1. BSUoS charges comprise the following costs:

1. The Total Costs of the Balancing Mechanism
2. Total Balancing Services Contract costs
3. Payments/Receipts from The Company’s incentive schemes
4. Internal costs of operating the System
5. Costs associated with contracting for and developing Balancing Services
6. Adjustments
7. Costs invoiced to The Company associated with Manifest Errors and Special Provisions.
8. BETTA implementation costs
9. Financing and administrative costs, as agreed by The Authority, associated with the management of the Covid Support Scheme in 14.30.12
10. Financing costs associated with the Fixed BSUoS Price

# 14.29.6 BSUoS charges are calculated and levied on a fixed price £/MWh (the “Fixed BSUoS Price”) per Settlement Period basis for two consecutive periods of six months (“the Fixed Price Period”) and notified to users three months in advance. The Fixed BSUoS Price will be applied to each BSUoS Liable User’s actual metered volumes (including all relevant losses) to derive that BSUoS Liable User’s BSUoS charge.

# 14.29.7 Any over or under recovery during a Fixed Price Period will be included in the calculation of the Fixed BSUoS Price £/MWh for the next available Fixed Price Period.

# 14.29.8 This methodology is divided into three sections:

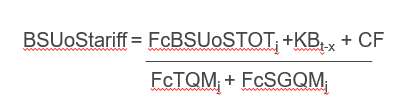
# Definition of the BSUoS liable user (who pays BSUoS)

Calculation of the Fixed BSUoS Tariff

# Calculation of a BSUoS Liable User’s Daily BSUoS Charge (how much)

## Calculation of a Fixed BSUoS Tariff

1. The BSUoS tariff for each settlement day is calculated by the following formula:



Where:

BSUoStariff - Fixed BSUoS Price £/MWh for the Fixed Price Period t

FcBSUoSTOT - Forecast Total BSUoS Revenue applicable for Fixed Price Period t including all forecast BSUoSExt and BSUoSInt costs as per paragraph 14.29.5

KB t-x Adjustment for any difference between the BSUoStariff and the actual Total BSUoS costs incurred by The Company in a previous period t-x

CF – cost of finance incurred through The Company providing a working capital facility

FcTQM j – refers to the forecast of the total Transmission Connected Site BM Unit Metered Volume for Settlement Period j

FcSGQM j – refers to the forecast of the Gross Demand BM Unit Volume for Settlement Period j

## Calculation of a BSUoS Liable User’s charge

1. A Supplier BM Unit’s and Exempt Export BM Unit’s charge is calculated by the following formula:



BSUoSTOT – Total BSUoS Liable User’s charge

1. All other BSUoS liable customers with a Bilateral Agreement with The Company will have their charge calculated by the following formula:

