

The Credit Cover calculation for Interconnector BM Units

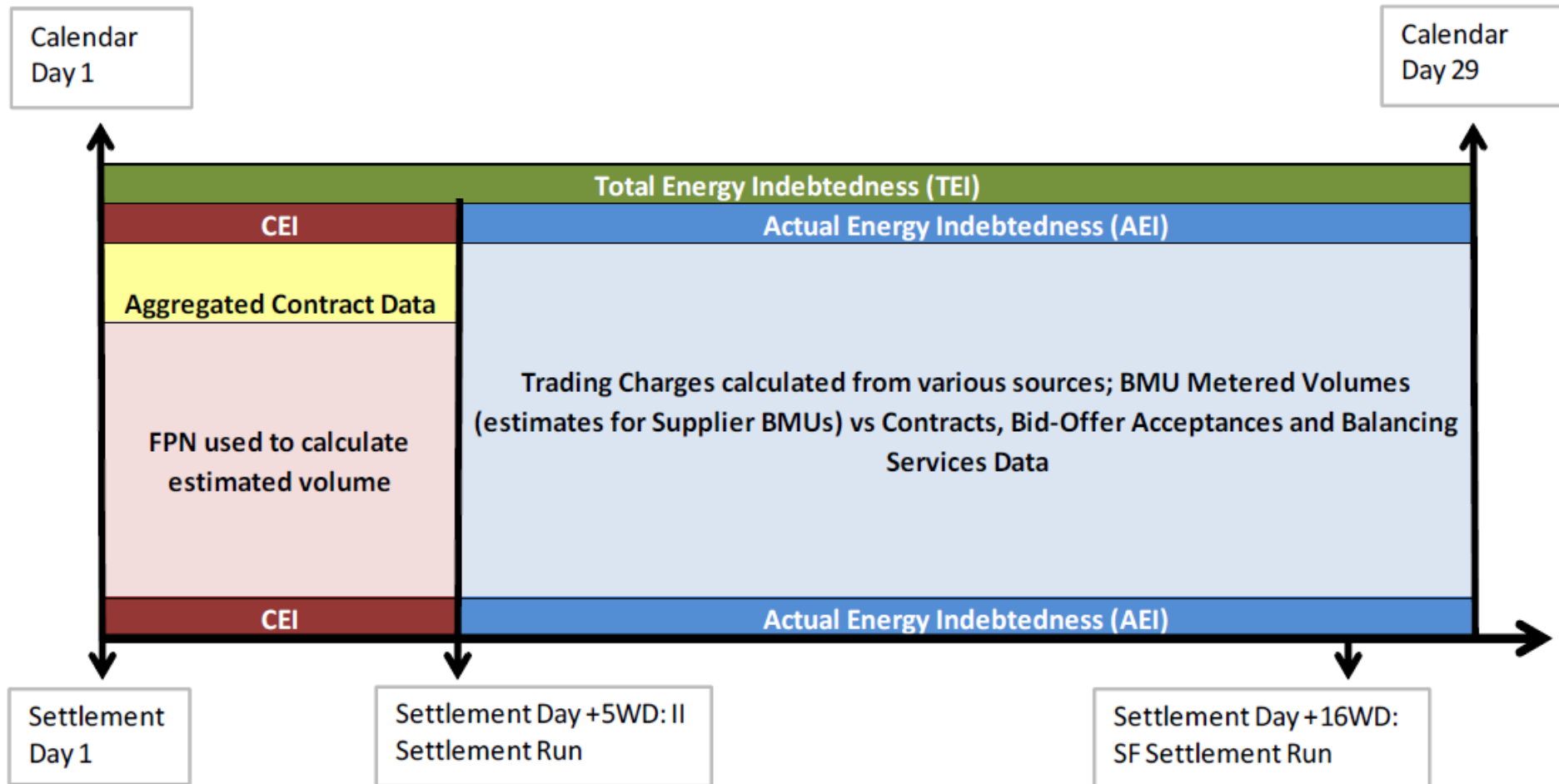
Thomas Routier

ELEXON

What will we cover in this video?

