national gridESO

2019/20 ESO Incentive Reconciliation

Dear BSUoS customer,

This communication is about the ESO Incentive decision by Ofgem for the 2019/20 scheme year. The ESO incentive is recovered through the BSUoS charge.

As you may have already seen from the Ofgem announcement <u>HERE</u> National Grid ESO was awarded an incentive payment of £1m for the 2019/20 charging year.

Based on our projected incentive performance at the time, £7m was recovered through the BSUoS SF charge for 2019/20.

To implement Ofgem's decision, we will be paying back £23,904.38 per day via the BSUoS RF charge from settlement day 25/07/2019 to 31/03/2020.

RF charges for the 25/07/2019 to the 31/03/2020 settlement dates will be start to be invoiced from the 15/09/2020.

As per previous communications, the ESO incentive recovery for the 2020/21 charging year is currently on hold as part of the measures that National Grid ESO are taking to reduce the impact of COVID on system charges.

Further communications regarding the 2020/21 ESO incentive will follow before any changes to the above arrangement are made.

If you have any more questions regards the ESO incentive please contact the BSUoS team using the details below.

bsuos.queries@nationalgrideso.com

Many thanks

ESO Charging

National Grid Electricity System Operator