TNUoS Tariffs Five Year View for 2026/27– 2030/31 Webinar

NESO Revenue Team

September 2025

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Agenda

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10. Next Steps
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Tariff Forecasting & Setting Team

Nick Everitt

Forecasting and setting TNUoS to recover around £5bn of revenue per year from generators and demand; in addition to BSUoS Forecasting and tariff setting and AAHEDC tariff setting.

Sarah Chleboun

- Overall TNUoS tariff setting
- Offshore revenue & local tariffs
- Local substation
- Networks /Generation
- Onshore Local Circuits
- ALFs

Alan Fradley

- Networks /Generation
- Onshore Local Circuits
- Local substation
- AAHEDC

Priya Chigullapalli

- Networks /Generation

Tobi Odusanya

- Networks /Generation

Dan Hickman

- Change Lead
- TDR
- Demand
- EET
- ALFs
- AAHEDC

Nicky White

- Change
- TDR
- Offshore revenue & local tariffs

Katie Clark

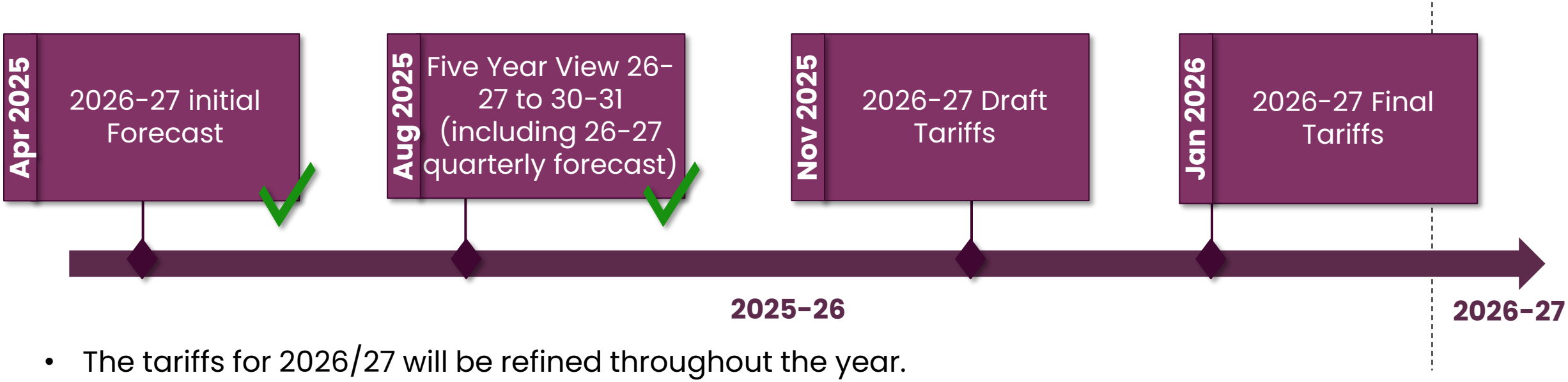
- Revenue
- Demand Charging Base
- Networks /Generation
- BSUoS Forecasting
- BSUoS Tariff Setting

Edward Adofo

- BSUoS Forecasting
- BSUoS Tariff Setting
- Offshore revenue & local tariffs

Tariff Timetable

NESO has a licence and CUSC obligation to publish quarterly TNUoS forecasts and a 5-year view annually, to enable market participants to make efficient operational and investment decisions.



- The tariffs for 2026/27 will be refined throughout the year.
- Final Tariffs for 2026/27 will be published by 31st January 2026 and will take effect from 1st April 2026.

TNUoS Forecast Changes

There are several uncertainties over the next 5 years which we have taken into account in the setting of tariffs for 2026/27 onwards.

Price Control

Following Ofgem's publication of RIIO-ET3 Draft Determinations and receipt of data from the onshore TOs, a number of key parameters which are reset for each price control have been recalculated.

In this forecast, we have used the recalculated values where possible and continued current CUSC/inflated values for other parameters that are pending updates later in the year.

In this forecast, we have used the calculated revenue as per the published RIIO-ET3 draft determinations business plan financial model, as agreed with the onshore TOs.

Regulatory Uncertainties

Substantial change is expected to charging methodology with the TNUoS Taskforce and REMA. These are not taken into account in this forecast, we have assumed the continuation of the current methodology until the outcomes of any required CUSC modifications are known.

Sensitivities

Having consulted the industry, we have also included sensitivities to provide industry with further information.

- Impact of Revenue changes
- TDR - Transmission sites
- Expansion Constant variation

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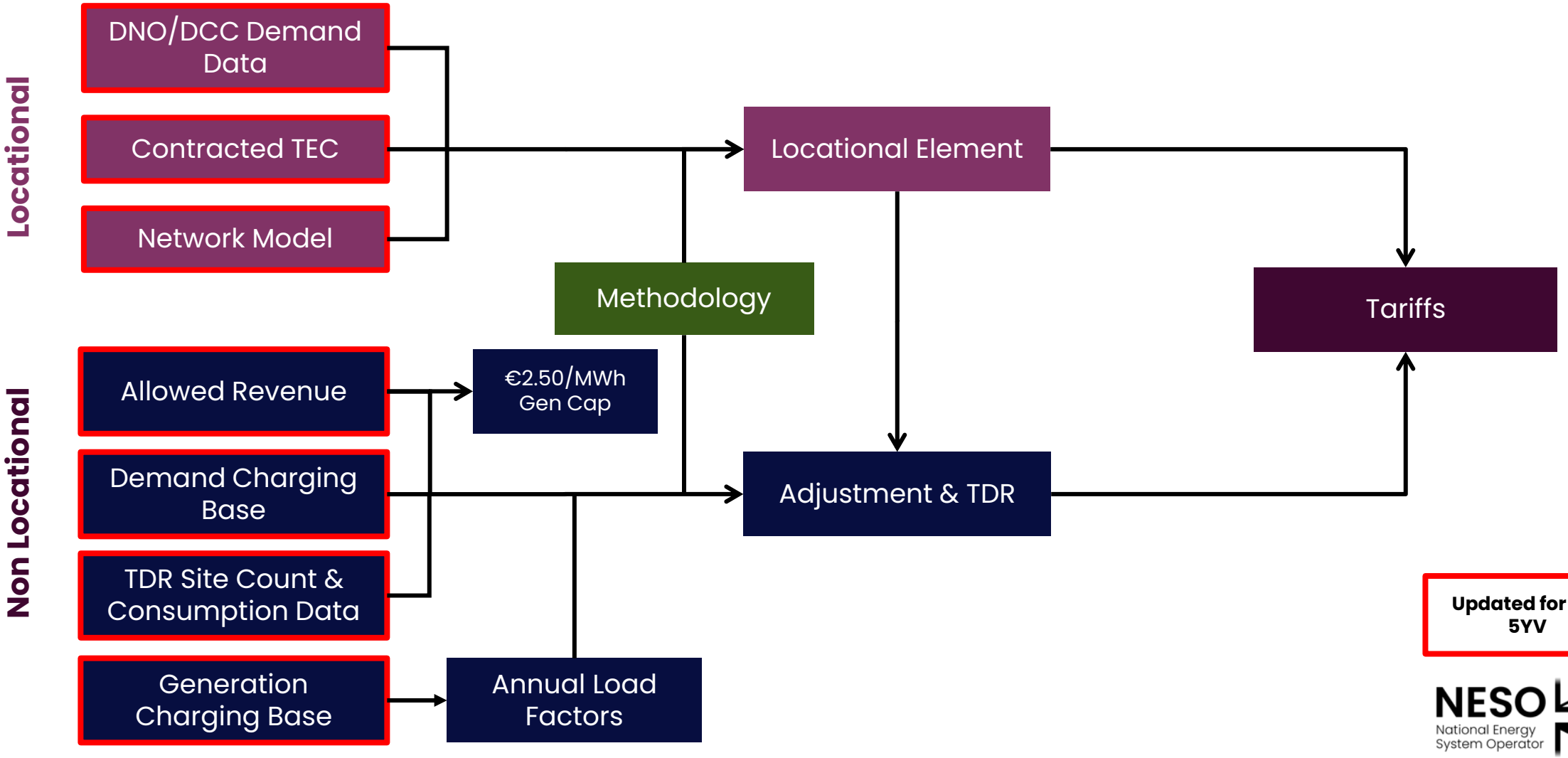
Key inputs and findings

Sarah Chleboun

Key Inputs for TNUoS Tariffs



Updated for the 5YV

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Input changes in this tariff publication

		April 2025	Aug 2025	Draft Tariffs November 2025	Final Tariffs January 2026
Methodology		**Open to industry governance**			
Locational	DNO/DCC Demand Data	Initial update using previous year's data source		Week 24 updated	
	Contracted TEC	Latest TEC Register	Latest TEC Register	TEC Register Frozen at 31 October	
	Network Model	Initial update using previous year's data source (except local circuit changes which are updated quarterly)		Latest version based on ETYS	
	Inflation	Forecast	Forecast	Forecast	Actual
Non-locational	OFTO Revenue (part of allowed revenue)	Forecast	Forecast	Forecast	NESO best view
	Allowed Revenue (non OFTO changes)	Initial update using previous year's data source	Update financial parameters	Latest TO forecasts	From TOs
	Demand Charging Bases (incl. TDR Site Count)	Initial update using previous year's data source	Revised forecast	Revised forecast	Revised by exception
	TDR Consumption Data	Initial update using previous year's DN data		DN data updated	Revised by exception
	Generation Charging Base	NESO best view	NESO best view	NESO best view	NESO final best view
	Generation ALFs	Previous year's data source		Draft ALFs published	Final ALFs published
	Generation Revenue (G/D split)	Forecast	Forecast	Forecast	Generation revenue £m fixed

Key findings

Total Revenue

- The total TNUoS revenue is forecast at **£8.9bn** for FY2026/27, (an increase of £2.7bn from 2026/27 Initial Forecast). This is set to increase to **£13.6bn** in 2030/31, based on published RIIO-ET3 draft determinations business plan financial model.

