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for energy consumers

Capacity Market Rules Change

Reference number (to be
completed by Ofgem):
P060

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):

Rule 3.4.3 (a) (i) requires all applicants to provide a description of and the location of the generating units or DSR components in a CMU.

Rule 3.2.3 states that the applicant for a prospective generating CMU must be the legal owner of each generating unit, and Rule 3.2.4 states that the despatch controller may be the applicant for an existing generating CMU.

Rules 3.5.2, 3.5.3 and 3.5.5 set out the methods available to generating CMUs to set their connection capacity. Rules 3.5.3 and 3.5.5 set out alternative methods which existing generating CMUs may use.

Rule 3.6.1 requires applicants for existing generating CMUs to identify the settlement periods in which the CMU delivered its highest output. For a CMU who has not been operational in the 24months prior to the start of the prequalification window, or those subject to a continuous transmission restriction may use the most recent 24 months of operation

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

Rule 3.4.3 (a) (i): The rule does not thoroughly explain what is required in a description of a CMU and a description is not necessary in order to prequalify.

Rule 3.2.3: A Refurbishing CMU is considered akin to a new build CMU for the most part within the rules, however as the very nature of the refurbishing CMU means that the CMU already exists in its pre-refurbishment state and is akin to an existing generating CMU, we believe that it should be clarified that therefore a despatch controller should be able to make the application for a Refurbishing CMU.

Rules 3.5.2, 3.5.3 and 3.5.5: This proposal seeks to clarify that the rules that apply to existing generators also apply to the pre-refurbishment element of refurbishing CMUs.

Rule 3.6.1: The proposal seeks to clarify what is required during prequalification by requesting applicants state the 24 month period of operation, if it is not the 24 months immediately prior to the prequalification window.

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

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Rule 3.4.3 (a) (i):

Modify Rule 3.4.3 (a) (i) such that it requests the address(s) and / or a grid reference(s) of the CMU components rather than a description and location.

Rule 3.2.3:

Modify rules 3.2.3 and 3.2.4 to state that the applicant for a refurbishing CMU may be the despatch controller, providing they meet the criteria already stated in Rule 3.2.4

Rules 3.5.2, 3.5.3 and 3.5.5:

Modify Rules 3.5.3 and 3.5.5 to include refurbishing CMUs (pre-refurbishment element only).

Rule 3.6.1

Amend Rule 3.6.1 to add requirement to state what the 24 month period is.

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:

Rule 3.4.3 (a) (i):

The information received in this field during prequalification in 2014 varied hugely. The required information should be clearly set out and the rules should be specific on this.

Rule 3.2.3:

Refurbishing CMUs are existing CMUs to which improvement works are being carried out, as such the Despatch Controller should be able to apply.

Rules 3.5.2, 3.5.3 and 3.5.5:

Pre-refurbishing elements of CMUs are akin to existing generating units and the same rules should apply.

Rule 3.6.1

When assessing the prequalification applications, the Delivery Body will verify the physically generated net output and confirm the three highest settlement periods, if the applicant does not tell us the complete 24 month period we cannot check the whole period to verify the output.

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

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