

Applicable Balancing Services Volume Data Methodology Statement

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National Energy System Operator Electricity System Operator
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Version Control

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28.11.03	1.1	Revision to incorporate Maximum Generation Service and Commercial Intertrips as an Applicable Balancing Services
04.10.04	2.0	Revisions to incorporate changes as a result of CAP071: the development of Maximum Generation Service
01.01.05	2.1	Revisions to incorporate changes relating to BETTA
15.7.05	2.2	Revisions to incorporate changes as a result of CAP076: Treatment of System to Generating Intertripping Schemes
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23:00 02.09.2025	20	Revision to reflect updates to Response and Reserve Services and to update contact email addresses following NESO IT changes.

This Statement has been developed in consultation with the industry and the Authority. The Statement may only be modified in accordance with the processes set out in Standard Condition C9 of the Electricity System Operator Licence.

The latest version of this document is available, together with the relevant change marked version (if any), electronically from the National Energy System Operator Website:

[C9 statements and consultations | National Energy System Operator](#)

Alternatively, a copy may be requested from the following address:

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CONTENTS

PART A Introduction

1. Purpose of Document

PART B Applicable Balancing Services Volume Data for BM participants

1. Basis of Calculation
 - 1.1 Variables included in the ABSVD
 - 1.2 Balancing Services for inclusion in the ABSVD
 - 1.3 ABSVD Provision
 - 1.4 Re-submission of ABSVD

PART C Applicable Balancing Services Volume Data for Non-BM Providers

PART D ABSVD Methodology for BM participants

1. Principles
2. Notification Procedure
3. Disputes
4. Worked Examples
 - 4.1 Provision of Mode A Frequency Response
 - 4.2 Provision of Short Term Operating Reserve

PART E ABSVD Methodology for Non-BM Providers

1. Principles
2. Disputes
3. Calculation of ABSVD

PART A: INTRODUCTION

1. Purpose of Document

This document sets out the Applicable Balancing Services Volume Data Methodology that the National Energy System Operator Limited (NESO) is required to establish in accordance with Standard Condition C9 of the Electricity System Operator Licence. The purpose of this Statement is to set out the information on Applicable Balancing Services that will be taken into account under the Balancing and Settlement Code for the purposes of determining Imbalance Volumes.

This Statement has been developed in consultation with the industry and the Authority. The Statement may only be modified in accordance with the processes set out in Standard Condition C9 of the Electricity System Operator Licence. Where we buy, sell or acquire a Balancing Service of a kind or under a mechanism which potentially affects a Party's imbalance position, and it is not covered by this Statement then we shall promptly seek to establish a revised Statement covering such Balancing Services and/or mechanisms in accordance with the relevant provisions of Standard Condition C9 of the Electricity System Operator Licence.

The Statement makes reference to a number of definitions contained in the Grid Code, the Connection and Use of System Code and the Balancing and Settlement Code. In the event that any of the relevant provisions in the Grid Code, the Connection and Use of System Code or the Balancing and Settlement Code are amended it may become necessary for us to modify the Statement in order that it remains consistent with the Grid Code, the Connection and Use of System Code and the Balancing and Settlement Code.

In any event, where our statutory obligations or the provisions of the Grid Code are considered inconsistent with any part of this Statement, then

the relevant statutory obligation and/or Grid Code provision will take precedence.

Unless defined in this Statement, terms used herein shall have the same meanings given to them in the Transmission Licence, the Grid Code, the Connection and Use of System Code and/or the Balancing and Settlement Code as the case may be. In this Statement, all references to 'NESO shall mean National Energy System Operator, being the National Electricity Transmission System Operator for the purposes of the Balancing and Settlement Code.

For the purposes of this methodology only:

“Non-BM Provider” is taken to mean a party where the Supplier is responsible for the imbalance volumes associated with the Applicable Balancing Services contract in their Base BMUs.

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PART B: APPLICABLE BALANCING SERVICES VOLUME DATA 'ABSVD' FOR BM PARTICIPANTS

1. Basis of Calculation

1.1 Variables included in the ABSVD

The ABSVD is specified in Section Q, Paragraph 6.4 of the Balancing and Settlement Code and consists of QAS_{ij} , being the *Applicable Balancing Services Volume Data* in respect of BM Unit i , in Settlement Period j , determined in accordance with this Statement.

The Applicable Balancing Services Volume Data is used in the calculation of Period BM Unit Balancing Services Volume, QBS_{ij} . QBS_{ij} is the volume of all energy associated with balancing services used in the determination of imbalance. It consists of the volume of Bid Offer Acceptances plus the Applicable Balancing Services Volume Data. The determination of QBS_{ij} is specified in Section T, Paragraph 4.3.2 of the Balancing and Settlement Code:

$$QBS_{ij} = \sum^n (QAO_{ij}^n + QAB_{ij}^n) + QAS_{ij}$$

where \sum^n represents the sum over all Bid-Offer Pair numbers for the BM Unit.

QBS_{ij} is the volume of Balancing Services per BM Unit. For determination of the account's imbalance volume, it is necessary to determine the Balancing Services volume delivered across the account, $QABS_{aj}$ (the Account Period Balancing Services Volume). This is determined as the sum across the energy account of the Balancing Services volume for each BM unit, multiplied by the applicable loss factor, as specified in Section T, paragraph 4.6.2 of the Balancing and Settlement Code.

$$QABS_{aj} = \sum_i QBS_{ij} \times TLM_{ij}$$

Where \sum_i represents the sum over all BM Units for which such Energy Account is the corresponding Energy Account of the Lead Party.

