

# BM Start Up



CBSG  
December 2010

# Background

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- BM Start Up was introduced 4 years ago as a result of Project ARORA (replacing Warming and Hot Standby)
  - Key deliverable was to create an improved contract structure with firm payments to better facilitate all generation types unable to start up on the day with the BM.
- Key Changes:
  - Firm Warming and Energy Utilisation Fees
  - Improved reporting of Information (SONAR)

# BMSU – What can we change?

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- Anything within reason, as long as all parties agree, ie, the BM Start Up Agreement will remain generic.
  - Increase Transparency
    - Publish BMU name?
    - Publish Information on Advance Syncs?
    - Publish PN changes / NDZs / BOA changes?
  - Increase Frequency of Price Change
    - Publish all prices for yesterday?

# BMSU – What can we change?

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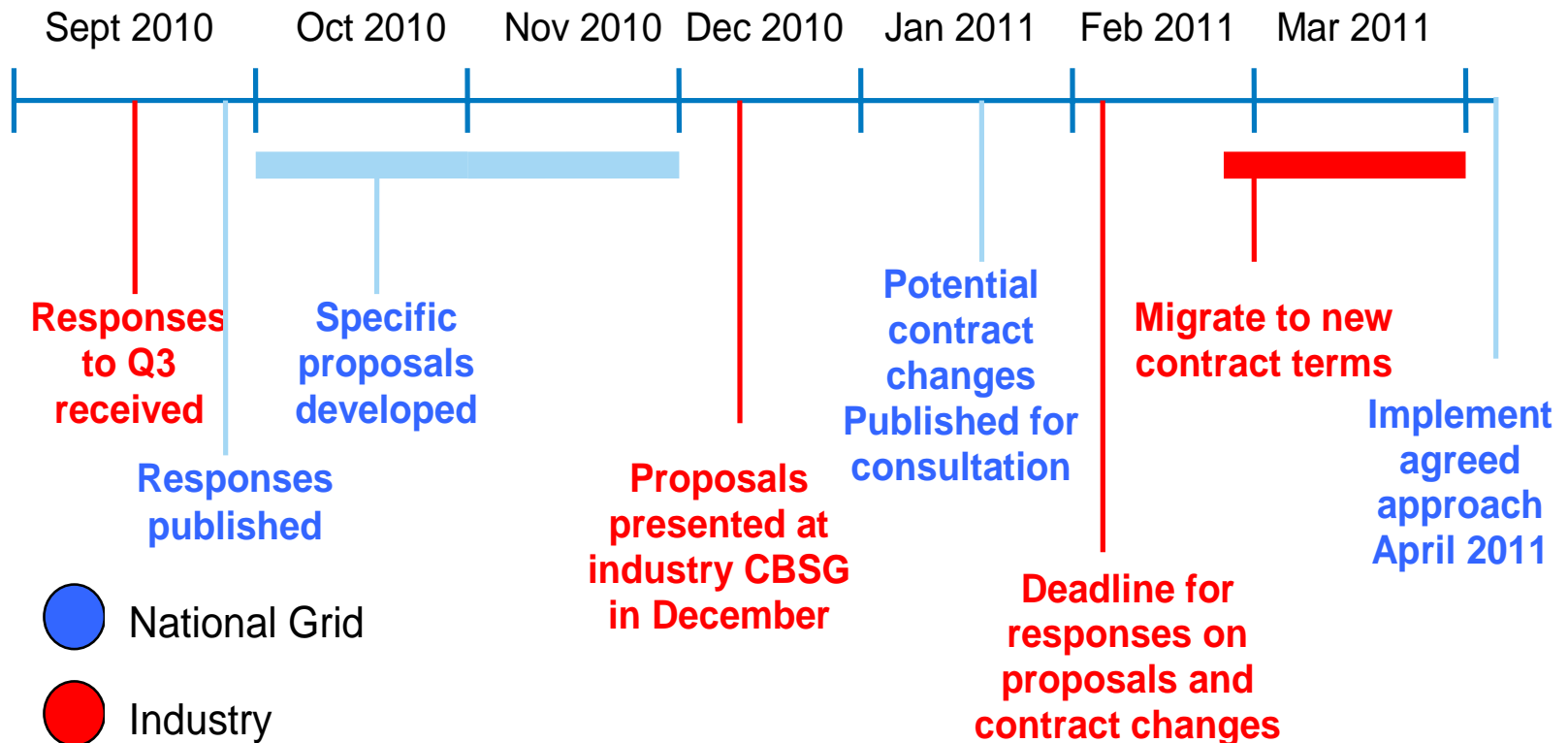
- Changes to NDZ Parameter
  - Time varying NDZs?
  - Variable Maximum Hot Standby Period to correlate with time varying NDZ?
- Remove Barriers to Entry
  - No lower threshold for Maximum Hot Standby Period?
  - Can NGET remove the deemed cancel once Maximum Hot Standby Period elapsed?

# BMSU – General Contractual Changes

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- Remove the deemed cancel once Maximum Hot Standby Period elapsed?
- Re-word the single Bid-Offer Pair requirement up to SEL (as does not matter whether 1,2 or more pairs delivers)?
- Draft terms to allow “un-winding” of BM Start Up instruction (BOA unwind and CHS)?
- Introduce a new mechanism for payment where a cease instruction from an Adv Sync is issued AFTER Hot Standby Target Time.

# Project Timeline



CBSG = Commercial Balancing Services Group

<http://www.nationalgrid.com/uk/Electricity/Balancing/CommercialBalancingServicesGroup/>