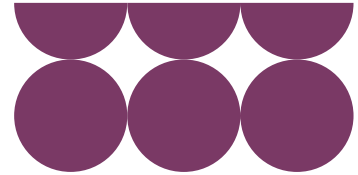


December 2025

# Final BSUoS Tariffs for 2026/27

Fixed Tariff 7 (April 2026 – September 2026)

Fixed Tariff 8 (October 2026 – March 2027)



## Executive Summary

Balancing Services Use of System (BSUoS) charges are recovered under a fixed tariff methodology. This report presents the Final BSUoS Tariffs for 2026/27.

- Final Tariff 7 (April 2026 – September 2026) is £13.74MWh
- Final Tariff 8 (October 2026 – March 2027) is £12.49/MWh.

### Final Tariffs 7 and 8

Final Tariffs have been based on our balancing cost and volume forecast as of 15 December 2025.

We are forecasting to be over-recovered by £139m at the end of Fixed Tariff 6 (ending 31 March 2026).

Similar to the Draft Tariffs, we are including a £139m negative adjustment across Final Tariffs 7 and 8, to return our forecast cumulative over-recovery at the end of Fixed Tariff 6 and achieve a cash neutral position at the end of Final Tariff 8 (ending 31 March 2027).

Compared to Draft Tariffs, Final Tariff 7 decreased by £0.47/MWh and is £3.00/MWh higher than Tariff 5. Meanwhile, Final Tariff 8 increased by £0.56/MWh from Draft but decreased by £3.20/MWh compared to Tariff 6.

### Webinar – 15 January

We will host a webinar on 15 January to present the Final Tariffs and answer any questions.

Please click the button below to register for the webinar.

[Register for the BSUoS  
Webinar](#)

### Feedback

We welcome feedback on any aspect of this document and the tariff setting processes.

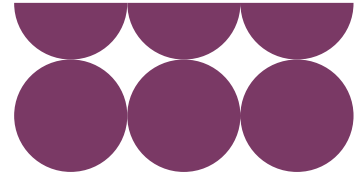
Following the implementation of CUSC modifications CMP408 and CMP415, we are keen to hear what you would like to see included within CUSC for the BSUoS tariff reset process.

We encourage all parties affected by the changes to the BSUoS charging regime to engage with us to flag any concerns and suggestions.

Please contact us if you have any further suggestions as to how we can better work with you to improve the BSUoS tariff forecasting process.

Our contact details:

Email: [BSUoS.queries@neso.energy](mailto:BSUoS.queries@neso.energy)



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# Overview of Tariff Setting







## Background

The costs of balancing the system are influenced by many external factors, including wholesale market prices, weather conditions, and network outages, making them difficult to predict. In 2023, the Fixed BSUoS Tariff was introduced to minimise that volatility in BSUoS charging.

CMP361 introduced an ex-ante fixed volumetric BSUoS tariff set over a total fixed and notice period of 15 months, which was designed to deliver the recommendations of the Second BSUoS Task Force. The decision on implementing CMP361 was made by Ofgem on 15 December 2022. The decision was made to implement WACM3 (Workgroup Alternative CUSC Modification) from 1 April 2023. WACM3 fixed BSUoS for 6 months with 9 months’ notice and defined that there would be no BSUoS fund to support the tariff.

The first six Fixed Tariffs were published under this methodology, with the most recent Final Tariff publication for Fixed Tariff 6 (October 25 – March 26), published in December 2024.

In October 2024, Ofgem approved CMP408 and CMP415 (WACM1). CMP408 changed the BSUoS notice period from its current 9 months to 3 months. CMP415 is a consequential modification for CMP408, which looked at a change to a definition in Section 11 Amending the Fixed Price Period from 6 months to 12 months.

The 2026/27 tariffs (Fixed Tariffs 7 and 8) are the first tariffs to be published under this new methodology.

## BSUoS Timeline

Following the approval of CMP408 and CMP415 we have amended our Tariff Publication Timetable. This is the first Final Tariff publication under the new CMP408 and CMP415 methodology and timeline, as shown in Figure 1 – BSUoS Tariff Publication Timetable.

