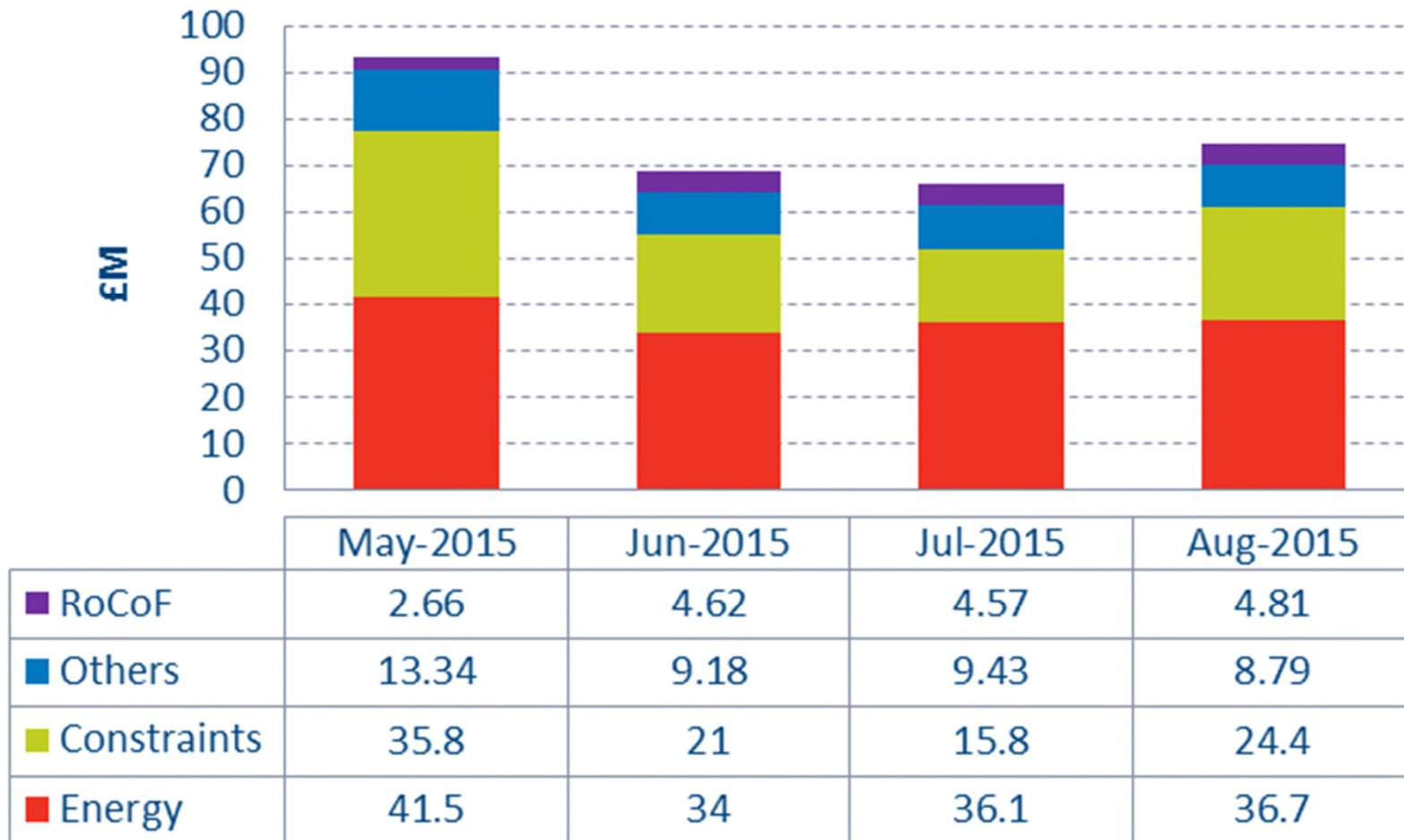


## Operational and System Cost Update



