

BM START-UP SERVICE

DRAFT CONTRACT TERMS

Issue 2, 25th September 2006

[5] **BM START-UP**

1.1 **Introduction**

The **Generator** agrees to provide **The Company** with the **Commercial Ancillary Service** of **BM Start-Up Service**, and this Clause [5] and Schedule F set out provisions relating to such service including the payments to be made by **The Company** to the **Generator** in respect thereof. For the purposes of this **Agreement**, the provisions of Schedule C (Charging Principles) shall have no application to this Clause [5] and Schedule F and the **Commercial Ancillary Service** of **BM Start-Up Service**.

1.2 **Definitions**

In this Clause [5] and Schedule F the following terms shall have the meanings ascribed to them below:-

“Advance Synchronisation Instruction” means a **BM Start-Up Instruction** issued by **The Company** in respect of a **BM Unit** where, at the time of issue of such **BM Start-Up Instruction**, the **Earliest Synchronisation Time** is within the **Advance Synchronisation Period**;

“Advance Synchronisation BM Unit” has the meaning attributed to it in Sub-Clause 1.8.1;

“Advance Synchronisation Period” means, in relation to an **Advance Synchronisation Instruction** in respect of a **BM Unit**, the period of time, equal to the prevailing **Minimum Non-Zero Time** plus the **Minimum Zero Time** for that **BM Unit**, which immediately precedes the planned time of **Synchronisation** of that **BM Unit** as indicated by the **Advance Synchronisation Related Physical Notification**;

“Advance Synchronisation Related PN” has the meaning attributed to it in Sub-Clause 1.8.1;

“Bid-Offer Pair No 1” means a **Bid-Offer Pair** with the **Bid-Offer Pair Number** of “1”;

“ Bid Offer Pair Number n ”	has the meaning attributed to it in the Balancing and Settlement Code ;
“ BM Start-Up ”	means the process of bringing one or more of the BM Units to Hot Standby at or before the Hot Standby Target Time ;
“ BM Start-Up Instruction ”	means an instruction pursuant to Sub-Clause 1.4.1 issued by The Company to the Generator in respect of a BM Unit to bring it to Hot Standby at the Hot Standby Target Time ;
“ BM Start-Up Payment ”	an amount calculated in accordance with Schedule F, Section 2, Part I for the provision of BM Start-Up ;
“ BM Start-Up Repayment Amount ”	a payment calculated in accordance with Schedule F, Section 2, Part I to be made by the Generator to The Company in the circumstances set out in Sub-Clause 1.10.2 and representing repayment of the BM Start-Up Payment ;
“ BM Start-Up Service ”	means the provision by the Generator from one or more of the BM Units of BM Start-Up and (in the absence of an Instruction to Cease Start-Up) Hot Standby ;
“ BM Start-Up Time ”	means, in relation to any BM Start-Up Instruction , the point in time determined in accordance with the relevant formula in Schedule F, Section 2, Part I;
“ BM Unit(s) ”	means the BM Unit(s) specified in Schedule F, Section 1, Part I;
“ Cease Hot Standby Time ”	means the time of issue of an Instruction to Cease Hot Standby or otherwise such time as determined in accordance with Section F, Section 2, Part III;
“ Cease Start-Up Time ”	means the time of issue of an Instruction to Cease Start-Up pursuant to Sub-Clause 1.5.1 or the time at which an Instruction to Cease Start-Up is deemed to have been given pursuant to either of Sub-Clauses 1.5.2 or 1.5.3 or, if

an **Instruction to Cease Start-Up** is neither issued pursuant to Sub-Clause 1.5.1 nor deemed to have been issued pursuant to either of Sub-Clauses 1.5.2 or 1.5.3, the **Hot Standby Target Time**;

“Committed Period”

means, in respect of a **BM Start-Up Instruction** and the **BM Unit** to which such **BM Start-Up Instruction** relates, either:-

- (i) the period of time commencing at the **Hot Standby Target Time** and ending at either
 - (a) the expiry of four hours; or
 - (b) (if earlier) the time that the **BM Unit Synchronises** pursuant to a **Bid-Offer Acceptance** (defined by reference to the **Point Acceptance Volume qA_{it}^k** for that **Bid-Offer Acceptance**) plus the **Minimum Non-Zero Time** prevailing at the time that such **Bid-Offer Acceptance** is issued; or
- (ii) (where **The Company** issues an **Instruction to Cease Start-Up**) the period of time commencing at the time of issue of such instruction and ending at the expiry of four hours;

“Earliest Synchronisation Time”

means the earliest time by which a **BM Unit** can **Synchronise** following issue of a **BM Start-Up Instruction**, being the period of time t_{nts} after the **Hot Standby Target Time**;

“Hot Standby”

means a condition of readiness to be able to **Synchronise** within the period of time t_{nts} and be able to attain an output in accordance with **Bid-Offer Data** and **Dynamic Parameters** and other **BM Unit Data** submitted in accordance with the **Balancing and Settlement Code** and **Grid Code**;

“Hot Standby Payment”

has the meaning attributed to it in Sub-Clause 1.11.1;

“Hot Standby Target Time”

means the point in time specified as such in the relevant **BM Start-Up Instruction**;

