes will be delivered or taken by the Plant or Apparatus associated with that BM Unit in response to an Emergency Instruction (issued pursuant to Balancing Code 2.9 of the Grid Code) shall be disregarded.

3.4.5 In respect of a relevant BSC Season, a revised estimate of the amount referred to in paragraph 3.4.1(a) or (b), shall be notified pursuant to paragraph 3.4.2(c) as soon as reasonably practicable after the Lead Party becomes aware that, or ought reasonably to have become aware that the criteria referred in paragraphs 3.4.3(a) or 3.4.3(b) (as the case may be) have been met, provided that the Lead Party shall have no obligation to submit a revised estimate of any such amount more than twenty Business Days after the Initial Settlement Run in respect of the last Settlement Period in that BSC Season has occurred.

3.4.6 In relation to a BM Unit, any revised estimates notified pursuant to paragraph 3.4.2(c) and 3.4.2A shall take effect in accordance with and from the time specified in BSCP15 and, for the avoidance of doubt, any such revision shall:

(a) in relation to the calculations undertaken by the SAA:

(i) not affect or result in the redetermination or recalculation of any values determined or calculated by the SAA under the Code which are determined or calculated in relation to Settlement Periods which fell in the period prior to the effective date of such revision;

(ii) be used in the determination or calculation of values determined or calculated by the SAA under the Code which are determined or calculated in relation to Settlement Periods which fall in the period on and after the effective date of such revision,

and paragraph 3.5 shall be construed accordingly;

(b) in relation to the contribution to the calculation of Energy Indebtedness for such BM Unit undertaken by the ECVAA:

(i) not result in the recalculation of Energy Indebtedness calculated in relation to Settlement Periods which fell in the period prior to the effective date of such revision;

(ii) be used in the calculation of Energy Indebtedness calculated in relation to Settlement Periods which fall in the period on and after the effective date of such revision,

and in either case, without prejudice to Section H3, the failure by a Party to notify any revised amounts in accordance with paragraph 3.4.2(c) may not give rise to any Trading Dispute.

3.4.7 ~~The Panel~~BSCCo may, and upon the reasonable request of the NETSO will, review any estimate made by a Party under paragraph 3.4.1; and if so requested by ~~the Panel~~BSCCo in connection with any such review:

(a) the NETSO or any Distribution System Operator will provide reasonable information to ~~the Panel~~BSCCo relevant to a review of any estimate under paragraph 3.4.1, and

(b) the Lead Party will:

(i) provide to ~~the Panel~~BSCCo reasonable information to justify its prevailing estimates of the amounts under paragraph 3.4.1, and

(ii) re-estimate such amounts after discussion with ~~the Panel~~BSCCo.

3.4.7A The CRA shall carry out periodic monitoring ("**GC and DC Breach Monitoring**") of Metered Volumes in respect of each BM Unit, to identify whether, for any Settlement Period in the relevant BSC Season, or (as the case may be) the remainder of the relevant BSC Season following a revised estimate made in accordance with this paragraph 3.4:

(a) the positive value of QM_{ij} (subject to paragraph 3.4.7C) for the BM Unit divided by SPD has exceeded GC by the GC Limits; ("**GC Breach Monitoring Criterion**") or

(b) the negative value of QM_{ij} (subject to paragraph 3.4.7C) with the maximum magnitude for the BM Unit divided by SPD has been less than DC by the DC Limits, ("**DC Breach Monitoring Criterion**")

(together the "**GC and DC Breach Monitoring Criteria**").

3.4.7B GC and DC Monitoring shall take place at a time and frequency determined by BSCCo.

3.4.7C For the purposes of GC and DC Breach Monitoring, any part of the BM Unit Metered Volume which is delivered or taken by the Plant or Apparatus associated with that BM Unit in response to an Emergency Instruction (issued pursuant to Balancing Code 2.9 of the Grid Code) shall be disregarded.

3.4.7D If the CRA identifies that either or both of the GC and DC Breach Monitoring Criteria have been met in respect of a BM Unit, the CRA shall:

(a) estimate for the BM Unit, in accordance with the BM Unit Volume Estimation Methodology, what will be:

(i) if the GC Breach Monitoring Criterion is met, the positive value of QM_{ij} with the maximum magnitude for the BM Unit in the relevant BSC Season; and

(ii) if the DC Breach Monitoring Criterion is met, the negative value of QM_{ij} with the maximum magnitude for the BM Unit in the relevant BSC Season,

(together, the "**CRA-Estimated GC or DC Amounts**")

(b) notify the Lead Party of the BM Unit, BSCCo, the CM Settlement Services Provider and the CFD Settlement Services Provider of the following in respect of the BM Unit:

(i) that the CRA has identified that either or both of the GC and DC Breach Monitoring Criteria have been met;

(ii) the Settlement Day and Settlement Period on which the criterion or criteria were met;

(iii) the CRA-Estimated GC or DC Amounts;

(iv) the date on which the CRA-Estimated GC or DC Amounts will take effect in accordance with BSCP15;

(v) that, pursuant to paragraph 3.4.7M, the CRA will publish a notice relating to the relevant BM Unit; and

(vi) any other information specified pursuant to paragraph 3.4.7P; and

(together the "**GC or DC Breach Notification**")

(c) publish a notice pursuant to paragraph 3.4.7M, in relation to the BM Unit.

3.4.7E For the purposes of estimating the CRA-Estimated GC or DC Amounts, ~~the Panel~~BSCCo shall establish and may from time to time revise, ~~and shall provide to BSCCo~~ and make available to all Trading Parties, a methodology for estimating BM Unit Metered Volumes (the "**BM Unit Volume Estimation Methodology**").

3.4.7F BSCCo shall post the BM Unit Volume Estimation Methodology on the BSC website.

3.4.7G Within two Working Days following the day after a GC or DC Breach Notification is deemed to have been received by the Lead Party of the relevant BM Unit, the Lead Party may:

(a) notify BSCCo that the Lead Party challenges the CRA-Estimated GC or DC Amounts (a "**GC or DC Estimation Challenge**");

(b) provide evidence that the CRA-Estimated GC or DC Amounts are not correct; and

(c) propose alternative amounts, for what will be, for the BM Unit:

(i) if the GC or DC Breach Notification identified that the GC Breach Monitoring Criterion is met, the positive value of QM_{ij} with the maximum magnitude for the BM Unit in the relevant BSC Season; and

(ii) if the GC or DC Breach Notification identified that the DC Breach Monitoring Criterion is met, the negative value of QM_{ij} with the maximum magnitude for the BM Unit in the relevant BSC Season,

estimated in accordance with the BM Unit Volume Estimation Methodology or, if the Lead Party considers another methodology is more appropriate, that other methodology.

(together the "**Challenger-Proposed GC or DC Estimates**")

3.4.7H After receiving a GC or DC Estimation Challenge, BSCCo:

(a) shall notify the CRA of the GC or DC Estimation Challenge;

(b) shall promptly consider whether BSCCo has substantial evidence that, or other reasons to believe that, there is (in accordance with the GC or DC Estimation Challenge Guidance) a material doubt as to whether the CRA-Estimated GC or DC Amounts for the BM Unit are correct;

(c) may, but shall not be required to make any enquiry of the Lead Party of the BM Unit or any other person, but will take into account any information already provided by the Lead Party pursuant to paragraph 3.4.7G.

(d) shall, within two -Working Days:

(i) decide whether to uphold the GC or DC Estimation Challenge, having regard to the matters considered pursuant to paragraphs (b) and (c); and

(ii) notify:

(A) the Lead Party; and

(B) the CRA,

of BSCCo's decision.

3.4.7I The CRA shall suspend ongoing GC and DC Breach Monitoring in respect of a BM Unit from such time as BSCCo has notified the CRA of a GC or DC Estimation Challenge in respect of that BM Unit, pursuant to paragraph 3.4.7H(a), until:

(a) if BSCCo decides to uphold the GC or DC Estimation Challenge, the date on which the BSCCo-Determined GC or DC Estimates take effect in respect of that BM Unit, in accordance with BSCP15; or

(b) if BSCCo decides not to uphold the GC or DC Estimation Challenge, such time as BSCCo notifies the CRA of that decision, pursuant to paragraph 3.4.7H(d)(ii)(B).

3.4.7J If BSCCo decides to uphold a GC or DC Estimation Challenge pursuant to paragraph 3.4.7H, BSCCo shall notify to the CRA such amounts for:

(a) if the GC or DC Breach Notification identified that the GC Breach Monitoring Criterion is met, the positive value of QM_{ij} with the maximum magnitude for the BM Unit in the relevant BSC Season; and

(b) if the GC or DC Breach Notification identified that the DC Breach Monitoring Criterion is met, the negative value of QM_{ij} with the maximum magnitude for the BM Unit in the relevant BSC Season,

as BSCCo considers appropriate, having regard to the Challenger-Proposed GC or DC Estimates and the matters considered pursuant to paragraphs 3.4.7H(b) and 3.4.7H(c).

(together, the "**BSCCo-Determined GC or DC Estimates**")

3.4.7K For the avoidance of doubt, if BSCCo decides not to uphold a GC or DC Estimation Challenge, the CRA-Estimated GC or DC Amounts shall remain in place for the purposes of the relevant BM Unit Registration.

3.4.7L For the purposes of paragraph 3.4.7H(b), ~~the Panel~~BSCCo shall establish, ~~and~~ may from time to time revise, ~~and shall provide to BSCCo~~ and shall make available to all Trading Parties,

principles or guidance as to the basis on which the existence or absence of material doubt is to be established by ~~BSCCo~~ it (the "**GC or DC Estimation Challenge Guidance**").

3.4.7M For the purposes of paragraph 3.4.7D, ~~the Panel~~BSCCo shall establish, and may from time to time revise, ~~and shall provide to BSCCo~~ and shall make available to all Trading Parties, a document setting out, in relation to a notice published by the CRA:

(a) the contents of such publication; and

(b) where such publication shall be made.

3.4.7N If, for the purposes of updating the registration details of a particular BM Unit to take effect on a particular day, multiple different amounts for what will be:

(a) the positive value of QM_{ij} with the maximum magnitude for the BM Unit in the relevant BSC Season; and

(b) the negative value of QM_{ij} with the maximum magnitude for the BM Unit in the relevant BSC Season,

have been estimated by or notified to the CRA pursuant to the Code, the CRA must use the amounts with the highest priority pursuant to the GC or DC Conflict Resolution Priority Order.

3.4.7O For the purposes of paragraph 3.4.7N, the order of priority for the amounts, from highest priority to lowest priority, is as follows:

(a) the BSCCo-Determined GC or DC Estimates most recently notified to the CRA by BSCCo pursuant to paragraph 3.4.7J;

(b) CRA-Estimated GC or DC Amounts; and

(c) amounts most recently notified to the CRA by the Lead Party pursuant to paragraph 3.4.2 or 3.4.2A,

(together the "**GC or DC Conflict Resolution Priority Order**").

3.4.7P For the purposes of paragraph 3.4.7D(b)(vi), ~~the Panel~~BSCCo shall establish, and may from time to time revise, ~~and shall provide to BSCCo~~ and shall make available to all Trading Parties, a document specifying any additional information to be included in a GC or DC Breach Notification.

