

Proposal for a Capacity Market Rules Change



Making a positive difference
for energy consumers

Reference number (to be completed by Ofgem):
CP104

Name of Organisation(s) / individual(s):
Association for Decentralised Energy

Date Submitted:
15/01/2016

Type of Change:

- Amendment
- Addition
- Revoke
- Substitution

If applicable, whether you are aware of an alternative proposal already submitted which this proposal relates to:
We have also proposed modifications to Schedule 6 for related reasons.

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

Simplification of metering requirements (Schedule 7)

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

The metering provisions, in particular for small Generation CMUs and for DSR CMUs, impose a high burden on Providers without demonstrable benefit to the consumer. Gathering the data required to fully comply with the details of Schedule 7 in the time available (especially for T-1 auctions) can be extremely difficult as it may require site shutdowns; these are often very difficult to arrange on (for example) a hospital or a datacentre.

Similarly, bespoke metering equipment can be difficult to upgrade, and on small sites used in aggregated portfolios, the benefit can be outweighed by the cost. For example, installing the required class of current and voltage transformers will require shutdowns and invasive engineering, while the accuracy of metering of a single site can often be shown to be within the total accuracy requirements without such upgrades.

In an aggregated CMU, the accuracy of metering of the total CMU is inevitably superior to the accuracy of metering of the individual CMU Components (or indeed of an equivalently-sized single-site CMU). This is because measurement errors on different sites are uncorrelated. Greater participation would result if this benefit were recognised because barriers to entry would drop.

We propose that where multiple small sites make up aggregated CMUs, Providers should be able to present a calculation of the total measurement error of the overall CMU and demonstrate that this falls within the requirements of the CM for a CMU of that size.

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

In Schedule 7 paragraph 7, after “not the rated capacity of the aggregated capacity”, append “unless the Capacity Provider submits to the Settlement Body a detailed calculation, having consideration of the overall metering accuracy of each individual CMU Component, showing that the overall accuracy of the energy measurements for the aggregated CMU falls within the limits of error shown below (in which case paragraphs 9, 24 and 30 shall not apply)”

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:

This proposal makes CM participation tractable for a wider range of resources without reducing the

accuracy of metering used to demonstrate performance in system stress events.

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

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