



# Capacity Market Prequalification Event

Matthew Magill



# Housekeeping

**nationalgrid**

Electricity Market Reform

DELIVERY BODY

**Sli.do #6139**



# The Delivery Partners of the Capacity Market

>360  
Capacity  
Providers



- Prequalification
- Auction
- Agreements



Department for  
Business, Energy  
& Industrial Strategy

- Policy
- Regulations
- Reg Decisions



- Settlement Body
- Accountable for payments to providers



- CM Rules
- Disputes
- DB Regulation



- Settlements contractor
- Calculate payments
- Metering tests

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**Electricity Market Reform**

**Delivery Body**

- Applicant Support
- Prequalification Process
- Capacity Market Register
- Agreement Management
- EMR Admins System

**nationalgrid**

The System Operator  
Electricity Capacity Report

# Agenda – Act 1 – The environment around the Capacity Market

Time	Agenda	Delivery Partner	Presenter
	Registration, tea and coffee		
09:30	Open the event and agenda	EMR Delivery Body	Matt Magill
09:35	Overview of 5 Year Review	BEIS	Charles Philips Elizabeth Twomey
09:55	Ofgem rule changes	Ofgem	Johannes Pelkonen
10:15	Forward Plan to Future Updates	EMR Delivery Body	Andy Ford
10:35	Operational Plan/ Engagement	EMR Delivery Body	Matt Magill
10:45	ECR	National Grid	Gareth Lloyd
11:10	COFFEE BREAK		

# Agenda – Act 2 – Obtaining a Capacity Market Agreement

Time	Agenda	Delivery Partner	Presenter
11:30	Prequalification	EMR Delivery Body	Matt Magill / Charlotte Watts
12:10	Credit Cover	EMRS	Bir Virk
12:15	Disputes	EMR Delivery Body	Matt Magill / Charlotte Watts
12:20	Auction readiness	EMR Delivery Body	Ian Nicholas
12:30	Secondary Trading And Volume Reallocation	EMR Delivery Body	Vikas Garg
12.40	Lunch		

# Agenda – Act 3 – Management of a Capacity Market Agreement

Time	Agenda	Delivery Partner	Presenter
13:25	Agreement Management processes	EMR Delivery Body	Konstantina Maniki / Mark Baker
13:55	Capacity Market Notices	National Grid System Operator	David Preston
14:25	Prior to the Delivery 2018/19	EMRS	Iain Nicoll
14:45	Close of presentation	EMR Delivery Body	Matt Magill
15:00	Table discussions:  Company Level Checks (Charlotte Watts) Refurbishing & New Build CMU's (Vikas Garg / Mark Baker) Existing CMU's (Arjun Mukkara) DSR CMU's (Konstantina Maniki) Post Prequalification (Tim Dart) Of12 (Tim Gregory) Policy (Ofgem / BEIS) ECR (Gareth Lloyd / Duncan Rimmer) Capacity Market Notices (David Preston)		
16:00	Close		

- Using your smartphone, tablet or Laptop please go to

**Sli.do**

**When prompted enter**

**#6139**

# Capacity Market five year review

Department for Business, Energy and Industrial Strategy

Charles Phillips  
Elizabeth Twomey

  
Department for  
Business, Energy  
& Industrial Strategy



# The Capacity Market and where we're at

The Capacity Market was introduced in 2014, and annual auctions have been run securing capacity up until 2021/22.

Over the past decade the market landscape has been continually evolving. We've seen:

- growth in decentralised, often small scale, innovative sources of capacity, including renewables;
- growing importance and value of flexibility; and
- greater interconnection with other European countries.

We are aware of some stakeholder concerns relating to aspects of the CM's design. These include:

- **Participation of renewables** in the CM.
- **Interconnector de-rating factors** – Recent studies note diminishing returns for new interconnection, and correlated stress events in interconnected markets.
- **Penalties** - are the current arrangements with heavy termination fees, but light non-performance penalties effective?

- ensuring all technologies, and small vs large, can compete.

# The five year review

We're reviewing the Capacity Market (CM) as it is five years since the legislation introducing the CM was passed. This review will assess whether:

- the CM is still needed in future;
- the CM is meeting its objectives of ensuring security of supply, cost effectiveness, and avoiding unintended consequences;
- these objectives remain appropriate; and can they be achieved in a way that imposes less regulation.

Key elements of the review will include:

- **Call for evidence** - seeking evidence on how well the CM has been working and views on any issues.
- **Consultation** - we aim to promptly consult on changes to address immediate issues ahead of the July 2019 pre-qualification. Other issues would be taken forward to a later timetable.
- **Final report** - a final report to Parliament in summer 2019.

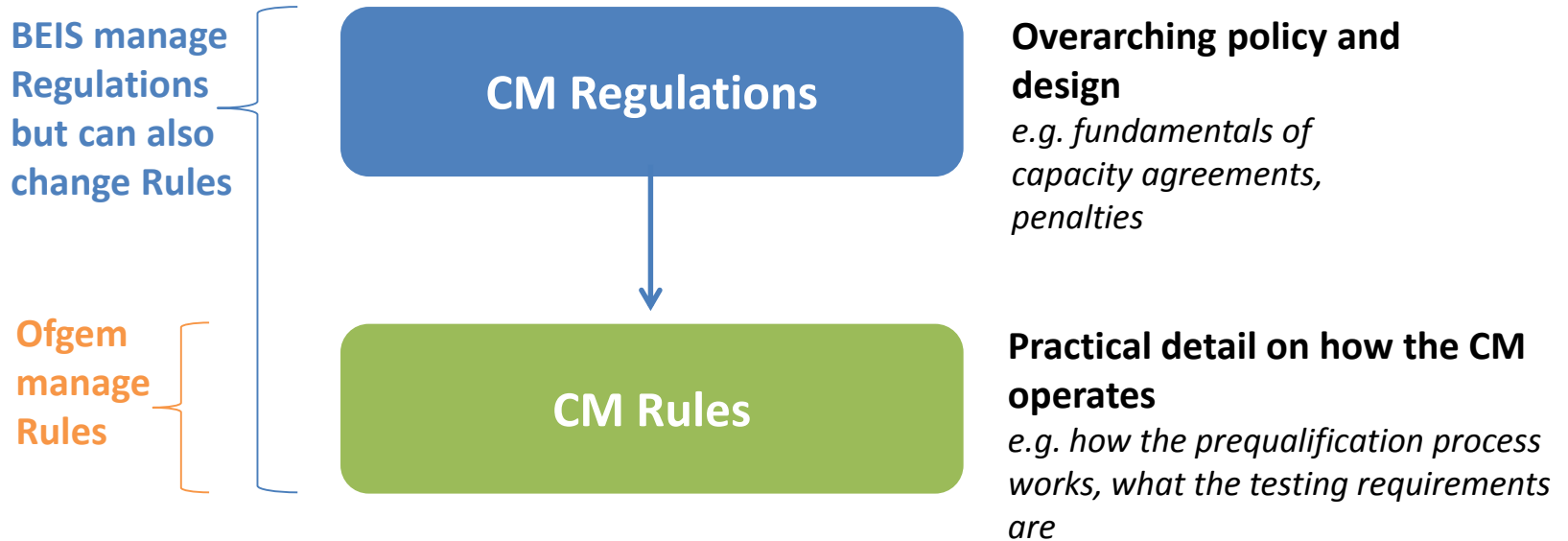
# How can you get involved?

- We'll soon be seeking your views through a call for evidence.
- Start considering what the key issues are which need to be looked at to ensure the CM remains fit for the future.
- Reply to the call for evidence via the online link or email [energy.security@beis.gov.uk](mailto:energy.security@beis.gov.uk)

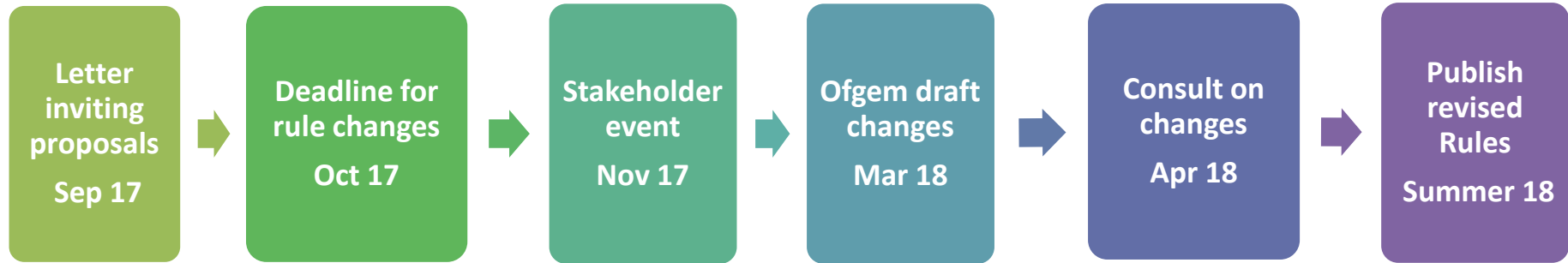
# Capacity Market Rules 2017/18 Change process and future work