Generation

- Generation revenue is forecast to be **£1.27bn** for 2026/27, It is forecast to grow to **£1.65bn** by FY30/31, an increase of £384m, mainly driven by the increase in offshore generation local charges.
- The generation charging base for 2026/27 has been forecast at **97.5 GW** based on our best view, increasing to **165.3 GW** by FY2030/31.
- The average generation tariff for 2026/27 is **£13.03/kW**, it is expected to decrease to **£10.00/kW** in 2030/31.

Demand

- Demand revenue for 2026/27 is forecast to be **£7.65bn,** it is expected to increase year on year to **£11.98bn** by 2030/31, in-line with the year-on-year increase in total revenue.

Consumer Bill

- The TNUoS cost for the average domestic household is forecast to be **£93.48** for 2026/27, which forms **10.6%** of the average annual electricity consumer bill. This is an increase in the proportion of the consumer bill from 5.8% in 2025/26.

Revenue

Katie Clark

TNUoS Revenue

£m Nominal	2026/27	2027/28	2028/29	2029/30	2030/31
TO Income from TNUoS					
National Grid Electricity Transmission	4,053.4	4,614.4	5,060.5	5,545.1	5,889.2
Scottish Power Transmission	1,186.1	1,307.3	1,493.2	1,712.9	1,804.2
SHE Transmission	2,473.1	3,046.1	3,721.2	3,982.8	4,419.1
Total TO Income from TNUoS	**7,712.6**	**8,967.8**	**10,274.9**	**11,240.9**	**12,112.5**
Other Income from TNUoS					
Other Pass-through from TNUoS	140.2	101.8	64.8	56.7	56.7
Offshore (plus interconnector contribution / allowance)	1,065.4	1,208.6	1,317.4	1,387.1	1,460.2
Total Other Income from TNUoS	**1,205.6**	**1,310.4**	**1,382.2**	**1,443.8**	**1,516.9**
Total to Collect from TNUoS	**8,918.3**	**10,278.2**	**11,657.1**	**12,684.7**	**13,629.3**

Changes since 2026/27 Initial have been driven by:

Onshore TO Revenue (+£2,650m)

- Updated forecasts based on Draft Determinations (as per agreement with Onshore TOs)

Offshore TO Revenue and Interconnectors (+£26.0m)

- Based on offshore and interconnector January submissions.

Other Pass-Through Items (+£2.8m)

- Increases in the adjustment term following revisions to the 2024/25 allowed revenue.

Summary of Revenue to be Recovered

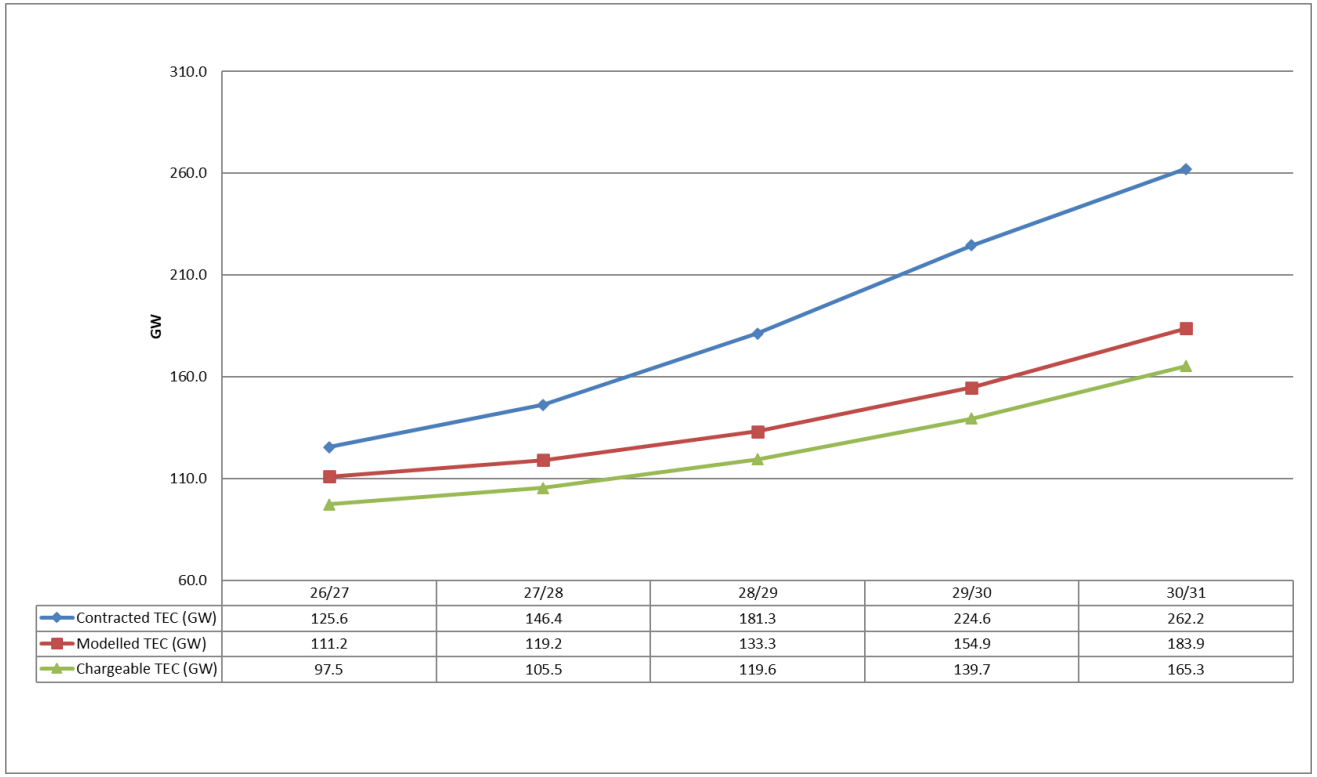
Code	Revenue	2026/27	2027/28	2028/29	2029/30	2030/31
CAPEC	Limit on generation tariff (€/MWh)	2.50	2.50	2.50	2.50	2.50
y	Error Margin	30.3%	30.3%	30.3%	30.3%	30.3%
ER	Exchange Rate (€/£)	1.19	1.19	1.19	1.19	1.19
MAR	Total Revenue (£m)	8,918.26	10,278.19	11,657.09	12,684.69	13,629.34
GO	Generation Output (TWh)	199.28	214.00	227.80	258.15	303.81
G	% of revenue from generation	14.2%	13.3%	12.4%	12.3%	12.13%
D	% of revenue from demand	85.76%	86.68%	87.62%	87.70%	87.87%
G.R	Revenue recovered from generation (£m)	1,269.63	1,369.37	1,442.75	1,560.35	1,653.54
D.R	Revenue recovered from demand (£m)	7,648.62	8,908.83	10,214.34	11,124.34	11,975.79

Generation Tariffs

Sarah Chleboun

Contracted, Modelled & Chargeable Generation Capacity

- CONTRACTED:
  - Full TEC register used
- MODELLED:
  - Reduction in TEC in line with FES forecast and internal best view.
- CHARGEABLE:
  - Modelled TEC minus interconnector capacity



	26/27	27/28	28/29	29/30	30/31
Contracted TEC (GW)	125.6	146.4	181.3	224.6	262.2
Modelled TEC (GW)	111.2	119.2	133.3	154.9	183.9
Chargeable TEC (GW)	97.5	105.5	119.6	139.7	165.3

Generation (GW)	2026/27	2027/28	2028/29	2029/30	2030/31
Contracted TEC	125.56	146.39	181.28	224.60	262.21
Modelled Best View TEC	111.17	119.22	133.30	154.87	183.92
Chargeable TEC	97.45	105.51	119.59	139.65	165.30

Generation Tariffs

- The Limiting Regulation requires the total TNUoS recovery from generators to be within the range of €0-2.50/MWh on average.
- All local onshore and local offshore tariffs are excluded in the Limiting Regulation €2.50/MWh cap for generator transmission charges, except for TNUoS local charges associated with pre-existing assets.
- The adjustment tariff was introduced to ensure compliance with the €2.50/MWh cap. It is forecast to decrease, to become more negative, changing from -£2.23/kW in 2026/27 to -£4.82/kW by 2030/31.