The Account Energy Imbalance Volume, $QAEI_{aj}$, is the difference between the energy credited to the account, less the contract position and the Account Period Balancing Services Volume, as specified in accordance with section T, paragraph 4.6.3 of the Balancing and Settlement Code.

$$QAEI_{aj} = QACE_{aj} - QABS_{aj} - QABC_{aj}$$

The Account Energy Imbalance Volume is then multiplied by System Sell Price for positive imbalance volume and System Buy Price for negative imbalance volume to give the Energy Imbalance Cashflows as specified in Section T, Paragraph 4.7 of the Balancing and Settlement Code.

1.2 Balancing Services for inclusion in the ABSVD

Balancing Services are defined in the Transmission Licence and described in more detail in the Procurement Guidelines, which the National Energy System Operator is required to establish in accordance with Standard Condition C9 of the Electricity System Operator Licence. The purpose of the Procurement Guidelines is to set out the kinds of Balancing Services which we may be interested in purchasing, together with the mechanisms by which we envisage purchasing such Balancing Services. ABSVD covers a subset of the Balancing Services that we intend to procure. Reference in this section to a non-BM provider is a reference to a provider dispatched by NESO outside the Balancing Mechanism. The reporting mechanism describes a non-BM provider without its own individual BMU, if NESO dispatches a provider outside the BM (for non-

BM STOR, non-BM Fast Reserve, non-BM MW Dispatch service, non-BM Local Constraint Market (LCM) and non-BM Demand Flexibility Service (DFS)) who has its own BMU then the ABSVD energy will be allocated to the BMU.

In general, Balancing Services, deemed to be Applicable will be those services required by the System Operator for economic operation of the transmission system, that result in the service provider being exposed to imbalance charges whilst assisting in system balancing. For the avoidance of doubt a consultation will be carried out prior to any further Balancing Services being included in the calculation of ABSVD.

The following Applicable Balancing Services contracts will be included in the calculation of the ABSVD:

BM ABSVD Applied

	Balancing Service	Data Volume Source
	Frequency Response Service	Response Energy Volumes computed in accordance with clause 4.1.3.9A of the CUSC
	Commercial Intertrips	Volume Computed in accordance with the Commercial Services Agreement
	System to Generator Operational Intertipping	Export Restricted Volume computed to from the time of the trip to end of the Balancing Mechanism Window
	Maximum Generation Service	Service Volume computed as $\text{Min}(Q_{\text{max}ij}, X * \text{CEC}/2)$ in accordance with clause 4.2.5 of the CUSC.

For the avoidance of doubt, the following services are automatically **included in the imbalance volume via the Bid/Offer Acceptance process** and thus no ABSVD is required for them.

Balancing Service	Data Volume Source
Short Term Operating Reserve	BOA Volume
Balancing Reserve	BOA Volume
Negative Quick Reserve (NQR)	BOA Volume
Positive Quick Reserve (PQR)	BOA Volume
Negative Slow Reserve (NSR)	BOA Volume
Positive Slow Reserve (PSR)	BOA Volume

1.3 ABSVD Provision

ABSVD will be submitted in accordance with section Q, Paragraph 6.4 of the Balancing and Settlement Code. In outline this entails the submission of ABSVD within two Business Days following the relevant Settlement Day.

1.5 Re-submission of ABSVD

In the event that an error is identified in the ABSVD, the data will be re-submitted, as soon as reasonably practicable, once the corrected data is available.

PART C: APPLICABLE BALANCING SERVICES VOLUME DATA 'ABSVD' FOR NON-BM PROVIDERS

1. Balancing Services for inclusion in the ABSVD

Balancing Services are defined in the Transmission Licence and described in more detail in the Procurement Guidelines, which NESO is required to establish in accordance with Standard Condition C9 of the Electricity System Operator Licence. The purpose of the Procurement Guidelines is to set out the kinds of Balancing Services which we may be interested in purchasing, together with the mechanisms by which we envisage purchasing such Balancing Services. ABSVD covers a subset of the Balancing Services that we intend to procure.

The following Applicable Balancing Services contracts with Non-BM Providers will be included in the calculation of the ABSVD:

Non-BM ABSVD Applied

Unit Type	Balancing Service	Data Volume Source
Non-BM	Short Term Operating Reserve (STOR)	Delivered Volume restricted to Instructed Volume(see Note 1)
Non-BM	Fast Reserve	Delivered Volume restricted to Instructed Volume (see Note 1)
Non-BM	Quick Reserve	Delivered Volume restricted to Instructed Volume (see Note 1)
Non-BM	Slow Reserve	Delivered Volume restricted to Instructed Volume (see Note 1)
Non-BM	MW Dispatch	Delivered Volume restricted to Instructed Volume (see Note 1)
Non-BM Assets HH settled*	Local Constraint Market	Delivered Volume restricted to Instructed Volume (see Note 1)

Non-BM Industrial and Commercial consumers (except for Industrial and Commercial Consumers in Profile Class 3 and 4)		
Non-BM HH settled Domestic consumers whose MPAN is signed up to provide DFS with the supplier that has an ELEXON BMU ID	Demand Flexibility Service (DFS)	Delivered Volume
Non-BM	Frequency Response Service (DC, DM, DR)	Expected Volume

Note 1: If additional energy is shown as a positive Value then $\text{Min}(\text{Delivered MWh}, \text{Instructed MWh})$, if a Reduction in energy to the system is shown as a negative value then $\text{Max}(\text{Delivered Volume MWh}, \text{Instructed MWh})$

*LCM - NGESO submit applicable Balancing Services Volume Data to Elexon with respects to eligible non-BM providers delivered HH-settled volumes, where it is feasible to do so.

