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| <p align="center">Change Proposal – BSCP40/02</p> | <p>CP No: CP1531</p> <p><i>Version No: 1.0</i> (mandatory by BSCCo)</p> |
| <p>Title (mandatory by originator)</p> <p>Additionally provide the TUoS Report to National Grid ESO at the II Settlement Run</p> | |
| <p>Description of Problem/Issue (mandatory by originator)</p> <p><u>Summary</u></p> <p>National Grid ESO requires the BSCCo to provide the Transmission Use of System (TUoS) Report at the II (Interim Information) Settlement Run to ensure they can continue to provide an indicative view of Balancing Services Use of System (BSUoS) charges to liable parties after the introduction of a change to the charging methodology.</p> <p><u>What is the Issue in more detail?</u></p> <p>As the result of a Direction from Ofgem, the BSUoS charging methodology will change from 1st April 2021, to charge Suppliers based on gross demand rather than net demand. National Grid ESO subsequently require the TUoS Report at the II Settlement Run, as it contains gross demand data to be able to provide an indicative view of BSUoS charges to liable parties.</p> <p><u>Background</u></p> <p>BSUoS charges are levied by National Grid ESO to recover the day-to-day cost of ‘balancing the system’. The charging methodology is set out in Section 14 of the Connection and Use of System Code (CUSC).</p> <p>Ofgem’s Targeted Charging Review (TCR) Significant Code Review (SCR) assessed how residual network charges should be set and recovered in Great Britain, with the objective to consider the reform of the current charging arrangements to ensure they meet the needs of current and future consumers. On 21st November 2019, Ofgem as the Authority published its Decision. This included a reform to the current BSUoS charging methodology to recover based on gross demand rather than net demand, from 1st April 2021.</p> <p>Under the current charging methodology, BSUoS is recovered from Suppliers based on net demand, so for Suppliers who contract with Embedded Generators, this has the effect of reducing the Supplier’s BSUoS charge and creating an Embedded Benefit, which is typically passed onto the Embedded Generator by the Supplier. Removing the Embedded Benefit will increase competition between Embedded and Transmission connected Generators and should lead to cost savings for consumers.</p> <p>BSUoS is settled at the SF (Settlement Final) and RF (Reconciliation Final) Settlement Runs. National Grid ESO also provide an indicative view of charges, based on data at the II Settlement Run to BSUoS liable parties. To provide a view of charges using the gross demand methodology there is a requirement for BSCCo to provide the TUoS Report (P0210 file) at the II settlement run. This report is already provided to National Grid ESO for subsequent Settlement Runs.</p> | |

Proposed Solution (mandatory by originator)

BSCCo to generate and publish the TUoS Report (P0210 file) at the II Settlement Run, and make it available on the Elexon Portal and deliver to National Grid ESO. The TUoS Report is already generated and published for subsequent Settlement Runs.

Justification for Change (mandatory by originator)

National Grid ESO raised [CMP333: 'BSUoS – charging Supplier Users on gross demand \(TCR\)'](#) on 12th December 2019. This Change Proposal will support the implementation of CMP333, which is required to implement Ofgem's TCR decision.

By providing the TUoS Report at the II Settlement Run, National Grid ESO can continue to calculate and provide indicative charges to BSUoS liable parties. This helps parties to check their charges ahead of receiving the invoice and due to the volatility of BSUoS, can assist parties to manage cashflow.

To which section of the Code does the CP relate, and does the CP facilitate the current provisions of the Code? (mandatory by originator)

[BSC Section V 'Reporting'](#)

Estimated Implementation Costs (mandatory by BSCCo)

TBC following the completion of impact assessment. This will be confirmed as part of the CP consultation.

BSC Configurable Items Affected by Proposed Solution(s) (mandatory by originator)

[BSCP508 'Supplier Volume Allocation Agent'](#)

Impact on Core Industry Documents or System Operator-Transmission Owner Code (mandatory by originator)

None identified

Related Changes and/or BSC Releases (mandatory by BSCCo)

[National Grid ESO CUSC Change Modification Proposal CMP333](#)

Requested Implementation Date (mandatory by originator)

Ofgem's decision on CMP333 approved the change to the BSUoS charging methodology from 1st April 2021.

All file, system changes and supporting processes need to be tested and completed with sufficient time to meet the implementation date of CMP333 which is 1st April 2021.

Reason: 1st April 2021 is the Implementation Date for CMP333.

Version History (mandatory by BSCCo)

This is the first version of the Proposal Form for the CP.

Originator's Details:

BCA Name: Katharina Birkner

Organisation: National Grid ESO

Email Address: katharina.birkner@nationalgrid.com

Telephone Number: 07773647025

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Attachments: Y – BSCP508 'Supplier Volume Allocation Agent'