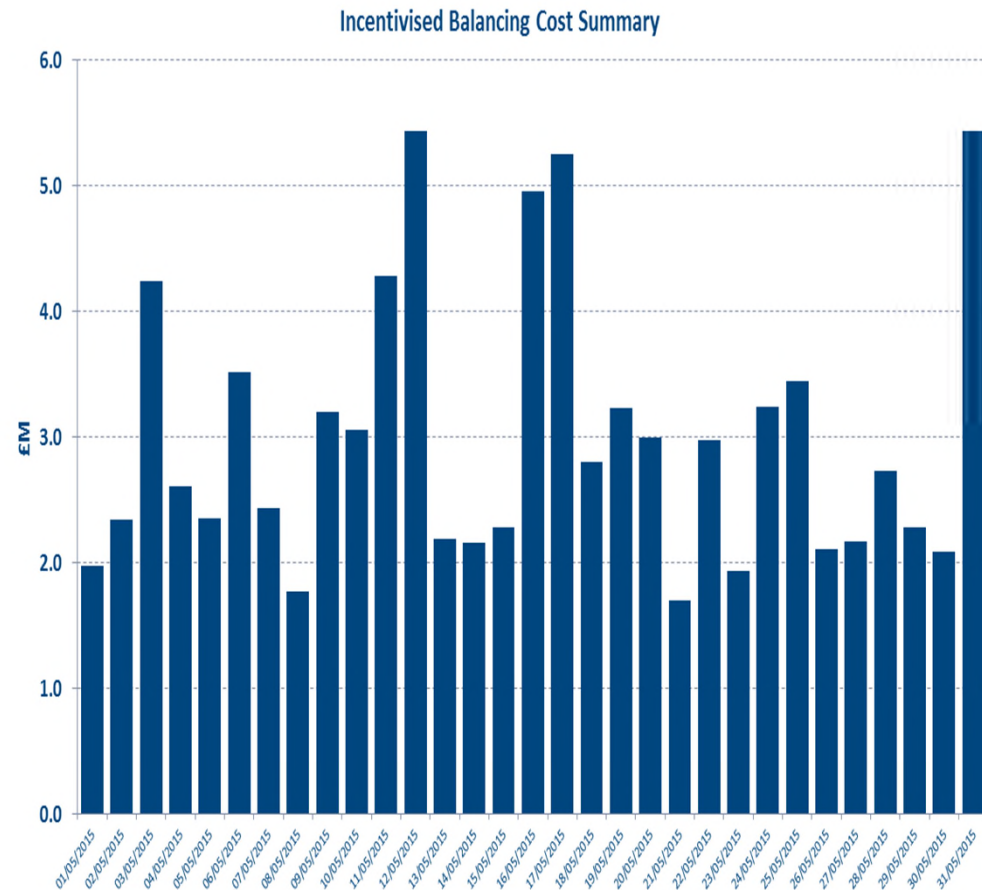
Audrey Ramsay – Commercial Optimisation Manager