10 July 2018

ofgem

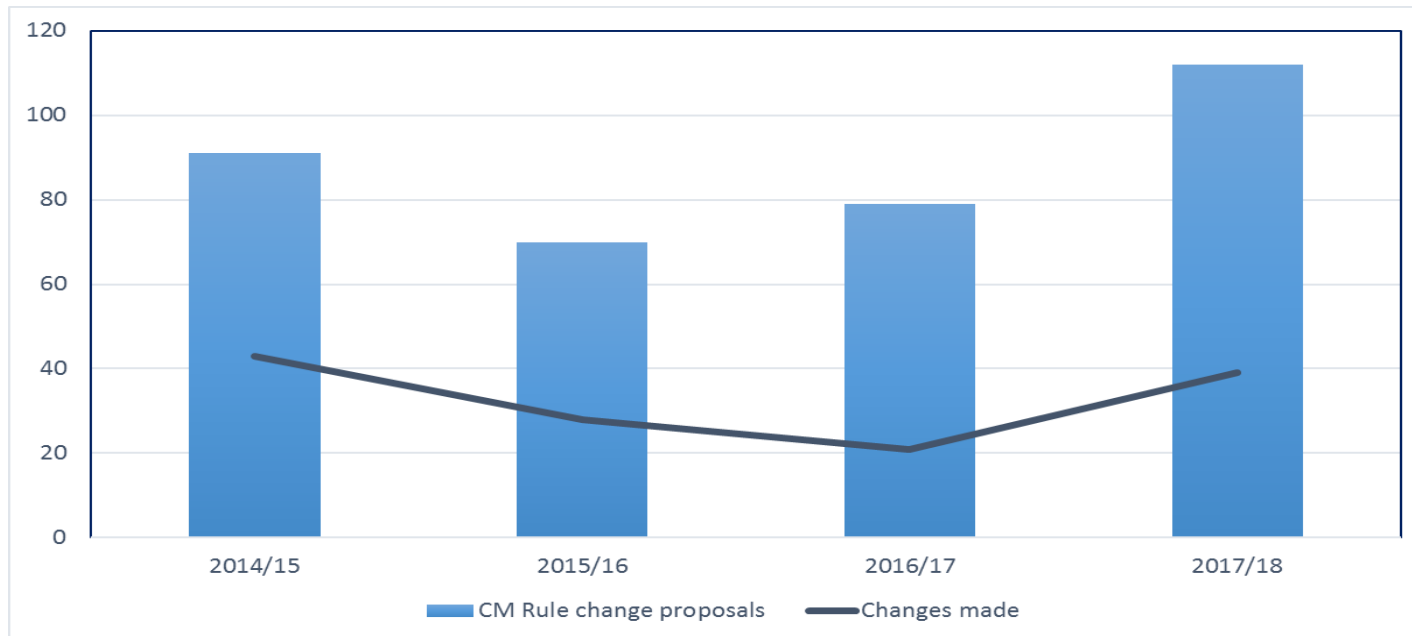


# The Rules Change Process



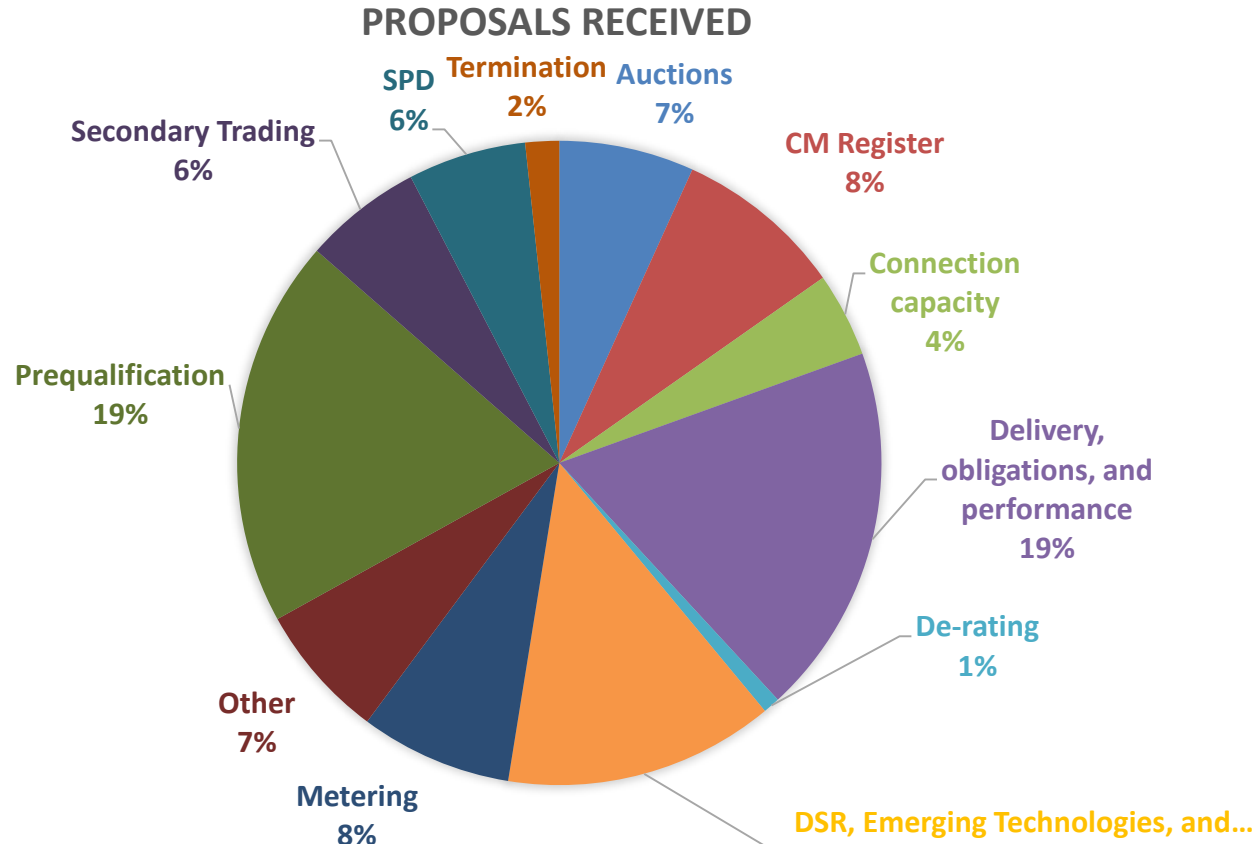
# Rules change proposals

- We received 112 proposals from stakeholders, and 34 written responses to our consultation.
- We have decided to take forward 32 rule changes this year, a further seven changes with delayed implementation.



# Rules change proposals

- The changes to the rules intend to
  - improve competition and liquidity
  - Remove barriers to entry, and improve flexibility for participants
- The delayed changes will
  - Enable DSR providers to reallocate components during delivery years and help manage their portfolios.





# Simplification of Prequalification

Rationalisation of the  
submission of  
certificates and  
exhibits

Extend right to use a  
letter from a Private  
Network owner from  
T-4 to T-1

Simplification of  
timing of the  
construction  
milestones

# Increase competition & liquidity

Allowing CMUs previously opted out as non-operational to participate in T-1

Enabling more providers to participate in the secondary trading market

# Improve Flexibility

Simplified process  
for changes to DSR  
metering  
arrangements

More flexibility for  
DSR Tests

Allow providers  
more flexibility  
when choosing their  
capacity

# Changes from consultation

## Prequalification requirements

Clarification of VAT requirement

Clarification of postcode requirement

Historical performance to evidence connection capacity

## Auction

We are no longer taking forward Of16

## Delivery, obligations & performance

Change to NGET's obligation to update the *beta* value on the CM Register following a stress event

We are no longer taking forward CP277

Amendments to Of12 drafting for clarity and to reflect stakeholder feedback

Extension of demonstrating SPDs on a portfolio basis to Transmission CMUs with aggregate capacity less than 50MW

## Connection capacity

Clarification changes to our proposal to increase flexibility for providers in showing historical performance of CMUs. Our amendment will extend this to secondary trading entrants.

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## Previous commitments

Changes delayed due to IT systems impact (Of12, CP279, CP289, CP290)

Proposals we are considering further (Of15, CP248, CP317, CP318, CP349, CP353)

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## 2018/19 Rules changes

Focus on previous commitments

Urgent additional change proposals to be considered

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## Five Year Review

Consideration of the wider operation of the Rules

Linking with Government's Five Year Review of the Capacity Market

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**Ofgem is the Office of Gas and Electricity Markets.**

**Our priority is to protect and to make a positive difference for all energy consumers. We work to promote value for money, security of supply and sustainability for present and future generations. We do this through the supervision and development of markets, regulation and the delivery of government schemes.**

**We work effectively with, but independently of, government, the energy industry and other stakeholders. We do so within a legal framework determined by the UK government and the European Union.**



