

Proposal for a Capacity Market Rules Change



Making a positive difference
for energy consumers

Reference number (to be completed by
Ofgem): CP200

Name of Organisation(s) / individual(s):
Waters Wye Associates

Date Submitted:
11/11/16

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)

Add Opt-out In Tier 1 Appeals

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

Applicants can currently only opt-out of the CM in the pre-qualification process. If a problem with say TEC comes to light after prequalification closes they cannot opt-out in a Tier 1 appeal and they fail to prequalify. In the case of obligated licence generators this means they are in breach of the law which requires they participate or opt-out.

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

The proposal would allow obligated plant to meet their legal duty in circumstances when they had not foreseen a failure. WWA are aware that a plant may believe it will prequalify but then fails to do so due an unforeseen problem. Where they then fail they need the ability to use a Tier 1 appeal to officially opt-out in order to fulfil their legal obligation to qualify or opt-out.

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

As the appeals are largely a matter for the Regulations, WWA would propose that it may be best to alter Chapter 4 adding in 4.10.2 to the effect: Where an Applicant has failed prequalification, and it is a licenced generator, it may opt-out by fulfilling the requirements in Rule 3.11 within [5 working days]. A definition of Licenced Generator may also be required.

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:

There should be no impact on other parties or customers, but it would allow the obligated generators to fulfil their legal requirements.

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

Lisa Waters, Director, Waters Wye Associates. Tel: 0208239 9917, e-mail: lisa@waterswye.co.uk