## Cost Outturns for May - August 2015



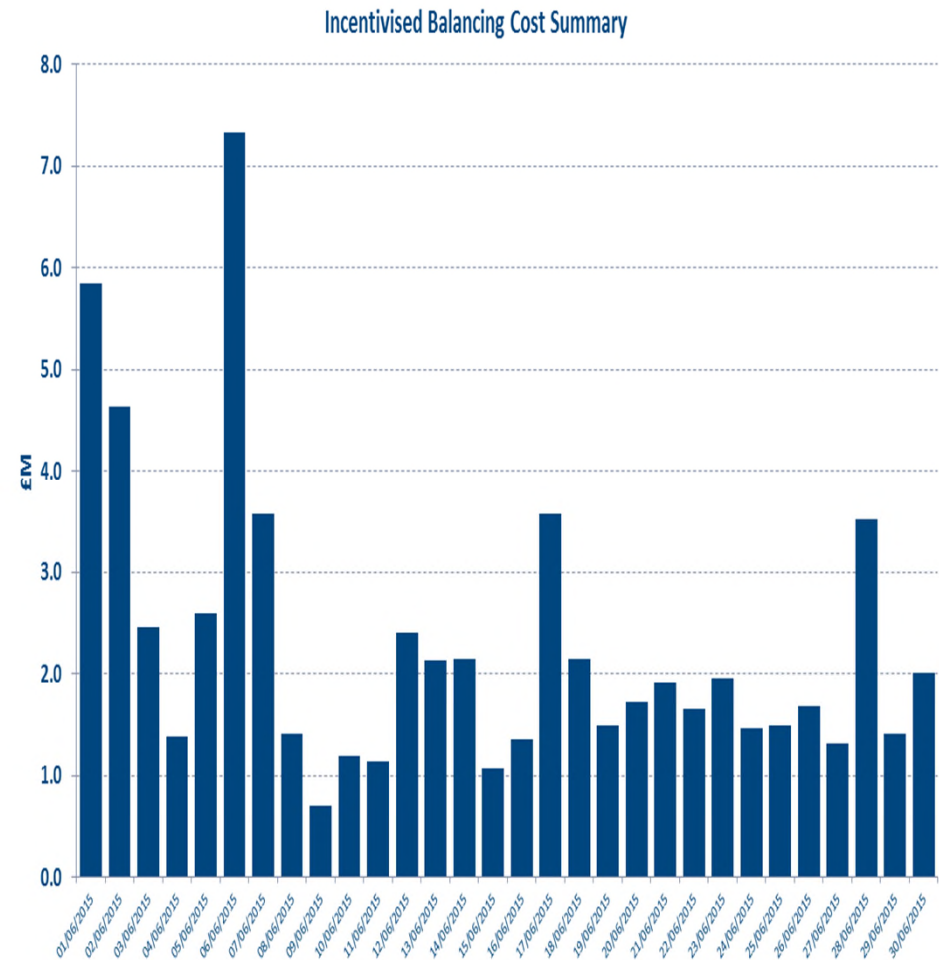
## Cost Outturns for May

- £93.3M
- High wind output on 11th/12th, 16th/17th and 31st May resulted in high constraint spend.
- Increased response costs due to demand uncertainty (Solar PV and embedded wind output) .



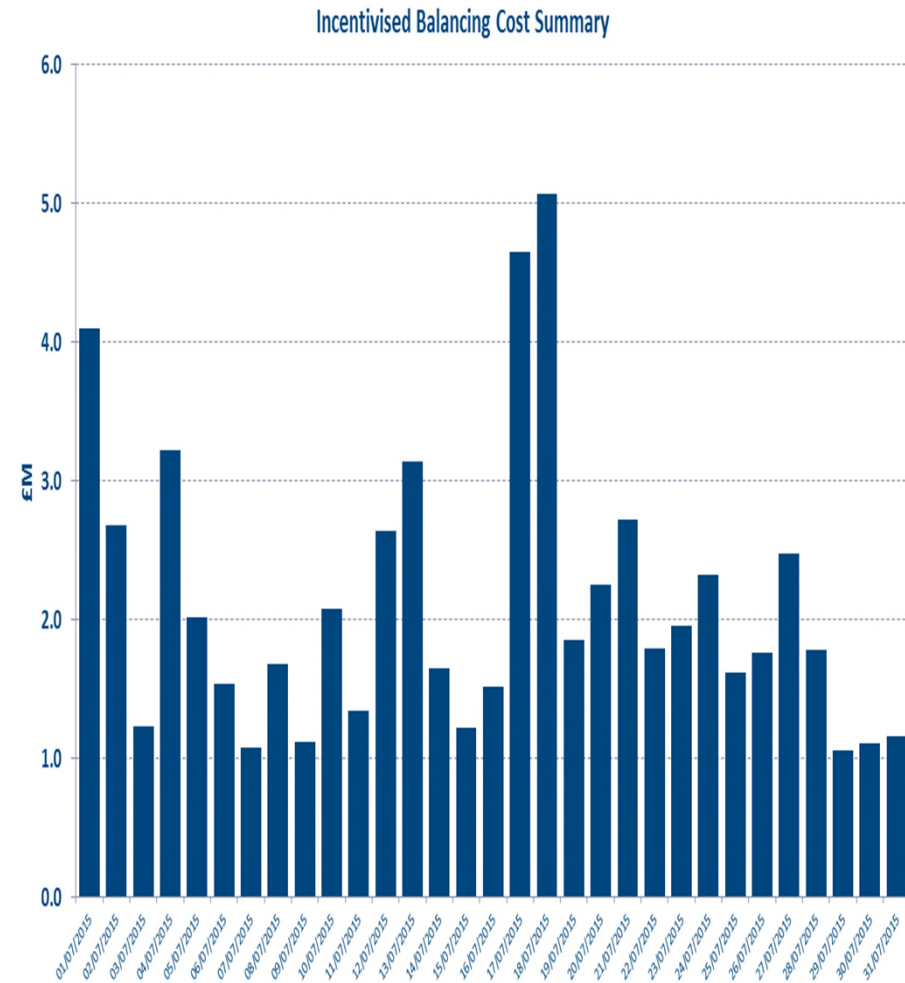
## Cost Outturns for June

- £68.8M
- High wind output on the 1st, 6th, 17-18th and 28-29th June.
- Drop in overall costs
- Response, reserve and reactive costs dominated due to continued demand uncertainty.