Andrew Ford  
The EMR Portal



# Your Feedback - Areas to Improve

## IT Portal



## Complicated Process



## Communication

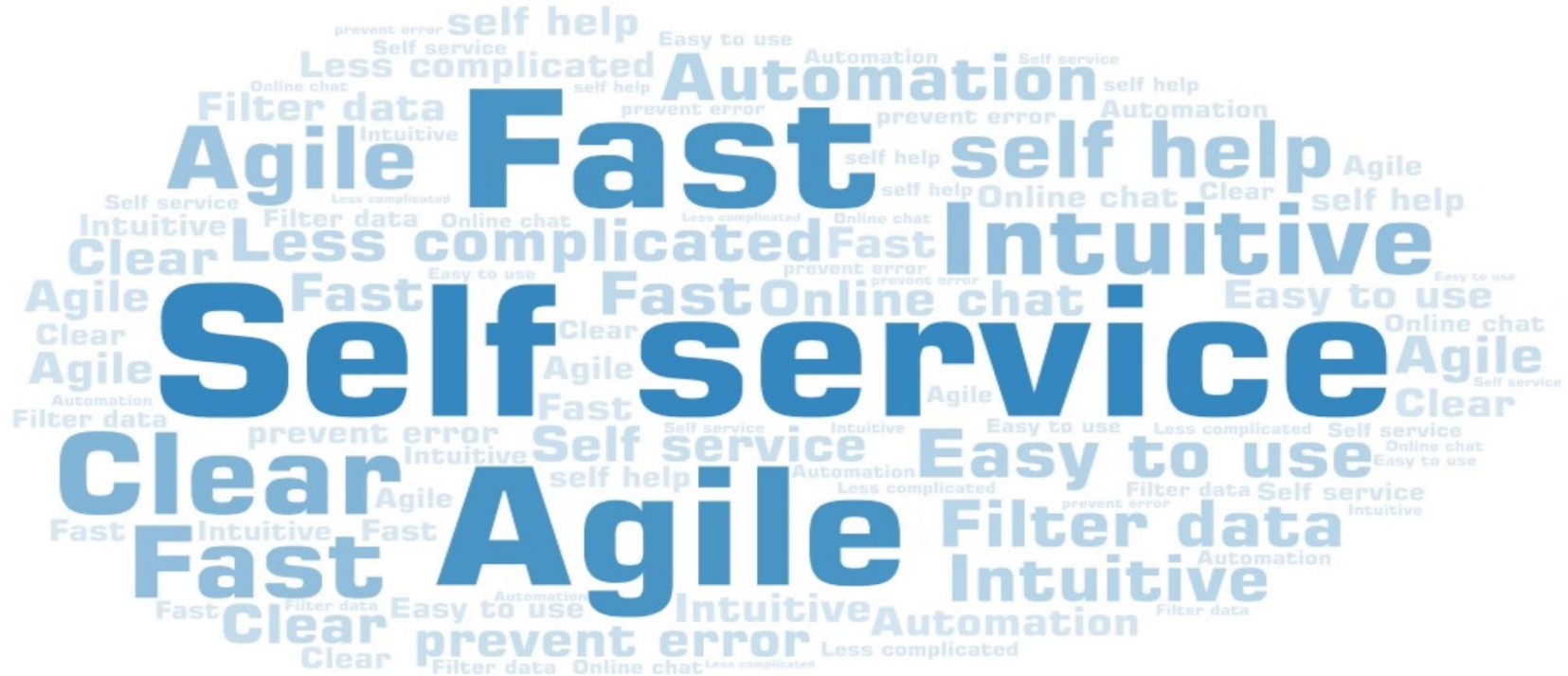


## Response Times





## Future Improvements



# These things will take some time – Interim Steps

## Better Guidance



## Common Pitfalls



## System Improvements



## Better FAQs





## Operational Plan

Matthew Magill



## 2. Operational Plan Milestones 2018/19

Jul	Aug	Sep	Oct	Nov	Dec	Jan	Milestone	Date
◆							Electricity Capacity Report Published	10/07
◆							Capacity Market Operations Launch Event 2018/19	10/07
◆							Prequalification Guidance Published	10/07
◆	—	◆					Prequalification Submissions Window will be 8 weeks	23/07 – 14/09
		◆	—	◆			Prequalification Assessments will be for 6 weeks	17/09 – 26/10
			◆				Prequalification Results Day 1 – Letters issued	26/10
			◆	◆			Tier 1 Dispute Submissions to Delivery Body	29/10 – 2/11
				◆	◆		Tier 1 Dispute Assessments	5/11 – 16/11
				◆			Prequalification Results Day 2 – Register published	16/11
				◆	◆		Tier 2 Dispute Submissions to Ofgem	19/11 – 23/11
						◆	T-1 2019/20 Auction – now two days maximum	29/01
						◆	T-4 2022/23 Auction – now two days maximum	05/02

# Delivery Body Support for Prequalification

## ■ You've said

- Portal should be self explanatory
- Guidance isn't clear and doesn't cover enough of the process
- We don't understand how you view our applications
- Surgeries were ok but we couldn't get into the required details
- Management of queries isn't as good as it needs to be

## ■ What we're doing

- Bringing forward more changes to the portal to make it simpler and more intuitive
- Guidance has much more detail this year, it includes checklist, rule guidance, screenshots and more, it is in simpler language.
- We've focused the guidance around the process we run for checking the applications
- We're producing webinars and videos for most of the surgery content.
- we have the front desk in place to handle even more queries

**Our focus is to make the process a self-service process**



# 2018 Electricity Capacity Report

Gareth Lloyd

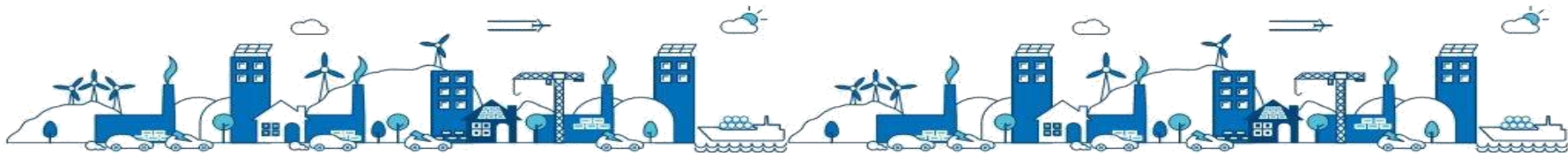


# 2018 Electricity Capacity Report

Gareth Lloyd

Capacity Market Operations Launch Event

■ 10<sup>th</sup> July 2018



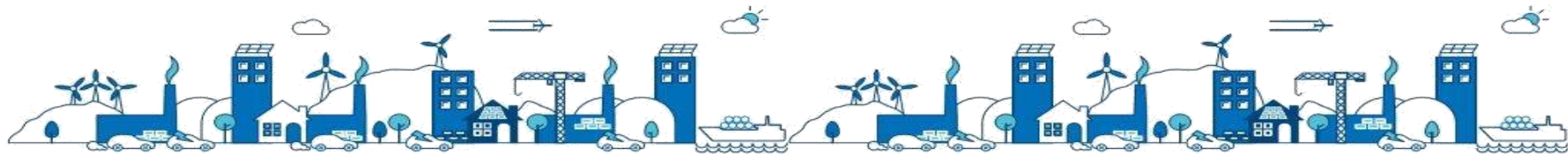
# Agenda

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- Background
- Recommended capacity to secure for 2022/23
- Recommended capacity to secure for 2019/20
- Conventional de-rating factors
- Interconnected country de-rating factor ranges
- Questions



## Background



## Background – ECR Content

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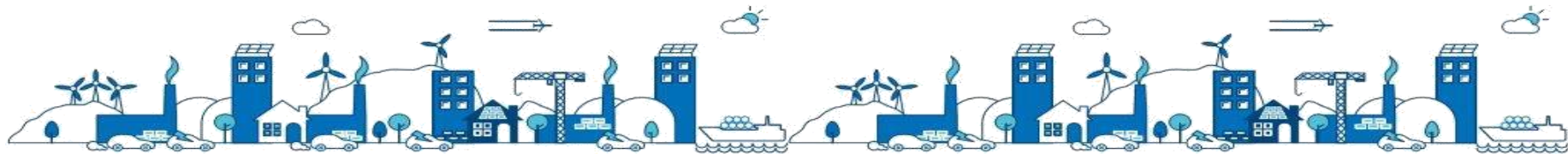
- Electricity Capacity Report (ECR) published early July for
  - 2022/23 (T-4 auction)
  - 2019/20 (T-1 auction)
  
- Contains:
  - Capacity requirement recommendations
  - Conventional de-rating factors
  - Modelled ranges of interconnector de-rating factors
  
- The Secretary of State determines:
  - the capacity to secure
  - for 2022/23, the split between T-4 and T-1 auctions
  - the auction parameters including the demand curve
  - individual interconnector de-ratings for use in the CM auctions

## Background – Modelling

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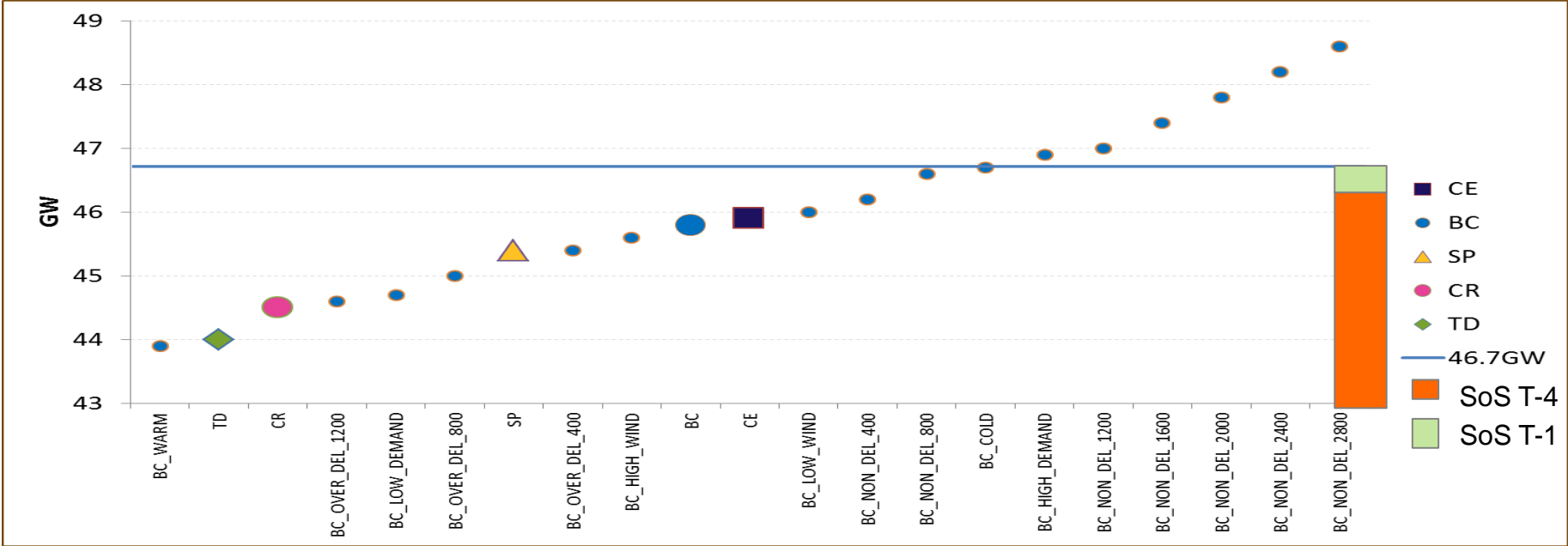
- Methodology:
  - Probabilistic modelling of a range of scenarios and sensitivities
  - Least Worst Regret (LWR) used to select recommendation
  
- Scrutinised by BEIS, Ofgem & BEIS's Panel of Technical Experts (PTE)
  
- Enhancements this year include:
  - modelling on risks of non-delivery, over-delivery, market response
  - a new method for combining these to inform sensitivities
  - European scenarios in BID3 - aligned to FES.