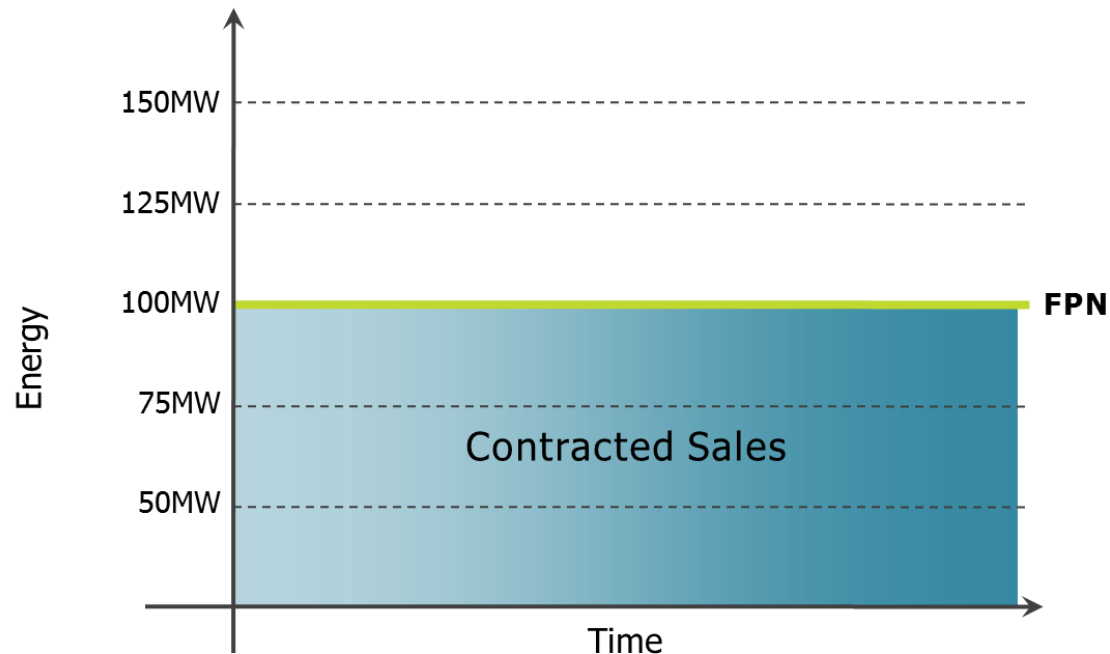
- The concept of Final Physical Notification (FPN) and its role in the Credit Cover Calculation
- The calculation of Credit Cover for both the CEI and AEI

