

The Single Electricity Market (SEM)

Agreed Procedure 14 Disputes

Version 0.1

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DOCUMENT HISTORY

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RELATED DOCUMENTS

Document Title	Version	Date	By
Trading and Settlement Code			

1. INTRODUCTION

1.1 Background and Purpose

This Agreed Procedure supplements the Dispute Resolution Process set out at section B.19 of the Trading and Settlement Code (hereinafter referred to as the “**Code**”). It sets out procedures with which Parties to the Code must comply.

1.2 Scope of Agreed Procedure

This Agreed Procedure sets out the procedural steps for:

- (a) the raising of a Dispute;
- (b) the appointment of the Dispute Resolution Board to make a decision on a Dispute;
- (c) the timescales / procedure associated with a decision of the Dispute Resolution Board; and
- (d) the timelines to commence Court proceedings if Parties are dissatisfied with the decision taken by the Dispute Resolution Board.

This Agreed Procedure does not include the setting up of the Panel from which members of the Dispute Resolution Board are drawn. It does not make any statement regarding Court proceedings once they have begun.

This Agreed Procedure forms an annex to, and is governed by, the Code. This document is a statement of process and procedure to be followed, having regard to Parties’ rights and obligations as established under the main body of the Code. In the event of any conflict between a Party’s obligations set out in the Code and this Agreed Procedure, the Code shall take precedence.

The provisions set out in this Dispute Resolution procedure shall not prejudice or restrict any Party’s entitlement to seek interim or interlocutory relief directly from the appropriate Court or Courts having competent jurisdiction.

1.3 Definitions

Words and expressions defined in the Code shall, unless the context otherwise requires or unless otherwise defined herein at Appendix 1 (Definitions and Abbreviations), have the same meanings when used in this Agreed Procedure.

References to particular paragraphs relate internally to this Agreed Procedure unless otherwise specified.

1.4 Compliance with Agreed Procedure

Compliance with this Agreed Procedure is required under the terms of the Code.

2. OVERVIEW

It is not intended that there be any inconsistency or conflict between this section 2 “Overview” and section 3 “Procedural Steps”. However, in the event of any inconsistency or conflict, section 3 “Procedural Steps” shall take precedence.

2.1 Raising a Dispute

A Dispute is raised under the Code where:

- (a) one Party serves a Notice of Dispute within the applicable timeframes, as set out at paragraph B.19.1.3 of the Code; or
- (b) a Dispute is deemed to arise under paragraph G.3.2.14 following a Settlement Query.

A Party shall serve a Notice of Dispute by completing and delivering the Notice of Dispute Form in Appendix 2 signed by an Authorised Person. The Notice of Dispute shall include the following:

- (a) details of the Dispute including the paragraphs of the Code relevant to the matters being disputed;
- (b) additional supporting documentation;
- (c) counterparties to the Dispute;
- (d) the proposed negotiation timeframe; and
- (e) any corrective actions sought.

Following the raising of a Dispute, the Market Operator will assign a unique identifier and will coordinate a meeting with the Disputing Parties in an attempt to resolve the Dispute by negotiation.

2.2 Referral to a Dispute Resolution Board

If a Dispute is not resolved by negotiation between the Dispute Counterparties within the timelines specified in section 3.1 below it may, subject to the provisions set out in the Code, be referred to a Dispute Resolution Board through the issuing of a Referral Notice by any Disputing Party.

A Referral Notice shall state:

- (a) the Section of the Code under which the Referral Notice is given;
- (b) the Dispute identifier; and
- (c) that the Dispute is being referred to the Dispute Resolution Board.

The procedures in relation to Dispute Resolution Board composition and Dispute Resolution Board decisions are set out in section 3.2 and section 3.3 below.