<p>“Instruction to Cease Hot Standby”</p>	<p>means an instruction pursuant to Sub-Clauses 1.7.1, 1.7.2, 1.7.3 or 1.7.4 (as the case may be) issued or deemed to have been issued by The Company to the Generator in respect of a BM Unit to cease provision of Hot Standby;</p>
<p>“Instruction to Cease Start-Up”</p>	<p>means an instruction pursuant to Sub-Clause 1.5.1, 1.5.2 or 1.5.3 (as the case may be) issued or deemed to have been issued by The Company to the Generator in respect of a BM Unit to cease provision of BM Start-Up;</p>
<p>“Latest Synchronisation Time”</p>	<p>means the latest time by which a BM Unit can Synchronise following issue of a BM Start-Up Instruction in respect of such BM Unit, being the period of time t_{nts} after expiry of the Maximum Hot Standby Period;</p>
<p>“Maximum Hot Standby Period”</p>	<p>means the period of time commencing at the Hot Standby Target Time during which a BM Unit may be required to provide the Hot Standby service and ending either:-</p> <ul style="list-style-type: none"> (i) on the expiry of the period specified in Schedule F, Section 1, Part III; or (ii) (in the case of an Advance Synchronisation Instruction) ending on the earlier of:- <ul style="list-style-type: none"> (a) the planned time of Synchronisation of the BM Unit as indicated in the Physical Notification which was submitted by the Generator in accordance with the Grid Code prior to the issue by The Company of the Advance Synchronisation Instruction; or (b) the expiry of the period specified in Schedule F, Section 1, Part III;
<p>[“Minimum Non-Zero Time”</p>	<p>has the meaning attributed to it in the Grid Code; - <i>definition may already exist in Schedule A of CSA]</i></p>
<p>[“Minimum Zero Time”</p>	<p>has the meaning attributed to it in the Grid Code; - <i>definition may already exist in Schedule A of CSA]</i></p>

“ NDZ Range ”	each of the ranges for NDZ_i specified in Schedule F, Section 1, Part II;
“ Point Acceptance Volume qA^k_{it}”	has the meaning attributed to it in the Balancing and Settlement Code and, for the purposes of this Clause [5], the Point Acceptance Volume qA^k_{it} shall denote the spot time t at which the Output of BM Unit i deviates from zero MW in accordance with a Bid-Offer Acceptance issued by The Company ;
“ Procurement Guidelines ”	the statement published from time to time by The Company in accordance with Standard Condition 16(C) of the Transmission Licence ;
“ Required Data Period ”	means, in respect of a BM Start-Up Instruction and the BM Unit to which such BM Start-Up Instruction relates, the period of time from the Earliest Synchronisation Time to either:- <ul style="list-style-type: none"> (i) the Latest Synchronisation Time plus the Minimum Non-Zero Time prevailing in respect of that BM Unit at the time of issue of the BM Start-Up Instruction; or (ii) (if earlier) the time that the BM Unit Synchronises pursuant to a Bid-Offer Acceptance (defined by reference to the Point Acceptance Volume qA^k_{it} for that Bid-Offer Acceptance) plus the Minimum Non-Zero Time prevailing in respect of that BM Unit at the time of issue of the Bid-Offer Acceptance;
“ Service Commencement Date ”	means the time and date as agreed between the Parties in writing;
“ t_{hsb} ”	means the period of time that Hot Standby is provided by a BM Unit , determined in accordance with Schedule F, Section 2, Part II;
“ t_{nts} ”	means the relevant period of time, which must not be greater than 85 minutes, within which a BM Unit shall be

able to **Synchronise** from a state of **Hot Standby**, determined in accordance with Schedule F, Section 1, Part I, by reference to the then prevailing **NDZ_i** submitted by the **Generator** in relation to that **BM Unit** at the time of issue of the **BM Start-Up Instruction**;

“**t_{startup}**”

means the period of time that **BM Start-Up** is provided by a **BM Unit**, determined in accordance with Schedule F, Section 2, Part I.

In this Clause [5] and Schedule F unless the context otherwise requires, words and expressions defined in the **Balancing and Settlement Code** or the **Grid Code** and not otherwise defined in this Agreement shall have the meanings ascribed to them in the **Balancing and Settlement Code** or the **Grid Code** (as the case may be).

1.3 **Term**

1.3.1 The provisions of this Clause [5] shall come into effect on the **Service Commencement Date** and, unless this **Agreement** is terminated earlier in accordance with Clause 2, shall continue in force and effect until terminated by either **Party** giving to the other not less than 12 months’ written notice of termination.

1.3.2 The **Generator** may from time to time, by facsimile notice to **The Company** (or such other method as may be agreed in writing between the **Parties**), declare a period or periods of unavailability of the **Commercial Ancillary Service** of **BM Start-Up Service** from any one or more of the **BM Unit(s)**. Such notice shall be in the form specified in Schedule F, Section 4, Part I and (without limitation) shall specify the **BM Unit(s)** concerned and the commencement and expiry of the period or periods of unavailability..

1.3.3 Notwithstanding Sub-Clause 1.3.2, the **BM Start-Up Service** shall not be required by **The Company** and shall therefore be deemed to be unavailable from a **BM Unit** in respect of all periods in which, in the absence of a **BM Start-Up Instruction**, the **NDZ_i** of that **BM Unit** is 85 minutes or less.

