



## BSC OPERATIONS HEADLINE REPORT

**1** In this report you will find commentary on BSC market operation, identification of key events and reporting of key data.

**2** The [Trading Operation Report](#) publishes key market data graphically, giving a performance indicator for the Balancing and Settlement arrangements.

**3** Trading Operations Report [Data](#). The graphs and backing data are available in Excel format on the ELEXON website.

### SYSTEM PRICES IN SEPTEMBER<sup>1</sup>

Monthly average System Prices for September were higher when both short (4.2%) and long (16.1%) compared to August 2017. The average System Price regardless of length was **£46.43/MWh**, which is 14% higher than in August 2017. In September 2017 the market has been long in 61%, and short in 39% of Settlement Periods.

System Prices **exceeded £100/MWh** 47 times in September 2017 (compared to 39 times in August). The 47 System Prices which exceeded £100/MWh occurred across 15 different days. Settlement Period 39 was the most frequent of those exceeding £100/MWh, with six occurrences in the month. System Prices in Settlement Periods 38 and 40 exceeded £100/MWh on five occasions each.

The highest System Price for September 2017 was **£176.69/MWh**, occurring in Settlement Period 16 on 18 September. The System Price for this Settlement Period was set by an Offer from a Coal BMU priced at £179/MWh, and an Offer from a Pumped Storage BMU priced at £115/MWh.

There were **five negative** System Prices in September. The lowest System Price was **-£25/MWh**, on 3 September in Settlement Period 12, set by a Bid from a Biomass BMU.

For five Settlement Periods in September the System Price was **£0/MWh**.

Period	Average (£/MWh)		Average (£/MWh) Peak 07:00-19:00	
	Short System	Long System	Short System	Long System
Sep-17	68.89	31.84	73.67	33.67
Aug-17	66.11	27.43	72.60	27.88
Jul-17	65.50	25.14	72.39	24.93
Autumn 17	68.89	31.84	73.67	33.67
Summer 17	65.87	25.10	72.67	25.42
Spring 17	69.15	28.58	80.98	28.12
Winter 16/17	82.60	35.93	92.90	37.27
Autumn 16	99.05	28.49	126.25	29.66
Sep-16	83.37	21.29	95.76	21.11

### BALANCING ACTIONS – 3 SEPTEMBER 2017

7.4% of balancing actions in the month were taken on 3 September. A total of -59.5GWh of Bids and 55.8GWh of Offers were accepted.

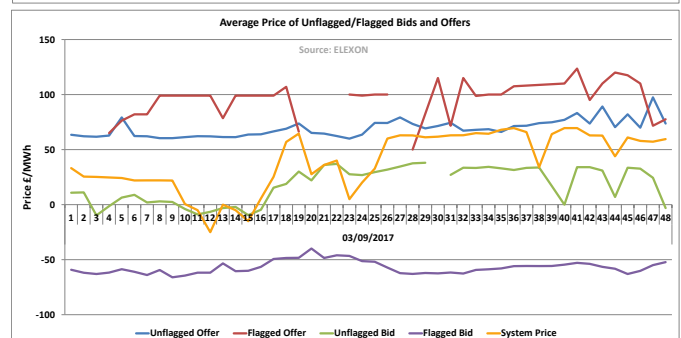
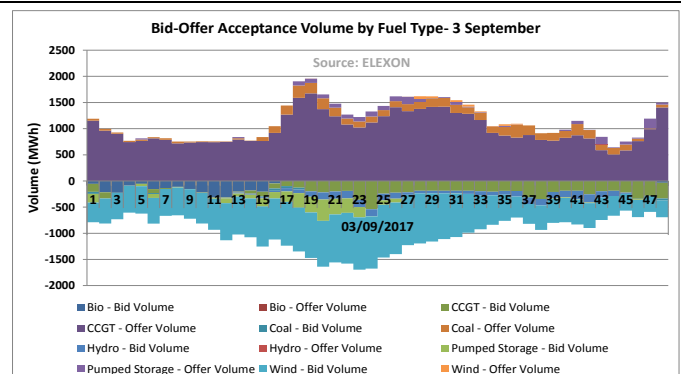
-30.9GWh (52%) of the Bids accepted were from Wind BMUs and 47.8GWh (86%) of the Offers accepted were from CCGT BMUS. This represented the highest daily total of accepted Wind Bids and CCGT Offers within the month.

The lowest System Price of September (-£25/MWh), occurred in Settlement Period 12. This price was set by a Bid from a Biomass BMU. Four of the five Settlement Periods in September with a negative System Price occurred on 3 September.

Across the day, the average initial price of a First-Stage Flagged action (SO or CADL Flagged) was -£56.34/MWh for Bids and £98.04/MWh for Offers.

The average initial price of an Unflagged Bid was £8.42/MWh and the average initial price of an Unflagged Offer was £70.20/MWh. 4% of Offers were SO or CADL Flagged compared to 87% of Bids.

The average initial price of First-Stage Flagged action for the month of September was -£26.25/MWh for Bids and £97.23/MWh for Offers.



<sup>1</sup> System prices are based on the previous month's Interim Information (II) run data.

## TRADING CHARGES

Gross imbalance cashflows were £277m in August 2017, a 260% increase from £77m in July 2017. Credits for being long, and debits for being short, both increased by £100m between July and August.