Figure 1 – BSUoS Tariff Publication Timetable



# Calculation and Inputs





## Tariff Forecast Methodology

The forecasting model we have developed is used to determine balancing costs for the fixed tariff period ahead. The central forecast number determines the cost that goes into the tariff.

Before a tariff can be calculated, there are other non-balancing costs that need to be included. These are provided as a single central forecast only. Although these additional costs may vary, they fall outside the model's scope, as they are driven by external factors rather than model parameters.

The forecasts for these additional costs are added to the central forecast for the balancing costs to calculate the total BSUoS Costs. Total BSUoS Costs are then divided by the BSUoS volumes to get to the BSUoS tariff estimation for the fixed period.

The process described above is carried out for each 6-month period that a tariff is fixed over.

Final Tariffs 7 and 8 are shown in Figure 2:

Figure 2 – Final Tariffs 7 and 8

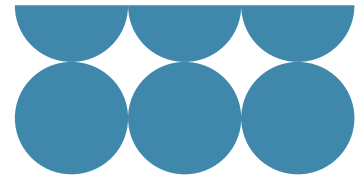
Financial Year 2026/27 – Fixed Tariff 7 – Final Tariffs			Financial Year 2026/27 – Fixed Tariff 8 – Final Tariffs		
Description		Final Tariffs	Description		Final Tariffs
Fixed Tariff 7 Apr 26 – Sep 26	Balancing Cost Forecast £m	1,285.2	Fixed Tariff 8 Oct 26 – Mar 27	Balancing Cost Forecast £m	1,489.8
	Internal Costs £m	400.0		Internal Costs £m	397.8
	Forecast over-recovery to the end of FT6, split between FT7 and FT8 £m	(69.8)		Forecast over-recovery to the end of FT6, split between FT7 and FT8 £m	(69.5)
	CMP398 Costs £m	-		CMP398 Costs £m	-
	RF Income Adjustment £m	(11.6)		RF Income Adjustment £m	(11.6)
	SO-TO Costs £m	2.0		SO-TO Costs £m	2.0
	Prior Year Costs £m	3.5		Prior Year Costs £m	3.5
	<b>Total Costs £m</b>	<b>1,609.3</b>		<b>Total Costs £m</b>	<b>1,812.0</b>
	BSUoS Volume Forecast TWh	117.1		BSUoS Volume Forecast TWh	145.0
	<b>BSUoS Tariff £/MWh</b>	<b>13.74</b>		<b>BSUoS Tariff £/MWh</b>	<b>12.49</b>

## Tariff Inputs

### Balancing Costs

The largest portion of the costs to be recovered through the BSUoS charge are the costs to balance the system. These costs have increased over the last few years, with several factors contributing, including the increased contribution of renewable generation, the changing nature of the generation mix, and rising constraint costs. More recently, wholesale electricity prices have contributed to this trend. These were initially affected by the war in Ukraine and are now influenced by wind output, inflation, and changing market behaviours.

In addition to being the largest component of the BSUoS cost and therefore biggest element of the tariff, the balancing costs are also the most difficult to forecast.



The balancing cost forecast for Final Tariffs was produced based on the average of the forward price curves derived between 1 December and 5 December 2025.

Since the publication of Draft Tariffs 7 and 8 in October 2025, the balancing cost forecast has been updated to reflect the evolving system conditions.

The final balancing cost forecast for Final Tariff 7 has been revised to £1,285.2m, down 0.5% from the draft forecast (£1,292.0m). Compared to last year's Final Tariff 5 (£1,225.5m), this represents a 4.9% increase, indicating a modest year-on-year rise despite the slight reduction from draft to final. The decrease from the draft forecast is mainly driven by an 8% decrease in average wholesale price forecasts, which more than offsets a 1% increase in constraint cost forecasts.

For Fixed Tariff 8, the final balancing cost forecast has been revised to £1,489.8m, up 10.5% from the draft forecast (£1,347.9m). In comparison with last year's Final Tariff 6 (£1,528.0m), it is down 2.5%. The increase from the draft forecast is primarily due to a 21% increase in constraint cost forecasts, partially offsetting the effect of an 8% decrease in average wholesale price forecasts.

