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**Date**                      1 August 2014

**To**                            EMR Circular list

**From**                        EMR Settlement Limited

**Purpose**                      For Information

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## Code and Licence Changes for EMR are now in force

This EMR Circular informs you that:

- Changes to the Balancing and Settlement Code (BSC), the BSC subsidiary documents, and the Transmission Licence Standard Condition C3, required for Electricity Market Reform (EMR) that were laid in Parliament are now in force.
- The changes that have become effective provide for us to perform the EMR Settlement Services Provider role. This change to our vires recognises our position as a trusted and independent organisation at the centre of the energy market to develop solutions to common industry problems.

### Who do the BSC changes impact?

The changes to the BSC **will impact**:

- Suppliers;
- HHDAs;
- BSC Parties wishing to participate in EMR.

The changes to the BSC will be **of interest** to:

- BSC Parties;
- EMR Participants.

### What's been directed?

Alongside the EMR secondary legislation that was laid before Parliament, consequential changes to the Transmission Licence Standard Condition C3 and the BSC were also laid. These changes have now been directed by the Secretary of State.

These changes enable us to perform our EMR role. The requirements of the role itself and our activities are not set out in these changes to the BSC but are derived from the various secondary legislation. For more information on the non-BSC changes, including the secondary legislation please see the DECC website [here](#). The following Statutory Instruments are now live:

1. The Contracts for Difference (Definition of Eligible Generator) Regulations 2014 (SI 2014/2010): [http://www.legislation.gov.uk/ukxi/2014/2010/pdfs/ukxi\\_20142010\\_en.pdf](http://www.legislation.gov.uk/ukxi/2014/2010/pdfs/ukxi_20142010_en.pdf)
2. The Contracts for Difference (Allocation) Regulations 2014 (SI 2014/2011): [http://www.legislation.gov.uk/ukxi/2014/2011/pdfs/ukxi\\_20142011\\_en.pdf](http://www.legislation.gov.uk/ukxi/2014/2011/pdfs/ukxi_20142011_en.pdf)
3. The Contracts for Difference (Standard Terms) Regulations 2014 (SI 2014/2012): [http://www.legislation.gov.uk/ukxi/2014/2012/pdfs/ukxi\\_20142012\\_en.pdf](http://www.legislation.gov.uk/ukxi/2014/2012/pdfs/ukxi_20142012_en.pdf)

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4. The Electricity Market Reform (General) Regulations 2014 (SI 2014/2013):  
[http://www.legislation.gov.uk/uksi/2014/2013/pdfs/uksi\\_20142013\\_en.pdf](http://www.legislation.gov.uk/uksi/2014/2013/pdfs/uksi_20142013_en.pdf)
5. The Contracts for Difference (Supplier Obligation) Regulations 2014; (SI 2014/2014):  
[http://www.legislation.gov.uk/uksi/2014/2014/pdfs/uksi\\_20142014\\_en.pdf](http://www.legislation.gov.uk/uksi/2014/2014/pdfs/uksi_20142014_en.pdf)
6. The Electricity Capacity Market Regulations 2014 (SI 2014/2043):  
[http://www.legislation.gov.uk/uksi/2014/2043/pdfs/uksi\\_20142043\\_en.pdf](http://www.legislation.gov.uk/uksi/2014/2043/pdfs/uksi_20142043_en.pdf)

## How are the BSC changes given effect?

In accordance with Condition C3.1A (b) of the Transmission Licence, National Grid Electricity Transmission plc (NGET) has been directed by the Secretary of State to make a number of modifications to the BSC to facilitate the operation of Contracts for Difference and Capacity Market arrangements pursuant to legislation established under Part 2 of the Energy Act 2013. These changes, which were the subject of consultation by DECC with have now been implemented.

## What BSC documents have been changed?

The following BSC sections and subsidiary documents have now been directed by the Secretary of State. Most will become effective from 1 August 2014, with the remainder becoming effective on 26 February 2015, as set out below:

BSC Section / Document	Effective From
BSC Section C - BSCCo Subsidiaries	01-Aug-14
BSC Section D - BSC Cost Recovery and Participation Charges	01-Aug-14
BSC Section E - BSC Agents	01-Aug-14
BSC Section F - Modification Procedures	01-Aug-14
BSC Section G - Contingencies	01-Aug-14
BSC Section H - General	01-Aug-14
BSC Section K - Classification and Registration of Metering Systems and BM Units	01-Aug-14
BSC Section S, Supplier Volume Allocation	01-Aug-14
BSC Section V - Reporting	01-Aug-14
BSC Section W - Trading Disputes	01-Aug-14
BSC Section X: Annex X-1 - General Glossary	01-Aug-14
BSC Section L - Metering	26-Feb-15
BSC Section S: Annex S-1 - Performance Levels and Supplier Charges	26-Feb-15
BSC Section W - Trading Disputes	26-Feb-15
BSCP15 - BM Unit Registration	01-Aug-14
BSCP508 - Supplier Volume Allocation Agent	01-Aug-14
BSCP509 - Changes to Market Domain Data	01-Aug-14

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NETA Interface Definition and Design: Part 1 - Interfaces with BSC Parties and their Agents	01-Aug-14
NETA Interface Definition and Design: Part 2 - Interfaces to other service providers	01-Aug-14
Service Description for Settlement Administration	01-Aug-14
Settlement Administration Agent User Requirements Specification (SAA URS)	01-Aug-14
Supplier Volume Allocation Agency User Requirements Specification (SVAA URS)	01-Aug-14
SVA Data Catalogue Volume 1: Data Interfaces	01-Aug-14
SVA Data Catalogue Volume 2: Data Items	01-Aug-14
BSCP11 - Trading Disputes	26-Feb-15
BSCP27 - Technical Assurance of Half Hourly Metering Systems for Settlement Purposes	26-Feb-15
BSCP503 - Half Hourly Data Aggregation for SVA Metering Systems Registered in SMRS	26-Feb-15

The BSC changes that are effective from 1 August 2014 can be found on the relevant section of the ELEXON website [here](#).

The BSC changes that will become effective next February put obligations on BSCCo and Suppliers and HHDA's that are not needed until the February 2015 Release. The red-lined versions of these changes are available [here](#) for your information.

## 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).