

## Monitoring Construction Progress

Version 2.0

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# Version Control

Date	Version No.	Page No.	Description
24/05/2018	1.0		First release of Guidance Document
25/07/2018	2.0	5	Added 'All new six-monthly reports are due on 1 June and 1 December.', 'material' and 'if there have been any material changes to the dates/works, 6 monthly reports'.
25/07/2018	2.0	6	Added 'Reports must be provided by 1 June and 1 December of each year until the SCM is met.' and 'If the period between the three-month report and the 1 June, or the nine month report and the 1 December, is less than 40 working days the Capacity Provider will be required to submit only the report due on 1 June, or 1 December, as applicable.'
25/07/2018	2.0	6	Updated summary of construction milestone report deadlines
25/07/2018	2.0	7	Updated report slots and deadlines
25/07/2018	2.0	8	Removed disclaimer re Portal fix, as this has now been resolved
25/07/2018	2.0	9	Added - only if material changes to works or dates only

# Prospective CMU Milestone Deadlines







**Prospective CMUs are required to meet several key milestones before becoming fully operational.**

Certain key milestone documents such as Relevant Planning Consents, Distribution Connection Arrangements (T-4 Distribution CMUs only, not T-1 or TEC), Financial Commitment Milestone and Metering Assessment can be deferred from Prequalification.

**Deferring milestone(s)** requires Applicants to submit Credit Cover\* until certain obligations are met.

**Capacity Market Deadlines** including dates for deferred Milestones are available to [view here](#).

Below are Key Milestone requirements for Prospective CMUs from Prequalification until Long Stop Date:

 <p><b>Planning</b></p> <p><b>Option to Defer?</b> – Yes</p> <p><b>Deadline –</b> 22 Working Days before the first Bidding Window</p>	 <p><b>Connection</b></p> <p><b>Option to Defer?</b> – Yes, For T-4</p> <p><b>Deadline –</b> Distribution CMUs only - 18 months prior to Delivery Year start date</p>	 <p><b>Reports</b></p> <p><b>Option to Defer?</b> – No</p> <p><b>Deadline –</b> 3/9 months from Capacity Auction (first year only) 6 monthly until SCM achieved</p>	 <p><b>FCM</b></p> <p><b>Option to Defer?</b> – Yes</p> <p><b>Deadline –</b> T-1, 3 months, and T-4, 18 months, from Auction Results date</p>	 <p><b>Metering</b></p> <p><b>Option to Defer?</b> – Yes</p> <p><b>Deadline –</b> T-1 and T-4 with single year agreement by Delivery Year T-4 with multiple year agreement by Long Stop Date</p>	 <p><b>SCM</b></p> <p><b>Option to Defer?</b> – No</p> <p><b>Deadline –</b> T-1 – by start of Delivery Year T-4 – by Long Stop Date</p>
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*\*Credit Cover must be maintained until ALL Credit Obligations have been met (CM Regulations - Part 7, Chapter 2, Regulation 60). Please [contact EMRS](#) directly for return of credit facilities once all Credit Obligations have been met.*

# Monitoring Construction Progress

To understand how **Monitoring of Construction Progress (Construction Progress Reports) for Prospective CMUs** works and what the obligations are for Applicants/Capacity Providers, please select from the icons below to access relevant sections of this guidance document:

- 1.  
Construction Progress  
Reports - Summary**
- 2.  
When are Construction  
Reports Due?**
- 3.  
How are Construction  
Reports submitted?**
- 4.  
Appendix –  
Process Summary**

If you have any questions about information contained in this guidance document or have any suggestions for improvements, please contact the EMR Operations Team - [emr@nationalgrid.com](mailto:emr@nationalgrid.com).

# 1. Construction Progress Reports - Summary

## What is the purpose of Monitoring Construction Progress?

Monitoring of construction progress is required to ensure that all Prospective CMUs are on track to deliver capacity (CM Rule 12) Construction Progress Reports are required at 3, 6 and 9 months (and thereafter at 6 months until the Substantial Completion Milestone has been met).

**All new six-monthly reports are due on 1 June and 1 December.**

The Delivery Body is required to provide copies of each report to BEIS and Ofgem within 5 working days of receipt.

## Checklist - What is required?

**All Reports (3, 6 and 9 months) must include:**

- A schedule identifying the **earliest and latest dates** on which each of the Construction Milestones are expected to be achieved (see CM Rule 3.7.2(b) for specific milestones);
- An **explanation of any material changes to dates** (if milestone is 2 months early or late) since the last report;
- Details of **any material changes to the works** described in the Construction Plan;
- A **certificate from two Directors** stating that the report gives a fair view of the matters described within.

In addition to the above, **if there have been any material changes to the dates/works, 6 monthly reports** must also contain:

- An **assessment by an Independent Technical Expert** providing an overview of construction progress;
- A **remedial plan** (only if delays to the construction plan impact the start of the Delivery Year – see CM Rule 12.2.4)

## 2. When are Construction Progress Reports due? (1/2)

### 6 monthly Reports (Rule 12.2.1)

All Prospective CMUs that have not yet achieved SCM are required to provide a regular 6 monthly progress report specifying a schedule of milestones, overarching technical summary of progress and directors certificate, from the date of the Capacity Auction. Reports must be provided by 1 June and 1 December of each year until the SCM is met.

