

# Proposal for a Capacity Market Rules Change



Making a positive difference  
for energy consumers

Reference number (to be completed by  
Ofgem): CP188

Name of Organisation(s) / individual(s):  
Moyle Interconnector Ltd

Date Submitted:  
11 November 2016

Type of Change:

- Amendment
- Addition
- Revoke
- Substitution

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

N/a.

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

To permit transfer of a capacity obligation to an interconnector CMU in delivery year 2017/18.

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

This proposal relates to transfer of a capacity obligation, in particular the definition of an acceptable transferee.

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

The present wording of the Rules (rule 9.2.6) states that an Interconnector CMU is not an acceptable transferee for a Capacity Obligation for a Delivery Year commencing before 2019. We understand that this is because interconnectors were originally excluded from the auctions for delivery in 2018/19 and the early auction for delivery year 2017/18 was not anticipated. However, interconnectors are allowed to participate in the early auction (T-1) for delivery year 2017/18, so it is appropriate that this rule should be adjusted to take account of such interconnector participation.

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

[Click here to enter text.](#)

We propose:

**9.2.6 An Acceptable Transferee in relation to Rule 9.2.4(a), for any Delivery Year, is any of the following:**

**[(a) – (d)]**

**provided that:**

**[(i) – (iv)]**

**(iv) a Capacity Provider for an Existing Interconnector CMU is not an Acceptable Transferee in relation to a Capacity Obligation for a Delivery Year commencing before 2019 in 2018 (or any part of such a Delivery Year).**

**[(v) – (ix)]**

**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:**

**Permitting interconnectors to participate in the secondary market for delivery year 2017/18 levels the playing field for participants and potentially reduces the cost to consumers since the pool of available secondary transferees is increased, allowing CMUs more easily to transfer their obligations during outages. There are no implications for industry codes.**

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

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