

Proposal for a Capacity Market Rules Change



Making a positive difference
for energy consumers

Reference number (to be
completed by Ofgem):
CP138

Name of Organisation(s) / individual(s):
National Grid Electricity Transmission Ltd

Date Submitted:
15/01/16

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):

The Certificates applicants are required to sign: Exhibits A to I, and the rules which reference them in chapter 3.

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

Currently there are a large number of Certificates which need to be signed and uploaded as part of the application. This proposal seeks to make this process easier and to reduce the amount of certificates, creating a more efficient process for the applicants.

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

Exhibits A, C-G to be amalgamated and replaced with a single new certificate.

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:

Of the applications which initially did not prequalify, a significant number failed as a result of not correctly signing and uploading the correct certification. Having spoken to numerous participants, we believe that in order to help limit the number of mistakes, and increase the number of participants who prequalify without having to appeal, some of the certificates could be reduced, simplified or amalgamated. The effect of this would be to reduce the workload for the delivery body and the applicants, by reducing the number of appeals to be filled in and subsequently assessed.

Currently the process of filling in multiple certificates increases the chances of mistakes. We understand the need for two directors to sign off on each application (where a company has at

least two directors) but believe a more simple way would be providing a universal certificate for directors to sign. Having one certificate for every applicant to sign, would make it more straightforward and reduce the chances for mistakes. Added to this, feedback from applicants stated it is simpler to get board approval for a single certificate than multiple ones.

Justification against the Objectives:

- Ensuring the compatibility of the Capacity Market Rules with other subordinate legislation under Part 2 of the Energy Act 2013

Neutral

- Facilitating the efficient operation and administration of the Capacity Market
Helping applicants to fill in prequalification correctly mean they are more likely to prequalify without the need for dispute which would make the process a lot more efficient.

- Promoting investment in capacity to ensure security of electricity supply

Neutral

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

Matthew Magill
EMR – Capacity Market Manager
National Grid
E: matthew.magill@nationalgrid.com
T: 07790 357992