

Proposal for a Capacity Market Rules Change



Making a positive difference
for energy consumers

Reference number (to be completed by
Ofgem): CP331

Name of Organisation(s) / individual(s):
RWE

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)

Removal of 8.5.1(ba) relieving interconnectors of obligations when affected by any SO measure reducing output

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

8.5.1(ba) relieves interconnectors of any obligation when affected by a measure taken by the System Operator that reduces the net output below the Interconnector Scheduled Transfer. Relieving interconnectors of all obligations under such circumstances is inappropriate and any such reduction should be addressed as a reduction in the obligation similar to a bid acceptance in the Balancing Mechanism.

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

8.5.1(ba) relieves interconnectors of any obligation when affected by a measure taken by the System Operator that reduces the net output below the Interconnector Scheduled Transfer. Relieving interconnectors of all obligations under such circumstances is inappropriate and any such reduction should be addressed as a reduction in the obligation similar to a bid acceptance in the Balancing Mechanism. As interconnectors are likely to be relied on increasingly for security of supply, it is appropriate that delivery obligations should be aligned with other CMUs and not removed entirely in the circumstances described.

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

Delete 8.5.1A

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:

The discharging of a Capacity Obligation during a System Stress Event is one of the key obligations in the Capacity Market design. Relieving interconnectors from this obligation for even a small reduction in their output requested by the SO results in differential treatment between classes of CMU and could result in interconnector CMUs receiving significant payments for exceeding their

removed delivery obligations.

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

Raoul Thulin, RWE Generation UK plc, 07795354334, raoul.thulin@rwe.com