



Department for
Energy Security
& Net Zero

Rt Hon Claire Coutinho MP
Secretary of State

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Ivar Macsween
Modification Secretary for the BSC
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21 February 2024

Modifications to the Balancing and Settlement Code

Dear Ivar

The Balancing and Settlement Code (the “BSC”) requires consequential amendments in connection with the nuclear Regulated Asset Base (“RAB”) model under the powers contained in the Nuclear Energy (Financing) Act 2022 (“the Act”).

Section 29(1) of the Act gives the Secretary of State powers to make modifications to –

- (a) a condition of a particular licence under section 6(1)(b) or (c) of the Electricity Act 1989 (transmission and distribution licences);
- (b) the standard conditions incorporated in licences under section 6(1)(b) or (c) of the Electricity Act 1989 by virtue of section 8A of that Act;
- (c) a document maintained in accordance with the conditions of licences under section 6(1)(b) or (c) of the Electricity Act 1989 or an agreement that gives effect to a document so maintained.

The Secretary of State may make these modifications for the purpose of -

- allowing or requiring services to be provided to a revenue collection counterparty; and
- enforcing obligations under a revenue collection contract.

The Secretary of State has therefore made modifications to the BSC (as a document maintained under licences), as set out below, in exercise of the powers conferred by Section 29(1) of the Act.

Before making the modifications, the Secretary of State consulted in accordance with section 29(4) of the Act. The consultation sought views on the draft modifications to the BSC and upon analysing responses consultees were broadly in agreement with the proposals. A copy of the consultation documents can be found on GOV.UK¹.

The Secretary of State has accordingly made modifications to:

- Section C (Annex C-1), Section H, Section V and Annex X-1 of the BSC.

The Secretary of State has attached a copy of the modifications and request that you update the BSC to reflect those modifications with effect from 29th February 2024.

¹ <https://www.gov.uk/government/consultations/nuclear-regulated-asset-base-rab-industry-code-and-licence-modifications>

Yours ever,

A handwritten signature in black ink, appearing to read 'Claire', with a long horizontal stroke extending to the right.

THE RT HON CLAIRE COUTINHO MP
Secretary of State for Energy Security & Net Zero