TEI – Total Energy Indebtedness

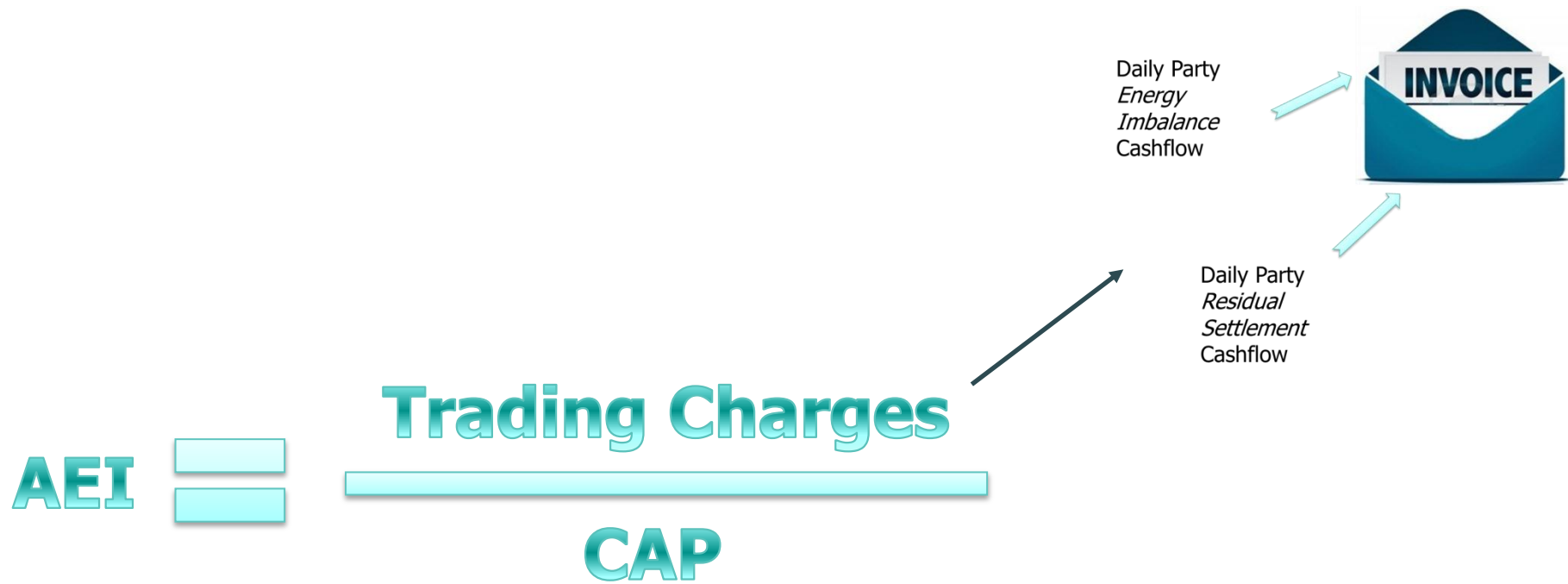


What are FPNs?