3.4.8 Subject to paragraph 5.6 and 8.1.8, for each BM Unit, at any time:

(a) the "**Generation Capacity**" or "**GC**" shall be the amount determined as:

G / SPD

where G is the value under paragraph 3.4.1(a) most recently notified in relation to the relevant BSC Season under paragraph 3.4.2, or (if another value has been estimated by or notified to the CRA pursuant to the Code) the value determined pursuant to paragraph 3.4.7N;

(b) the "**Demand Capacity**" or "**DC**" shall be the amount determined as:

D / SPD

where D is the value under paragraph 3.4.1(b) most recently notified in relation to the BSC Season under paragraphs 3.4.2 or 3.4.2A (as the case may be)-, or (if another value has been estimated by or notified to the CRA pursuant to the Code) the value determined pursuant to paragraph 3.4.7N;

(c) the "**Relevant Capacity**" is:

(i) if $GC_i + DC_i$ is greater than zero, GC_i ;

(ii) otherwise, DC_i .

3.4.9 For the purposes of this paragraph 3.4 and paragraph 8.1.6:

(a) a "**BSC Season**" shall be as follows:

(i) BSC Spring shall be 1st March to 31st May inclusive;

(ii) BSC Summer shall be 1st June to 31st August inclusive;

(iii) BSC Autumn shall be 1st September to 30th November inclusive; and

(iv) BSC Winter shall be 1st December to 28th (or 29th, as the case may be) February inclusive

provided that the first relevant BSC Season shall be the period from the Go-live Date to the end of the next following BSC Season;

(b) a year means any period of twelve months.

3.5 Trading Units and Production and Consumption BM Units

3.5.1 A BM Unit shall be classified as a "Production" or a "Consumption" BM Unit (the applicable such classification at any time being referred to as the "**P/C Status**" of a BM Unit).

3.5.2 Subject to paragraph 3.5.4, 3.5.5 and 3.5.7, a BM Unit shall be a Production BM Unit where it belongs to a Trading Unit for which the sum of the Relevant Capacities, for all BM Units which belong to that Trading Unit, is positive and greater than zero; and otherwise shall be a Consumption BM Unit.

3.5.3 The P/C Status of a BM Unit shall be redetermined on each occasion on which:

(a) the BM Unit joins or leaves a Trading Unit;

(b) another BM Unit joins or leaves the Trading Unit to which the BM Unit belongs; or

(c) there is any change in the Demand Capacity or Generation Capacity of any of the BM Units which belong to that Trading Unit.

3.5.4 In accordance with paragraph 5, the P/C Status of an Interconnector BM Unit will not change at any time.

3.5.5 In the case of an Exempt Export BM Unit, irrespective of the Trading Unit to which the BM Unit belongs, the Lead Party shall elect, by notice to BSCCo and the CRA in accordance with BSCP15, whether the P/C Status of the BM Unit is to be Production or Consumption:

(a) upon notification to BSCCo pursuant to paragraph 1.5.1 that the Generating Plant which is comprised by the relevant BM Unit is Exemptable; and

(b) from time to time should the Lead Party wish to change its P/C Status election for the Exempt Export BM Unit.

3.5.5A BSCCo and the CRA shall ensure that an Exempt Export BM Unit has in effect at all times a P/C Status elected by the Lead Party.

3.5.6 In the case of a Storage BM Unit, irrespective of the Trading Unit to which the BM Unit belongs, the Lead Party shall elect, by notice to BSCCo and the CRA in accordance with BSCP15, whether the P/C Status of the BM Unit is to be Production or Consumption, and from time to time should the Lead Party wish to change its P/C Status election for the Storage BM Unit.

3.5.6A BSCCo and the CRA shall ensure that a Storage BM Unit has in effect at all times a P/C Status elected by the Lead Party.

3.5.7 Subject to paragraph 3.5.5, a BM Unit that belongs to a Base Trading Unit shall be a Consumption BM Unit irrespective of the sum of the Relevant Capacities for all BM Units which belong to that Base Trading Unit.

3.6 Changes in BM Unit registration

3.6.1 A Party may from time to time change the configurations of the BM Units which comprise the Plant and Apparatus for whose Exports and Imports it is responsible, by registering different BM Units comprising such Plant and Apparatus, subject to and in accordance with paragraph 3.2.

3.6.2 Where a Party ceases to be the Registrant of a CVA Metering System associated with a BM Unit for which it is the Lead Party:

(a) the Plant and Apparatus (whose Exports or Imports are measured by that Metering System) shall cease to be comprised in that BM Unit; and

(b) the Party shall take such steps (in accordance with BSCP15) as are necessary to give effect to paragraph (a), by cancelling the registration of that BM Unit or reconfiguring the BM Unit in accordance with paragraph 3.6.1 so as to include any remaining Plant and Apparatus for whose Exports or Imports it remains responsible,

with effect from the effective date of registration of the new registrant or (as the case may be) date on which the Party otherwise ceases to be Registrant in accordance with paragraph 2.3.1.

3.6.3 A Supplier may cancel its registration of an Additional BM Unit in accordance with BSCP15 provided that any Plant or Apparatus associated with SVA Metering Systems (of which it is Registrant) in a GSP Group which are assigned to such Additional BM Unit shall automatically be assigned with effect from the date of cancellation of the Additional BM Unit to such Supplier's Base BM Unit for that GSP Group, in accordance with paragraph 3.3.8.

3.6.4 Where a Supplier ceases to be the Registrant of any SVA Metering System in all GSP Groups (and, accordingly, ceases to be a Supplier for the purposes of the Code), it shall notify the CRA in accordance with BSCP15 and the CRA shall upon application by the Supplier to the CRA cancel the registration of each Base BM Unit for which such Supplier is the Lead Party in accordance with BSCP15.

3.7 Credit Qualifying BM Unit

3.7.1 A BM Unit shall be classified as a "**Credit Qualifying BM Unit**" if:

(a) it is a BM Unit in respect of which Section Q3 applies; and

(b) it is not an Interconnector BM Unit;

(c) it is not a Trading Secondary BM Unit;

(d) one of the requirements in paragraph 3.7.2 is satisfied in respect of the BM Unit;

and a BM Unit shall cease to be classified as a Credit Qualifying BM Unit if it ceases to meet the requirements in paragraphs (a), (b) and (c) above.

3.7.2 The requirements referred to in paragraph 3.7.1(c) are that:

(a) the BM Unit is a Production BM Unit; or

(b) the BM Unit is an Exempt Export BM Unit;

4. TRADING UNITS

4.1 General

4.1.1 A combination of BM Units (other than Secondary BM Units), with the same or different Lead Parties, may be identified as a Trading Unit in accordance with this paragraph 4 and Annex K-2, in which case each such BM Unit shall be described as 'belonging' to that Trading Unit.

4.1.2 The basis on which BM Units belong to Trading Units shall be determined:

(a) in relation to a Supplier BM Unit which is not an Exempt Export BM Unit, in accordance with paragraph 4.7;

(b) in relation to an Exempt Export BM Unit, in accordance with paragraph 4.7 or paragraphs 4.2 to 4.6 as the Lead Party shall (in accordance with paragraph 4.7.3) determine;

(c) in relation to any other BM Unit (subject to paragraph 5.7), in accordance with paragraphs 4.2 to 4.6;

and references to a "relevant" BM Unit in paragraphs 4.2 to 4.6 (and in this paragraph 4.1) shall be construed accordingly.

4.1.3 A relevant BM Unit shall belong to a Trading Unit with effect from the registration of the Trading Unit pursuant to paragraph 4.5.

4.1.4 Where a relevant BM Unit does not belong, or ceases to belong, to a Trading Unit comprising one or more other BM Units, that BM Unit shall itself constitute a Trading Unit.

4.1.5 A BM Unit may not belong to more than one Trading Unit at any given time.

4.2 Application

4.2.1 A Party may apply to ~~the Panel~~BSCCo for a combination of relevant BM Units (the "**nominated**" BM Units) to be treated as a Trading Unit by sending to ~~the Panel~~BSCCo a written application ("**Trading Unit Application**") stating the class of application and containing the other information and supported by the documents and other matters referred to in BSCP31 and signed by or on behalf of the Lead Parties for each of the BM Units concerned.

4.2.2 A Trading Unit Application shall be made in accordance with and subject to BSCP31.

4.2.3 A Trading Unit Application may be made in advance of registration of the relevant BM Units in accordance with BSCP31.

4.2.4 Annex K-2 shall apply in respect of any Trading Unit Application.

4.3 Decision

4.3.1 ~~The Panel~~BSCCo shall consider any Trading Unit Application in accordance with Annex K-2 and BSCP31, and shall make a determination as to whether the nominated BM Units may be treated as a single Trading Unit and shall promptly notify the Trading Unit Applicants and, where the Trading Unit Application is approved, the CRA of its determination.

4.4 Not used

4.5 Registration of Trading Units

4.5.1 Where a Trading Unit Application has been approved, the Trading Unit Applicants may, at any time after ~~the Panel~~BSCCo notified its determination under paragraph 4.3 (but subject to paragraph 4.6.6), register the Trading Unit by giving notice to the CRA:

(a) referring to ~~the Panel~~BSCCo's determination, and

(b) specifying:

(i) the identity of the Trading Unit Applicants;

(ii) for each such applicant, the relevant BM Unit(s) for which it is Lead Party which are to belong to the Trading Unit;

(iii) the class (in accordance with Annex K-2) of Trading Unit; and

(iv) the date with effect from which the Trading Unit is to be registered.

4.5.2 An application to register a Trading Unit shall be made in accordance with and subject to BSCP31.

4.5.3 The CRA shall in accordance with BSCP31 validate and process an application to register a Trading Unit.

4.5.4 Registration of a Trading Unit will be effective on and from the later of:

(a) the date specified by the applicants pursuant to paragraph 4.5.1(b)(iv), and

(b) the date on which all of the requirements specified for such effectiveness in BSCP31 have been satisfied.

4.6 Withdrawal

4.6.1 The Lead Party of any relevant BM Unit which belongs to a Trading Unit (other than a Sole Trading Unit) may terminate the registration of the Trading Unit by giving notice to the CRA and each of the Lead Parties for other relevant BM Units belonging to the Trading Unit, specifying the Trading Unit and the date with effect from which such registration is to be terminated.

4.6.2 Notice of termination of the registration of the Trading Unit shall be given in accordance with and subject to BSCP31.

4.6.3 Termination of the registration of the Trading Unit shall be effective from later of the date specified in the notice of termination and the date (in accordance with BSCP31) on which the CRA processes the notice.

4.6.4 With effect from the termination of the registration of a Trading Unit, each of the BM Units belonging to the Trading Unit shall belong to a Sole Trading Unit, except to the extent to which one or more different Trading Units, including any of such relevant BM Units, have been established and registered in accordance with this paragraph 4.

4.6.5 Where a relevant BM Unit belongs to a Sole Trading Unit, it shall automatically cease to do so upon the registration of any other Trading Unit to which it belongs.

4.6.6 If at any time ~~the Panel~~BSCCo determines that the relevant BM Units belonging to a Trading Unit no longer satisfy the requirements on the basis of which the Trading Unit was originally accepted ~~by the Panel~~, the registration of the Trading Unit shall be terminated.

