1. Reference is made to the Balancing and Settlement Code and, in particular, to the definition of "BSC Procedure" in Section X, Annex X-1 thereof.

2. This is BSC Procedure 201, Version 10.0 relating to System Restoration and Fuel Security contingency provisions.

3. This BSC Procedure is effective from 01 October 2024.

4. This BSC Procedure has been approved by the ~~BSC Panel~~BSCCo.

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1 Introduction

1.1 Purpose and Scope of the Procedure

This BSC Procedure (BSCP) describes the steps to be taken during and following a System Restoration Period or a Fuel Security Code event, and supports the rules set out in BSC Section G 'Contingencies'. It includes the steps required to restore normal BSC market operations, if these have been suspended during a System Restoration. It also includes the steps required for claims for excess costs to be raised in certain circumstances. It highlights the responsibilities and actions required by industry participants to ensure this is done efficiently and effectively.

1.1.1 System Restoration Event

a) What is System Restoration?

System Restoration, as defined in the Grid Code, is a recovery process for restoring electricity on the **Total System** (defined in the Grid Code as comprising the Transmission System, Distribution Systems and other **User Systems**).

The majority of **Power Stations** need electricity to start up and operate their generators. If the Total System shuts down (de-energises), these Power Stations will be unable to keep their generators running and will stop producing electricity. This will result in blackouts as Suppliers become unable to supply their customers.

Restoration Contractors are registered under their bilateral agreements with the National Electricity Transmission System Operator (NETSO) or trilateral agreements with the NETSO and Network Operator as having an **Anchor Plant Capability** or **Top Up Restoration Capability**. Anchor Plant Capability is the ability of a Restoration Contractor's Plant to Start-Up from Shutdown and to energise and maintain a part of the Total System within a defined time period, without an external electrical power supply from the Total System. Top Up Restoration Capability is the ability of a Restoration Contractor's Plant to Start-Up from Shutdown and to be Synchronised and remain Synchronised to a part of the Total System within a defined time period, pursuant to the terms of the Top Up Restoration Contract, once external electrical power supplies are restored to that Restoration Contractor's site. The NETSO can therefore call on these **Restoration Contractors** under the Grid Code to initiate or assist a System Restoration if there is a **Total System shutdown** or **Partial System Shutdown**. It can do this by invoking **Local Joint Restoration Plans** or **Distribution Restoration Zone Plans** to energise part of the Total System, meet complementary local **Demand** and thereby form a **Power Island**. Each of the separate **De-Synchronised Islands** are gradually expanded and connected to each other (**Re-Synchronised**), and Demand is selectively reconnected, until the Total System is fully energised and operating normally.

There are two types of System Restoration events that could occur:

- A **Total Shutdown** of the Total System; or
- A **Partial Shutdown** of one or more parts of the Total System.

The processes by which the NETSO determines the existence of a Total Shutdown or a Partial Shutdown, and by which it restores the Total System, are set out in Operating Code (OC) 9 of

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the Grid Code and not in the BSC. Definitions of the above bold terms can be found in the Grid Code.

b) How does System Restoration impact the BSC?

The trigger for invoking the BSC's System Restoration provisions is the NETSO's determination and notification under Grid Code OC9 that a Total Shutdown or a Partial Shutdown exists, and that it intends to implement [H/K]System Restoration.

The provisions of BSC Section G3 'System Restoration' are concerned only with determining:

- If and when normal BSC market operations shall be suspended;
- How and when normal BSC market operations, if suspended, shall resume; and
- Claims for system restoration compensation amounts, as submitted by or via the Lead Parties of BM Units which have received system restoration instructions from the NETSO (as defined in BSC Section G3).

To do this, BSC Section G3 uses two key concepts:

- A System Restoration Period (during which the BSC's System Restoration contingency provisions apply, but normal BSC market operations are not necessarily suspended); and
- A Market Suspension Period (during which normal BSC market operations are suspended).

For the purposes of the BSC:

- If there is a Total Shutdown, then both a System Restoration Period and a Market Suspension Period will exist. The Market Suspension Period will last for the entire duration of the System Restoration Period.
- If there is a Partial Shutdown, then a System Restoration Period (but not necessarily a Market Suspension Period) will exist. A Market Suspension Period will only exist if, at any time during the Partial Shutdown, the Market Suspension Threshold specified in BSC Section G3 is met. In practice, there may therefore be a Market Suspension Period for some, all or none of the System Restoration Period. If the Market Suspension Threshold is met, then the Market Suspension Period will last for the remaining duration of the System Restoration Period.

c) [Code Reform]What happens if there is a Market Suspension Period?

Normal BSC market operations will be suspended for the duration of the Market Suspension Period. This includes:

- Suspending the operation of the Balancing Mechanism (including the submission and acceptance of Bids and Offers);
- Suspending the TERRE Market (including the submission and activation of Replacement Reserve bids);

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- Suspending the notification of contract volumes (Energy Contract Volume Notifications and Metered Volume Reallocation Notifications);

- Suspending the calculation of Energy Indebtedness, and thereby Parties' credit positions; and

- Suspending the normal imbalance pricing calculations and applying a Contingency Imbalance Price (as defined in Section 1.6 of this BSCP) to all Parties' Metered Volumes.

All generators will be despatched by the NETSO for the duration of the Market Suspension Period. All instructions given by the NETSO to Grid Code Users during the Market Suspension Period will be deemed to be Emergency Instructions under the Grid Code (unless the NETSO specifies otherwise) and will represent system restoration instructions as defined in BSC Section G3. System restoration compensation amounts can be applied for in accordance with the BSC in respect of any BM Unit which is subject to a system restoration instruction, regardless of whether or not the BM Unit relates to an Anchor Plant or Top Up Restoration Plant.

The Market Suspension Period and the System Restoration Period will both end, and normal BSC market operations will resume, at a point determined by ~~the~~ BSCCo ~~Panel~~ after consultation with the ~~-~~NETSO (this will be some time after the restoration of the Total System under the Grid Code, so that participants can prepare for a return to normal BSC market operations).

d) What happens if there is no Market Suspension Period?

Normal BSC market operations including the Balancing Mechanism, the TERRE Market, the submission of contract notifications, credit positions and the normal imbalance pricing calculations will continue.

Only those instructions issued by the NETSO in accordance with Balancing Code (BC) 2.9.1.2(e)(i) of the Grid Code[1] shall represent system restoration instructions as defined in BSC Section G3. Restoration Contractors of any BM Unit which is subject to a system restoration instruction will be eligible to claim a system restoration compensation amount under the BSC, such claims to be made by or via the Lead Party.

Emergency Instructions issued by The NETSO to Grid Code Users in accordance with Grid Code BC2.9.1.2(e)(i), shall represent system restoration instructions as defined in BSC Section G3. The NETSO may issue other Emergency Instructions to Grid Code Users but they shall not represent system restoration instructions and the normal Grid Code, BSC and CUSC provisions for these Emergency Instructions shall apply.

The NETSO will also continue to issue Bid Offer Acceptances (BOAs) and activate Replacement Reserve bids. These will not represent system restoration instructions, and the normal Grid Code and BSC provisions for BOAs and Replacement Reserve activations shall apply.

[1] The need to invoke the System Restoration process or the Re-Synchronisation of De-Synchronised Island process in accordance with Grid Code OC9.

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The System Restoration Period will end when the NETSO determines that the Total System has returned to normal operation under the Grid Code.

e) What is the system restoration compensation amount?

The Lead Party of any BM Unit which is subject to a system restoration instruction during a System Restoration Period may submit a claim for a system restoration compensation amount.

The system restoration compensation amount is:

- Avoidable Costs; minus
- The imbalance charges received, or reduction in imbalance charges paid, for the system restoration compensation volume.

Avoidable Costs are the amount of net costs of operating the BM Unit which would not have been incurred but for the system restoration instruction.

The system restoration compensation volume is the net change in the BM Unit's Exports or Imports resulting from compliance with the system restoration instruction.

The calculation for determining the amount of imbalance charges to deduct from the Avoidable Costs will be based on the relevant Contingency Imbalance Price(s) for any Settlement Periods which fall within a Market Suspension Period (when all contract positions are zero).

If, for any Settlement Periods which fall within a System Restoration Period but not within a Market Suspension Period, the BM Unit is the subject of a Metered Volume Reallocation Notification, the calculation takes account of the imbalance charges incurred/paid by both the Lead Party and the Subsidiary Party(ies) and is based on the relevant imbalance prices and the Parties' contract positions. The compensation is claimed by the Lead Party and any redistribution of funds between the Lead Party and Subsidiary Party(ies) is outside the BSC arrangements.

The terms "system restoration instruction", "system restoration compensation amount" and "system restoration compensation volume" are defined in BSC Section G3. BSC Section G3 sets out what is included in, and excluded from, Avoidable Costs.

This BSCP provides a claims process for system restoration compensation amounts incurred as a result of system restoration instructions.

1.1.2 Fuel Security Code Event

A Fuel Security Code (FSC) event occurs when the Secretary of State exercises their powers under sections 34 and 35 of the Electricity Act 1989, to direct power stations or the NETSO to operate in specific ways (for example a power station with a particular fuel could generate more or less energy in order to balance the electricity grid, rather than a power station which would otherwise provide that service). A FSC 'direction' can be issued to one or multiple participants and a single FSC direction or several distinct FSC directions can be issued over the course of an event.

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In a FSC event Generators (or the recipient of instructions from the Secretary of State) can claim Exceptional Costs. With this in mind, the BSC states that the FSC provisions supersede that of the BSC, and a BSC Party will not be in breach of the BSC for following a FSC direction.

Generally (but not always), the Secretary of State issues instructions via the NETSO, who informs the relevant BSC Party. However, there is no means for BSCCo to be aware of FSC directions as the Secretary of State does not provide information on FSC directions to BSCCo.

To avoid a BSC Party being placed in default if they have defaulted as a direct consequence of a FSC direction, the BSC Party must notify BSCCo. BSCCo will not be liable for actions relating to any incomplete information. Additionally, the NETSO will use its discretion to inform BSCCo that a FSC direction has been issued to a BSC Party.

This BSCP does not contain provisions for a situation where a Fuel Security Code event could disrupt normal market operations. However, when BSC Section G 4.1 applies, the Secretary of State, after consultation with the Authority, can authorise that a Contingency Imbalance Price shall apply for a determined period (BSC Section G 4.2) and can authorise historic limits on Bbalancing Mmechanism prices (BSC Section G 4.3). The Secretary of State can also authorise a revision or reduction of the Credit Assessment Price (BSC Section G 4.4). Refer to BSC Section G-4 for further details.

In the case of a FSC event, an application can be made by the Lead Party of a BM Unit who has received a direction from the Secretary of State (or, if empowered by the Secretary of State to do so, the NETSO) for exceptional costs arising from that direction either in anticipation of a Fuel Security Event period (if the direction does not specify the date of commencement of a Fuel Security Event period, or such date is in the future, or such date is subsequently rescinded before it is reached) or during a Fuel Security Event period.

An application for compensation can only be made for 'Exceptional Costs' (as defined in the FSC) actually incurred (i.e. no advance payments). This BSCP provides a claims process for Exceptional Costs incurred as a result of a FSC instruction.

1.2 Main Users of this Procedure and their Responsibilities

This procedure is to be used by:

- BSCCo;
- The NETSO;
- BSC Parties;
- BSC Agents;
- Stakeholder Advisory Forum (SAF)~~The BSC Panel~~;
- The Claims Committee; and
- The Authority.

