

Operational and System Operator Cost Update

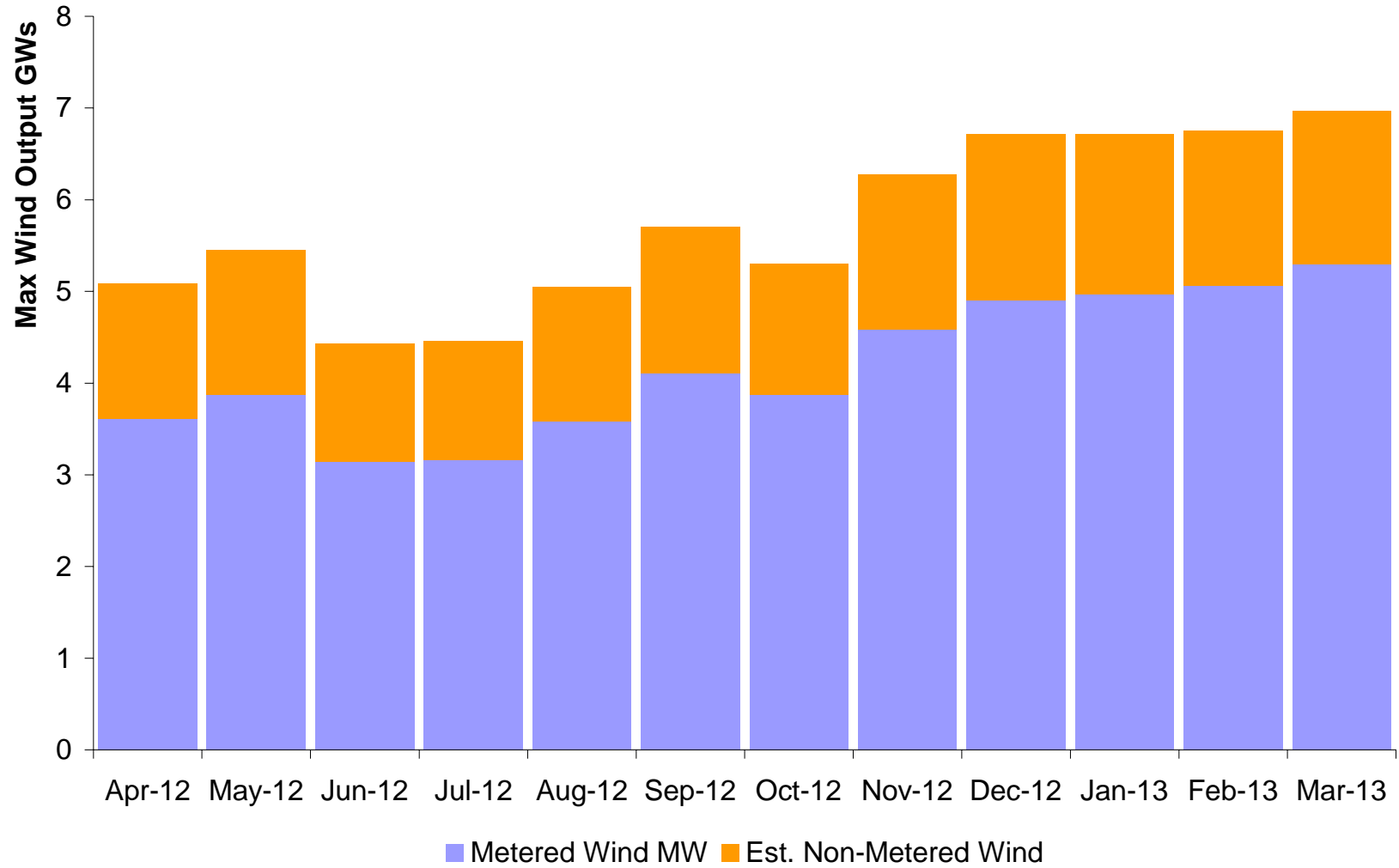


Jo Faulkner, Balancing Services Manager
April 2013

Review of the Year



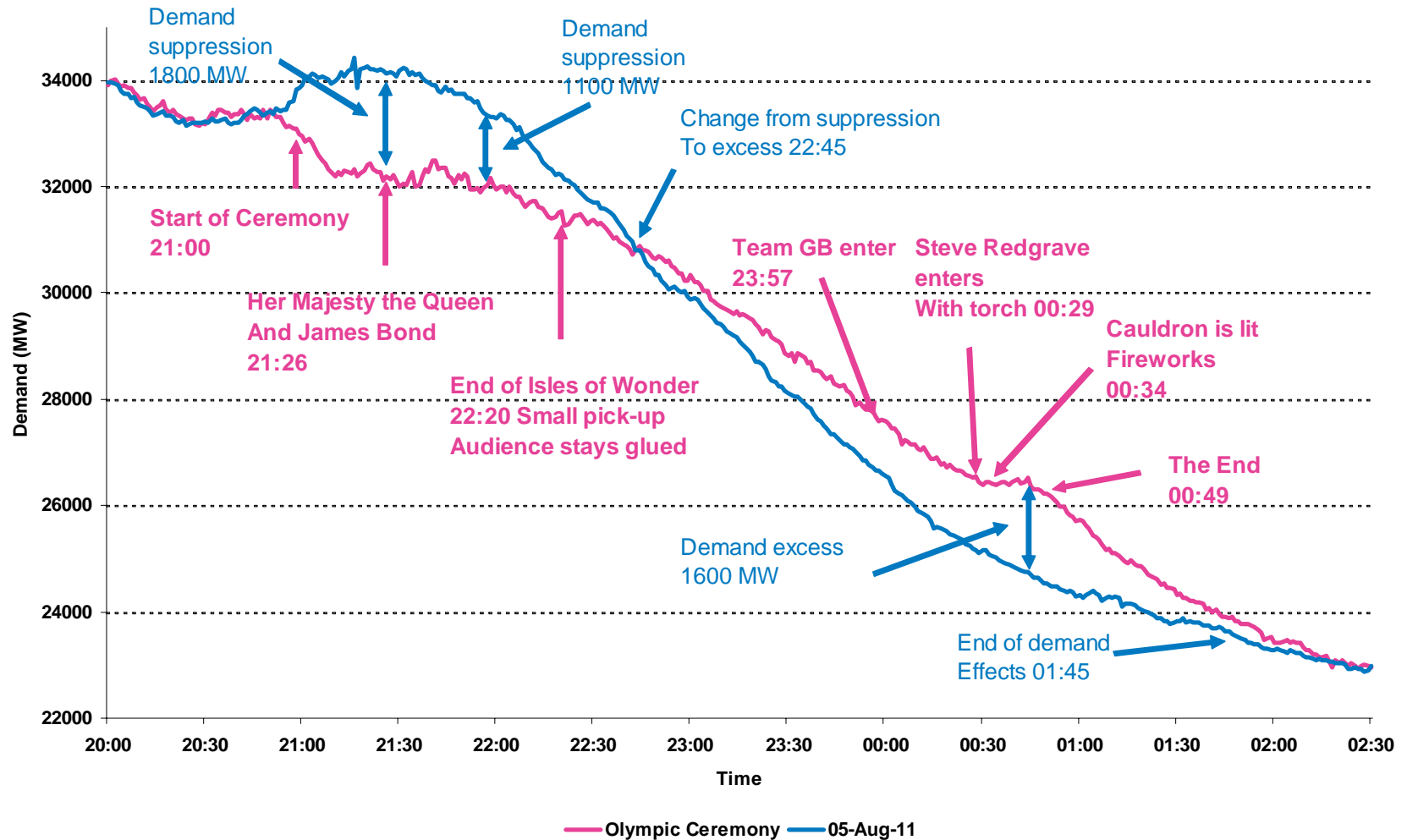
Wind Output



Olympics & Paralympics

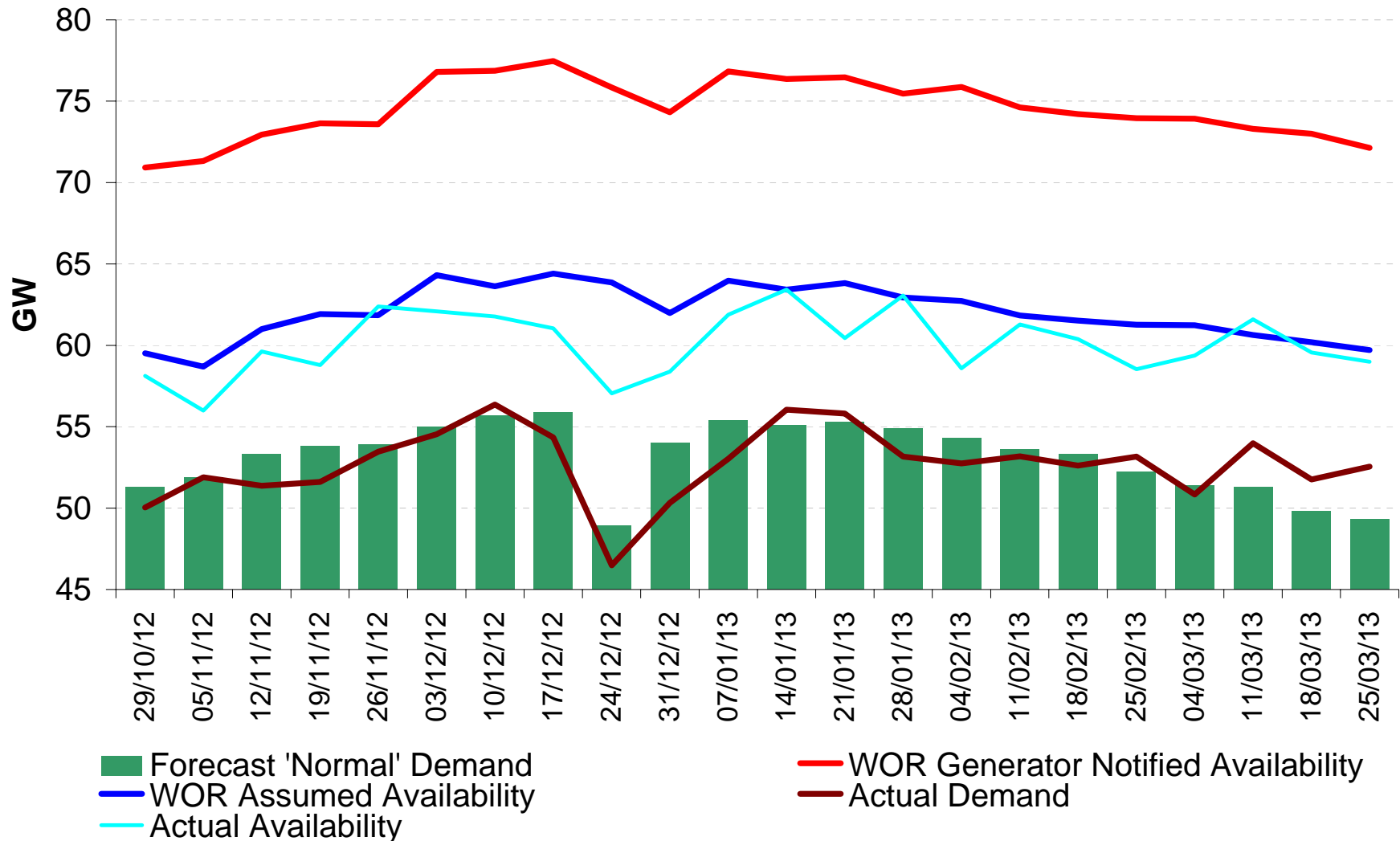


Opening Ceremony



