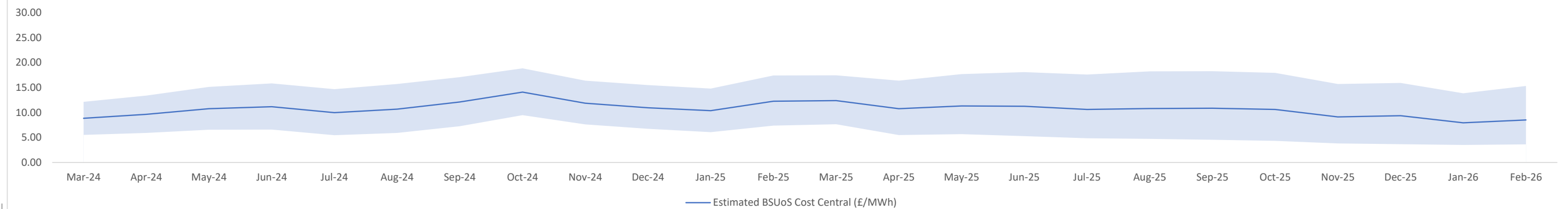


BSUoS Forecast for Apr-24



24 month rolling forecast with error bands



	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26
Balancing Costs (Central) £m	170.2	171	181.6	178.1	160.3	173.5	208.3	245.7	216.6	203.1	196.8	222	222.6	187.3	185.7	173.6	166.3	168.5	176.2	190.3	169.1	183.6	153.6	152.5
Balancing Costs (Upper) £m	248.7	252.8	271.3	269.3	254.5	274.2	309.5	352.1	324	316.2	310.6	341.6	341.4	308.2	315.5	305.5	305.4	317	326.7	353	323.9	344.8	302.3	307.5
Balancing Costs (Lower) £m	90.5	89.8	95	89.1	69.4	78.3	109.1	142.7	115.1	98.5	86.9	108.5	111.1	73.8	70.1	57.7	50.8	47.8	47.7	50.6	44.6	43.9	41.9	41
Estimated Internal BSUoS & ESO Incentive £m	36.58	38.76	40.05	38.76	40.05	40.05	38.76	61.18	59.20	61.18	61.18	55.26	61.18	44.56	46.05	44.56	46.05	46.05	44.56	46.05	44.56	46.05	46.05	41.59
Winter Security of Supply Cost £m	4.23	0.00	0.00	0.00	0.00	0.00	0.00	4.26	4.12	4.26	4.26	3.85	4.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21/22 Under-Recovery	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.70	3.58	3.70	3.70	3.34	3.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total BSUoS (Central) £m	211.0	209.8	221.7	216.9	200.4	213.6	247.1	314.8	283.5	272.2	265.9	284.4	291.7	231.9	231.8	218.2	212.4	214.6	220.8	236.4	213.7	229.7	199.7	194.1
Total BSUoS (Upper) £m	289.5	291.6	311.4	308.1	294.6	314.3	348.3	421.2	390.9	385.3	379.7	404.0	410.5	352.8	361.6	350.1	351.5	363.1	371.3	399.1	368.5	390.9	348.4	349.1
Total BSUoS (Lower) £m	131.3	128.6	135.1	127.9	109.5	118.4	147.9	211.8	182.0	167.6	156.0	170.9	180.2	118.4	116.2	102.3	96.9	93.9	92.3	96.7	89.2	90.0	88.0	82.6
Estimated BSUoS Volume (TWh)	23.8	21.7	20.6	19.4	20.0	20.0	20.4	22.3	23.9	24.9	25.6	23.2	23.5	21.5	20.4	19.3	20.0	19.9	20.3	22.2	23.4	24.5	25.1	22.8
Estimated BSUoS Cost Central (£/MWh)	8.87	9.65	10.78	11.17	10.00	10.69	12.14	14.10	11.89	10.95	10.37	12.28	12.41	10.79	11.34	11.28	10.64	10.80	10.89	10.64	9.13	9.37	7.95	8.52
Estimated BSUoS Cost Upper (£/MWh)	12.16	13.41	15.14	15.86	14.70	15.73	17.11	18.87	16.39	15.50	14.81	17.45	17.46	16.41	17.70	18.10	17.61	18.27	18.31	17.96	15.74	15.94	13.87	15.33
Estimated BSUoS Cost Lower (£/MWh)	5.52	5.92	6.57	6.58	5.46	5.92	7.26	9.49	7.63	6.74	6.09	7.38	7.67	5.51	5.69	5.29	4.85	4.72	4.55	4.35	3.81	3.67	3.50	3.63