4.6.7 The Lead Party of each BM Unit belonging to a Trading Unit shall forthwith notify ~~the Panel~~BSCCo if the BM Units belonging to a Trading Unit no longer satisfy the requirements referred to in paragraph 4.6.6.

4.7 Base Trading Units

4.7.1 There shall automatically be established a Trading Unit (a "**Base Trading Unit**") in respect of each GSP Group.

4.7.2 Subject to paragraph 4.7.3:

(a) each Supplier BM Unit shall automatically belong to the Base Trading Unit for the relevant GSP Group; and

(b) each Exempt Export BM Unit in a GSP Group shall automatically belong to the Base Trading Unit for that GSP Group.

4.7.3 The Lead Party of an Exempt Export BM Unit may, by notice in writing to the CRA and BSCCo in accordance with (and with effect as specified in) BSCP31, elect that the BM Unit shall not belong to the applicable Base Trading Unit, in which case the Trading Unit to which such BM Unit belongs shall be determined in accordance with paragraphs 4.2 to 4.6 (or where applicable paragraph 4.1.3).

4.7.4 The Lead Party of an Exempt Export BM Unit may, by notice in writing to the CRA and BSCCo in accordance with (and with effect as specified in) BSCP31, withdraw an election under paragraph 4.7.3.

5. INTERCONNECTORS

5.1 General

5.1.1 The provisions of this paragraph 5 apply in relation to each Interconnector, in addition to and (to the extent in conflict with) in substitution for the other provisions of this Section K.

5.1.2 In accordance with paragraph 1.4, the Interconnected System Operator shall inform the CRA and the CRA will maintain a record of the Interconnector Boundary Point(s) for each Interconnector.

5.2 Derogation

5.2.1 If, in relation to a Distribution Interconnector:

(a) a Party other than the relevant Distribution System Operator has made a request to ~~the Panel~~BSCCo to be treated as responsible for Exports and Imports at such Interconnector;

(b) ~~the Panel~~BSCCo, after making reasonable enquiries of the circumstances giving rise to such request, has approved such request and has not withdrawn its approval;

(c) that Party has complied with the requirements of paragraph 1.2.1,

then for so long as that Party continues to be the Registrant of the relevant CVA Metering System(s), and until and unless the approval of ~~the Panel~~BSCCo is withdrawn, the further provisions of this paragraph 5 (other than paragraphs 5.2.2 and 5.2.3) shall not apply in relation to that Interconnector, and such Party shall be allocated a single BM Unit in respect of such CVA Metering System(s) (which shall not be an Interconnector BM Unit).

5.2.2 Where and for so long as the further provisions of this paragraph 5 do not apply to a Distribution Interconnector by virtue of paragraph 5.2.1, the provisions of Section R shall apply to that Interconnector as if it were a BM Unit as referred to in Section R1.1.1(a) and not an Interconnector.

5.2.3 Any Party may:

(a) at any time request ~~the Panel~~BSCCo to consider whether to withdraw its approval of a request under paragraph 5.2.1(a); and

(b) where (following such request) ~~the Panel~~BSCCo decides not to withdraw such approval, if such Party wishes the matter to be determined by the Authority, refer to the Authority the question whether the provisions of this paragraph 5 should apply in relation to that Interconnector.

5.3 Registration of Metering Systems

5.3.1 For each Interconnector, the Interconnected System Operator shall be required:

(a) to install, maintain and operate (or procure the same) Metering Equipment pursuant to paragraph 1.2.1(a), and

(b) to register Metering System(s) pursuant to paragraph 1.2.1(b),

and accordingly (subject to its complying with those requirements) shall be the Registrant of such Metering System.

5.3.2 Accordingly, but only to the extent of the obligations under paragraphs 1.2.1(a) and (b), the Interconnected System Operator shall be treated as the Party responsible for Exports and Imports at an Interconnector Boundary Point.

5.3.3 Paragraph 2.2 (excluding paragraph 2.2.4(h)) shall apply in relation to the registration of the related Metering Systems in CMRS.

5.4 Appointment of Interconnector Administrator and Interconnector Error Administrator

5.4.1 No Party may Export or Import at an Interconnector Boundary Point unless there is an Interconnector Error Administrator appointed and registered in CRS in relation to the Interconnector.

5.4.2 The Interconnected System Operator shall not energise a new Interconnector until an Interconnector Administrator and an Interconnector Error Administrator is appointed and registered in CRS.

5.4.3 Subject to the requirements of any Licence, a Party shall be appointed as Interconnector Administrator and/or Interconnector Error Administrator in relation to an Interconnector by notice given by the Interconnected System Operator to BSCCo and the CRA, accompanied by that Party's consent to act and application to be registered as such; and such appointment and registration shall be effective from the later of:

(a) the effective date specified in such notice, and

(b) the day following that on which BSCCo confirms to the CRA that such notice and consent have been given.

5.4.4 In relation to any Interconnector:

(a) without prejudice to Section H3, a Party may not resign or withdraw its consent to act as Interconnector Administrator or Interconnector Error Administrator, and

(b) the Interconnected System Operator may not withdraw or terminate the appointment of a Party as Interconnector Administrator or Interconnector Error Administrator,

unless and until another Party has been appointed and registered as such in its place.

5.4.5 If, in relation to an Interconnector, for any reason:

(a) the Party for the time being appointed as Interconnector Error Administrator ceases to be a Party, or the registration of the Party appointed as Interconnector Error Administrator is removed pursuant to Section H3.2, or

(b) otherwise at any time there is no Party so appointed,

the Interconnected System Operator shall:

(c) within thirty days thereafter, either:

(i) appoint itself as Interconnector Error Administrator; or

(ii) subject to paragraph 5.4.8, de-energise the Interconnector; and

(d) pending one or other of the steps referred to in paragraph (c), assume the responsibilities of the Interconnector Error Administrator for the purposes of the Code.

5.4.6 If, in relation to an Interconnector, for any reason:

(a) the Party for the time being appointed as Interconnector Administrator ceases to be a Party, or

(b) otherwise at any time there is no Party so appointed, or

(c) the Interconnector Administrator is in Default (as defined in Section H3.1), or

(d) the Interconnected System Operator becomes the Interconnector Error Administrator pursuant to paragraph 5.4.5,

the BM Unit Metered Volumes for the Interconnector BM Units of any relevant Interconnector User shall be set to zero by the SAA (and, accordingly, the Interconnector Metered Volume shall be attributed to the relevant Interconnector BM Unit of the Interconnector Error Administrator in accordance with Section T4.1) until and unless a replacement Interconnector Administrator or Interconnector Error Administrator (as the case may be) is appointed and registered in accordance with the provisions of paragraph 5.4.3 or (as the case may be) the Interconnector Administrator ceases to be in Default.

5.4.7 BSCCo shall notify the SAA if and when any of the circumstances described in paragraph 5.4.6 occur.

5.4.8 In relation to paragraph 5.4.5(c)(ii):

(a) the NETSO may only de-energise the Interconnector with the approval of ~~the Panel~~BSCCo and with the approval, in relation to an Interconnector connected to an External System in the National Electricity Transmission System Operator Area, of the Authority or, in relation to an Interconnector connected to an External System outside the National Electricity Transmission System Operator Area, of the Secretary of State;

(b) subject to paragraph (a), each Party hereby consents to such de-energisation;

(c) each relevant Interconnector User shall indemnify and keep indemnified the Interconnected System Operator on demand against any and all liability, loss or damage which it may suffer by reason of effecting such de-energisation (but without prejudice to any agreement or arrangement between the relevant Interconnector Users and the Interconnected System Operator outside the terms of the Code in respect of such matters).

5.4.9 For the purposes of this paragraph 5.4, a "relevant Interconnector User" means an Interconnector User with Interconnector BM Units associated with the Interconnector in question.

5.5 Interconnector BM Units

5.5.1 For the purposes of the Code, an "**Interconnector BM Unit**" is a notional BM Unit associated with an Interconnector; and (except in paragraph 3.1 and unless otherwise provided or the context otherwise requires) an Interconnector BM Unit shall be treated as a BM Unit for all purposes of the Code.

5.5.2 The Interconnector Error Administrator shall, upon its appointment as such becoming effective, automatically be allocated (and registered in respect of) two Interconnector BM Units in accordance with paragraph 5.5.5.

5.5.3 Any Trading Party may apply to register Interconnector BM Units in relation to an Interconnector, and paragraphs 3.2.3 to 3.2.8 shall apply in relation to such application and registration, subject as follows:

(a) the Party shall identify the Interconnector in its registration application;

(b) the requirement (to identify the associated Metering Systems) in paragraph 3.2.3(d) shall not apply;

(c) the requirements referred to in paragraph 3.2.6 shall be replaced by the requirements in paragraph 5.5.4.

5.5.4 The requirements are that:

(a) the Interconnected System Operator is Registrant of the related Metering Systems (and such registration is effective in accordance with paragraph 2.2.5);

(b) a Party or Parties are registered as Interconnector Administrator and Interconnector Error Administrator and such registrations are effective in accordance with paragraph 5.4.3.

5.5.5 Each Party who registers Interconnector BM Units in relation to any Interconnector will be allocated (and registered in respect of) two Interconnector BM Units designated as a Production BM Unit and a Consumption BM Unit respectively.

5.5.6 In relation to the NETSO:

(a) where the NETSO is appointed (other than pursuant to paragraph 5.4.5) as Interconnector Error Administrator in respect of an Interconnector, the Interconnector BM Units allocated to the NETSO pursuant to paragraph 5.5.2 for that Interconnector shall be associated with the corresponding TC (IEA) Energy Accounts for that Interconnector;

(b) any other BM Units allocated to the NETSO (under paragraph 5.5.2 or Section R7.5.2) shall be associated with the corresponding TC (Non-IEA) Energy Accounts,

and, for the avoidance of doubt, the NETSO shall apply for and hold the TC (Non-IEA) Energy Accounts in accordance with Section A.

5.6 Demand Capacity and Generation Capacity

5.6.1 In relation to a Production Interconnector BM Unit, Generation Capacity shall be determined under paragraph 3.4.8(a) and the value of Demand Capacity shall at all times be zero.

5.6.2 In relation to a Consumption Interconnector BM Unit, Demand Capacity shall be determined under paragraph 3.4.8(b) and the value of Generation Capacity shall at all times be zero.

5.7 Trading Units

5.7.1 An Interconnector BM Unit that is associated with an Interconnector that has Boundary Points at more than one Site may not belong to a Trading Unit other than a Sole Trading Unit.

6. REGISTRATION

6.1 Central Registration Service

6.1.1 The CRA shall:

(a) establish, maintain and operate the CRS;

(b) receive (from Parties, Party Agents, other BSC Agents, BSCCo or others), validate and (if required) process:

(i) applications for registration in CRS, and

(ii) data which is required to be maintained in the CRS, including data relating to Parties, Party Agents, Qualified Persons, BM Units and Trading Units;

and maintain and from time to time update and amend such registrations and data; and

(c) send data from the CRS to Parties, Party Agents, other BSC Agents, BSCCo and others

subject to and in accordance with the requirements of the Code and applicable BSC Procedures.

