

Recovery of 2017/18 BSIS

National Grid BSUoS Charging Circular

28th December 2017

This circular provides information on how BSIS charges will be shown in Balancing Services Charging Reports (BCR) from today, the 28th December 2017.

The total BSIS currently being recovered is £7.754m over a period of 121 settlement days (1st Dec 2017 to 31st March 2018). This means that the cost recovery per day is £64,082.64

This charge will be shown in BCR reports against **Daily Balancing Services Adjustment (ET)**.

Background

The Balancing Services Incentive Scheme (BSIS) provides a focus on key areas where National Grid is able to create value for the industry and consumers by minimising balancing costs and improving the accuracy and provision of information for use by the industry to better facilitate the market.

Over the last month we have been consulting with industry on the recovery of this year's Balancing Services Incentive Scheme (BSIS). Via these consultations, a webinar and direct feedback from BSUoS parties a consensus was reached that it was desirable to recover the BSIS amount over the last 4 months of this year's BSUoS scheme.

For further background information on this consultation please reference the documents in the news section of our website by following this link <http://www.nationalgrid.com/bsuos/>

BSIS details in BCR

The BSIS element of the 2017/18 BSUoS scheme was agreed with Ofgem at a "cap and floor" rate of +/-£10m, the current BSIS forecast is £7.754m and this is the amount that we have started to recover from today.

The BSIS value is adjusted on a monthly basis and any adjustments to this amount will be reflected in the remainder of the SF runs yet to be billed, post any adjustment.

Due to the different parameters of this year's scheme that have been agreed with Ofgem and limitations within our billing system we are unable to show the BSIS amount on the **Daily Incentive Profit** line of the BCR, it will instead be shown against **Balancing Services Adjustment (ET)**.

This approach mirrors the approach we have taken in the past in recovering the profit backlog when the BSIS scheme is agreed after the start of the scheme year.

BCR Access

Please note that access to Balancing Services Charging Reports is via SFTP so please contact a member of the team using the details at the end of this circular if you do not currently have access to these reports.

BSUoS Circulars

If you wish to receive BSUoS circulars via email please send an email to BSUoS.Queries@nationalgrid.com asking to be added to our distribution list. Please mark your email with the subject line “**Please ADD me to BSUoS Circulars**”

If you receive BSUoS circulars but no longer wish to do so please email BSUoS.Queries@nationalgrid.com asking to be removed from the distribution list. Please mark your email with the subject line “**Please REMOVE me from BSUoS Circulars**”

Further Questions?

If you have any queries regarding this issue please contact the BSUoS team using the details below:

Email: BSUoS.Queries@nationalgrid.com¹

Tel: 01926 654 613

Website: <http://www.nationalgrid.com/bsuos/>

¹ Please help us keep our records up to date by informing us of any changes in contact details via the email address