Generation Tariffs (£/kW)	Initial Tariffs 2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
Adjustment Tariff	- 1.540870	- 2.231441	- 2.616425	- 3.076744	- 5.868560	-4.828502
Average Generation Tariff*	11.552840	13.028446	12.979062	12.064436	11.173062	10.003313

The average generation tariff is calculated by dividing the total revenue payable by generation over the generation charging base in GW. It includes local charges.

- The average generation tariff is forecast to be £13.03/kW for 2026/27, it is then expected to decrease to £10.00 kW in 2030/31.

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Generation TNUoS Tariffs – Wider tariffs

The generation TNUoS wider tariffs are made of the four elements below:

Peak Security | **Year Round Shared** | **Year Round Not Shared** | **Generator** Adjustment

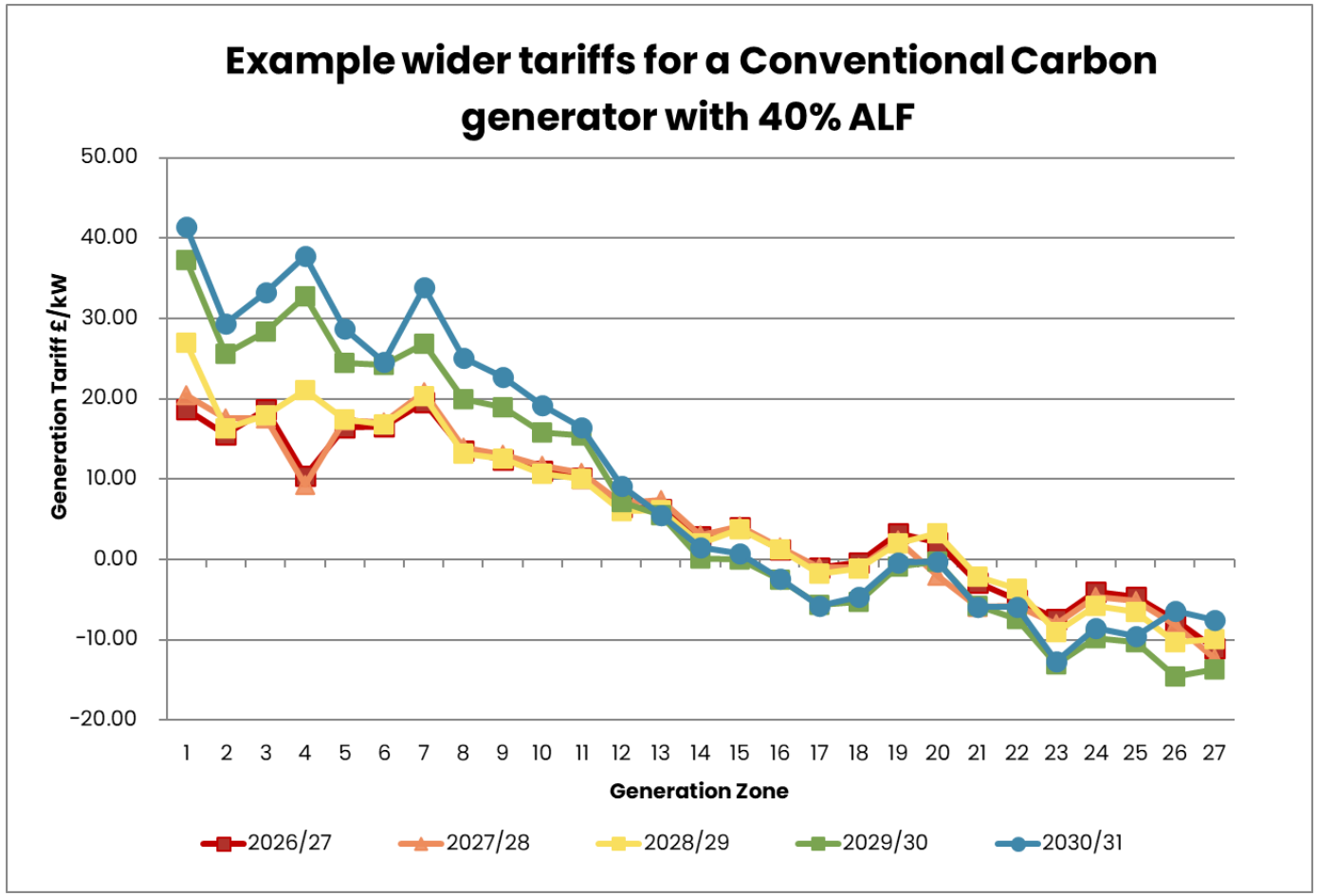
Year Round Shared and Year Round Not Shared elements are multiplied by Annual Load Factors (ALFs) dependent on generation type

We publish examples for each generation type calculation using example ALFs:

Conventional Carbon 40%	Conventional Low Carbon 75%	Intermittent 45%
Biomass	Nuclear	Offshore wind
CCGT/CHP	Hydro	Onshore wind
Coal		Solar PV
OCGT/Oil		Tidal
Pumped storage		
Battery storage		
Reactive Compensation		

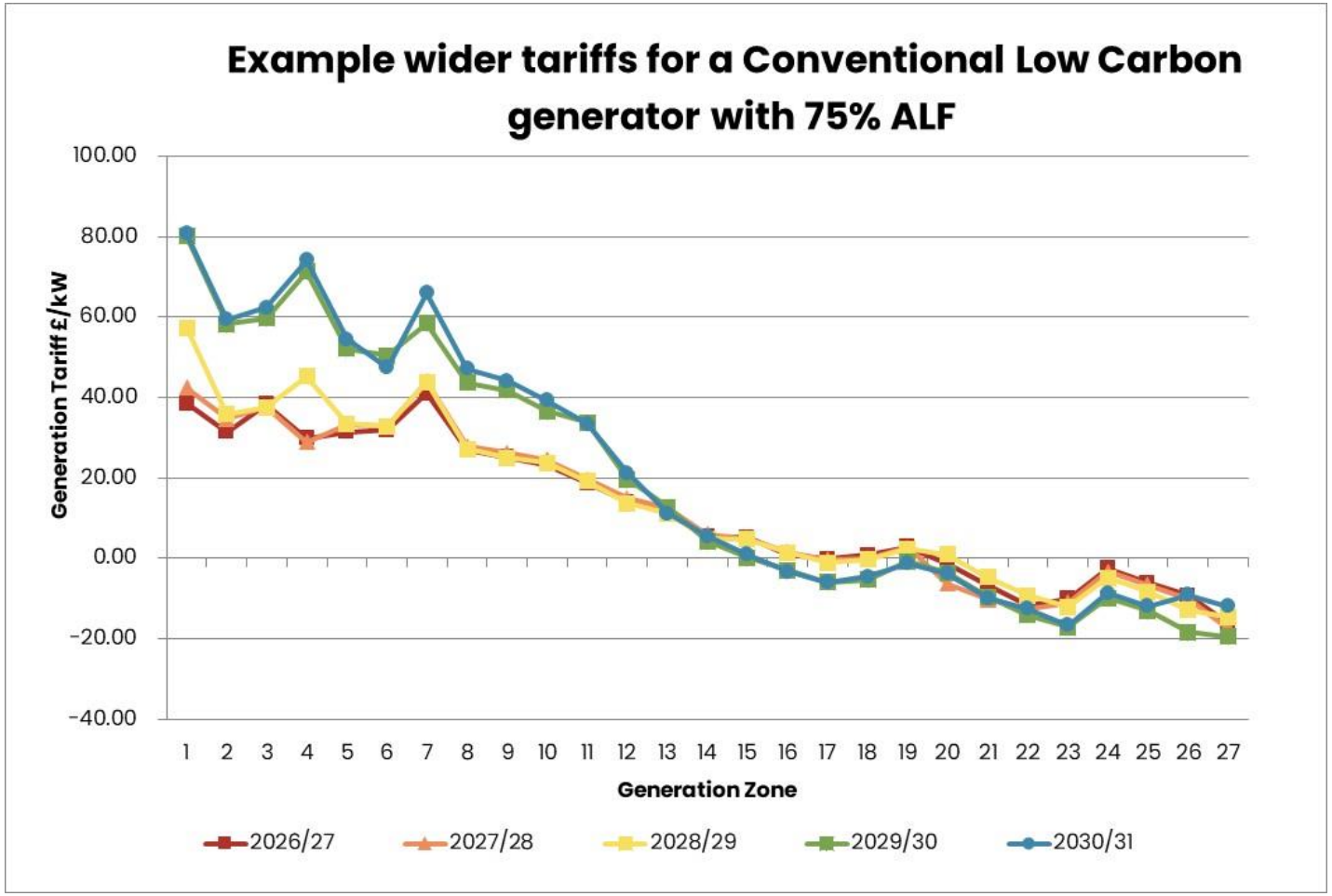
Generation Tariffs - Conventional Carbon

- In general, Conventional Carbon tariffs are expected to increase in magnitude over the 5 years, meaning that there are increase in the North and decreases in the South.



