



Making a positive difference  
for energy consumers

## Capacity Market Rules Change

Reference number (to be  
completed by Ofgem):  
**P039**

Name of Organisation(s) / individual(s):  
SSE

Date Submitted:  
23rd January 2015

**Type of Change:**

- Amendment
- Addition
- Revoke
- Substitution

If applicable, whether you are aware of an alternative proposal already submitted which this proposal relates to:

**What the proposal relates to and if applicable, what current provision of Rules the proposal relates to (please state provision number):**

Rule 3.5.

Proposal to introduce the ability to make a permanent adjustment to the Connection Capacity of a CMU in future Delivery Years.

**Description of the issue that the change proposal seeks to address:**

Over time the capacity that can be delivered by a CMU may change; for example a reduction due to necessary plant modifications or reduction in capability, or an increase due to upgrades that do not qualify as refurbishment under the existing Rules.

**If applicable, please state the proposed revised drafting (please highlight the change):**

An additional Rule to be added after 3.5.5 to the effect of:

“At Prequalification any CMU without a Capacity Agreement for the relevant Delivery Year may submit a revised Connection Capacity, pursuant to Rules 3.5.2 to 3.5.5 [and the following conditions]”

While the principle of the revision appears straightforward, we acknowledge that further work will be required to ensure consistency with the remainder of the Rules and the design and objective of the scheme in totality. The text in [ ] would be expanded on as required.

**Analysis and evidence on the impact on industry and/or consumers including any risks to note when making the revision - including, any potential implications for industry codes:**

It may be necessary for an applicant to reduce the Connection Capacity due to, for example, modifications to ensure compliance with environmental regulations. There needs to be a mechanism in the rules to allow for this to ensure no Generating CMU has to opt out due to concern over the ability to meet the agreed Derated Capacity.

Allowing Applicants to increase the Connection Capacity of an Existing CMU is beneficial to the consumer as securing additional capacity at an existing CMU is likely to be lower cost than contracting a new build.

**Details of Proposer (please include name, telephone number, email and organisation):**

Andrew Colley, 0118 953 4276, [andrew.colley@sse.com](mailto:andrew.colley@sse.com), SSE

