**Capacity Market Advisory Group – Call for Input**

**1. In general, do you agree with our intention to establish CMAG? If not, please explain your concerns.**

Yes we strongly agree with the intention to establish a CMAG. The Capacity Market is a mechanism in need of both grand redesign and tweaking reforms, so a body to oversee the administration of this is a good principle.

**2. Do you agree with the objectives and role of CMAG as set out in Section 2 of the new Guidance?**

Yes these objectives proposed are suitable. In addition we would suggest an objective to increase the efficiency of the mechanism by identifying and suggesting corrections for ‘grey areas’ and contradictions within the rules (for example DSR baselining / entry capacity).

**3. Do you foresee any unintended consequences from following the indicative process as set out in Section 3 of the new Guidance?**

Unclear whether mods are raised directly to CMAG by industry or whether all mods are raised to Ofgem and only some of these are then referred on to CMAG.

**4. Do you have any concerns about the suitability of Elexon to act as Secretariat? If so, do you have a view on a suitable alternative?**

We would certainly endorse Elexon as the Secretariat given their highly competent and impartial administration of the BSC.

**5. Do you agree that levying the administrative costs of CMAG on BSC users is an appropriate funding route? Please outline any concerns and/or alternative approaches, if appropriate**.

The administrative costs might sit more naturally on the Capacity Market operational levy. However, given the likely magnitude will be small we do not see any issue with the approach suggested.

**6. Do you have any comments on the indicative template for the CMAG Terms of Reference we have included as part of this call for input?**

The terms of reference seem appropriate, we have no comments.

**7. Please indicate if you or a suitable representative from your company or stakeholder group are provisionally interested in joining the inaugural CMAG. Please do not provide names at this stage. We will formally ask for expressions of interest when we publish the new Guidance.**

Yes, Octopus Energy would be interested in providing a representative.