


<h1>Proposal for a Capacity Market Rules Change</h1>		 <p>Making a positive difference for energy consumers</p> <p><b>Reference number</b> (to be completed by Ofgem): <b>CP316</b></p>
<b>Name of Organisation(s) / individual(s):</b> <b>InterGen</b>	<b>Date Submitted:</b> <b>17 October 2017</b>	
<b>Type of Change:</b> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Amendment</li> <li><input type="checkbox"/> Addition</li> <li><input type="checkbox"/> Revoke</li> <li><input type="checkbox"/> Substitution</li> </ul>	<b>If applicable, whether you are aware of an alternative proposal already submitted which this proposal relates to:</b>  <b>We are not aware of any related proposals.</b>	
<b>Proposal summary</b> (short summary, suitable for published description on our website)  <p>This change relates to rule 5.5.20 and is proposed to amend the obligation on The Auctioneer to specify in advance the times when the Bidding Round will begin and end to stipulate a minimum time prior to the Delivery Year that the Bidding Round may end.</p>		
<b>What the proposal relates to and if applicable, what current provision of Rules the proposal relates to</b> (please state provision number):  <p>5.5 Capacity Auction format 5.5.20</p>		
<b>Description of the issue that the change proposal seeks to address:</b>  <p>Ensure sufficient time between contract award and delivery.</p>		
<b>If applicable, please state the proposed revised drafting</b> (please highlight the change):  <p>Old text: 5.5.20 The Auctioneer must specify in advance the times when the Bidding Round will begin and end (the “Bidding Window”).</p> <p>Proposed change: 5.5.20 The Auctioneer must specify in advance the times when the Bidding Round will begin and end (the “Bidding Window”), to the extent that the Bidding Round must end no later than  i, for the case of a T-1 Auction nine months prior to the Delivery Year  ii, for the case of a T-4 Auction forty-five months prior to the Delivery Year</p>		
<b>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:</b>  <p>We are proposing to stipulate in the rules a defined minimum time between the end of a Bidding Window and the start of the relevant delivery year. New Build CMUs bidding in the T-4 Auction face a challenging timeframe if successful. From Capacity Market award, projects must reach financial close and construction of the new asset must be complete ahead of the delivery year. Forty-five months as a minimum will ensure that new build projects remain viable and can be delivered in time, this is particularly important for large complex projects, such as CCGTs.</p>		

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

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