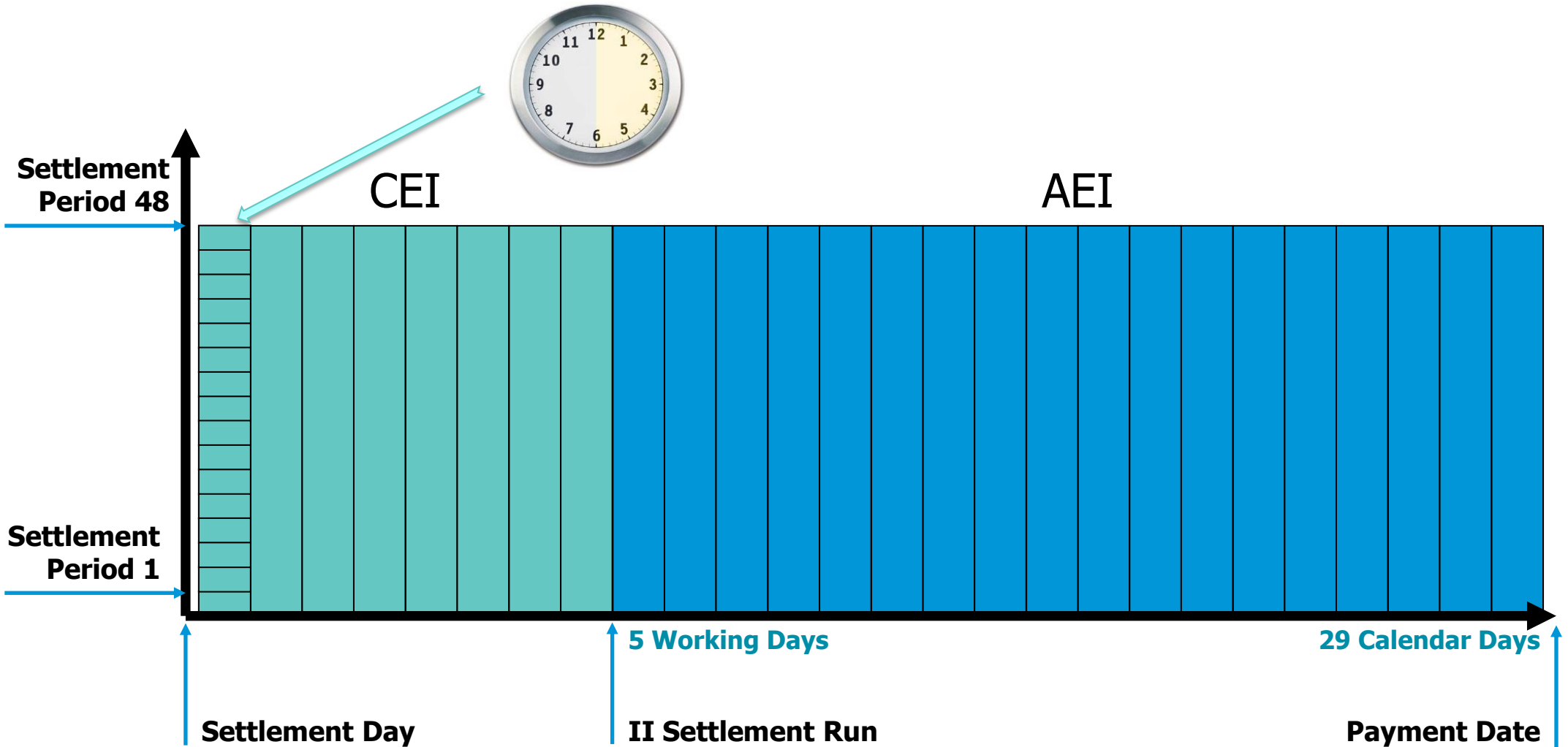
- Final Physical Notifications (FPNs) are the expected operating level for each BM Unit per Settlement Period
- Sent to the System Operator up to an hour before the beginning of the Settlement Period
- Requirement for Interconnector BM Units
- Example of an FPN of 100MW:



AEI – Actual Energy Indebtedness



TEI – Energy Indebtedness



More information and monitoring tools?



<https://www.elexonportal.co.uk>

A screenshot of the ELEXON website's reference page for credit pricing. The page has a teal header with the ELEXON logo, social media icons for Twitter, YouTube, and LinkedIn, and a search bar. A navigation menu includes links for HOME, ABOUT, BSC & RELATED DOCUMENTS, CHANGE, COMMITTEES & MEETINGS, REFERENCE, NEWS & EVENTS, and CONTACTS. The main content area is divided into three columns. The left column, titled "CREDIT & PRICING", has a sub-menu with "Imbalance Pricing", "Trading Charges", and "Credit" (which is selected). The middle column, titled "CREDIT", contains the heading "What are the Credit rules under the BSC?" followed by two paragraphs of text explaining the BSC credit rules and the purpose of credit cover. The right column, titled "RELATED FAQs", has a question "Do I need to lodge collateral (credit cover) with ELEXON?". Below this is a "RELATED CONTENT" section with four links to PDF documents: "Credit Assessment Load Factor", "BSC Guidance Notes", "Overview of Credit Cover [359.6 Kb]", "Overview of Credit Default [238.4 Kb]", "What happens if a Party defaults? [207.2 Kb]", and "BSC Section M - Credit Cover and Credit Default [241.7 Kb]".

<https://www.elexon.co.uk/reference/credit-pricing/credit/>



Want some more?

Additional videos are available on the website to learn more on the following topics:

- Introduction to BSC Credit Cover

- Credit Cover calculation for:
 - Non Credit Qualifying BM Units (including Suppliers' BM Units)
 - Credit Qualifying BM Units

- The Credit Default process and the different levels of Credit Defaults

- How to use the ELEXON Portal to monitor your Credit Cover Position

