

Harry Parsons & Mark Carolan
GB Wholesale Markets
Ofgem
10 South Colonnade
Canary Wharf
London
E14 4PU

22 October 2020

Dear Harry and Mark

Consultation on Capacity Market Rules change proposals

Thank you for the opportunity to respond to Ofgem's consultation on proposals to change the Capacity Market (CM) Rules.

ScottishPower is a major UK energy company and a leading UK developer and operator of wind power, and part of the Iberdrola group, the world's leading renewables generation developer. Iberdrola is a global leader in tackling climate change, with a commitment to reaching carbon neutrality by 2050.

We are supportive of the underlying aims of Ofgem's proposals in the consultation document and agree that the proposals support the objective of reducing the complexity and regulatory burden present in the current Rules, systems and processes of the CM. In particular, we welcome the proposals to amend Rule 4.4.4 (which would provide Generating CMUs with greater flexibility to change their components between Prequalification and Delivery) and the improved flexibility that this will bring. We believe that the proposals around Prequalification and Qualification represent a sensible and workable approach, whilst the proposed changes to the reporting requirements under the Rules are also welcome.

More generally, whilst we believe that these proposals will reduce some of the complexity of the current Rules, we would welcome further consideration and in due course consultation on additional areas to further improve the operation of the CM system and processes, such as, reducing the administrative complexity around CM agreements and fulfilling the obligations under them.

In this context, we would also welcome the opportunity to be involved in any further engagement regarding upgrades to the EMR Portal. For example, we think that there is scope to make changes to the 'alert function' in order to make emails more pertinent to each participant, as well as other simple operational improvements.

Lastly, we look forward to reviewing the consultation on the formation of the Capacity Market Advisory Group that is expected to be brought forward by Ofgem before the end of 2020.

If you have any comments or queries on any aspect of this response, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in blue ink that reads "Richard Sweet". The signature is written in a cursive, flowing style.

Richard Sweet
Head of Regulatory Policy