## Recommended capacity to secure for 2022/23 T-4



# 2022/23 – LWR Decision Range

- Chart shows CM capacity required to meet Reliability Standard in each scenario / sensitivity
- Capacity awarded agreements for 2022/23 from previous T-4 auctions has been netted off requirement
- LWR outcome is **46.7 GW** derived from Cold Winter sensitivity
- Secretary of State's decision was **46.7 GW** of which **0.4 GW** was held back for the T-1

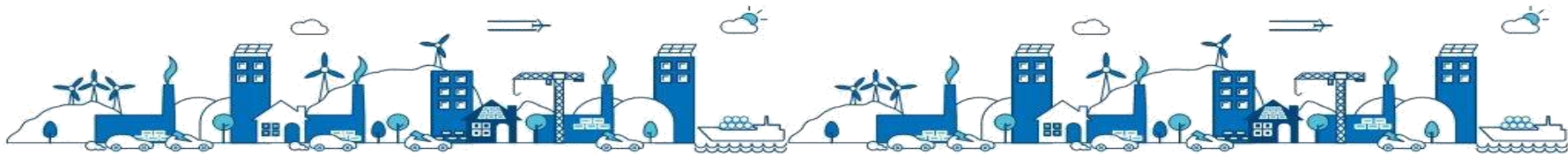


## 2022/23 Key Messages

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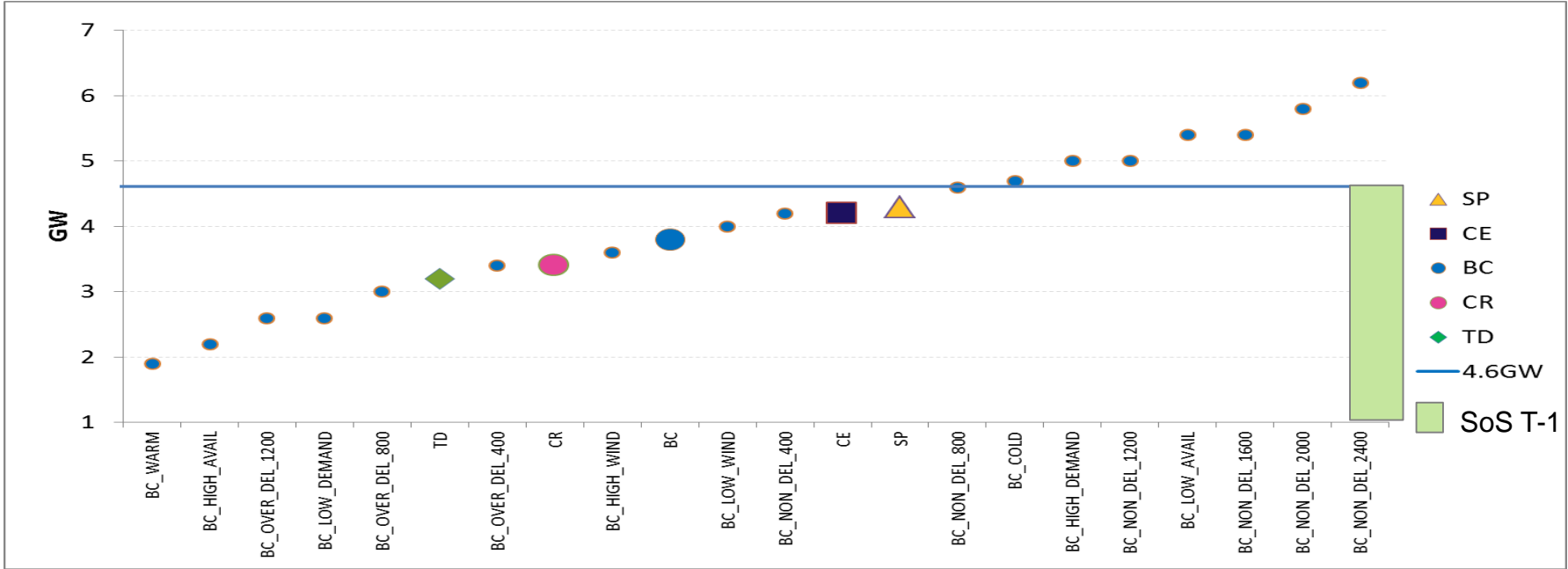
- Sensitivity range: 43.9 GW (warm winter) to 48.6 GW (2.8 GW non-delivery)
- For 2022/23, we recommend a target capacity of 46.7 GW, a decrease (3.8 GW) on the 2021/22 recommendation (50.5 GW) in the 2017 ECR.
- This decrease is mainly the result of following upsides & downsides:
  - Increases – reserve for largest infeed loss
  - Decreases – lower peak demand forecast, higher renewable contribution at peak, narrower sensitivity range
- Secretary of State decided to target **46.7 GW** for 2022/23, consistent with the recommendation in the ECR which was endorsed by the PTE
- Secretary of State decided to hold back **0.4 GW** for T-1 auction leaving **46.3 GW** target for the T-4 auction.
- Pre-qualification to determine any adjustments required e.g. opted out capacity that will remain operational

## Recommended capacity to secure for 2019/20 T-1



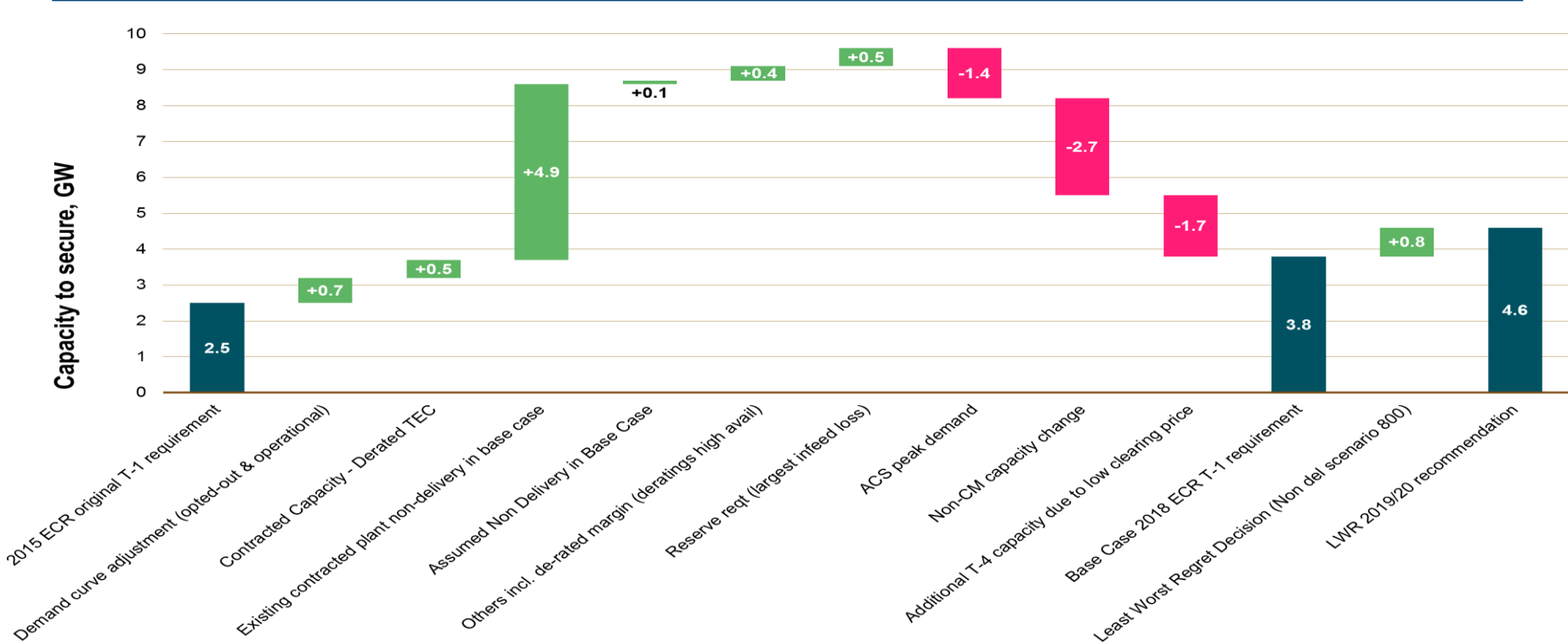
# 2019/20 – LWR Decision from Range

- Chart shows CM capacity required to meet Reliability Standard in each scenario / sensitivity
- Capacity awarded agreements for 2019/20 from previous T-4 auctions has been netted off requirement
- LWR outcome is **4.6 GW** derived from 800 MW non-delivery sensitivity
- Secretary of State’s decision was **4.6 GW**.





# 2019/20 waterfall from original 2019/20 T-1 requirement

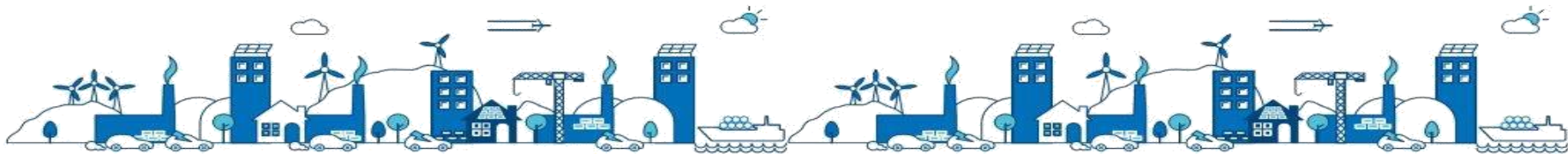


## 2019/20 Key Messages

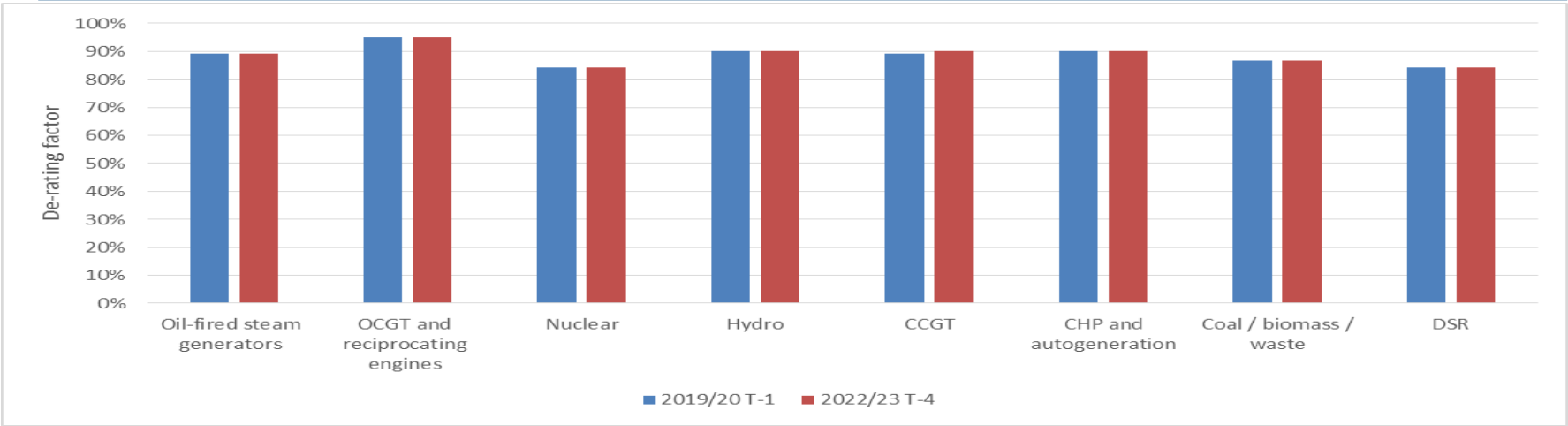
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- Sensitivity range: 1.9 GW (warm winter) to 6.2 GW (2.4 GW non-delivery)
- Our recommendation for the 2019/20 T-1 auction has increased by 2.1 GW to 4.6 GW from 2.5 GW originally set aside by the Secretary of State in 2015.
- The 2.1 GW net increase is largely due to the following upsides & downsides:
  - Increases - significant known non-delivery of contracted plant
  - Decreases – lower peak demand forecasts, higher non-CM contribution at peak and additional capacity procured in 2019/20 T-4 auction due to low clearing price
- Secretary of State decided to target **4.6 GW** for 2019/20, consistent with the recommendation in the ECR which was endorsed by the PTE
- Pre-qualification to determine any adjustments required e.g. opted out capacity that will remain operational