Utilisation volumes will be determined in the accordance with the characteristics of the service. With the optionality to opt out of ABSVD for eligible non-BM providers and calculation in accordance with the relevant Commercial Services Agreement.

For the avoidance of doubt a consultation will be carried out prior to any further Balancing Services with Non-BM Providers being included in the calculation of ABSVD.

2. ABSVD Calculation for Non-BM Providers for Applicable Reserve Balancing Services.

The imbalances associated with an Applicable Reserve Balancing Service provided by a Non-BM Provider (the Balancing Service Provider (BSP)) are attributed to the relevant Supplier (the Balancing Responsible Party (BRP)). An adjustment will be made to the BRP's imbalance account to ensure this takes into account the volumes provided to NESO under an Applicable Reserve Balancing Services contract with a Non-BM Provider. ELEXON will calculate Non BM Unit ABSVD for each impacted BRP in accordance with the BSC, which will be used to correct BRP imbalance positions.

The Non-BM ABSVD volumes will take the form of delivered volumes of Applicable Reserve Balancing Services, collared at the instructed amount,. The requirement to provide the necessary data to meet these requirements will be part of the contract terms for each Applicable Reserve Balancing Service. For STOR, Quick Reserve and Slow Reserve these collared delivered volumes are calculated based on metered volumes and the applicable volumes are reported in "backing data" sent by NESO to the provider..

When NESO receives this data, they will validate the volumes by confirming that they do not exceed the total instructed volume. These will then be passed to Elexon who will then neutralise them against the relevant Supplier Energy Account Any volumes outside those relating to the Applicable Reserve Balancing Service (i.e., over-delivery) will not be part of this data pass-through and therefore these volumes will not be applied to the relevant Supplier's account for imbalance neutralisation.

3. ABSVD provision for Applicable Reserve Balancing Services from Non-BM Providers

For Applicable Reserve Balancing Services delivered by Non-BM Providers, ABSVD data in the form of collared delivered volumes by MSID pairs will be submitted by NESO to Elexon following the receipt of the data from the provider in accordance with Section Q of the BSC 6.4. Section Q of BSC 6.4 states the associated MSID Pair Delivered Volume in accordance with paragraph 6.4.9, and such MSID Pair Delivered Volume shall be sent to the SVAA by the fifteenth day after such Settlement Day to the extent such data has been received by the NETSO, and in any event by the forty fifth day after such Settlement Day.

4. ABSVD Calculation and Submission for Non-BM Providers for Applicable Response Balancing Services

ABSVD will be calculated for Frequency Response services (DC, DM, DR) with Non-BM Providers under this methodology using expected volumes.

5. Re-submission of ABSVD

In the event that an error is identified in this data, the data will be re-submitted and corrected, as soon as reasonably practicable, but not later than the Final Reconciliation Run, once the corrected data is available.

PART D: ABSVD METHODOLOGY FOR BM PARTICIPANTS

1. Principles

QAS_{ij} will be determined in accordance with the following formula:

$$QAS_{ij} = \sum_{s \in I} (SE_{sj} \times SF_{sm})$$

where:

$\sum_{s \in I}$ is the summation across all Ancillary Service and Other Service provision (as referred to in the definition of Balancing Services within the Transmission Licence and described more fully in Parts B and C of the Procurement Guidelines), s, that contribute to the production or consumption of BM Unit i.

m is the relevant calendar month

s is the number of a discreet Ancillary Service or Other Service provision.

SE_{sj} Is the expected energy delivered by Ancillary Service or Other Service, s, in Settlement Period j as indicated below.

SF_{sm} is the Service Flag for Service s in calendar month m. It takes a value of 0 or 1.

Determination of SF_{sm}

NESO will allocate values as follows:

- i. In the case of Category 1 System to Generator Operational Intertripping, SF_{sm} will always = 0. This is in line with the requirements set out under the CUSC.
- ii. In all other cases, SF_{sm} will always =1

Determination of SE_{sj}

Where service s is a Frequency Response service:

$$SE_{sj} = \int_0^{SPD} FR_{ij}(t)dt$$

where

$FR_{ij}(t)$ is defined in accordance with section 4, sub section 1, paragraph 4.1.3.9A of CUSC, except that:

- i. Reference to i should be construed as referring to the relevant service, s;
- ii. Reference to the Mandatory Service Agreement should be construed as the relevant service agreement; and
- iii. Reference to Mode A Frequency Response should be construed as the relevant frequency response.

Where service s is fast reserve, STOR, or occasional (non-dynamic) response (and a bid offer acceptance is not issued in respect of the service call off):

$$SE_{sj} = \int_0^{SPD} E_{sj}(t)dt$$

Where

$E_{sj}(t)$ is the required energy from service s , time t from the start of settlement period j . The required energy is determined with reference to Figure 1 below.

