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for energy consumers

Capacity Market Rules Change

Reference number (to be
completed by Ofgem):
P067

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 state the MPAN numbers for all relevant meters.

Rules 3.6.4 and 3.9.4 require applicants who are existing generating CMUs or proven DSR CMUs to provide detailed line diagrams for each component and complete a metering assessment during prequalification.

Rule 3.4.1 (d) requires all applicants to provide the bank account details for the payment of capacity payments.

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

This proposal seeks to ease the administrative burden on parties during prequalification,

Amendments to Rule 3.4.3 (a) (i), Rule 3.6.4 and Rule 3.9.4 are proposed to ensure the settlement body receives accurate data. This is achieved by removing the requirement to provide any metering information to the Delivery Body during prequalification. Instead it is proposed that it would be provided direct to the Settlement Body - the party who require the data - post auction.

An amendment to Rule 3.4.1 (d) is proposed such that the requirement to provide bank details is moved to post auction and the information is collected by the Settlement Body as they are the delivery partner who use the information.

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

Amendments to Rule 3.4.3 (a) (i), Rule 3.6.4 and Rule 3.9.4

Remove Rules 3.4.3 (a) (i), 3.4.3 (b), 3.6.4 and 3.9.4. Move the requirement to complete a metering assessment and provide MPANs and SLDs into chapter 6, linking into chapter 13. Exact legal text will need to be agreed with the Settlement Body and take account of any change to incorporate New Build Metering assessments."

Amendment to Rule 3.4.1 (d)

Remove Rule 3.4.1 (d)

Add requirement into Chapter 6 to add a requirement to provide this information after the award of a capacity agreement.

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:

Amendments to Rule 3.4.3 (a) (i), Rule 3.6.4 and Rule 3.9.4

The information received through the metering assessment and the SLD is not used by the Delivery Body when assessing a prequalification application. The information received through the metering assessment, and the SLDs, are passed to the Settlement Body. The rules require this for all prequalification applications, though we understand that this information is only likely to be used by the Settlement Body when carrying out metering tests on those CMUs that have actually been awarded capacity agreements.

If the Settlement Body were to collect the metering information direct from the applicants, post auction, it would ease the administrative burden on applicants during prequalification.

The rules require the Delivery Body to check the MPANs for any duplicate entries at prequalification, we believe that this is a more appropriate activity to include within the metering test as the settlement body could conduct this test against the background of verified metering information."

"This information is not assessed at prequalification and is not required by the Delivery Body at any point.

Amendment to Rule 3.4.1 (d)

At the time of prequalification some applicants, particularly for new build CMUs, will not have the bank details which they require payment into, stakeholders have said they will set the bank account up if they are awarded an agreement.

As the Settlement Body is responsible for making capacity payments it would be appropriate for them to capture and process this information when they require it.

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

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