


<h2 style="margin: 0;">Proposal for a Capacity Market Rules Change</h2>		 Making a positive difference for energy consumers
		<b>Reference number</b> <i>(to be completed by Ofgem):</i> <b>CP96</b>
<b>Name of Organisation(s) / individual(s):</b> Association for Decentralised Energy	<b>Date Submitted:</b> 15/01/2016	
<b>Type of Change:</b>  <input checked="" type="checkbox"/> <b>Amendment</b>  <input type="checkbox"/> <b>Addition</b>  <input type="checkbox"/> <b>Revoke</b>  <input type="checkbox"/> <b>Substitution</b>	<b>If applicable, whether you are aware of an alternative proposal already submitted which this proposal relates to:</b> n/a	
<b>What the proposal relates to and if applicable, what current provision of Rules the proposal relates to</b> <i>(please state provision number):</i> Rule 5.3.2 paragraph (b) is extremely broad; its scope should be limited		
<b>Description of the issue that the change proposal seeks to address:</b> Under Rule 5.3.2 paragraph (b), bidders are excluded unless they have complied with “the terms of any continuing Capacity Agreement in relation to any CMU.” This is an extremely broad provision which could be applied to very minor matters. One minor breach would lead to an entire company’s portfolio being banned from auctions. This can be worked around by parties able to create a proliferation of registered companies, so that one company would be associated with each CMU. Thus the provision would not apply at all to some participants while it imposes a heavy burden on others.		
<b>If applicable, please state the proposed revised drafting</b> <i>(please highlight the change):</i> We propose that paragraph (b) is either deleted or replaced with a paragraph citing the specific Rules and Regulations where exclusion is a commensurate remedy. In the latter case, it would be necessary to include Group companies in order to ensure that the provision applied evenly.		
<b>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:</b> There are no implications for industry codes.  We believe that clarifying this Rule will facilitate the efficient operation and administration of the Capacity Market.		
<b>Details of Proposer</b> <i>(please include name, telephone number, email and organisation):</i> William Caldwell, Association for Decentralised Energy, william.caldwell@theade.co.uk, 020 3031 8740		