1.2.1 [Code Reform]BSCCo

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BSCCo shall:

- Communicate that a Total Shutdown or Partial Shutdown exists and that the NETSO intends to implement a System Restoration;
- Determine and communicate the Settlement Period and Settlement Day representing the start of the Total Shutdown or Partial Shutdown, and therefore of the System Restoration Period;
- Determine and communicate the Settlement Period and Settlement Day representing the start of any Market Suspension Period, and therefore of the suspension of normal BSC market operations;
- Where there is a Market Suspension Period, communicate the Settlement Period and Settlement Day from which itthe BSC Panel has determined that normal BSC market operations shall resume (and that the Settlement Period immediately before this shall be the end of the Market Suspension Period and of the System Restoration Period);
- Where there is no Market Suspension Period, determine and communicate the Settlement Period and Settlement Day representing the end of the System Restoration Period;
- Communicate the status of the Transmission System during a System Restoration Period;
- Communicate the status of the BSC Systems during a System Restoration Period;
- Provide administrative assistance to the SAF BSC Panel;
- Appoint a Claims Committee to process System Restoration and Fuel Security compensation claims;
- Provide administrative assistance to the Claims Committee;
- Calculate (for the determination and approval of the Panel), in accordance with BSC Section T1.7, the Contingency Imbalance Price(s) that shall apply during a Market Suspension Period;
- Publish the total amount (£) claimed for and the total amount (£) approved by the Claims Committee; and
- Inform BSC Parties of the time and method of cost recovery.

1.2.2 NETSO

The NETSO shall:

- Determine and notify BSCCo that a Total Shutdown or a Partial Shutdown exists and that it intends to implement a System Restoration under the Grid Code;

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- Determine and inform BSCCo of the time and date from which the Total Shutdown or Partial Shutdown commenced;

- Monitor the Market Suspension Threshold during a Partial Shutdown in accordance with BSC Section G3 and, if applicable, notify BSCCo of the time and date on which the Market Suspension Threshold was met;

- Inform BSCCo of the operation of the Transmission System during a System Restoration Period;

- Advise BSCCo ~~the BSC Panel (if there is a Market Suspension Period) or BSCCo (if there is no Market Suspension Period~~) of the time and date that the Total System could return to normal operation under the Grid Code;

- Where there is a Market Suspension Period, advise BSCCo ~~the Panel~~ (at any time up to one hour before normal BSC market operations would otherwise resume) if the Total System can no longer return to normal operation at that time and date;

- Where there is a Market Suspension Period, advise BSCCo ~~the Panel~~ on preparing to resume normal BSC market operations for the purposes of BSC Sections Q and P;

- Where there is no Market Suspension Period, inform BSCCo of the time and date that the Total System returned to normal operation under the Grid Code; and

- Communicate any circumstances which may affect the calculation of a Contingency Imbalance Price.

1.2.3 BSC Parties

BSC Parties shall:

- Where there is a Market Suspension Period, submit Physical Notifications under the Grid Code that are to apply following the end of the Market Suspension Period;

- Inform BSCCo if a credit default situation occurs as the result of a FSC direction;

- Inform BSCCo ~~the Panel~~ of factors relevant to the timing of the recommencement of normal BSC market operations (in response to Panel consultation or otherwise);

- Request time extensions for claims submissions when required;

- Submit claims for system restoration compensation amounts incurred due to a system restoration instruction and Exceptional Costs incurred due to a Fuel Security Code direction; and

- Withdraw claims from the claims process (if chosen to do so).

1.2.4 BSC Agents

The BSC Agent responsible for the BSC Services shall:

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- Communicate the status of the BSC Systems to BSCCo;
- Where there is a Market Suspension Period, send forward contract notification reports to BSC Parties before the end of the Market Suspension Period informing them of their contractual position for Settlement Periods after the end of the Market Suspension Period;
- Apply the relevant Contingency Imbalance Price(s) to all Settlement Periods within a Market Suspension Period;
- Ensure the value of Energy Indebtedness is set to zero / nullified for all Settlement Days within a Market Suspension Period;
- Where there is a Market Suspension Period, provide a revised timetable for system settlement runs, reporting and payments to restore the timetable to normal efficiently and securely; and
- Perform settlement of claims when requested.

1.2.5 The ~~Panel~~SAF

Following a referral by BSCCo, t~~T~~he SAF ~~BSC Panel~~ shall:

- Where there is a Market Suspension Period and after industry consultation, ~~determine~~ recommend to BSCCo the Settlement Day and Settlement Period from which normal BSC market operations will resume (and the Settlement Period immediately before this shall represent the end of both the Market Suspension Period and the System Restoration Period);
- Where there is a Market Suspension Period and after industry consultation, ~~determine~~ recommend the methodology (in accordance with BSC Section T1.7.1A) to be used to calculate the Contingency Imbalance Price(s);
- ~~Appoint a Claims Committee to process System Restoration and Fuel Security compensation claims; and~~
- Make ~~determinations~~ recommendations on time-extension requests for the submission of claims and, if required, request further information from the Claimant (BSC Party) regarding time-extension requests (this action could be delegated to the Claims Committee).

1.2.6 Claims Committee

The Claims Committee shall:

- Request further information from the Claimant (BSC Party) regarding their claim submission;
- Determine the process required for validating each submitted claim; and
- Validate and assess each claim and determine the amount payable to the Claimant (BSC Party).

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1.2.7 The Authority

The Authority shall:

- Determine whether any Contingency Imbalance Price(s) required and proposed by ~~the~~BSCCo ~~BSC Panel~~ shall be used;
- For successful claims pertaining to Fuel Security Event periods, determine the time-frame and method of payment to the Claimant (BSC Party); and
- For successful claims pertaining to Fuel Security Event periods, determine the method of cost recovery from the industry.

1.3 Key Milestones

This procedure has the following key milestones:

- The determination of the Settlement Period for when the market is to return to normal operations following a Market Suspension Period;
- The determination of the Settlement Period representing the end of the System Restoration Period (where there has been a Market Suspension Period, this shall be the same Settlement Period referred to above);
- The determination of the Contingency Imbalance Price(s) to apply during a Market Suspension Period; and
- The determination of claims for compensation resulting from a "system restoration instruction" or a Fuel Security direction.

1.4 Balancing and Settlement Code Provision

This BSCP should be read in conjunction with the BSC and in particular Sections G, N6.6, R, T1.4 and T1.7. It should also be read in conjunction with Grid Code BC2 and Grid Code OC9.

In the event of any inconsistency between the provisions of this BSCP and the BSC, or between this BSCP the Grid Code, the provisions of the relevant code shall prevail.

1.5 Related BSC Procedures

There are no related BSC Procedures.

1.6 Acronyms and Definitions

1.6.1 Acronyms

BC	Balancing Code (part of the Grid Code)
BM	Balancing Mechanism
BMRS	Balancing Mechanism Reporting Service
BSC	Balancing and Settlement Code

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BSCCo	Balancing and Settlement Code Company
BSCP	Balancing and Settlement Code Procedure
BSUoS	Balancing Services Use of System
CDCA	Central Data Collection Agent
CUSC	Connection and Use of System Code
ECVAA	Energy Contract Volume Aggregation Agent
FAA	Funds Administration Agent
FSC	Fuel Security Code
MIDP	Market Index Data Provider
NETSO	National Electricity Transmission System Operator
OC	Operating Code (part of the Grid Code)
SAA	Settlement Administration Agent
SAF	Stakeholder Advisory Forum
SVAA	Supplier Volume Allocation Agent
TNUoS	Transmission Network Use of System
TERRE	Trans-European Replacement Reserves Exchange
WD	Working Day

1.6.2 Definitions

Anchor Plant	Has the meaning given to that term in the Grid Code
Anchor Plant Capability	Has the meaning given to that term in the Grid Code
Avoidable Costs	Has the meaning given to that term in BSC Section G2.1;
Balancing Mechanism	Has the meaning given to that term in the ESO Licence;
Claimant Customer	Has the meaning given to that term in BSC Section G5.1.1
Claims Committee	Has the meaning given to that term in BSC Section B3.5.1;
Contingency Imbalance Price	Means any imbalance price(s) determined in accordance with BSC Section T1.7 for the purpose of BSC Section G;
Demand	Has the meaning given to that term in the Grid Code;
Distribution Restoration Zone Plan	Has the meaning given to that term in the Grid Code;
Emergency Instruction	Has the meaning given to that term in the Grid Code;
Energy Indebtedness	Has the meaning given to that term in BSC Section M1.2.1;

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Exceptional Cost	Has the meaning given to that term in the Fuel Security Code;
Genset	Has the meaning given to that term in the Grid Code;
Grid Code User	Has the meaning given to the term User in the Grid Code;
Local Joint Restoration Plan	Has the meaning given to that term in the Grid Code;
Market Suspension Period	Means the period determined in accordance with BSC Section G3.1.3(a) or G3.1.7(b), as applicable;
Market Suspension Threshold	Has the meaning given to that term in BSC Section G3.1.5;
Network Operator	Has the meaning given to that term in the Grid Code;
Partial Shutdown	Has the meaning given to that term in the Grid Code;
Plant	Has the meaning given to that term in the Grid Code;
Power Island	Has the meaning given to that term in the Grid Code;
Power Station	Has the meaning given to that term in the Grid Code;
Re-Synchronisation	Has the meaning given to the term in the Grid Code, and the term "Re-Synchronised" shall be construed accordingly;
Restoration Contractor	Has the meaning given to that term in BSC Section G3.3.1
Shutdown	Has the meaning given to that term in the Grid Code;
Start-Up	Has the meaning given to that term in the Grid Code;
Synchronised	Has the meaning given to that term in the Grid Code;
System Restoration	Has the meaning given to that term in the Grid Code;
"system restoration compensation amount"	Has the meaning given to that term in BSC Section G3.3.2;
"system restoration instruction"	Has the meaning given to that term in BSC Section G3.3.1C;
System Restoration Period	Means the period described in BSC Section G3.1.2(d);
Top Up Restoration Capability	Has the meaning given to that term in the Grid Code;
Total Shutdown	Has the meaning given to that term in the Grid Code;
Total System	Has the meaning given to that term in the Grid Code;
User System	Has the meaning given to that term in the Grid Code;
Volume Notification	Has the meaning given to that term in BSC Section P5.1.1(a).

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All other defined terms used throughout this document have the meaning given to those terms in BSC Section X.

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2 System Restoration Recovery Processes

