

Proposal for a Capacity Market Rules Change



Making a positive difference
for energy consumers

Reference number(*to be completed by Ofgem*):
P085

Name of Organisation(s) / individual(s):
DECC

Date Submitted:
12/02/2015

Type of Change:

- Amendment
- Addition
- Revoke
- Substitution

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

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

Addition of a new obligation on the Delivery Body to publish a Principles Statement for calculating Non-Balancing Mechanism Adjustment Formulae for Frequency Control by Demand Management (FCDM) services. Schedule 4 refers.

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

To place an obligation on the Delivery Body to produce and publish, at least three months ahead of the first delivery year, a Principles Statement setting out how it will determine 'declared availability' and 'contracted output' for non-Balancing Mechanism Frequency Control by Demand Management (FCDM) services.

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

In Schedule 4, at the end insert:

"Frequency Control by Demand Management

The Delivery Body must:

- (a) by no later than 3 months before the start of the first Delivery Year, publish a statement of principles setting out how it will determine "Declared_Availabilityij" and "Contracted_Outputij" for a CMU that provides Frequency Control by Demand Management and is not also a BM Unit; and
- (b) follow the statement of principles when providing data about "Declared_Availability" and "Contracted_Output" to the CM Settlement Body under Rule 14.4.2(b) for such a CMU."

May also require a reference to this new obligation in the main body of 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:

None

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

Simon Francis, DECC