Please note: As a result of the approval of CMP308, BSUoS charges have been removed from Generation from 1 April 2023. Therefore the chargeable volume approximately halved and the BSUoS charge (£/MWh) approximately doubled

As a result of the approval of CMP361/362, the BSUoS charge is a fixed tariff from 1 April 2023. Fixed Tariff 1 (Apr 2023 – Sep 2023) and Fixed Tariff 2 (Oct 2023 – Mar 2024) were published at the end of January 2023.

[BSUoS Fixed Tariff 2023-24 - Final - January 2023 \(nationalgrideso.com\)](#)

Fixed Tariff 3 (Apr 2024 - Sep 2024) was published at the end of June 2023.

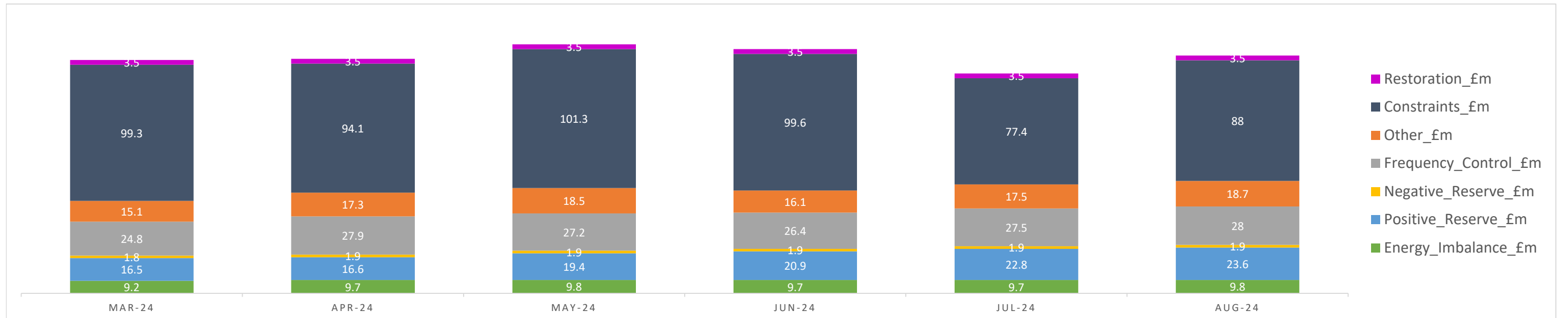
[BSUoS Fixed Tariff 2024-25 Final and Draft - July 2023 \(nationalgrideso.com\)](#)

Fixed Tariff 4 (Oct 2024 - Mar 2025) and Draft Tariff 5 (Apr 2025 - Sep 2025) were published on the 22nd of December 2023.

[BSUoS Fixed Tariff 2024-25 Final and Draft - December 2023 \(nationalgrideso.com\)](#)

As there are no forecast charges for ALoMCP, CMP381 Deferred Costs and Winter Contingency Costs (Central, Upper and Lower), these elements have now been removed from the Forecast report and data table

Balancing Costs Central Forecast Breakdown for next 6 months



	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24
Energy Imbalance_£m	9.2	9.7	9.8	9.7	9.7	9.8
Positive_Reserve_£m	16.5	16.6	19.4	20.9	22.8	23.6
Negative_Reserve_£m	1.8	1.9	1.9	1.9	1.9	1.9
Frequency_Control_£m	24.8	27.9	27.2	26.4	27.5	28
Constraints_£m	99.3	94.1	101.3	99.6	77.4	88
Other_£m	15.1	17.3	18.5	16.1	17.5	18.7
Restoration_£m	3.5	3.5	3.5	3.5	3.5	3.5
Total_£m	170.2	171	181.6	178.1	160.3	173.5

