

# Run your CHP. Get Paid.



The UK Capacity Market is a HM Government sponsored programme designed to protect the security of electricity supply in the UK. Its purpose is to ensure that a reliable supply of power can be maintained to homes and businesses across the UK during exceptional peaks in demand or unplanned generation outages.

Businesses with Combined Heat and Power (CHP) systems can participate in the Capacity Market with Enel X. Participating CHP assets run for base load and on-site processes as normal. In return, National Grid help balance supply and demand on the electricity grid through the Capacity Market mechanism.

The Capacity Market is National Grid's last line of defence to prevent blackouts. It has not been called on since its launch in 2014, but it remains a critical part of the UK's energy infrastructure. Participants are paid for being on standby, providing a virtual safety net should a major grid event occur at some stage in the future.

The Capacity Market also plays a role in the UK's journey towards Net Zero. As we transition to renewable sources of electricity generation, the Capacity Market helps to protect grid stability during times of increased demand or decreased generation. The participation of CHPs in the capacity market means that fossil fuel power stations are called on less frequently and significant carbon emissions are avoided.

## How it works



Contact Enel X.  
We'll enrol your  
CHP into the  
Capacity Market.

Run your CHP as  
normal.

If a grid emergency  
does occur,  
continue to run  
your CHP as  
normal.

If a grid emergency  
does occur,  
continue to run  
your CHP as  
normal.

Get paid for your  
support.

## Who can participate?

CHPs are ideal candidates for the Capacity Market. When participating with a CHP, you get paid to continue running your asset for base load and on-site processes as normal.

It is also possible to participate using many other types of equipment commonly found at larger businesses and manufacturing facilities. Any site that can temporarily reduce its energy consumption can participate in the Capacity Market and get paid for their flexibility. Small changes in lighting, HVAC systems, or refrigeration units or switching power source to an energy storage system or back-up generator can make a big difference in the event of a grid emergency.



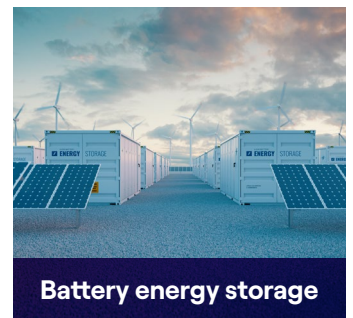
CHP



Industrial metallurgy



Cold storage



Battery energy storage



Manufacturing facility



Backup power generator



HVAC



Energy intensive processes

## How do I enrol my CHP?

- Enel X participates in Capacity Market auctions to secure market access for our customers.
- Our UK Program Managers are Capacity Market experts. They manage all aspects of the testing, enablement and pre-qualification process on your behalf.
- Enel X manages all data processing and settlement with National Grid to ensure fast compensation.
- In return for a share of the revenue earned, we take the complexity out of market access and participation so you can stay focused on your core business.

## How much revenue can I earn?

Earnings are calculated based on a price per MW paid to you in return for your enrolment in the Capacity Market. If you have 2MW or more of flexible capacity in your CHP that you are happy to enroll, that amount will determine your earning potential.

The price per MW is determined at auction ahead of the delivery year or years. For example, in 2024 the price was set at £35,000 per MW for the period starting 1st October 2024 until 30th September 2025. For the same period in 2027 – 2028, the price set was a record breaking £65,000 per MW.

Enel X secures the maximum Capacity Market positions at the best price at each auction. This allows us to offer our customers the highest average price per MW over the full term of their participation. We ensure that there are a choice of positions and terms available to suit a wide range of energy asset classes, sizes and business types.

Enel X manages the process on your behalf from start to finish with little or no customer CAPEX required.

**“The revenue stream that this has provided for our business is very, very, very significant over the last 6– 7 years. It’s really staggering what’s available for very little effort.”** Production Manager, Aggregates Manufacturer

## Capacity Market Earning Potential

### SCENARIO

#### A

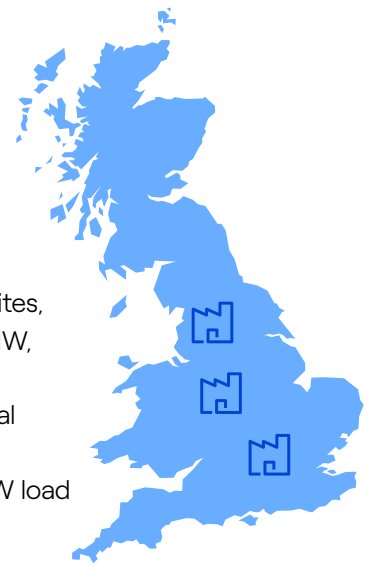
- > Single manufacturing site
- > Site electrical import 4MW
- > 7MW CHP with 7MW load feeding the site 24-7



### SCENARIO

#### B

- > Three manufacturing sites, with CHPs at each (4 MW, 4MW & 2MW)
- > Combined site electrical import 6MW
- > 10MW CHPs with 10MW load feeding the sites 24/7



> Average annual revenue: £316,530

**Gross total revenue over 5-year term:**  
**£1.6M**

> Average annual revenue: £452,185

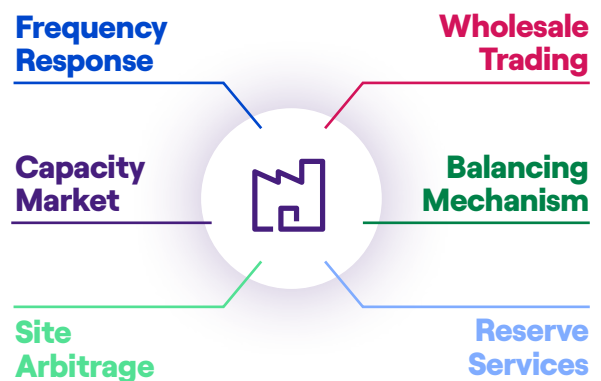
**Gross total revenue over 5-year term:**  
**£2.3M**

Revenue estimates are based on existing generation Capacity Market participation with Enel X from October 1st 2025 and are subject to eligibility, terms and conditions.

## The right market, at the right time

The Capacity Market represents a simple, lucrative and low-effort opportunity for organisations with high energy consumption or onsite generation such as CHPs.

In addition to the Capacity Market, Enel X provides access to a range of other flexibility programmes. Why not participate in different programmes with the same assets or baseload where programme rules allow? We take the complexity out of this decision making so that you can maximise your energy flexibility returns.



**“Enel X provides us with the expertise, technology and support we need to successfully participate in these latest grid balancing schemes. Our signing up, testing, and early participation were all simple and seamless.”** Energy Manager, International Airport

## Why Enel X ?

- Enel X is the world leader in DSR services with 9 GW under management
- We operate exclusively on a revenue share basis so there are no upfront fees and no minimum charges
- Our UK Capacity Market team manages all aspects of the complex auction process including testing and pre-qualification
- Enel X shields customers from any penalties associated with underperformance
- Enjoy the security, reputation and expertise that comes with an Enel Group company partnership



Contact us to find out more.