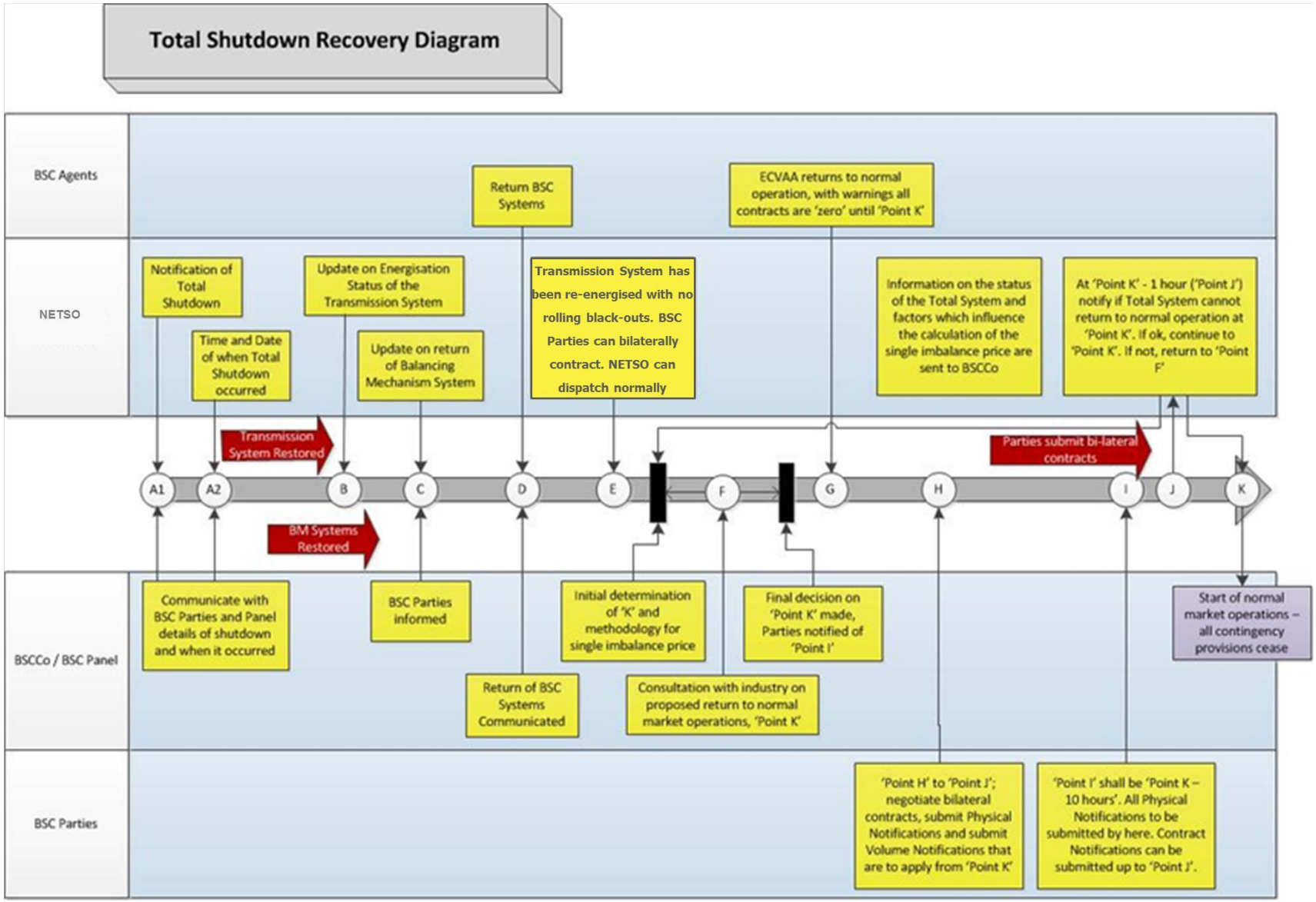
2.1 Total Shutdown Recovery Process

The following diagrams and guidance explain the process to recover from a Total Shutdown. They cover both the process to restore the Total System under the Grid Code and the process to resume normal BSC market operations under the BSC.

A Total Shutdown will always result in a Market Suspension Period under the BSC, the start and end points of which will be the same as the System Restoration Period. Where there is a Partial Shutdown, the Grid Code process to restore the Total System will be the same as for a Total Shutdown. However, in a Partial Shutdown there will only be a Market Suspension Period if the BSC's Market Suspension Threshold is met – and so there may be a Market Suspension Period for some, all or none of the System Restoration Period.

Where there is a Market Suspension Period as a result of a Partial Shutdown, the process for resuming normal BSC market operations (and for determining the end of the Market Suspension Period and System Restoration Period) will be the same as for a Total Shutdown. However, the timing of the steps for resuming normal BSC market operations may differ depending on the point in time at which the market is suspended. Where there is no Market Suspension Period during a Partial Shutdown, the System Restoration Period will conclude at the end of the Settlement Period in which the Total System returned to normal operation.

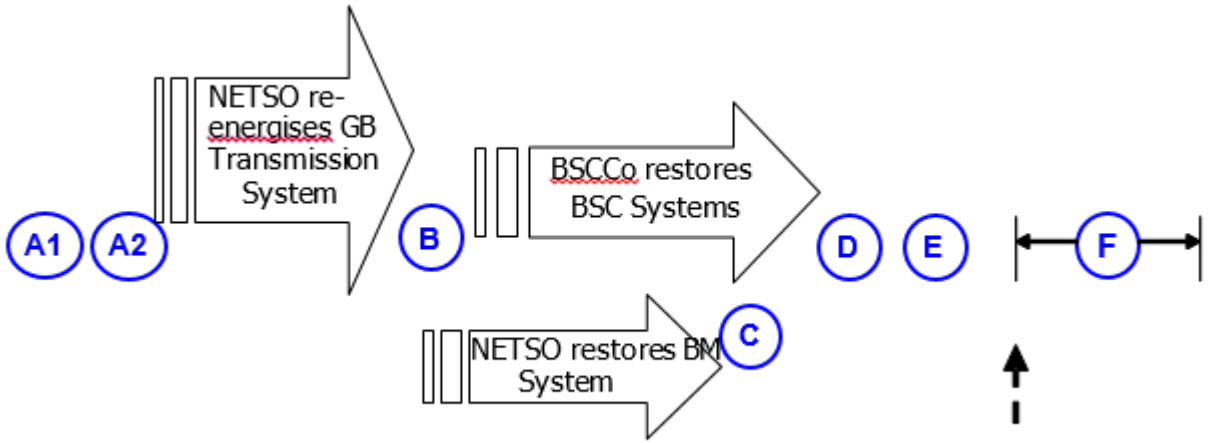
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Total Shutdown Recovery Diagram Notes

This note should be used alongside the Total Shutdown Recovery Diagram. A simplified Total Shutdown Recovery Diagram has been included below:



Simplified Total Shutdown diagram Points A – F

POINT A1 – Existence of a System Restoration situation

- The NETSO will contact relevant Grid Code Users to invoke Local Joint Restoration Plans and Network Operators invoke Distribution Restoration Zone Plans and begin the restoration of the Total System.
- The NETSO will work towards restoring the Total System (period from 'Point A1' to 'Point B').
- The NETSO will inform BSCCo that a Total Shutdown exists and that it intends to implement a System Restoration (the NETSO will subsequently inform BSCCo, in its reasonable opinion, of the time and date of the shutdown, known as 'Point A2').

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- After receipt of the NETSO's notification, BSCCo will communicate the existence of a System Restoration Period and Market Suspension Period to all BSC Parties, BSC Agents, and any CM Settlement Services Provider as soon as normal communication channels[2] become available.

- Where data is not available, the relevant Settlement Runs will be delayed in accordance with Sections T1.4.2 and T1.4.5 of the BSC. The FAA shall then take appropriate action with regard to the Payment Date in accordance with Section N6.6 of the BSC.

POINT A2 – NETSO declaration of time and date

- Based on its investigations, the NETSO will determine in its reasonable opinion the start time and date of the Total Shutdown and will notify BSCCo.

- After receipt of the NETSO's notification, BSCCo will establish the corresponding Settlement Period/Day and will communicate this as the start of the System Restoration Period and Market Suspension Period to all BSC Parties, BSC Agents, and any CM Settlement Services Provider.

POINT B – Energisation of the Transmission System

- When the Transmission System is energised, the NETSO will inform BSCCo.

- BSCCo will pass this information on to BSC Parties, via normal communication channels, with the caveat that the market is still suspended and individuals may not have power, hampering their ability to receive those communications.

POINT C (B to C) – Restoration of the NETSO's BM system

- The NETSO will work to restore its BM systems, which are capable of communications with Grid Code Users. Grid Code Users and BSCCo will be informed when the systems have been restored and are therefore available and capable of operation.

- BSCCo will pass this information onto BSC Parties.

[2] This is likely to be by email, Circular or the posting of information on the BMRS website. Normal communication between BSCCo and the industry might be difficult at the start of the shutdown as the Total System will begin to be re-energised and any available communication channels could suffer from congestion/unavailability. Therefore BSCCo may only be able to communicate the commencement of the System Restoration Period and the Market Suspension Period once the Total System is totally / almost totally re-energised.

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POINT D (B to D) – Restoration of BSC Systems

- BSCCo will work with BSC Agents to restore the BSC Systems. When the BSC Systems are restored, BSCCo will inform the ~~BSC Panel~~SAF and BSC Parties that the BSC Systems are available and capable of operating. Refer to Section 2.2 of this BSCP for more detail on the System Restoration requirements of the BSC Systems.

POINT E – Restoration of the Total System

- At this point, the Transmission System has been re-energised in accordance with OC9.4.7.9; generators are able to generate sufficient electricity to meet Demand and are under instructions of the NETSO through the NETSO's BM system; and the BSC Systems are available and capable of operating.

- The NETSO will inform BSCCo and Grid Code Users of the time and date that the Total System could return to normal operation under the Grid Code. BSCCo will convey the information contained in these updates to the ~~BSC Panel~~SAF and BSC Parties via normal communication channels.

- The NETSO will inform BSCCo of any circumstances which are likely to affect the calculation of a Contingency Imbalance Price (see Section 3.4 of this BSCP for further details).

POINT F – ~~Panel~~ BSCCo determination of the return to normal BSC market operations

- At the start of 'Point F', ~~the~~ BSCCo ~~Panel ,~~ will determine a proposed Settlement Period/Day from which normal BSC market operations shall resume. This is 'Point K' on the diagram.

- BSCCo ~~The BSC Panel~~ will consult with the NETSO (and may consult with the SAF, BSC Parties, Party Agents, Market Index Data Providers and the Authority) on the proposed timetable for the resumption of normal BSC market operations.

- Following feedback received during the consultation, ~~the~~BSCCo ~~BSC Panel~~ will determine the point at which normal BSC market operations should resume ('Point K').

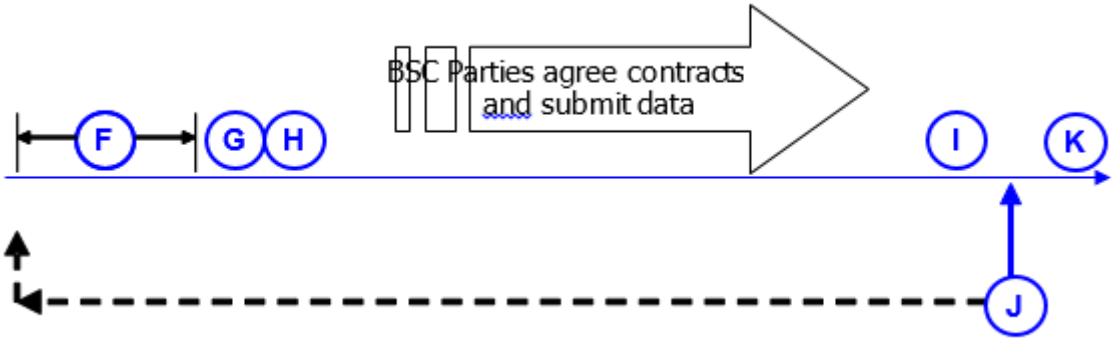
- BSCCo will promptly inform all BSC Parties and any CM Settlement Services Provider of the Settlement Period/Day from which normal BSC market operations shall resume ('Point K'). The NETSO will notify Grid Code Users of this 'Point K'.

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- BSCCo~~The Panel~~ will determine / confirm the methodology to be used in the calculation of the Contingency Imbalance Price(s) (see Section 3.4 of this BSCP for further details).

Simplified Total Shutdown diagram Points F – K



POINT G: ECVAA returns to normal operations

- The ECVAA will return to normal operations. [H/K]Therefore, Volume Notifications submitted by BSC Parties will be processed and reports will be issued to BSC Parties. These will include the forward contract report (ECVAA-I022) which is issued daily to each Contract Trading Party summarising notifications received relating to that Contract Trading Party for the next seven days. This will therefore show BSC Parties their contract position at 'Point G' + 7 days, with the caveat that their contract position is 'zero' up until 'Point K'. A warning will be placed on the BMRS to remind BSC Parties that all contract positions are zero until normal BSC market operations resume (at 'Point K').

POINTS H – J: Submission of Party Data to the NETSO and BSC Systems (Bids and Offers, Volume Notifications and Physical Notifications)

- BSC Parties are to agree their despatch with the NETSO through this period.
- It is expected that BSC Parties will begin negotiating bilateral contracts.

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- Between 'Point H' and 'Point J' ('Point K' minus 1 hour) BSC Parties can submit Volume Notifications, Bid-Offer Data and TERRE bids in relation to the first and subsequent Settlement Periods after 'Point K'.

- Between 'Point H' and 'Point I' ('Point K' minus 10 hours) BSC Parties should use reasonable endeavours to submit Physical Notifications to reflect their required physical position at 'Point K'.

POINT I: 10 hours to Point K

- This point is 10 hours before normal BSC market operations are planned to resume. BSC Parties should use reasonable endeavours to submit all Physical Notifications possible for 'Point K' by now. The NETSO will then despatch plant to enable BSC Parties to meet their required physical position at 'Point K'. If a BSC Party submits a revised Physical Notification after 'Point I', it may not be possible for the NETSO to despatch the plant in order for the BSC Party to meet this revised position.