27.3 million Viewers

Generation Availability



Summary of Year

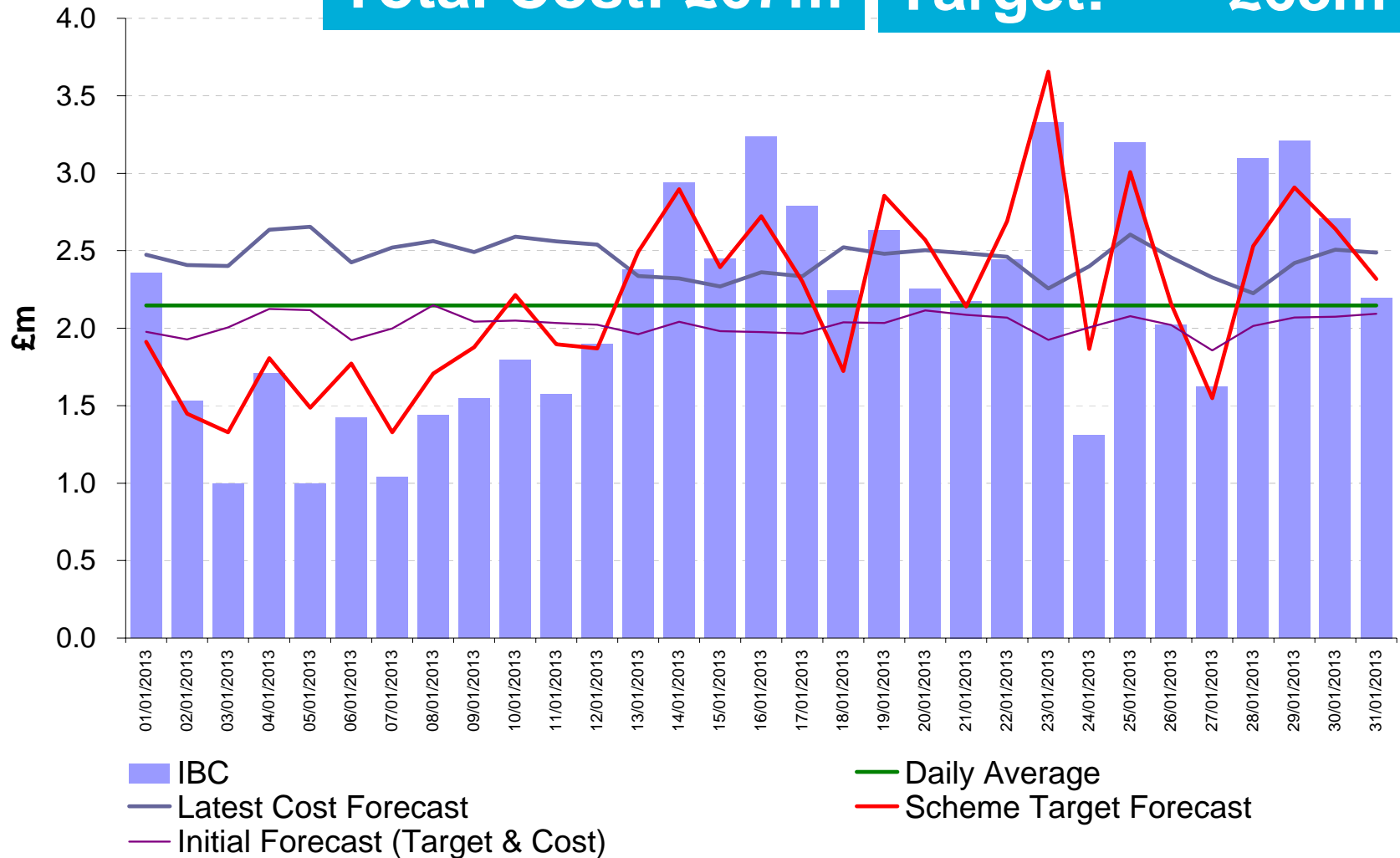
- Voltage Excursions: 1
- Frequency Excursions: 0
- Energy Delivered: 99.99999%
 - 31.5MWh unsupplied under Transmission Network Reliability Incentive (TNRI)
- Total Energy Transferred: 318TWh
- System Warnings: 0

