



BM to MW Dispatch Comparison

Торіс	Balancing Mechanism (Including Wider Access)	MW Dispatch
Contract 1MW>	The traditional route requires signing a NESO Connection Agreement. These take the form of: Bilateral Embedded Generation Agreement (BEGA), Bilateral Embedded Licence Exemptible Large Power Station Agreement (BELLA), Bilateral Connection Agreement (BCA). BCAs are for new connections to the National Electricity Transmission System (NETS). Embedded generators can enter either a BEGA or a BELLA. Through this process parties will be required to accede to the Connections Use of System Code (CUSC), through NESO and the Balancing and Settlement Code (BSC) through Elexon	Currently Providers must have the 'Control and Visibility' clause in Connection Offer/Agreement from the DNO. NESO is working with DNOs to open this market to Providers without the 'Control and Visibility' clause in their Connection Offer/Agreement. This is being investigated as part phase 3 of the MW Dispatch project, see Project Initiation Document (PID).
Contract <1MW	This route requires registration via a Virtual Lead Party (VLP) through NESOs new registration system. Parties will register Secondary BMUs with both NESO and Elexon. The minimum size for a Secondary BMU is 1MW. Through this process parties will be required to accede to the Connections Use of System Code (CUSC) and sign a Virtual Lead Party Agreement through the NESO Connections Team (transmissionconnections@uk.nationalener gyso.com), and the Balancing and Settlement Code (BSC) through Elexon. Visit: <u>NESO Connections Help & Support</u>	Minimum size for participation in MW Dispatch is 1MW. NESO are working with DNOs to open this market to Providers <1MW. This will be investigated in phase 3 of the MW Dispatch Project, see Project Initiation Document (PID).
Metering	Provider responsible for providing operational metering to NESO.	DNO will provide operational metering data to NESO.
Control	Provider responsible for providing control to NESO. This is done via Electronic Data Transfer and Electronic Data Logging facilities in traditional BM. Wider Access	Control instructions from NESO will be delivered to the Provider via Web API from the DNO.



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	APIs are an alternate route (MW capacity through this route is capped)	
Onboarding time	Up to 6-month lead time for on-boarding	Up to 3-month lead time for on-boarding
Data requirements	BM participants must provide commercial data and dynamic data to NESO (e.g., Physical Notifications, Maximum Export Limit, Maximum Import Limit and Bid/Offer Data.)	No need to issue commercial/dynamic data – only need to submit unit price at day-ahead. Submitted price is rolled-over for each operational day (i.e. no need for re-submission if unit price does not change).
Registration and more information	<u>NESO Website - Industry Information -</u> Balancing Services	<u>NESO Website - Industry Information -</u> <u>Balancing Services - System Security</u> <u>Services - Megawatt Dispatch</u>
Project Initiation Document	N/A	RDP MW Dispatch UKPN PID
Energy Cost	BM participants submit bids and offers up to gate closure. A bid is the price they've calculated to generate s electricity; an offer is the price to generate more. The ENCC will procure energy based on system needs.	MW Dispatch participants pricing can be set day ahead prior to 4pm for period from 5am next day to 5am following day. Price can otherwise be set at start of service and altered at whatever frequency is required or not altered at all.
Speed of response/ timing of instruction	Providers submit Notice to Deliver bid/offer (NTO/NTB) to NESO. These parameters indicate the length of time required for a BM Unit to start delivering Bids/Offers from the time that the Bid-Offer Acceptance is issued. Providers can also specify a notice to deviate from zero (this must be less than 90 minutes) for generators starting from zero.	MW Dispatch participants need to turn down within the UKPN EDS timescales based on their size.
Type of instruction	Generators can either turn down (bid) or turn up (offer).	MW Dispatch participants need to turn to zero. There is a deadband set at 0.05 MWs.