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CUSTOMERS

Non Energy Cost (NECs) latest

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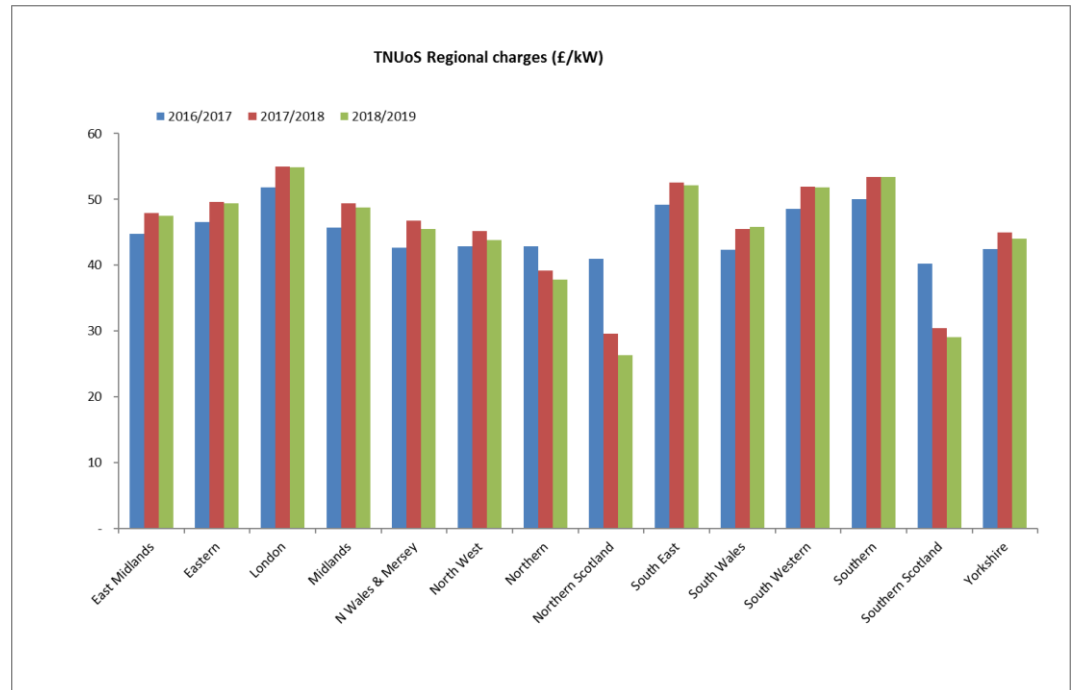
What have we found out recently?

- Out turn for a number of costs for 2017/18: CFD, BSUoS, CMSC
- Updated TNUoS forecast for 2019/20 from National Grid



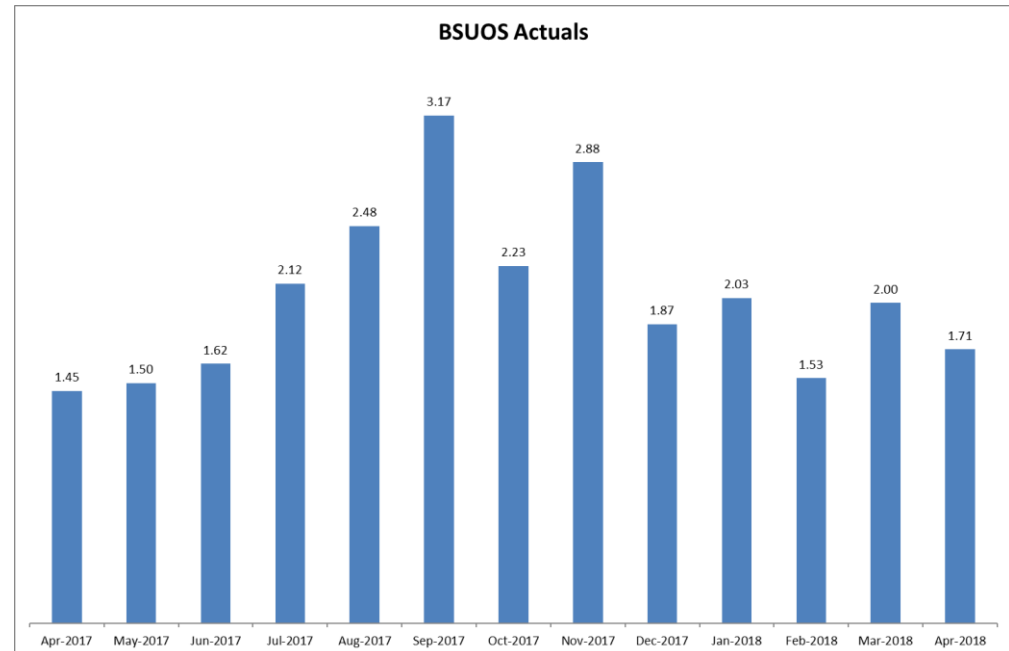
TNUoS

- Triads announced for 2017/18
- Rates set for 2018/19.
- First year of Embedded Tariff
- Judicial Review
- Updated forecast for 2019/2020



