

Proposal for a Capacity Market Rules Change



Making a positive difference
for energy consumers

Reference number (to be
completed by Ofgem):
CP144

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):

Rule 7.4 Contents of the Capacity Market Register. Specifically rules 7.4.1 and 7.4.5

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

Currently the capacity market register provides all stakeholders with information about all CMUs which have entered prequalification. According to the rules, the delivery body must make this available to any participant who requests it; this is maintained by keeping an up to date register on the delivery body portal. We regularly receive feedback from stakeholders that the sheer amount of information contained within the register makes it far from user friendly.

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

Rules which should be removed:

7.4.1 (a)(iv) *the Meter Point Administration Numbers for the relevant Meters relating to the CMU:* This information is relevant only to the settlement body and therefore could be provided directly.

7.4.1 (a)(vi) *The anticipated De-rated Capacity of the CMU:* The register contains both the capacity and the de-rated capacity of a CMU, so this information seems unnecessary.

7.4.1 (a)(vii) *the responses submitted in the Metering Assessment (if completed):* This information is relevant only to the settlement body and therefore could be provided directly.

7.4.1 (a)(viii) *The identity of any Agent nominated for that MCU by the relevant Applicant:* Information not needed by stakeholders and some stakeholders have even requested that this information be removed.

7.4.1 (d)(xi) *the results of the Metering Assessment for the CMU:* This information is relevant only to the settlement body and therefore could be provided directly.

7.4.5 (i) *the relevant Delivery Years*: This rule is a duplicate of rule 7.4.5 (e).

7.5.1 (o) *with the value of β as described in Rule 8.5.2 for each CMU for each Settlement Period which is a System Stress Event, within five Working Days of the occurrence of the System Stress Event*. Already required to provide this information to the settlement body under rule 14.1.1.

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:

After speaking to stakeholders at industry events and individually, and together with our own experiences, we believe the amount of information in the register is prohibitive to successful use. We therefore believe some of the superfluous information could be removed, therefore making the register more user-friendly whilst still fulfilling the purpose of the register.

It is our opinion that the metering data being reproduced in the register is unnecessary as it only benefits one stakeholder (namely the settlement body). The settlement body could be informed directly of the metering information without the need to include it in the register. This links to another proposal, which calls for metering to be removed completely from Prequalification.

Concerning rule 7.5.1 (o) (the value of β as described in Rule 8.5.2 for each CMU for each Settlement Period which is a System Stress Event), we question the need for this to be included in register at all. It is similar to the metering information in that only the settlement body will use the information. It is data which is technically a settlement parameter and without other information it is of little use to applicants. Most other settlement parameters are not published on the CM Register and so no clear advantage to publish this one.

Justification against the Objectives:

- Promoting investment in capacity to ensure security of electricity supply
Neutral
- Facilitating the efficient operation and administration of the Capacity Market:
A simpler register with only the information in it which is relevant creates a more efficient operation for stakeholders and administration for the DB
- Ensuring the compatibility of the Capacity Market Rules with other subordinate legislation under Part 2 of the Energy Act 2013
Have not suggested removing any information which is required by the regulations.

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

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