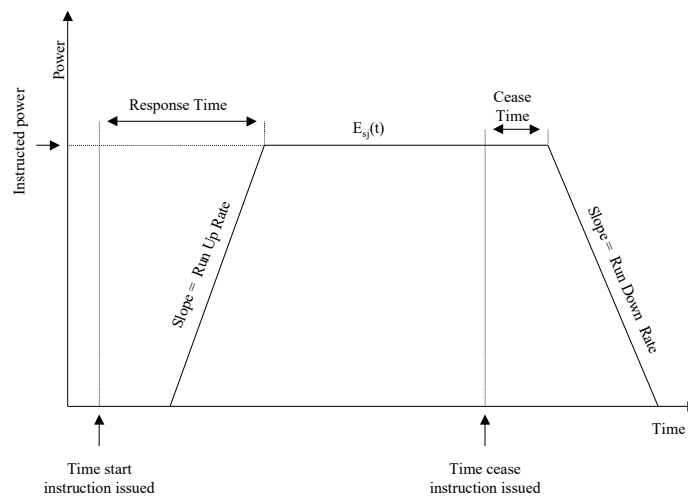


Figure 1 Graph showing determination of $E_{sj}(t)$

where

Time start instruction issued

Is the time that NESO issues an instruction to the service provider to start delivering the service, and the instruction is not subsequently rejected as being incorrectly issued. For the avoidance of doubt, instruction includes a signal from a relay (or other equipment) owned by NESO to initiate the delivery of an occasional (non-dynamic) response service.

Time cease instruction issued

Is the time that NESO issues an instruction to the service provider to cease delivering the service.

Response time	Is the time agreed between the provider and NESO that it will take for the service to be fully delivered from the time the start instruction is issued. In the event that no time has been agreed, it will take the value 0 seconds.
Cease time	Is the time agreed between the provider and NESO that it will take between a cease instruction been issued and the provider starting to cease delivery. In the event that no time has been agreed, it will take the value 0 seconds.
Run Up Rate	Is the rate agreed between the provider and NESO that the provider will change load at, in response to a start instruction. In the event that no value has been agreed, it will be deemed to be infinite.
Run Down Rate	Is the rate agreed between the provider and NESO that the provider will change load at, in response to a cease instruction. In the event that no value has been agreed it will be deemed to be infinite.
Instructed Power	Is the change in power production or consumption instructed by NESO in accordance with the agreement between the provider and NESO.

Where service s is the Maximum Generation Service,

$$SE_{sj} = \text{Min} (Q_{\max ij}, X * CEC/2)$$

$Q_{\max ij}$ Is the calculated Maximum Generation Service volume as defined by

$$\text{Max} (Q_{Mij} - (FPN_{ij} + \sum (QAB^{n_{ij}} + QAO^{n_{ij}})), 0)$$

X	is 0.03 or such figure as may be either: (i) set out in the Maximum Generation Service Agreement for the available BM Unit or (ii) agreed or determined in accordance with Paragraphs 4.2.5.3 to 4.2.5.5 (inclusive) of the CUSC.
CEC	Connection Entry Capacity for the Available BM Unit as defined in the CUSC
QM _{ij} , QAB ⁿ _{ij} , QAO ⁿ _{ij} , FPN _{ij} (t)	Have the meanings ascribed to them in the Balancing and Settlement Code
MEL	Maximum Export Limit as defined in the Grid Code

For the avoidance of doubt, any Maximum Generation Service volume delivered in excess of X multiplied by CEC will be subject to the dispute provision set out in Paragraph 4.2.5 of CUSC. Any volume in excess of X multiplied by CEC will not be classed as an Applicable Balancing Services volume unless otherwise agreed or directed in accordance with the dispute provision set out in Paragraph 4.2.5 of CUSC.

The above calculation will be applied from the start of the settlement period during which the Maximum Generation Service Emergency Instruction has been issued until the end of the settlement period for which the Maximum Generation Service Emergency Instruction is ceased.

The volume identified as Maximum Generation Service (assuming that a settlement period does not end following the issue of a 'cease'

instruction, but prior to the return of output to MEL) using the above calculation is demonstrated in Fig 2 below.

BM Offers
accepted.

