

# Proposal for a Capacity Market Rules Change



Making a positive difference  
for energy consumers

Reference number (to be completed by  
Ofgem): CP168

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)

Introduction of a 'Volume Reallocation Agent'

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

The proposals relates to the appointment of an Agent specifically for the purpose of notifying volume reallocations following a System Stress Event.

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

Currently an Agent can be appointed to act on behalf on an Applicant at the point of Prequalification. However, only one Agent can act for an Applicant and an Agent can only act on behalf of a single Applicant. In order to better facilitate secondary trading and the reallocation of over-delivery volumes following a System Stress Event, it is proposed that a Volume Reallocation Agent can be appointed for multiple participants and that the appointment and revocation of a Volume Reallocation Agent can be made at any time independently from the appointment of an Agent for any other activities.

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

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:

Volume reallocations following a System Stress Event will rely on the ability of participants to identify and contact potential counterparties for a reallocation trade and may require significant resource. The ability to appoint an agent for this purpose would simplify the process and improve liquidity, allowing all participants to participate easily in post event volume trades.

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

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