



Making a positive difference
for energy consumers

Capacity Market Rules Change

Reference number (to be
completed by Ofgem):
P055

Name of Organisation(s) / individual(s):
National Grid Electricity Transmission Ltd

Date Submitted:
23/01/2015

Type of Change:

- Amendment
- Addition
- Revoke
- Substitution

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

No

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

The proposal seeks to clarify the clearing algorithm such that if there is excess capacity at the price floor then the normal exit ranking takes place

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

The remaining capacity exceeds demand at a price of zero, the current wording of Rule 5.9 means there is no way to clear the auction.

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

DECC recently commented that the auction is void if there is excess capacity at £0. This should be reflected in the rules.

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 is possible for the auction to reach the price floor with excess capacity: as such there needs to be a means to clear the auction. The normal exit ranking should apply, or all remaining capacity should get agreements.

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

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