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TCR Glossary

Term	Description
Balancing Services Use of System (BSUoS) charges	The Balancing Services Use of System (BSUoS) charges recover the costs of the balancing actions taken by the ESO when undertaking the day-to-day operation of the National Electricity Transmission System. Generators and suppliers are liable for these charges, which are calculated daily as a flat tariff across all users.
Balancing Services Charges Taskforce	The taskforce was set up to provide analysis to support decisions on the future direction of BSUoS. It was made up of industry participants and chaired by the ESO to work collaboratively and transparently, ensuring wider industry was informed of its progress.
Capacity Market (CM)	The Capacity Market (CM) provides a regular retainer payment to reliable forms of capacity (both demand and supply side), in return for such capacity being available when the system requires it..
Contracts for Difference (CfD)	CfD contracts off a guaranteed income level for eligible generation which bid for these contracts in a competitive process overseen by the Low Carbon Contracts Company.
Demand Side Response (DSR)	Demand side Response (DSR) refers to the ability of sources of demand (for example, and industrial process) to increase or decrease their demand in response to signals (sometimes price-signals) in order to support system or network management.
Distribution Demand Residual (DDR)	Distribution Demand Residual (DDR) also referred as scaling charges.
Distribution Use of System Charges (DUoS)	Distribution Use of System Charges (DUoS) cover the cost of operating and maintaining a safe and reliable electricity infrastructure between the transmission system and end users such as homes and businesses. The electricity infrastructure includes overhead lines, underground cables, as well as substations and transformers.
Electricity network	The electricity network includes both the distribution networks and transmission networks.

National Grid Electricity System Operator (ESO)	The party (Electricity System Operator) with the responsibility for the minute-to-minute operation of the system and transmission network, ensuring it is balanced and stable.
Embedded generation	See 'distributed generation'
Extra High Voltage (EHV)	Extra High Voltage (EHV) refers to the extra high voltage infrastructure on distribution networks. These are distribution network assets with nominal voltages of at least 22kV .
Electric Vehicles	Vehicles which are powered through batteries, charged by electricity
Flexibility	Flexibility refers to the ability of users on the network to quickly change their operations in order to provide system services, such as supporting system balancing and network constraint management. Sources of flexibility are demand side response, storage, and dispatchable generation.
Forward looking charges	The elements of network charges that signal to users how their actions can either increase or decrease future network costs. They typically provide signals about the costs or benefits of locating at different points on the network (sometimes called "locational charges") and/or of using the network at different times .
Future Energy Scenarios	These are possible energy futures which National Grid update annually. https://www.nationalgrideso.com/insights/future-energy-scenarios-fes
Grid Supply Point	The point at where the transmission and distribution network meet.
Half-hourly metering	A form of interval energy data. Some metering equipment can measure energy on a half hourly (HH) basis and where this is the case, network charges based on measures of usage within different half-hourly periods.
Line Loss Factor Classes (LLFC's)	Line Loss Factor Classes (LLFC's): Line Loss Factors are multipliers which are used to scale energy consumed or generated to account for losses on the UK's Distribution Networks.
Ofgem	Ofgem is the Office of Gas and Electricity Markets. Our governing body is the Gas and Electricity Markets Authority and is referred to variously as GEMA or the Authority. We use 'the Authority', 'Ofgem' and 'we' interchangeably in this document.
RIIO	RIIO (Revenue=Incentives+Innovation+Outputs) is Ofgem's performance-based framework to set the price controls.
Significant Code Review	A Significant Code Review (SCR) provides a tool for Ofgem to initiate wide ranging and holistic change and to implement reform to a code based issue, as introduced under the Code

	Governance Review - https://www.ofgem.gov.uk/licences-industry-codes-and-standards/industry-code-governance/code-governance-review
Smaller Distributed Generators	Smaller Distributed Generators are generators with a generating capacity less than 100MW connected to the distribution network.
TNUoS Demand Residual (TDR)	TNUoS Demand Residual (TDR) charges are top-up charges which ensure that the appropriate amount of allowed revenue is collected from demand users once locational, cost reflective, charges have been levied. The amount of revenue which needs to be recovered from TDR charges does not change when individuals use the system differently. Any TDR charges avoided by the use of smaller EG have to be recovered from other users of the network, leading to higher charges for everyone else.
Transmission Generation Residuals (TGR)	TNUoS Generation Residual (TGR) charges are top-up charges which ensure that the appropriate amount of allowed revenue is collected from generators users once locational, cost reflective, charges have been levied. If too much revenue has been collected from the locational charges, the TGR can be a negative charge that pays revenue back to generators.
Transmission Network Use of System Charges (TNUoS)	Transmission Network Use of System Charges (TNUoS) recover the TOs allowed revenues under the price control settlements and are charged to both demand users and generators. They are broadly separated into forward-looking charges, which relate to the incremental cost of using the network in a specific location, and residual charges that recover the remaining costs and are non-locational.
Triad periods	The triad refers to the three half-hour settlement periods with highest system demand between November and February, separated by at least ten clear days. National Grid uses the triad to determine TNUoS charges for customers with half-hour metering. The triads for each financial year are calculated after the end of February, using system demand data for the half-hour settlement periods between November and February.