

Draft Amendments to Electricity Capacity Regulations 2014

Regulation 2 (Interpretation)

1. In paragraph (1) before “the court”

“corresponding generating CMU” means a Capacity Committed CMU, the generating units of which are also contained within a supplemental generating CMU.

2. In paragraph (1) before “supplementary auction”, insert

“supplemental generating CMU” means a generating CMU that meets the definition in Regulation 4(1)(e)”

Regulation 4 (Generating CMU)

1. After paragraph (1)(d) add:

“(e) additional capacity available to an existing generating unit that is contained within a Capacity Committed CMU that already has a Capacity Agreement awarded in a T-4 auction for delivery year t (the ‘corresponding generating CMU’), providing it meets the conditions in paragraph (5A) . Such a generating CMU can be pre-qualified for a T-1 auction only (a ‘supplemental generating CMU’).”

2. After Paragraph (5) add:

“(5A) The conditions referred to in paragraph (1)(e) are that-

- (a) The connection capacity of the supplemental generating CMU is at least 2MW;
- (b) The connection capacity of the supplemental generating CMU is defined on the same basis as the corresponding T-4 Capacity Committed CMU; and
- (c) The supplemental CMU is directly connected to the total system

Schedule 1

1. In Section 5(2), replace

$$SPP_{ij} = PR_{ij} \times (ALFCO_{ij} - AE_{ij})$$

By

$$SPP_{ij} = PR_{ij} \times (ALFCO_{ij} - J_i \times AE_{ij})$$

2. After 5(2A), add:

(2B) For the purpose of sub-paragraph (2), J_i is the Supplemental CMU Factor for CMU i and is to be determined as follows:

If CMU i is a Supplemental Generating CMU, then:

$$J_i = \frac{\text{Connection Capacity of CMU}_i}{\text{Connection Capacity of CMU}_i + \text{Connection Capacity of its Corresponding CMU}}$$

If CMU is a Corresponding CMU:

$$J_i = \frac{\text{Connection Capacity of CMU}_i}{\text{Connection Capacity of CMU}_i + \text{Connection Capacity of its Supplementary CMU}}$$

Otherwise, $J_i = 1$

Draft Amendments to Capacity Market Rules

1 Amendments to Chapter 1

1.1 In Rule 1.2

1.1.1 After the entry for “Core Winter period”, insert

“Corresponding Generating CMU Has the meaning given to that term in the Regulations”

1.1.2 After the entry for “Substantial Completion Milestone”, insert:

“Supplemental Generating CMU Has the meaning given to that term in the Regulations”

2 Amendments to Chapter 3

2.1 In Rule 3.3.3(a)

2.1.1 After “...is to be held” insert: “,unless the Application is in respect of a Supplemental Generating CMU”

2.2 After Rule 3.3.3(a), insert

2.2.1 “(aa) the Application is for a Supplemental Generating CMU, and:

(i) the Application is for a T-4 auction; or

(ii) the CMU is not a CMRS CMU; or

(iii) the generating unit or units comprised in the Supplemental Generating CMU do not already comprise a CMU which has a Capacity Agreement awarded in the T-4 Auction for the same Delivery Year.”

2.3 In Rule 3.4.4

2.3.1 After “an Existing CM,” insert “a Supplemental Generating CMU,”.

2.4 In Rule 3.5

2.4.1 The Connection Capacity of a Supplemental Generating CMU is determined pursuant to Rule 3.5.AA

2.5 After Rule 3.5A, insert:

2.5.1 "3.5AA Determining the Connection Capacity of a Supplemental Generating CMU

- (a) For a Supplemental Generating CMU whose Corresponding Generating CMU had its Connection Capacity determined under Rule 3.5.2, the Connection Capacity must be calculated as the sum of the connection capacities of each generating unit, which in turn is to be calculated as follows:
- (i) for a Generating Unit forming part or all of a Transmission CMU, the Connection Entry Capacity stated in the Grid Connection Agreement for that Generating Unit, less the Connection Capacity of the Corresponding Generating CMU;
 - (ii) for a Generating Unit forming part or all of an Existing Generating CMU which is a Distribution CMU, the registered capacity (or inverter rating, if applicable) stated in the Distribution Connection Agreement for that Generating Unit or in the written confirmation from the Distribution Network Operator provided pursuant to Rule 3.6.3(c)(ii) (as applicable), less the Connection Capacity of the Corresponding Generating CMU;
- (b) For a Supplemental Generating CMU whose Corresponding Generating CMU had its Connection Capacity determined under Rule 3.5.3, the Connection Capacity is the Average Highest Output of the combination of that Supplemental Generating CMU and its Corresponding Generating CMU, less the Connection Capacity of the Corresponding Generating CMU;
- (c) For a Supplemental Generating CMU whose Corresponding Generating CMU had its Connection Capacity determined under Rule 3.5.5, the Connection Capacity is given by the following formulae:

$$CCC = \sum CC_i - CCZ$$
$$CC_i = \left(\frac{UCEC_i}{SCEC} \right) \times STEC_i$$

where:

CCC is the Connection Capacity of the Supplemental Generating CMU;

CCZ is the Connection Capacity of the Corresponding Generating CMU;

CC_i is the Connection Capacity of Generating Unit “i”;

STEC is:

(a) in the case of a Generating Unit which is part of a Transmission CMU, the Transmission Entry Capacity for the power station of which Generating Unit “i” is a component; or

(b) in the case of a Generating Unit which is part of a Distribution CMU, the Maximum Export Capacity for the power station of which Generating Unit “i” is a component;

SCEC is:

(a) in the case of a Generating Unit which is part of a Transmission CMU the sum of the Connection Entry Capacities stated in that Grid Connection Agreement for each Generating Unit which is a component of that power station;

(b) in the case of a Generating Unit which is part of a Distribution CMU the sum of the registered capacities (or inverter ratings, if applicable) stated in that Distribution Connection Agreement for each of the generating sets comprised in that power station;

UCEC_i is:

(a) in the case of a Generating Unit which is part of a Transmission CMU, the Connection Entry Capacity stated in the Grid Connection Agreement for Generating Unit “i”; or

(b) in the case of a Generating Unit which is part of a Distribution CMU, the registered capacity (or inverter rating, if applicable) stated in the Distribution Connection Agreement for Generating Unit “i”;

“generating set” has the meaning given to it in the relevant Distribution Connection Agreement;

“Maximum Export Capacity” has the meaning given to it in the Distribution Connection Agreement;

“power station” has the meaning given to it in the relevant Grid Connection Agreement or Distribution Connection Agreement as applicable.

2.6 In Rule 3.6

2.6.1 After each occurrence of “Existing Generating CMU”, insert “or a Supplementary Generating CMU”.

2.7 In Rule 3.6.2

- 2.7.1 Replace by "Where the Application is for a Supplemental Generating CMU, each of the highest physically generated net outputs, or Metered Volumes where applicable, shall be determined as:

$$HPGNO - \frac{CGCAN}{TDF}$$

Where:

HPGNO is the highest physically generated net outputs, or Metered Volumes where applicable, of all the generating units in that Supplemental Generating CMU

CGCAN is the Capacity Volume in the Capacity Agreement Notice awarded to the Corresponding Generating CMU at the T-4 auction for the same Delivery Year; and

TDF is the Technology Specific Derating Factor applied to Corresponding Generating CMU at the T-4 auction.

3 Amendments to Chapter 8

3.1 In Rule 8.5.3

3.1.1 Replace:

$$ALFCO_{ij} = LFCO_{ij} + (1 - \beta)QBOA_{ij} + (1 - \beta)\min(QAS_{ij}, 0) - \beta(QBSCCC_{ij})$$

by

$$ALFCO_{ij} = LFCO_{ij} + (1 - \beta)QBOA_{ij} + (1 - \beta)\min(QAS_{ij}, 0) - \beta(QBSCCC_{ij}) \times J_i$$

3.1.2 After the paragraph starting "AACO_{ij}..." insert:

"J_i = 1 unless the CMU is a Supplementary CMU or a Corresponding CMU, in which case:

(a) If CMU is a Supplemental Generating CMU

$$J_i = \frac{\text{Connection Capacity of } CMU_i}{\text{Connection Capacity of } CMU_i + \text{Connection Capacity of its Corresponding CMU}}$$

(b) If CMU is a Corresponding CMU:

$$J_i = \frac{\text{Connection Capacity of } CMU_i}{\text{Connection Capacity of } CMU_i + \text{Connection Capacity of its Supplementary CMU}}$$