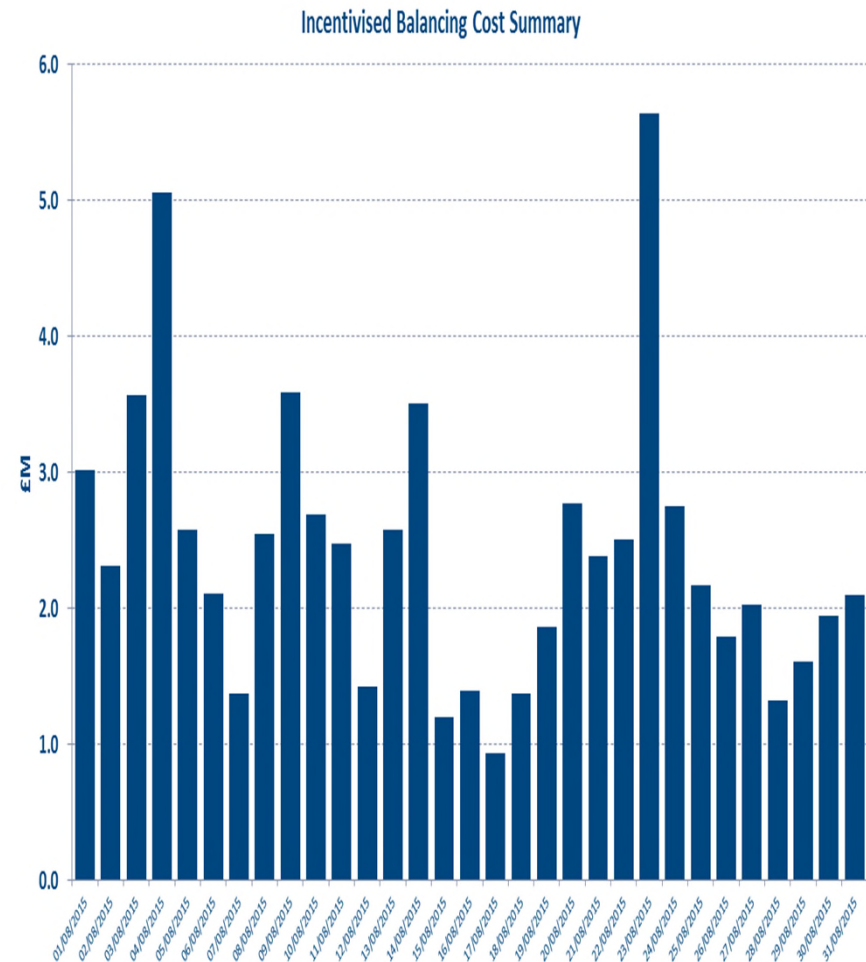
## Cost Outturns for July

- £65.9M
- High wind output on the 17 & 18 July
- Response, reserve and reactive costs dominated due to continued demand uncertainty and generator unavailability