## Conventional De-rating Factors



# 2018 Conventional de-rating factors (excluding storage)

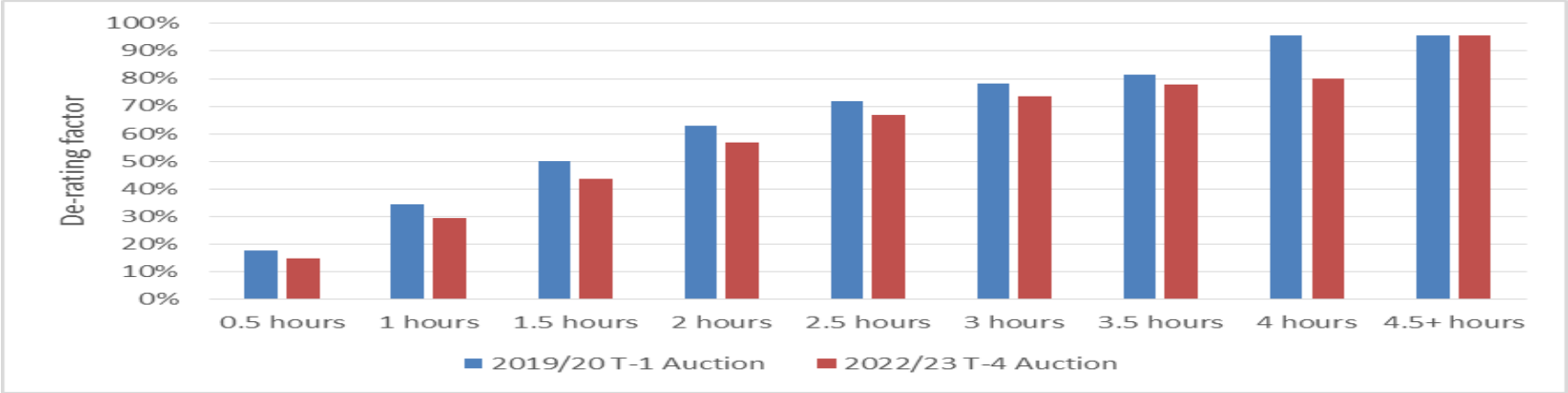


Technology Class:	Oil-fired steam generators	OCGT and reciprocating engines	Nuclear	Hydro	CCGT	CHP and autogeneration	Coal / biomass / waste	DSR
2019/20 T-1	89.13%	95.14%	84.20%	90.09%	89.05%	90.00%	86.56%	84.28%
2022/23 T-4	89.13%	95.14%	84.20%	90.09%	90.00%	90.00%	86.56%	84.28%

- De-rating factors above are same in both auctions for all technologies except CCGT
- Duration limited storage de-rating factors are different for T-1 and T-4 auctions (see next slide)

# 2018 Duration Limited Storage De-rating Factors

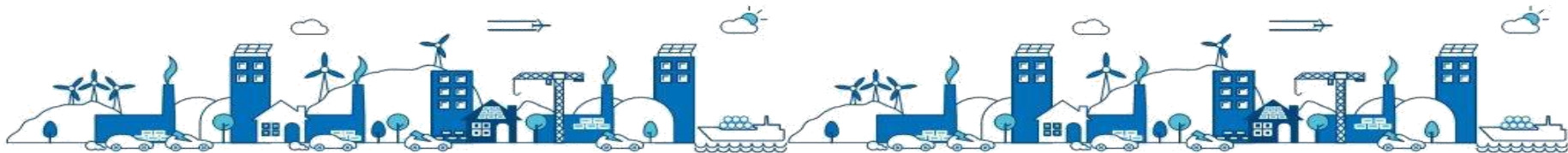
- Values updated since last set of auctions using published methodology - accounts for latest view of storage, wind and solar PV capacity in the Base Case:



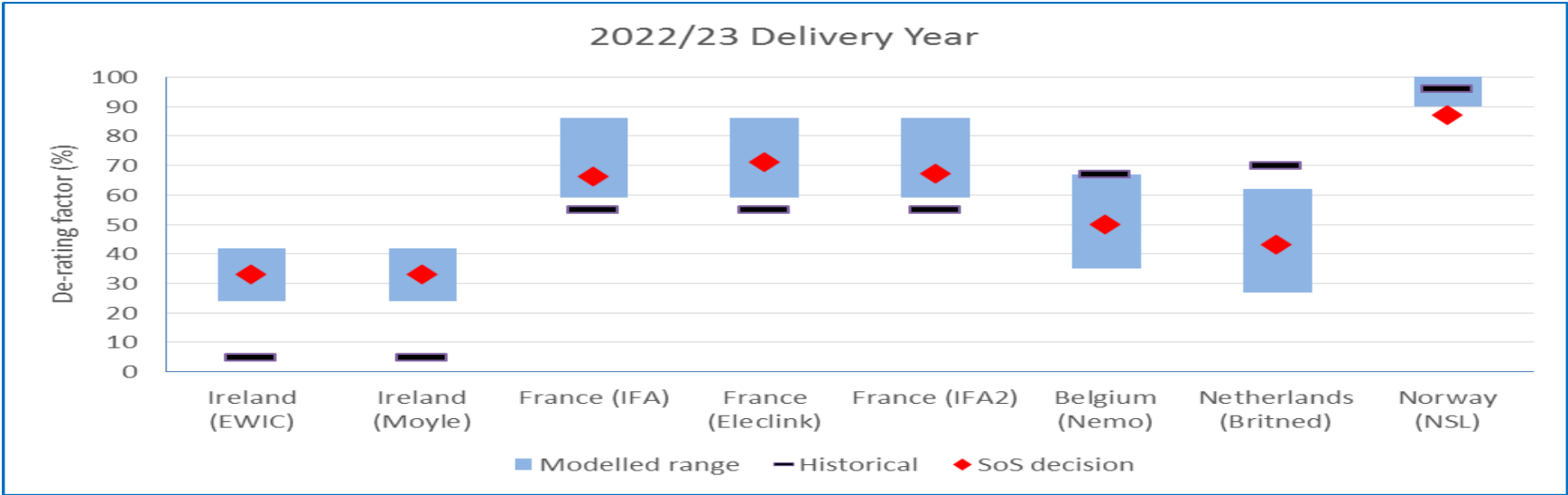
Duration (hrs):	0.5	1	1.5	2	2.5	3	3.5	4	4.5+
2019/20 T-1	17.50%	34.21%	50.00%	62.80%	71.96%	78.09%	81.57%	95.52%	95.52%
2022/23 T-4	14.91%	29.40%	43.57%	56.68%	66.82%	73.76%	77.78%	80.00%	95.52%

We are keen to hear your feedback on how we determine conventional plant de-rating factors. Should we continue with / evolve the current approach or do something different? Please send feedback to [emrmodelling@nationalgrid.com](mailto:emrmodelling@nationalgrid.com)

## Interconnected country de-rating factor ranges

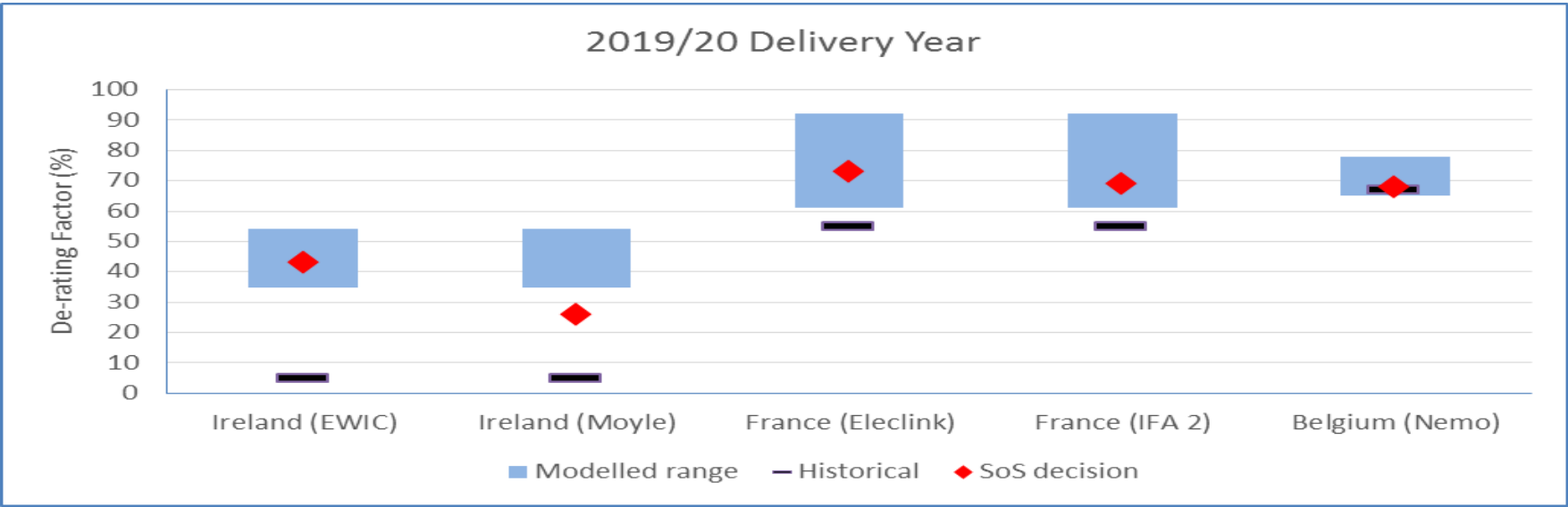


# Interconnected country de-rating factor ranges - 2022/23



Country (IC):	Ireland (EWIC)	Ireland (Moyle)	France (IFA)	France (Eleclink)	France (IFA2)	Belgium (Nemo)	Netherlands (Britned)	Norway (NSL)
Range - Low	24	24	59	59	59	35	27	90
Range - High	42	42	86	86	86	67	62	100
Historical	5	5	55	55	55	67	70	96
Secretary of State	33	33	66	71	67	50	43	87