For further information on the methodology used in our model, please refer to the links to the BSUoS fixed tariff model consultation document in Appendix B – Document Links.

## Internal Costs

Internal costs (allowed revenue) are calculated in the NESO Financial Model (NESO FM). For Final Tariffs 7 and 8, this is based on the 2025 Financial Model<sup>1</sup>.

Internal costs for 2026/27 are £797.7m. This is a £43.8m decrease from 2025/26, and a £65.1m decrease from Draft Tariffs.

Compared to 2025/26, whilst expected spend has increased (£55m), this has been more than offset by higher interest income returned to customers (£40m), lower separation costs incurred by National Grid (£39m) as well as a return of lower than forecast spend in prior years (£29m).

For further information on the NESO FM process please visit the Regulatory Finance NESO webpage [neso.energy/about/operational-information/regulatory-finance](https://neso.energy/about/operational-information/regulatory-finance)

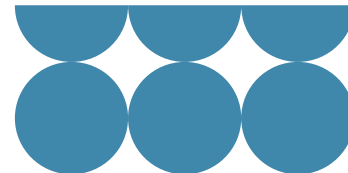
## Forecast Over / Under-Recovery Adjustment

With the introduction of a BSUoS fixed tariff, the daily costs of operating the transmission system are no longer directly connected with the revenue recovered through the tariff. This introduces the potential for both significant over and under-recovery of revenue versus costs. In accordance with CMP361, any such under/over-recovery feeds into future fixed tariffs.

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<sup>1</sup> Published 28 Nov 2025 [neso.energy/about/operational-information/regulatory-finance#Financial-Model-Publication](https://neso.energy/about/operational-information/regulatory-finance#Financial-Model-Publication)





Consistent with the approach of the Draft Tariffs published in October 2025, we have included a negative adjustment within Fixed Tariffs 7 and 8 to account for the cumulative forecast over-recovery expected by the end of Fixed Tariff 6.

As of the Final Tariff setting on 15 December 2025, we forecast an over-recovery of £139.3m by the end of Fixed Tariff 6. This over-recovery amount is being returned proportionally across Fixed Tariffs 7 (£69.8m) and Fixed Tariff 8 (£69.5m) to achieve a cash-neutral position by the end of Fixed Tariff 8.

This is the same approach used in both our Initial Forecast of Tariffs 7 and 8 and Draft Tariffs. As we are setting two six-month tariffs simultaneously, by adjusting for the cumulative over-recovery to the end of Fixed Tariff 8 proportionally across Fixed Tariffs 7 and 8, this approach allows for balanced reconciliation of any over/under-recovery across the financial year. By spreading adjustments equally, we aim to reduce large fluctuations within a financial year, while still adjusting for over/under-recovery in a timely manner.

A summary of the forecast over/under-recovery as of 15 December 2025, including the over/under recovery adjustments previously included in tariffs is shown below:

**Table 1 – Forecast BSUoS Cash Positions**

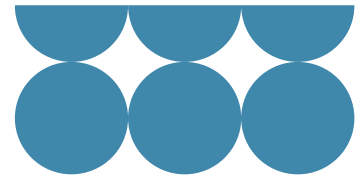
<b>Fixed Tariff</b>	<b>Tariff Period Starting BSUoS Cash Position (£m)</b>	<b>(Over)/Under Recovery Adjustment in Tariff (£m)</b>	<b>Tariff Period Over/(Under) Recovery (£m)</b>	<b>Tariff Period End BSUoS Cash Position (£m)</b>
<b>Fixed Tariff 5 (Apr 25 – Sep 25)</b>	310.5	(215.0)	(136.6)	<b>(41.1)</b>
<b>Fixed Tariff 6* (Oct 25 – Mar 26)</b>	(41.1)	164.3	16.1	<b>139.3</b>
<b>Final Tariff 7* (Apr 26 – Sep 26)</b>	139.3	(69.8)	4.8	<b>74.3</b>
<b>Final Tariff 8* (Oct 26 – Mar 27)</b>	74.3	(69.5)	0.1	<b>4.9</b>

\*Values for Fixed Tariff 6, Fixed Tariff 7, and Fixed Tariff 8 are forecast as of 15 December 2025

Please note, our forecast BSUoS cash position does not return exactly to zero at the end of Fixed Tariff 8. This is due to the balancing cost forecast used in the tariffs being a central 6-month forecast, whereas our comparative costs are forecast by individual month. The central 6-month forecast is not the same as the sum of the central cases across individual months.