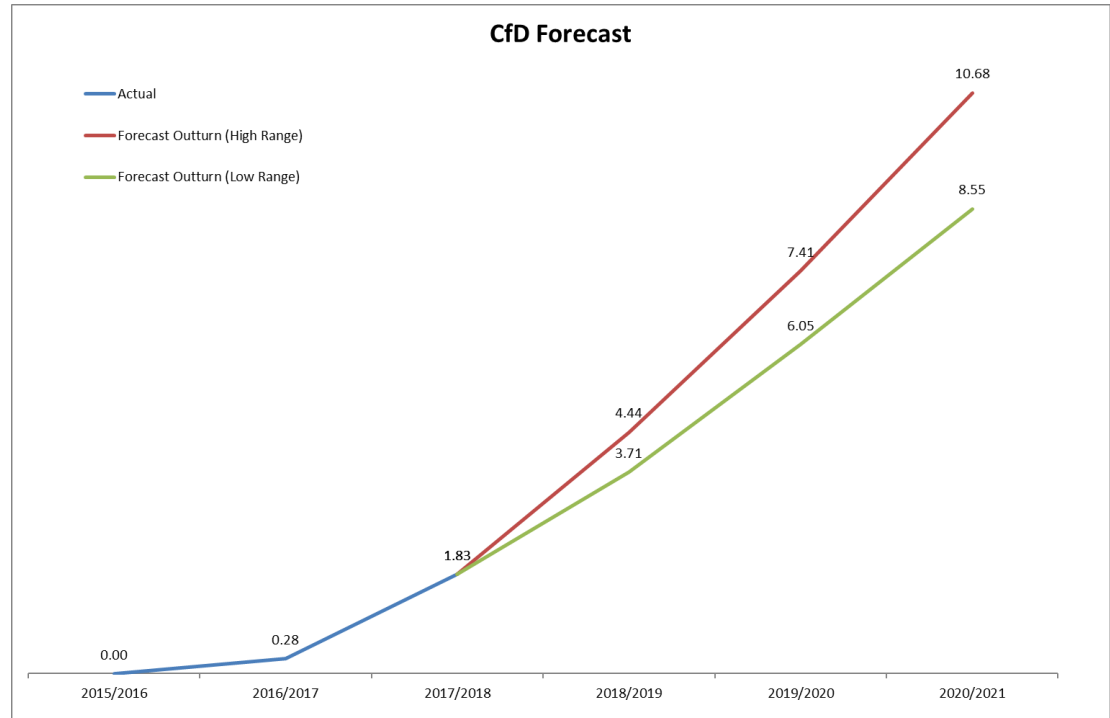
BSUoS

- HVDC link started to operate
- Below forecast this year but still sensitive to events such as “Beast from East”
- Last year saw high prices in Summer. Will HVDC link help?