3. PROCEDURAL STEPS

3.1 Raising a Dispute

Step	Step Description	Timing	Method	From / By	To
1a	Pricing Dispute Notify Dispute Counterparty or Dispute Counterparties of the Pricing Dispute by sending a completed Notice of Dispute Form (contained in Appendix 2).	Within 5 WD of the relevant Imbalance Settlement Price being published.	Email / Registered Post	Raising Party	Dispute Counterparties
1b	Dispute arising from a Settlement Query Notify Market Operator of the Dispute by completing and sending a Notice of Dispute in the form set out at Appendix 2.	Within 5 WD of receipt of the Market Operator's determination in respect of a Settlement Query.	Email / Registered Post	Raising Party	Market Operator
1c	Dispute arising from a claimed conflict between the Code and other Legal Requirements Notify Market Operator of the Dispute by completing and sending a Notice of Dispute in the form set out at Appendix 2.	Within 5 WD of a request from the Regulatory Authorities or the Market Operator in accordance with paragraph B.22.2.3 of the Code	Email/ Registered Post	Raising Party	Market Operator

Step	Step Description	Timing	Method	From / By	To
1d	<p>Dispute other than those referred to at step 1a, step 1b and step 1c</p> <p>Notify Dispute Counterparty or Dispute Counterparties of the Dispute by sending a Notice of Dispute in the form set out at Appendix 2.</p>	Within 20 WD of Disputing Party being aware of the Disputed Event and within 2 years of the Disputed Event.	Email / Registered Post	Raising Party	Dispute Counterparties
1e	<p>Dispute automatically arising from failure by Market Operator to issue a resolution in respect of a Settlement Query.</p> <p>Notice of Dispute is not required, go to step 3.</p>	Dispute arises on the date on which the Market Operator was required to issue a resolution in respect of the Settlement Query under the Code.	n/a	n/a	n/a
2	Send a copy of the Notice of Dispute to the Market Operator. If the Market Operator is a Dispute Counterparty, send a copy of the Notice of Dispute to the Regulatory Authorities.	At the same time as step 1.	Email / Registered Post	Raising Party	Market Operator or Regulatory Authorities (as appropriate)
3	If Dispute automatically arises under step 1e above, provide notification to the Dispute Counterparty and the Regulatory Authorities that the Dispute has arisen.	Within 5 WD of Dispute being deemed to arise	Email / Registered Post	Market Operator	Dispute Counterparty and Regulatory Authorities
4	Market Operator identifies other potential Affected Participants and notifies them of the Dispute based on the high-level information set out in the Notice of Dispute.	Within 5 WD or as soon as the Affected Participant is clearly identified.	Email / Registered Post	Market Operator	Affected Participants
5	Hold a meeting and attempt to resolve the Dispute by negotiation.	Subject to the reasonable endeavours	Meeting or conference	Market Operator	All Disputing Parties

Step	Step Description	Timing	Method	From / By	To
		obligations set out in section B.19 of the Code, within 10 WD of the date of receipt of the Notice of Dispute, or of the date of the Dispute arising under 1d above	call		
6	In the event that any of the Disputing Parties wishes to extend the timescales for negotiating a resolution to the Dispute then the relevant Disputing Party shall inform the other Disputing Parties of the period for which the Disputing Party wishes to extend the Negotiation Period. If there are no requests for an extension, go to step 10.	Within 10 WD of the first meeting to resolve the Dispute under step 5.	Email / Registered Post	Disputing Party	Market Operator, Regulatory Authorities or Dispute Counterparty(ies)
7	Disputing Parties meet to determine whether Negotiation Period should be extended.	Within 2 WD of request to extend under step 6 or prior to expiry of the Negotiation Period, whichever is earlier	Meeting or conference call	Disputing Parties	n/a
8	Minutes of this meeting shall be taken by the Market Operator (unless a Disputing Party opposes this arrangement) and circulated to Affected Participants.	As soon as possible following meeting in step 7.	Email / Registered Post	Market Operator	Affected Participants
9	If all Dispute Counterparties agree to extend the Negotiation Period, send a request to the Market Operator or, if the Market Operator is a Disputing Party, the Regulatory Authorities, asking for consent to the agreed extension of the Negotiation Period. If the Market Operator or the Regulatory	On receipt of the confirmation from the Disputing Parties to extend the Dispute Negotiating Period	Email / Registered Post	Raising Party or, if agreed any other Disputing Party	Market Operator Regulatory Authorities