January, February & March Outturns



Total Incentivised Balancing Cost (IBC) for January 2013 nationalgrid

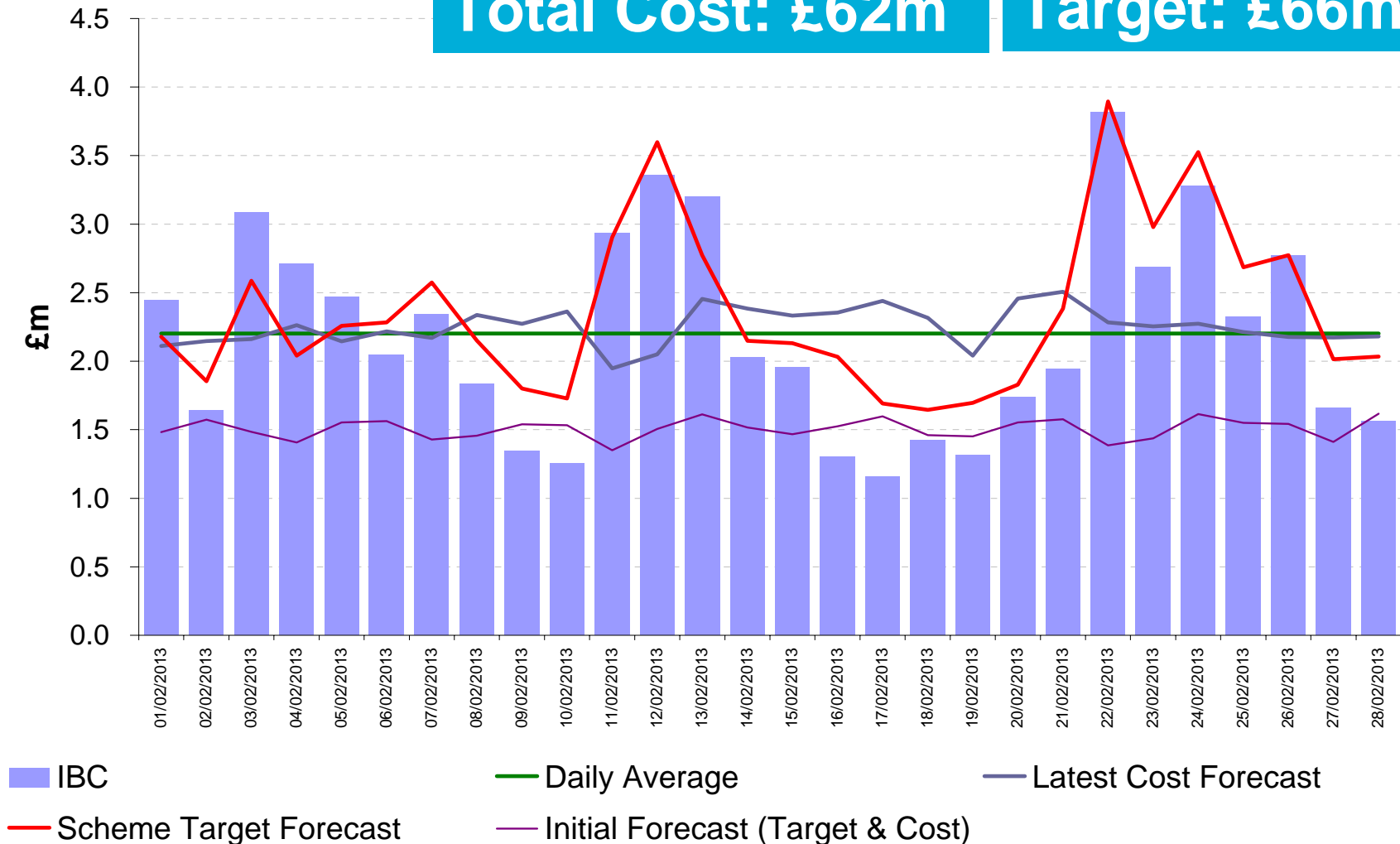
Total Cost: £67m Target: £68m



Total Incentivised Balancing Cost (IBC) for February 2013

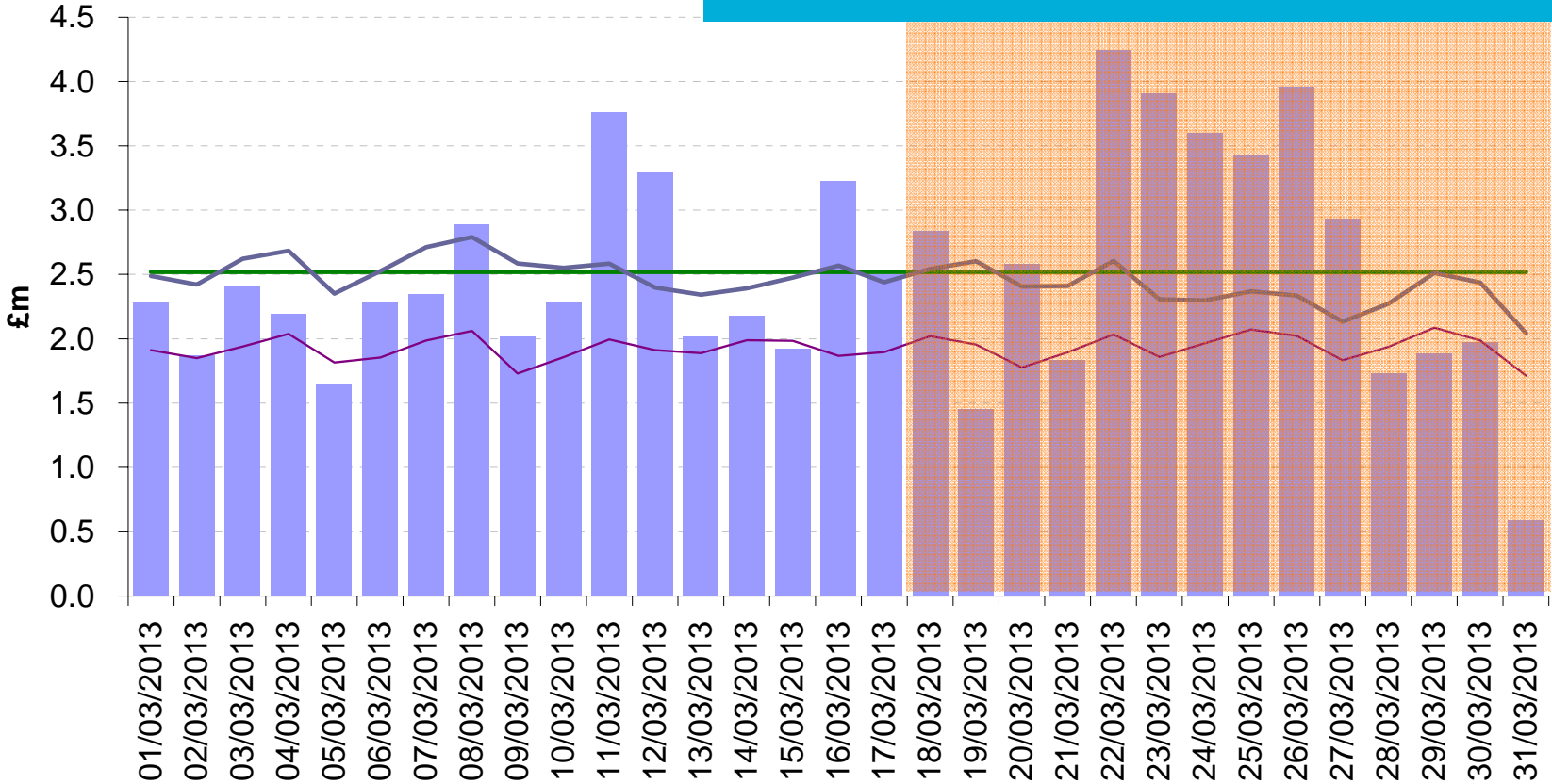
