

Proposal for a Capacity Market Rules Change



Making a positive difference
for energy consumers

Reference number (to be completed by
Ofgem): CP287

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

Date Submitted:
17/10/2017

Type of Change:

- Amendment
- Addition
- Revoke
- Substitution

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

[Click here to enter text.](#)

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

Notification of changes to CMU Type

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

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

There is no ability in the rules to alter a sites connection point from DNO connect to TO connect or vice versa.

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

7.5.1 – add to changes to the register to allow a party to change their notified point of connection.

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:

WWA is aware of a party who could not secure an offer from NG to increase their TEC to facilitate a smaller genco on a larger genco site. They therefore considered a DNO connection, which would have allowed them to defer provision of a connection for a prospective CMU to a later date. Until they had connection costs from both the TO or the DNO they could not make an informed choice, but the directors were committed to the genset and happy to go with one connection or the other. The inability to alter your connection stopped them making a reasonable economic decision based on the facts rather than committing to a connection to satisfy the CM rules.

We also came across a site that was a planned with a TO connection, but found a DNO connection was far cheaper. The site therefore wished to move from TO to DNO connect, but the rules did not allow this. Again the rules limited the ability of the plant owners to make the most economic decision. Some sites may also be forced to alter their connections due to a change in a site, for example an old power plant shuts it may have other equipment at a site that is using its TO connection. As the plant decommissions the remaining equipment has to get a new connection, which is more likely to be DNO than TO.

These changes will be quite rare as it is usually obvious how a site should connect; larger sites TO, smaller sites DNO. However, where large plants expand/reduce capacity at their sites or industrial customers look at potentially putting generation on their sites these choices do exist.

The rules could require that when a change in point of connection occurs the CMU must show the Delivery Body it is still holding relevant connection capacity to ensure it can deliver its obligation.

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

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