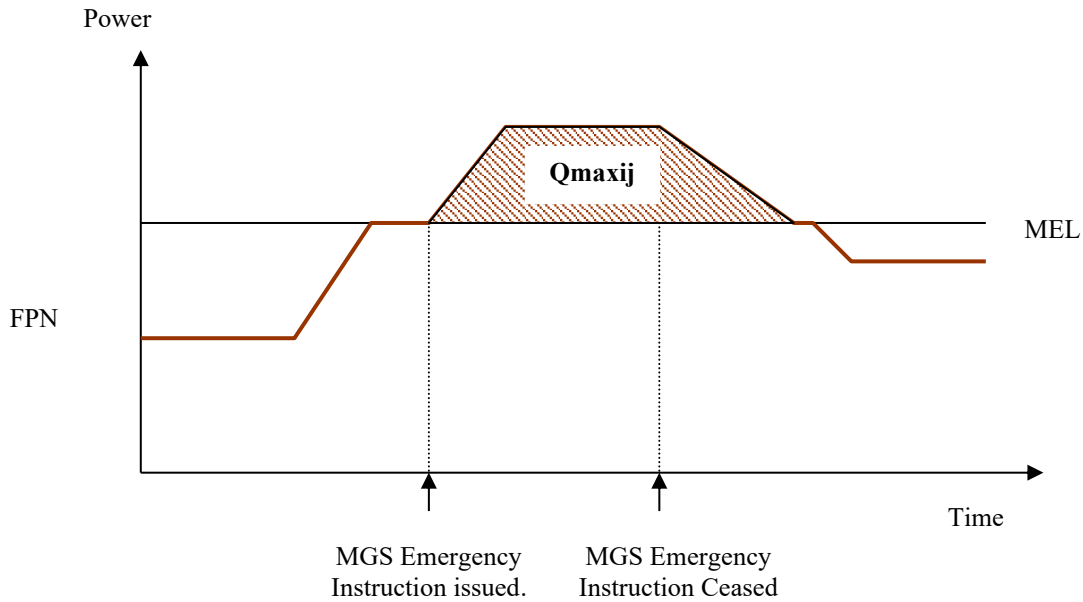


Figure 2 – Graph showing calculation of Q_{maxij}

Where Service s is System to Generator Operational Intertipping Scheme, Commercial Intertipping Scheme or Fast De-Load Service, SE_{sj} will be equal to the reduction in output calculated from the time of the intertrip firing or the fast de-load instruction until the end of the Balancing Mechanism Window Period. The volume output reduction (in MWh) over this period is equal to the integral of spot (MW) Final Physical Notification (FPN), plus the sum of all accepted Bid and Offer spot (MW) values covered by the period. Where an intertrip or fast de-load occurs on a modular BMU and does not affect all generating units that make up that BMU, the output of the remaining generating units will be taken off the total volume such that SE_{sj} reflects the volume (MWh) associated with the intertrip or fast de-load. This is shown algebraically below:

$$\int_{t_0}^{t_1} \left(FPN_{ij}(t) + \sum^k (qABO^{kn}_{ij}(t)) - QM_{ij}(t) \right) dt$$

Where

- t_0 = time of intertrip firing or fast de-load instruction
- t_1 = time at end of Balancing Mechanism Window Period
- $FPN_{ij}(t)$ = Final Physical Notification as defined within the BSC
- $qABO^{kn}_{ij}(t)$ = Accepted Bid-Offer Volume as defined within the BSC
- \sum^k = Sum over each separate Bid Offer Acceptance
- $QM_{ij}(t)$ = Metered output of BM Unit i in settlement period j for spot time t, where Active Energy volumes are estimated from operational metering data held by the Transmission Company

An example of the volume calculated for a given set of circumstances, using the above calculation is demonstrated in Fig 3 below. For the avoidance of doubt, the 'wall' is the end of the Balancing Mechanism Window.

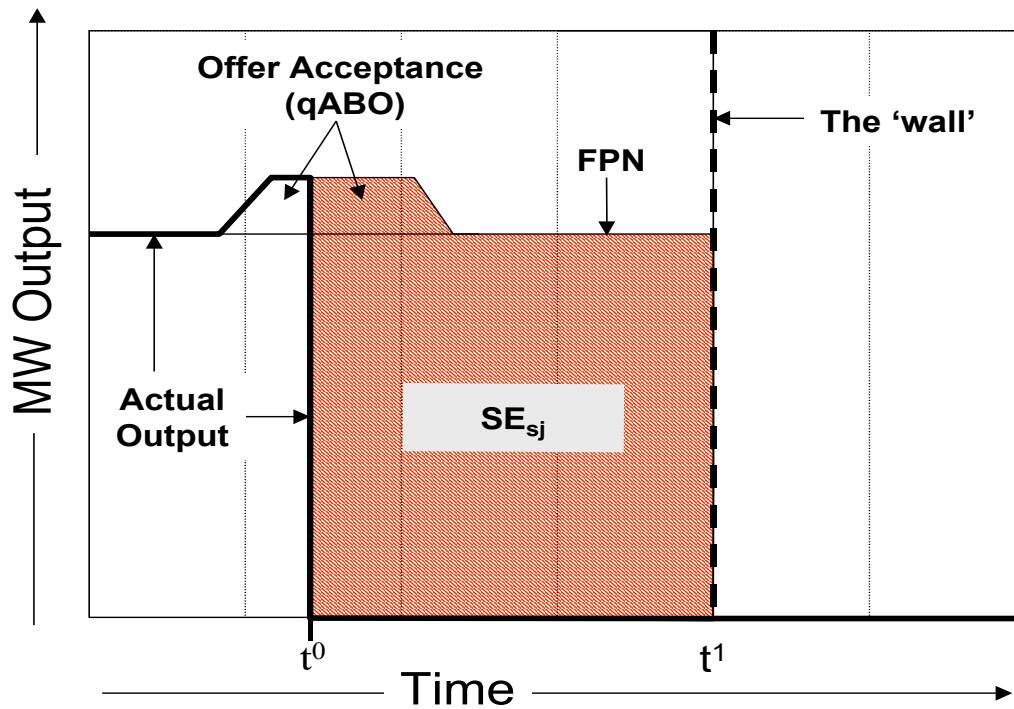
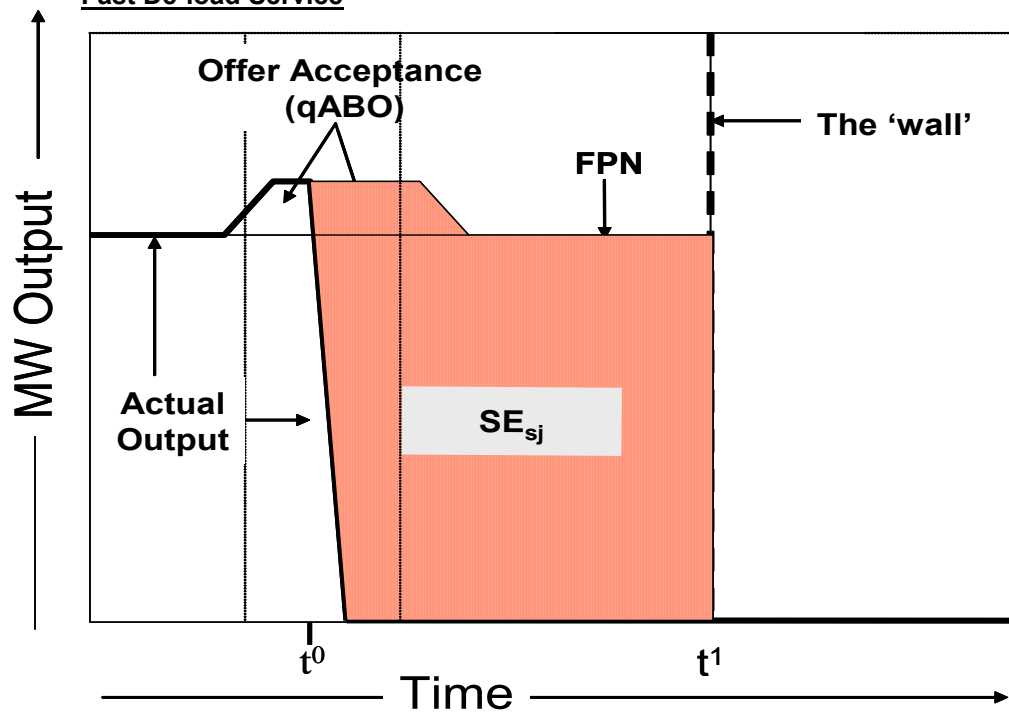