The Energy Imbalance Volumes for Parties that were long increased by 207% and short Energy Imbalance Volumes increased by 197%. The changes in Energy Imbalance Volumes are largely due to the changing behaviour of one BSC Party as detailed in the [August BSC Operations Headline Report](#). The Energy Imbalance Volume across Production and Consumption Accounts have the same price.

The **Offer** cashflow increased by 13% in August. The volume of Offers increased by 8%, and the average price per MWh of Offer volume increased by 5% to £72.15/MWh.

Net **Bid** cashflow increased compared with July, from -£0.2m to £2.3m in August. Bid cashflow from negative Bids was £10.3m in August, a 39% increase from July.

Total Cash Flow (£m)	Aug-17	Jul-17	Jun-17	May-17
<b>Long Imbalance Charge (Credit)</b>	-139.61	-39.23	-35.18	-51.30
<b>Short Imbalance Charge (Debit)</b>	137.69	37.82	34.31	55.36
<b>RCRC Credit</b>	5.34	5.74	5.66	11.90
<b>RCRC Debit</b>	-7.26	-7.14	-6.53	-7.84
<b>Offer Cash Flow</b>	47.58	41.96	54.04	33.40
<b>Bid Cash Flow (Positive Bids)</b>	-7.98	-7.61	-7.93	-11.71
<b>Bid Cash Flow (Negative Bids)</b>	10.27	7.41	19.38	3.82

## ENERGY BALANCING VOLUMES<sup>2</sup>

The total volume of balancing actions for August was 1,190GWh, a 5% increase from August 2017.

Accepted **Offer** volume increased by 8% from July. The volume of Coal Offers decreased by 17%, Hydro Offers decreased by 28% whilst Gas Offers increased by 6%. Gas accounted for 82% of total Offers in August and Coal accounted for 9%. Pumped Storage Offers represented 8% of the total in August, compared to 4% in July.

Accepted **Bid** volume increased by 2% from July. Wind and Pumped Storage Bid volumes increased by 34% and 17% respectively. Coal Bids increased by 33% whilst Gas Bids decrease by 13%. Gas accounted for 57% of total Bid volume and Wind accounted for 25%.

Fuel Type	Bid Volume		Offer Volume	
	Aug-17	Jul-17	Aug-17	Jul-17
<b>Coal</b>	-10,800	-8,114	60,911	73,372
<b>Gas</b>	-302,902	-349,963	539,591	508,753
<b>Hydro</b>	-29,416	-13,636	2,191	3,031
<b>OCGT</b>	0	-13	94	548
<b>Pumped</b>	-43,442	-37,048	50,603	23,202
<b>Wind</b>	-134,583	-100,334	298	373
<b>Biomass</b>	-9,386	-12,710	5,793	3,419
<b>Other</b>	0	0	0	0
<b>Grand Total</b>	-530,528	-521,819	659,481	612,698

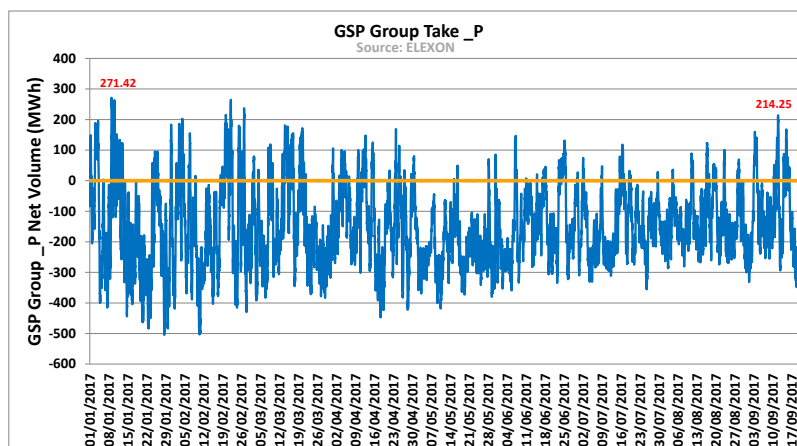
## NORTH SCOTLAND AS A NET EXPORTER

On 12 September 2017 in Settlement Period 1, the GSP Group Take for North Scotland (GSP Group \_P) was 214.25MWh. This represented that the GSP Group as a whole was exporting, rather than importing, energy to the Transmission Network. The 214.25MWh on 12 September 2017 was the highest exporting Settlement Period volume for over six months. The graph displays the GSP Group Take for North Scotland since 1 January 2017, with net exports displayed as positive volumes and net imports as negative volumes. The concept of North Scotland being a net exporter rather than a net importer is not uncommon. Settlement Periods with low demand coupled with high wind generation can often make this the case.

Since the start of the year, North Scotland has been a net exporter in 9.4% of Settlement Periods. However, only 44 Settlement Periods have had an export volume greater than 200MWh. The maximum export volume for a single Settlement Period this year is 271.42MWh in Settlement Period 3 on 9 January 2017.

In 2016, North Scotland was a net exporter in 11.2% of Settlement Periods with a maximum of 261.9MWh.

For Supplier BM Units within the base Trading Unit of the GSP Group, net exporting for the GSP Group as a whole will lead to delivering rather than offtaking Transmission Loss Multipliers applied in Settlement.



<sup>2</sup> Balancing volumes appear as per the latest month with Initial Settlement (SF) run data available.