1.4 **BM Start-Up Instruction**

1.4.1 Subject always to Sub-Clauses 1.3.2, 1.3.3 and (where relevant) 1.8.1, **The Company** may issue to the **Generator** in respect of that **BM Unit** a **BM Start-Up Instruction**.

1.4.2 Each **BM Start-Up Instruction** shall specify a **Hot Standby Target Time**.

1.4.3 **The Company** shall not, without the prior agreement of the **Generator**, issue a **BM Start-Up Instruction** later than the **BM Start-Up Time**. For the avoidance of doubt, where the **Generator** agrees to the issue by **The Company** of a **BM Start-Up Instruction** later than the **BM Start-Up Time**, then where a payment falls due for **BM Start-Up** in accordance

with Sub-Clause 1.10, such payment shall be payable in respect of the period from the **BM Start-Up Time**.

- 1.4.4 Upon receipt of a **BM Start-Up Instruction**, the **Generator** shall use all reasonable endeavours to bring the **BM Unit** to **Hot Standby** not later than the specified **Hot Standby Target Time**, and where the **Generator** is aware or becomes aware that this will not be possible shall notify **The Company** forthwith by telephone.
- 1.4.5 If, in respect of any **BM Unit**, an **Instruction to Cease Start-Up** is neither given by **The Company** pursuant to Sub-Clauses 1.5.1, nor deemed to be given by **The Company** pursuant to either of Sub-Clauses 1.5.2 or 1.5.3, then with effect from the **Hot Standby Target Time**, the **Generator** shall use all reasonable endeavours to commence providing **Hot Standby** from that **BM Unit** in accordance with Sub-Clause 1.6. For the avoidance of doubt, no instruction to this effect will be issued by **The Company** to the **Generator**.
- 1.4.6 Subject always to Sub-Clause 1.4.7, upon bringing the **BM Unit** to **Hot Standby**, , the **Generator** shall:-
- (a) submit an **NDZ_i** for that **BM Unit** which is not greater than **t_{nts}** and shall use all reasonable endeavours to do so by the **Hot Standby Target Time**, such **NDZ_i** to be maintained until the earlier of the point at which that **BM Unit Synchronises** pursuant to any **Bid-Offer Acceptance** and the expiry of the **Maximum Hot Standby Period**;
 - (b) in respect of each **Settlement Period** comprised in the **Required Data Period**, either:-
 - (i) maintain; or
 - (ii) submit not later than the **Hot Standby Target Time**, a **Stable Export Limit** and **Minimum Non-Zero Time** for that **BM Unit** which are less than or equal to the **Stable Export Limit** and **Minimum Non-Zero Time** prevailing at the time at which the **BM Start-Up Instruction** is issued;
 - (c) in respect of each **Settlement Period** comprised in the **Required Data Period**, either:-
 - (i) maintain; or
 - (ii) submit not later than the **Hot Standby Target Time**, a **Bid-Offer Pair No 1** with:-
 - (aa) a MW range from 0 MW to the **Stable Export Limit** (maintained or submitted in accordance with Sub-Clause 1.4.6(b) above) for that **BM Unit**; and
 - (bb) an **Offer Price** of less than or equal to the **Offer Price** for the **Bid-Offer Pair No 1** which was prevailing in respect of that **Settlement Period** at the time at which the **BM Start-Up Instruction** is issued.

1.4.7 The data submitted by the **Generator** in accordance with Sub-Clause 1.4.6 shall be used by **The Company** to monitor the **Generator's** provision of the **BM Start-Up Service** and the provisions of Sub-Clause 1.4.6 shall not relieve the **Generator** of any of its obligations or affect such obligations (where applicable) set out in the **Grid Code** and, where there is any conflict between the **Generator's** obligations under Sub-Clause 1.4.6 and the **Generator's** obligations under the **Grid Code**, the **Generator's** obligations under the **Grid Code** shall prevail.

1.5 **Instruction to Cease Start-Up**

Cessation initiated by The Company

1.5.1 **The Company** may, at any time in the period commencing upon issue of a **BM Start-Up Instruction** and ending at the specified **Hot Standby Target Time**, issue to the **Generator** an **Instruction to Cease Start-Up**. Upon issue of such an instruction, the **Generator** shall no longer be required to continue provision of **BM Start-Up** or bring the **BM Unit** to **Hot Standby** (including without limitation the requirement to submit data pursuant to Sub-Clause 1.4.6) and the **Generator** shall use reasonable endeavours to review the **NDZ_i** of the **BM Unit** and, where appropriate, submit a revised **NDZ_i** in respect of the **BM Unit** to reflect the operating characteristics of the **BM Unit** prevailing following provision of **BM Start-Up** to assist **The Company** in assessing its requirement for future use of the **BM Start-Up Service**.

1.5.2 An **Instruction to Cease Start-Up** shall be deemed to have been given by **The Company** to the **Generator** in respect of a **BM Unit** if, at any time prior to the specified **Hot Standby Target Time**, **The Company** issues an instruction that is treated as a **Bid-Offer Acceptance** (pursuant to **Grid Code** BC2.9.2.3) or issues a **Bid-Offer Acceptance** (pursuant to **Grid Code** BC2.10) in respect of that **BM Unit** (in which case the **Instruction to Cease Start-Up** shall be deemed to be given at the time the **BM Unit Synchronises**, defined by reference to the **Point Acceptance Volume** qA_{it}^k).