Total Cost: £62m

Target: £66m



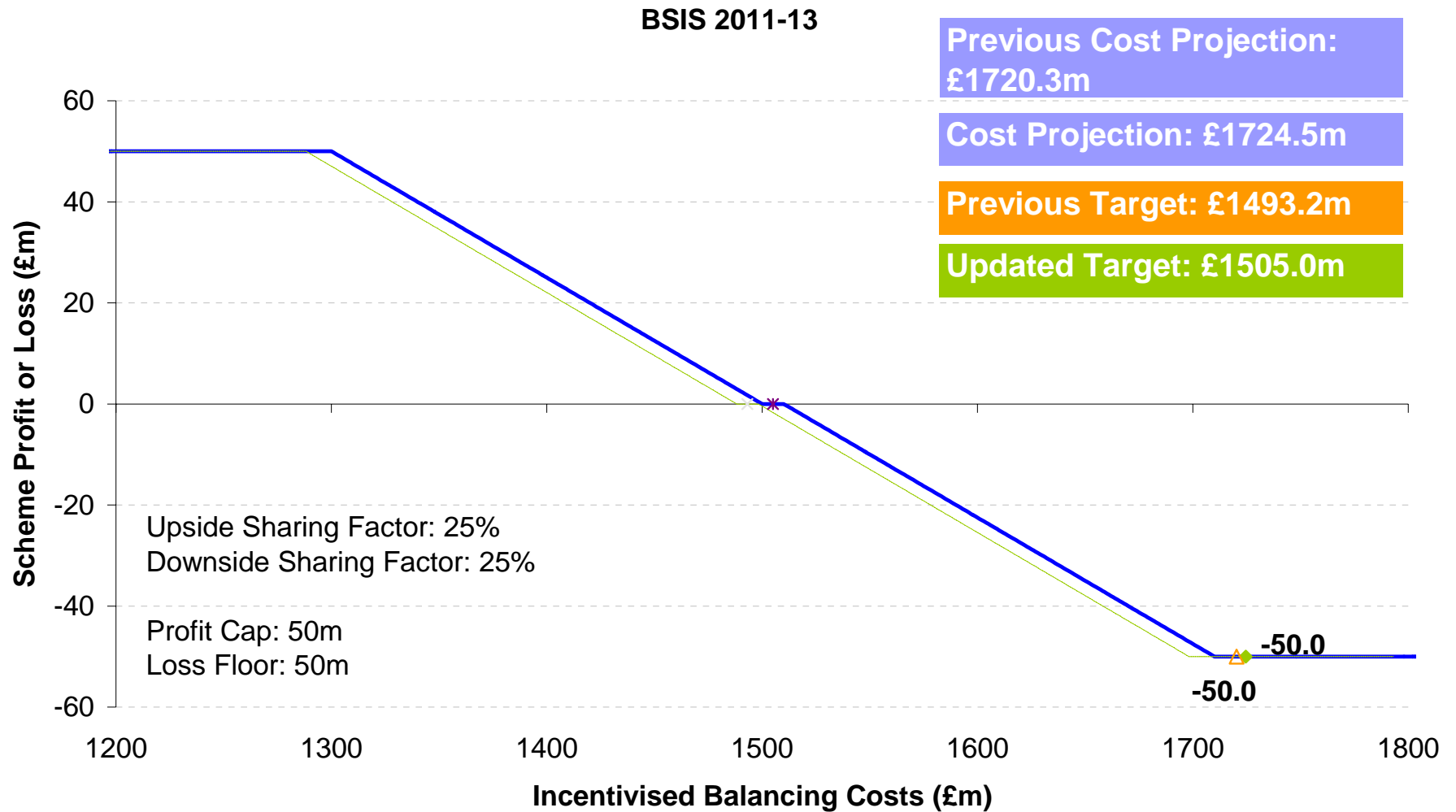
Provisional Total Incentivised Balancing Cost (IBC) for March 2013

Provisional Cost: £78m



■ IBC
 — Daily Average
 — Latest Cost Forecast
 — Initial Forecast (Target & Cost)

