

Proposal for a Capacity Market Rules Change



Making a positive difference
for energy consumers

Reference number (to be completed by
Ofgem): CP187

Name of Organisation(s) / individual(s):
Uniper UK Limited

Date Submitted:
11/11/16

Type of Change:

- Amendment
- Addition
- Revoke
- Substitution

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

None identified.

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

Enabling Existing CMU's that are Capacity Committed CMU's to offer additional capacity in a T-1 auction as a result of a plant upgrade or modification approved and implemented between the end of the T-4 Capacity Auction and the start of the T-1 Capacity Auction Prequalification Window of a Delivery Year.

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

Chapter 1 definitions, Chapter 3 Prequalification Information and Chapter 8 Obligations of Capacity Providers and System Stress Events. Please note that our proposed drafting is also based on changes to the Regulations but we ask that these are considered in the context of the intent of the Rules change proposals included. We may not have identified every possible consequential drafting change arising from our proposal, for example to Chapter 7 Capacity Market Register.

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

Where an Existing CMU subject to a Capacity Agreement, that is not a Refurbishing CMU, has or is considering a modification or upgrade to its plant and equipment, between the end of the T-4 Capacity Auction and the start of the T-1 Capacity Auction Prequalification Window of a Delivery Year, that means that it could provide additional capacity, it is not currently able to offer that additional capacity in the T-1 auction for that Delivery Year. This proposal seeks to allow that Existing CMU subject to a Capacity Agreement to offer in the additional capacity created by the upgrade or modification to the T-1 auction.

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

Please see separate Annex 1 attachment.

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 will enable an Existing CMU to make improvements to plant and equipment with a decision and implementation taken in the timescales between the end of the T-4 auction for the Delivery Year and Prequalification for the T-1 auction for that same delivery year. This could facilitate additional investment in Existing CMU's and would make additional capacity available to compete in a T-1 capacity auction as a result of a plant upgrade or modification. This will make this additional capacity available to industry, which may help to keep the cost of capacity down whilst at the same time contributing to security of supply for customers.

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

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