



Making a positive difference
for energy consumers

Capacity Market Rules Change

Reference number (to be
completed by Ofgem):
P072

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 relates to Rule 2.3, the methodology for de-rating CMUs.

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

It is not clear whether de-rating factors are set for auctions in a calendar year or auctions for a Delivery Year

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

Amend Rule 2.3 to make clear that de-rating is calculated per Delivery Year.

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 methodology applies to a Delivery Year rather than an auction, so the capacity procured in 2017 T-1 should have the same de-rating as used in the 2014 T-4 Auction. There may be a detrimental impact on trade of capacity agreements if the de-rating factors of plant types changed depending on the auction.

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

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