Incentive Performance



— Current Scheme Target ◆ Current P/L ▲ Prev P/L - - Previous Scheme Target

Issues During This Scheme

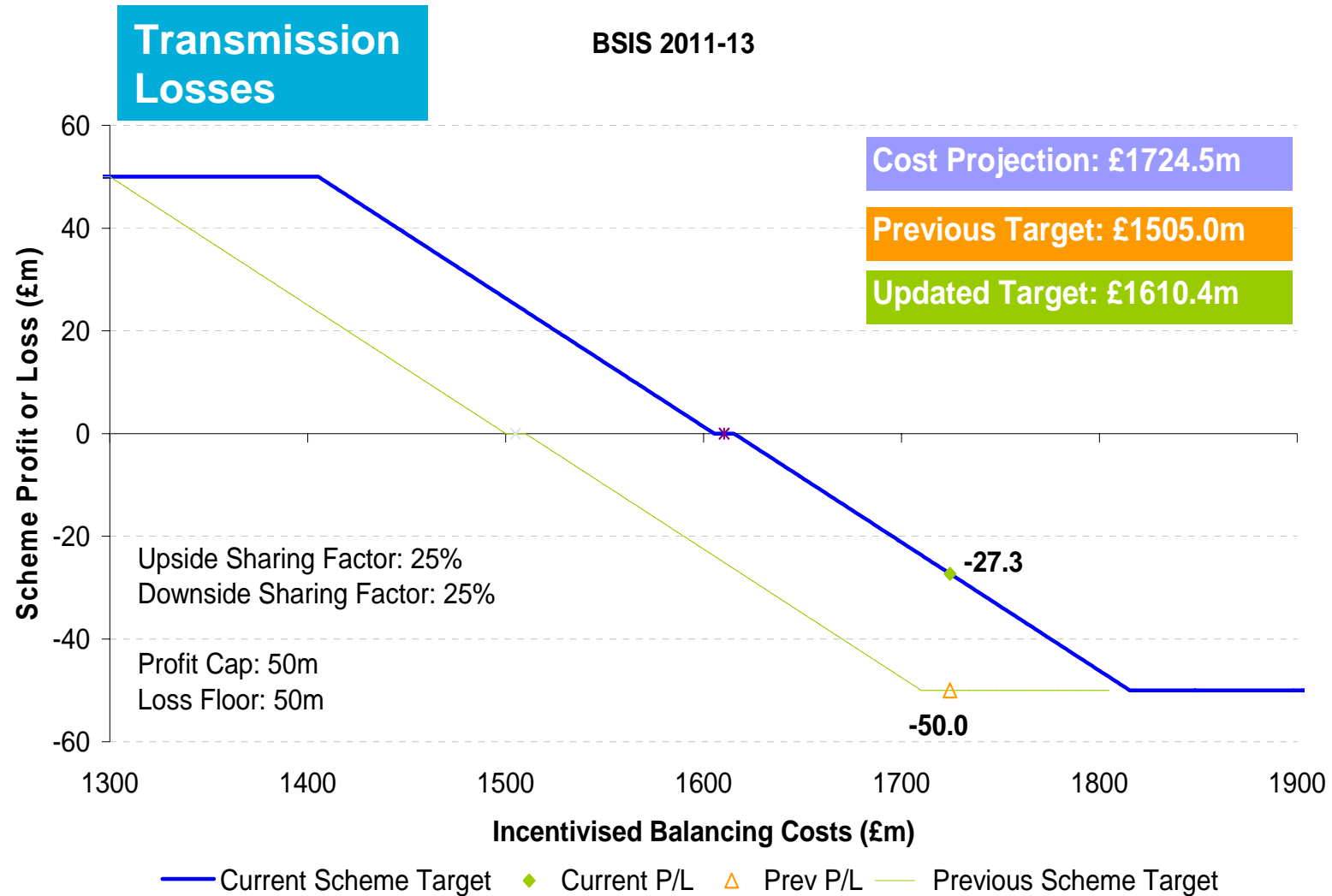
- Modelling methodology updated to reflect learning

- Transmission Losses
 - Geographical generation dispersion

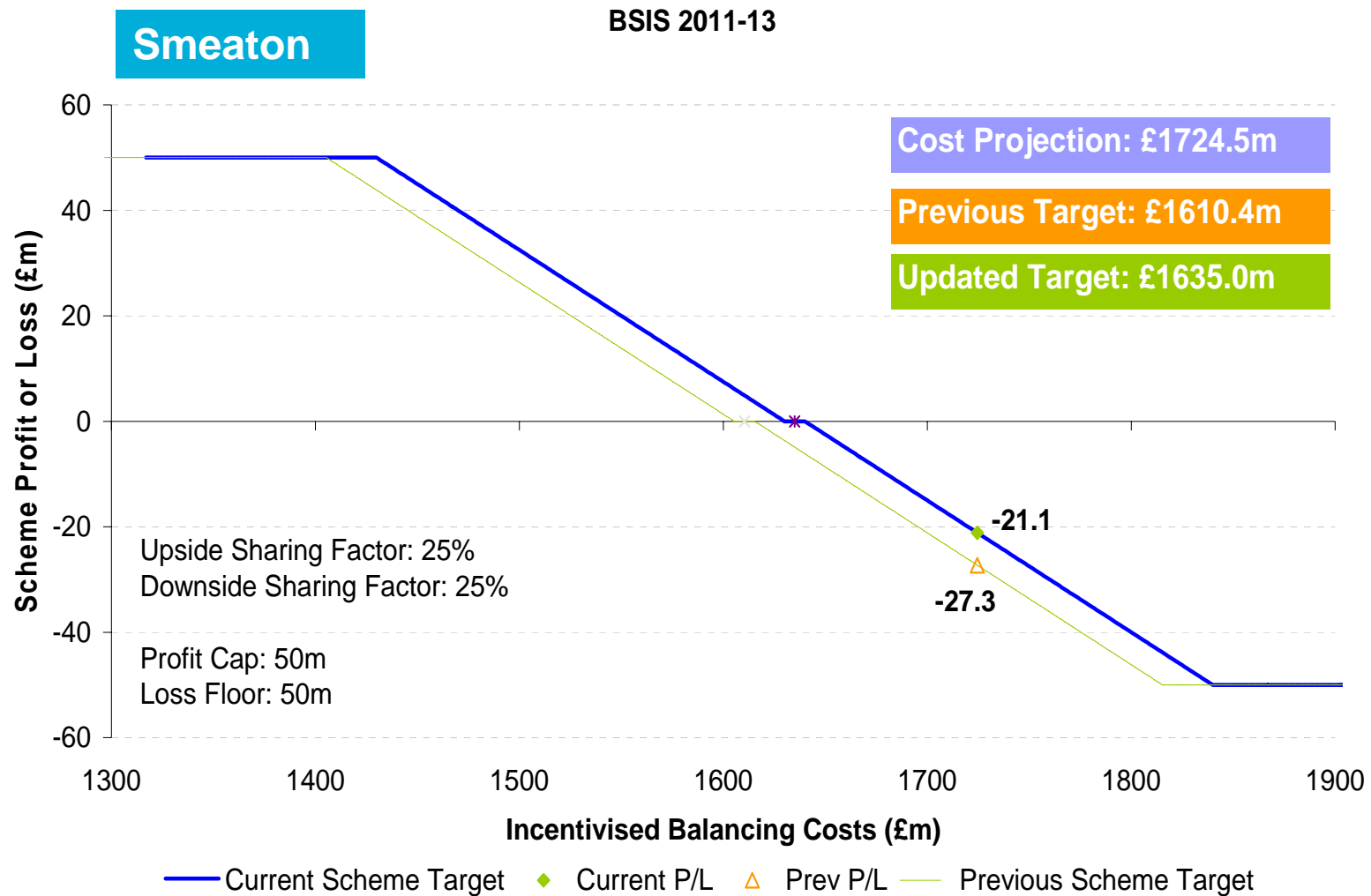
- Significant unforeseen outages
 - Smeaton FMJL work
 - Moyle I/C fault
 - Over-run of other outages