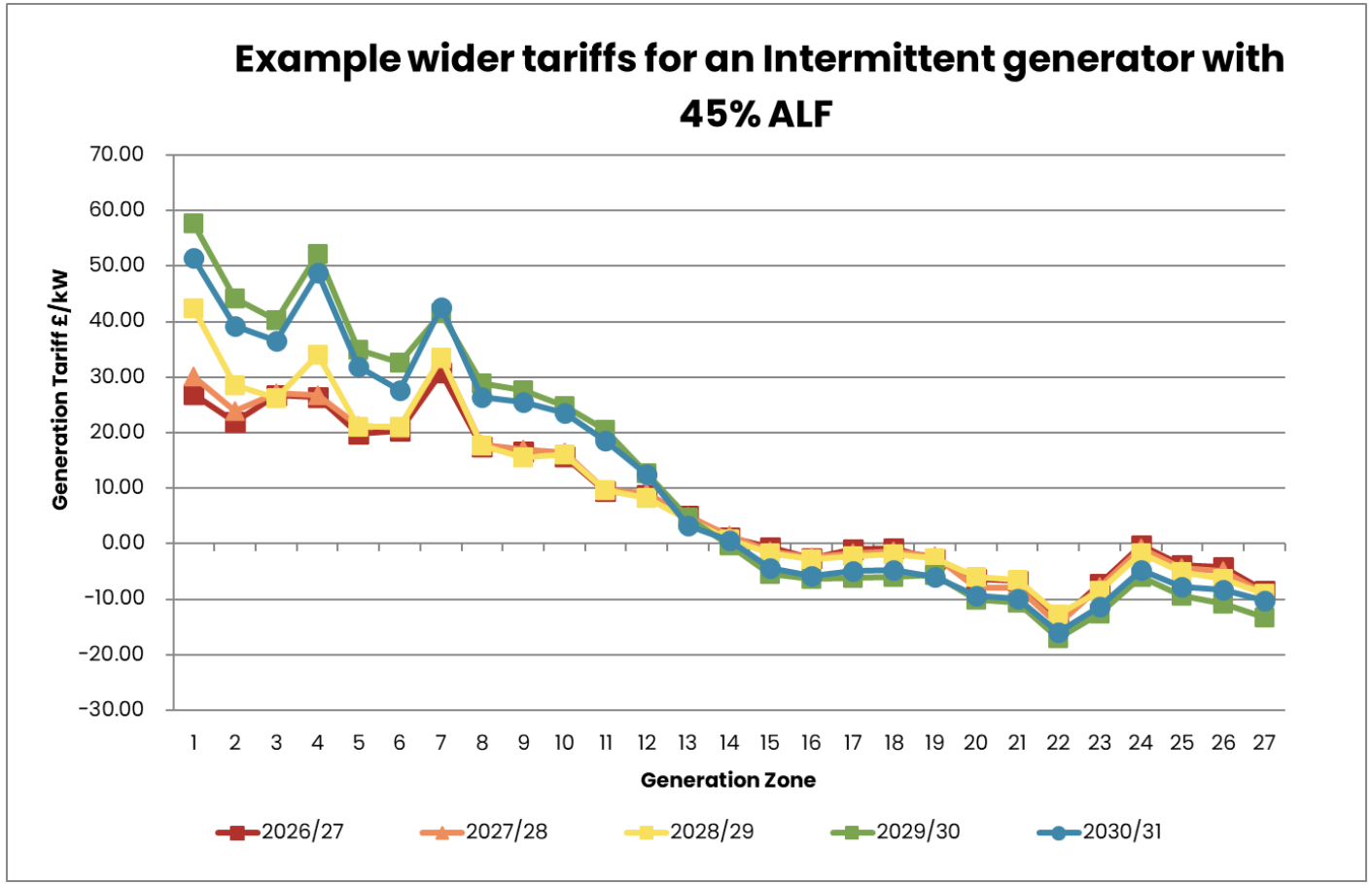
Generation Tariffs - Conventional Low Carbon

- Similar to Conventional Carbon although higher in the north due to paying full Year Round Not Shared tariff



Generation Tariffs - Intermittent

- Tariffs largely follow a similar profile to Conventional Low Carbon generators, but tariffs are slightly lower since they do not pay peak security tariffs
- Increases in tariff for Scottish zones in 2029/30 due to the new HVDC links



Local Tariffs

Alan Fradley/Nicky White

Onshore Local Substation Tariffs

- These have been re-calculated for RIIO-ET3 with the new cost base provided by the TO's.
- For future tariff years in RIIO-ET3 it is expected that Onshore local substation tariffs will be inflated annually, in line with the increase in May-Oct CPIH.
- The local substation tariffs for 2026/27 will be finalised in January following the publication of OFGEM's Final RIIO-ET3 determinations.

2026/27 Local Substation Tariff (£/kW)				
Substation Rating	Connection Type	132kV	275kV	400kV
<1320 MW	No redundancy	0.434333	0.180468	0.131371
<1320 MW	Redundancy	0.917512	0.400517	0.278807
≥1320 MW	No redundancy	-	0.549664	0.382816
≥1320 MW	Redundancy	-	0.840615	0.573678

Onshore Local Circuits Tariffs

- Local circuits models for 2026/27 will be refined and will be locked down by the Draft Tariffs in November.
- We list the local circuit tariffs for non-MITS sites that are forecast to have directly-connected generators in the specific charging year.
- Tariffs can be positive or negative, depending on the "incremental" impact on the local networks.

Connection Point	2026/27 (£/kW)	2027/28 (£/kW)	2028/29 (£/kW)	2029/30 (£/kW)	2030/31 (£/kW)
Aberarder	1.781371	1.818468	1.854692	1.891789	1.929624
Aberdeen Bay	3.483570	3.556115	3.626953	3.699499	3.773486
Abhainn Dubh Wind Farm				1.469761	1.499155
Achruach	- 1.701396	- 1.736503	- 1.771743	- 1.810638	- 1.847281
AGS Calderside Battery Energy Storage System				1.095348	1.117255
Aigas	0.914704	0.933753	0.952353	0.971402	0.990830
Aitkenhead Farm			1.599379	1.631370	1.663996
Alcemi Armadale BESS					0.706070

For full details of this table please see Table 11 in the report / published tables file.

Offshore Local Tariffs

- Tariffs are set at asset transfer, or the beginning of a price control, and are indexed in line with the OFTO licence.
- Offshore tariffs and the Offshore substation discount have been recalculated for the RIIO-ET3 period.
- Since April, the forecast has been updated with the latest inflation indices.
- Projects expected to asset transfer during 2025/26 onwards will have tariffs calculated once asset transfer has taken place.

Offshore Generator	2026/27 August Tariff Component (£/kW)		
	Substation	Circuit	ETUoS
Barrow	11.599441	61.745836	1.533234
Beatrice	9.733434	26.841381	-
Burbo Bank Extension	14.939830	29.003375	-
Dudgeon	21.728428	34.205797	-
East Anglia 1	13.609528	57.734948	-
Galloper	22.588584	35.748905	-
Greater Gabbard	21.831282	50.762323	-
Gunfleet Sands I	25.537291	23.626123	4.415858
Gunfleet Sands II	25.537291	23.626123	4.415858
Gwynt y mor	33.710295	33.240266	-
Hornsea 1A	11.891968	37.505140	-
Hornsea 1B	11.891968	37.505140	-
Hornsea 1C	11.891968	37.505140	-

For full details of this table see Table 13 in the report/published tables file

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Demand Charging Base Forecasts