Since the publication of the Draft Tariffs in October 2025, there have been changes to our forecast and outturn BSUoS cash position.

For Fixed Tariff 5 (April 2025 – September 2025), our cumulative BSUoS cash position is now –£41.1m, a £56.9m decrease from our forecast in September 2025. Costs for August



and September out turned above our forecast, with higher-than-forecast levels of demand being met by renewable generation, resulting in an increase in constraint costs.

For Fixed Tariff 6 (October 2025 – March 2026), our forecast cumulative BSUoS cash position is £139.3m, a decrease of £27.6m since our forecast in September 2025. This is the result of the cumulative changes seen in Fixed Tariff 5, offset against a 3% average decrease in the balancing cost forecast for the remainder of the Fixed Tariff 6 period.

For further detail on our over-recovery position please visit our website:

[neso.energy/document/280681/download](https://neso.energy/document/280681/download)

### CMP398 Costs

CMP398 implements Grid Code modification GC0156, establishing a cost recovery mechanism for CUSC parties without NESO contracts to provide Restoration Services. In Draft Tariffs, we had included a forecast £14.6m across both Fixed Tariffs 7 and 8. Since no claims were submitted in the September 2024 or September 2025 windows, no payments are due for 2025/26, and the 2026/27 charge is forecast at £0m. The remaining £48m is expected to be charged between April 2027 and March 2028. As resilience reporting is new for generators and costs remain uncertain, expenses could still reach the original estimate of £85m.

For further details on the background and status of CMP398 please visit the webpage [neso.energy/industry-information/codes/cusc/modifications/cmp398-gc0156-cost-recovery-mechanism-cusc-parties](https://neso.energy/industry-information/codes/cusc/modifications/cmp398-gc0156-cost-recovery-mechanism-cusc-parties).

### Prior Year Costs

We are including a £7.1m cost in relation to ancillary services and trading costs from previous years, which sit outside our Revenue vs Cost Report.

### SO – TO Outage Costs

We are including a forecast £4.0m in respect of additional costs for SO-TO outages. Previously, we have not included a separate line item in BSUoS tariffs for this cost, however estimated costs for 2025/26 are £2.4m.

### RF Income Repayment

We are including a £23.2m negative adjustment in respect of RF income from 2023/24 and 2024/25, to be returned across Fixed Tariffs 7 and 8. Compared to Draft Tariffs, there is an additional £2.4m negative adjustment, based on latest RF settlement data.

### BSUoS Chargeable Volume

From April 2023, the code modification CMP308 came into effect which moved the charging of BSUoS from generation and demand to “Final Demand” only. Final Demand is currently defined as electricity consumed other than for the purposes of generation or



export onto the electricity network. The BSUoS chargeable volume has been estimated using a simple linear regression, with the NESO national demand forecast as the explanatory variable. The relationship is estimated using only BSUoS chargeable volume and national demand data from after April 2023.

The BSUoS chargeable volume forecast has been updated in this Final Tariff 7 and 8 to reflect updates in the NESO national demand outlook and linear regression model inputs. The volume forecast for Final Tariff 7 has been revised to 117.10 TWh, down slightly by 0.1% from the draft forecast of 117.20 TWh. Compared to last year's Final Tariff 5 (119.80 TWh), it is lower by 2.3%, indicating a small year-on-year decrease.

For Final Tariff 8, the volume forecast is now 145.04 TWh, up by 0.7% from the draft forecast of 144.00 TWh, as more actual data have been incorporated into the forecast. Against last year's Final Tariff 6 (143.30 TWh), it is higher by 1.2%, showing a slight year-on-year increase following the upward revision from the Draft Tariffs in September 2025 to this final in December 2025.

# Supporting Information







We would like to ensure that customers understand the current charging arrangements and the reasons why tariffs change. If you have specific queries on this publication, please contact us using the details below. Feedback on the content and format of this forecast is also welcome. We are particularly interested to hear how accessible you find the report and if it provides the right level of detail.