### 3 and 9 month Reports (Rule 12.2.1B)

In the first year after the Auction, all Prospective CMUs are required to provide an additional 3 and 9 month schedule or milestones and directors certificate (no ITE\* assessment or remedial plan is required with this report) from the date of the Capacity Auction. If the period between the three-month report and the 1 June, or the nine month report and the 1 December, is less than 40 working days the Capacity Provider will be required to submit only the report due on 1 June, or 1 December, as applicable.

### Summary of Construction Progress Report Deadlines (next 12 months)

Delivery Year	Date of Capacity Auction	6 month due date	9 month due date	6 month due date	6 month due date
T-4 2018	16 Dec 2014	1 Jun 2018	N/A	1 Dec 2018	1 Jun 2019
T-4 2019	8 Dec 2015	1 Jun 2018	N/A	1 Dec 2018	1 Jun 2019
T-4 2020	6 Dec 2016	1 Jun 2018	N/A	1 Dec 2018	1 Jun 2019
T-4 2021	6 Feb 2018	1 Jun 2018	N/A	1 Dec 2018	1 Jun 2019

\*ITE (Independent Technical Expert) - means an experienced technical expert with international experience and expertise in the construction and operation of Generating Units, Independent of the relevant Capacity Provider, engaged by that Capacity Provider at its expense to prepare the technical assessment, report, certificate or commentary required by Rules 6.6, 6.7, 6.10, 8.3 or 12.2 to the Required Technical Standard.

## 2. When are Construction Progress Reports due? (2/2)

Please find below the correct Construction Progress Report upload slots\* to use for submitting in the Portal (next 12 months):

Report Slots for T-1 2017 (DY 2018)		
Report #	Deadline	Portal Upload Slot to use:
Report 2	1 Jun 2018	Final Construction Progress Report ►

Report Slots for T-4 2014 (DY 2018)		
Report #	Deadline	Portal Upload Slot to use:
Report 7	1 Jun 2018	Construction Progress - Report 7 ►

Report Slots for T-4 2015 (DY 2019)		
Report #	Deadline	Portal Upload Slot to use:
Report 5	1 Jun 2018	Construction Progress - Report 5 ►
Report 6	1 Dec 2018	Construction Progress - Report 6 ►

Report Slots for T-4 2016 (DY 2020)		
Report #	Deadline	Portal Upload Slot to use:
Report 3	1 Jun 2018	Construction Progress - Report 3 ►
Report 4	1 Dec 2018	Construction Progress - Report 4 ►

Report Slots for T-4 2017 (DY 2021)		
Report #	Deadline	Portal Upload Slot to use:
Report 2	1 Jun 2018	Construction Progress - Report 2 ►
Report 3	N/A	Construction Progress - Report 3 ►
Report 4	1 Dec 2019	Construction Progress - Report 4 ►

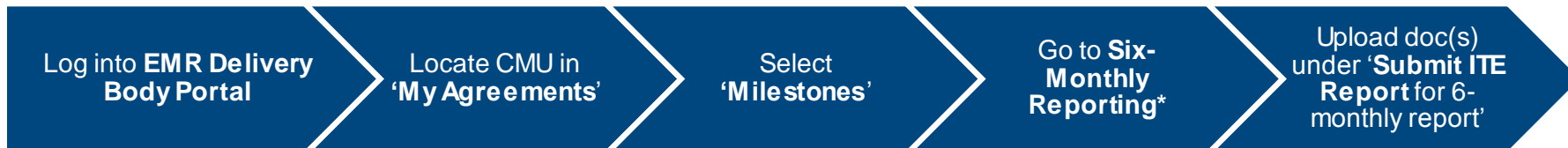
\*Upload slots for Construction Reports are closed once the milestone deadline has passed – please ensure that reports are submitted on time.



### 3. How are Construction Reports submitted?

#### Submitting Construction Progress Reports for Delivery Body review

All CM documents should be submitted via the [EMR Delivery Body Portal](#) for review:



Applicants **must submit documents in the Milestones section of the Portal** to notify the Delivery Body that checks can commence. **Submissions via email shall not be accepted by the Delivery Body.**

Once received the Delivery Body shall **make an assessment within 5 working days** and provide a response in the Portal and via email notification

#### Delivery Body reporting obligations and consequences of non-submission

The Delivery Body provides details of construction progress of CMU components to the Secretary of State and the Authority on a regular basis, within at least five working days from submission.

**Once a CMU has achieved SCM construction reports no longer need to be provided.**

~~*\*The upload slots named as 'Six-Monthly Reporting' should be used for ALL reports including 3 and 9 months — a Portal fix has been initiated to rename these upload slots. [Click here](#) to identify which upload slot should be used to submit your report.*~~

## 4. Appendix – Process Summary

Summary steps below are applicable for all 3/6/9 Monthly Construction Progress Reports (repeat for each reporting period):



### Step 1

#### Construction Schedule

Provide a construction plan schedule outlining the **Earliest and Latest Dates** for key milestones (details in CM Rule 3.7.2(b))



### Step 2

#### ITE Report\*

Provide an ITE Report including details as to whether **any material changes to works or timescales**.

(\*6 month and only if material changes to works or dates only)



### Step 3

#### Directors Certificate

Get **two Directors to sign a declaration** stating that all dates in the ITE Report meet their expectations.



### Step 4

#### Upload to Portal

Upload required documents to the EMR Portal:

[My Agreements](#)  
[> Milestones](#)  
[> Construction Reports](#)  
[> Upload](#)  
[SUBMIT](#)



### Step 5

#### DB Assessment

Wait for the DB to confirm outcome of assessment –

**5 working days**