Step	Step Description	Timing	Method	From / By	To
	Authorities (as appropriate) oppose the extension within 5 WD go to step 13a or step 13b (as applicable), otherwise continue to step 10.				
10	If the attempt to resolve the Dispute has been successful during the Negotiation Period then notify the Market Operator, or, if the Market Operator is a Disputing Party, the Regulatory Authorities, by delivering a completed Dispute Resolution Form (contained in Appendix 2) signed by all Disputing Parties, to the Dispute Counterparty.	Within 5 WD of resolution by negotiation	Email / Registered Post	Raising Party	Market Operator (Regulatory Authorities) Dispute Counterparty or Dispute Counterparties
11	If the Dispute resolution agreed between the Disputing Parties requires a Settlement Rerun, the Market Operator shall procure that an additional Settlement Rerun for the relevant Settlement Period shall be performed within the timeframe agreed with the Market Operator by the Disputing Parties. The Market Operator shall then proceed with invoicing as detailed in Agreed Procedure 15 "Settlement and Billing".	On Dispute Resolution Form	n/a	Market Operator	n/a
12	If the Dispute resolution agreed between the Disputing Parties requires a Settlement Rerun and this affects an Affected Participant, inform the Affected Participant of the outcome of the Dispute.	Within 5 WD of resolution by negotiation or as soon as the impact is clearly identified, whichever is later.	Email / Registered Post	Market Operator	Affected Participants
13a	If the Dispute is a Pricing Dispute, go to step 13b. If the attempt to resolve the Dispute by negotiation has been unsuccessful within the Negotiation Period, any Disputing Party may send a Referral Notice to the other Disputing Parties.	Within 20 WD of expiry of the Negotiation Period.	Email / Registered Post	Any Disputing Party	Disputing Parties

Step	Step Description	Timing	Method	From / By	To
13b	Pricing Dispute Unless the Market Operator determines that a manifest error has occurred, a Disputing Party shall send a Referral Notice to the other Disputing Parties.	Within 5 WD of the Notice of Dispute	Email / Registered Post	Any Disputing Party	Other Disputing Parties
14	Provide supporting evidence to enable the DRB to assess the likelihood that the matter in dispute will, if the Dispute is upheld, satisfy the Price Materiality Threshold.	Together with the Referral Notice or as requested by the DRB	Email / Registered Post	Disputing Party that issued Referral Notice	DRB
15	Send a copy of the Referral Notice to the Market Operator (or Regulatory Authorities where the Market Operator is a Disputing Party).	At same time that Referral Notice is sent to the Dispute Counterparties	Email / Registered Post	Disputing Party that issued Referral Notice	Market Operator (Regulatory Authorities)

3.2 Dispute Resolution Board Composition

Step	Step Description	Timing	Method	From / By	To
1	Hold a meeting to decide the composition of the Dispute Resolution Board.	Within 10 WD of receipt of the issue of Referral Notice	n/a	Disputing Parties	n/a
2	If agreement on the form of the DRB has been reached, continue to step 3. If not, notify the Chairperson and go to step 6	Within 1 WD of step 1	n/a	Disputing Parties	n/a
3	<p>Arrange a meeting to agree the identity of the sole member, or if it has been agreed to appoint a 3 member DRB, each Disputing party must nominate one member of the DRB.</p> <p>If the identity of the sole member is agreed, or in the case of a 3 member DRB, if two members are nominated, continue to step 4. If agreement is not reached regarding the identity of the sole member DRB or if a Disputing Party fails to nominate a member for a 3 member DRB, go to step 6.</p>	Within 5 WD of agreement under step 1	Email / Registered Post	All Disputing Parties	n/a
4	Notify the sole member or the 2 nominated DRB members, as appropriate, of their selection and copy the Market Operator, or if the Market Operator is a Disputing Party, copy the Regulatory Authorities. If sole member DRB, go to step 10.	Within 1 WD of decision to appoint	Email / Registered Post	Disputing Parties	DRB
5	If a 3 member DRB has been agreed, the 2 DRB members meet to select a third member and notify selection to the third DRB member, the Disputing Parties and the Market Operator, and, if the Market Operator is a Disputing Party, the Regulatory	As soon as possible following receipt by first 2 members of notice of their nomination	Email / Registered Post	DRB	Chairperson, Disputing Parties, third DRB member and the

