Changes to non-commodity charges

Balancing Services Use of System (BSUoS)



Business Solutions

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Balancing Services Use of System (BSUoS)

Charge for keeping the UK's electricity system in balance, including the cost of constraining generation

How is it Charged?

- For both Half-Hourly (HH) and Non-Half Hourly (NHH) the cost will either be fully passed through with a reconciliation, or fixed into the energy charges for the duration of your contract
- A unique price will be calculated using HH National Balancing Point (NBP) consumption for each individual Meter Point Administration Number (MPAN)
- Where fixed, this will be included within your energy charges
- Where charges are passed through, initial charges are based on a forecast price
- A reconciliation is triggered once actual prices are known or updated. This is in accordance with the Settlement Calendar

How will it appear on my invoice?

- Pass-through charges will appear on invoices in the 'Network charges' section under the heading 'Balancing Services Use of System (BSUoS)'
- The forecast cost will be calculated and charged for each invoice period
- When actual prices are known or updated for all the days within a previously invoiced period, a reconciliation will be applied
- A line crediting back the forecasted charge and a line invoicing the consumption at the actual prices will be applied to your invoice
- For BSUoS, forecasts can change, so the forecast you see on your invoice may differ from the rate contained within your billing rate notice

What are the key differences?

- Where BSUoS is pass-through, the HH forecast price will vary per invoice period and is calculated at the time of invoice
- All MPANs will now be subject to a reconciliation following receipt of all actual prices for the complete invoice period
- Each invoice period on a forecast price will be credited back individually, once the actual charge is known (instead of a net reconciliation line)
- Charges will be calculated, applied and displayed at MPAN level, not account level
- Both the actual and forecast price is applied per HH and can vary. For this reason, only the total consumption (kWh) and charge (£) will be displayed on your invoice and not the p/kWh
- From your next energy charges period or renewal, we will have the ability to pass-through and reconcile BSUoS for NHH in the same way as HH. NHH volume will be based on an industry profile curve at halfhourly granularity
- Following migration, any historic periods invoiced from our legacy system on a forecast price will be reconciled in the new account management system

For more information on Settlement Calendars, please visit Elexon's website <u>here</u>.