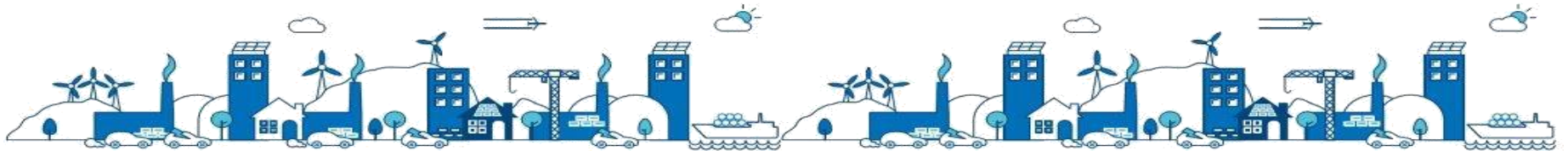
# Interconnected country de-rating factor ranges - 2019/20

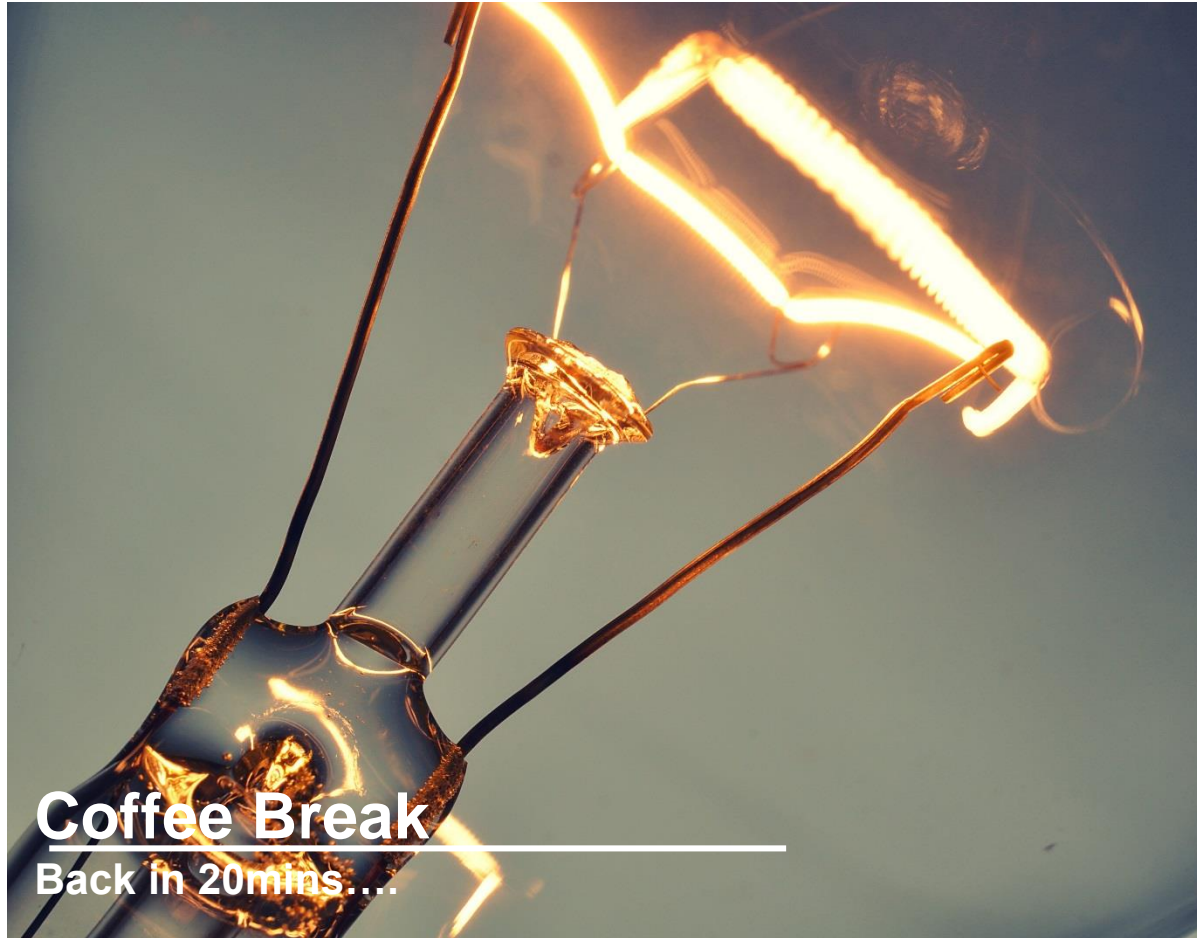


Country (IC):	Ireland (EWIC)	Ireland (Moyle)	France (Eleclink)	France (IFA2)	Belgium (Nemo)
Range - Low	35	35	61	61	65
Range - High	54	54	92	92	78
Historical	5	5	55	55	67
Secretary of State	43	26	73	69	68



# Questions





**Coffee Break**  
Back in 20mins....



## Prequalification

Charlotte Watts and Matthew Magill



# Prequalification

## ■ What this presentation is

- This is a high level view of prequalification
- It includes some of the improvements we've made this year to help you

## ■ What this presentation isn't

- This isn't a guidance document
- This isn't a short form version of the rules
- This isn't to be used for completing or submitting an application

Please use our guidance document and the Capacity Market Rules

## Guidance overall

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### ■ You have said and we have noticed:

- Guidance didn't cover enough of the process
- The guidance didn't have enough detail
- You weren't sure what you needed to provide for each application

### ■ We have:

- Improved the coverage of the guidance and included more of the 'grey' areas
- We have increased the detail of the guidance
- Will be adding webinar videos to the guidance for each CMU type
- We have added checklists for each section

# Guidance overall

## Checklist - how to get the most out of the guidance document

**Read** the **Capacity Market Rules 2014** and **Electricity Capacity Regulations 2014** (as amended)  
Available of Ofgem's and BEIS' websites

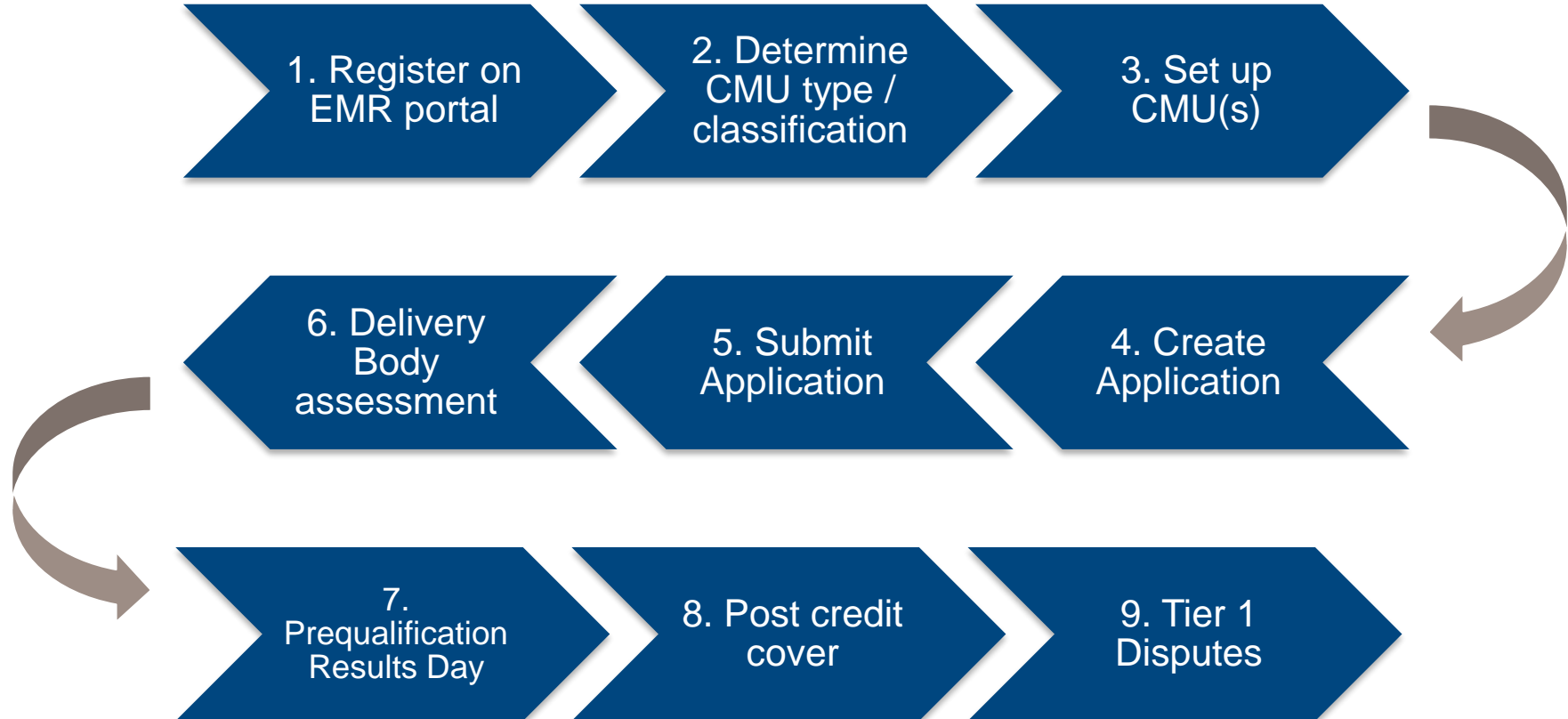
**Read** the content on the **EMR Delivery Body website** for an overview of the Capacity Market and Prequalification process

**Read** the **Operational Plan** and **Auction Guidelines** to understand key deadlines and requirements

**Refer** to relevant chapters of the **Rules** and **Regulations** when reading the guidance and completing the Application in the EMR DB Portal

**Upload** all required documents to the EMR DB Portal

## Prequalification end to end process



# 1. Registering a Company on the EMR Portal

## ■ Why do we need this?

- Registration is a way of ensuring the applicants can be held accountable for their obligations of an agreement, it is a key step to prevent fraud and error in the Capacity Market
- It also enables us to manage organisations portfolios and allows transfers of organisations

## ■ What do you need to do

- For every Application we need to associate it to a CMU and a Company
- For the Company details we will need
  - Company Name, exactly as it appears on Companies House
  - Company Address, exactly as it appears on Companies House
  - Company Registration Number
- We need an authorised person who will manage the company and they must be a company director or company secretary
- The Company Registration form must be printed on Company headed letter paper, be signed and dated



# 1. Supporting Evidence for a Company

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## ■ Why do we need this?