Cessation initiated by the Generator

1.5.3 Following the issue of a **BM Start-Up Instruction**, an **Instruction to Cease Start-Up** shall be deemed to have been given by **The Company** to the **Generator** in respect of a **BM Unit** if:-

- (a) the **BM Unit** concerned **Synchronises** at any time prior to the specified **Hot Standby Target Time** otherwise than pursuant to a **Bid-Offer Acceptance** (in which case the **Instruction to Cease Start-Up** will be deemed to be given at the commencement of the **Settlement Period** in which the **BM Unit Synchronises**); or

- (b) (subject to Sub-Clause 1.8.2) a **Physical Notification** of greater than zero is submitted in respect of the **BM Unit** concerned indicating **Synchronisation** at any time during the period commencing at the **BM Start-Up Time** and ending at the expiry of the **Committed Period** (in which case the **Instruction to Cease Start-Up** will be deemed to be given at the time the relevant **Physical Notification** is submitted in accordance with the **Grid Code**); or
- (c) the **Maximum Export Limit** in respect of the **BM Unit** concerned which is to apply during the **Committed Period** is revised to less than the **Stable Export Limit** in respect of the **BM Unit** at any time prior to the specified **Hot Standby Target Time** (in which case the **Instruction to Cease Start-Up** will be deemed to be given at the time at which such revised **Maximum Export Limit** is submitted in accordance with the **Grid Code**).

1.6 **Provision of Hot Standby**

- 1.6.1 The **Generator** shall be deemed to have been instructed by **The Company** to provide **Hot Standby** with effect from the **Hot Standby Target Time** where, following issue of a **BM Start-Up Instruction**, an **Instruction to Cease Start-Up** has neither been given by **The Company** pursuant to Sub-Clause 1.5.1 nor deemed to have been given by **The Company** pursuant to either of Sub-Clauses 1.5.2 or 1.5.3.
- 1.6.2 The **Generator** shall provide **Hot Standby** from the relevant **BM Unit** until the earlier of expiry of the **Maximum Hot Standby Period** and any **Cease Hot Standby Time**.

1.7 **Instruction to Cease Hot Standby**

Cessation initiated by The Company

- 1.7.1 **The Company** may, at any time after the **Hot Standby Target Time** and prior to expiry of the **Maximum Hot Standby Period**, issue to the **Generator** an **Instruction to Cease Hot Standby**. Upon issue of such an instruction, the **Generator** shall no longer be required to continue provision of **Hot Standby** (including without limitation the requirement to submit data pursuant to Sub-Clause 1.4.6).
- 1.7.2 An **Instruction to Cease Hot Standby** shall be deemed to have been given by **The Company** to the **Generator** in respect of that **BM Unit** if, at any time between the specified **Hot Standby Target Time** and the expiry of the **Maximum Hot Standby Period**, **The Company** issues a **Bid-Offer Acceptance** in respect of the **BM Unit**, in which case the **Instruction to Cease Hot Standby** shall be deemed to have been issued in accordance with the relevant formula in Schedule F, Section 2, Part III.
- 1.7.3 If an **Instruction to Cease Hot Standby** is neither issued by **The Company** pursuant to Sub-Clause 1.7.1 nor deemed to have been issued by **The Company** pursuant to Sub-Clause 1.7.2 or 1.7.4, then an **Instruction to Cease Hot Standby** shall be deemed to have been given by **The Company** at the expiry of the **Maximum Hot Standby Period**. The

Generator shall endeavour to notify **The Company** of impending expiry of the **Maximum Hot Standby Period**.

Cessation initiated by the Generator

1.7.4 If during the **Committed Period**:-

- (a) the relevant **BM Unit Synchronises** otherwise than pursuant to a **Bid-Offer Acceptance** or a **Physical Notification**; or
- (b) a **Physical Notification** of greater than zero is submitted in respect of the relevant **BM Unit** indicating **Synchronisation** of that **BM Unit** at any time during the **Committed Period**; or
- (c) the **Maximum Export Limit** in respect of the relevant **BM Unit** is revised to below the **Stable Export Limit**,

then an **Instruction to Cease Hot Standby** in respect of that **BM Unit** shall be deemed to have been given by **The Company** to the **Generator**, and the **Cease Hot Standby Time** shall be determined in accordance with the relevant formula in Schedule F, Section 2, Part III.

1.7.5 Upon issue by **The Company** of an **Instruction to Cease Hot Standby** pursuant to Sub-Clause 1.7.1, or in the event of a deemed **Instruction to Cease Hot Standby** pursuant to any of Sub-Clauses 1.7.2, 1.7.3 or 1.7.4, the **Generator** shall cease provision of **Hot Standby** with effect from the **Cease Hot Standby Time** and, subject always to Sub-Clause 1.7.6, shall no longer be required to comply with Sub-Clause 1.4.6.

1.7.6 Where a deemed **Instruction to Cease Hot Standby** has been issued by the **Company** pursuant to Sub-Clause 1.7.2 then the **Generator** shall continue to comply with Sub-Clause 1.4.6 until the expiry of the **Required Data Period**.