BSUoS Forecast for Apr-24



Balancing Costs	<p>Forecast for April 2024 = £171 million (winter contingency costs not applicable)</p> <p>The latest forecast of balancing costs includes the final deferral of £1.1m from this year for CMP395. Of the £1.1m deferred, 55% (£0.6m) is included in the FY23/24 balancing costs forecast to be recovered in the BSUoS scheme. The remaining 45% (£0.5m) sits outside of this forecast as it will be recovered from generators only per CMP395 design. This will be included in all future forecasts covering this period as a fixed value unless later settlement runs change the final deferral.</p>
Energy model considerations	<p>The Balancing Costs model uses the patterns of costs historically which are then adjusted for changes in prices, changes in wind outturn/forecast to create a baseline which can then be projected forward and shaped based on an understanding of the shaping of costs through the year.</p> <p>The forecast for April is 8% lower than it was in the forecast published on February 15th (£186 million). This is as a result of the forward wholesale electricity price decreasing by 7%.</p> <p>The forecast was produced based on an average of the forward price curves derived between 28th of February and 5th of March.</p> <p>A consistent change in the wholesale electricity forward curve of $\pm 20\%$ would lead to a change in the central forecast over the next 12 months of approximately $\pm 9-13\%$.</p> <p>No new planned or current outages on interconnectors or the Western link.</p>
Constraint model considerations	<p>The constraints forecast is one of the inputs into the model that we use for forecasting BSUoS. From the December forecast an updated constraints model has been used to forecast constraints costs. The updates came about because of an in-depth annual review that resulted in changes to how the HVDC interconnectors with Europe are modelled, and the overnight voltage machine requirements set in the model. There are some noticeable changes to the 2-year-ahead Constraint Forecast because of this. The new constraint forecast is available on our data portal along with further information on the changes that have been made.</p>
Estimated internal BSUoS	<p>The costs are the latest version of the Price Control Financial Model (PCFM) for the Electricity System Operator (ESO) under the RIIO-2 network price controls, based on the Ofgem publication on 13 Dec 2023. The sheet "SOIAR" in the PCFM spreadsheet shows the allowed revenue for 2022/23. The costs for 2023/24, 2024/25 and 2025/26 are based on ESO's BP2 submission which include FSO costs.</p> <p>ofgem.gov.uk</p>
Winter Security of Supply Contracts	<p>In anticipation of a possible requirement to put additional enhanced actions in place for Winter 2023/24 we included £175m for Winter Security Supply across Fixed Tariff 1 & 2 (Apr 2023 -Mar 2024). Due to the unavailability of coal units, a large proportion of the £175m is now expected to be unused, aside from £25m allocated to DFS. As a result of this, £150 million has been credited into Fixed Tariff 3 (Apr 2024 - Sep 2024) and draft Fixed Tariff 4 (Oct 24 - Mar 25) as per our Fixed Tariff publication on the 30th June. This forecast shows the remaining £25m to be spread between October 2023 and March 2024 for the anticipated DFS costs for Winter 2023/24. A further £25m has been included in Fixed Tariff 4 (Oct 24 - Mar 25) as per our Fixed Tariff publication on the 22nd of December.</p>
2021/22 Under-Recovery of BSUoS	<p>We have identified an under recovery of £21.7m due to a calculation error in the 2021/22 charging year. This amount has now been included within Fixed Tariff 4 (Oct 24 - Mar 25)</p>
Estimated BSUoS Volume	<p>The BSUoS volume has been changed to reflect the approved status of CMP308. This is applicable from April 2023</p>
BSUoS Reform	<p>As a result of the approval of CMP361/362, the BSUoS charge is a fixed tariff from 1 April 2023. Fixed Tariff 1 for Apr 2023 – Sep 2023 and Fixed Tariff 2 for Oct 2023 – Mar 2024 were published by the end of January 2023. Fixed Tariff 3 for Apr 2024 - Sep 2024 was published at the end of June 2023.</p> <p>The Fixed Tariff 4 for Oct- 2024 to Mar- 2025 and the Draft Tariff 5 for Apr- 2025 to Sep- 2025 were published on the 22nd of December 2023.</p> <p>This report shows the forecast costs for the next 24 months, not the recovery against the fixed tariff.</p> <p>BSUoS Fixed Tariff 2023-24 - Final - January 2023 (nationalgrideso.com)</p> <p>BSUoS Fixed Tariff 2024-25 Final and Draft - July 2023 (nationalgrideso.com)</p> <p>BSUoS Fixed Tariff 2024-24 Final and Draft - December 2020 (nationalgrideso.com)</p>