


<h1>Proposal for a Capacity Market Rules Change</h1>		 <p>Making a positive difference for energy consumers</p> <p>Reference number (to be completed by Ofgem): CP260</p>
Name of Organisation(s) / individual(s): E.ON	Date Submitted: 16th November 2017	
Type of Change: <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Amendment <input type="checkbox"/> Addition <input type="checkbox"/> Revoke <input type="checkbox"/> 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)		
<p>Propose to remove the current anomaly where Interconnector CMUs are not required to demonstrate their Capacity Obligation when demonstrating Satisfactory Performance and to bring them into line with all other CMU and technology types, which are required to demonstrate their Capacity Obligation to prove Satisfactory Performance Days (SPDs).</p>		
What the proposal relates to and if applicable, what current provision of Rules the proposal relates to (please state provision number):		
<p>Propose to amend 13.4.1A to require that Interconnector CMUs demonstrate their Capacity Obligation, rather than the current requirement to demonstrate 'Net Output greater than zero'.</p>		
Description of the issue that the change proposal seeks to address:		
<p>Currently Interconnector CMUs are subject to a different satisfactory performance day regime to all other CMU types. Whereas all other CMU types are required to demonstrate their Capacity Obligation in full, Interconnector CMUs are required only to demonstrate net output greater than zero, creating an anomaly. For example, a Generating CMU with a Capacity Obligation of 500MW must demonstrate 500MW but an Interconnector with a Capacity Obligation of 500MW must only demonstrate something greater than 0MW, i.e 1MW would be sufficient. The current Rules are ineffective in ensuring Interconnector CMUs can fulfil their Capacity Obligations. In the event of an Interconnector CMU operating at reduced capacity, the current requirement under SPDs would fail to detect this or trigger any action against the Capacity Provider.</p>		
If applicable, please state the proposed revised drafting (please highlight the change):		
<p>Propose to amend 13.4.1A such that for Interconnector CMUs the demonstration that is to be made shall be the same as for all other CMUs - 'Net Output equal to or greater than its Capacity Obligation'.</p> <p>We would suggest the following drafting however this may need further amending to reflect any details or complexities of the metering data files:</p>		

13.4.1A For the purposes of the definition of “Satisfactory Performance Day” in Rule 13.4.1, in the case of an Interconnector CMU, the demonstration that is to be made is of Net Output at a level ~~greater than zero~~ **equal to or greater than its Capacity Obligation** as recorded for the purposes of the BSC by file CDCA-I041 of the Central Data Collection Agent (CDCA).

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:

In recent years UK interconnectors have suffered cable faults which have reduced their available capacity for periods of several months extending into several years or more. In the Winter of 2016/17 the Interconnexion France-Angleterre (IFA) interconnector was widely reported as suffering cable faults reducing its capacity by 50% with impacts on UK capacity margins during the winter and repairs taking several months to complete. The Moyle interconnector is reported to have been running at a half capacity for many years. With the projected growth of interconnectors and their growing importance as a source of secure Capacity it is vital they are subject to an effective performance monitoring regime to ensure they are capable of meeting their Capacity Obligations and are treated equally to other technology types.

Details of Proposer (Andrew Jones, Technical Operations Manager, E.ON. Tel: 07921943381 Email:Andrew.D.Jones@eon-uk.com)

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