6.1.2 The CRA shall provide or make available registration data from CRS as follows:

(a) the CRA shall provide each day to the SAA, FAA, ECVAA, NETSO, each Interconnector Administrator and BSCCo, the full registration data in CRS;

(b) the CRA shall provide each day to the BMRA BM Unit registration data;

(c) the CRA shall notify to the SVAA in accordance with BSCP15 details of the Supplier BM Units registered by each Supplier;

(d) the CRA shall notify to the SVAA in accordance with BSCP15 details of the Secondary BM Units registered by each Virtual Lead Party or Virtual Trading Party;

(e) the CRA shall make available to each Party in accordance with BSCP65 details of that Party's registrations in CRS: and

(f) the CRA shall provide to the SAA details of each CVA BM Unit submitted as part of an EMR CVA BM Unit Declaration.

6.2 Central Meter Registration Service

6.2.1 In relation to the CMRS:

(a) the CRA and the CDCA shall establish, maintain and operate the CMRS;

(b) the CRA shall receive (from Parties or Party Agents), validate and process applications for registration of Metering Systems in CMRS and allocate an identification number to each such Metering System, and maintain and from time to time update and amend such registrations and data;

(c) the CDCA shall receive (from Parties or Party Agents), validate and process applications for registration of data relating to Metering Systems which is required to be maintained by the CDCA in CMRS, and maintain and from time to time update and amend such registrations and data;

(d) the CRA and the CDCA shall send data from the CMRS to Parties, Party Agents, other BSC Agents, BSCCo and others

subject to and in accordance with the requirements of the Code and applicable BSC Procedures.

6.2.2 The CRA shall provide or make available registration data from CMRS as follows:

(a) the CRA shall provide each day to the NETSO and BSCCo the identity of each Metering System registered in CMRS and its Registrant;

(b) the CRA shall make available to each Party in accordance with BSCP65 details of that Party's registrations in CMRS.

6.3 EMR CVA BM Unit Declarations

6.3.1 Where the Registrant of a Metering System that has been registered in CMRS (a "CVA BM Unit") pursuant to 2.1.1(b) wishes to exclude the Import associated with that Metering System from the calculation by the EMRS of the Registrant's Final Consumption Levies, the Registrant should register the CVA BM Unit relating to that CVA Metering System by submitting an **"EMR CVA BM Unit Declaration"** in accordance with BSCP15.

7. FAILING SUPPLIER PROCESS

7.1 Transfer of responsibility

7.1.1 For the purposes of the Code:

(a) "**Supplier of Last Resort**" means, in relation to a BM Unit comprising or including premises of one or more Customers, the Trading Party to which a last resort direction is issued by the Authority in respect of those premises;

(b) "**last resort direction**" has the meaning given to that term in each Supply Licence;

(c) "**Transferee**" means, in relation to a BM Unit, the Trading Party identified as the transferee for that BM Unit in a notice which is given and takes effect pursuant to and in accordance with paragraph 7.2;

(d) the "**Affected BM Units**" are:

(i) in relation to a Supplier of Last Resort, the BM Unit(s) comprising or including premises in respect of which the last resort direction is made and, where applicable, any related BM Units referred to in paragraph 7.3.3;

(ii) in relation to a Transferee, the BM Unit(s) specified in the notice given pursuant to paragraph 7.2 in respect of that Transferee and, where applicable, any related BM Units referred to in paragraph 7.3.3;

and, in each case, an "**Affected BM Unit**" shall be a particular one of them.

(e) "**Replacement Supplier**" means, in relation to an Affected BM Unit:

(i) the Supplier of Last Resort; or

(ii) the Transferee,

as the case may be;

(f) "**failing Supplier**" means:

(i) in relation to a Supplier of Last Resort, the other supplier (as defined in the Supply Licence of the Supplier of Last Resort); and

(ii) in relation to a Transferee, the Lead Party giving (and entitled to give) the notice referred to in paragraph 7.2.1;

(g) the "**Appointment Day**" means:

(i) in relation to a Supplier of Last Resort (and, where applicable, an Affected BM Unit), the day when the relevant last resort direction takes effect pursuant to the Supply Licence of the Supplier of Last Resort;

(ii) in relation to a Transferee (and, where applicable, an Affected BM Unit), the day next following the day on which the relevant notice referred to in paragraph 7.2 is received by BSCCo; and

(h) references to the 'appointment' of a Replacement Supplier are:

(i) in the case of a Supplier of Last Resort, to the issue of a last resort direction to the relevant Trading Party;

(ii) in the case of a Transferee, to the giving of a notice to BSCCo pursuant to paragraph 7.2 identifying the relevant Trading Party as the transferee,

and derivative terms shall be construed accordingly.

7.1.2 The provisions of this paragraph 7 apply on the appointment of a Replacement Supplier for the purposes of recognising and giving effect, under the Code, to the transfer of responsibility for Exports and Imports of Plant and Apparatus comprised in Affected BM Unit(s) from the failing Supplier to the Replacement Supplier.

7.1.3 Without prejudice to Section N6.10, where a Replacement Supplier is appointed, then in respect of each Affected BM Unit:

(a) such Replacement Supplier shall be treated for the purposes of the Code (notwithstanding any other provision of this Section K but subject to the further provisions of this paragraph 7) as becoming:

(i) responsible for Exports and Imports of the Plant and Apparatus comprised in that BM Unit;

(ii) the Registrant in respect of all Metering Systems associated with that BM Unit (and, for the purposes only of the Code, as having appointed

and registered the Party Agents of the failing Supplier in respect of such Metering Systems, and otherwise as having complied with any conditions to the appointment or registration thereof, in accordance with the provisions of the Code); and

(iii) subject to the obligations and liabilities and entitled to the rights and benefits (including in respect of Trading Charges and BSCCo Charges) related to or connected with those Metering Systems and Exports and Imports of that Plant and Apparatus; and

(b) the relevant failing Supplier shall be treated for the purposes of the Code (notwithstanding any other provision of this Section K but subject to the further provisions of this paragraph 7) as ceasing to be:

(i) responsible for Exports and Imports of the Plant and Apparatus comprised in that BM Unit;

(ii) the Registrant in respect of all Metering Systems comprised in that BM Unit; and

(iii) subject to the obligations and liabilities and entitled to the rights and benefits (including in respect of Trading Charges and BSCCo Charges) related to or connected with those Metering Systems and Exports and Imports of that Plant and Apparatus,

in each case, with effect from the time and date when the transfer of responsibility resulting from such appointment is deemed to take effect in accordance with paragraph 7.1.4 and in respect of each Settlement Period on and after such time, and the provisions of the Code shall be construed accordingly.

7.1.4 The transfer of responsibility resulting from the appointment of a Replacement Supplier shall be deemed to take effect, for the purposes of the Code:

(a) in the case of a Supplier of Last Resort, from 00.00 hours on the Appointment Day;

(b) in the case of a Transferee, from the time and date specified in the relevant notice given pursuant to paragraph 7.2.1 and in accordance with the further provisions of paragraph 7.2,

(such time and date being referred to in the Code as the "**Replacement Supplier Transfer Date**").

7.1.5 The transfer of responsibility in respect of Exports and Imports of Plant and Apparatus comprised in Affected BM Units from the failing Supplier to the Replacement Supplier pursuant to this paragraph 7.1 shall be without prejudice to and shall not affect:

(a) the rights and liabilities of the failing Supplier under the Code relating to or connected with such BM Units (or Metering Systems associated with such BM Units), including in respect of Trading Charges (including Reconciliation Charges and Ad-hoc Trading Charges) and BSCCo Charges, accrued or accruing in respect of the period prior to the Replacement Supplier Transfer Date;

(b) the rights and liabilities of the failing Supplier under the Code relating to or connected with any other BM Units or Metering Systems for which the failing Supplier is responsible, including in respect of Trading Charges (including Reconciliation Charges and Ad-hoc Trading Charges) and BSCCo Charges,

accrued or accruing in respect of the period on, before or after the Replacement Supplier Transfer Date.

7.1.6 For the avoidance of doubt, nothing in this paragraph 7 shall affect:

(a) any Energy Contract Volume Notifications for which the failing Supplier is a Contract Trading Party;

(b) any Metered Volume Reallocation Notifications for which the failing Supplier is the Subsidiary Party,

whether submitted or submitted in respect of a period on, before or after the Replacement Supplier Transfer Date, and any such Energy Contract Volume Notifications or Metered Volume Reallocation Notifications validly submitted in accordance with Section P shall apply and be taken into account in Settlement, subject to and in accordance with the other provisions of the Code, for the purposes of determining any liability or entitlement of the failing Supplier in respect of Trading Charges.

7.1.7 The provisions of paragraph 7.1.3 are without prejudice to the obligations of the Replacement Supplier and the failing Supplier contained in paragraph 7.6.

7.1.8 The provisions of this paragraph 7.1 shall apply for the purposes of Settlement under the Code notwithstanding any other provisions in any Core Industry Document.

7.1.9 Where a last resort direction is issued to a Trading Party, such Trading Party shall forthwith send a copy of the last resort direction to BSCCo, and BSCCo shall send a copy thereof to each other Party.

7.1.10 Until and unless each Supply Licence requires the holder of that Supply Licence to comply with a direction of the Authority to supply electricity to customers of the holder of another Supply Licence upon revocation of that other Supply Licence:

(a) references in this paragraph 7 to a Supplier of Last Resort shall be to the Trading Party which has consented, at the request of the Authority, to supply electricity to customers at premises upon revocation of the Supply Licence of another Trading Party which was supplying such customers immediately prior to revocation; and

(b) in relation to the Supplier of Last Resort, references in this paragraph 7:

(i) to the Affected BM Unit(s) are to the BM Unit(s) comprising or including the premises in respect of which such Trading Party so consents to supply electricity and, where applicable, any related BM Units referred to in paragraph 7.3.3;

(ii) to the Appointment Day are to the day when such Trading Party commences that supply of electricity (under a contract made or deemed, by virtue of schedule 6A of the Act, to have been made with the relevant customer(s)); and

(iii) to the failing Supplier are to the Trading Party which was responsible for the supply of electricity in respect of such premises immediately prior to such day and whose Supply Licence is revoked.

7.2 Trade Sales

7.2.1 Where, in relation to a Lead Party:

(a) one or more of the events referred to in Section H3.1.1(g)(iii), (iv), (v) or (vi) occurs; or

(b) BSCCo determines that one or more of the events referred to in Section H3.1.1(g)(i) or (ii) has occurred,

such Lead Party may give notice to BSCCo that it intends to transfer to another Trading Party its interests in respect of the provision of electrical power to Customers and/or the receipt of electrical power from Generating Plant (such transfer being referred to as the "**relevant transfer**").

7.2.2 A notice given pursuant to paragraph 7.2.1 shall:

(a) be in writing;

(b) identify:

(i) subject to paragraph 7.2.3, the BM Unit(s) of the Lead Party in respect of which the relevant transfer is to take place;

(ii) the transferee, being the Trading Party to which the relevant transfer is to be made;

(iii) subject to paragraph 7.2.4, the date with effect from which the relevant transfer is to be made;

(iv) subject to paragraph 7.2.5, the time with effect from which the relevant transfer is to be made; and

(c) be signed by or on behalf of both the Lead Party issuing such notice and the Trading Party identified in such notice as the transferee.