- Closure of a provider of static reserve

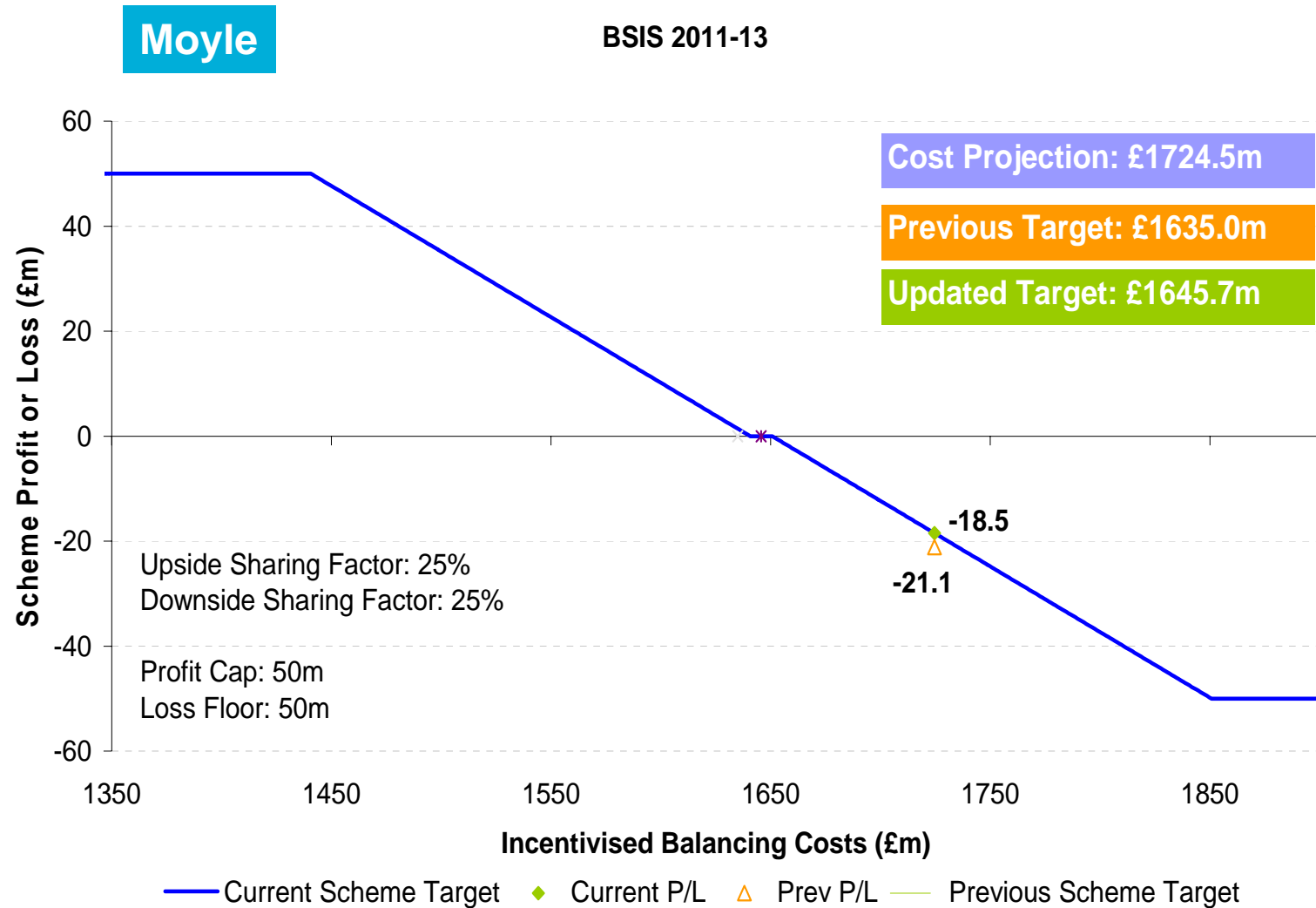
Exceptional Cost Items



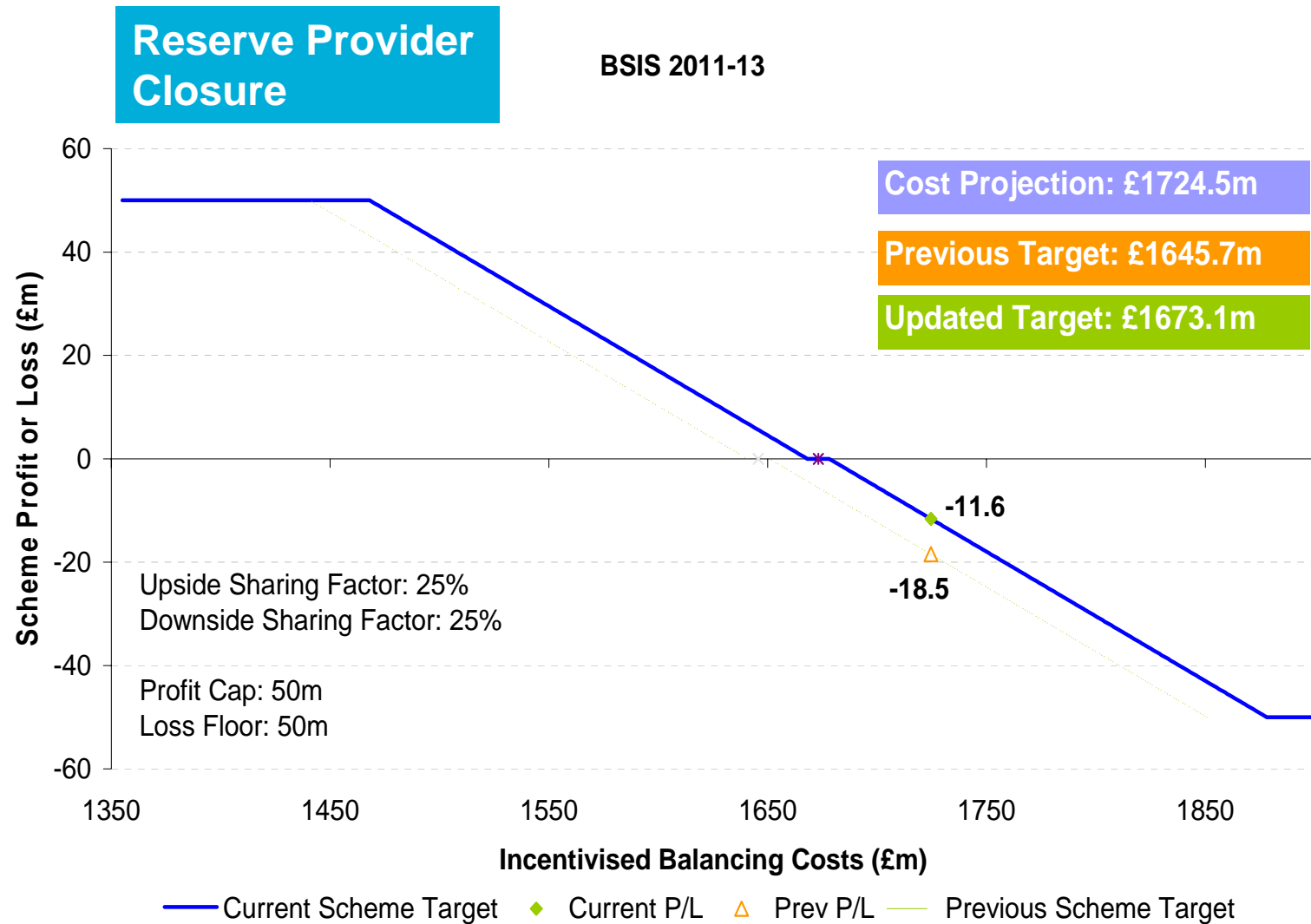
Exceptional Cost Items



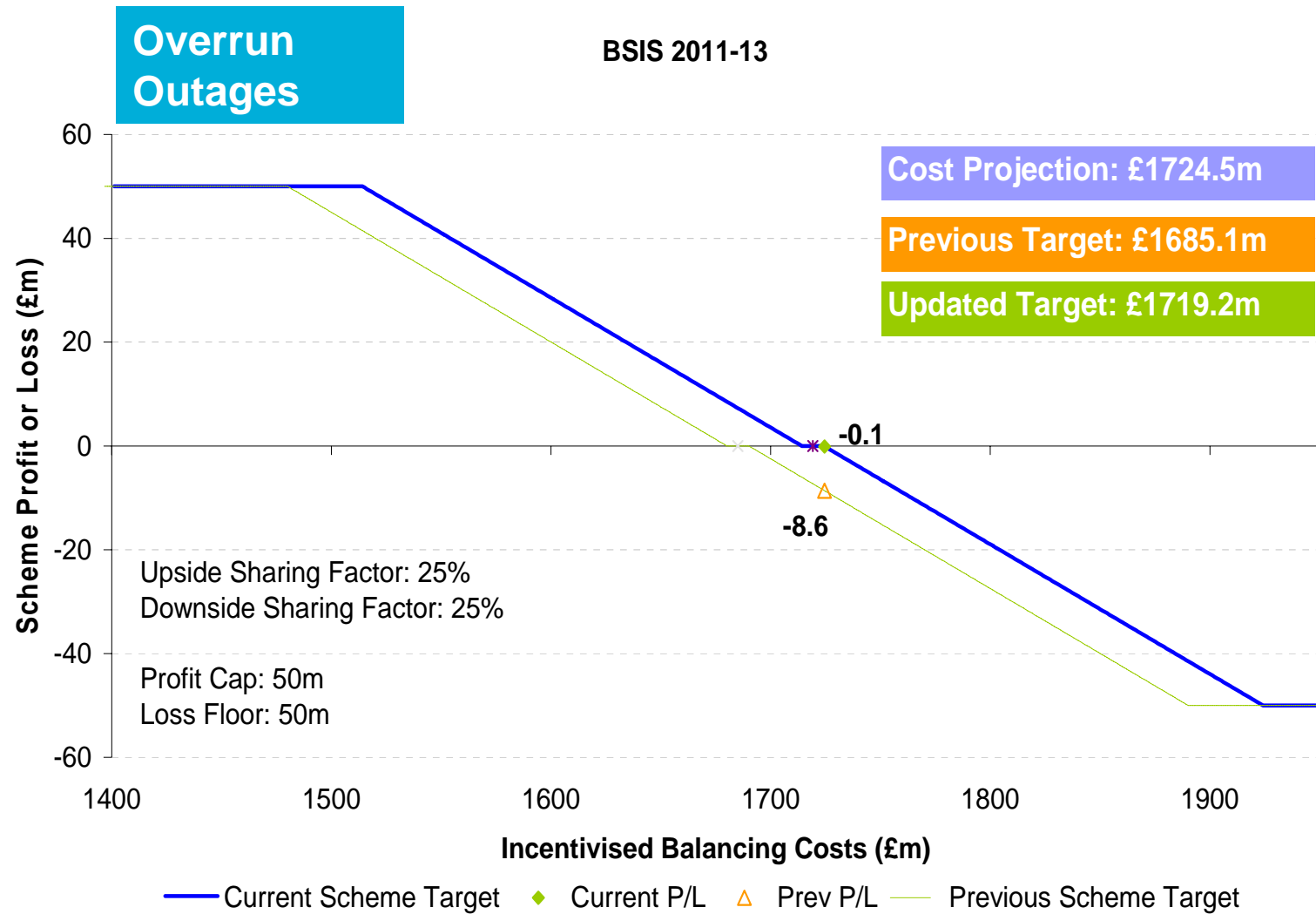
Exceptional Cost Items



Exceptional Cost Items

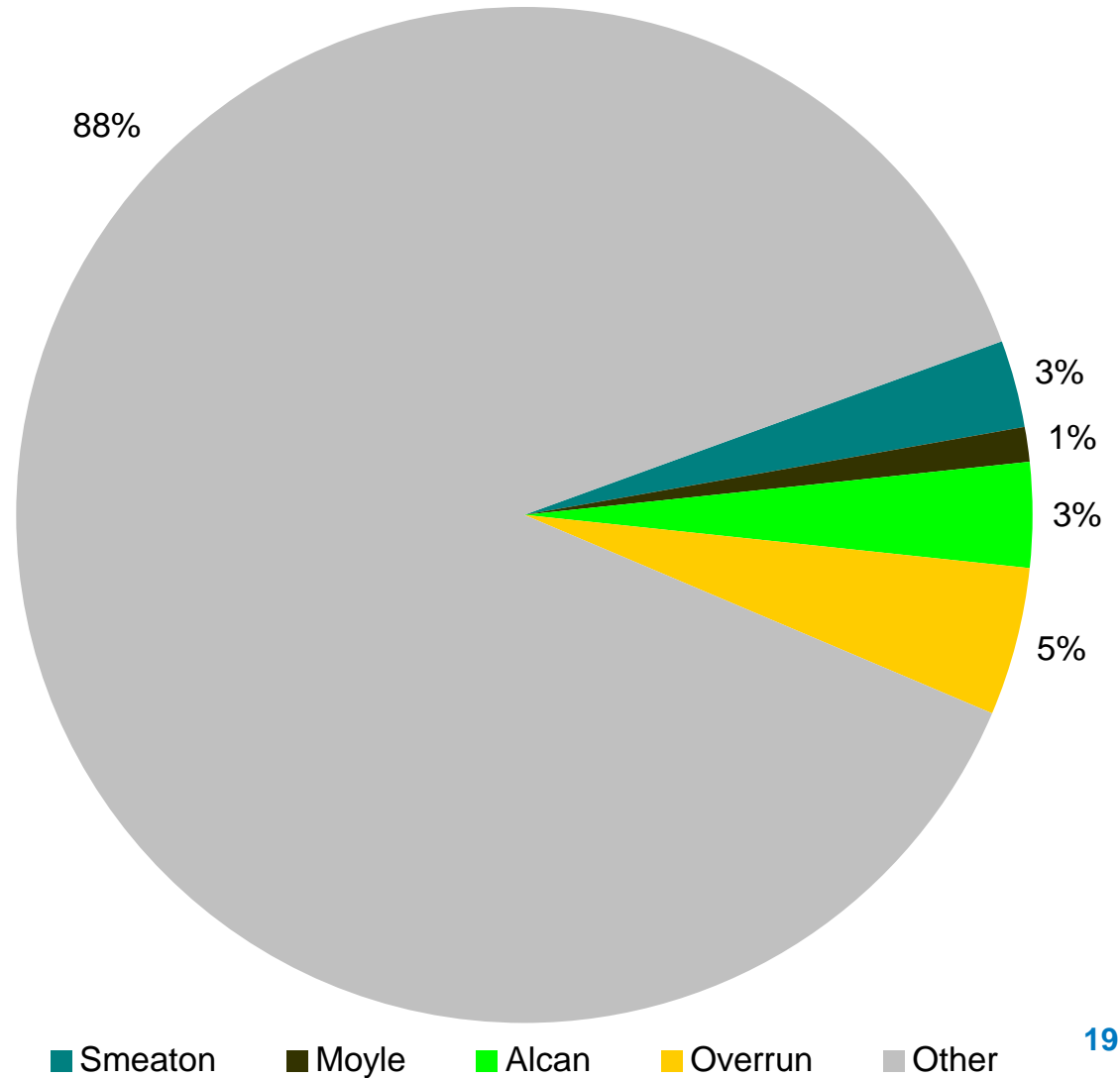


Exceptional Cost Items



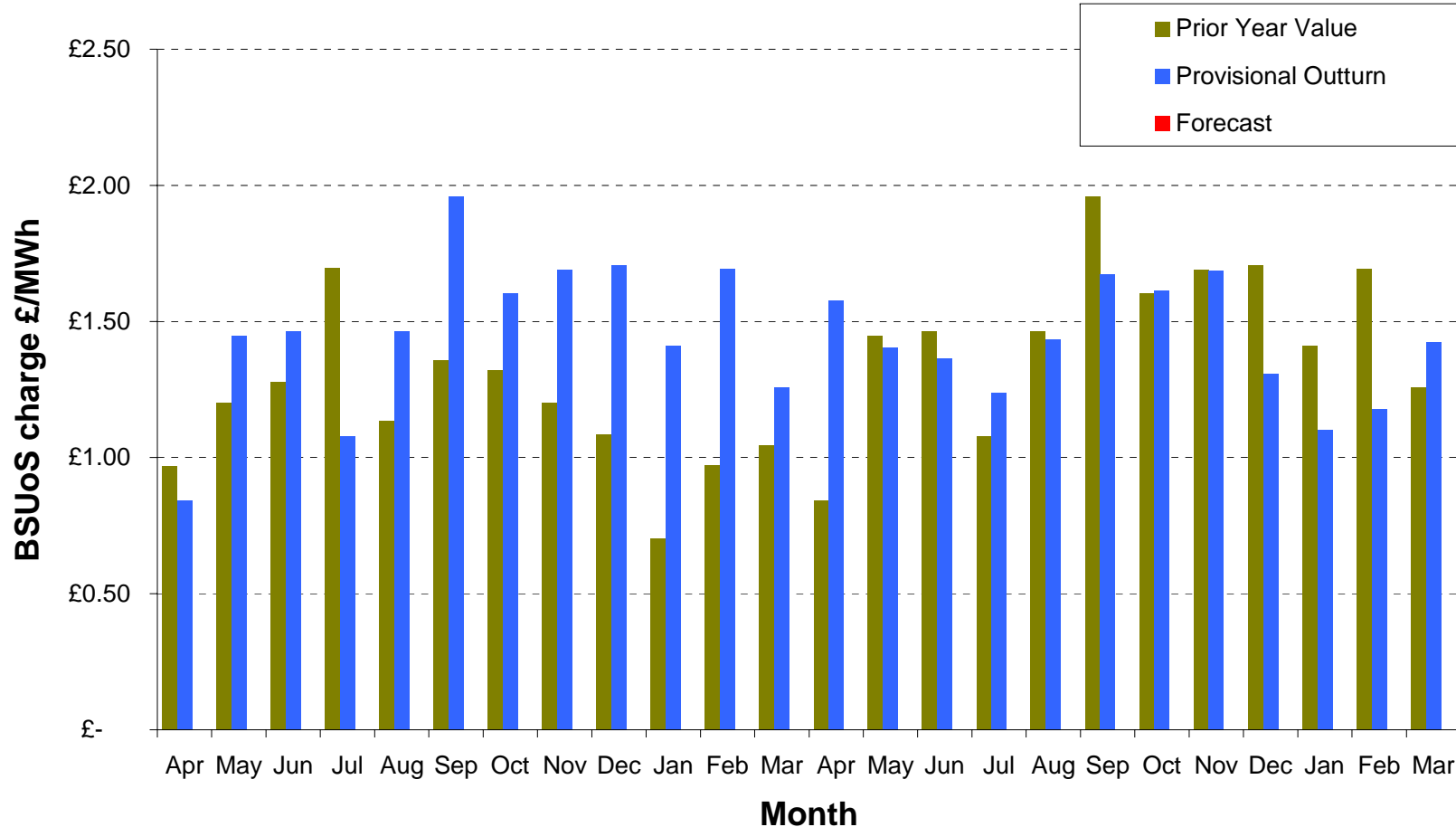
Contribution to BSUoS

- These items contribute 12% of the BSUoS costs in 2012/13 ~ 17p/MWh



BSUoS

- 2011/12: £1.47/MWh (previous forecast £1.47/MWh)
- 2012/13: £1.41/MWh (previous forecast £1.40/MWh)



BSUoS 2013/14

- Forecast External BSUoS costs approximately: £845m
- Forecast Total BSUoS costs approximately:£950m
- Forecast Total Charging Volume: 634.6TWh
- Estimated BSUoS Charge:
 - Forecast Range £1.27 to £1.72
 - Central Case £1.50/MWh

MBSS Updates on BSUoS



- Additional BSUoS information in Monthly Balancing Services Summary
- Will be including more detail on reasons for changes

- The MBSS can be found at:

<http://www.nationalgrid.com/uk/Electricity/Balancing/Summary/>

Q&A

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