1.8 **Advancing Synchronisation**

Advance Synchronisation Instruction

1.8.1 Notwithstanding and without prejudice to the other provisions of this Clause [5], where a **Physical Notification** is submitted by the **Generator** in respect of a **BM Unit** in accordance with the **Grid Code** indicating **Synchronisation** of that **BM Unit** in a **Settlement Period** and, subsequent thereto, **The Company** identifies a requirement for that **BM Unit** to **Synchronise** prior to the planned time for **Synchronisation** indicated by that **Physical Notification** (the “**Advance Synchronisation Related PN**”), **The Company** may issue an **Advance Synchronisation Instruction** in respect of that **BM Unit** (“the **Advance Synchronisation BM Unit**”) and, save as provided in this Sub-Clause 1.8, the provisions of this Clause [5] shall apply in respect of such **Advance Synchronisation Instruction** as if references in this Clause [5] to “**BM Start-Up Instruction**” were references to such **Advance Synchronisation Instruction**.

Data Submissions

1.8.2 Where **The Company** issues an **Advance Synchronisation Instruction**, then the **Generator** shall not be obliged to comply with the terms of Sub-Clauses 1.4.6(b) and (c) in respect of the related **Advance Synchronisation BM Unit**.

Payments and revisions to the Synchronisation start time

1.8.3 Where **The Company** issues an **Advance Synchronisation Instruction** and either:-

- (a) the **Advance Synchronisation Related PN** remains unaltered as at **Gate Closure** in respect of the **Settlement Period** to which such **Advance Synchronisation Related Physical Notification** relates; or
- (b) the **Generator** submits a further **Physical Notification** in respect of the **Advance Synchronisation BM Unit** indicating a planned time of **Synchronisation** earlier than the time indicated in the **Advance Synchronisation Related PN**,

then no **BM Start-Up Payment** will be payable by **The Company** to the **Generator** in accordance with Sub-Clause 1.10.1 and, where Sub-Clause 1.8.3(b) applies, Sub-Clause 1.5.3(b) shall not apply.

1.8.4 Where **The Company** issues an **Advance Synchronisation Instruction** and the **Generator** revises the **Advance Synchronisation Related PN** to zero MW and/or submits a **Physical Notification** indicating a delay in **Synchronisation** of the **Advance Synchronisation BM Unit** then:-

- (a) **The Company** may, at its discretion, issue an **Instruction to Cease Start-Up** or an **Instruction to Cease Hot Standby** in accordance with Sub-Clause 1.5.1 or 1.7.1 (as the case may be); and
- (b) no **BM Start-Up Payment** will be payable by **The Company** to the **Generator** in accordance with Sub-Clause 1.10.1.

1.8.5 Where following the issue of an **Advance Synchronisation Instruction**, **The Company** issues to the **Generator** an **Instruction to Cease Start-Up**, the **Generator** shall no longer be required to continue provision of **BM Start-Up** or bring the **Advance Synchronisation BM Unit** to **Hot Standby** (including without limitation the requirement to submit data pursuant to Sub-Clause 1.4.6(a)) and, save where Sub-Clause 1.8.4 applies, **The Company** shall pay to the **Generator** an amount (“the **Advance Synchronisation Cancellation Payment**”) calculated by multiplying the number of hours comprised in the period between the **Earliest Synchronisation Time** and the time at which the **Advance Synchronisation BM Unit Synchronises** as indicated in the **Advance Synchronisation PN** by the applicable price in Schedule F, Section 3, Part II (which price may be revised from time to time in accordance with the terms of Sub-Clause 1.12).

1.9 Communications

All **BM Start-Up Instructions** and **Instructions to Cease Hot Standby** required to be given under these terms shall be communicated by **The Company** to the **Generator** by way of an automatic

logging device (or if unavailable for whatever reason by telephone or facsimile) or otherwise as may be agreed between the **Parties**.

1.10 **Payments for BM Start-Up**

*Payments from **The Company** to the **Generator***

1.10.1 Subject always to Sub-Clause 1.10.3, **The Company** shall, in respect of each calendar month during the term of this Clause [5], calculate in accordance with the formulae in Schedule F, Section 2, Part I and by reference to the applicable prices in Schedule F, Section 3, Part I (which prices may be revised from time to time in accordance with the terms of Sub-Clause 1.12):-

- (a) the **BM Start-Up Payment**; and
- (b) any **BM Start-Up Repayment Amount**,

and shall deduct any **BM Start-Up Repayment Amount** from the **BM Start-Up Payment** to determine the amount to be paid by **The Company** to the **Generator** in accordance with [Clause 4 of the **MASA**]/[Clause 8 (*of the CSA*)].