Fig 3 - Graph showing example of SE_{sj} for System to Generator Operational intertripping Scheme or a Commercial Intertripping Scheme (instantaneous trip)

Fig 3a – Graph showing example of SE_{sj} for System to Generator Operational Intertripping Scheme or a Commercial Intertripping Scheme (time delayed) or a Fast De-load Service



For all other services:

$$SE_{sj} = 0$$

2. **Disputes**

A dispute arises where the Lead Party of the relevant BM Unit disagrees with the value of QAS_{ij} notified by NESO. Where such a dispute arises, a representative of NESO and each BSC Party concerned who has authority to resolve the dispute shall meet (including by agreement by telephone) within 10 Business Days of a request by either party (or within such longer period as may be agreed, acting reasonably) and seek to resolve it. If the parties to the dispute are unable to resolve it within 10 Business Days of the meeting (or within such longer period as they may agree within that initial 10 Business Day period, both parties acting reasonably as to the length of the period), then the parties' obligations under this paragraph to undertake such discussions shall no longer apply in relation to that dispute. Either party may then refer the dispute to arbitration pursuant to the rules of the London Court of Arbitration in force from time to time.

The laws of England shall be the proper law of reference to arbitration under this paragraph and in particular (but not so as to derogate from the generality of the foregoing) the provisions of the Arbitration Act 1996 shall apply to any such arbitration wherever it or any part of it shall be conducted.

Any arbitrator or panel of arbitrators appointed under this Paragraph 3 shall determine such issues as are referred to him or them consistently with any determination by the Authority, whether or not relating to the same or different facts.

For the avoidance of doubt, a party may only raise a dispute in respect of QAS_{ij} where they are Lead Party of the relevant BM Unit.

3. Worked Examples

3.1 Provision of Mode A Frequency Response

Note that this example would apply equally to other commercial frequency response services.

A generator delivers response as illustrated in Figure 2.

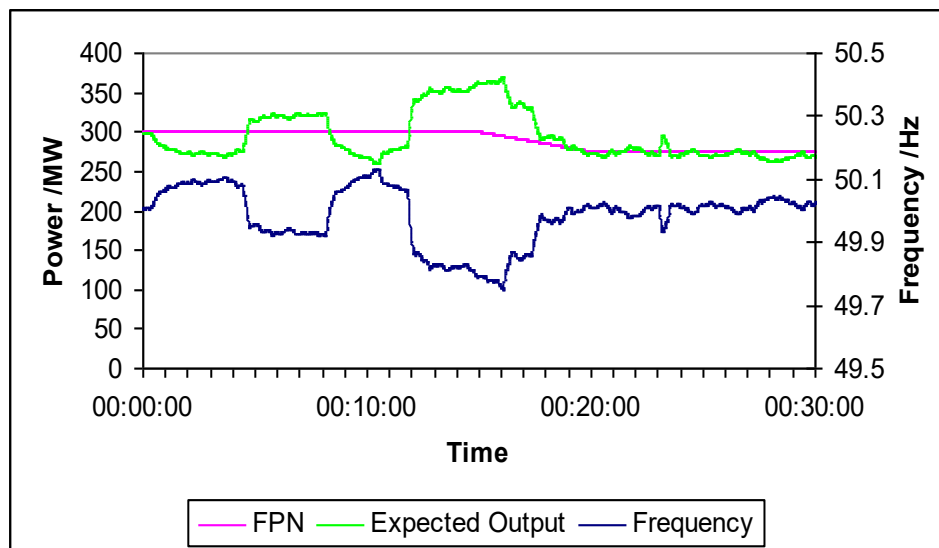


Figure 2 Example of Response Delivery

In accordance with this methodology and the provisions in section 4, sub section 1, paragraph 4.1.3.9A described in CUSC, QAS_{ij} is determined to be 2.5 MWh (meaning that in the relevant half hour, as a result of providing response, an additional 2.5 MWh of energy was required to be produced).