Step	Step Description	Timing	Method	From / By	To
	Authorities. Go to Step 10.				Market Operator or Regulatory Authorities
6.	Disputing Parties request Chairperson to determine form of DRB / identity of sole member of DRB, or to nominate a member for a 3 member DRB, as appropriate. Continue to step 7, 8 or 9 (as appropriate to nature of request).	Within 1 WD of expiry of 10 WD period for Parties to determine form of DRB	Email / Registered Post	Disputing Parties	Chairperson
7	Chairperson determines form of DRB and notifies Disputing Parties and Market Operator, or if the Market Operator is a Disputing Party, the Regulatory Authorities. Go to step 10.	Within 10 WD of receipt of request from Disputing Parties	Email / Registered Post	Chairperson	Disputing Parties
8	Chairperson determines identity of sole member DRB and notifies the sole member, the Disputing Parties and Market Operator, or if the Market Operator is a Disputing Party, the Regulatory Authorities. Go to step 10.	Within 10 WD of receipt of request from Disputing Parties	Email / Registered Post	Chairperson	Disputing Parties, sole member and Market Operator or Regulatory Authorities
9	Chairperson nominates a member for the 3 member DRB and notifies the existing DRB member, the new DRB member, the Disputing Parties and Market Operator, or if the Market Operator is a Disputing Party, the Regulatory Authorities. Return to step 5.	Within 10 WD of receipt of request from Disputing Parties	Email / Registered Post	Chairperson	DRB, Disputing Parties and Market Operator or Regulatory Authorities
10	Meet to finalise and execute Dispute Resolution Agreement in the form set out at Appendix B "Dispute Resolution Agreement" of the Code.	Within 15 WD of appointment of DRB	n/a	DRB and Disputing Parties	n/a

Step	Step Description	Timing	Method	From / By	To
11	If at any stage any member of DRB declines or is unable to act for reasons set out in the Code, that member must notify the Disputing Parties and the Chairperson.	Immediately following nomination, or if subsequent event gives rise to inability to act, immediately following that event	Email/ Registered Post	DRB member	Chairperson and Disputing parties
12	If at any stage the Disputing Parties terminate the appointment of any member of the DRB pursuant to paragraph B.19.7.2 of the Code, the Disputing Parties shall notify the Chairperson.	Immediately following unanimous agreement to terminate appointment	Email/ Registered Post	Disputing Parties	Chairperson
13	Chairperson shall nominate and notify a replacement member and proceed with process in accordance with steps 1 to 10, or, if a Dispute Resolution Agreement already executed, arrange for new member to execute in place of outgoing member.	Within 5 WD of notification under step 11	Email / Registered Post	Chairperson	New DRB member and Disputing Parties