7.2.3 A relevant transfer:

(a) may relate to Plant and Apparatus (of the relevant Customer(s) and/or generator(s), as the case may be) associated with one or more BM Units but may not relate to part only of the Plant and Apparatus associated with a BM Unit;

(b) may not include BM Units comprising only Generating Plant (except where the Generating Plant is owned or operated by a SVA Generator) or associated only with an Interconnector.

7.2.4 For the purposes of the Code, the date with effect from which a relevant transfer is to take effect:

(a) may not be earlier than the date of a Settlement Day to be determined at the time by BSCCo such that the transfer of responsibility pursuant to this paragraph 7 can be taken into account for the purposes of the Initial Settlement Run to be carried out for that Settlement Day;

(b) may not be later than the Appointment Day.

7.2.5 Unless otherwise agreed in advance by BSCCo, the time with effect from which a relevant transfer is to take effect, for the purposes of the Code, is 00.00 hours on the date with effect from which such relevant transfer is to take effect in accordance with paragraph 7.2.4.

7.2.6 Without prejudice to the provisions of paragraphs 7.2.3, 7.2.4 and 7.2.5 as they apply for the purposes of the Code, those provisions shall not affect or limit the terms and conditions upon which a relevant transfer is to be made as between the parties to the relevant transfer.

7.2.7 For the avoidance of doubt:

(a) a notice may not be given pursuant to paragraph 7.2.1 (and any notice given shall not take effect) in respect of premises for which a Trading Party is appointed as the Supplier of Last Resort (in the same set of circumstances);

(b) where a Lead Party intends to transfer its interests to more than one Trading Party, a separate notice shall be required under paragraph 7.2.1 for each relevant transfer.

7.2.8 BSCCo shall send a copy of any notice given pursuant to paragraph 7.2.1 to the Authority, each Party and the CRA.

7.3 Establishment of BM Units

7.3.1 The provisions of this paragraph 7.3~~agraph 7.3~~ apply in relation to an Affected BM Unit where a Trading Party becomes, for the purposes of the Code, the Replacement Supplier in respect of that BM Unit.

7.3.2 Where this paragraph 7.3~~agraph 7.3~~ applies, the CRA shall establish a BM Unit (a "**Replacement Supplier BM Unit**") for which the Replacement Supplier is the Lead Party corresponding to each Affected BM Unit in respect of which the relevant Trading Party becomes the Replacement Supplier as soon as reasonably practicable after the appointment of such Replacement Supplier.

7.3.3 Where a Replacement Supplier is appointed in respect of an Affected BM Unit which is a Base BM Unit of the failing Supplier, such Replacement Supplier shall also assume responsibility for the Generating Plant comprised in any BM Unit of the failing Supplier in the same GSP Group which comprises only Generating Plant of a SVA Generator, unless responsibility for such Generating Plant is otherwise assumed at the time by another Replacement Supplier.

7.3.4 Unless the context otherwise requires, references to BM Units in the Code shall include Replacement Supplier BM Units.

7.3.5 The establishment of Replacement Supplier BM Unit(s) pursuant to paragraph 7.3.2 shall take effect on and from the Replacement Supplier Transfer Date.

7.3.6 Each Replacement Supplier BM Unit established pursuant to paragraph 7.3.2 shall be configured in the same way and have the same attributes as the Affected BM Unit of the failing Supplier to which it corresponds, including:

(a) the Generation Capacity and the Demand Capacity;

(b) the Credit Assessment Load Factor;

(c) (where applicable) the CVA Metering Systems associated with that BM Unit;

(d) (where applicable) the GSP Group in which that BM Unit is situated;

(e) (where applicable) the status of that BM Unit as a Base BM Unit or an Additional BM Unit;

(f) (where applicable) the SVA Metering Systems associated with that BM Unit;

(g) the P/C Status;

(h) (where applicable) the Aggregation Rules;

(i) the Trading Unit to which that BM Unit belongs;

(j) not used;

(k) whether that BM Unit is considered a relevant BM Unit for the purposes of Section Q,

but without prejudice to the Replacement Supplier's rights and obligations to revise such configuration and attributes, or otherwise to the revision of such configuration and attributes, from time to time pursuant to any other provision of the Code.

7.3.7 Where a Replacement Supplier is appointed in respect of Plant or Apparatus which is subject to a Shared SVA Meter Arrangement, then notwithstanding any provisions to the contrary in paragraph 2.5:

(a) references in this paragraph 7 to Metering Systems associated with a BM Unit shall include the Shared SVA Metering System;

(b) the transfer of responsibility under this paragraph 7 shall apply in respect of Exports and Imports associated with the SVA Metering System Number(s) of the failing Supplier;

(c) the Allocation Schedule prevailing immediately prior to the Appointment Day shall continue to apply and to bind the Replacement Supplier and the other Supplier(s) (not being the failing Supplier) to the Shared SVA Meter Arrangement;

(d) the Replacement Supplier shall assume the status previously held by the failing Supplier as the Primary Supplier or a Secondary Supplier (as the case may be);

(e) the provisions of paragraph 7.6.7 shall apply.

7.4 Effect of establishment of Replacement Supplier BM Units

7.4.1 The establishment of a Replacement Supplier BM Unit pursuant to paragraph 7.3 shall be treated, for the purposes of the Code, as if:

(a) that new BM Unit had been registered (comprising the same Metering Systems as those comprised in the corresponding BM Unit of the failing Supplier) by the Replacement Supplier with effect from the Replacement Supplier Transfer Date; and

(b) the registration of the corresponding BM Unit of the failing Supplier had been cancelled by the failing Supplier with effect from such date.

7.4.2 Without prejudice to the generality of paragraph 7.4.1 and subject to the further provisions of this paragraph 7, in respect of each Settlement Period on and after the Replacement Supplier Transfer Date:

(a) the BM Unit Metered Volumes of the Affected BM Unit to which a Replacement Supplier BM Unit corresponds shall be allocated to the Replacement Supplier BM Unit; and

(b) such BM Unit Metered Volumes shall not be allocated or treated as allocated to the Affected BM Unit to which such Replacement Supplier BM Unit corresponds,

for the purposes of Section T.

7.4.3 Notwithstanding paragraph 7.4.1, in respect of each Settlement Period during the period (if any) between the Replacement Supplier Transfer Date and the Appointment Day:

(a) each MVRNA Authorisation of the failing Supplier relating to an Affected BM Unit, which is effective for such period in accordance with Section P, shall be treated as effective for that period in relation to the Replacement Supplier and the Replacement Supplier BM Unit to which the Affected BM Unit corresponds;

(b) each Metered Volume Reallocation Notification of the failing Supplier (as Lead Party) relating to an Affected BM Unit shall be treated as relating to the Replacement Supplier BM Unit to which it corresponds and to the Replacement Supplier (as Lead Party) instead, and shall be taken into account for the purposes of Settlement accordingly;

(c) each data item submitted by the failing Supplier or established by the NETSO under, and each action taken in pursuance of and as contemplated by Section Q, in relation to an Affected BM Unit shall be treated as applying to or taken in relation to the Replacement Supplier BM Unit to which the Affected BM Unit corresponds and (where applicable) submitted by the Replacement Supplier instead, and shall be taken into account for the purposes of Settlement accordingly,

provided that (for the avoidance of doubt) any Metered Volume Reallocation Notifications and any data item as referred to in paragraph (c) submitted or purportedly submitted by or on behalf of the failing Supplier (as Lead Party) relating to the Affected BM Units in respect of any period on or after the Appointment Day (whether submitted before, on or after the date when the registration of such Affected BM Units is treated as cancelled pursuant to paragraph 7.4.1) shall, by virtue of paragraph 7.4.1, be void and of no effect and shall not be applied to the Replacement Supplier BM Units to which they correspond.

7.4.4 The provisions of Section M3.4.6 shall apply.

7.4.5 Without prejudice to the obligations of the Replacement Supplier in paragraph 7.6, a Replacement Supplier shall not be considered to be in breach of any provision of the Code relating to Metering Systems (and/or Party Agents deemed to be appointed and registered by it pursuant to paragraph 7.1.3(a)(ii)) to the extent that, during the period between the Replacement Supplier Transfer Date and the relevant Replacement Supplier Registration Date, the Replacement Supplier is unable to comply or take steps to comply with such provision by reason (only) of the fact that it is not formally registered in CMRS or SMRS (as the case may be) as the Registrant of Metering System(s) for which it is deemed to be the Registrant by virtue of paragraph 7.1.3(a)(ii), including the provisions of:

(a) Section J5; and

(b) Section O3.2

provided that this paragraph 7.4.5 shall not relieve the Replacement Supplier of liability under Section S3.2 and Annex S-1 in relation to such Metering Systems.

7.4.6 The Replacement Supplier shall not be entitled to:

(a) allocate SVA Metering Systems comprised in a Replacement Supplier BM Unit to Additional BM Units, in accordance with Section S6, or otherwise change the allocation of a SVA Metering System to a Replacement Supplier BM Unit until the relevant Replacement Supplier Registration Date for that Metering System;

(b) change the status (as a Base BM Unit or Additional BM Unit) of Replacement Supplier BM Units with which SVA Metering Systems are associated.

7.4.7 Without prejudice to paragraph 7.1.3, the failing Supplier shall remain registered in CMRS or SMRS (as the case may be) in respect of each Metering System associated with the Replacement Supplier BM Unit until the earlier of the relevant Replacement Supplier Registration Date and the date when another Trading Party becomes registered, for the purposes of and in accordance with the Code, in respect of such Metering System.

7.4.8 For the avoidance of doubt, the deemed appointment and registration of Party Agents pursuant to paragraph 7.1.3(a)(ii) applies for the purposes of the Code only and shall not create, affect or change any relationship between the failing Supplier or the Replacement Supplier and those (or any other) Party Agents.

7.5 Data

7.5.1 For the purposes of any provisions in the Code relating to the ownership and use of data (including Section L5), the rights of the failing Supplier in respect thereof, as they relate to the Affected BM Units for which a Trading Party becomes the Replacement Supplier, shall apply to the Replacement Supplier as if it were the actual Registrant of the relevant Metering Systems with effect from the Replacement Supplier Transfer Date, and:

(a) any such rights shall automatically be assigned by the failing Supplier to the Replacement Supplier with effect from and in respect of the period on and after the Replacement Supplier Transfer Date; or

(b) to the extent that it is not possible legally to assign such rights as provided in paragraph (a), the failing Supplier shall make such data available to the Replacement Supplier at all times on terms such that the Replacement Supplier is free to use such data as if the data had been so assigned to it.

7.5.2 The failing Supplier shall take all reasonable steps to co-operate with the Replacement Supplier to give effect to the transfer of responsibility contemplated by this paragraph 7 and to enable the Replacement Supplier to comply with its obligations hereunder.

7.5.3 Without prejudice to the generality of paragraph 7.5.2, the failing Supplier shall provide the Replacement Supplier with such records, data and information and otherwise take such steps as if, in relation to each Metering System associated with the Affected BM Units, a change of Registrant (from the failing Supplier to the Replacement Supplier) had occurred on the Replacement Supplier Transfer Date.

