



Making a positive difference
for energy consumers

Capacity Market Rules Change

Reference number (to be
completed by Ofgem):
P058

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):

This proposal seeks to clarify the credit cover requirements, specifically the timetable for provision of credit cover.

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

Under the Rules and Regulations it could be implied that if the applicant fails to provide the credit cover to the Settlement body within 5 working days of the original Prequalification decision then they should also be excluded. However the trigger to exclude a provider from the auction is if the applicant is unable to provide evidence to the Delivery Body of posting the required credit cover within 32 working days of Prequalification results Day.

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

Amend Rule 4.6 to clarify the timetable and make the intent clearer.

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:

The 5 working day requirement is in place to allow an applicant a second chance to provide credit cover should the initial credit be deemed insufficient by the Settlement Body. The timetable is intended to allow applicants chance to make a second credit cover submission within the 35 working day window. If there is no problem with the credit cover the applicant should be able to provide the credit later than the 5 working day deadline, possibly up to 17 working days, giving the settlement body 15 working days to assess the credit in line with the regulations, and provide receipt to the Delivery Body. It could be contemplated to allow submissions even later than 17 working days after prequalification results day, but with no guarantee that the settlement body can assess it.

It is noted that in 2014, the Settlement Body was able to assess credit cover within 2 working days.

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

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