If this party operated a single BM Unit with the following parameters for this settlement period, the impact on central settlement would be as follows:

Contracted Position (QABC _{aj})	137 MWh
Final Physical Notification (FPN _{ij})	145 MWh
Metered Production (QM _{ij})	147.5 MWh
Applicable Balancing Services Volume (QAS _{ij})	2.5 MWh
Transmission Loss Multiplier (TLM _{ij})	0.95
Bid Offer Acceptances	0 MWh

The credited energy volume QCE_{aij} is determined in accordance with the Balancing and Settlement Code, section T, paragraph 4.5.1(b):

$$\begin{aligned}
 QCE_{iajj} &= QM_{ij} \times TLM_{ij} - \sum_a QCE_{iajj} \\
 &= 147.5 \text{ MWh} \times 0.95 - 0 \text{ MWh} \\
 &= 140.13 \text{ MWh}
 \end{aligned}$$

(where \sum_a is the sum over Energy Accounts of Subsidiary Parties – in this example it is assumed that all energy is credited to the lead party.)

The account credited energy volume QACE_{aj}, would be calculated in accordance with the Balancing and Settlement Code, section T, paragraph 4.6.1:

$$\begin{aligned}
 QACE_{aj} &= \sum_i QCE_{iaj} \\
 &= 140.13 \text{ MWh}
 \end{aligned}$$

The Balancing Services Volume is determined in accordance with the Balancing and Settlement Code, section T, paragraph 4.3.2:

$$\begin{aligned}
 QBS_{ij} &= \sum^n (QAO^n_{ij} + QAB^n_{ij}) + QAS_{ij} \\
 &= 0 + 2.5 \text{ MWh}
 \end{aligned}$$

The Account Period Balancing Services volume is determined in accordance with the Balancing and Settlement Code, section T, paragraph 4.6.2:

$$\begin{aligned} QABS_{aj} &= \sum_i QBS_{ij} \times TLM_{ij} \\ &= 2.5 \text{ MWh} \times 0.95 \\ &= 2.38 \text{ MWh} \end{aligned}$$

The Account Energy Imbalance Volume ($QAEI_{aj}$) is determined in accordance with the Balancing and Settlement Code, section T, paragraph 4.6.3:

$$\begin{aligned} QAEI_{aj} &= QACE_{aj} - QABS_{aj} - QABC_{aj} \\ QAEI_{aj} &= 140.13 \text{ MWh} - 2.38 \text{ MWh} - 137 \text{ MWh} \\ &= 0.75 \text{ MWh} \end{aligned}$$

In this example, the account would receive a payment for 0.75 MWh at System Sell Price, in accordance with the Balancing and Settlement code, section T, paragraph 4.7.1.

3.2 Provision of Short Term Operating Reserve (STOR)

Note that this example would apply equally to Fast Reserve or Occasional (non-dynamic) Response.

Consider a STOR provider with the following parameters:

Response Time	15 minutes
Run Up Rate	10 MW/minute
Run Down Rate	– 5 MW/minute
Cease Time	5 minutes

At 00:00 NESO instructs 50 MW of STOR from the provider.

At 01:00 NESO instructs the provider to cease delivery.

This leads to the delivery profile shown in figure 3:

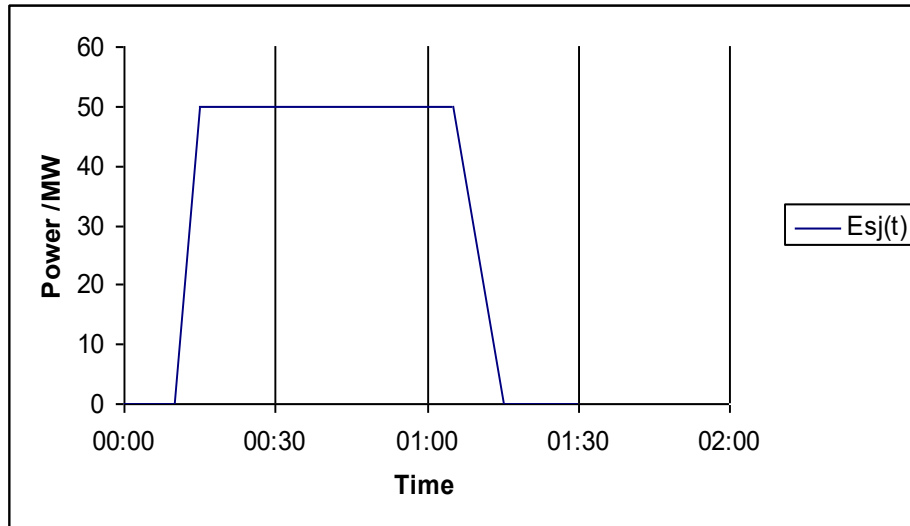


Figure 2 Example STOR Delivery

Settlement Period (Start time)	00:00	00:30	01:00	01:30
SE_{sj} /MWh	14.58	25	8.33	0

If this were the only Applicable Balancing Service provision within the BM unit with the service flag set to 1, then QAS_{ij} would take the same values.