7.5.4 The failing Supplier shall have a right of access to any records, data and information referred to in this paragraph 7.5 to the extent required by the failing Supplier for the purposes of the Code in relation to any period prior to the Replacement Supplier Transfer Date.

7.5.5 Each SMRA shall, in accordance with BSCP501, provide the Replacement Supplier with such records, data and information that it holds in respect of the Metering Systems for which the failing Supplier was Registrant.

7.6 Obligation to register Metering Systems

7.6.1 Subject to paragraph 7.6.6, each Replacement Supplier shall take such steps as may be necessary:

(a) to effect, in accordance with the provisions of paragraph 2, the registration of Metering Systems (or, in the case of a Shared SVA Meter Arrangement, the Shared SVA Metering System with the relevant SVA Metering System Number) treated, for the purposes of this paragraph 7, as associated with its Replacement Supplier BM Unit(s);

(b) to effect the appointment and registration of Party Agents in relation to those Metering Systems; and

(c) otherwise to comply with the provisions of the Code, including Section J, Section L, Section R and Section S, relating to the registration of Metering Systems and Party Agents.

7.6.2 The Replacement Supplier shall take the steps referred to in paragraph 7.6.1 as soon as reasonably practicable after the Appointment Day and, in any event, within three months after the Appointment Day.

7.6.3 The failing Supplier shall take such steps as may be required under the Code in order to permit the Replacement Supplier to become registered as the Registrant in respect of the Metering Systems referred to in paragraph 7.6.1.

7.6.4 For the purposes of the Code, in respect of a Metering System associated with Plant or Apparatus comprised in an Affected BM Unit for which the Replacement Supplier becomes responsible pursuant to this paragraph 7, the date when the Replacement Supplier becomes registered in CMRS or CSS (as the case may be) as the Registrant in respect of that Metering System shall be referred to as the "**Replacement Supplier Registration Date**".

7.6.5 In the case of each SVA Metering System in a GSP Group comprised in a Replacement Supplier BM Unit, such Metering System shall with effect from the relevant Replacement Supplier Registration Date be associated with and comprised in the Base BM Unit of the Replacement Supplier (not being the Replacement Supplier BM Unit) for that GSP Group, subject to paragraph 7.6.6 and without prejudice to the rights of the Supplier under Section S6 from that date.

7.6.6 The obligation of the Replacement Supplier under paragraph 7.6.1 to become registered in respect of each Metering System associated with its Replacement Supplier BM Units is without prejudice and subject to the rights and obligations of another Trading Party under the Code to become registered in respect of any such Metering System, in accordance with the provisions of the Code and, where applicable, the REC, if such other Trading Party becomes responsible for Exports and Imports associated with such Metering System prior to the relevant Replacement Supplier Registration Date, in which case such Metering System shall cease to be associated with such Replacement Supplier BM Unit with effect from the effective date of registration by such other Trading Party.

7.6.7 In relation to a Shared SVA Meter Arrangement, if the Replacement Supplier and the other Supplier(s) (not being the failing Supplier) fail to reach agreement, prior to the deadline provided in paragraph 7.6.2, on the arrangements which are to apply as between themselves for the purposes of the Shared SVA Meter Arrangement, the provisions of paragraph 2.5.6 shall apply as if a Secondary Supplier had ceased to be the Secondary Supplier.

7.6.8 In the case of a relevant transfer made pursuant to paragraph 7.2, where the Lead Party transfers its interests in relation to all its BM Units (subject to paragraph 7.2.3) to a single Transferee:

(a) the provisions of this paragraph 7.6 shall not apply; and

(b) in relation to a Metering System associated with the relevant Replacement Supplier BM Unit:

(i) the reference in paragraphs 7.4.5 and 7.4.7 to the relevant Replacement Supplier Registration Date shall be to the date (if any) with effect from which the Transferee becomes registered, for the purposes of and in accordance with the provisions of paragraph 2, in respect of such Metering System; and

(ii) the provisions of paragraph 7.4.6 shall not apply.

8. CONFIGURATION AND REGISTRATION OF SECONDARY BM UNITS

8.1 Configuration of Secondary BM Units

8.1.1 A Secondary BM Unit shall comprise of Plant and Apparatus

(a) with which the Lead Party of that Secondary BM Unit may provide Balancing Services, and/or;

(b) in respect of which Deviation Volumes are to be determined.

8.1.2 A Secondary BM Unit must satisfy the following conditions:

(a) the Secondary BM Unit does not comprise of Plant and Apparatus whose Imports and Exports are measured by CVA Metering System(s);

(b) the Secondary BM Unit may only comprise of Plant and Apparatus whose Imports and Exports are measured by Half Hourly SVA Metering System(s) and/or flows to and from which are measured by an Asset Metering System;

(c) a Secondary BM Unit shall not have a Half Hourly SVA Metering System allocated to it which is allocated to one other Secondary BM Unit at the same time;

(d) a Secondary BM Unit may have an Asset Metering System allocated to it which is allocated to one other Secondary BM Unit at the same time, provided that the Asset Metering System is used solely for Asset Differencing in one of the Secondary BM Units it is allocated to; and

(e) the Secondary BM Unit does not comprise of Plant and Apparatus associated with Half Hourly SVA Metering Systems and/or Asset Metering Systems that are in more than one GSP Group.

8.1.3 A Secondary BM Unit shall be classified as a "Production" or a "Consumption" Secondary BM Unit (the applicable such classification at any time being referred to as the "**P/C Status**" of a Secondary BM Unit).

8.1.4 Other than Secondary BM Units registered by Virtual Trading Parties ("**Trading Secondary BM Units**"), in respect of which paragraph 8.1.10 shall apply, the Lead Party of a Secondary BM Unit shall make an election as to whether the P/C Status of that Secondary BM Unit is to be Production or Consumption:

(a) upon application to register the Secondary BM Unit pursuant to paragraph 8.2; and/or

(b) from time to time where the Lead Party wishes to change the P/C Status for such Secondary BM Unit,

in each case in accordance with BSCP15.

8.1.5 The Lead Party of a Trading Secondary BM Unit shall estimate and notify to the CRA, in relation to each BSC Season in each year (the "**relevant**" BSC Season), from time to time in accordance with paragraph 8.1.6, in good faith and as accurately as it reasonably can, what will be the Generation Capacity and Demand Capacity for that Trading Secondary BM Unit.

8.1.6 The Lead Party shall estimate and notify to the CRA amounts under paragraph 8.1.5:

(a) initially, at the time of registration of the Trading Secondary BM Unit under paragraph 8.2;

(b) not later than the time specified in BSCP15 in the BSC Season preceding the relevant BSC Season; and

(c) within such period after the criteria set out in paragraph 3.4.3 (but subject to paragraph 8.1.9(b)) have been met as is specified in paragraph 3.4.5, provided that the Lead Party shall have no obligation to submit a revised estimate of any such amount in circumstances where such criteria have been met as a result of the CRA notifying the Lead Party that the CRA has identified that either or both of the GC and DC Breach Monitoring Criteria have been met, pursuant to paragraph 3.4.7D(b).

8.1.7 The Lead Party of a Trading Secondary BM Unit may, up to twice in each BSC Season, (subject to paragraph 3.4.4), also estimate and notify to the CRA increases in the negative value of Deviation Volume with the maximum magnitude divided by SPD where the Lead Party becomes aware of or believes in good faith that such value will become greater than DC for the remainder of the BSC Season.

8.1.8 For each Trading Secondary BM Unit at any time:

(a) the "**Generation Capacity**" or "**GC**" shall be the amount determined as:

G / SPD

where G is the maximum positive Deviation Volume estimated under paragraph 8.1.5 for that BSC Season;

(b) the "**Demand Capacity**" or "**DC**" shall be the amount determined as:

D / SPD

where D is the maximum negative Deviation Volume estimated under paragraph 8.1.5 for that BSC Season;

(c) the Relevant Capacity is:

(i) if $GC_i + DC_i$ is greater than zero, GC_i ;

(ii) otherwise, DC_i .

8.1.9 In respect of Trading Secondary BM Units:

(a) paragraphs 3.4.4 to 3.4.7 shall apply mutatis mutandis; and

(b) the CRA shall carry out GC and DC Breach Monitoring in respect of Trading Secondary BM Units pursuant to paragraphs 3.4.7A to 3.4.7P provided that, for the purposes of monitoring Trading Secondary BM Units, paragraph 3.4 shall be interpreted as follows:

(i) references to BM Unit Metered Volumes, Metered Volumes and QM_{ij} shall be deemed to be references to Deviation Volumes; and

(ii) references to GC Limits and DC Limits shall be deemed to be references to the GC Limits and DC Limits applicable to Trading Secondary BM Units.

8.1.10 The P/C Status of a Trading Secondary BM Unit shall be:

(a) Production where the Relevant Capacity of that BM Unit is GC; or

(b) Consumption where the Relevant Capacity of that BM Unit is DC,

in each case where the Relevant Capacity is determined in accordance with paragraph 8.1.8

8.2 Registration of Secondary BM Units

8.2.1 Each Lead Party shall ensure that all Plant and Apparatus with which it intends to provide Balancing Services and/or Deviation Volumes are comprised in Secondary BM Units established and registered by it in compliance with this paragraph 8.2.

8.2.2 A Virtual Lead Party may apply to register a Secondary BM Unit by submitting a registration application to the CRA specifying:

(a) the identity of the applicant Lead Party;

(b) the GSP Group with which the Secondary BM Unit is to be associated;

(c) the date from which the applicant wishes the registration to be effective; and

(d) whether the BM Unit constitutes a Baselined BM Unit (provided that each Trading Secondary BM Unit must be a Baselined BM Unit).

8.2.3 An application to register a Secondary BM Unit shall be made in accordance with and subject to BSCP15.

8.2.4 Registration of a Secondary BM Unit will become effective, and the applicant will become the Lead Party of that Secondary BM Unit, on and from the later of:

(a) the date specified by the applicant pursuant to paragraph 8.2.2(c); and

(b) the date when registration is confirmed by BSCCo to the CRA in accordance with BSCP15.

8.2.5 The CRA shall validate and process applications for registration of a Secondary BM Unit in accordance with and subject to BSCP15.

8.2.6 The Lead Party of a Secondary BM Unit shall, in accordance with BSCP15, keep its registration up-to-date, by notifying the CRA of any change in any of the details contained in the registration, promptly upon any such change occurring.

ANNEX K-1 SUPPLIER METER REGISTRATION SERVICE

1. TERMS OF SERVICE

1.1 Provision of Supplier Meter Registration Service

1.1.1 This Annex, Section J1.3.2, J1.3.2A, Section S5.2 and BSCP501 set out the Supplier Meter Registration Service to be provided by each SMRA under the Code in respect of the Metering Points of the relevant Distribution System.

1.1.2 This Annex and BSCP501 set out the terms pursuant to which each LDSO shall, through its SMRA, deliver the Supplier Meter Registration Service including, inter alia:

(a) a description of the services to be provided by SMRAs under the Code;

(b) entry requirements in respect of the obligation to deliver and the right to receive the Supplier Meter Registration Service;

(c) terms relating to the availability of each SMRS;

(d) service levels and liquidated damages; and

(e) charging methodologies and payment and billing terms.