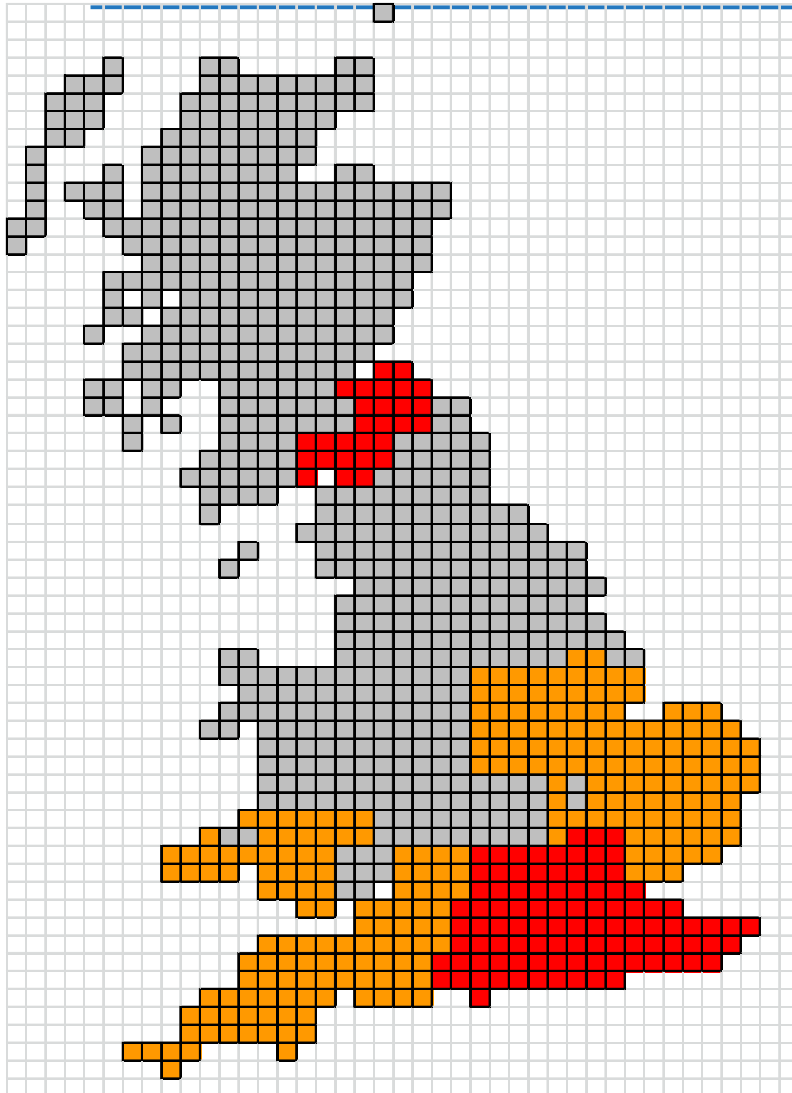


## Cost Outturns for August

- £74.7M
- High wind output on several days in August saw significant costs for managing system constraints
- Response, reserve and reactive costs dominated due to continued demand uncertainty and generator unavailability