If this party operated a single BM Unit with the following parameters for the settlement period starting 00:30, then the impact on central settlement would be as follows:

Contracted Position (QABC _{aj})	–200 MWh
Final Physical Notification (FPN _{ij})	–190 MWh
Metered Consumption (QM _{ij})	–165 MWh
Applicable Balancing Services Volume (QAS _{ij})	25 MWh
Transmission Loss Multiplier (TLM _{ij})	1.05
Bid Offer Acceptances	0 MWh

The credited energy volume QCE_{iajj} is determined in accordance with the Balancing and Settlement Code, section T, paragraph 4.5.1(b):

$$\begin{aligned}
 QCE_{iajj} &= QM_{ij} \times TLM_{ij} - \sum_a QCE_{iajj} \\
 &= -165 \text{ MWh} \times 1.05 - 0 \text{ MWh} \\
 &= -173.25 \text{ MWh}
 \end{aligned}$$

(where \sum_a is the sum over Energy Accounts of Subsidiary Parties – in this example it is assumed that all energy is credited to the lead party.)

The account credited energy volume QACE_{aj}, would be calculated in accordance with the Balancing and Settlement Code, section T, paragraph 4.6.1:

$$\begin{aligned}
 QACE_{aj} &= \sum_i QCE_{iajj} \\
 &= -173.25 \text{ MWh}
 \end{aligned}$$

The Balancing Services Volume is determined in accordance with the Balancing and Settlement Code, section T, paragraph 4.3.2:

$$\begin{aligned}
 QBS_{ij} &= \sum^n (QAO^{n_{ij}} + QAB^{n_{ij}}) + QAS_{ij} \\
 &= 0 + 25 \text{ MWh}
 \end{aligned}$$

The Account Period Balancing Services volume is determined in accordance with the Balancing and Settlement Code, section T, paragraph 4.6.2:

$$\begin{aligned} QABS_{aj} &= \sum_i QBS_{ij} \times TLM_{ij} \\ &= 25 \text{ MWh} \times 1.05 \\ &= 26.25 \text{ MWh} \end{aligned}$$

The Account Energy Imbalance Volume ($QAEI_{aj}$) is determined in accordance with the Balancing and Settlement Code, section T, paragraph 4.6.3:

$$\begin{aligned} QAEI_{aj} &= QACE_{aj} - QABS_{aj} - QABC_{aj} \\ QAEI_{aj} &= -173.25 \text{ MWh} - 26.25 \text{ MWh} - (-200 \text{ MWh}) \\ &= 0.5 \text{ MWh} \end{aligned}$$

In this example, the account would receive a payment for 0.5 MWh at System Sell Price, in accordance with the Balancing and Settlement code, section T, paragraph 4.7.1.

PART E: ABSVD METHODOLOGY FOR NON-BM PROVIDERS

1. Principles

ABSVD for Non-BM Providers is not calculated by NESO. ABSVD for Non-BM Providers, as per Part B of this document, is based on the pass through of collared delivered volumes by MSID pair to Elexon.

ELEXON will calculate Non-BM Unit ABSVD for each impacted BRP in accordance with the BSC, which will be used to correct BRP imbalance positions.

2. Disputes

2.1. Disputes relating to Non-BM Provider volumes passed to Elexon.

A dispute may arise relating to Non-BM Provider volumes passed to Elexon. Where such a dispute arises, a representative of NESO and the BSP concerned who has authority to resolve the dispute shall meet (including by agreement by telephone) within 10 Business Days of a request by either party (or within such longer period as may be agreed, acting reasonably) and seek to resolve it. If the parties to the dispute are unable to resolve it within 10 Business Days of the meeting (or within such longer period as they may agree within that initial 10 Business Day period, both parties acting reasonably as to the length of the period), then the parties' obligations under this paragraph to undertake such discussions shall no longer apply in relation to that dispute. Either party may then refer the dispute to arbitration pursuant to the rules of the London Court of Arbitration in force from time to time.

The laws of England shall be the proper law of reference to arbitration under this paragraph and in particular (but not so as to derogate from the generality of the foregoing) the provisions of the Arbitration Act 1996 shall apply to any such arbitration wherever it or any part of it shall be conducted.

Any arbitrator or panel of arbitrators appointed under this Paragraph 3 shall determine such issues as are referred to him or them consistently with any determination by the Authority, whether or not relating to the same or different facts.

For the avoidance of doubt, a party may only raise a dispute in respect of non-BM ABSVD where they are the contracted BSP for the service.

In the event that an error is identified in the ABSVD, the data will be re-submitted and corrected, as soon as reasonably practicable, but not later than the Final Reconciliation Run, once the corrected data is available.

2.2. Disputes relating to ABSVD volumes applied to Supplier Energy Accounts

These will be dealt with via Elexon through BSC Trading Disputes processes (BSCP11). Where the dispute requires investigation into the source data provided to Elexon, NESO will seek to provide supporting information to resolve this matter.

In the event that an error is identified in the ABSVD, the data will be re-submitted and corrected, as soon as reasonably practicable, but usually not later than the Final Reconciliation Run, once the corrected data is available.

If a Trading Dispute relating to ABSVD is upheld, NESO may be required to resubmit ABSVD after Reconciliation Final (up to DF at D+28 months, or potentially up to D+40 months for an Extra Settlement Determination).

3. Calculation of ABSVD

The calculations for the Determination of Non-BM Unit ABSVD are laid out in the Balancing and Settlement Code Annex S-2: Supplier Volume Allocation Rules, Section 7 “Half Hourly Metering System Consumption”, paragraph 7.3.