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Response to: Statutory Consultation on Capacity Market Rules change proposals
June 7, 2021

Uniper

Uniper is an international energy company with around 12,000 employees in more than 40 countries. The company is headquartered in Düsseldorf.
In the UK, Uniper operates a flexible generation portfolio of seven power stations capable of powering around six million homes, and a fast-cycle gas storage facility.

Consultation Response

Uniper is broadly supportive of the measures proposed in this consultation. However, we note that the 2021 auctions have been scheduled again for February 2022, later than December when auctions used to be run during the first years of the scheme. Whilst we appreciate that the State-aid suspension and the Covid pandemic have resulted in delays over the last couple of years, we understood there was an intention to move the auctions back to their original December timing. Delayed auctions reduce the lead time to deliver new projects and the time available for secondary trading and we would strongly argue in favour of moving the auctions back to the original timeline.

Questions

Question 1: Do you have any comments on the proposed revised governance framework and change process for the Relevant Balancing Services?

The treatment of intertripping schemes and proposals for a more flexible governance framework are appropriate. When a capacity provider effectively opts for a lower standard of connection through an intertrip scheme then this should not be included in the definition of Relevant Balancing Services, whereas when an intertrip is required by the System Operator then it should be. It is clear that new balancing services will be needed to operate a less carbon intensive electricity grid. Creating a governance framework that can be modified in a timely way to incorporate new services is the sensible way forward.

Question 2: Do you have any comments on the specific Rule amendments proposed in Annex A?

We have no particular comments in response to this question.



Question 3: Do you have any comments on the definitions of “Declared Availability” and “Contracted Output” outlined in Table 4?

We have no particular comments in response to this question.

Question 4: We believe the process for an Applicant to declare that RPC has been obtained is no different to the existing process where the declaration is made within the Portal via a checkbox. Do stakeholders foresee any further changes required to be made to the existing declaration process to facilitate our proposal?

The rationale outlined relating to Relevant Planning Consents is noted and the process set out in the proposal is reasonable.

Question 5: In scenarios where capacity is required to be redistributed among components, specifically where RPC has been deferred, do stakeholders believe that deadlines should be prescribed to ensure these changes are enacted before confirmation of entry to the relevant Auction?

Uniper supports this measure to set deadlines for the submission of this information.

Question 6: Do you have any comments on the Rule drafting provided in Annex A?

We support the proposal. Transparency of this information in respect of all types of capacity provider supports the efficiency of the market.

Question 7: Do you agree with our suggestion to amend the definition of Maximum Obligation Period to allow greater flexibility for Prospective Generating CMUs in selecting a Capacity Agreement length?

This proposed change will make the rule clearer to all stakeholders.

Question 8: Do you foresee any unintended consequences as a result of implementing this proposal?

No.

Uniper UK Limited