1.2 General

1.2.1 Any payments to be made pursuant to this Annex or BSCP501 shall be determined and paid in accordance with this Annex and BSCP501.

1.2.2 For the purposes of this Annex and BSCP501:

(a) where there is a reference to an obligation of a Data Aggregator such obligation shall be deemed to apply to the Supplier that is the Registrant of the Metering System in respect of which that Data Aggregator has been appointed, and each Supplier shall be required to procure compliance by that Data Aggregator with that obligation and such obligation may be enforced against the Supplier that has appointed that Data Aggregator; and

(b) where there is a reference to an obligation owed to a Data Aggregator from an LDSO or SMRA, that obligation shall be deemed to be owed to the Supplier that is the Registrant of the Metering System in respect of which that Data Aggregator has been appointed, and that Supplier may enforce that obligation.

1.2.3 Any reference in this Annex to the Service shall be a reference to the Supplier Meter Registration Service.

1.3 Service levels in relation to SMRAs

1.3.1 Each LDSO shall, without prejudice to its other obligations pursuant to Sections J, K and elsewhere, ensure that each SMRA for which it is responsible complies with the service levels set out in BSCP501.

1.3.2 Each LDSO and SMRA acknowledges that the service levels represent the minimum requirements to be achieved.

1.3.3 Subject to paragraphs 1.3.4 and 1.3.5, a SMRA shall not be liable to pay liquidated damages to BSCCo, Suppliers or Data Aggregators for a failure to comply with the service levels set

out in in BSCP501 to the extent that such failure results from or is caused directly by any event or circumstance beyond the reasonable control of the SMRA including:

(a) act of public enemy, war declared or undeclared, threat of war, terrorist act, blockade, revolution, riot, insurrection, civil commotion, public demonstration, sabotage or act of vandalism;

(b) strikes, lockouts or other industrial disturbances;

(c) lightning, storm, accumulation of snow or ice, earthquake, fire, flood or act of God;

(d) explosion, fault or failure of plant or machinery which (in each case) could not have been prevented by Good Industry Practice;

(e) governmental restraint, Act of Parliament, other legislation, by-law and Directive (not being any order, regulation or direction under Section 32, 33, 34 or 35 of the Act);

(f) a failure in the Managed Data Network, provided that the SMRA has first used reasonable endeavours to communicate with SVA data parties using a reasonable alternative method of communication,

("**SMRA Force Majeure**"), provided that this paragraph 1.3.3 is subject to compliance by the SMRA in all respects with the disaster recovery obligations set out in Party Service Line 100 and/or the relevant provisions of BSCP501.

1.3.4 Lack of funds shall not be interpreted as a circumstance beyond a SMRA's reasonable control.

1.3.5 A SMRA which is affected by SMRA Force Majeure shall:

(a) give immediate notice to BSCCo, Suppliers and Data Aggregators;

(b) use all reasonable endeavours to mitigate the impact of the SMRA Force Majeure and to remedy as soon as practicable its inability to perform; and

(c) provide notice to BSCCo, Suppliers and Data Aggregators within one Business Day of the SMRA Force Majeure being resolved or ceasing to apply.

1.3.6 The provisions of paragraph 1.3.5 shall be without prejudice to the disaster recovery obligations set out in Party Service Line 100 and/or the relevant provisions of BSCP501.

1.4 Obligations in relation to SMRS data

1.4.1 Without prejudice to any other provisions of the Code, each LDSO (including in its capacity as an SMRA) and Supplier shall comply with the data accuracy requirements in BSCP501.

1.4.2 Each SMRA and Supplier shall provide the Authority with such data as it may request in a defined format and timescale as agreed with the Authority.

1.4.3 Where requested by BSCCo, each SMRA and Supplier shall provide it with any data provided by that SMRA or Supplier pursuant to paragraph 1.4.2 in the format and timescale required pursuant to that paragraph.

1.5 Charges in relation to Supplier Meter Registration Service

1.5.1 Subject to paragraph 1.5.2, in relation to the provision of each of the Services referred to in Appendix 4.5 of BSCP501, the Supplier, Data Aggregator or BSCCo shall pay the LDSO the charges set out in its Condition 14 Statement, Condition 18 Statement or Condition 36 Statement, as appropriate. For the purposes of this Annex K-1, a "**Condition 14 Statement**", a "**Condition 18 Statement**" and a "**Condition 36 Statement**" means, in relation to each LDSO, the statements required in relation to charges for the time being in force pursuant to the referenced conditions of the Distribution Licence.

1.5.2 LDSOs shall not charge for any of the Services referred to in Appendix 4.5 of BSCP501 in circumstances where the provision of those Services arose as a result of its failure to achieve the service levels for that Service.

1.5.3 Where a LDSO is intending to revise the charges for Services, it shall give at least three months written notice to all Suppliers, Data Aggregators and BSCCo.

1.5.4 Charges for the provision of those Services not referred to in Appendix 4.5 of BSCP501 shall be recovered by each LDSO as an element of the charges which it levies on Suppliers under the terms of the Distribution Connection and Use of System Agreement ("DCUSA"). Such charges shall be varied in accordance with the provisions of the DCUSA. Each LDSO shall be entitled to recover from each Supplier the charges relating to those Services not referred to in Appendix 4.5 of BSCP501 but set out in the LDSO's Condition 14 Statement, Condition 18 Statement or Condition 36 Statement, as appropriate, even where there is no express obligation on the relevant Supplier in the DCUSA to pay those charges.

1.6 Billing in relation to Supplier Meter Registration Service

1.6.1 Within fifteen Working Days after the end of each calendar month each LDSO shall submit to each Supplier, each Data Aggregator and BSCCo a statement specifying:

(a) the Services listed under Appendix 4.5 of BSCP501 provided;

(b) the charges levied with respect to each of those Services; and

(c) any charges from previous monthly statements which have not been paid,

in respect of the Services as set out in Appendix 4.5 of BSCP501 performed during that month for that Supplier, Data Aggregator or BSCCo and setting out the total charges incurred, provided that where the total charges incurred, not including VAT, are less than or equal to one hundred pounds sterling (£100), that payment shall not then become due and shall be included in the statement for the following month. Where the aggregate of any unpaid charges on a monthly statement issued to a Supplier or BSCCo, pursuant to this paragraph, including any unpaid amounts pursuant to paragraph 1.6.1(c), exceeds one hundred pounds sterling (£100), not including any VAT, the LDSO shall submit to that Supplier or BSCCo an invoice setting out the total payment due and any VAT payable thereon, provided that in the monthly statement for April in each year, the LDSO shall submit to that Supplier or BSCCo an invoice setting out the total payment due for that month and any previous months which have not been paid, irrespective of whether the aggregate of those amounts exceeds one hundred pounds sterling (£100).

1.6.2 Subject to paragraph 1.6.3, within twenty Working Days of receipt of an invoice submitted in accordance with paragraph 1.6.1, the Supplier, Data Aggregator or BSCCo shall pay to the LDSO all sums due in respect of such invoice in pounds sterling by electronic transfer of funds or other agreed means to such bank account (located in the United Kingdom) as is

specified in the invoice, together with, where appropriate, an associated remittance advice, quoting the invoice number against which payment is made.

1.6.3 Where any sum included in a statement submitted in accordance with paragraph 1.6.1 is disputed by a Supplier, Data Aggregator or BSCCo in good faith, that Supplier, Data Aggregator or BSCCo shall within ten Working Days of receipt of such statement provide the LDSO with a statement of the amount in dispute. The Supplier, Data Aggregator or BSCCo shall pay such amount included in the statement in question as is not in dispute and shall be entitled to withhold the balance pending resolution of the dispute.

1.6.4 If a statement is served by a Supplier, Data Aggregator or BSCCo under paragraph 1.6.3, the relevant parties shall use reasonable endeavours to resolve the dispute in question within twenty Working Days of it being raised, failing which the provisions of Section H7 shall apply. Following resolution of the dispute, any amount agreed or determined to be payable, together with any VAT payable, shall be paid within ten Working Days after such agreement or determination and interest shall accrue on such amount, net of any VAT payable, from the date such amount was originally due until the date of payment at the rate of one (1) per cent (%) per annum above the base rate during such period of Barclays Bank plc, as compounded annually.

1.6.5 Should a Supplier, Data Aggregator or BSCCo fail to make payment on or before the due date of any sum due in accordance with paragraph 1.6.2 (other than any sum which is the subject of a bona fide dispute in accordance with paragraph 1.6.3), interest on the amount unpaid shall accrue from the date such amount was due until the date of payment at the rate of three (3) per cent (%) per annum above the base rate during such period of Barclays Bank plc, compounded annually.

1.6.6 Subject to paragraph 1.6.3, all payments to be made by a Supplier, Data Aggregator or BSCCo under the Code shall be made without any set-off or deduction in respect of any claims or disputes or otherwise including any liquidated damages paid under BSCP501 but shall be without prejudice to any claims or rights which a Supplier, Data Aggregator, BSCCo, Trading Parties or any of them may have against the LDSO.

1.6.7 If the Authority determines or the LDSO otherwise agrees that the charges (including any variations thereof) payable by a Supplier, Data Aggregator or BSCCo under this Annex have not been calculated strictly in accordance with the terms of the LDSO's statement of charges for Supplier Meter Registration Services issued pursuant to Condition 18 or Condition 36, as appropriate, of the Distribution Licence, the LDSO shall pay to the Supplier, Data Aggregator or BSCCo an amount in respect of each charging period equal to the amount, if any, by which that Supplier, Data Aggregator or BSCCo has been overcharged during such charging period as a result together with interest thereon from the date on which such charges were paid until the date of payment of such interest. Such interest shall accrue from day to day at the rate specified in paragraph 1.6.5.

1.6.8 Within fifteen Working Days after the end of each Quarter each LDSO shall submit to each Supplier or BSCCo a statement setting out, in respect of that Quarter, the liquidated damages payments which it reasonably considers to be payable to the Supplier or BSCCo pursuant to BSCP501 as a result of failure by its SMRA to meet the relevant service levels in BSCP501 during the relevant Quarter.

1.6.9 Within ten Working Days of receiving a statement submitted in accordance with paragraph 1.6.8, the Supplier or BSCCo shall submit to the LDSO a statement setting out any further liquidated damages payments which it considers to be payable by that LDSO as a result of the failure by the relevant SMRA to meet the relevant service levels in BSCP501, as relevant during the relevant Quarter over and above those set out in the statement submitted in

accordance with paragraph 1.6.8 together in each case with reasonable supporting evidence explaining why it considers that further liquidated damages payments are payable.

1.6.10 Subject to paragraph 1.6.11, within ten Working Days of receipt of a statement submitted in accordance with paragraph 1.6.9 (or, if no such statement is submitted, within twenty Working Days of dispatching its statement in accordance with paragraph 1.6.8) the LDSO shall pay to each relevant Supplier or BSCCo all sums due in respect of:

(a) the liquidated damages payments set out in the statement submitted in accordance with paragraph 1.6.8;

(b) the undisputed portion of any further liquidated damages payments set out in the statement of the relevant Supplier or BSCCo submitted in accordance with paragraph 1.6.9; and

(c) the further liquidated damages payments resulting from any undisputed further failures by its SMRA to meet the relevant service levels set out in the statement of a Supplier or BSCCo submitted in accordance with paragraph 1.6.9.