- For Settlement Periods which are to follow the start of normal BSC market operations, BSC Parties should submit BM Unit data in accordance with BC1 of the Grid Code.

POINT J: Gate Closure for Point K and Final Decision

- At any time up to one hour before the start of the Settlement Period from which normal BSC market operations are planned to resume, the NETSO shall notify any reason why the Total System could not return to normal operation by that time. If needed, BSCCo~~the Panel~~ will make a revised determination as to the Settlement Period/Day from which normal BSC market operations shall resume (a new 'Point K'). BSCCo shall promptly notify all BSC Parties and any CM Settlement Services Provider of any revised Panel determination regarding 'Point K', and the NETSO shall subsequently notify Grid Code Users.

- If BSCCo ~~the Panel~~ determines that 'Point K' should occur at a later time than originally planned, the Total Shutdown process moves back to 'Point F'. The NETSO will continue to despatch generators up to the revised 'Point K'.

POINT K: End of the System Restoration Period and Market Suspension Period

- 'Point K' is the Settlement Period/Day from which normal BSC market operations resume.

- The end of the Settlement Period immediately before this represents the end of both the System Restoration Period and the Market Suspension Period.

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- At this point, System Restoration provisions no longer apply. The Total System, Balancing Mechanism and all BSC Systems are operating normally.

- No specific rules are required for any subsequent Settlement Periods after ‘Point K’, e.g. Parties can submit revised Physical Notifications up to Gate Closure.

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2.2 Restoration of BSC Systems following a Market Suspension Period

The BSC Systems will be operated in the following manner during a Market Suspension Period:

a) Continue normal operation of the **BMRS** as far as is possible in the following manner:

- The BMRS would be used to provide industry with updates regarding the status of the Transmission System and other relevant systems;
- Tibco messages would continue to be issued where possible;
- A notice would be placed on the BMRS stating that the indicative prices are not accurate, and that contract positions are 'zero', for Settlement Periods during a Market Suspension Period;
- When the market returns to normal operation (i.e. point K) the BMRS would continue calculating indicative prices for subsequent Settlement Periods based on actual data received from the NETSO
- The BMRS will publish the Contingency Imbalance Price information for all Settlement Periods during the Market Suspension Period, once BSCCo ~~the Panel~~ has ~~agreed~~ determined the methodology and has calculated the price(s) ~~has been calculated by BSCCo~~; and
- BMRS will not receive any TERRE Market related data relating to Settlement Periods within the Market Suspension Period.

b) **ECVAA** should continue operating throughout the Market Suspension Period, where possible, as follows:

- Where notifications are submitted, these will be processed and reports sent back;
- 'Zero' data is sent to the SAA for all Settlement Periods within the Market Suspension Period;
- Credit Default process switched off and Energy Indebtedness for all Parties set to Zero for all Settlement Periods within the Market Suspension Period; and
- Submitted Volume Notifications would be processed in relation to Settlement Periods following point K.

c) **CDCA** to continue normal operations. This would include:

- Collecting data throughout the Market Suspension Period where possible; and
- Aggregation runs carried out normally as far as possible.

d) **SVAA** to continue normal operations as far as possible including:

- Calculation of Daily Profile Coefficients; and
- Volume Allocation Runs carried out normally as far as possible in accordance with Section R of the BSC.

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e) **SAA** runs would not be carried out until the Contingency Imbalance Price methodology has been determined by ~~the~~ BSCCo ~~Panel~~ and the price(s) has been calculated by BSCCo – see section 3.4.

f) **FAA** Payment Runs may be postponed in accordance with Section N6.6 of the BSC.

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3 Interface and Timetable Information

This section contains:

- A summary (3.1) of the Grid Code procedure for restoring the Total System following a System Restoration event;
- The BSC procedure (3.2) for determining and communicating:
    - The existence of a Total Shutdown or a Partial Shutdown, and the start of a System Restoration Period;
    - The start of any Market Suspension Period where the Market Suspension Threshold is met; and
    - The end of a System Restoration Period where there is no Market Suspension Period,
- The procedure (3.3) for:
    - Suspending, and preparing to resume, normal BSC market operations during any Market Suspension Period; and
    - Determining and communicating the end of the Market Suspension Period and System Restoration Period after which normal BSC market operations will resume,
- The procedure (3.4) for calculating and applying the Contingency Imbalance Price(s) during a Market Suspension Period;
- The procedure (3.5) for applying for a time-extension to submit claims for system restoration compensation amounts following a System Restoration event, or for Exceptional Costs following a FSC event;
- The procedure (3.6) for submitting claims for system restoration compensation amounts or Exceptional Costs; and
- The procedure (3.7) for withdrawing claims for system restoration compensation amounts or Exceptional Costs.

Sections of these procedures can run concurrently, and are not necessarily dependent upon the completion of the previous procedure.

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3.1 Total System Recovery Process – Initial Shutdown to System Capability Restored

The following procedure is a summary of the System Restoration recovery process under Grid Code OC9. It applies to both Total Shutdowns and Partial Shutdowns, begins from when the Total Shutdown or Partial Shutdown occurs and completes when the Total System is re-energised and operating normally.

The Grid Code's OC9 contingency provisions will cease to apply after the end of the BSC's System Restoration Period. For details on how the end of the System Restoration Period is determined, see procedures 3.2 and 3.3.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.1.1	In accordance with Grid Code OC9	Determine that a Total Shutdown or a Partial Shutdown exists	NETSO		Grid Code OC9 provisions	Internal process
3.1.2	As soon as possible after 3.1.1	Contact relevant Grid Code Users and Network Operators with Anchor Plant Capability and Top Up Restoration Plant Capability to begin the process of restoring power to the Total System	NETSO	Relevant Grid Code Users and Network Operators	Instructions to Restoration Contractors and Network Operators and other Grid Code Users with Local Joint Restoration Plans and /or Distribution Restoration Zone Plans Grid Code OC9 provisions	(dependent upon which methods are available at the time)
3.1.3	As appropriate and practicable	Provide information on the operation of the Transmission System	NETSO	BSCCo	Energisation status of the Transmission System	(dependent upon which methods are available at the time)
3.1.4	As soon and so far as is practicable after 3.1.3	Communicate information on the operation of the Transmission System	BSCCo	BSC Parties BSC Agents SAF~~The Panel~~	NETSO's notification under 3.1.3	(dependent upon which methods are available at the time)

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.1.5	In parallel with 3.1.3	Communicate the availability and capability of the BSC Systems	BSC Agents	BSCCo	Status of the BSC Systems	(dependent upon which methods are available at the time)
3.1.6	As soon as and so far as is practicable after 3.1.5	Communicate the availability and capability of the BSC Systems	BSCCo	BSC Parties BSC Agents SAF~~The Panel~~ NETSO	Status of the BSC Systems	(dependent upon which methods are available at the time)
3.1.7	In accordance with Grid Code OC9	Determine and notify the time and date that the Total System could return to normal operation	NETSO	BSCCo	Grid Code OC9 provisions	
3.1.8	As soon and so far as is practicable after 3.1.7	Communicate the time and date that the Total System could return to normal operation	BSCCo	BSC Parties BSC Agents ~~The Panel~~SAF	NETSO's notification under 3.1.7	(dependent upon which methods are available at the time)
3.1.9	Following 3.1.7 and in accordance with Grid Code OC9	Determine that the Total System has returned to normal operation	NETSO	BSCCo	Status of the Total System Provisions of Grid Code OC9	Internal process

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3.2 System Restoration Notification Process – Initial Shutdown to Either Market Suspension or System Capability Restored

This procedure details the BSC process for communicating the existence of a System Restoration event and the start of a System Restoration Period. It covers the notification process up to the start of a Market Suspension Period or the restoration of the Total System, whichever occurs first.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.2.1	As soon as possible after 3.1.1 (for both Total and Partial Shutdowns)	Notify existence of a Total Shutdown or a Partial Shutdown and the intention to implement System Restoration	NETSO	Relevant Grid Code Users and Network Operators BSCCo	Existence of Total or Partial Shutdown Grid Code OC9 provisions	(dependent upon which methods are available at the time)
3.2.2	As soon as possible after 3.1.1 (for Partial Shutdowns only)	Begin monitoring the Market Suspension Threshold	NETSO		Existence of Partial Shutdown Information specified in BSC Section G3	Internal process
3.2.3	As soon as practicable after 3.2.1 (for both Total and Partial Shutdowns)	Notify existence of a Total Shutdown or a Partial Shutdown and that the NETSO intends to implement System Restoration	BSCCo	BSC Parties BSC Agents ~~The Panel~~SAF CM Settlement Services Provider	NETSO's notification under 3.2.1	(dependent upon which methods are available at the time)

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.2.4	As soon as practicable after 3.2.1 (for both Total and Partial Shutdowns)	Determine and notify the time and date from which the Total Shutdown or Partial Shutdown began	NETSO	BSCCo	Time and date of the Total Shutdown or Partial Shutdown	(dependent upon which methods are available at the time)
3.2.5	As soon as and so far as is practicable after 3.2.4 (for both Total and Partial Shutdowns)	Determine the corresponding Settlement Period and Settlement Day and notify that the start of this Settlement Period represents the start of a System Restoration Period	BSCCo	BSC Parties BSC Agents ~~The Panel~~SAF CM Settlement Services Provider	NETSO's notification under 3.2.4	(dependent upon which methods are available at the time)
3.2.6	In parallel with 3.2.5 (for Total Shutdowns only)	Notify that the start of the System Restoration Period is also the start of a Market Suspension Period Go to 3.3.1	BSCCo	BSC Parties BSC Agents ~~The Panel~~SAF CM Settlement Services Provider	Existence of Total Shutdown NETSO's notification under 3.2.4	(dependent upon which methods are available at the time)
3.2.7	At any time after 3.2.2 if Market Suspension Threshold met (for Partial Shutdowns only)	Notify (as soon as is practicable) the time and date on which the Market Suspension Threshold was met	NETSO	BSCCo	Information specified in BSC Section G3	(dependent upon which methods are available at the time)

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.2.8	As soon as and so far as is practicable after 3.2.7 (for Partial Shutdowns only)	Determine the corresponding Settlement Period and Settlement Day and notify that the start of this Settlement Period represents the start of a Market Suspension Period Go to 3.3.1	BSCCo	BSC Parties BSC Agents ~~The Panel~~SAF CM Settlement Services Provider	NETSO's notification under 3.2.7	(dependent upon which methods are available at the time)
3.2.9	As soon as possible after 3.1.9 if Market Suspension Threshold not met (for Partial Shutdowns only)	Notify the time and date from which the Total System returned to normal operation	NETSO	BSCCo	Time and date that the Total System returned to normal operation	Electronic or other method as agreed
3.2.10	Promptly after 3.2.9, if Market Suspension Threshold not met (for Partial Shutdowns only)	Determine the corresponding Settlement Period and Settlement Day and notify that the end of this Settlement Period represents the end of the System Restoration Period	BSCCo	BSC Parties BSC Agents ~~The Panel~~SAF CM Settlement Services Provider	NETSO's notification under 3.2.9	Circular via e-mail, BSC Website, BMRA website and other methods as agreed

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3.3 Market Recovery Process – Market Suspension to Normal Market Operations

The following is the procedure for:

- Suspending, and preparing to resume, normal BSC market operations during any Market Suspension Period; and
- Determining and communicating the end of the Market Suspension Period and System Restoration Period after which normal BSC market operations will resume.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.3.1	As soon as possible/ practicable after 3.2.6 (for Total Shutdowns) or 3.2.8 (for Partial Shutdowns), and on-going until 3.3.18	Communicate in detail with relevant BSC Agents to confirm what actions are required and when for all affected BSC Systems	BSCCo	SAA BMRA ECVAA FAA	Existence of Market Suspension Period Status of BSC Systems Provisions of BSC Section G3.2	(dependent upon which methods are available at the time)
3.3.2	As soon as possible/ practicable after 3.3.1	Delay Settlement Runs for Settlement Periods/Days where data is not available or is no longer applicable	SAA		Settlement Calendar Status of BSC Systems Settlement Periods/Days falling within the Market Suspension Period Availability of Settlement data for Settlement Periods / Days preceding the Market Suspension Period	Internal process