Nicky White

Consumption Proportions

	Band	Consumption (GWh)				
		2026/27	2027/28	2028/29	2029/30	2030/31
	Domestic	89,267	87,106	85,323	84,008	83,360
kWh	LV_NoMIC_1	3,252	2,840	2,954	3,102	3,274
kWh	LV_NoMIC_2	5,738	6,034	6,277	6,590	6,955
kWh	LV_NoMIC_3	6,228	6,550	6,813	7,153	7,549
kWh	LV_NoMIC_4	17,177	18,064	18,790	19,727	20,821
kVA	LV1	7,464	7,716	8,026	8,426	8,893
kVA	LV2	11,086	11,461	11,921	12,515	13,209
kVA	LV3	6,930	7,164	7,452	7,824	8,258
kVA	LV4	18,556	19,182	19,953	20,948	22,109
kVA	HV1	4,110	4,249	4,419	4,640	4,897
kVA	HV2	11,509	11,897	12,375	12,992	13,712
kVA	HV3	9,163	9,473	9,853	10,344	10,918
kVA	HV4	26,223	27,109	28,198	29,603	31,245
kVA	EHV1	1,755	1,814	1,887	1,981	2,091
kVA	EHV2	4,736	4,896	5,093	5,347	5,643
kVA	EHV3	4,920	5,086	5,291	5,554	5,862
kVA	EHV4	11,206	11,584	12,049	12,650	13,351
MWh	T-Demand1	502	519	540	567	598
MWh	T-Demand2	997	1,031	1,072	1,125	1,188
MWh	T-Demand3	1,978	2,045	2,127	2,233	2,357
MWh	T-Demand4	1,549	1,601	1,666	1,749	1,846
Unmetered demand						
	Unmetered	2,221	2,177	2,134	2,091	2,049

- This table shows the five-year consumption proportion forecasts per band.
- Voltage grouping totals are consistent with data received from DNOs and current observed trends.
- The forecast has been produced using the new banding thresholds which were recalculated for the new Price Control RIIO-ET3.

Site Counts

	Band	Site Count				
		2026/27	2027/28	2028/29	2029/30	2030/31
	Domestic	29,829,430	29,956,847	30,081,405	30,202,030	30,320,483
kWh	LV_NoMIC_1	868,201	865,930	864,798	864,232	863,950
	LV_NoMIC_2	651,151	649,448	648,598	648,174	647,962
	LV_NoMIC_3	325,575	324,724	324,299	324,087	323,981
	LV_NoMIC_4	325,575	324,724	324,299	324,087	323,981
kVA	LV1	85,732	85,956	86,067	86,123	86,151
	LV2	64,299	64,467	64,550	64,592	64,613
	LV3	32,150	32,233	32,275	32,296	32,307
	LV4	32,150	32,233	32,275	32,296	32,307
	HV1	8,751	8,728	8,716	8,711	8,708
	HV2	6,563	6,546	6,537	6,533	6,531
	HV3	3,282	3,285	3,287	3,288	3,289
	HV4	3,282	3,281	3,281	3,281	3,281
	EHV1	378	377	377	377	377
	EHV2	284	285	285	285	285
	EHV3	142	142	141	141	141
	EHV4	142	142	141	141	141
MWh	T-Demand1	30	31	32	33	36
	T-Demand2	21	21	21	22	22
	T-Demand3	16	16	16	16	17
	T-Demand4	5	5	6	6	6

- This table shows the five-year site count forecasts per band.
- Voltage grouping totals are consistent with data received from DNOs and current observed trends.
- The forecast has been produced using the new banding thresholds which were recalculated for the new Price Control RIIO-ET3.

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System Peak, HH/NHH demand & Chargeable Export Forecast

Charging Bases	2026/27	2027/28	2028/29	2029/30	2030/31
Generation (GW)	97.45	105.51	119.59	139.65	165.30
NHH Demand (4pm-7pm TWh)	22.95	23.37	23.63	24.34	25.07
Gross charging					
Total Average Gross Triad (GW)	47.54	48.05	48.29	49.74	51.24
HH Demand Average Gross Triad (GW)	16.69	16.61	16.34	16.83	17.34
Embedded Generation Export (GW)	7.08	6.89	7.16	7.37	7.59

Total Average Gross Triad (GW):

- For 2026/27 is forecast to be 47 GW
- Forecast to rise across the five years
- Forecast to reach 51 GW by 2030/31

Demand Tariffs

Dan Hickman

Demand Tariffs

- The demand residual revenue is forecast to be £7.5bn in 2026/27 increasing to £11.8bn in 2030/31.
- Both the average HH & NHH demand tariffs are forecast to increase across the 5 year horizon.
- The average HH gross tariff is forecasted to be £3.18/kW in 2026/27, increasing to £5.12/kW by 2030/31. The average NHH tariff is forecast at 0.43p/kWh in 2026/27, increasing to 0.68p/kWh by 2030/31.

Non-locational Residual Tariffs	2026/27	2027/28	2028/29	2029/30	2030/31
Unmetered (p/kWh)	3.05	3.51	3.96	4.18	4.35
Demand Residual (£m)	7,521	8,767	10,079	10,905	11,755

HH Tariffs (Locational)	2026/27	2027/28	2028/29	2029/30	2030/31
Average Tariff (£/kW)	3.18	3.49	3.31	5.08	5.12

EET	2026/27	2027/28	2028/29	2029/30	2030/31
Average Tariff (£/kW)	3.45	3.91	3.44	4.75	4.96
AGIC (£/kW)	3.42	3.49	3.56	3.63	3.70
Embedded Export Volume (GW)	7.08	6.89	7.16	7.37	7.59
Total Credit (£m)	24.43	26.92	24.61	35.05	37.67

NHH Tariffs (locational)	2026/27	2027/28	2028/29	2029/30	2030/31
Average (p/kWh)	0.43	0.47	0.45	0.69	0.68

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Demand Residual Charges

- Changes in the demand residual £/day charges are impacted by:
  - Changes in overall demand revenue
  - Changes in demand Proportion used to allocate revenue to each charging band provided by DNOs
  - Forecast site counts per band

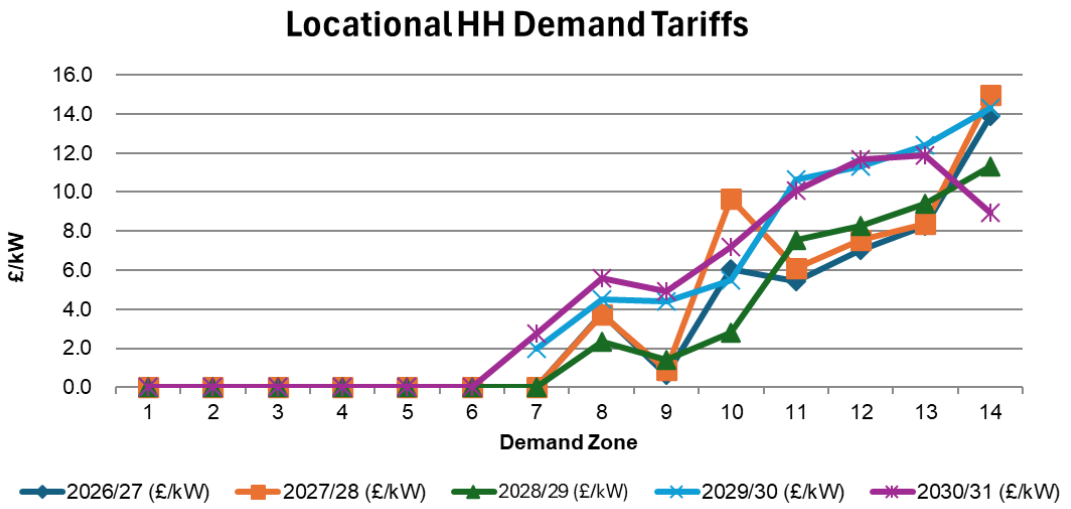
- On average, demand residual charges are forecast to increase by 94% compared to 2025/26 and a further 43% between 2026 and 2030/31 in line with the increase in the demand residual revenue.

Band		2026/27	2027/28	2028/29	2029/30	2030/31
Domestic	Tariff - £/Site/Day	0.250081	0.279046	0.308099	0.318200	0.327714
LV_NoMIC_1		0.313001	0.314782	0.371093	0.410574	0.451677
LV_NoMIC_2		0.736421	0.891703	1.051219	1.163060	1.279494
LV_NoMIC_3		1.598634	1.935722	2.282001	2.524786	2.777543
LV_NoMIC_4		4.408981	5.338659	6.293687	6.963279	7.660377
LV1		7.275302	8.614476	10.129053	11.192086	12.304504
LV2		14.408552	17.060752	20.060333	22.165645	24.368759
LV3		18.014346	21.330268	25.080506	27.712680	30.467133
LV4		48.233027	57.111336	67.152518	74.200107	81.575095
HV1		39.247292	46.714685	55.071431	60.930545	67.030330
HV2		146.538529	174.420047	205.622083	227.498568	250.273615
HV3		233.351299	276.707854	325.595573	359.897894	395.741570
HV4		667.799126	792.808941	933.429084	1,032.072136	1,135.027489
EHV1		387.505699	461.184507	543.655915	601.479827	661.685295
EHV2		1,394.461345	1,651.141483	1,941.441324	2,145.193624	2,358.411333
EHV3		2,897.172813	3,448.403920	4,065.285632	4,497.796157	4,948.072592
EHV4		6,598.392636	7,853.837001	9,258.802465	10,243.857361	11,269.374618
T-Demand1		1,398.054947	1,606.164923	1,831.919828	1,964.116014	1,980.034957
T-Demand2		3,967.319292	4,709.811109	5,545.083628	5,852.337303	6,436.112563
T-Demand3		10,330.820329	12,264.254216	14,439.287200	15,965.053912	16,524.781767
T-Demand4		25,891.311791	30,736.923080	30,156.695776	33,343.285385	36,669.304392
Unmetered demand				**p/kWh**		
Unmetered		3.050214	3.512406	3.964738	4.175503	4.350760

HH Demand Tariffs

- The average HH gross tariff is forecasted to be £3.18/kW in 2026/27, increasing to £5.12/kW by 2030/31.
- The general trend is for tariffs to increase year on year.

