

Dear Sir/Madam,

This is a response from NEC Energy Solutions to the statutory consultation on changes to the Capacity Market Rules 2014 (the "Rules") pursuant to Regulation 79 of the Capacity Market Regulations 2014 (the "Regulations"), in particular, the proposed change CP190 which seeks to amend Rule 3.7.1 to remove the option for Applicants to defer provision of Relevant Planning Consents until after Prequalification.

We would make the following observations;

1. Shortening the time available to complete the planning application and legal rights process by approximately 4 months' is a very fundamental change and it is extremely surprising that this is being introduced so late in the day. If this was proposed 6 months ago, or for the 2018 auction perhaps it is a little more justifiable.
2. Clearly many companies will have spent time and money developing sites that will gain planning permission in plenty of time under the current rules, but which will now be ruled out so effectively this is a retrospective change.
3. We can see no logical reason for the change, apart from to save National Grid some effort at the pre-qualification stage.
4. We would welcome the opportunity to look at the supporting evidence, and would contend that failure to submit evidence of gaining planning permission prior to the 2016 auction for pre-qualified sites is a symptom of other financial and or regulatory factors.
5. The change is almost counterproductive and goes against the aims of the Capacity Market as it removes an opportunity to bring new capacity into the system and we are cynical that this is a change to support the big existing generators.

We would therefore strongly argue that the proposed rule change CP190 is scrapped.

Yours faithfully,

Mark Moreton

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