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.3.3	As soon as possible/ practicable after 3.3.2	Revise and/or delay the Payment Date for any affected Settlement Days, if required, in accordance with BSC Section N6.6	FAA		Payment Calendar Status of BSC Systems Settlement Periods/Days falling within the Market Suspension Period Availability of Settlement Run data for Settlement Periods/Days preceding the Market Suspension Period	Internal process
3.3.4	As soon as possible/ practicable after 3.3.1	Suspend the normal imbalance pricing calculations on the BMRS	BMRA		Settlement Periods/Days falling within the Market Suspension Period	Internal process
3.3.5	As soon as possible/ practicable after 3.3.1	Set the Credit Assessment Energy Indebtedness (CEI) and Metered Energy Indebtedness (MEI) to zero for all Settlement Periods within the Market Suspension Period Set the Actual Energy Indebtedness (AEI) to zero for all Settlement Days that fall wholly or partially within the Market Suspension Period	ECVAA		Settlement Periods/Days falling within the Market Suspension Period	Internal process
3.3.6	After 3.1.7	Having regard to the matters set out in BSC Section G3.1.3, determine the Settlement Day and Settlement Period from which normal BSC market operations should resume	BSCCo~~The Panel~~		Time and date (as determined and notified by the NETSO under 3.1.7) that the Total System could return to normal operation Proposed Settlement Day and Settlement Period of return to normal BSC market operations Provisions of BSC Section G3.1.3	~~Panel Meeting~~Internal process

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.3.7	After 3.3.6	Consult the NETSO, and (if BSCCo ~~the Panel~~ deems appropriate/necessary) the industry, on the suitability of the Settlement Day and Settlement Period from which normal BSC market operations are proposed to resume	~~The Panel (via~~ BSCCo~~)~~	NETSO BSC Parties Party Agents MIDP(s) The Authority	Proposed Settlement Day and Settlement Period of return to normal BSC market operations	Electronic or other method as agreed Circular via e-mail and BSC Website plus other methods as agreed
3.3.8	After 3.3.7	Make final determination on the Settlement Day and Settlement Period from which normal BSC market operations should resume (repeating steps 3.3.6 and 3.3.7 if necessary) Agree any instructions on the requirements and timing of relevant BSC System reports, including the 7-day forward contract report	BSCCo~~The Panel~~	~~BSCCo~~	Proposed Settlement Day and Settlement Period of return to normal BSC market operations Views of NETSO received under 3.3.7 Any industry responses received under 3.3.7	~~Panel Meeting~~Internal process
3.3.9	Promptly after 3.3.8	Communicate the Settlement Day and Settlement Period from which normal BSC market operations shall resume, and that the end of the Settlement Period immediately before this shall represent the end of both the Market Suspension Period and the System Restoration Period	BSCCo	BSC Parties BSC Agents Party Agents CM Settlement Services Provider NETSO MIDP(s) The Authority	Settlement Day and Settlement Period of return to normal BSC market operations	Circular via e-mail, BSC Website, BMRS website and other methods as agreed

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.3.10	After 3.3.9	Notify the Settlement Day and Settlement Period from which BSCCo~~the Panel~~ has determined that normal BSC market operations shall resume	NETSO	Grid Code Users	BSCCo's notification under 3.3.9	Electronic, or other method as agreed
3.3.11	After 3.3.9	If required, communicate any instructions on the requirements and timing of relevant BSC System reports, including the 7-day forward contract report	BSCCo	Relevant BSC Agents	Any instructions ~~provided~~ determined by BSCCo ~~the Panel~~ under 3.3.8	Electronic, or other method as agreed
3.3.12	After 3.3.11	Forward contract report is sent, and if specified, sent in accordance with instructions as per 3.3.11	ECVAA	BSC Parties	ECVAA-I022 'Issue Forward Contract Report'	Electronic, or other method as agreed
3.3.13	After 3.3.11	Update BMRS with a caveat that all contracts are 'zero' until the start of the Settlement Period from which normal BSC market operations shall resume	BMRA		Settlement Periods that fall within the Market Suspension Period	BMRS website
3.3.14	After 3.3.9 and by 10 hours before the start of the Settlement Period from which normal BSC market operations are to resume	Use reasonable endeavours to submit Physical Notifications and Bid-Offer Data to apply from the Settlement Period at which normal BSC market operations resume	BSC Parties	NETSO	Provisions of Grid Code OC9 Contractual information	Electronic, or other method as agreed
3.3.15	After 3.3.9 and by 1 hour before the start of the Settlement Period from which normal BSC market operations are to resume	Submit Volume Notifications to apply from the Settlement Period at which normal BSC market operations resume	BSC Parties	ECVAA	ECVAA-I004 'Receive ECVN' ECVAA-I005 'Receive MVRN'	Electronic, or other method as agreed
3.3.16	After 3.3.14, 10 hours before the start of the Settlement Period from which normal BSC market operations are to resume	Co-ordinate plant despatch, allowing BSC Parties to meet their position at return to normal BSC market operations	NETSO	Relevant Grid Code Users and Network Operators	Despatch instructions	Electronic, or other method as agreed

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.3.17	After 3.3.9 and at any time up to 1 hour before the start of the Settlement Period from which normal BSC market operations are to resume	Notify any reason why the Total System could not return to normal operation by the Settlement Period from which normal BSC market operations are to resume Repeat steps 3.3.1 to 3.3.17 if and as required	NETSO	~~The Panel (via~~ BSCCo~~)~~	Provisions of Grid Code OC9.4.7.9	Electronic, or other method as agreed
3.3.18	Following the start of the Settlement Period from which normal BSC market operations are to resume	Confirm resumption of normal BSC market operations and the end of the Market Suspension Period and System Restoration Period	BSCCo	BSC Parties BSC Agents Party Agents CM Settlement Services Provider NETSO MIDP(s) The Authority	Settlement Period from which normal BSC market operations resumed The end of the Settlement Period immediately before this represents the end of both the Market Suspension Period and the System Restoration Period	Circular via e-mail, BSC Website, BMRS website plus other methods as agreed

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3.4 Contingency Imbalance Price Calculation and Application During a Market Suspension Period

This procedure shall be completed as efficiently as is practical at the time to allow Parties visibility of their positions.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.4.1	To allow this process to be completed in time for the Initial Settlement Runs for the relevant Settlement Periods, wherever possible	Determine the proposed methodology to calculate the Contingency Imbalance Price(s) in accordance with BSC Section T1.7.1A	BSCCo~~The Panel~~		Proposed Contingency Imbalance Price methodology	Internal process
3.4.2	After 3.4.1	Where necessary, seek the opinion of the industry on the proposed methodology to calculate the Contingency Imbalance Price(s)	BSCCo~~The Panel~~	BSC Parties The Authority NETSO SAF	Proposed Contingency Imbalance Price methodology	Electronic, or other method as agreed
3.4.3	In response to the consultation in 3.4.2 or otherwise	Provide information relevant to the calculation of the Contingency Imbalance Price(s)	NETSO	BSCCo~~The Panel~~	Provisions of BSC Section T1.7.1A	Electronic, or other method as agreed
3.4.4	After 3.4.3	Request approval of the Contingency Imbalance Price methodology	BSCCo~~The Panel~~[3]	The Authority	Final proposed Contingency Imbalance Price methodology	Electronic, or other method as agreed
3.4.5	After 3.4.4	Approve the Contingency Imbalance Price methodology	The Authority	BSCCo~~The Panel~~	Final proposed Contingency Imbalance Price methodology	Electronic, or other method as agreed

[3] ~~Communication between the Authority and the Panel is to be done via BSCCo.~~

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.4.6	After 3.4.5	Communicate Contingency Imbalance Price methodology	BSCCo	BSC Parties BSC Agents NETSO The Authority	Approved Contingency Imbalance Price methodology	Electronic, or other method as agreed
3.4.7	After 3.4.6	Apply methodology to calculate Contingency Imbalance Price(s)[4]	BSCCo SAA		Approved Contingency Imbalance Price methodology	
3.4.8	After 3.4.7	Circulate and publish[5] the Contingency Imbalance Price(s) and, if required, an interim Settlement Calendar timetable[6]	BSCCo SAA	BSC Parties ~~BSC Panel~~SAF BSC Agents NETSO	Contingency Imbalance Price(s) Interim Settlement Calendar	Electronic, or other method as agreed
3.4.9	After 3.4.8	Update BMRS with Contingency Imbalance Price(s)	BMRA		Contingency Imbalance Price(s)	BMRS
3.4.10	A minimum of 24 hours after 3.4.9	Begin SAA Settlement Runs including the Contingency Imbalance Price(s) for Settlement Periods affected by the Market Suspension Period	SAA		Contingency Imbalance Price(s) Interim Settlement Calendar	
3.4.11	If 3.4.10 means FAA Payment Runs affected	Complete FAA Payment Runs until timetable is back to 'normal operation'	FAA		Contingency Imbalance Price(s) Interim Settlement Calendar	

[4] BSCCo ~~The Panel~~ is to provide instruction on how the Contingency Imbalance Price(s) shall be applied.
[5] BSCCo shall publish the Contingency Imbalance Price(s) on the BSC Website as soon as is possible as well as circulate the prices to BSC Parties.
[6] Potentially CDCA runs could be affected as well as SAA runs and their timing will also be in the Settlement Calendar. The BSC Agents shall ensure all systems will operate to achieve Settlement Runs.

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3.5 Application for Time-Extension to Submit Claim

This procedure should be read in conjunction with Attachment A 1. 'Claims Submission'.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.5.1	Where there is a System Restoration event or a FSC event	A 'Claims Committee' is established in accordance with the BSC Section B3.5, including the membership and Terms of Reference	BSCCo~~BSC Panel~~	~~BSCCo~~	Members of the Claims Committee Terms of Reference for the Claims Committee	Post, fax or electronic
3.5.2	Upon completion of 3.5.1	Communicates details of the Claims Committee with the members of the newly established Claims Committee	BSCCo	Claims Committee	Members of the Claims Committee Terms of Reference for the Claims Committee	Post, fax or electronic
3.5.3	Upon completion of 3.5.1	Communicates details of the Claims Committee	BSCCo	BSC Parties	Members of the Claims Committee	Post, fax or electronic
3.5.4	Within 20WD of the end of a System Restoration Period or within 60D[7] of the end of a FSC event, or in anticipation of an FSC Event[8], or through a lengthened FSC Event	Submit form BSCP201/03 'Request for System Restoration Claim or Fuel Security Event Claim Time Extension'	BSC Party	BSCCo	BSCP201/03 'Request for System Restoration or Fuel Security Event Claim Time Extension'	Post, fax or electronic
3.5.5	Upon receipt of 3.5.4	Validate form and additional information before ~~Panel~~ BSCCo decision	BSCCo	~~The Panel~~	BSCP201/03 'Request for System Restoration or Fuel Security Event Claim Time Extension'	~~Post, fax or electronic~~Internal process

[7] Note FSC Claims are to be submitted 60 Days (as opposed to 60 Working Days) after the end of a FSC event.
[8] Claims can only be made by the Lead Party of a BM Unit who has received (i) a system restoration instruction from the NETSO during a System Restoration Period or (ii) a Direction from the Secretary of State during a FSC event or in anticipation of a FSC event.

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.5.6	Upon ~~receipt~~ completion of 3.5.5	Determine timeframe for relevant claim submission.	BSCCo ~~The Panel[9]~~	~~BSCCo~~	Time-frame required to submit the Claim	~~Post, fax or electronic~~Internal process
3.5.7	Upon completion of 3.5.6	Communicate decision made in 3.5.6	BSCCo	BSC Party	Time-frame required to submit the Claim	Post, fax or electronic

~~[9] This process step is to be completed by the Panel in accordance with BSC Section G3.3.1A; however this could be delegated to the Claims Committee in accordance with BSC Sections B3.5 and B5.1.1.~~

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3.6 Claim for Compensation Application Process

This procedure should be read in conjunction with Attachment A 1. 'Claims Submission'.