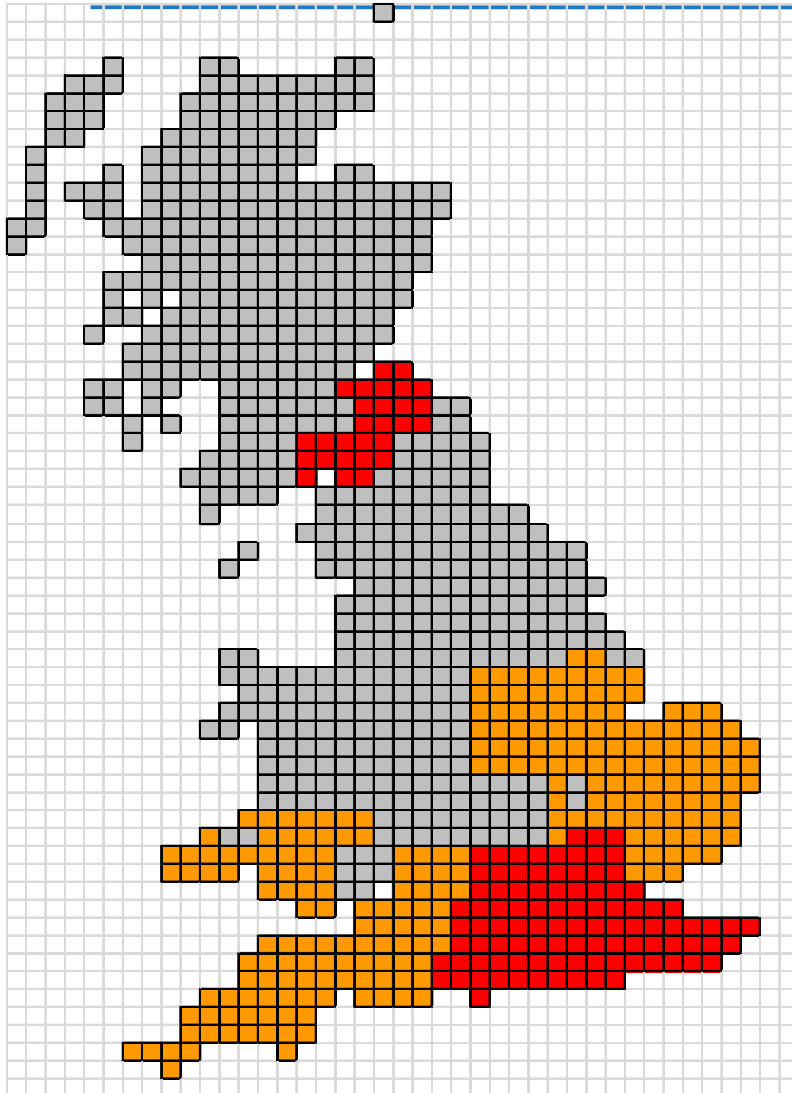


## Active constraints – May



- Constraint: £35.8M
- RoCoF: £2.66M
- Cheviot constraint active during Blyth-Eccles-Stella West outage which reduced the SCOTEX by 500MW
- England and Wales spend mainly driven by Voltage requirements and RoCoF

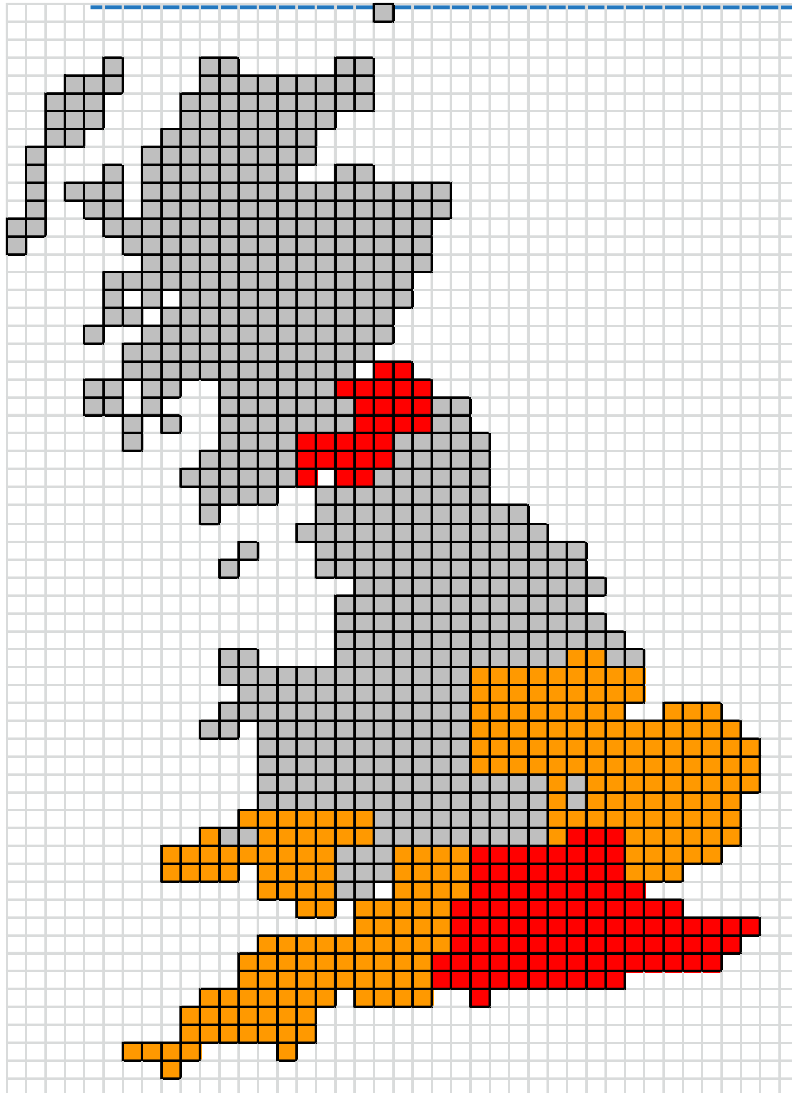
## Active constraints – June



- Constraint: £21M
- RoCoF: £4.62M
- Blyth-Eccles-Stella West outage continued into June
- RoCoF spend increased with trades required every day.
- Fewer gas units self-dispatching overnight increasing National Grid actions for voltage management

