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**Date**                      27 June 2014

**To**                         EMR Circular list

**From**                     EMR Settlement Limited

**Purpose**                    For information

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## **Secondary Legislation and Code and Licence Changes for EMR have been laid**

This EMR Circular informs you that the package of **secondary legislation** for Electricity Market Reform (EMR) was laid in Parliament. This sets out the regulations and Code and Licence changes needed for EMR. This includes the Transmission Licence, the **Balancing Settlement Code** (BSC) and the BSC subsidiary documents.

We have **published red-lined versions of the impacted BSC documents** that can be found on the ELEXON website [here](#).

### **What has been laid in Parliament?**

For the overall programme to implement EMR the following rules and necessary Code and Licence modifications have been laid.

- Draft Capacity Market Rules 2014
- Draft consequential modifications to industry Codes and Licenses
- Draft modifications to the Transmission Licence of National Grid Electricity Transmission

The following **affirmative EMR Statutory Instruments** have also been laid for the overall programme to implement EMR:

- [The Contracts for Difference \(Allocation\) Regulations 2014](#)
- [The Contracts for Difference \(Definition of Eligible Generator\) Regulations 2014](#)
- [The Contracts for Difference \(Standard Terms\) Regulations 2014](#)
- [The Contracts for Difference \(Electricity Supplier Obligations\) Regulations 2014](#)
- [The Electricity Market Reform \(General\) Regulations 2014](#)
- [The Electricity Capacity Regulations 2014](#)

### **What else has been published as a result of the above?**

A number of related documents have been published and these are:

- **Implementing EMR**, this is the EMR policy handbook which sets out in one place the final policy positions for EMR and [this is available here](#).
- The Government responses to the October 2013 **EMR Consultation on proposals for implementation**, the January & April **Code and Licence consultations**, the March Low Carbon Contracts Company and Electricity Settlements Company operational costs consultation, and the

# CIRCULAR

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March Consultation on directions to offer Contracts for Difference. We've included links to the following consultation responses:

- o The responses to the October 2013 **EMR Consultation on Proposals for Implementation** are available [here](#).

## **Where can I locate the responses to the BSC and BSC Code Subsidiary Document DECC consultations?**

### BSC Changes

In January 2014 DECC consulted with industry on the Industry Code and License Modifications and these responses have now been published [here](#).

### Code Subsidiary Document Changes

In April 2014 DECC consulted with industry on the BSC subsidiary documents and these responses have now been published [here](#).

## **Where can I view the changes being made to the BSC and BSC Code Subsidiary Documents for EMR?**

We understand that DECC will publish the BSC changes laid before Parliament soon. We have **published red-lined versions of the impacted BSC documents** that can be found on the ELEXON website [here](#).

ELEXON also [consulted](#) with BSC participants and other parties interested on the BSC subsidiary document changes in March 2014 to make all our stakeholders aware of the potential changes needed and give them an opportunity to comment on the possible impacts to them ahead of DECC's consultations. Comments we received on this were passed on to DECC.

## **When are these changes implemented?**

DECC's current milestone to bring EMR into force is **1 August 2014** as these drafts are required to lie for forty days before Parliament, pursuant to the Energy Act 2013.

We expect all BSC and BSC subsidiary document changes to be directed at the same time on 1 August 2014. However, not all of the BSC and BSC subsidiary documents will be effective from the 1 August 2014.

The following **BSC and BSC subsidiary document changes** will be effective from 26 February 2015:

- BSC Section L 'Metering'
- BSC Section S 'Supplier Volume Allocation', paragraph 2.9
- BSC Section W 'Trading Disputes'
- BSCP11 'Trading Queries and Trading Disputes'
- BSCP27 'Technical Assurance of Half Hourly Metering Systems for Settlement'
- BSCP503 'Half Hourly Data Aggregation for SVA Metering Systems Registered in SMRS'

# CIRCULAR

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These changes will become effective in line with the BSC February 2015 Release date to align with the EMR requirements. These BSC changes put obligations on BSCCo and Suppliers and HHDAs that are not needed until the February 2015 Release.

## **Where can I get more information?**

Find out more about ELEXON's role in EMR on the [EMR Settlement website](#). If you have any questions about this Circular, please email [contact@emrsettlement.co.uk](mailto:contact@emrsettlement.co.uk).