## Tariff Webinar

On 15 January 2025 we will be running a webinar to discuss this BSUoS Tariff document and answer any questions you may have. You can register for the webinar below:

**[Registration Link for BSUoS Webinar](#)**

## BSUoS Reporting

We are committed to providing industry with visibility of upcoming costs and the potential for tariff resets. To fulfil this commitment, we have been providing the following reporting:

1. Daily BSUoS costs, published as part of our web price reports.
2. Weekly reporting on current recovery values against fixed tariff forecasts, based on:
  - Actual BSUoS outturn costs (using the latest control room data, II and SF costs).
  - Actual BSUoS outturn volumes (using the latest of II and SF volumes).
  - Updated projections of cost and volume, based on the latest monthly forecast.
3. Monthly publications of balancing service forecast costs over a 2-year time horizon.
4. Monthly publications of BSUoS outturn costs and volumes compared to forecast, covering a rolling 12-month period. This includes both month-ahead and year-ahead forecasts, with commentary to explain key drivers behind the outturn.

If a tariff reset during a fixed period appears likely we will provide notice to the industry as soon as practicably possible via our usual communication channels.

## Contact Us

Please subscribe to our mailing list to receive further updates about the BSUoS fixed tariff implementation and anything else BSUoS related if you are not already a subscriber.

[Click here to Join Our Mailing List.](#)

If you have any immediate questions about this publication or anything else BSUoS fixed tariff related, please contact us.

[BSUoS.queries@neso.energy](mailto:BSUoS.queries@neso.energy)

# Appendix A – Historic BSUoS Tariffs



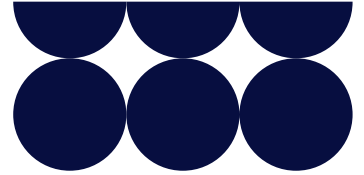


Figure 3 and Table 2 below show the historic inputs in the Final and forecast tariffs.