BM Start-Up Repayment Amounts

1.10.2 A **BM Start-Up Repayment Amount** shall become payable by the **Generator** to **The Company** (being an amount calculated in accordance with the formulae in Schedule F, Section 2, Part I) for failure to provide **BM Start-Up** if either:-

- (a) the **BM Unit** concerned **Synchronises** otherwise than pursuant to a **Bid- Offer Acceptance** or a **Physical Notification** of greater than zero is submitted in respect of the **BM Unit** concerned indicating **Synchronisation** of that **BM Unit** at any time during the period commencing at the **BM Start-Up Time** and ending at the expiry of the **Committed Period**; or
- (b) (in the absence of an Instruction to **Cease BM Start-Up** issued by **The Company** pursuant to Sub-Clause 1.5.1) the **Maximum Export Limit** which is to apply during the **Committed Period** in respect of the **BM Unit** concerned is revised to below the **Stable Export Limit** at any time prior to the **Hot Standby Target Time**; or
- (c) the **Generator** fails to:-
 - (i) submit and maintain in respect of the **BM Unit** concerned an **NDZ_i** which is not greater than **t_{nts}** in accordance with Sub-Clause 1.4.6(a); or
 - (ii) maintain or revise (as the case may be) the **Stable Export Limit** and/or **Minimum Non-Zero Time** for the duration of the **Required Data Period** in accordance with Sub-Clause 1.4.6(b); or
 - (iii) submit a **Bid-Offer Pair** on or before the **Hot Standby Target Time** in accordance with Sub-Clause 1.4.6(c).

1.10.3 No payment shall be made by **The Company** for provision of **BM Start-Up** in the circumstances described in Sub-Clause 1.10.1 where either:-

- (a) the relevant **BM Start-Up Instruction** is an **Advance Synchronisation Instruction**; or
- (b) an **Instruction to Cease Start-Up** is issued by **The Company** at any time prior to the **BM Start-Up Time**; or
- (c) where a **BM Start-Up Instruction** is issued later than the **BM Start-Up Time** as described in Sub-Clause 1.4.3, an **Instruction to Cease Start-Up** is issued by **The Company** within five minutes of the issue of such instruction.

1.11 Payments for Hot Standby

- 1.11.1 Subject always to Sub-Clause 1.11.2, **The Company** shall make a payment to the **Generator** for the provision of **Hot Standby** (“the **Hot Standby Payment**”) in accordance with [Clause 4 of the **MASA**]/[Clause 8 of the **CSA**], if, following the issue of a **BM Start-Up Instruction**, **The Company** issues an **Instruction to Cease Hot Standby** pursuant to Sub-Clause 1.7.1 or is deemed to have issued an **Instruction to Cease Hot Standby** pursuant to either of Sub-Clauses 1.7.2 or 1.7.3, such payment to be calculated in accordance with the relevant formulae in Schedule F, Section 2 Part II and Schedule F, Section 2, Part III and by reference to the duration of the provision of **Hot Standby** and the applicable prices in Schedule F, Section 3, Part II (which prices may be revised from time to time in accordance with the terms of Sub-Clause 1.12).
- 1.11.2 No **Hot Standby Payment** shall be made by **The Company** to the **Generator** pursuant to Sub-Clause 1.11.1 where either:-
- (a) the **BM Unit** concerned **Synchronises** otherwise than pursuant to a **Bid-Offer Acceptance** or a **Physical Notification** of greater than zero is submitted in respect of the **BM Unit** concerned indicating **Synchronisation** of that **BM Unit** during the **Committed Period**; or
 - (b) during the **Maximum Hot Standby Period**, the **Generator** has failed to maintain an **NDZ_i** in accordance with Sub-Clause 1.4.6(a); or
 - (c) the **Generator** has failed to either:-
 - (i) maintain the **Stable Export Limit** and/or **Minimum Non-Zero Time** in accordance with Sub-Clause 1.4.6(b); or
 - (ii) submit a **Bid-Offer Pair** in accordance with Sub-Clause 1.4.6(c).

1.12 Review of Prices

- 1.12.1 Subject always to Sub-Clause 1.12.2, The **Generator** may, not more than once every calendar week, serve on **The Company** by facsimile in the form set out in Schedule F, Section 4, Part I (or such other method as may be agreed in writing between the **Parties**) a notification setting out details of any amendment(s) to any or all of the prices set out in Schedule F, Section 3, Part I or Schedule F, Section 3, Part II (an “**Amendment Notification**”).

- 1.12.2 The **Amendment Notification** shall only be valid if it is received by **The Company** not later than 12:00 hours on a Thursday, to take effect, subject always to Sub-Clause 1.12.4, from 00:00 hours on the following Sunday. If the **Amendment Notification** is received later than 12:00 hours on a Thursday the amendment(s) to any or all of the prices contained therein shall not apply.
- 1.12.3 **The Company** shall acknowledge receipt of a valid **Amendment Notification** as soon as reasonably practicable (and in any event within 24 hours of receipt) by facsimile in the form set out in Schedule F, Section 4, Part II.
- 1.12.4 Where a **BM Start-Up Instruction** is issued by **The Company** in respect of a **BM Unit** and during the period when the **Generator** provides **BM Start-Up** and (where relevant) **Hot Standby** from that **BM Unit** in accordance with such **BM Start-Up Instruction** a valid **Amendment Notification** takes effect in relation to the prices applicable to that **BM Unit**, for the purposes of determining the **BM Start-Up Payment** and (where relevant) the **Hot Standby Payment** attributable to such provision of **BM Start-Up** and (where relevant) **Hot Standby**, the prices applicable prior to the coming into effect of such **Amendment Notification** shall apply in place of the prices set out in such **Amendment Notification**.

