

BSUoS Forecast Extreme Weather



Average BSUoS charge	£/MWh
May-20	9.47

The Covid-19 lockdown has suppressed demand with industrial demand in particular much lower than we would normally expect. An adjustment has been made to the demand figures up to the end of August to reflect this.

Accelerated Loss of Mains Change Programme: the cost recovery process for the Accelerated Loss of Mains Change Program has been paused as per the following update from the last TCMF:

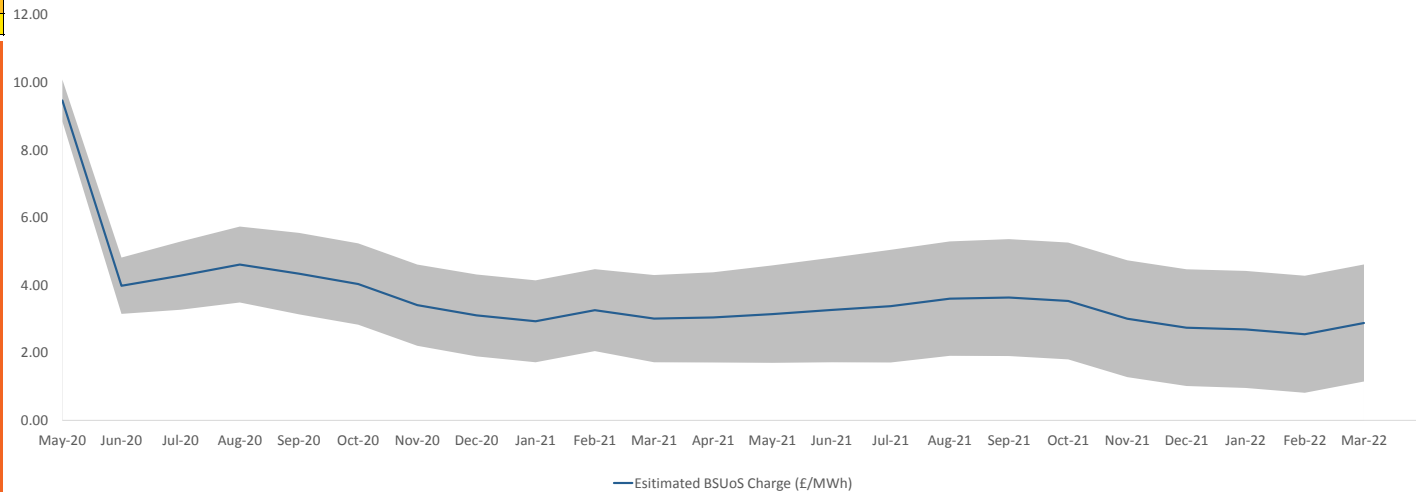
With £4m recovery in FY19/20 covering the cost of works completed to date, we'll continue to hold-off charging until costs surpass this level. The forecast charge has been removed until July but this is subject to change based on the progress of the work.

Changes have been made to the ESO incentive scheme element of the BSUoS charge, details can be found in the Ofgem letter: https://www.ofgem.gov.uk/system/files/docs/2019/10/authorlys_consent_new.pdf

Ofgem have made their Targeted Charging Review (TCR) decision which states that BSUoS should be charged to suppliers based on a gross rather than net basis. We have since raised a CUSC modification (CMP333) to deliver this. In addition, Ofgem have requested that the ESO lead a second task force to establish who should pay BSUoS and how in the future. Until both CMP333 and the second task force conclude, it should be noted that the impact on BSUoS is not certain.

The chart shows the average monthly BSUoS forecast for the next 24 months. The grey band shows the upper and lower range of the forecast. The forecast uses a combination of forecast models and historical data. Constraint costs are adjusted in line with major changes to the outage plan, system faults, and commissioning programmes. The other energy cost categories are forecast using a baseline of historical trends with adjustments for expected changes in system operation or balancing

