



Making a positive difference  
for energy consumers

## Capacity Market Rules Change

Reference number (to be  
completed by Ofgem):  
**P049**

<b>Name of Organisation(s) / individual(s):</b> UKDRA	<b>Date Submitted:</b> 23/01/2015
<b>Type of Change: Addition</b>  <input type="checkbox"/> Amendment  <input type="checkbox"/> Addition  <input type="checkbox"/> Revoke  <input type="checkbox"/> Substitution	<b>If applicable, whether you are aware of an alternative proposal already submitted which this proposal relates to:</b>  NO
<b>What the proposal relates to and if applicable, what current provision of Rules the proposal relates to (please state provision number):</b>  This proposal proposes to add a new baseline type for behind the meter generation, so it can be included in DSR CMU's. It refers to schedule 2 of the rules	
<b>Description of the issue that the change proposal seeks to address:</b>  The current baseline methodology does not address behind the meter generation such as CHP and emergency generation that are typically part of the technical means to provide DSR. This should be corrected to allow the full spectrum of DSR to participate and compete on a level playing field	
<b>If applicable, please state the proposed revised drafting (please highlight the change):</b>  A new alternative baseline methodology should be added to schedule 2 as an alternative to the current methodology applicable to behind the meter generation. For behind the meter generation a zero-baseline should be introduced. This means that in a stress event the actual output of the behind the meter generation would be considered as the volume of capacity generated at that DSR CMU component. This is in line with the assessment of the capacity of other generation assets (level playing field) and allows behind the meter generation to be combined with other forms of DSR (f.ex. load reduction, demand shifting ...) as is common practice in balancing reserves such as f.ex. STOR  This proposed change will help the industry and the consumers to fully participate in the capacity market (policy objective). It will make the participation of all forms and variants of distributed generation possible and improve the administrative efficiency of the capacity market (one of the stated Ofgem objectives).	
<b>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:</b>	

No impact on industry codes identified

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

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