1.13 **Publication**

The Company may publish on its website shortly after the time of issue of a **BM Start-Up Instruction** in respect of a **BM Unit** the following information in respect of the provision of the **BM Start-Up Service** from that **BM Unit**:-

- 1.13.1 the **BM Start-Up Time**;
- 1.13.2 the **BM Unit's** estimated **Maximum Export Limit** at the **Hot Standby Target Time**;
- 1.13.3 the estimated time of **Synchronisation**;
- 1.13.4 the **Instruction to Cease Start-Up** time;
- 1.13.5 the **BM Start-Up Price**; and
- 1.13.6 any other data prescribed from time to time by the **Procurement Guidelines**,
- and to this extent, the **Generator** consents to the disclosure by **The Company** of the information referred to in Sub-Clauses 1.13.1 to 1.13.6 (inclusive) in so far as it relates to the provision of the **BM Start-Up Service** from its **BM Units**.

SCHEDULE F
BM START-UP

SECTION 1 - DATA

Part I
BM Unit Data

BMU Name	BMU_1	BMU_2	BMU_3	BMU_4
NDZ_i range (at the time of issue of BM Start-Up Instruction)	t_{nts}	t_{nts}	t_{nts}	t_{nts}
NDZ_i ≥ [x] minutes	[] minutes	[] minutes	[] minutes	[] minutes
[y] min. ≤ NDZ_i ≤ [x-1] min.	[] minutes	[] minutes	[] minutes	[] minutes
[z] min. ≤ NDZ_i ≤ [y-1] min.	[] minutes	[] minutes	[] minutes	[] minutes

Part II
NDZ Ranges

BMU Name	BMU_1	BMU_2	BMU_3	BMU_4
NDZ Range 1	$0 < NDZ_i \leq NDZ1$	$0 < NDZ_i \leq NDZ1$	$0 < NDZ_i \leq NDZ1$	$0 < NDZ_i \leq NDZ1$
[NDZ Range 2]	$[NDZ1 < NDZ_i \leq NDZ2]$	$[NDZ1 < NDZ_i \leq NDZ2]$	$[NDZ1 < NDZ_i \leq NDZ2]$	$[NDZ1 < NDZ_i \leq NDZ2]$
[NDZ Range 3]	$[NDZ2 < NDZ_i]$	$[NDZ2 < NDZ_i]$	$[NDZ2 < NDZ_i]$	$[NDZ2 < NDZ_i]$

Part III
Hot Standby

Maximum Hot Standby Period:	[240] minutes
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SECTION 2 - FORMULAE

Part I BM Start-Up Payments

For each **BM Unit**, payment to the **Generator** in respect of provision of **BM Start-Up** during calendar month *m* shall be calculated in accordance with the following formulae:

$$SUP_m = \sum_{i \in m} (SUP_k - GRP_k)$$

Where:

SUP_m = the total payment for **BM Start-Up** due to the **Generator** in month *m*

$\sum_{i \in m}$ = the summation over all instances of **BM Start-Up** in respect of **BM Unit** *i* occurring in calendar month *m*

SUP_k = the **BM Start-Up Payment** due to the **Generator** in respect of the instance of **BM Start-Up** *k*

$$SUP_k = \lfloor \alpha \times t_{startup} \rfloor \times F1$$

GRP_k = the **BM Start-Up Repayment Amount** due from the **Generator** in respect of the instance of **BM Start-Up** *k*

$$GRP_k = \lfloor \alpha \times t_{startup} \rfloor \times F2$$

α = the applicable price for **NDZ_i** specified in Schedule F, Section 3, Part I as amended from time to time in accordance with Sub-Clauses 1.12.1 to 1.12.3(inclusive) and which shall, where appropriate, be determined in accordance with Sub-Clause 1.12.4

$t_{startup}$ = the number of hours of provision of **BM Start-Up** determined in accordance with the formula below:

$$t_{startup} = CST - BST$$

CST = the **Cease Start-Up Time**

BST = the **BM Start-Up Time**, determined in accordance with the formula below:

$$BST = HSTT + t_{nts} - NDZ_i$$

HSTT = the **Hot Standby Target Time**

NDZ_i = the Notice to Deviate from Zero (as defined in **Grid Code BC1**) in respect of **BM Unit i** applicable to the time at which a **BM Start-Up Instruction** is issued by **The Company**

F1 = 0 where any of Sub-Clauses 1.10.3(a), (b) or (c) applies, otherwise 1

F2 = 1 where any of Sub-Clauses 1.10.2(a), (b), or (c), applies, otherwise 0

Part II
Hot Standby Payments

For each **BM Unit**, payment to the **Generator** in respect of provision of **Hot Standby** during calendar month *m* shall be calculated in accordance with the following formulae:

$$HSP_m = \sum_{i \in m} HSP_h$$

Where:

HSP_m = the total payment for **Hot Standby** due to the **Generator** in calendar month *m*

$\sum_{i \in m}$ = the summation over all instances of **Hot Standby** occurring in calendar month *m* in respect of **BM Unit i**

HSP_h = the **Hot Standby Payment** described in Sub-Clause 1.11 in respect of the instance of **Hot Standby h**

$$HSP_h = [\beta * t_{hsb}] * F3$$

β = the applicable price specified in Schedule F, Section 3, Part II as amended from time to time in accordance with Sub-Clauses 1.12.1 to 1.12.3(inclusive) and which shall, where appropriate, be determined in accordance with Sub-Clause 1.12.4

t_{hsb} = number of hours of provision of **Hot Standby** determined in accordance with the formula below:

$$t_{hsb} = CHST - HSTT$$

$CHST$ = **Cease Hot Standby Time** as determined in accordance with Schedule F, Section 2, Part III

