

Explanatory Note: Proposed changes to FR-GB BSA 2020

1. Included 'relevant' Allocation Platform throughout the document so there is no perceived restriction on what Allocation Platform as there is no obligation to use JAO for intraday auctions. There is an obligation under the HARs to use the Single Allocation Platform (which is JAO) for Long Term auctions. Some format changes to align with HAR terminology.
2. **Section 1:** Deletion of (ii) from the definition of Mid Channel Day Ahead Market Spread in section 1. The rationale behind deleting (ii) is that the process is already dealt with in HAR Articles 48(1)(a) and (c) – so, in the scenario where an Implicit Daily Auction has been cancelled then the provisions of HAR Article 48(1)(c) would apply and parties would be compensated at the clearing price under the UIOSI principle. We've removed (ii) so there is no need to duplicate it in the BSA. As TSOs are obliged to harmonise and reduce variation, this deletion can be seen as a housekeeping exercise like some of the other changes made to this BSA.
Simplified the formula to refer back to the written definition so the price can be either an overall bidding zone price or (if one is not generated) a chosen power exchange price.
3. **Section 3:** The original point 1 was removed as a house-keeping exercise as this referenced the transmissions losses which are part of the definition of Mid Channel Day Ahead Market Spread. The new point 1 is an amendment to Article 48(1)(a) referencing the Mid Channel Day Ahead Market Spread (includes Loss Factor). The addition of point 2 is a clarification on Article 48(1)(c) which confirms that no day ahead price will be calculated where failure of single day ahead coupling occurs and that the price shall be the Marginal Price of the Explicit Auction at which Transmission Rights were allocated in a day ahead fallback mechanism.
4. **Section 9:** The original point 1 was amended as a house-keeping exercise (mirrors the format of section 3), revised point 1 is an amendment to Article 59(1)(a) referencing the Mid Channel Day Ahead Market Spread (includes Loss Factor). The addition of point 2 is a clarification on Article 59(1)(b) which confirms that no day ahead price will be calculated where failure of single day ahead coupling occurs and that the price shall be the Marginal Price of the Explicit Auction at which Transmission Rights were allocated in a day ahead fallback mechanism.
5. **Section 12:** Mirrors the format of section 3. This is an amendment of Article 61 (ref. CACM Article 72), referencing the Mid Channel Day Ahead Market Spread (includes Loss Factor) and clarification on where failure of single day ahead coupling results in no day ahead price being calculated in GB Bidding Zone, the price shall be in accordance with Article 61.