



The Office of Gas and Electricity Markets
9 Millbank
London
SW1P 3GE

12th August 2016

Dear Sir/Madam

Response to consultation on further amendments to the Capacity Market Rules (the “Rules”) pursuant to Regulation 79 of the Capacity Market Regulations 2014 (the “Regulations”)

UK Power Reserve is an independent power generator with an extensive smart generation portfolio across England and Wales. Our primary business is to support the security of energy supply in the UK through the reserve services that we provide to National Grid. We are also committed to supporting the government’s objective of decarbonisation through the flexible supply services we offer; unlocking the capacity for a flexible renewable energy infrastructure in the UK. To date, UK Power Reserve is the most successful and largest developer of new build gas-fired distributed generation in the Capacity Market, and continues to play a key role in shaping the future of the UK energy industry. Below are our responses to the consultation document

Q1a. Do you agree with the proposal to amend the definition of Mandatory CMUs? Please provide evidence and clear reasoning for your answer.

We agree with the proposed rule change. The lack of explicit reference to the pertinent Regulations about Excluded Capacity in the original wording may cause confusion as to the true definition of Mandatory CMUs; As such this may lead to suppliers attempting to prequalify exempted capacity due to the lack of reference to other excluded types in the Rules. The inclusion of explicit reference to Regulations 16 to 18 confirms the hierarchy of Rules and Regulations, and removes any ambiguity as to what is permitted as a Mandatory CMU.

Q1b. Do you think our proposed drafting accurately reflects the policy intent we have outlined?

We do, as the new wording provides an explicit link to Regulations 16-18 and as such removes any ambiguity as to the definition of a Mandatory CMU.

Q2. Do you think our proposed drafting accurately reflects the policy intent we have outlined?



We do. The inclusion of the explicit request to measure on three separate days means the testing requirement is clearly stated, and therefore removes any ambiguity as to the testing period.

Regards

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