

Sohail Ahmed
GB Wholesale Markets Team
Ofgem
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London
E14 4PU

14 January 2022

Dear Sohail,

Consultation on Capacity Market Rule amendments (Evergreen, CMR and Applicant Notice)

Thank you for the opportunity to respond to Consultation on Capacity Market Rule amendments (Evergreen, CMR and Applicant Notice). Further to our responses to the Capacity Market Rules change consultation in July 2020 and June 2021, we welcome the opportunity to continue to engage with the process of review and improvement of the Capacity Market Rules to ensure that they remain fully effective and fit for purpose.

We continue to support the proposals set out in the Consultation, as per our responses to previous consultations on these issues and ask that these amendments are implemented without any further delay. We are disappointed that the proposals for evergreen prequalification will now require new data to be used from 2022 and not use data held already within the portal. We strongly urge that the necessary rule and portal changes are implemented well in advance of prequalification for 2022.

We would also like to take this opportunity to ask Ofgem for an update on the establishment of the Capacity Market Advisory Group (CMAG) and an update on progress on secondary trading. Ofgem's Forward Work Plan (July 2019) stated that the secondary trading workstream would be completed by prequalification 2021. We are concerned that the lack of communication on this matter will add further delay to the establishment of this group and progress to establish secondary trading.

Our answers to the statutory consultation questions are in Annex 1.

Please do not hesitate to contact me if you have any questions about this response.

Yours sincerely,



Richard Sweet
Head of Regulatory Policy

CONSULTATION ON CAPACITY MARKET RULE AMENDMENTS (EVERGREEN, CMR AND APPLICANT NOTICE)- SCOTTISHPOWER RESPONSE

Evergreen Prequalification

Question 1: Do you agree with our proposed Rule amendments to facilitate the implementation of reusing Exhibits and other information?

Yes, we support proposals for evergreen prequalification and were disappointed that this was not introduced for 2021 prequalification.

We note that the reason for not allowing reuse of prequalification data from before 2022 is so that the Delivery Body can capture all Applicant information through the new EMR Portal without the need to migrate data from the previous EMR Portal, thus reducing the risk of any further delay to the launch of the new portal. We are disappointed that our request for reuse of data held in the 2021 prequalification process is not to be allowed and are therefore very keen to understand the process and timeframe for the launch of the new Portal. We would welcome the opportunity to engage with this process and to fully understand the process for migration to the new portal, when we will gain access to the new portal, and what actions will be required to ensure that we can access full functionality. We welcome that the new portal will support evergreen prequalification and electronic signatures and ask that transition begin as soon as reasonably practicable.

We understand the rationale for the proposal that an annual exhibit be submitted, however we are disappointed that exhibit ZB will need to be submitted annually. A renewable Capacity Market Unit (CMU), which does not use fossil fuels is extremely unlikely to change its emission status on an annual basis and we believe that this exhibit should be able to be reused where the initial submission for the CMU has zero emissions. Further, we would also support the suggestion that the Annual Exhibit could be a tick box within the EMR Portal and would welcome this proposal being taken forward for further consideration.

Capacity Market Register

Question 2: Do you agree with the draft Rules to implement CP270 and the partial implementation of CP271?

Question 3: Do you agree with our proposal where Applicants would provide the “Primary Fuel” for each Generating Unit or Component comprising a CMU?

We welcome the proposals to amend the Capacity Market Register. In line with our responses to previous consultations we agree with the implementation of CP270 and partial implementation of CP271. The proposed changes support the efficient operation of the Capacity Market by improving market transparency and providing a better understanding of the capacity operating in the Capacity Market.

Applicant Notice

Question 4: Do you agree with our proposed amendments to the Rules to facilitate our Applicant Notice proposal?

We welcome the proposal to amend the Rules to facilitate Applicant notice proposals being delivered via the EMR Portal. Once again, we would welcome further details of the portal implementation timescales and early visibility of changes to ensure that changes are not delayed beyond prequalification for 2022.

ScottishPower

January 2022