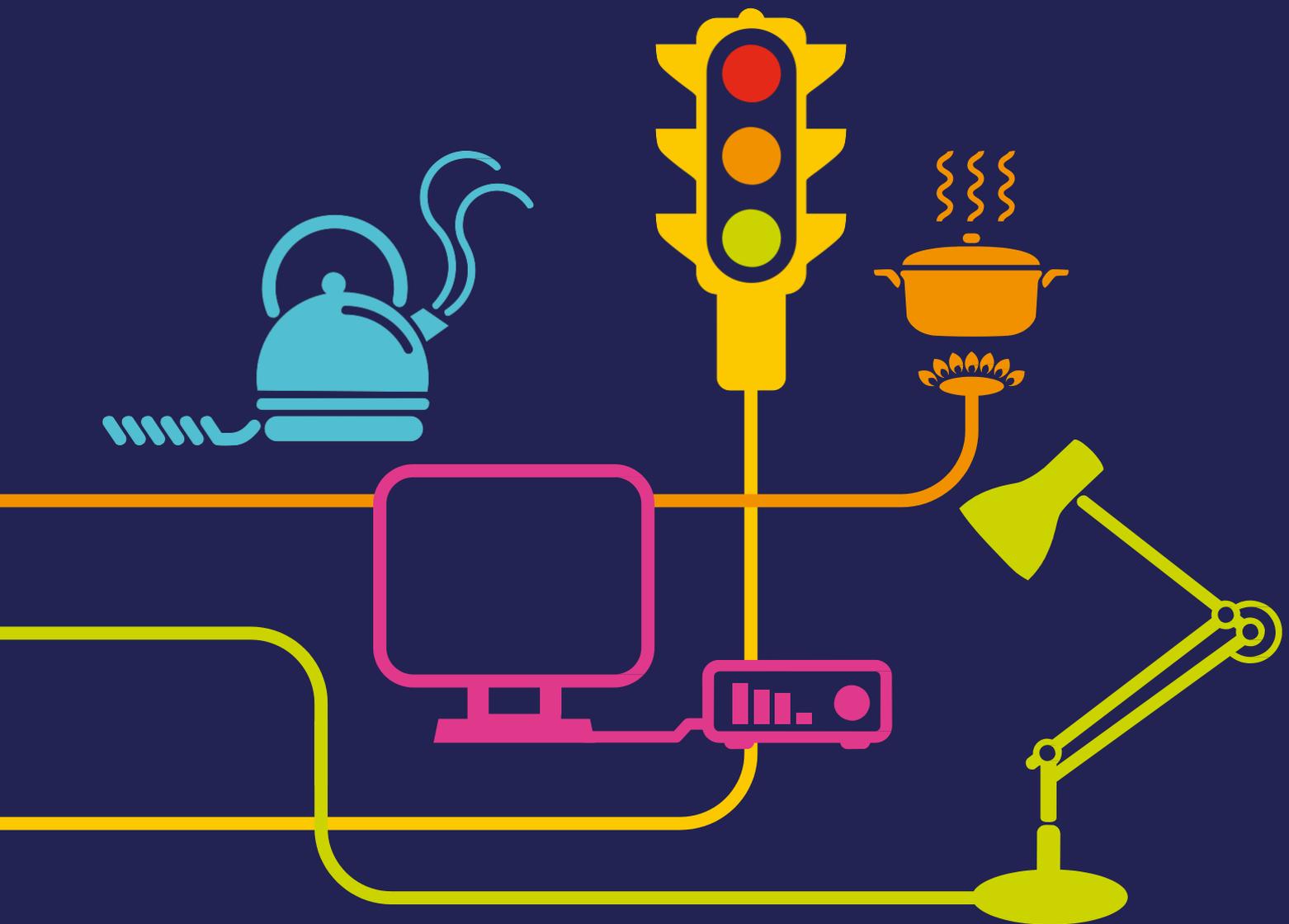


BM Start-up



A guide to the services procured by National Grid to access additional generation in the BM

“National Grid is an international electricity and gas company responsible for operating the electricity and gas transmission systems across Great Britain”

What is BM Start-up?

BM Start-Up is used by National Grid to ensure that sufficient generation is available on-the-day to meet demand plus reserve requirements.



What is the service?

The BM Start-Up Service provides the ability for National Grid, at its discretion, to instruct BMUs to achieve the capability of delivering an Offer in the Balancing Mechanism. The service can be used to procure additional generation or to advance a pre-planned synchronisation time.

The service contains two elements, BMU Start-Up and Hot Standby.

BMU Start-Up

BM Start-Up deals with bringing a BM Unit to a state where it can synchronise within BM timescales.

Hot Standby

Following a generator's start up preparation, it may be necessary to hold it for a period of time in a 'state of readiness' to generate at short notice. Under these circumstances, fuel will be used or energy taken to maintain this state of readiness. This is known as 'Hot Standby'.

How is the service procured?

This service is procured bilaterally through a commercial services agreement which facilitates the service being called on the day as and when required.

The minimum requirement is as follows:

- Ability to take on warmth to reduce the time taken to synchronise to within 85 minutes.
- Ability to maintain a 'state of readiness' for an agreed period of time

Payment

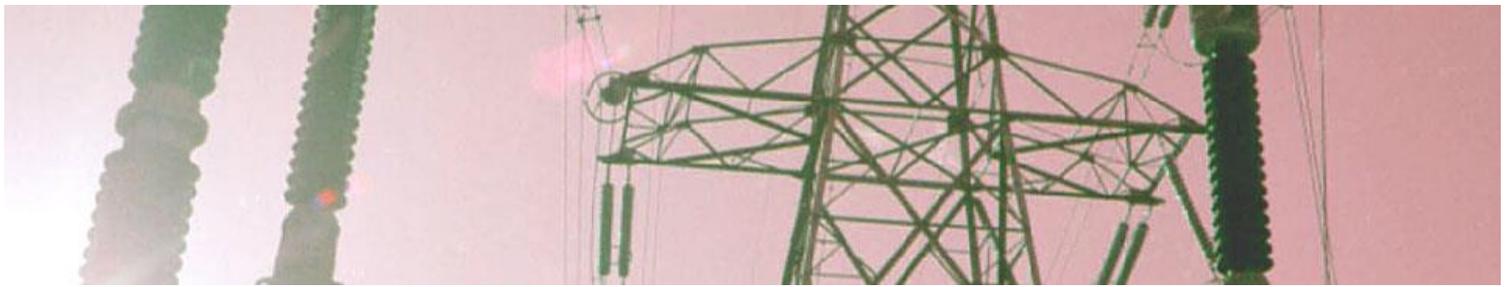
BM Start-Up Payment (£/h):

Start Up payments are made to cover start-up cost risk in the event that a BMU is stood down and hence not given the opportunity to recover costs in the BM.

There are up to three payment rates due to the varying cost for different start up lead times. Providers are able to change their BM Start-up prices on a 2 business day basis, and there is a common price change "gate closure" for all providers.

The BM Start-up service payment is made regardless of whether the unit proceeds to synchronisation or not, and the start and cease instructions define the period over which start-up payments will be made. Following a BM Start-up instruction, non-delivery rules apply in cases where providers opt not to provide the service, or fail to provide the service in accordance with its terms.

Hot Standby Payment (£/h): is made to cover the cost of sustaining a state of readiness of a BM Unit.



Contact:

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Information:

For more information on Balancing Services please visit

<http://www2.nationalgrid.com/uk/services/balancing-services/reserve-services/bm-start-up/>