3.3 Dispute Resolution Board Decision

Step	Step Description	Timing	Method	From / By	To
1	Provide the Dispute Resolution Board with all available information required to enable the DRB to make an informed decision.	As soon as possible following the appointment of DRB	Email / Registered Post	Disputing Parties	DRB
2	For a Pricing Dispute, the DRB must advise the Disputing Parties of its assessment as to the likelihood that the matter disputed will, if the Dispute is upheld, satisfy the Price Materiality Threshold.	Within 5 WD after the appointment of the DRB or such longer time as may be agreed by the Disputing Parties	Email / Registered Post	DRB	Disputing Parties
3	In the event that further information is required from the Disputing Parties to enable the DRB to make its decision, request this information from the Disputing Parties	Within the timescale constraints within which the DRB must make its decision	Email / Registered Post	DRB	Disputing Parties
4	Provide the required information to the Dispute Resolution Board	Within the DRB's specified timescales	Email / Registered Post	Disputing Parties	DRB
5	If necessary, request additional time to make the decision on the Dispute.	As soon as possible and within 30 WD of appointment of the DRB for bilateral disputes, or within 40 WD of the appointment of the DRB for multilateral disputes	Email / Registered Post	DRB	Disputing Parties
6	Disputing Parties determine whether they agree to extension of period and notify the DRB of decision (with copy to the Market Operator, or if the Market Operator is	Within 2 WD of request from DRB or prior to expiry of the	Email / Registered Post	Disputing Parties	DRB, Market Operator

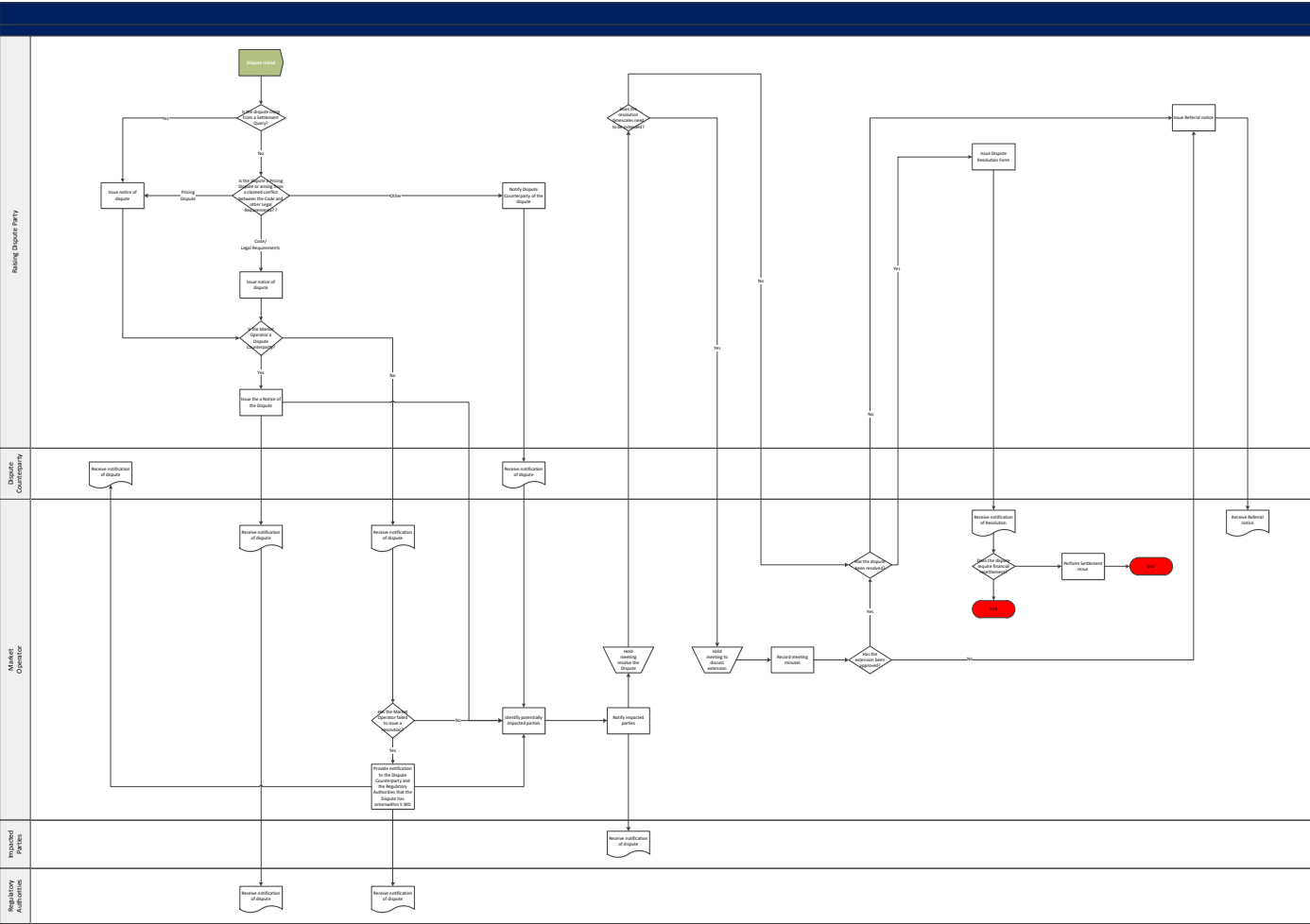
Step	Step Description	Timing	Method	From / By	To
	a Disputing Party, to the Regulatory Authorities).	period referred to in step 5, whichever is the earlier			or Regulatory Authorities
7	DRB makes its decision having due regard to the objectives of the Dispute Resolution Process and notifies Disputing Parties in writing of its decision and reasons for its decision.	For bilateral disputes, within 30 WD of appointment of DRB or such longer period as agreed by DRB and the Disputing Parties under step 6; or For multilateral disputes, within 40 WD of appointment of DRB or such longer period as agreed by DRB and the Disputing Parties under step 6	Email / Registered Post	DRB	Disputing Parties, Market Operator or Regulatory Authorities
8	If any Disputing Party is dissatisfied with the decision / no decision of the DRB, give notice to the other Disputing Parties that it is dissatisfied with the decision / no decision together with reasons for dissatisfaction. Continue to step 9. If all Parties satisfied with the decision of the DRB, complete Dispute Resolution Form at Appendix 2 and go to step 11.	Within 15 WD of receipt of decision or there being no decision from the DRB	n/a	Any Disputing Party	n/a
9	Attempt to settle the dispute amicably. If the Dispute has been settled amicably, end process , otherwise continue	Within 21 WD of notification of	n/a	Disputing Parties	n/a