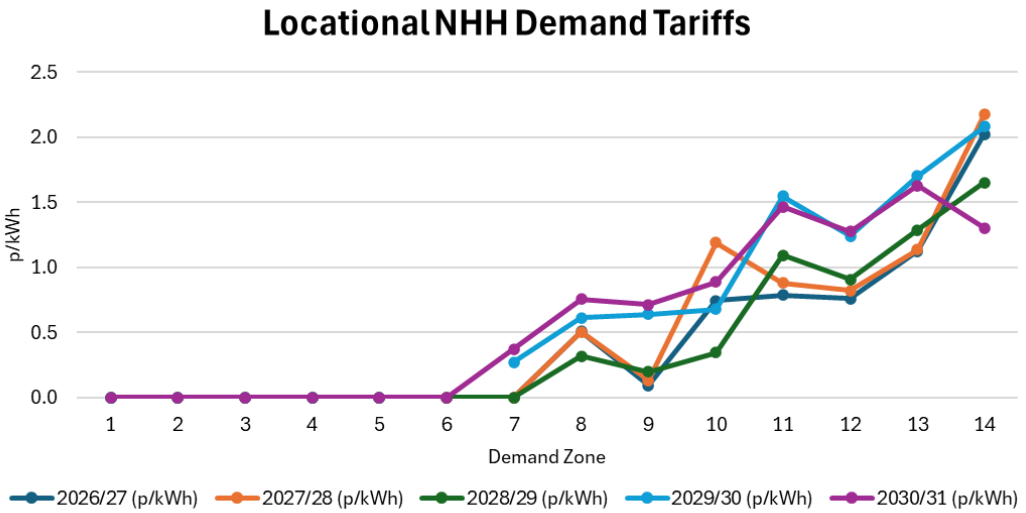
Zone	Zone Name	2026/27 (£/kW)	2027/28 (£/kW)	2028/29 (£/kW)	2029/30 (£/kW)	2030/31 (£/kW)
1	Northern Scotland	-	-	-	-	-
2	Southern Scotland	-	-	-	-	-
3	Northern	-	-	-	-	-
4	North West	-	-	-	-	-
5	Yorkshire	-	-	-	-	-
6	N Wales & Mersey	-	-	-		-
7	East Midlands	-	-	-	1.988553	2.730538
8	Midlands	3.772579	3.723162	2.346165	4.526175	5.574074
9	Eastern	0.645262	0.918422	1.384031	4.417722	4.906569
10	South Wales	6.048494	9.652552	2.815015	5.489967	7.173459
11	South East	5.440835	6.102991	7.535220	10.636469	10.093926
12	London	7.056492	7.573338	8.291046	11.329950	11.672177
13	Southern	8.260427	8.354836	9.414264	12.414371	11.879749
14	South Western	13.919102	14.964131	11.333442	14.293429	8.958708



NHH Tariffs

- The average NHH tariff is forecast at 0.43p/kWh in 2026/27, increasing to 0.68p/kWh by 2030/31.
- The general trend is for tariffs to increase year on year.

Zone	Zone Name	2026/27 (p/kWh)	2027/28 (p/kWh)	2028/29 (p/kWh)	2029/30 (p/kWh)	2030/31 (p/kWh)
1	Northern Scotland	-	-	-	-	-
2	Southern Scotland	-	-	-	-	-
3	Northern	-	-	-	-	-
4	North West	-	-	-	-	-
5	Yorkshire	-	-	-	-	-
6	N Wales & Mersey	-	-	-	-	-
7	East Midlands	-	-	-	0.272941	0.374783
8	Midlands	0.510019	0.504326	0.318604	0.614644	0.756947
9	Eastern	0.093120	0.132290	0.201097	0.641888	0.712916
10	South Wales	0.743938	1.190914	0.348328	0.679325	0.887639
11	South East	0.786991	0.881748	1.095356	1.546169	1.467302
12	London	0.762453	0.822716	0.907368	1.239945	1.277398
13	Southern	1.126374	1.137670	1.290088	1.701210	1.627947
14	South Western	2.026292	2.174083	1.651759	2.083153	1.305660



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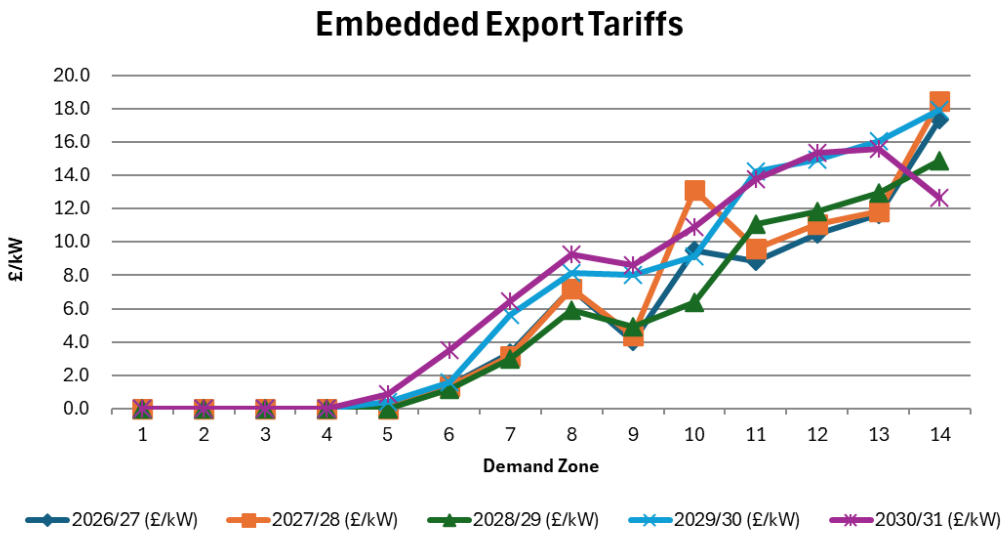
Embedded Export

- The average EET tariff is forecasted to be £3.45/kW in 2026/27, increasing to £4.96/kW by 2030/31.
- The EET Tariffs are the inverse of the HH Tariffs but with the addition of the AGIC. So a similar pattern can be seen.

Zone	Zone Name	2026/27 (£/kW)	2027/28 (£/kW)	2028/29 (£/kW)	2029/30 (£/kW)	2030/31 (£/kW)
1	Northern Scotland	-	-	-	-	-
2	Southern Scotland	-	-	-	-	-
3	Northern	-	-	-	-	-
4	North West	-	-	-	-	-
5	Yorkshire	-	-	-	0.416260	0.871973
6	N Wales & Mersey	1.409074	1.327512	1.184079	1.554559	3.501038
7	East Midlands	3.351199	3.142511	2.972095	5.616925	6.431475
8	Midlands	7.189174	7.210908	5.903386	8.154547	9.275011
9	Eastern	4.061857	4.406168	4.941252	8.046094	8.607506
10	South Wales	9.465089	13.140298	6.372236	9.118339	10.874396
11	South East	8.857430	9.590737	11.092441	14.264841	13.794863
12	London	10.473087	11.061084	11.848267	14.958322	15.373114
13	Southern	11.677022	11.842582	12.971485	16.042743	15.580686
14	South Western	17.335697	18.451877	14.890663	17.921801	12.659645

These tariffs include:

AGIC (£/kW)	3.416595	3.487746	3.557221	3.628372	3.700937



Sensitivity Analysis

Sarah Chleboun, Katie Clark
& Dan Hickman

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National Energy System Operator

Sensitivity Analysis

Having consulted customers, we have provided a number of sensitivity scenarios to help customers to understand the potential implications of changes to parameters that affect TNUoS Tariffs.

