

Proposal for a Capacity Market Rules Change



Making a positive difference
for energy consumers

Reference number (to be completed by
Ofgem): CP172

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)

Expansion of the definition of Secondary Trading Entrant

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

The definition of Secondary Trading Entrant is very narrow and only allows a small number of types of CMU to register.

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

The current definition of Secondary Trading Entrant restricts participation to biomass plant exiting Low Carbon Exclusions, existing interconnector CMUs, Proven DSR CMUs and, Existing CMUs that have been excluded from participation under Rule 3.3.3(f) and for which an Application could not be made because it was not an Existing CMU

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

Change the definition of Secondary Trading Entrant to: Secondary Trading Entrant means the Applicant for any Existing CMU that does not hold a Capacity Agreement following the T-1 Auction for a Delivery Year

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 very narrow definition of Secondary Trading Entrant makes it very unlikely that secondary trading will happen other than in very rare circumstances. As such, liquidity will be very limited and the opportunity for new entrants who for any reason did not participate in an auction will be severely restricted.

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

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