Step	Step Description	Timing	Method	From / By	To
	to step 10.	dissatisfaction at step 8 or other as otherwise agreed			
10	If the Dispute has not been resolved amicably under step 9, and the dissatisfied Party has issued notification of dissatisfaction to all other Disputing Parties under step 8, then the Dispute may be settled through proceedings in a Court having competent jurisdiction.	Within 21 WD (or such longer period as agreed by all Disputing Parties) after notification of dissatisfaction received under step 8, even if no attempt at amicable settlement has been made	n/a	Disputing Parties	Disputing Parties
11	If, following resolution of the Dispute, a Party believes that the other Party has not complied with the decision of the DRB, they may refer the matter to proceedings in a Court having competent jurisdiction.	Once decision of DRB has become final and binding in accordance with the Code	n/a	Any Disputing Party	n/a

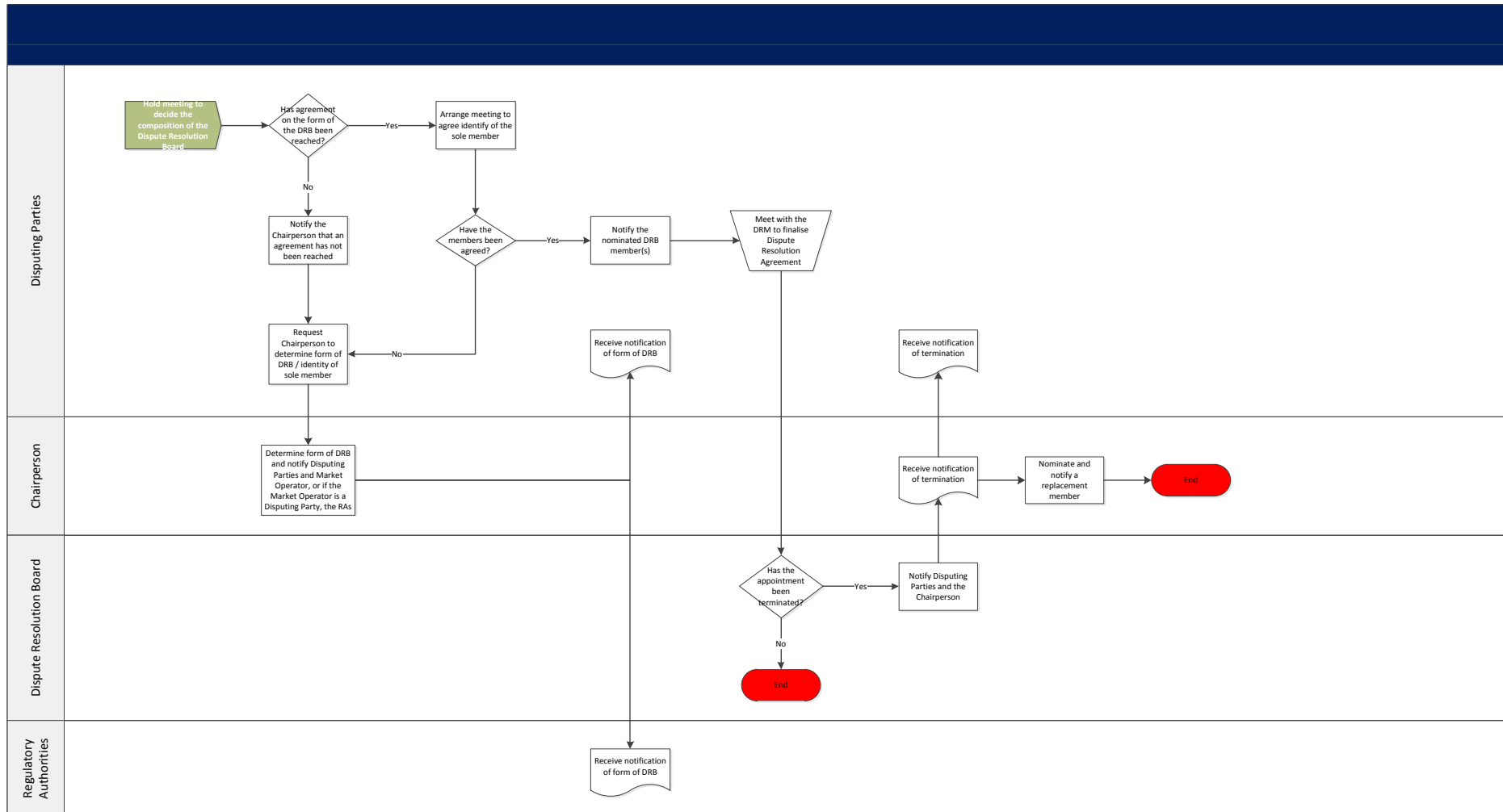
4. SWIMLANES

It is not intended that there be any inconsistency or conflict between this section 4 “Swimlanes” and section 3 “Procedural Steps”. However, in the event of any inconsistency or conflict, section 3 “Procedural Steps” shall take precedence.

4.1 Manage Disputes



4.2 Dispute Resolution Board Composition



APPENDIX 1: DEFINITIONS AND ABBREVIATIONS

DEFINITIONS

Unless otherwise specified, words and expressions defined in the Code shall have the same meanings when used in this Agreed Procedure.

Authorised Person	means a representative of a Party who is authorised by that Party to communicate with the Market Operator as set out in Agreed Procedure 11 "Market System Operation, Testing, Upgrading and Support".
Dispute Counterparty	means the Disputing Parties other than the Raising Party.
Dispute Resolution Form	means the form in Appendix 2 to be completed on successful resolution of a Dispute.
Chairperson	means the chairperson for the time being of the Panel who is appointed by the Regulatory Authorities in accordance with the Code.
Negotiation Period	means, subject to the reasonable endeavours obligations set out in section B.19.2 of the Code, an initial period following the first meeting of the Disputing Parties to attempt to resolve a Dispute or such longer period agreed by the parties in accordance with the Code.
Notice of Dispute Form	Means the form contained in Appendix 2 to be completed and delivered for the purposes of a Notice of Dispute.