Figure 3 – Historic BSUoS Tariffs

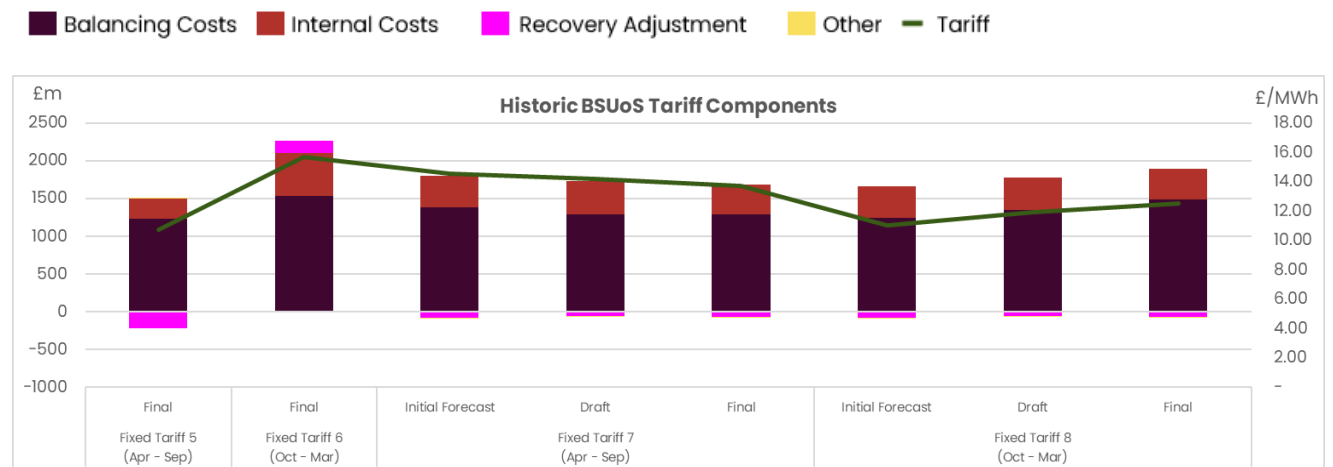


Table 2 – Historic BSUoS Tariffs

All values £m unless stated	2025/26		2026/27					
	Tariff 5 (Apr - Sep)	Tariff 6 (Oct - Mar)	Tariff 7 (Apr - Sep)			Tariff 8 (Oct - Mar)		
	Final	Final	Initial Forecast	Draft	Final	Initial Forecast	Draft	Final
Balancing Costs (Central)	1,225.5	1,528.0	1,379.1	1,292.0	1,285.2	1,238.5	1,347.9	1,489.8
Internal Costs	271.9	569.7	421.9	434.6	400.0	419.6	432.2	397.8
Recovery Adjustment	- 215.0	164.3	- 78.8	- 58.8	- 69.8	- 78.4	- 58.5	- 69.5
Other	4.3	13.8	0.4	3.1	6.1	0.3	3.1	6.1
Total	1,286.6	2,248.2	1,721.8	1,664.7	1,609.3	1,579.4	1,718.4	1,812.0
Volume (TWh)	119.8	143.3	118.3	117.2	117.1	143.2	144.0	145.0
Tariff £/MWh	10.74	15.69	14.55	14.21	13.74	11.03	11.93	12.49



# Appendix B – Document Links







The methodology for charging BSUoS has undergone significant change over the past few years. Table 3 – Document Links provides links to key information, including consultations on BSUoS modelling, CUSC modifications and details of where to find further information on all things BSUoS.

**Table 3 – Document Links**

	Description	Link/Source
Model Consultation Info.	BSUoS Fixed Tariff Model Consultation – June 2022	<a href="https://www.neso.energy/document/262041/download">https://www.neso.energy/document/262041/download</a>
	BSUoS Fixed Tariff Model Consultation Webinar – June 2022	<a href="https://www.neso.energy/document/262326/download">https://www.neso.energy/document/262326/download</a>
	BSUoS Fixed Tariff Model Consultation – Webinar Q&A June 2022	<a href="https://www.neso.energy/document/262531/download">https://www.neso.energy/document/262531/download</a>
	BSUoS Fixed Tariff Model Consultation – Webinar Recording	<a href="https://players.brightcove.net/867903724001/default_default/index.html?videoid=6308766047112">https://players.brightcove.net/867903724001/default_default/index.html?videoid=6308766047112</a>
	BSUoS Fixed Tariff Model Consultation 2 – Webinar Slides August 2022	<a href="https://www.neso.energy/document/265571/download">https://www.neso.energy/document/265571/download</a>
Latest Tariff Publications	BSUoS Fixed Tariff 6 Publication – December 2024	<a href="https://www.neso.energy/document/350411/download">https://www.neso.energy/document/350411/download</a>
	BSUoS Fixed Tariff 6 Webinar and Q&A – February 2025	<a href="https://www.neso.energy/document/353156/download">https://www.neso.energy/document/353156/download</a>
		<a href="https://www.neso.energy/document/353121/download">https://www.neso.energy/document/353121/download</a>
	Initial Forecast of BSUoS Fixed Tariffs 7 – June 2025	<a href="https://www.neso.energy/document/363656/download">https://www.neso.energy/document/363656/download</a>
	Initial Forecast of BSUoS Fixed Tariffs 7 and 8 Webinar and Q&A – July 2025	<a href="https://www.neso.energy/document/364921/download">https://www.neso.energy/document/364921/download</a>
<a href="https://www.neso.energy/document/364926/download">https://www.neso.energy/document/364926/download</a>		
Model Inputs	Draft Forecast of BSUoS Fixed Tariffs 7 and 8 – October 2025	<a href="https://www.neso.energy/document/369526/download">https://www.neso.energy/document/369526/download</a>
		<a href="https://www.neso.energy/document/369966/download">https://www.neso.energy/document/369966/download</a>
		<a href="https://www.neso.energy/document/369976/download">https://www.neso.energy/document/369976/download</a>
Model Inputs	Plexos constraint forecast	<a href="https://www.neso.energy/data-portal/24-months-ahead-constraint-cost-forecast">https://www.neso.energy/data-portal/24-months-ahead-constraint-cost-forecast</a>
	Historic daily balancing costs	<a href="https://www.neso.energy/data-portal/daily-balancing-costs-balancing-services-use-system">https://www.neso.energy/data-portal/daily-balancing-costs-balancing-services-use-system</a>
	Future energy scenarios	<a href="https://www.neso.energy/publications/future-energy-scenarios-fes">https://www.neso.energy/publications/future-energy-scenarios-fes</a>



