

## The Basics of Imbalance Settlement

**Who Should Attend?** This course will be of interest to those new to the electricity industry and those who want an overview of the electricity settlement process. Attendees need little prior knowledge of imbalance settlement but a basic understanding of the roles of Generators and Suppliers is assumed. We can combine this course with the short 'Understanding Credit Cover' course as a follow on as the two are closely related. This combination is highly recommended to new or future BSC Parties before they register their first BM Unit.

**Course Overview:** this course will cover:

- Why we need electricity balancing;
- What goes in to imbalance settlement – contracts and energy data;
- What the outputs are - what electricity companies pay for and are paid;
- The calculation of energy imbalance prices;
- Future changes in imbalance settlement.

**Course Objectives:** at the end of the course, delegates will understand:

- Our need for imbalance settlement and how it fits into the British electricity market;
- The roles of the BSC, National Grid and ELEXON;
- Market timescales;
- Electricity contract notifications;
- How generation and demand data is processed (Central Volume Allocation and Supplier Volume Allocation);
- The roles of Parties, Party Agents and BSC Agents in these processes;
- How imbalance works ;
- The reason for, and operation of, the Balancing Mechanism;
- How imbalance prices are calculated and applied to energy imbalances;
- Publication of real-time imbalance settlement data;
- Future changes to imbalance settlement and prices.

**Date:** on demand

**Duration:** two hours

**Location:** [ELEXON](#) or customers' offices

**Cost:** this course is free of charge to BSC Parties and BSC Party Agents. ELEXON may charge other organisations for training services.

**Related information:** [Imbalance Settlement](#) and [Settlement Cashflows](#) Information Sheets.