ABBREVIATIONS

WD	Working Day
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APPENDIX 2: FORMS

Note: All forms in this section to be updated as relevant details become available.

STANDARD NOTICE OF DISPUTE

Standard Notice of Dispute

Party raising the Dispute			
<u>Dispute submitted by</u> (Please Identify Party (and Participant if required) to Code)		<u>Dispute Notice Number:</u> (to be assigned by Market Operator)	
<u>Name & Address</u>			
<u>Telephone Number</u>		<u>E-mail Address</u>	

Nature of Dispute	
<u>Brief Description of Dispute</u> (High – level overview of Dispute)	
<u>Detail of the Dispute</u> (Clearly state the full nature of the dispute, identifying the paragraphs of the Code where the Raising Disputing Party and corrective actions)	
<u>Additional Supporting Documents</u> (The list must align with the additional documents provided in terms of title)	
<u>Counterparties to the dispute</u> (Please Identify all Parties (and Participants) as appropriate who are subject to this Dispute)	
<u>Proposed Negotiation Timeframe</u> (Please state your availability for resolution of this dispute)	

Authorised Representative Details	
<u>Name</u> (Authorised Person as referred to in Agreed Procedure*)	
<u>Signature</u> (Signature of Authorised Person as referred to in Agreed Procedure 11)	x _____
<u>Password</u> (Password of the Authorised Person as registered under Agreed Procedure 11)	
<u>Date of Submission of this Notice:</u>	

REFERRAL NOTICE TO MARKET OPERATOR / CHAIRPERSON

DISPUTE		
REFERRAL NOTICE		
The Dispute has, in accordance with the Code, been referred to the Dispute Resolution Board.		
Referral submitted by: <i>Please identify Party (and Participant if required) to Code</i>	Date of Submission of this Notice:	Dispute Notice Number: <i>(to be assigned by Market Operator to the Dispute Notice)</i>
Contact Details for Party Referring the Dispute		
Name:	Telephone number:	
Address:		
e-mail address:		
Brief Description of Dispute		
Please list all counterparties to the dispute: <i>Please identify all Parties (and Participants) as appropriate who are subject to this Dispute</i>		
Detail of attempts to resolve the Dispute through negotiation <i>Clearly state the full nature of the dispute, identifying the paragraphs of the Code where the Raising Disputing Party and corrective actions</i>		
Proposed Negotiation Timeframe <i>Please state your availability for a meeting of all Counterparties of the dispute to determine the form of the DRB</i>		
Please send this form to the Counterparties to the Dispute, the Market Operator (if not already a Counterparty), and the Regulatory Authorities (if the Market Operator is a Counterparty to the Dispute). Contact details available from the MO Website		

DISPUTE RESOLUTION FORM

DISPUTE		
DISPUTE RESOLUTION FORM		
Dispute Resolution Form submitted by: <i>Please identify Party (and Participant if required) to Code</i>	Date of Submission of this Notice:	Dispute Notice Number: <i>(assigned by Market Operator to the Dispute Notice)</i>
Contact Details for Party submitting the Dispute Resolution Form		
Name:	Telephone number:	
Address:		
e-mail address:		
Brief Description of Dispute		
Please list all counterparties to the dispute: <i>Please identify all Parties (and Participants) as appropriate who are subject to this Dispute</i>		
Detail of Resolution of the Dispute <i>Clearly state the full nature of the dispute, identifying the paragraphs of the Code where the Raising Disputing Party and corrective actions</i>		
Signatures/Authorisation of all parties to the Dispute		
<i>Please send this form to the Counterparties to the Dispute, the Market Operator (if not already a Counterparty), and the Regulatory Authorities (if the Market Operator is a Counterparty to the Dispute). Contact details available from the MO Website</i>		