In respect of a Fuel Security event, references to 'BSC Party' in this procedure refer to the Claimant Customer. In respect of a System Restoration event, references to 'BSC Party' in this procedure shall be to the Lead Party, whether claiming for itself or on behalf of another party. Steps 3.6.9 to 3.6.11 in this procedure are for System Restoration claims only and steps 3.6.12 to 3.6.16 in this procedure are for Fuel Security Event claims only.

The Authority may provide guidance or directions in the Claim for Compensation Application Process in accordance with BSC Section G2.2.2.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.6.1	Within 20WD of the end of a System Restoration Period; within 60D of the end of a FSC event; within an ongoing FSC event; or after the time determined by BSCCo ~~the Panel~~ in 3.5.6	Submit BSCP201/01 'System Restoration Claims Form' and/or BSCP201/02 'Fuel Security Event Claims Form'	BSC Party	BSCCo	BSCP201/01 'System Restoration Claims Form' BSCP201/02 'Fuel Security Event Claims Form' Statement of claim Supporting evidence	Post, fax or electronic
3.6.2	Upon receipt of 3.6.1	Validate and analyse BSCP201/01 'System Restoration Claims Form' and/or BSCP201/02 'Fuel Security Event Claims Form', the statement of claim and supporting evidence as is possible. Request further information, if required	BSCCo	BSC Party	BSCP201/01 'System Restoration Claims Form' BSCP201/02 'Fuel Security Event Claims Form' Statement of claim Supporting evidence	Post, fax or electronic
3.6.3	After 3.6.2, if required	Provide further information, if required	BSC Party	BSCCo	Any relevant information	Post, fax or electronic

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.6.4	Upon completion of 3.6.2 and, if required, 3.6.3	Present the claims data and analysis (where possible) to the Claims Committee	BSCCo	Claims Committee	BSCP201/01 'System Restoration Claims Form' BSCP201/02 'Fuel Security Event Claims Form' Statement of claim Supporting evidence	Post, fax or electronic
3.6.5	Upon completion of 3.6.4	Determine process for assessing the claim[10]	Claims Committee		BSCP201/01 'System Restoration Claims Form' BSCP201/02 'Fuel Security Event Claims Form' Statement of claim Supporting evidence	
3.6.6	At any time after 3.6.5, if required	Request further information, if required	Claims Committee	BSC Party	Any relevant information	Post, fax or electronic
3.6.7	At any time after 3.6.6, if required	Provide further information, if required	BSC Party	Claims Committee	Any relevant information	Post, fax or electronic
3.6.8	In accordance with the timetable set in 3.6.5	Assess the claim and determine the amount (£) of compensation to be paid to the BSC Party	Claims Committee	BSCCo	BSCP201/01 'System Restoration Claims Form' BSCP201/02 'Fuel Security Event Claims Form' Statement of claim Supporting evidence	Post, fax or electronic

[10] As the scope of each claim could be different, the Claims Committee is to determine the most relevant process for assessing the claims on an individual basis.

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.6.9	Upon completion of 3.6.8, for System Restoration claims only	Inform the BSC Party of the decision made by the Claims Committee in 3.6.8	BSCCo	BSC Party SAA	Details of Claims Committee decision	Post, fax or electronic
3.6.10	Upon completion of 3.6.8, for System Restoration claims only	Pay the BSC Party the amount determined in 3.6.8 in accordance with BSC Section G3.3.6	BSCCo	BSC Party	Details of Claims Committee decision	Electronic
3.6.11	Upon completion of 3.6.9, for System Restoration claims only	Recover the amount determined in 3.6.8 in accordance with BSC Section G3.3.7	SAA		Details of Claims Committee decision	Electronic
3.6.12	Upon Completion of 3.6.8, for Fuel Security Claims only	Inform the BSC Party, the NETSO and the Authority of the decision made by the Claims Committee in 3.6.8	BSCCo	BSC Party NETSO The Authority	Details of Claims Committee decision	Post, fax or electronic
3.6.13	Upon completion of 3.6.8, for Fuel Security Claims only	Determine method and timeframe of payment to BSC Party	The Authority	NETSO BSCCo	Amount, Method and Timeframe of payment to BSC Party	Post, fax or electronic
3.6.14	Upon completion of 3.6.13, for Fuel Security Claims only	Communicate method and timeframe of payment to BSC Party	BSCCo	~~The Panel~~ FAA	Amount, Method and Timeframe of payment to BSC Party	Post, fax or electronic
3.6.15	Upon completion of 3.6.8, for Fuel Security Claims only	Determine the method of cost recovery for the claim[11]	The Authority	NETSO BSCCo	Amount approved by Claims Committee	Circular, or other method as agreed

[11] The Authority may choose the NETSO (under the Grid Code), the BSC or any other method it determines appropriate for cost recovery. If the BSC is chosen to recover costs, refer to BSC Section G3.3.7 for System Restoration Period claims.

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REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.6.16	Within 2WD of 3.6.15, for Fuel Security Claims only	Inform parties of the method and timeframe of cost recovery	BSCCo	BSC Parties	Method and timeframe of cost recovery	Circular, or other method as agreed
3.6.17	Within 5WD of when final claim pertaining to the relevant period is determined in 3.6.8	Publish the total amount (£) claimed for and the amount (£) approved by the Claims Committee (a total for all Claims)	BSCCo		Amount claimed for Amount approved by Claims Committee	Publish on BSC Website

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3.7 Application to Withdraw Claim for Compensation

This procedure can be used by the BSC Party claiming any time between submitting their claim and the decision made by the Claims Committee.

REF	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.7.1	Any time after 3.6.1 and before 3.6.8	Fill in form BSCP201/04 'Application to Withdraw a System Restoration Claim or a Fuel Security Event Claim'	BSC Party	BSCCo	BSCP201/04 'Application to Withdraw a System Restoration Claim or a Fuel Security Event Claim'	Post, fax or electronic
3.7.2	Upon receipt of 3.7.1	Validate form and additional information then communicate the claim is being withdrawn	BSCCo	Claims Committee	BSCP201/04 'Application to Withdraw a System Restoration Claim or a Fuel Security Event Claim'	Post, fax or electronic

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4. Appendices

The following forms are in this BSCP:

- BSCP201/01 'System Restoration Claim Form'
  - This form must be signed by a Company Director or a Category A Authorised Person.
  - A claim can only be made by or via the Lead Party of a BM Unit which has received a system restoration instruction from the NETSO and/or a Network Operator (as defined in BSC Section G3).
  - The form BSCP201/01 must be accompanied with a statement of claim and any supporting evidence in accordance with Section G3.3.1B of the BSC.
  - The claim must be submitted in accordance with Section 3 of this BSCP.

- BSCP201/02 'Fuel Security Event Claim Form'
  - This form must be signed by a Company Director or a Category A Authorised Person.
  - A claim can only be made by the Lead Party of a BM Unit who has received an instruction from the Secretary of State (or the NETSO on behalf of the Secretary of State) in accordance with the Fuel Security Code.
  - The claim must be submitted in accordance with Section 3 of this BSCP.
  - There is further information in Attachment One regarding the submission of a Fuel Security Event Claim Form.

- BSCP201/03 'Application for System Restoration or Fuel Security Event Claim Time Extension'
  - This form must be signed by a Company Director or a Category A Authorised Person.
  - This form can only be completed [via] the Lead Party of a BM Unit who has received either:
    - A system restoration instruction from the NETSO and/or a Network Operator (as defined in BSC Section G3); or
    - An instruction from the Secretary of State (or the NETSO on behalf of the Secretary of State) in accordance with the Fuel Security Code.

- BSCP201/04 'Application for System Restoration or Fuel Security Event Claim Withdraw'
  - This form must be signed by a Company Director or a Category A Authorised Person.
  - This form can only be submitted if BSCP201/01 or BSCP201/02 had previously been submitted.

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System Restoration Claim Form

BSCP201/01

System Restoration Claim Number:

Lead Party *(Company name)*_____ *(claiming on behalf of)*

Claimant Name (*if different) (Company name)*: _____

Date Raised: _____/_____/_____

Lead Party BM Unit ID :_____

Address: _____

Contact name: _____ Role: _____

Telephone: _____ Email: _____

Director's / Category A Authorised Person's Certification of Claim

Authorised By: _____ Signature: _____ Date: _____

Please complete the following section as appropriate and attach additional evidence:

System Restoration Period being claimed for:

From_____/_____/_____ Settlement Period: _____ To_____/_____/_____ Settlement Period: _____

Total Amount Claimed for: £_____

Description of NETSO and/or Network Operator system restoration instruction received in relation to the BM Unit ID(s): _____

_____

Summary of Attached Evidence: _____

_____

_____

Number of Attachments: _____ Number of Pages with submission (incl this page): _____

Does this Claim require an Interim Payment[12]? (Yes/No) _____

Details of Cost (supporting evidence must be provided for each Settlement Period)[13]:

Total Normal Exports: _____ Exports During Period: _____ Change (in MWh): _____

Total Normal Imports: _____ Imports During Period: _____ Change (in MWh): _____

Avoidable Costs incurred during the System Restoration Period (evidence must be produced):

Cost category	Fuel	Plant & Apparatus	Other Operational Costs
Amount (£)			
Evidence (Y/N)			

[12] If this claim is for an interim amount as part of an on-going System Restoration Period, any amount approved cannot be claimed for as part of the final claim.

[13] The calculation for the "system restoration compensation amount" is as per Section G3.3.2 of the BSC. Supporting evidence is required.

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Fuel Security Event Claim Form

BSCP202/02	**Fuel Security Claim Number:** ***BSCCo use only***

(Form completed by Claimant)

Claimant *(name)*: _____ Date Raised: _____/_____/_____

Company Name / Lead Party BMU ID / Role: _____

Address: _____

Telephone: _____ Fax: _____ Email: _____

Director's / Category A Authorised Person's Certification of Claim

Authorised By: _____ Signature: _____ Date: _____

Please complete the following section as appropriate and attach additional evidence:

Fuel Security Event Period:

From_____/_____/_____ Settlement Period: _____ To_____/_____/_____ Settlement Period: _____

BM Unit ID(s): _____ Site Name: _____

Total Amount Claimed for: £_____

Description of Secretary of State (or NETSO) direction received in relation to the BM Unit ID(s): _____

_____

Summary of Attached Evidence: _____

_____

_____

Number of Attachments: _____ Number of Pages with submission (incl this page): _____

Does this Claim require an Interim Payment[14]? (Yes/No) _____

Details of Exceptional Costs[15] incurred during the Fuel Security Code period (evidence must be produced):

Cost Category	Fuel	Insurance	Financing	Overhead	Emission
Amount (£)					
Evidence (Y/N)					

Cost Category	Damages	Industry Charges	Other Costs	Total Claimed
Amount (£)				
Evidence (Y/N)				

[14] If this claim is for an interim amount, for costs incurred to date, any amount approved cannot be claimed for as part of the final claim.
[15] Details of what constitutes each Cost Category for a Fuel Security event can be found in Attachment A of this BSCP.