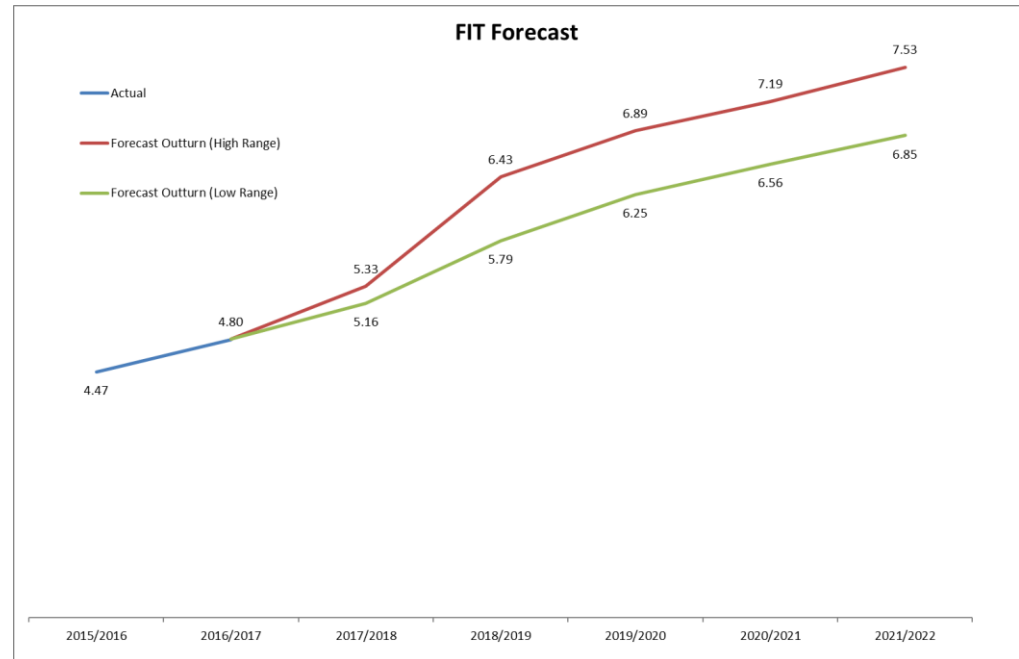
CFD

- Long term power prices have been rising which pushes down CFD costs
- Update to project start dates across the whole horizon published
- Lynemouth has seen delays to pre-commissioning



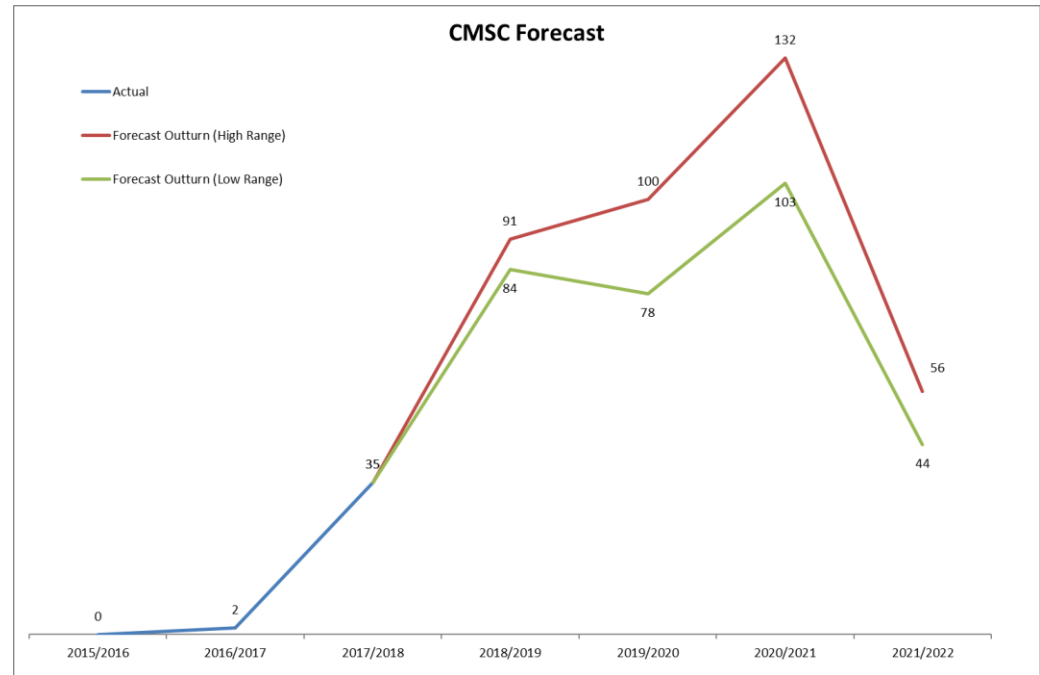
FIT

- 2017/2018 confirmed in September but have reduced range of values
- Still waiting update on EII
- Consultation on scheme due soon