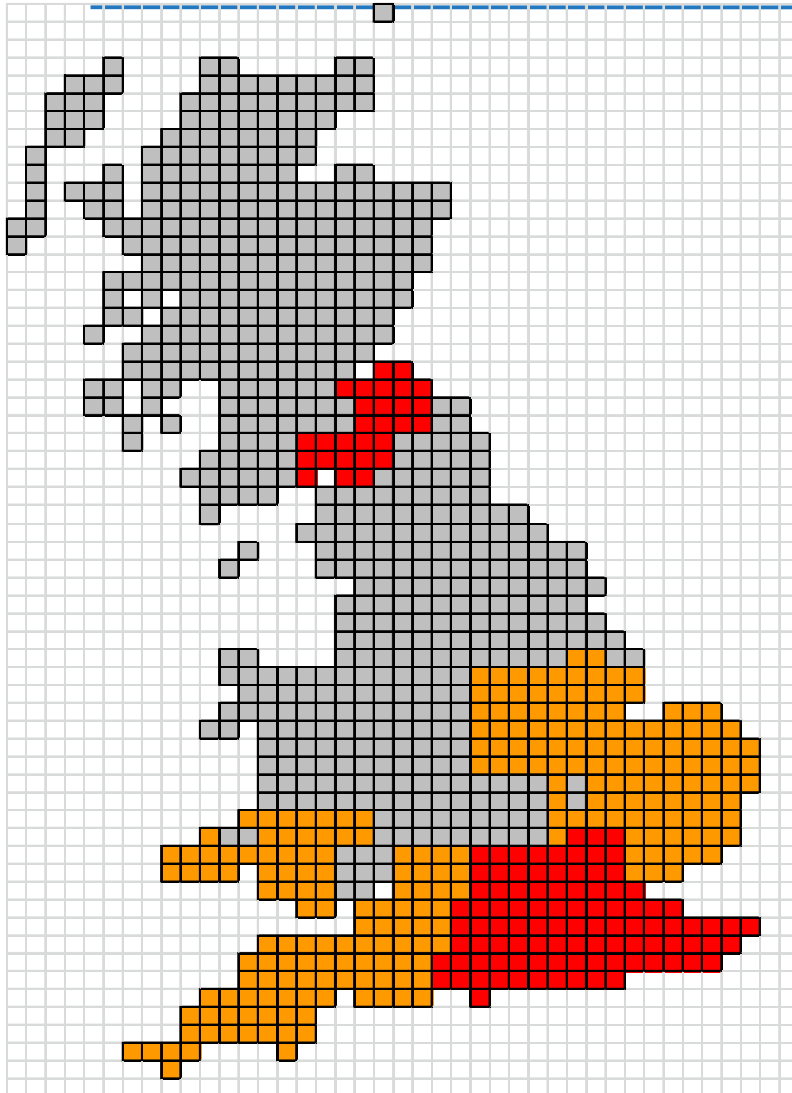


## Active constraints – July



- £15.8M
- Blyth-Eccles-Stella West outage continued into July
- RoCoF remained a high spend factor throughout the month of July requiring interconnector trades overnight, and weekend daytime
- BOA and Trades required overnight for voltage management

## Active constraints – August



- £24.4M
- Scotland – England boundary outages continued into August
- ROCOF spend continued into August with interconnector trades overnight, and weekend daytime. Plus BOA action required in real-time
- BOA and Trades required overnight for voltage management

## Minimising Balancing Costs

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- SCOTEX constraint
  - Utilisation of intertrip
  - Rating enhancement
  - Optimal outage placement
- Voltage
  - Voltage Control Circuits
  - Index-linked Contracts
  - Trades
- RoCoF
  - Interconnector trades
- Energy
  - Fast Reserve contracts
  - FFR contracts
  - Combined voltage/FFR contracts

## BSUoS Forecast Update 2015/16



## BSUoS Forecast 2015-16

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- External BSUoS costs estimated to be: **£882.1M**
- Internal Costs: **£163M**
- Total BSUoS costs estimated to be: **£1,045M**
- Total Charging Volume: **567.6TWh**
- Est. BSUoS charge: **£1.84/ MWh**



# Q&A

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