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Application for Time Extension to Submit Claim

BSCP201/03

(Form completed by Claiming Party)

Claimant (*name*): _____ Date: _____/_____/_____

Company Name: _____

Address: _____

Telephone: _____ Fax: _____

Email: _____

Director's / Category A Authorised Person's Certification of Claim

Authorised By: _____ Signature: _____ Date: _____

System Restoration / Fuel Security Period Details:

Period: From____/____/____ Settlement Period ____ To____/____/____ Settlement Period ____

BM Unit ID(s): _____ Site Name: _____

Description of the system restoration instruction or FSC direction received in relation to this BM Unit ID(s):

_____

_____

_____

Response:

_____

_____

_____

The additional time (beyond the time already allowed) required to submit a completed claim: _____

Therefore by close of business on which date will you be submitting your completed claim: _____

What is the justification/evidence as to why you require this additional time to complete the submission of your claim Reason:

_____

_____

_____

(Completed by BSCCo after ~~recommendation~~ decision~~by Panel~~)

Deadline for completed claim: _____

Claim to be Received by Date: _____/_____/_____ BSCCo representative: _____

~~Panel~~ Decision Date: _____/_____/_____ BSCCo signature: _____

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Application to Withdraw a System Restoration Period Claim or a Fuel Security Code event Claim

BSCP201/04

(Form completed by Claiming Party)

Claimant (*name*): _____ Date: _____/_____/_____

Company Name: _____

Address: _____

Telephone: _____ Fax: _____

Email: _____

Director's / Category A Authorised Person's approval for withdrawal:

Authorised By: _____ Signature: _____ Date: _____

Claim Number (if known): _____ (the Details section is not necessary if Claim Number is known)

System Restoration Period / Fuel Security Details:

Period: From____/____/____ Settlement Period ____ To____/____/____ Settlement Period ____

BM Unit ID: _____ Site Name: _____

Description of NETSO and/or a Network Operator system restoration instruction or Fuel Security Code Direction received in relation to this BM Unit ID:_____

_____

_____

Response: _____

_____

_____

Reason for Withdrawal: _____

_____

_____

(Completed by BSCCo after ~~recommendation~~ decision~~by Panel~~)

Claim Withdrawal approved? (Yes/No): _____

Date of Withdrawal: _____/_____/_____ BSCCo representative: _____

~~Panel~~ Decision Date: _____/_____/_____ BSCCo signature: _____

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Attachment One: Guidance

This section of the BSCP is for guidance only. It provides some interpretation of the legislation and is available to help BSC Parties and the Claims Committee determine their best course of action in what is likely to be an unusual situation.

4.1 Claim Submission

A FSC Costs

The following Cost Headings are to be used for FSC claims: Fuel Costs, Insurance Costs, Financing Costs, Overhead Costs, Maintenance Costs, Emission Costs, Damages, Industry charges and Other Costs.

The cost headings below are a list of areas which can comprise 'Exceptional Costs' required for Generator operation in accordance with an FSC period, and therefore appropriate for inclusion in a FSC Exceptional Cost claim.

These areas can be used to facilitate the handling of claims by the Claims Committee, and might also be the areas for which specialist sub-committee(s) may be formed and employed to advise the Claims Committee in validating claims.

This list is not exhaustive (the 'Other Costs' section can be used when uncertain). There is no ability for a claimant to 'double recover' any of these costs; if they are able to trade commercially and do so, any income received should be used to offset the claimant's costs prior to making any claim under the provisions of the FSC. Claim items may include:

- Fuel costs (including purchase, freight/transportation, storage, handling and use e.g. any changes to fuel efficiency arising from operating in accordance with the FSC);

- Insurance costs (including proportion of current insurance costs applied to the period in question as well as any increase in those costs arising due to the FSC period being invoked and/or resultant claim submissions, as appropriate);

- Financing costs (costs associated with funding the power station(s), via banking loan and/or via shareholder funds, using a reasonable rate of return/risk assessment);

- Overhead costs (cost of running the power station(s), including those associated with staffing e.g. overtime payments, and ancillary supplies, rent,);

- Maintenance costs (costs associated with day-to-day operation, ongoing maintenance and wear & tear of plant/specific apparatus);

- Damages (losses in respect of damage to property e.g. plant/apparatus or death/injury to persons);

- Emissions costs (cost of purchasing various emissions allowances, e.g. CO2, NOx and SOx, needed to operate the power station(s));

- Industry charges (including proportion of current TNUoS and BSUoS charges applied to the claim period, and any additional charges arising from the FSC period being invoked and/or resultant claim submissions, as appropriate); and

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- Other costs (any additional costs necessarily and properly incurred in good faith and on a basis consistent with commercial practices and procedures that were normal and prudent, after all reasonable efforts had been made to establish that no practicable alternative action (or inaction) was available at lower cost).

To assist the Claims Committee (and any sub-committee(s) established) with the handling of System Restoration Period claims, claimants should also breakdown their claim costs into their constituent parts using the following headings: "Fuel", "Plant & Apparatus", "Emissions", "Industry Charges" and "Others".

B Interim Payments

Interim payment sums (£) can be agreed by the Claims Committee only for Exceptional Costs (arising from complying with an FSC Direction received by the Claimant)which have been incurred (up to the date of the interim claim submission) throughout a FSC anticipation period or during a FSC period. The Claims Committee do not manage payment of that claim. BSC Parties are advised to ensure submitted claims are easy to validate if they require swift determination by the Claims Committee.

Payment received as an interim payment cannot be claimed for again as part of the final claim; i.e. double recovery is not permitted.

The interim (claims) payment process for claims arising from costs incurred (up to the date of the interim claim submission) during a System Restoration Period, during a FSC event or in an anticipation of a FSC event is to be exactly the same process as for the 'final' claims process for similar claims for these three examples. The purpose is so claims for interim payment can be assessed and approved for BSC Parties to make claims where cash-flow might be an issue, but any BSC Party can claim if they so desire. However the process of assessing the claim as determined by the Claims Committee will not change.

Claimants are reminded that claims, for interim (or indeed final) payment, can only be for those costs:

- defined in the BSC as "Avoidable Costs" for a System Restoration Period; or
- defined in the FSC as "Exceptional Costs" for FSC events

where:

- the BM Unit concerned has been the subject of system restoration instruction or FSC direction (as the case may be) which gave rise to those costs being incurred; and
- those costs have actually been incurred up to the date of the interim claims submission.

Claimants are to submit details of any interim payment made as support to their final claim.

BSC Parties who wish to receive prompt determination by the Claims Committee of their interim claims (which could facilitate them receiving prompt payment) are advised to send in these claims with evidence which is easily assessable and understood, and attach a note requesting a quick resolution. For example, during a FSC event a BSC Party could submit

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multiple claims for fuel costs as interim payments, then claim for insurance and financing costs for the entire event once it has ended.

Notes:

i) The 20 day claim submission time-frame for System Restoration Periods and the 60 day claim submission time-frame for FSC events do not apply for claims submitted for interim payments during an on-going System Restoration Period, FSC event or anticipation period for a FSC event. Only when these periods/events end do the claims time-frames apply (for making the final claims application).

ii) The Claims Committee is not responsible for ensuring any Payment is made. The Claims Committee can only determine that a claim is valid for payment.

iii) No costs claim for interim payment can be made for costs which may (or will) be incurred at a future date.

4.2 Procedures for the Claims Committee

A Role of the Claims Committee and Experts

The membership of any Claims Committee will be appointed by the BSCCo ~~Panel. and may contain members of the BSC Panel but does not have to (i.e. the Claims Committee could be the BSC Panel, a sub-set of the BSC Panel, or have no direct BSC Panel Members' involvement).~~

~~The~~ BSCCo ~~Panel~~ or a Claims Committee may employ expert / technical / specialist sub-committees to advise or to assist it in determining a claim.

The Claims Committee discharges the responsibilities ascribed to the BSCCo ~~BSC Panel~~ in section G of the Code, the FSC and FSC Guidance (the last two documents being those published on behalf of the Secretary of State, as amended from time to time).

The Claims Committee can establish (a) one, or a number of, expert/technical/specialist sub-committee(s) to which the Claims Committee can delegate consideration of claims to and / or (b) advisory groups/individuals to assist the Claims Committee in determining the validity of claims. Specifically in relation to FSC claims only, establishment of any sub-committee(s) are subject to the Authority not disapproving (i.e. sub-committee(s) will be established unless the Authority notifies the Claims Committee of its specific disapproval); note this applies to establishment only, sub-committee (or indeed the Claims Committee) membership is not subject to Authority approval.

Note that an expert or number of experts can be co-opted directly onto the Claims Committee. In such a case they become Claim Committee members rather than advisory experts.

Sub-committee(s) can potentially perform the bulk of claim validation work, particularly if the volume and complexity of claims was significant (e.g. due to a lengthy FSC period affecting all / many BSC Parties). Thus sub-committee(s) might be established, depending on the volume of claims etc, to look at the main (technical/specialist) aspects of all the claims received. These might be, for example, 'Fuel Costs', 'Insurance', 'Financing', 'Overheads', 'Emissions',

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'Damages', 'Industry Charges' and 'Other Costs'. In other words, under this example, all the 'Fuel Costs' aspects of all the individual claims received would go to the 'Fuel Costs' sub-committee for validation, with this sub-committee membership being drawn from those persons whom the Claims Committee believed to be competent in the field of 'Fuel Costs'.

The role of sub-committee(s) can be to validate aspects of claims that fall under their specialist area of knowledge/expertise and advise the Claims Committee accordingly of their conclusions. The onus is on the claimant to supply sufficient evidence to the Claims Committee to enable it (or any sub-committee etc., that they establish to assist them) to carry out their duties. The role of the Claims Committee (and any sub-committee(s) supporting it) is to verify (and adjust as necessary) claims and determine the amount (£) of compensation to be paid to the BSC Party making the claim in question. In accordance with this sub-committee(s) would not actively gather evidence but would engage only in verification of evidence submitted. However, if the evidence submitted by the claimant is, in the opinion of the sub-committee(s) (or the Claims Committee itself) insufficient to carry out its duties it may, if it wishes, ask the Claims Committee to seek such additional information from the claimant as, in the reasonable opinion of the sub-committee(s) (or the Claims Committee itself), it believes would be sufficient to complete its duties.

The Claims Committee is to make a judgement of the need to employ expert sub-committee(s) based on the need for specialist expertise and knowledge in relation to particular claim(s) and the need to delegate due to the volume of claims. The Claims Committee is to be mindful of the need to maintain the efficiency of the process by minimising the number of sub-committee(s) involved

B Role of BSCCo and the Claims Committee

BSCCo are to provide the Claims Committee with any administrative support and are to provide any requested information.

BSCCo are to provide to the Claims Committee:

- Any administrative and secretarial support necessary to assist the Claims Committee; and

- Any supporting information it requests which is available to BSCCo (e.g. Metered Volume data).

C Confidentiality

Meetings of the Claims Committee are to be held in closed session to ensure confidentiality.

As well as the Claims Committee and (if invited) any sub-committee(s) members or experts, the Authority and a representative of the Secretary of State are free to attend meetings in an observational capacity. Relevant persons (e.g. representatives of claimants) can be invited to attend only for the consideration of particular claims, as deemed necessary by the Claims Committee.

Information submitted by claimant as part of a claim (or in response to a request from the Claims Committee) is to be treated as confidential by the Claims Committee.

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Following the claims validation process, information held by the Claims Committee shall be destroyed after a period of time previously determined by the Claims Committee (and that date would be published to industry). For example, this time period may align with a time period permitted for appeal of the Credit Committee's determination.

4.3 Draft Terms of Reference for the Claims Committee

This document is a draft set of terms of reference for a Claims Committee established for the purpose of determining claims for compensation for certain losses incurred in relation to a System Restoration Period or Fuel Security Code direction under the BSC. This document is provided for guidance only. It was developed in consultation with the modification groups for Modifications P231 and P232, which looked at the BSC procedures surrounding such events. BSCCo ~~The Panel~~ retains the discretion whether or not to establish any such Claims Committee and the form any such Committee would take.

Unless otherwise stated, words and expressions used in these Terms of Reference shall have the meanings attributed to them under the Balancing and Settlement Code (BSC). References to Sections are to Sections of the BSC.

1. ESTABLISHMENT AND PURPOSE

1.1 Establishment

1.1.1 A Code ~~Panel~~ Committee has been established by BSCCo ~~the Panel~~ pursuant to Section B5.1.1.

1.1.2 The Committee is known as the Claims Committee.

1.1.3 The Claims Committee has been established in order to discharge BSCCo ~~the Panel's~~ functions under Sections G3 and G5 as further described in these Terms of Reference.