	Description	Link/Source
	Weather data	<a href="https://gmao.gsfc.nasa.gov/reanalysis/MERRA-2/">https://gmao.gsfc.nasa.gov/reanalysis/MERRA-2/</a>
CMP361 and CMP362	CMP361 and CMP362 Final Modification Report – March 2022	<a href="https://www.neso.energy/document/246486/download">https://www.neso.energy/document/246486/download</a>
	Ofgem’s minded-to decision: CMP361 and CMP362 (21 September 2022)	<a href="https://www.ofgem.gov.uk/sites/default/files/2022-09/CMP361_Minded-to_final_PDF_-_Publication.pdf">https://www.ofgem.gov.uk/sites/default/files/2022-09/CMP361 Minded-to final PDF – Publication.pdf</a>
	Ofgem’s final decision: CMP361 and CMP362 (15 December 2022)	<a href="https://www.ofgem.gov.uk/publications/cmp361-and-cmp362-decision">https://www.ofgem.gov.uk/publications/cmp361-and-cmp362-decision</a>
	CMP361 and CMP362 Modification Web Page	<a href="https://www.neso.energy/industry-information/codes/cusc/modifications/cmp361-cmp362-bsuos-reform-introduction-ex-ante-fixed-bsuos-tariff-consequential-definition-updates">https://www.neso.energy/industry-information/codes/cusc/modifications/cmp361-cmp362-bsuos-reform-introduction-ex-ante-fixed-bsuos-tariff-consequential-definition-updates</a>
	CMP408 Final Modification Report (13 October 2023)	<a href="https://www.neso.energy/document/290096/download">https://www.neso.energy/document/290096/download</a>
	Ofgem’s decision letter: CMP408 (30 October 2024)	<a href="https://www.neso.energy/document/346511/download">https://www.neso.energy/document/346511/download</a>
CMP408 and CMP415	CMP408 Modification Web Page	<a href="https://www.neso.energy/industry-information/codes/cusc/modifications/cmp408-allowing-consideration-different-notice-period-bsuos-tariff-settings">https://www.neso.energy/industry-information/codes/cusc/modifications/cmp408-allowing-consideration-different-notice-period-bsuos-tariff-settings</a>
	CMP415 Final Modification Report (21 September 2023)	<a href="https://www.neso.energy/document/288861/download">https://www.neso.energy/document/288861/download</a>
	Ofgem’s final decision: CMP415 (30 October 2024)	<a href="https://www.neso.energy/document/346516/download">https://www.neso.energy/document/346516/download</a>
	CMP415 Modification Web Page	<a href="https://www.neso.energy/industry-information/codes/cusc/modifications/cmp415-amending-fixed-price-period-6-12-months">https://www.neso.energy/industry-information/codes/cusc/modifications/cmp415-amending-fixed-price-period-6-12-months</a>
Cost Info.	NESO FM / Regulatory Finance NESO webpage	<a href="https://www.neso.energy/about/operational-information/regulatory-finance">https://www.neso.energy/about/operational-information/regulatory-finance</a>
	NESO BP2 Webpage	<a href="https://www.neso.energy/about/strategic-priorities/our-riio-2-business-plan">https://www.neso.energy/about/strategic-priorities/our-riio-2-business-plan</a>
	Final BP2 Delivery Plan 2023–2025	<a href="https://www.neso.energy/document/266156/download">https://www.neso.energy/document/266156/download</a>
	BP2 Executive Summary	<a href="https://www.neso.energy/document/266151/download">https://www.neso.energy/document/266151/download</a>
General	NESO Main BSUoS Webpage	<a href="https://www.neso.energy/industry-information/charging/balancing-services-use-system-bsuos-charges">https://www.neso.energy/industry-information/charging/balancing-services-use-system-bsuos-charges</a>
	NESO BSUoS Queries Email	<a href="mailto:BSUoS.queries@neso.energy">BSUoS.queries@neso.energy</a>



	Description	Link/Source
	Join the NESO BSUoS Mailing List	<a href="https://neso.createsend.com/h/d/918820CF9659BD06">https://neso.createsend.com/h/d/918820CF9659BD06</a>
FSO Consultation	OFGEM FSO Funding Decision	<a href="https://www.ofgem.gov.uk/decision/decision-funding-transition-future-system-operator">https://www.ofgem.gov.uk/decision/decision-funding-transition-future-system-operator</a>

# Appendix C – Summary of CUSC Modifications Affecting BSUoS Tariffs







**Table 4 – Summary of CUSC Modifications Affecting BSUoS Tariffs**

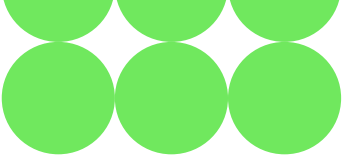
Name	Title	Status	Effect of change
<a href="#">CMP398</a>	GC0156 Cost Recovery mechanism for CUSC Parties (see also consequential CMP412)	Implemented. The Authority <b>approved</b> Workgroup Alternative CUSC Modification Proposal (WACM1) on 29 February 2024 and this was implemented on 14 March 2024.	This modification was required to implement Grid Code Mod 0156 by providing a cost recovery mechanism for CUSC parties who do not hold contracts with NESO (formerly ESO) to provide Restoration Services. The first claims submission window was September 2024, which looked to put in place monthly repayments from April 2025.
<a href="#">CMP408</a>	Allowing consideration of a different notice period for BSUoS tariff settings	On 30 October 2024, the Authority <b>approved</b> the Original solution with an implementation date of 1 April 2025.	This modification introduced a 3-month notice period (changed from the current 9 months). Please refer to new 2025 timetable in this report, which reflects the implementation of the 3-month notice period.
<a href="#">CMP412</a>	CMP398 Consequential Charging Modification	The Authority <b>approved</b> the Original solution on 29 February 2024, and this was implemented on 14 March 2024.	Facilitates the implementation of CMP398, reflected within CUSC Section 14 (BSUoS), to ensure that any validated costs arising from CMP398 solution are recovered.
<a href="#">CMP415</a>	Amending the Fixed Price Period from 6 to 12 months	On 30 October 2024, the Authority <b>approved</b> WACM1 with an implementation date of 1 April 2025	This modification is a consequential modification to CMP408, which looks at a change to a definition in Section 11. The change extends the fixed period to 12 months. Combined with approval of CMP408, this creates a combined period length of 15-month framework (as aligned to BSUoS Task Force recommendations). Please refer to new 2025 timetable in this report which reflects the implementation of both CMP408 and CMP415.



Name	Title	Status	Effect of change
<a href="#"><u>CMP453</u></a>	To Bill BSUoS on a net basis at BSC Trading Units	This <b>Current Proposal</b> , raised on 30 April 2025, progressed to Workgroup. The Workgroup Report is scheduled to be presented to the CUSC Panel in September 2025 for approval to proceed to Code Administrator Consultation. The proposed timeline includes submitting the Final Modification Report to Ofgem by December 2025, with a recommended implementation date of April 2027.	Following the implementation of gross billing for BSUoS, customers who are part of a BSC Trading Unit are required to pay BSUoS even when the net flows at the point of connection are exports. This modification seeks to remove the requirement for these customers to pay BSUoS when they are not using the system.
<a href="#"><u>CMP456</u></a>	Cost recovery for legacy plant in relation to GC0168	This <b>Current Proposal</b> was presented to the Transmission Charging Methodologies Forum (TCMF) 4 September 2025 and raised 29 October 2025.	This proposal aims to enable generators to recover the cost of producing Electromagnetic Transient Models (EMT) through BSUoS, similar in approach to the Restoration Services cost recovery mechanism outlined in CMP398.

# Appendix D – Document Revision History





## Document Revision History

Version Number	Date of Issue	Notes
1.0	29 December 2025	Publication of Final Tariffs for 2026/27 (Fixed Tariffs 7 and 8)



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