

BSAD Methodology Statement

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Purpose of BSAD

- ◆ **Established via LC7B**
- ◆ **Balancing Services costs and volumes into imbalance prices**
- ◆ **BSAD details relevant Balancing Services**
- ◆ **BSC details how they feed into SBP/SSP**

Imbalance Prices

$$SBP_j = \left(\sum_i \sum^n (QAO^{n_{ij}} * PO^{n_{ij}} * TLM_{ij}) + BCA_j \right) / \left(\sum_i \sum^n (QAO^{n_{ij}} * TLM_{ij}) + BVA_j \right)$$

BSAD Variables



$$SSP_j = \left(\sum_i \sum^n (QAB^{n_{ij}} * PB^{n_{ij}} * TLM_{ij}) + SCA_j \right) / \left(\sum_i \sum^n (QAB^{n_{ij}} * TLM_{ij}) + SVA_j \right)$$

BSC Section T, 4.4.5 and 4.4.6

History

- ◆ **Original BSAD agreed pre-NETA**
- ◆ **BSC Mod P3 - no change to BSC**
- ◆ **Revision to BSAD - 'price adjusters'**
- ◆ **Manual workaround to effect P3 intention**
- ◆ **BSC Mod P8 - at Panel today**
- ◆ **Approval will require another change to BSAD**

Revisions Required

- ◆ **P8 to be incorporated into BSC**
- ◆ **BSAD revision to remove workaround**
- ◆ **Remove changes introduced for 'P3'**
- ◆ **Simplified process**
- ◆ **No change to overall imbalance price calculation**
- ◆ **Minor changes to BSAD to align with P18 changes in BSC**

Imbalance Prices

$$SBP_j = \left(\sum_i \sum^n (QAPO^{n_{ij}} * PO^{n_{ij}} * TLM_{ij}) + BCA_j \right) / \left(\sum_i \sum^n (QAPO^{n_{ij}} * TLM_{ij}) + BVA_j \right) + BPA_j$$

BSAD Variables



$$SSP_j = \left(\sum_i \sum^n (QAPB^{n_{ij}} * PB^{n_{ij}} * TLM_{ij}) + SCA_j \right) / \left(\sum_i \sum^n (QAPB^{n_{ij}} * TLM_{ij}) + SVA_j \right) + SPA_j$$

BSC Section T, 4.4.5 and 4.4.6 (after P8, P18)

Consultation Timetable

- ◆ **Consultation published 21 September**
- ◆ **Comments invited by 24 September**
- ◆ **Report to Ofgem 24 September**
- ◆ **Revisions to BSAD effective from Settlement Day 25 September**

Next Steps with BSAD

- ◆ **Two truncated consultations**
- ◆ **Opportunity for more considered consultation**
- ◆ **Consultation on overall document planned to begin mid October**

BSAD



BHAPPY