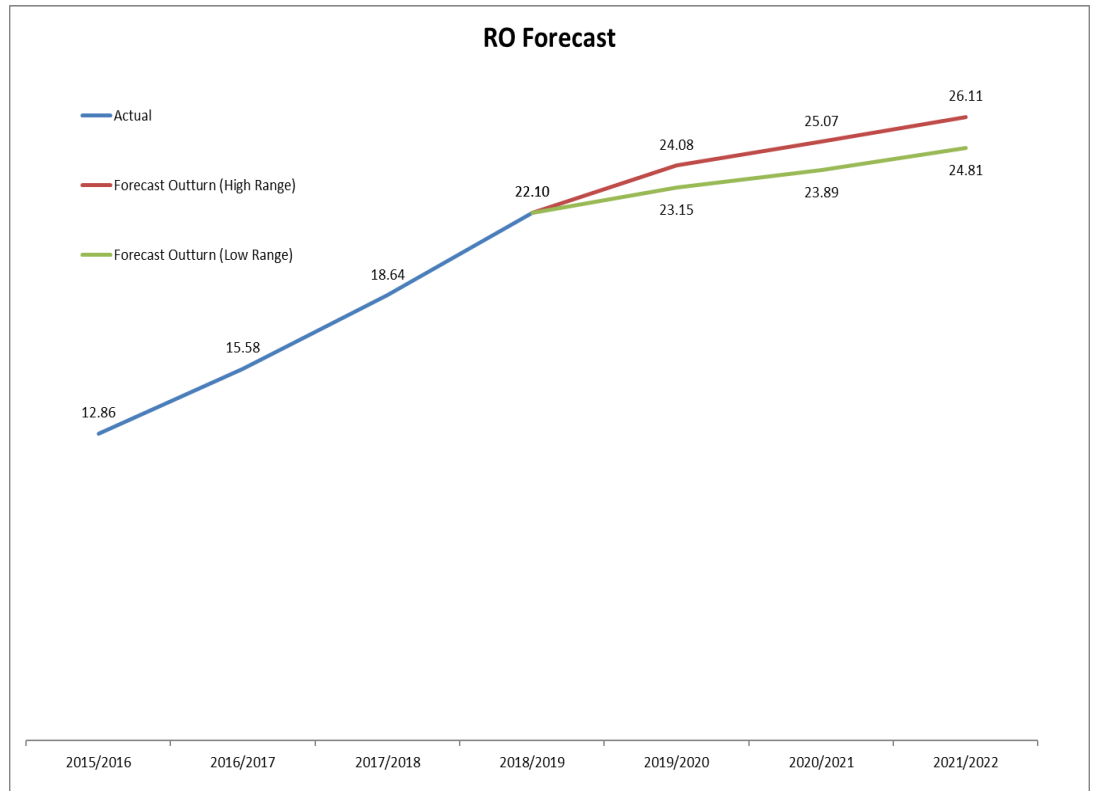
CMSC

- Actuals for 2017/18
- Change in charging point for 18/19. Removal of Embedded Benefit
- Consultation on rule changes, nothing major expected
- Expect auction parameters for T-1 and T-4 over the summer



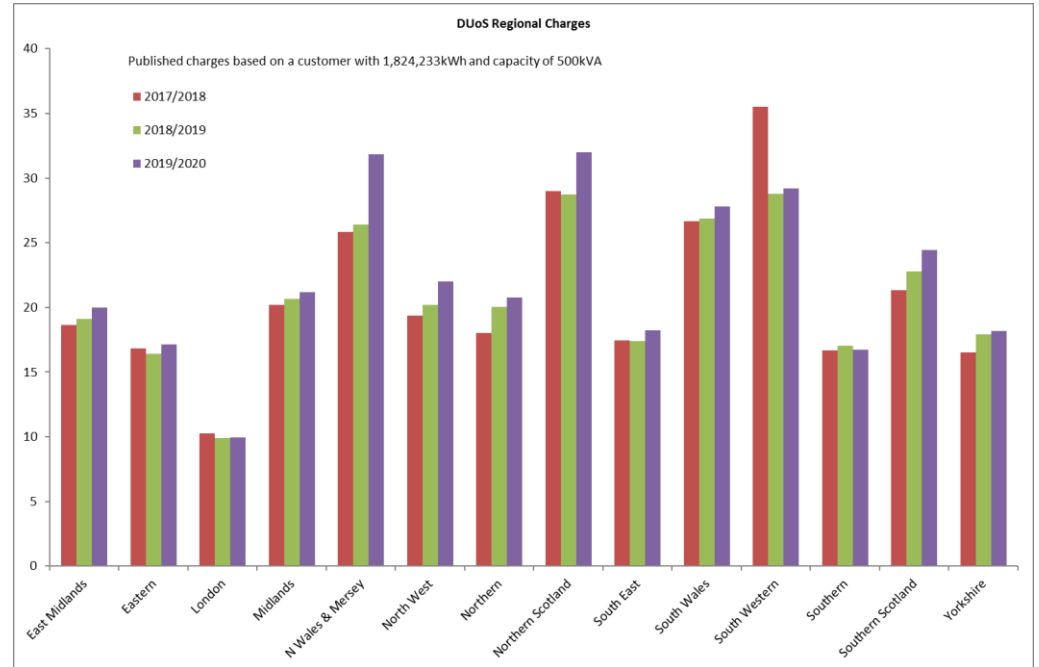
RO

- Set for 2018/19
- EII implemented from 1st April
- Last few projects being accredited



DUoS

- Tariffs set for 2018/19 and 2019/20
- No other changes to forecast
- DCP 268 to introduce Red, Amber, Green to NHH is with Ofgem



Where are the Risks?

- TNUoS embedded benefits Judicial Review outcome expected soon
- BSUoS over summer: generation mix, HVDC link
- Intermittent generators in CFD sensitive to day ahead power price.
- Possible generator delays in CFD
- Load Factors impact number of schemes



What to expect next time

- TNUoS Long term forecast
- Auction parameters for next Capacity Market Auction
- Update on EII for FiT?
- TCR consultation



THANK YOU