$HSTT$ = **Hot Standby Target Time** or, if later, the time of submission of a revised **NDZ_i** pursuant to Sub-Clause 1.4.6(a)

$F3$ = 0 where any of Sub-Clause, 1.11.2(a), (b) or (c) applies, otherwise 1

Part III
Cease Hot Standby Time

For each instance of **Hot Standby** relating to a **BM Unit**, **Cease Hot Standby Time**, “CHST”, shall be determined as follows:

- (i) Where **Hot Standby** is provided and an **Instruction to Cease Hot Standby** is issued pursuant to Sub-Clause 1.7.1 or deemed to have been given in the circumstances described in Sub-Clause 1.7.3, then:

*CHST = time at which **Instruction to Cease Hot Standby** is issued or (as the case may be) deemed to be issued*

- (ii) Where **Hot Standby** is provided and an **Instruction to Cease Hot Standby** is deemed to have been given in the circumstances described in Sub-Clause 1.7.2 such that the time that the **BM Unit Synchronises** is defined by reference to the Point Acceptance Volume qA_{it}^k , “time X”, then:

CHST = time X - t_{ms}

- (iii) Where **Hot Standby** is provided and an **Instruction to Cease Hot Standby** is deemed to have been given in the circumstances described in Sub-Clause 1.7.4(a), then:-

*CHST = the commencement of the **Settlement Period** in which QM_{ij} for the relevant **BM Unit** is greater than zero MW*

- (iv) Where **Hot Standby** is provided and an **Instruction to Cease Hot Standby** is deemed to have been given in the circumstances described in Sub-Clause 1.7.4(b), then:

*CHST = time at which the **Physical Notification** of greater than zero for the relevant **BM Unit** is submitted to **The Company***

- (v) Where **Hot Standby** is provided and an **Instruction to Cease Hot Standby** is deemed to have been given in the circumstances described in Sub-Clause 1.7.4(c), then:

*CHST = time at which the **Maximum Export Limit** of the relevant **BM Unit** is revised to less than the **Stable Export Limit***

SECTION 3 - PRICES

Part 1 - BM Start-Up

BM Unit	NDZ Range 1	[NDZ Range 2]	[NDZ Range 3]
BMU_1	<i>$\alpha 1$ (£/h)</i>	<i>[\alpha 2 (£/h)]</i>	<i>[\alpha 3 (£/h)]</i>
BMU_2	<i>$\alpha 1$ (£/h)</i>	<i>[\alpha 2 (£/h)]</i>	<i>[\alpha 3 (£/h)]</i>
BMU_3	<i>$\alpha 1$ (£/h)</i>	<i>[\alpha 2 (£/h)]</i>	<i>[\alpha 3 (£/h)]</i>
BMU_4	<i>$\alpha 1$ (£/h)</i>	<i>[\alpha 2 (£/h)]</i>	<i>[\alpha 3 (£/h)]</i>

Part II - Hot Standby

BM Unit	β (£/h)
BMU_1	<i>β</i>
BMU_2	<i>β</i>
BMU_3	<i>β</i>
BMU_4	<i>β</i>

SECTION 4 - NOTIFICATION FORMATS

Part I

(Pursuant to Sub-Clause 1.3.2)

From: **Fax:**
To: National Grid Electricity Control Centre **Fax:**

Date: **Time:**

BM Start-Up Service Availability Declaration

The **Commercial Ancillary Service** of **BM Start-Up Service** is declared available/unavailable from one or more **BM Unit(s)** as follows:

Power Station:

BM Unit(s)	Available	Unavailable

With Effect From (date/time)	___/___/___	__:__
To (date/time)	___/___/___	__:__

Signed by :		
Name		
Date/time	___/___/___	__:__

(Being authorised on behalf of the Generator to make this declaration.)

Note

This facsimile notification supersedes all previous notifications.

Part II

(Pursuant to Sub-Clause 1.12)

From: **Fax:**
To: National Grid, Network Operations **Fax:** 01926 656612
Date: **Time:**

BM Start-Up Price Declaration

In accordance with Sub-Clause 1.12.1 of the **Commercial Services Agreement**, the prices for the **BM Start-Up Service** shall be amended as follows:-

Contracted BM Unit	BM Start-Up Service Prices			
	Alpha1 (£/h)	Alpha2 (£/h)	Alpha3 (£/h)	Beta (£/h)
[BM Unit ID]				

.....

Signed by:(signature)

Name:

For and on behalf of []

.....
From: National Grid, Network Operations **Fax:** 01926 656612
To: **Fax:**

Date of **Time:**

Receipt:

In accordance with Sub-Clause 1.12.3 of the **Commercial Services Agreement**, we ACKNOWLEDGE your valid **Amendment Notification** for prices for the **BM Start-Up Service** as set out in the above table which, subject to Sub-Clause 1.12.4, shall be effective from 00.00 on [] (DD/MM/YY) being the first Sunday following the Date of Receipt specified above.

Signed by:(signature)

Name: