



# Scenario results

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# Scenarios covered

## 08/09

- ◆ 08/09 Generation
- ◆ 08/09 capabilities
- ◆ Offer price set close to bid (SRMC gen)

## 13/14

- ◆ 13/14 Generation forecast
- ◆ 13/14 SQSS deterministic capabilities
- ◆ Offer price set close to bid (SRMC gen)
- ◆ Availability 100% for all

## **Average and marginal costs based on modelled load duration**

- ◆ Probabilistic generation availability
- ◆ Merit order based on observed SQSS GSR01 merit order

08/09

	North Scot Wind	North Scot Base Gas	South Scot Marg Coal	Scot Nuclear
<b>B1 1000 / B6 3200</b>	£3.05/kW & £38.62/kW	£7.05/kW & £84.18/kW	£6.47/kW & £80.10/kW	£6.57/kW & £68.31/kW
<b>1 S. Scot Marg Coal Closes</b>	£2.20/kW & £24.72/kW	£5.04/kW & £54.47/kW	£5.13/kW & £48.95/kW	£2.54/kW & £32.32/kW
<b>Offer close to bid</b>	£1.54/kW & £4.42/kW	£3.45/kW & £9.02/kW	£2.43/kW & £6.02/kW	£2.67/kW & £6.01/kW
<b>Existing Tariffs</b>	£21.58/kW - £21.10/kW	£20.32/kW	£14.48kW - £13.60kW	£13.60/kW

	North Scot Wind	North Scot Base Gas	South Scot Marg Coal	Scot Nuclear
<b>Base Case SS MC 1%, forecast B6</b>	£14.97/kW & £88.89/kW	£29.56/kW & £183.79/kW	£0.64/kW & £4.68/kW	£25.1/kW & £161.55/kW
<b>Base case with SS MC @32.7%</b>	£18.67/kW & £107.97/kW	£39.19/kW & £239.36/kW	£18.72/kW & £112.53/kW	£32.47/kW & £201.95/kW
<b>Availability 100%</b>	£200/kW & £654/kW	£178kW & £600/kW	£12.68/kW & £41.79/kW	£200/kW & £654/kW
<b>BC with Z6 MC and 1 Nuc closed</b>	£7.63/kW & £48.97/kW	£14.55kW & £90.63/kW	£0.97/kW & £8.34/kW	£6.00/kW & £38.41/kW
<b>SQSS compliant MC Z6 closes</b>	£1.16/kW & £11.30/kW	£2.67/kW & £18.75	£3.08kW & £12.57kW (BCo)	£2.83/kW & £14.93/kW

# Summary

## Bid price

- ◆ If offer price set close to bid price overall recovery is very low
- ◆ Main cost associated with constraints that cause fuel type switch
- ◆ Results difficult to produce from model

## Availability

- ◆ If all set to 100% model sets price on merit order alone

## Load factor and merit order prices critical assumptions

## Average price less than investment cost

- ◆ Cannot be used as a signal for investment

## 13/14 with compliant capability provide similar to TNUoS LRMC today

**['Offer Close to bid' and 'Availability 100%' are 'unreasonable scenarios']**

**The prices for other scenarios are 'first iteration' , practically these would not appear in a market]**