- Further to validating the company, our delivery partners require us to collect further additional details.

## ■ What do you need to do?

- Provide
  - Parent Company
  - Secondary Trading Details
  - VAT Number
  - Type of Enterprise
  - Certificate of Incorporation
  - Prequalification Certificate
  - Certificate of Conduct

# Changes to Certificates and Declarations

- You have said and we have noticed:
  - A large proportion of previous failures were from errors associated with the certificates and declarations

- We have:
  - Created an Exhibit tool which, takes information from the EMR DB Portal provided in Registration and automatically enters the information into the exhibits in the correct format
  - They still need to be **signed** and **dated**

## Exhibit tool

[Select & Generate  
Exhibit Forms](#)[Download Company details  
from the EMR Portal](#)

The Current Application Year is: 2018

▼ Company (the Applicant Company) **Incomplete**

Company Name  
Company Registration Number

Applicant Registered Office Address

Address 1  
Address 2  
Address 3  
City/Town  
Postcode  
Country

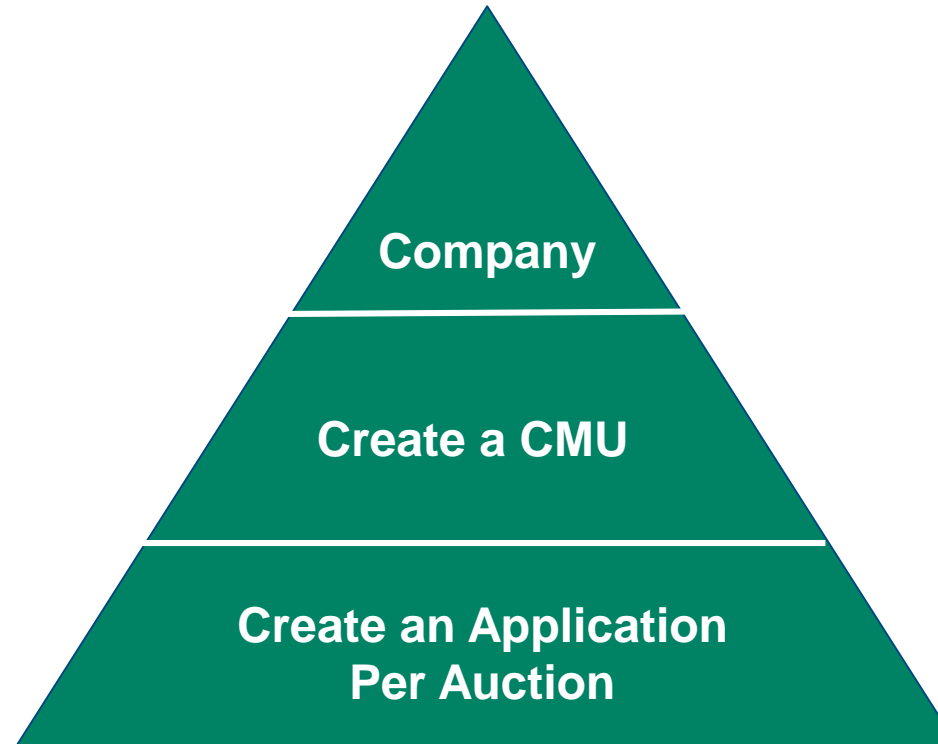
Does the Company have a sole director?  
Director Full Name (as it appears on Companies House)

[Check details on  
Companies House](#)

► Legal Owners **Incomplete**

## 2. Creating your Application in the EMR Portal

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## We have added more screenshots

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### ■ You have said and we have noticed:

- The guidance didn't clearly link to the fields in the EMR DB Portal
- Unclear what fields need to be completed or left blank

### ■ We have:

- Added screenshots to the guidance
- Annotated the screenshots with more information
- Clearly identified which fields need to be completed

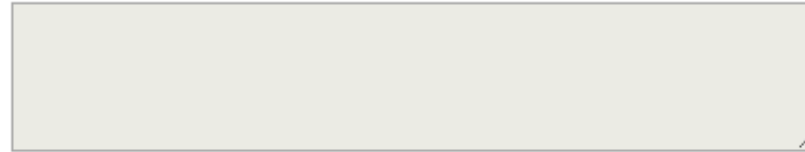
# Screenshots of the EMR DB Portal

Enter your CMU ID here - make sure it is 6 characters long, alphanumeric & a unique identifier

## CMU Identifier \*

This Indicates the CMU name given to identify the CMU. This should be 6 characters long, alphanumeric and

## Linked CMUs



For more information on how to link CMUs, click on the cloning guidance button

**Cloning guidance**

Enter your CMU name here, this can be the same as the CMU ID

## CMU Name

This indicates the preferred name for the CMU against which the application is submitted. We suggest you k

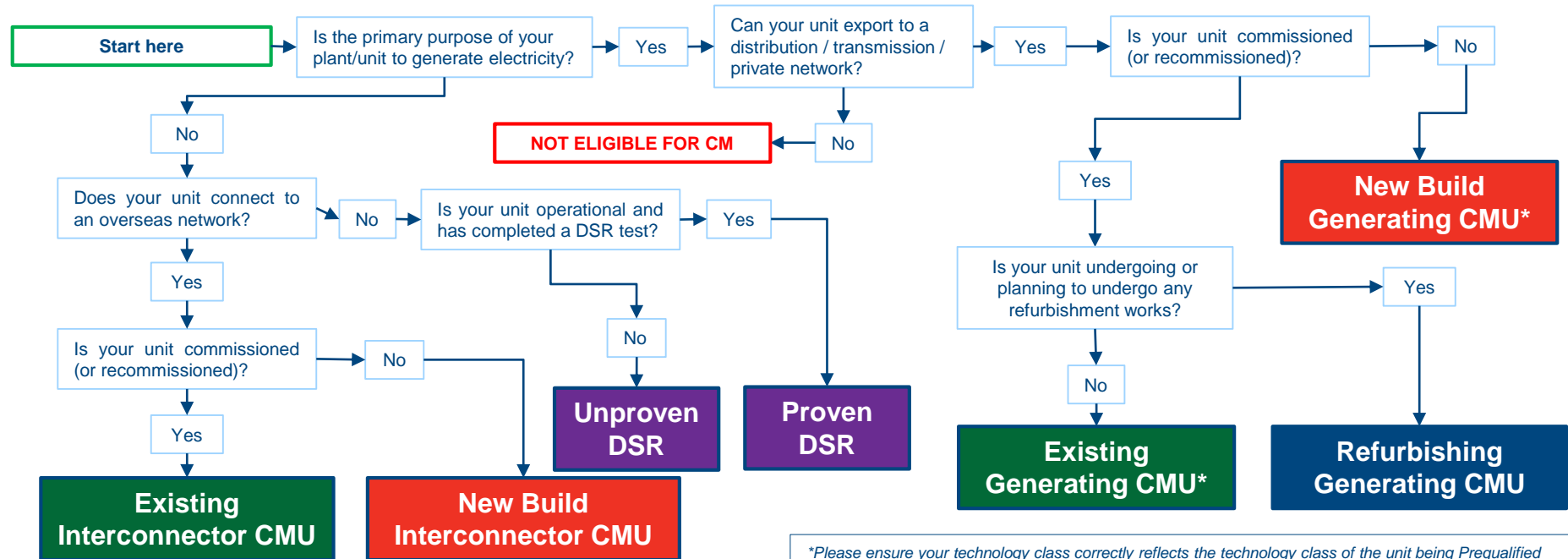
## Classification of CMU

This indicates whether the CMU is CMRS/ Non-CMRS

Select your classification of CMU from the drop down menu

## 2. Determine CMU type / classification

There is now a flow chart to support this



### 3. Setting up CMUs on the Portal

#### ■ Why do we need this?

- The Capacity Market Unit or CMU is the representation of the asset(s) which will provide capacity
- It is assumed that
  - A CMU will stay at the same address
  - Will be a set technology class
  - Will remain at a static size
- If any of those assumptions changes, there is a requirement to clone a CMU

#### ■ What do you need to do?

- Provide
  - a unique 6 digit CMUID
  - your name for the CMU
  - Select what type the CMU is
- If the CMU is made of a single or multiple components, for each component, provide;
  - An address including postcode
  - OS Grid reference
  - MPAN/BMUID or Balancing Services ID
  - The connection capacity or DSR capacity
  - The technology class of the component
  - Provide details on the Auxiliary load



# Common Issues

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## ■ You have said and we have noticed:

- Common issues with:
  - Planning Consents
  - Connection Agreements
  - Exhibits

## ■ We've added an Appendix on:

- Connection Arrangements
- Planning Consents
- Financial Commitment Milestones
- Credit Cover
- Cloning
- Auxiliary Load
- Metering Assessment
- Opt-Out Notifications
- Exhibit tool

## 4. & 5. Create and Submit an Application

---

- Now that CMUs have been created and associate to companies it is possible to complete an application
- Chapter 3 of the Capacity Market Rules states all the required information.
- The guidance includes over 80 pages of detail on how to complete the application
- All aspects of the application must be submitted into the EMR Admin system
- All documents required for an application must be submitted with the Application, failure to do this will cause a reject status with no way of Dispute (Regulation 69)

Once an Application is completed, press Submit.  
The system will then send you an email confirming submission

# Improved the navigation of the guidance

---

- You have said and we have noticed:
  - It was hard to understand and navigate the guidance

- We have done:
  - Added colours and icons
  - Colours identify the CMU Type
  - Icons identify whether the slide is:
    - Mandatory
    - For action in the system
    - For action outside the system
    - Highlights common failure reasons
  - Improved the process flow

# Improved the navigation of the guidance

These icons will return you to the main menu, contents page and the last/next page



The CMU types have been colour coded



**Mandatory**

KEY



**System**



**Common failures**



**Offline documents  
(e.g. Exhibits)**

**DSR**

**Existing**

**Refurbishing**

**New Build**

**All CMUs**

**A.**  
Prequal  
Process

**B.**  
Company  
details

**C.(a) CMU**  
- all  
CMU types

**C.(b) CMU**  
- specific  
CMU types

**D.(a) App.**  
- all  
CMU types

**D.(b) App.**  
- specific  
CMU types

**E.**  
Common  
Errors

**F.**  
Post  
Prequal

**G.**  
Appendix

## 4. Rule changes which impact 2018 Prequalification

---

- Ofgem Consulted in Spring 2018
- Ofgem Released their Decision 5<sup>th</sup> July
- Key areas to note:
  - Historic Outputs – There is a new method for calculation of historic outputs
  - Vat Numbers, you are able to enter Not Applicable only if you are not yet VAT registered
  - Private Network – New Builds CMUs can provide a letter from a private network owner for both T-4 and T-1
  - Declarations – There have been a number of changes to declarations, please refer to the decision document and our guidance
  - Technology Changes – Please refer to Schedule 3 in the rules for the new generating Technology Classes