The sensitivity analysis that we undertook for 2026/27-2030/31 tariffs include:

- A scenario which tests the impact of variation in revenue on TDR
- A scenario which tests the impact of variation in the Expansion Constant for 2026/27
- A scenario which tests the Impact of an additional TRN4 transmission site

Variation in Revenue on TDR

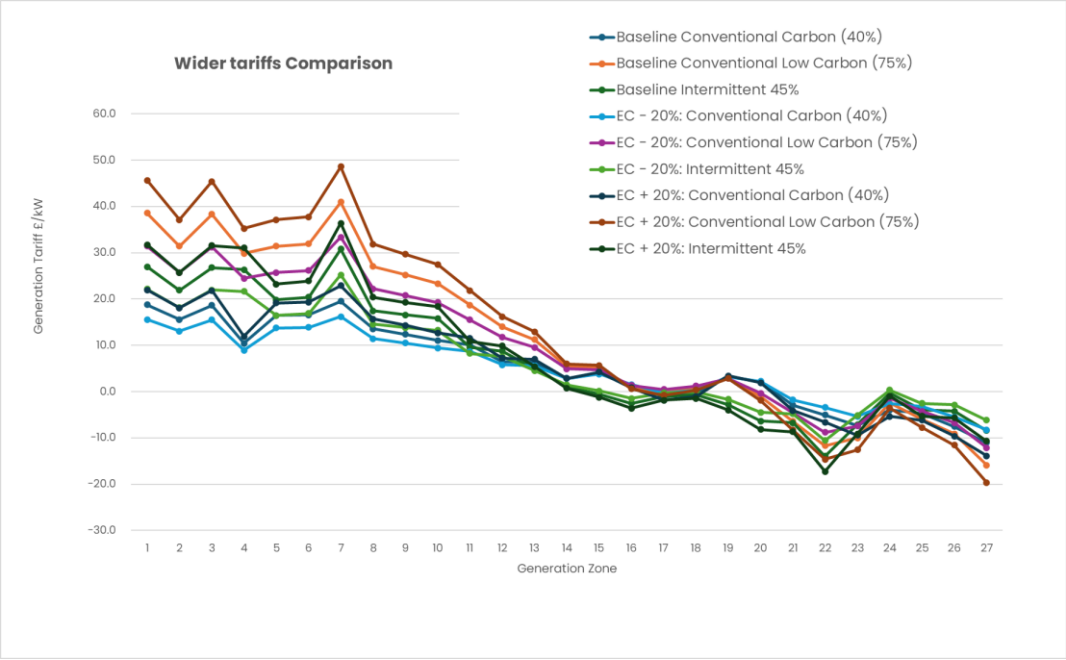
- As a broad rule of thumb, demand residual charges increase 1.3% for every additional £100m of allowed revenue.

Sensitivity Scenario £m	2026/27	2027/28	2028/29	2029/30	2030/31	Total RIIO-ET3 Price Control
Sensitivity 1	6,337.1	7,159.1	7,978.0	8,553.4	8,944.7	**38,972.3**
Base Case	**8,918.3**	**10,278.2**	**11,657.1**	**12,684.7**	**13,629.3**	**57,167.6**
Sensitivity 2	9,467.1	11,037.4	12,618.6	13,794.5	14,878.0	**61,795.6**
Sensitivity 3	14,907.3	17,220.3	19,565.6	21,047.0	22,093.3	**94,833.4**

	2026/27			
	Sensitivity 1	Base Case	Sensitivity 2	Sensitivity 3
Total Revenue (£m)	6,337	8,918	9,467	14,907
Generation Share	20.03%	14.24%	13.41%	8.52%
Demand Share	80.0%	85.8%	86.6%	91.5%
% Change in TDR	**-34.3%**	**0.0%**	**7.3%**	**79.6%**

Expansion Constant Variation

- The charts below show the impact of an increase/decrease of 20% to the Expansion Constant (EC) on indicative tariffs against the 5YV base case.
- The impact of an increase or decrease in expansion constant will have the same effect for each year.
- For each tariff type, it can be seen that an increase/decrease to the EC has the effect of stretching/compressing the tariff. So, in general, the tariff increases or decreases in line with an increase or decrease to the EC. For negative tariffs, an increase to the EC will cause it to go more negative.



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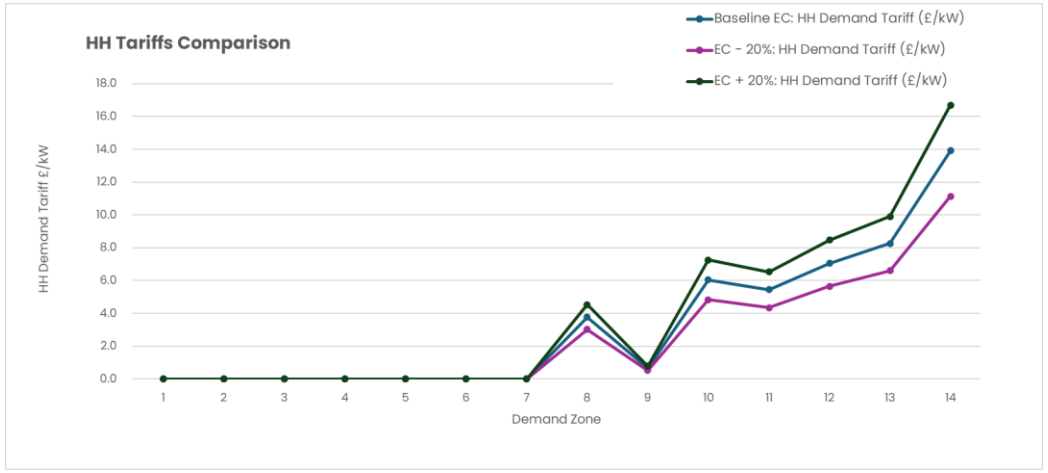
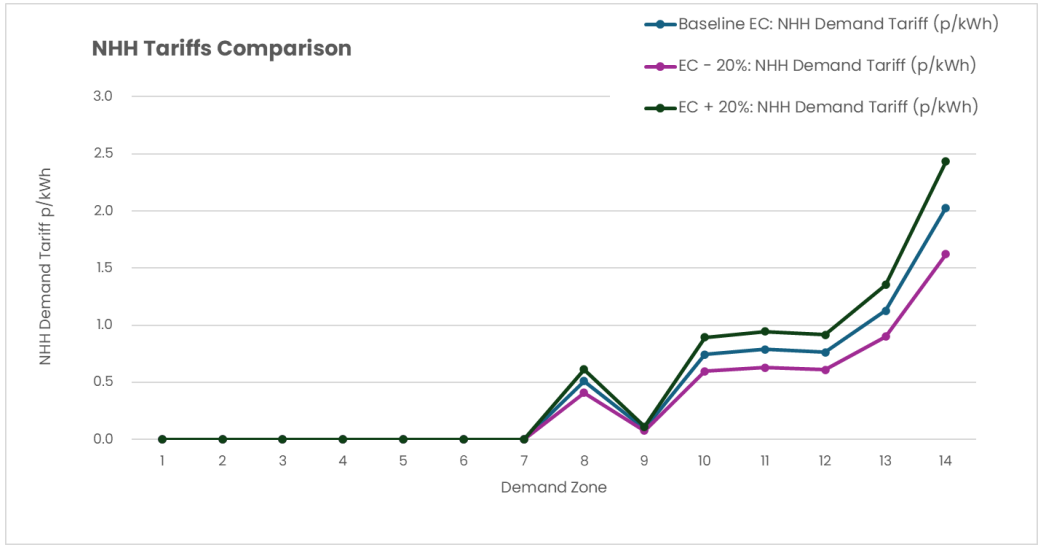
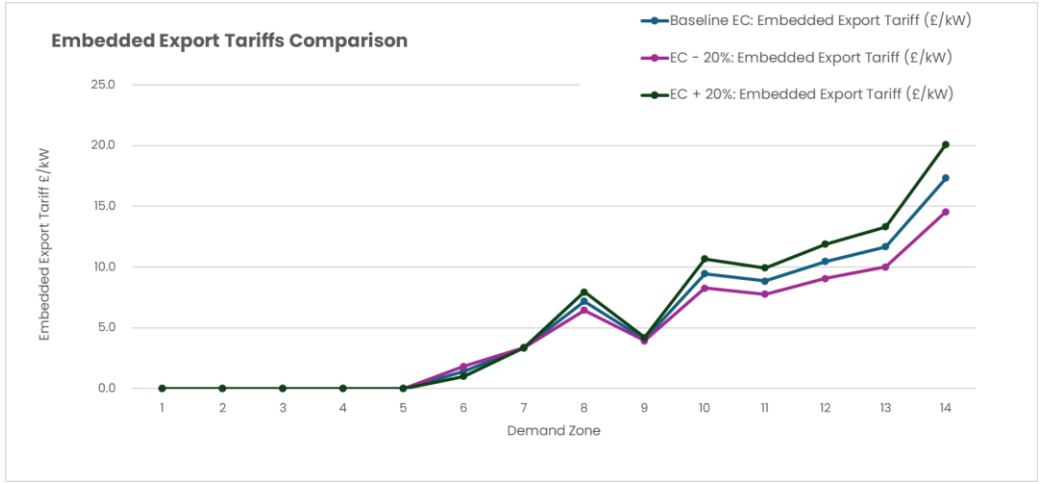
Expansion Constant Variation







