

Proposal for a Capacity Market Rules Change



Making a positive difference
for energy consumers

Reference number (to be completed by
Ofgem): CP167

Name of Organisation(s) / individual(s):
RWEGeneration (UK)

Date Submitted:
11/11/2016

Type of Change:

- Amendment
- Addition
- Revoke
- Substitution

If applicable, whether you are aware of an alternative proposal already submitted which this proposal relates to:

[Click here to enter text.](#)

Proposal summary (short summary, suitable for published description on our website)

Clarification of the definition of Reserve for Response (RfR) used in LFCO calculation

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

The current definition of RfR in 8.5.3 of the Rules refers to the amount in MW published in the most recent electricity capacity report prior to the T-4 auction for the relevant Delivery Year. It will assist participants if there were clarity as to the value of RfR in the event that it had not been published.

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

There is an assumption that RfR will be published ahead of each T-4 auction for the relevant Delivery Year. We are not aware of this having happened for the previous auctions or for the upcoming 2016 T-4 Auction. Therefore, it would be efficient for participants to be clear what value will be used in the absence of a published value.

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

It is proposed that 8.5.2 is amended to add wording to clarify the value of RfR:
RfR is the Reserve for Response amount (in MW) published in the most recent electricity capacity report prior to the T-4 auction for the relevant Delivery Year. In the event that no value has been published in the relevant electricity capacity report, RfR shall be 0MW.

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:

The value of RfR changes the delivery obligation for all participants. While it may be assumed that the value will be 0MW if not published in advance, it will clarify obligation and therefore remove some risk if participants are fully aware in advance.

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

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