

Proposal for a Capacity Market Rules Change



Making a positive difference
for energy consumers

Reference number (to be
completed by Ofgem):
CP157

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

Date Submitted:
15th January 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:

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

This proposal requests that the Rules are amended to recognise that the capacity of a New Build CMU can be expressed on a different basis within the associated Relevant Planning Consents and the Connection Capacity agreement. The Rules should allow participants to provide evidence through additional documentation to explain and justify this difference, should the Relevant Planning Consent state a capacity lower than the Connection Capacity.

In this regard, greater clarity is required on Rule 3.7.1 regarding the provision of Relevant Planning Consents and additional evidence, if required, in support of the Connection Capacity determined by Rule 3.5.

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

Planning consents are issued based on the ISO conditions, including an ambient temperature of 15 degrees C. In colder weather, a CCGT will have higher output, mainly because cold gas is denser and a greater mass therefore enters the turbine (and to a lesser extent also because of a higher Carnot efficiency). Accordingly, TEC for a Prospective New Build is likely to be set at that higher level. This difference can cause problems with the pre-qualification requirement that the planning consent level must be greater than or equal to the TEC.

A Rule change is, therefore, required to address the possibility of a difference between the two quoted capacities and allowing for the submission of additional supporting documentation which justifies the applicant's de-rated value to the Delivery Body.

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

We believe that the following changes should be made to Rule 3.7.1 "Relevant Planning Consents:"

Insert after

"Each Applicant for a New Build CMU must declare in the Application"...

3.7.1(c) if the capacity quoted in the Relevant Planning Consents is lower than the Connection

Capacity as determined by Rule 3.5.2 and, if so, provide supporting documentary evidence explaining and justifying that this difference results from the different conditions under which the capacity is being measured. Such evidence explaining this difference should be considered by the Delivery Body when determining whether the CMU should Prequalify.

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 change would have a positive impact on both the industry and consumers. It is likely that peak demand and associated Stress Events will happen during a cold spell. Implementing this proposal should ensure that the Delivery Body does not over-procure for this period.

This clearly helps Ofgem better meet their objective of making the Rules clearer whilst delivering consumer value.

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

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