Change Proposal – F40/01 (Page 1 of 2)	**CP No: 594** *(mandatory by BSCCo)*

Title *(mandatory by originator)*
Incorporation of the manual disputes process in the Code Subsidiary Documents.

Description of Change *(mandatory by originator)*

NCR129 'Manual Dispute Settlement' is due to be implemented by the Funds Administration Agent, via an agreement change. The implementation of this change will result in the FAA receiving, from BSCCo, the disputed amount to be recovered / paid and the revised payments / charges to be levied in order to distribute the sum over one or more Party.

Consequently the FAA will be required to:
1. Calculate the VAT and interest.
2. Calculate the income tax to be deducted, if applicable.
3. Issue Advice Notes to each affected Party.
4. Collect and distribute payments in accordance with normal FAA processes.

The above requirements enable the FAA to meet the obligations specified in sub-section 6.9 'Ad-Hoc Trading Charges' of Section N of the BSC.

To enable the necessary changes to be developed by the FAA, a clarification note was produced by ELEXON. This CP is therefore proposing to incorporate the detail from the clarification note in the relevant Code Subsidiary Documents.

Proposed Solution(s) *(mandatory by originator)*

Incorporate the detail from the clarification note into the following Code Subsidiary Documents:

❑ FAA Service Description. The Service Description makes reference to 'Dispute Run(s)' and 'Dispute Settlement run' but neither of these is defined. The Service Description therefore needs clarifying so that it is clear that there are two processes, a manual dispute process and a system process.
❑ FAA User Requirement Specification (URS). Incorporate the manual dispute process requirements.
❑ BSCP11 'Volume Allocation and Settlement Run Queries'. Incorporate the manual dispute process requirements and add a reference to BSCP301 for the financial aspects.
❑ BSCP301 'Clearing, Invoicing and Payment'. Process 3.5.2 'Quarterly / Ad-Hoc Statements' covers the billing aspect of disputes but does not include any detail on the interface from BSCCo and the reasons why the Ad-Hoc Statements are produced. The BSCP therefore needs clarifying.
❑ NETA Data File Catalogue: Although the interface between the BSCCo and the FAA will be manual there is a requirement to add this interface.

Justification for Change *(mandatory by originator)*

Implementing these changes will ensure that the Code Subsidiary Documents, the FAA Agreement, other Configurable Items and Local Working Instructions are all consistent with the BSC.

Other Configurable Items Potentially Affected by Proposed Solution(s) *(optional by BSCCo)*

There is also an impact on the following:

❑ NETA Data File Catalogue. The interface between the BSSCo and the FAA needs to included.

There may also be an impact on BSCCo and FAA Local Working Instructions.

Impact on Core Industry Documents *(optional by originator)*

Related Changes and/or Projects *(mandatory by BSCCo)*

Originator's Details:

BCA Name: …………………………………………..

Organisation: ELEXON.

Email Address: …………………………………………..

Date: ……………………………………………………

Organisation: ……………………………………………………

Attachments: No.