24 month rolling forecast with error bands



Month	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
Energy Imbalance	8.2	6.1	7.2	6.5	8.1	9.3	8.9	9.1	9.9	11.0	9.0	5.5	7.9	8.2	9.3	8.7	10.1	11.3	10.9	11.1	11.9	12.8	-1.2
Operating Reserve	7.8	5.8	7.0	8.2	14.1	16.4	16.1	11.9	10.1	12.9	13.2	8.3	9.0	5.8	7.0	8.2	14.1	16.4	16.1	11.9	10.1	12.9	13.2
STOR	5.7	5.4	6.0	5.8	6.3	6.2	7.4	7.5	7.6	6.5	7.4	5.2	5.6	5.4	6.0	5.8	6.3	6.2	7.4	7.5	7.6	6.5	7.4
Constraints	41.4	39.9	41.2	50.2	58.3	61.4	57.8	51.9	45.2	50.2	47.0	38.9	39.5	39.2	40.5	49.5	53.1	56.0	52.6	46.5	39.8	45.3	41.6
Negative Reserve	0.8	1.6	1.8	1.7	1.8	1.2	0.5	0.5	0.6	0.1	0.2	0.4	0.9	1.6	1.8	1.7	1.8	1.2	0.5	0.5	0.6	0.1	0.2
Fast Reserve	8.3	8.8	9.1	9.6	8.8	9.1	9.4	10.0	10.3	8.7	9.7	9.0	9.0	8.8	9.1	9.6	8.8	9.1	9.4	10.0	10.3	8.7	9.7
Response	13.9	13.9	14.6	15.1	13.3	13.3	13.1	13.3	13.1	12.3	13.4	11.8	12.6	11.9	12.6	13.1	11.3	11.2	11.2	11.3	11.1	10.5	11.4
Other Reserve	0.9	1.0	1.2	1.3	1.0	0.9	0.9	0.9	0.9	1.0	1.1	0.9	1.0	1.0	1.2	1.3	1.0	0.9	0.9	0.9	0.9	0.9	1.0
Reactive	6.3	5.8	5.7	5.5	6.6	6.7	6.5	7.1	7.0	5.7	6.1	6.7	7.5	7.0	6.9	6.8	6.6	6.7	6.5	7.1	7.0	5.7	6.1
Minor Components	2.6	2.6	2.6	1.5	1.1	2.1	0.6	1.0	-0.6	2.3	0.3	3.0	3.0	2.6	2.6	1.5	1.1	2.1	0.6	1.0	-0.6	2.3	0.3
Black Start	3.8	3.7	3.8	3.8	3.7	3.8	3.7	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8
Total BSUoS	276.7	97.5	103.9	113.7	128.0	130.4	125.0	117.0	108.0	114.4	111.2	93.7	99.5	95.5	100.7	110.0	117.9	125.0	119.9	111.6	102.6	109.5	93.6
Estimated BSUoS Vol (TWh)	31.2	29.1	29.8	29.8	35.1	38.6	43.9	45.8	45.4	42.2	45.3	38.7	39.5	36.6	37.1	37.4	39.1	42.4	47.9	49.7	45.5	50.1	39.4
Estimated Internal BSUoS (£m)	19.0	18.4	19.0	19.0	18.4	19.0	18.4	19.0	19.0	17.2	19.0	18.4	19.0	18.4	19.0	19.0	18.4	19.0	18.4	19.0	19.0	17.2	19.0
ESO Incentive	0.0	0.0	0.0	0.0	1.4	1.5	1.4	1.5	1.5	1.3	1.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9	1.0
ALoMCP	0.0	0.0	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	0.0	0.0
Estimated BSUoS Charge (£/MWh)	9.47	3.98	4.28	4.61	4.34	4.04	3.41	3.11	2.93	3.26	3.01	3.05	3.14	3.27	3.38	3.60	3.63	3.53	3.01	2.74	2.69	2.55	2.88

High Error Band (£/MWh)	10.09	4.82	5.29	5.74	5.55	5.24	4.61	4.32	4.14	4.47	4.30	4.38	4.59	4.81	5.05	5.30	5.36	5.26	4.74	4.47	4.42	4.28	4.61
Low Error Band (£/MWh)	8.85	3.15	3.27	3.49	3.14	2.83	2.21	1.89	1.72	2.05	1.72	1.71	1.70	1.72	1.71	1.91	1.90	1.80	1.28	1.02	0.96	0.82	1.15