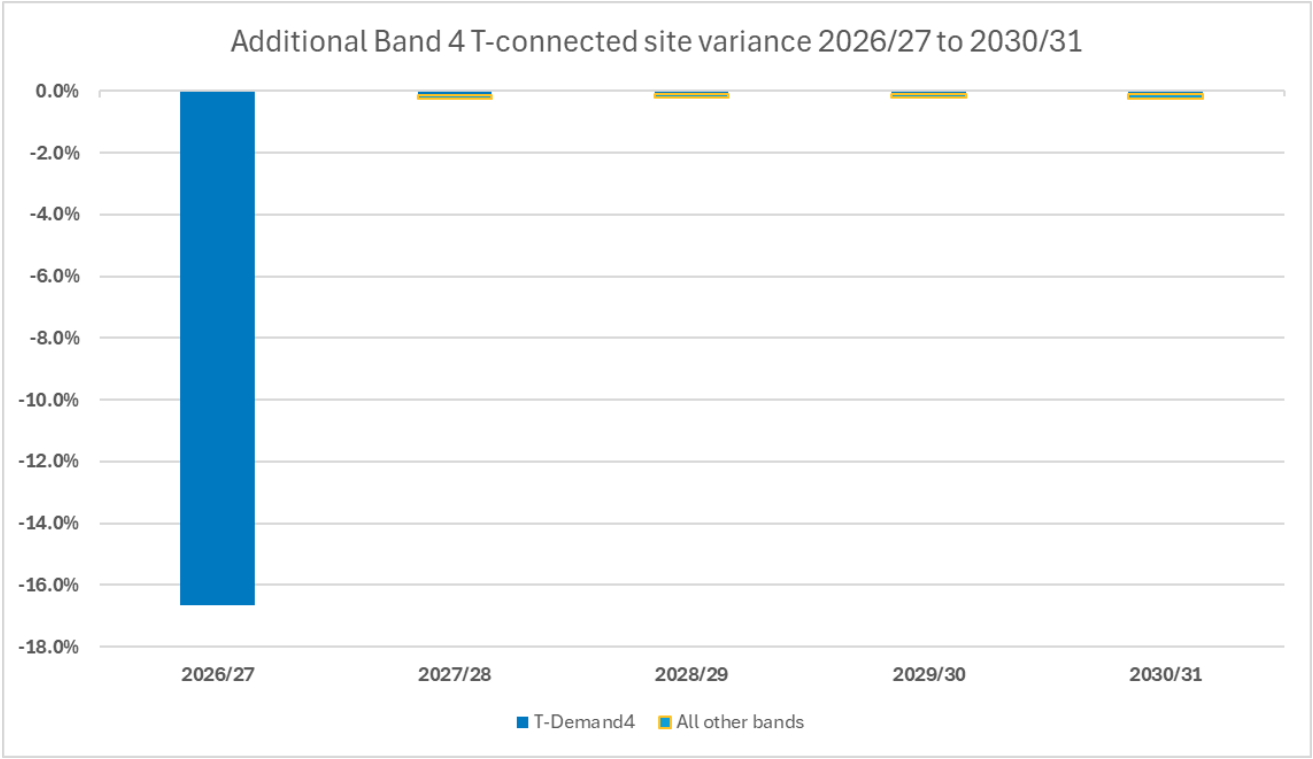
Impact of an additional transmission band 4 site

- This sensitivity looks at the impact of adding an additional transmission band 4 site with 320GWh per annum consumption

T-connected Site Count	2026/27	2027/28	2028/29	2029/30	2030/31
T-Demand1	30	31	32	33	36
T-Demand2	21	21	21	22	22
T-Demand3	16	16	16	16	17
T-Demand4	6	6	7	7	7
Total transmission sites	73	74	76	78	82

T-connected Consumption Proportion	2026/27	2027/28	2028/29	2029/30	2030/31
T-Demand1	0.20%	0.21%	0.21%	0.22%	0.22%
T-Demand2	0.40%	0.41%	0.42%	0.43%	0.44%
T-Demand3	0.80%	0.82%	0.84%	0.85%	0.87%
T-Demand4	0.63%	0.77%	0.76%	0.78%	0.80%
Total transmission	2.04%	2.21%	2.23%	2.28%	2.33%

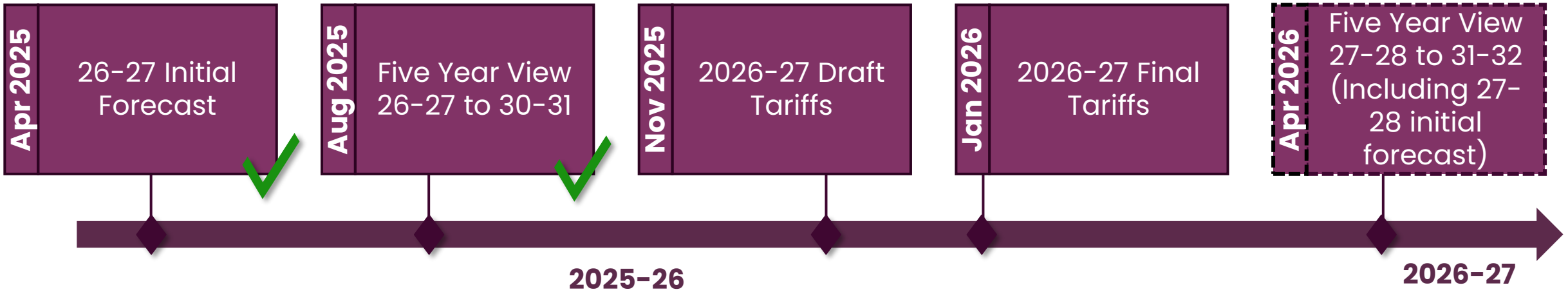
Variance (TDR Charge per £/site)	2026/27	2027/28	2028/29	2029/30	2030/31
Domestic	0.00	-0.13	-0.12	-0.13	-0.14
LV_NoMIC_1	0.00	-0.15	-0.15	-0.17	-0.19
LV_NoMIC_2	0.00	-0.42	-0.42	-0.47	-0.53
LV_NoMIC_3	0.00	-0.91	-0.91	-1.03	-1.15
LV_NoMIC_4	0.00	-2.50	-2.51	-2.83	-3.18
LV1	0.00	-4.04	-4.03	-4.55	-5.11
LV2	0.00	-8.00	-7.99	-9.02	-10.12
LV3	0.00	-10.00	-9.99	-11.28	-12.65
LV4	0.00	-26.79	-26.74	-30.19	-33.86
HV1	0.00	-21.91	-21.93	-24.79	-27.83
HV2	0.00	-81.81	-81.88	-92.57	-103.89
HV3	0.00	-129.79	-129.65	-146.44	-164.28
HV4	0.00	-371.87	-371.68	-419.94	-471.16
EHV1	0.00	-216.32	-216.48	-244.74	-274.67
EHV2	0.00	-774.47	-773.05	-872.86	-979.00
EHV3	0.00	-1,617.48	-1,618.73	-1,830.12	-2,054.00
EHV4	0.00	-3,683.85	-3,686.71	-4,168.15	-4,678.05
T-Demand1	0.00	-753.37	-729.44	-799.19	-821.94
T-Demand2	0.00	-2,209.14	-2,207.97	-2,381.28	-2,671.71
T-Demand3	0.00	-5,752.56	-5,749.50	-6,496.07	-6,859.63
T-Demand4	-1,575,054.80	-14,417.17	-12,007.93	-13,567.15	-15,221.86



Next Steps

Nick Everitt

Tariff Timetable



- The next publication will be the Draft Tariffs which will be published in November 2025.
- The Final tariffs for 2026/27 will be published in January 2026 and will apply from April 2026.

Getting involved

Transmission Charging Methodology Forum (TCMF)

- We will continue to engage with you on our TNUoS forecast via the monthly TCMF meetings.
- Interested? Further details can be found on the NESO website

Charging Future Forum

- One place to learn, contribute and shape the reform of GB's electricity network access and charging arrangements
- Interested? Further information can be found on the Charging Futures Website or sign up to receive more information here.

Transport and Tariff Model Training

- We plan on running more Transport and Tariff Model training sessions, which will be scheduled soon.
- Please provide suggestions and register your interest via TNUoS.Queries@neso.energy
- The recordings from the last training session can be found here.

If you're not already subscribed to our mailing list, you can subscribe here

Q&A

A Q&A session was held during the webinar where these slides were presented, you can find our Q&A document here.

If you have any further questions, please contact us at TNUoS.queries@neso.energy

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Thank you

Please send any feedback that you have via email to:

TNUoS.queries@neso.energy

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