

Proposal for a Capacity Market Rules Change



Making a positive difference
for energy consumers

Reference number (to be completed by
Ofgem): CP270

Name of Organisation(s) / individual(s):
EDF Energy

Date Submitted:
17 October 2017

Type of Change:

- Amendment
- Addition
- Revoke
- Substitution

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

EDF Energy has submitted another separate proposal that also recommends changes to Rule 7.4.1 (a) (ii)

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

We propose that in future the Capacity Market Register should publish the connection capacity, de-rated capacity and technology type for each component making up each generating CMU.

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

The proposal relates to information published by the Delivery Body in the Capacity Market Register. It would amend paragraphs of Rule 7.4 and Rule 3.4.5A

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

The Delivery Body publishes details of all CMUs in the Capacity Market Register which is a valuable source of information for parties interested in the market and a key demonstration of market transparency. However, we believe that the quality and usefulness of the information published could be enhanced.

Generating CMUs may be made of up of one or more components each with their own connection and de-rated capacities and each with their own technology type. However the Register only shows the aggregate capacities for each CMU and provides no detail of the underlying units. Consequently;

- It makes it difficult or even impossible for anyone analysing the market to determine exactly how much capacity of what generating technology has prequalified, participated in an auction, gained an agreement or continued to meet its obligations; and
- It also discriminates in the information provided for CMUs with only one component for which the aggregate capacities are clearly that of the generating unit in question and those with several components where the details of the generating units are obfuscated.

In contrast the Delivery Body has from time to time (presumably using the data submitted to it) published reports which do this, demonstrating that the data is available to them (i.e. Final Auction Results report - breakdown of CMUs awarded Capacity Agreements by Technology Type). However, their reports do not necessarily meet the requirements of interested parties.

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

Revise Rule 7.4.1 (a) (ii) to the following “a description of the CMU including (where applicable) each Generating Unit or DSR CMU Component comprising such CMU and in the case of a Generating CMU, the Primary Fuel Type, Generating Technology Class, **Connection Capacity and De-rated Capacity for each Generating Unit comprising such CMU;**”

Revise Rule 3.4.5A

*In the case of a Generating CMU, each Application must state the Primary Fuel Type which it is intended at the time the Application is made will be used for **each Generating Unit comprising such** CMU at the beginning of the 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:

Impact on Participants

None, Capacity Market participants currently provide this data to the Delivery Body as part of the prequalification process.

Impact on the Delivery Body

Negligible; all of the data affected by the proposal is already required to be submitted as part of the prequalification process and processed by the Delivery Body. It is clear from reports issued by the Delivery Body that the data is already available for analysis within the Delivery Body’s systems. The only change required is that it be entered into the spreadsheet file that represents the register.

Impact on other parties

Market transparency would be improved; it would be plain to all interested parties what units of what capacities, technologies and fuel types have participated and gained agreements.

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

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