Any undisputed and unpaid sums from previous Quarters shall be shown on each statement issued pursuant to paragraph 1.6.8 until those sums are paid provided that such sums shall only become payable by the LDSO when the aggregate of the sums set out in paragraph 1.6.10(a) and 1.6.10(b) exceeds one hundred pounds sterling (£100). All sums due shall be paid by the LDSO in pounds sterling by electronic transfer to funds or other agreed means to such bank account (located in the United Kingdom) as is specified by the Supplier or BSCCo together with, where appropriate, an associated remittance advice, stating the period to which the payment relates.

1.6.11 Where any sum included in a statement submitted in accordance with paragraph 1.6.9 is disputed by a LDSO in good faith, that LDSO shall within ten Working Days of receipt of such statement provide the relevant Supplier or BSCCo with a statement of the amount in dispute. The LDSO shall pay such amount included in the statement in question as is not in dispute and shall be entitled to withhold the balance pending resolution of the dispute.

1.6.12 If a statement is served by a LDSO under paragraph 1.6.11 the parties shall use reasonable endeavours to resolve the dispute in question within twenty Working Days of it being raised, failing which the provisions of Section H7 shall apply. Following resolution of the dispute, any amount agreed or determined payable shall be paid within ten Working Days after such agreement or determination and interest shall accrue on such amount from the date such amount was originally due until the date of payment at the rate of one (1) per cent (%) per annum above the base rate during such period of Barclays Bank plc, compounded annually.

1.6.13 Should a LDSO fail to make payment on or before the due date of any sum due in accordance with paragraph 1.6.10 (other than any sum which is the subject of a bona fide dispute and which has been notified by that LDSO in accordance with paragraph 1.6.11), interest on the amount unpaid shall accrue from the date such amount was due until the date of payment at the rate of three (3) per cent (%) per annum above the base rate during such period of Barclays Bank plc compounded annually.

ANNEX K-2: TRADING UNIT APPLICATIONS

1 CONFIGURATION OF TRADING UNITS

1.1 Introduction

1.1.1 The Classes of Trading Unit Application shall be as specified in BSCP31.

1.1.2 Every Trading Unit Application shall state whether it is a Class 1, Class 2, Class 3, Class 4 or Class 5 application and ~~the Panel~~BSCCo shall consider a Trading Unit Application by reference to the provisions set out in this Annex K-2 for the stated class (or, in the case of paragraph 1.6, as provided therein).

1.1.3 For the purposes of this Annex K-2:

(a) references to Exports and Imports are to Exports and Imports of the nominated BM Units;

(b) references to a Trading Unit shall not include a Sole Trading Unit.

1.2 Class 1

1.2.1 If the Trading Unit Application shall state that it is a Class 1 application then ~~the Panel~~BSCCo shall determine from the Trading Unit Application and supporting documentation and other matters (and any further evidence provided in accordance with paragraph 1.7) if the nominated BM Units are or are to be electrically configured in the same manner as is prescribed in one of the line diagrams contained in BSCP31 and fulfil or will fulfil all the conditions specified in such BSC Procedure applicable to a Class 1 application, in which event the nominated combination of BM Units shall be treated as belonging to a single Trading Unit.

1.3 Class 2

1.3.1 If the Trading Unit Application shall state that it is a Class 2 application then ~~the Panel~~BSCCo shall determine from the Trading Unit Application and supporting documentation and other matters (and any further evidence provided in accordance with paragraph 1.7) if the nominated BM Units are or are to be electrically connected solely by Dedicated Assets, in which event the BM Units shall be treated as belonging to a single Trading Unit.

1.3.2 In this paragraph 1.3, "**Dedicated Assets**" means assets and equipment which are used solely to connect electrically (a) the location at which the Exports originate with (b) the location at which the Imports are taken (and no other), and additionally satisfy one of the diagrammatic representations of Dedicated Assets contained in BSCP31.

1.4 Class 3

1.4.1 If the Trading Unit Application shall state that it is a Class 3 application then ~~the Panel~~BSCCo shall determine from the Trading Unit Application and supporting documentation and other matters (and any further evidence provided in accordance with paragraph 1.7) if the nominated BM Units are or are to be electrically connected by Contiguous Assets, in which event the nominated BM Units shall be treated as a single Trading Unit.

1.4.2 In this paragraph 1.4:

(a) "**Contiguous Assets**" means those Specified Assets and Equipment at a location which connect by one continuous electrical connection the location at which the Exports originates with the location at which the Imports are taken, which Specified Assets and Equipment are all owned by the Trading Unit Applicants and/or are Specified Assets and Equipment in respect of which a contribution is or will be made by the Trading Unit Applicants to the provision and installation or maintenance and repair costs thereof or where such Specified Assets and Equipment are already provided and installed, the maintenance and repair costs thereof; and

(b) "**Specified Assets and Equipment**" means:

(i) assets and equipment identified and quoted in the Connection Agreement of any Trading Unit Applicant where such assets and equipment include assets and equipment identified and quoted in the Connection Agreements relating to all Trading Unit Applicants which form part of the continuous electrical connection for the purposes of (a) above; and/or

(ii) assets and equipment owned by a person other than the Trading Unit Applicant and any other Trading Party which is responsible for BM Unit(s) associated with the Trading Unit Application, and which form part of the continuous electrical connection for the purposes of (a) above.

1.5 Class 4

1.5.1 If the Trading Unit Application shall state that it is a Class 4 application then ~~the Panel~~BSCCo shall determine from the Trading Unit Application and supporting documentation and other matters (and any further evidence provided in accordance with paragraph 1.7) if all of the nominated BM Units are Exempt Export BM Units and are located in the same GSP Group, in which event the nominated BM Units shall be treated as belonging to a single Trading Unit.

1.6 Class 5

1.6.1 If the Trading Unit Application shall state that it is a Class 5 application then ~~the Panel~~BSCCo shall determine from the Trading Unit Application and supporting documentation and other matters (and any other evidence provided in accordance with paragraph 1.8) if the nominated BM Units are or are to be:

(a) Interconnector BM Units associated with the same Interconnector where such Interconnector is located at one Site only;

(b) a combination of BM Units falling within paragraph 1.6.1(a) and either of the following:

(i) BM Units that are or are to be electrically connected solely by Dedicated Assets, to one or more Boundary Points of that Interconnector; or

(ii) BM Units that are or are to be electrically connected by Contiguous Assets, to one or more Boundary Points of that Interconnector.

1.6.2 In this paragraph 1.6 "**Site**" shall have the meaning as set out in Section K1.6.2.

1.6.3 For the purposes of this paragraph 1.6:

(a) "**Contiguous Assets**" shall have the meaning as set out in paragraph 1.4.2; and

(b) "**Dedicated Assets**" shall have the meaning as set out in paragraph 1.3.2.

1.7 Class 6

1.7.1 If the Trading Unit Application shall state that it is a Class 6 application or if ~~the Panel~~BSCCo shall determine that the nominated BM Units the subject of a Class 1, Class 2, Class 3, Class 4 or Class 5 Trading Unit Application do not satisfy the conditions specified in paragraphs 1.2, 1.3, 1.4, 1.5 or (as the case may be) 1.6, ~~the Panel~~BSCCo shall determine from the Trading Unit Application and supporting documentation and other matters (and any further evidence provided in accordance with paragraph 1.8) if the nominated BM Units shall be treated as a Trading Unit having regard to the criteria set out in paragraph 1.7.2.

1.7.2 The criteria referred to in paragraph 1.7.1 are:

(a) whether, although not satisfying the conditions applicable to a Class 1, Class 2, Class 3, Class 4 or Class 5 Trading Unit Application, the Trading Unit Application demonstrates (to the reasonable satisfaction of ~~the Panel~~BSCCo) sufficient similarities with sites which would satisfy those conditions such that it would be unreasonable not to treat the nominated BM Units as a single Trading Unit;

(b) whether there are any other facts or evidence in support of the Trading Unit Application that in the reasonable opinion of ~~the Panel~~BSCCo demonstrate that the nominated BM Units ought to be treated as a single Trading Unit.

1.8 Further evidence

1.8.1 ~~The Panel~~BSCCo may request a Trading Unit Applicant to produce such further evidence as ~~the Panel~~BSCCo may reasonably require in support of its Trading Unit Application before ~~the Panel~~BSCCo makes any determination as to whether the nominated BM Units are to be treated as a Trading Unit, and ~~the Panel~~BSCCo shall not be bound to make any determination on the issue of whether the nominated BM Units are a Trading Unit pending receipt of such further evidence.

AMENDMENT RECORD – SECTION K

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P473	17/09/24	07/11/24	51.0
P415	6/10/23	07/11/24	51.0
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P450	12/01/23	23/02/23	48.0
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P425	28/09/22	05/10/22	47.0
P436	14/04/22	18/07/22	46.0
P433 Self Governance	13/01/22	30/06/22	45.0
P375	24/02/21	30/06/22	45.0
P420	23/07/21	01/09/21	44.0
P394 Self-Governance	12/12/19	27/02/20	43.0
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P386 Self-Governance	13/06/19	07/11/19	42.0
P364 Self-Governance	11/04/19	27/06/19	41.0
P369	28/11/18	29/03/19	40.0
P344	24/08/2018	28/02/19	39.0
P359	17/08/18	28/02/19	39.0
P358	13 Dec 2017	22/02/18	38.0
P357	13 Dec 2017	22/02/18	38.0
ORD006	Secretary of State	25/06/15	37.0
P312	14/08/14	08/09/14	36.0
ORD005	Secretary of State	01/08/14	35.0
P268	19/09/11	23/02/12	34.0
P269 Self-Governance	17/08/11	23/02/12	34.0
P266	15/04/11	23/02/12	34.0
P261	02/08/10	09/08/10	33.0
P241	21/01/10	28/01/10	32.0
P240	20/01/10	27/01/10	31.0
P238	13/11/09	20/11/09	30.0
P237	13/11/09	20/11/09	30.0
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P209	16/03/07	23/08/07	24.0
P197	10/08/06	23/08/07	24.0
P208	16/01/07	22/02/07	23.0
P191	07/12/05	21/12/05	22.0
P189	09/09/05	02/11/05	21.0
P174	19/04/05	02/11/05	21.0
P186	08/09/05	22/09/05	20.0
P179	09/02/05	23/02/05	19.0
P162	05/10/04	19/10/04	18.0
ORD001	BETTA	01/09/04	17.0
P166	30/07/04	13/08/04	16.0
P164	08/06/04	30/06/04	15.0
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P101	02/01/03	23/01/03	8.0
P55	06/06/02	06/06/02	7.0
P46	14/05/02	22/05/02	6.0
P60	09/04/02	11/04/02	5.0
P67	01/03/02	08/03/02	4.0
P7	28/01/02	28/02/02	3.0
P16	04/06/01	01/06/01	2.0