1.1.4 For the purposes of Section B5.5.1(a), BSCCo ~~the Panel~~ has delegated its decision-making functions under Sections G3 and G5 to the Claims Committee, as further described in these Terms of Reference, and accordingly, for the purposes of the Code:

(a) decisions of the Claims Committee under these Terms of Reference are binding on Parties;

(b) [there is no right of reference or appeal ~~to the Panel~~ in respect of any decision of the Claims Committee] - to be determined by the ~~Panel~~ BSCCo at the time; and

(c) BSCCo~~the Panel~~ is not responsible for overseeing or reviewing any decision of the Claims Committee.

1.1.5 The Claims Committee shall remain in existence until such time as it has discharged its functions as described in these Terms of Reference or, if sooner, until BSCCo~~the Panel~~ determines that it shall cease to be established.

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1.2 Role and Objectives

1.2.1 The Claims Committee is established in order to consider and determine system restoration compensation amounts pursuant to Section G3 and Exceptional Costs pursuant to Section G5.

1.2.2 The Claims Committee shall discharge all the functions of BSCCo ~~the Panel~~ as set out in Sections G3 and G5 save that powers in relation to the establishment of the Claims Committee, the appointment, dismissal and replacement of Claims Committee members, the designation of the Claims Committee Chair, the determination of the Claims Committee's Terms of Reference and any subsequent changes to the same shall remain powers of BSCCo~~the Panel~~.

1.2.3 The Claims Committee shall not have any powers, functions or duties by virtue of the ~~Panel's~~ BSCCo delegation of functions as described in these Terms of Reference save as set out in these Terms of Reference.

2. COMPOSITION

2.1 Membership

2.1.1 The Claims Committee is to comprise [X] members.

2.1.2 BSCCo~~The Panel~~ may replace any member of the Claims Committee at any time if, in ~~the Panel's~~ BSCCo's opinion, such member is unwilling or unable to carry out their duties in accordance with these Terms of Reference.

2.2 Chair

2.2.1 BSCCo ~~The Panel~~ has appointed [X] to be the chair of the Claims Committee (the 'Chair').

2.2.2 If, at any time, such person is unwilling or unable to act as the Chair and/or as a member of the Claims Committee for whatever reason, such person shall cease to be a member of the Claims Committee and BSCCo ~~the Panel~~ shall appoint a new member (being a person with similar skills and qualifications, where possible) in place of such member, and that new member shall be appointed as the Chair.

2.2.3 In addition to their responsibilities as a member of the Claims Committee, the Chair shall be responsible for the matters described in paragraph 5.2 (and, for the purposes of Section B5.1.4 and B5.5.1(a), BSCCo ~~the Panel~~ expressly requires and permits the delegation of those functions to the Chair).

2.3 Secretary

2.3.1 There shall be a secretary to the Claims Committee (the 'Secretary') who shall be a person nominated and provided by BSCCo and approved by the Chair from time to time.

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2.3.2 The Secretary shall provide such administrative and secretarial support to the Claims Committee and the Chair as the Claims Committee and the Chair may require.

3. DUTIES

3.1 Claims Committee

3.1.1 The Claims Committee shall act in accordance with these Terms of Reference (as modified from time to time by ~~the Panel~~BSCCo).

3.1.2 In accordance with Section B5.3.1, the provisions of Section B1.2 shall apply to the Claims Committee in the conduct of its business as it applies in relation to BSCCo~~the Panel~~ and to the extent applicable to functions of the Claims Committee.

3.1.3 The Claims Committee shall not act as an expert or an arbitrator and the Arbitration Act 1996 shall not apply to the determination of any claims pursuant to Sections G3 and G5.

3.2 Members

3.2.1 Each member of the Claims Committee shall act impartially and shall not be representative of, and shall act without undue regard to, the particular interests of any particular person or class of persons (including their employer).

3.2.2 Each member of the Claims Committee shall disclose to ~~the Panel~~ BSCCo from time to time any interests of such member which constitute, in such member's reasonable opinion, an actual or perceived conflict of interest in the discharge of its functions as a member of the Claims Committee, and BSCCo~~the Panel~~ shall determine whether such member may continue to hold office or whether to replace such member.

3.2.3 ~~The Panel~~BSCCo may require confirmation from any member of the Claims Committee and/or their employer in terms equivalent to those set out in Section B2.8.2.

3.2.4 Unless otherwise agreed by BSCCo~~the Panel~~, a member of the Claims Committee shall not be entitled to appoint an alternate or otherwise delegate any of its responsibilities as a member of the Claims Committee to any other person.

3.3 Chair

3.3.1 Where the Chair is assigned functions under these Terms of Reference, the provisions of paragraphs 3.1 and 3.2 shall apply to the Chair in the discharge of those functions, as if references to the Claims Committee were references to the Chair.

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4. REMUNERATION AND LIABILITIES

4.1 Remuneration

4.1.1 Each member of the Claims Committee shall be entitled to be paid by BSCCo such remuneration, benefits and expenses as may be included in its terms of engagement with BSCCo.

4.1.2 For the avoidance of doubt, any payments by BSCCo pursuant to paragraph 4.1.1 shall be BSC Costs.

4.2 Liabilities and indemnities

4.2.1 BSCCo shall indemnify and keep indemnified each member of the Claims Committee and the Secretary (as an 'indemnity beneficiary') in accordance with Section B2.9.1.

4.2.2 The provisions of Section B2.9 shall apply to each member of the Claims Committee and the Secretary (as an 'indemnity beneficiary').

5. POWERS AND FUNCTIONS

5.1 Claims Committee

5.1.1 The Claims Committee shall discharge the claims functions assigned to BSCCo ~~the Panel~~ under Sections G3 and G5 save for:

(a) those matters which are reserved to BSCCo ~~the Panel~~ as set out in paragraph 1.2.2(a) and (b) above; and

(b) those matters which are assigned to the Chair as set out in paragraph 5.2 below.

5.1.2 Without prejudice to the generality of the foregoing, the functions of the Claims Committee shall include the following:

(a) considering and determining such claims for system restoration compensation amounts and Exceptional Costs as have been validly made in accordance with Sections G3 and G5 and the relevant BSCP;

(b) determining what are Avoidable Costs in accordance with Section G2;

(c) determining what are Exceptional Costs in accordance with the meaning ascribed to that term in the Fuel Security Code for the purposes of Section G5;

(d) implementing the procedures ascribed in Section G3 and G5 and the relevant BSCP for compensation claims for system restoration compensation amounts and Exceptional Costs; and determining and implementing such further detailed procedures, guidance and indicative timetables, consistent with such procedures, for the conduct of such claims as it sees fit; and

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(e) providing reasons in writing for the determination of each claim.

5.1.3 The Claims Committee may do anything necessary for or reasonably incidental to the discharge of the functions assigned to it under these Terms of Reference.

5.1.4 Without prejudice to the generality of the foregoing, for the purposes of discharging its functions hereunder (and not for any other purpose):

(a) the Claims Committee may use and disclose such data as it sees fit, subject to and in accordance with Section B3.3, and for these purposes, BSCCo's ~~the Panel's~~ decision-making powers under Section B3.3 are delegated to the Claims Committee and further delegated to the Chairman as set out in paragraph 5.2 below; and

(b) the Claims Committee may request BSCCo to procure such expert or external advice and assistance as it considers appropriate.

5.1.5 Subject to the delegation of certain functions to the Chair as set out in paragraph 5.2 below, the Claims Committee shall not further delegate to any person any of its powers, responsibilities and functions save as expressly permitted by the Code or BSCCo ~~the Panel~~ (but without prejudice to paragraph 5.3).

5.1.6 The Claims Committee shall endeavour to determine all claims in a timely fashion.

5.2 Chair

5.2.1 In addition to their duties as a member of the Claims Committee, the Chair shall be responsible for the following functions:

(a) scheduling meetings of the Claims Committee (as they see fit or as requested by any other member of the Claims Committee);

(b) setting the agenda for and chairing meetings of the Claims Committee;

(c) deciding the application of procedural rules to individual claimants and claims and determining any procedural issues relating to individual claims (within the parameters of the BSC and relevant BSCP, and within the parameters of any more detailed procedures established by the Claims Committee) including any variation or extension of time;

(d) determining the grouping of claims and the order in which they should be considered by the Claims Committee;

(e) determining whether other persons should attend meetings of the Claims Committee and where appropriate inviting such persons to attend and speak at any meeting;

(f) taking such other steps and determining such other matters or queries as may be ascribed to the Chair; and

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(g) determining such other procedural or ancillary matters and queries at any stage as may be necessary to ensure the proper, timely and efficient conduct of claims.

5.2.2 Where the Chair is to discharge any function assigned to them as Chair pursuant to paragraph 5.2.1, it shall not be necessary to hold a meeting of the Claims Committee for that purpose (except in the case of chairing meetings of the Claims Committee).

5.2.3 Where a function of the Chair is the determination of a matter, the Chair shall record any decision made by them in the exercise of such functions and shall report such decisions to the next meeting of the Claims Committee.

5.2.4 The decision of the Chair in relation to any matters or queries to be determined by the Chair pursuant to this paragraph 5.2 shall be final and binding on Parties, the Claims Committee and BSCCo~~the Panel~~.

5.3 BSCCo

5.3.1 In addition to any functions assigned to BSCCo under Sections G3 and G5, BSCCo shall:

(a) provide or arrange for the provision of such facilities, resources and other support as may be required by the Claims Committee and/or the Chair to enable them to discharge their respective functions as described in these Terms of Reference;

(b) provide secretarial and administrative services in connection with meetings of the Claims Committee;

(c) at the request of the Claims Committee or the Chair, procure such expert or external advice and assistance as may be so requested; and

(d) keep BSC Parties informed of the operation of the Claims Committee, including the publication of data on the determinations of the Claims Committee, as it sees fit to disclose in accordance with Section B3.3.

6. PROCEEDINGS

6.1 General

6.1.1 Subject to the matters prescribed in paragraph 6.2 below, the Claims Committee shall determine the manner in which the proceedings and business of the Claims Committee shall be conducted (including the frequency and convening of meetings, the circulation of Claims Committee papers and the minuting of meetings) and, for the purposes of Section B5.4, the provisions of Section B4 (in relation to BSCCo ~~the Panel~~) shall not apply to the Claims Committee.

6.1.2 Any decision as to application of Section B4.5.1 to Claims Committee meetings shall be made by the Chair in accordance with Section B4.5.2.

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6.2 Prescribed matters

6.2.1 Any matter of the Claims Committee to be decided shall:

(a) be put to the vote at the request of any member of the Claims Committee; and

(b) be decided by simple majority vote (and, for these purposes, each member shall hold one vote).

6.2.2 A resolution in writing signed by or on behalf of all the Claims Committee members in respect of any business of the Claims Committee shall be valid and effectual as if it had been agreed to at a duly convened meeting of the Claims Committee.

6.3 Attendance

6.3.1 Subject to paragraphs 6.3.2 and 5.2.1(e), all meetings of the Claims Committee shall be held in closed session.

6.3.2 The Authority shall be entitled to receive notice of, and to appoint one or more representatives to attend and speak, but not vote, at any meeting of the Claims Committee.

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Amendment Record

Version	Date	Description of Change	Changes Included	~~Mods/Panel/Committee~~Approval Refs.
1.0	5 November 2009	First Published	P231 & P232	BSC Panel ref 160/08
2.0	31 March 2014	Modification P276	P276	Panel ref: P221/07
3.0	26 February 2015	February 15 Release	CP1425	Panel ref: P232/06
4.0	1 November 2018	November 18 Release	CP1504	Panel ref: P277/05
5.0	29 March 2019	March 19 Standalone Release	P369	P285/12
6.0	28 May 2020	May 20 Standalone Release	P403 Self-Governance	P302/14
7.0	1 September 2021	1 September 2021 Non-Standard Release	P420	P316/05
8.0	29 June 2023	29 June 2023 Release	CP1580	P338/04
9.0	02 April 2024	02 April 2024 Special Release	P451	P345/03
10.0	01 October	01 October 2024 Release	ORD009	Directed by Secretary of State

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