## Added common failure reasons

---

### ■ You have said and we have noticed:

- There were a lot of failures last year that could easily be solved

### ■ We have:

- Added common failure reasons to a section at the back of the guidance
- In the next release of the guidance, there will be links throughout the document

## Added common failure reasons

**Regulation 69 does not permit Applicants to provide new information**

Therefore, it is important to get it right first time at Prequalification

**E.1 Company level  
failures**

**E.2 CMU level  
failures**

**E.3 Application  
level failures**

## 6. & 7. Delivery Body Assessment and Results

### ■ Prequalification Process

- We will run PQ from Mid September
- 6 Weeks to process all of the applications
- We will still be supporting the 2,147 agreements that are in place, however, service will be reduced

### ■ Prequalification Results

- Day 1 – After Assessments window
  - Private notifications to all users of the status of the their applications
  - The EMR Website will be inaccessible on the morning.
  - Once we have confirmed all letters have correctly generated, we will open access to the site (notifications will come at the same time)
- Day 2 – After Disputes Window
  - Same process for releasing letters as for Day 1
  - Public notification of status will be through the Capacity Market Register



# Prequalification Assessment

- You have said and we have noticed:
  - You don't understand how Prequalification assessment work
- We will run PQ from Mid September
  - We've included sections on what we check as part of the assessment
  - We cover the following areas:
    - Company Level Checks
    - CMU specific Checks (i.e. New Build, Existing, DSR, Refurb)
    - Decisions
  - This afternoon, the people who lead each of the areas will be available on tables for discussions

Public

# Credit Cover submission

Pre-qualification

10 July 2018

Bir Virk

# Credit Cover – Key Dates

## Friday 26 October 2018

- Delivery Body publish pre-qualification results

## Monday 29 October – Friday 16 November 2018

- Credit Cover submission

## Friday 16 November 2018

- Delivery Body publish Tier 1 disputes results

## Monday 19 November – Friday 7 December 2018

- Tier 1 Credit Cover submission

Delivery Body Capacity Market Operational Plan Milestones 2018: <https://www.emrdeliverybody.com/cm/home.aspx>

# Credit Cover – Methods of submission

## Methods of submission

- ✦ Cash
- ✦ Letter of Credit
- ✦ Parent Company Guarantees **are not** permitted

## Cash

- ✦ Should be lodged by 12 midnight on the relevant deadline.
- ✦ Bank details can be found in WP35- CM Applicant /Capacity Provider Credit Cover Process (<https://www.emrsettlement.co.uk/publications/working-practices/>).
- ✦ Put the CMU(s) in the payment reference.
- ✦ If lodging for multiple CMU(s) send a breakdown to [contact@emrsettlement.co.uk](mailto:contact@emrsettlement.co.uk).

# Letter of Credit (LoC)

## Lodge **via SWIFT message**

- By midnight on the relevant deadline.

## ESC/EMRS recommend to submit your LoC by the end of the 2<sup>nd</sup> week

- For the relevant submission period, as this allows for processing time.

## Only minor wording changes to LoC

- Will be considered acceptable and authorisation must be sought from EMRS before submitting your LoC.
- Unauthorised changes may result in your LoC being rejected.

## Third party LoC are acceptable

- A separate template can be requested from [contact@emrsettlement.co.uk](mailto:contact@emrsettlement.co.uk).

## Please send a copy of LoC submitted

- Include a breakdown of CMU(s) and amounts to [contact@emrsettlement.co.uk](mailto:contact@emrsettlement.co.uk). This allows EMRS to communicate what we're expecting with our bankers.

## LoC templates can be found WP35 - CM Applicant Credit Cover Process

- <https://www.emrsettlement.co.uk/publications/working-practices/>

## Further information

- ✦ Delivery Body is responsible for calculating your Credit Cover requirements. Please contact them if you have any queries.
- ✦ Details available on the Stakeholder Support Capacity Provider webpage and select 'Credit Cover' <https://www.emrsettlement.co.uk/stakeholder-support/stakeholder-support-capacity-providers/>.
- ✦ No requirement to register with EMRS at this stage
- ✦ Acceptance or Rejection notice will be issued within 5 Working Days of receipt of your Credit Cover. All notices will be copied to the Delivery Body.
- ✦ If you intend to withdraw CMUs from the process please let EMRS know.

### Contact details

- ✦ Tel: 0207 380 4333
- ✦ Email: [contact@emrsettlement.co.uk](mailto:contact@emrsettlement.co.uk)

## 9. Disputes

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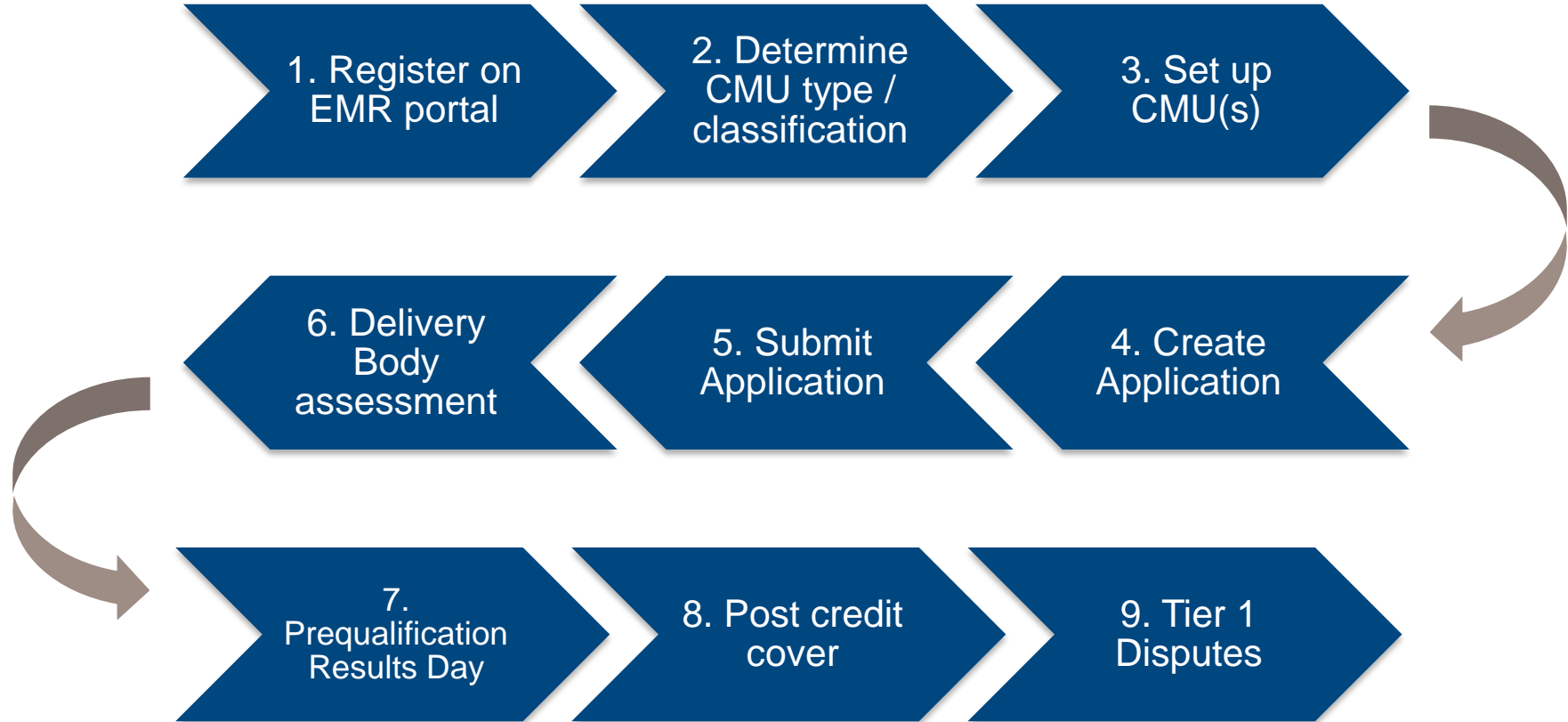
### ■ What it is?

- If after Delivery Body Assessments you do not agree with the decision, there is an opportunity to Dispute
  - Tier 1 – Dispute the decision to the delivery Body
  - Tier 2 – If the outcome of the Tier 1 decision still has an issue it is possible to dispute the decision to Ofgem
- Please be aware of regulation 69 –
  - The Delivery Body can no longer take into account any information during the Tier 1 Disputes process, that the Applicant was required by the Regulations and the Capacity Market Rules to provide with the Application.

### ■ What you need to do

- We are working to improve the disputes process for this year

## Prequalification end to end process







CM Auction  
Ian Nicholas

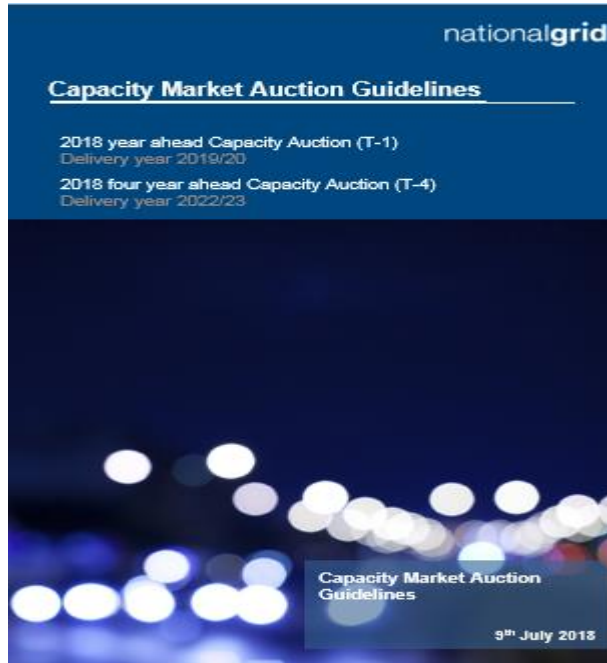


# Contents

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- Auction Guidelines
- Auction Overview
- Secondary Trading
- Volume reallocation

# Auction Guidelines



## Auction Guidelines

- Timetable
- Parameters
- Other specific detail

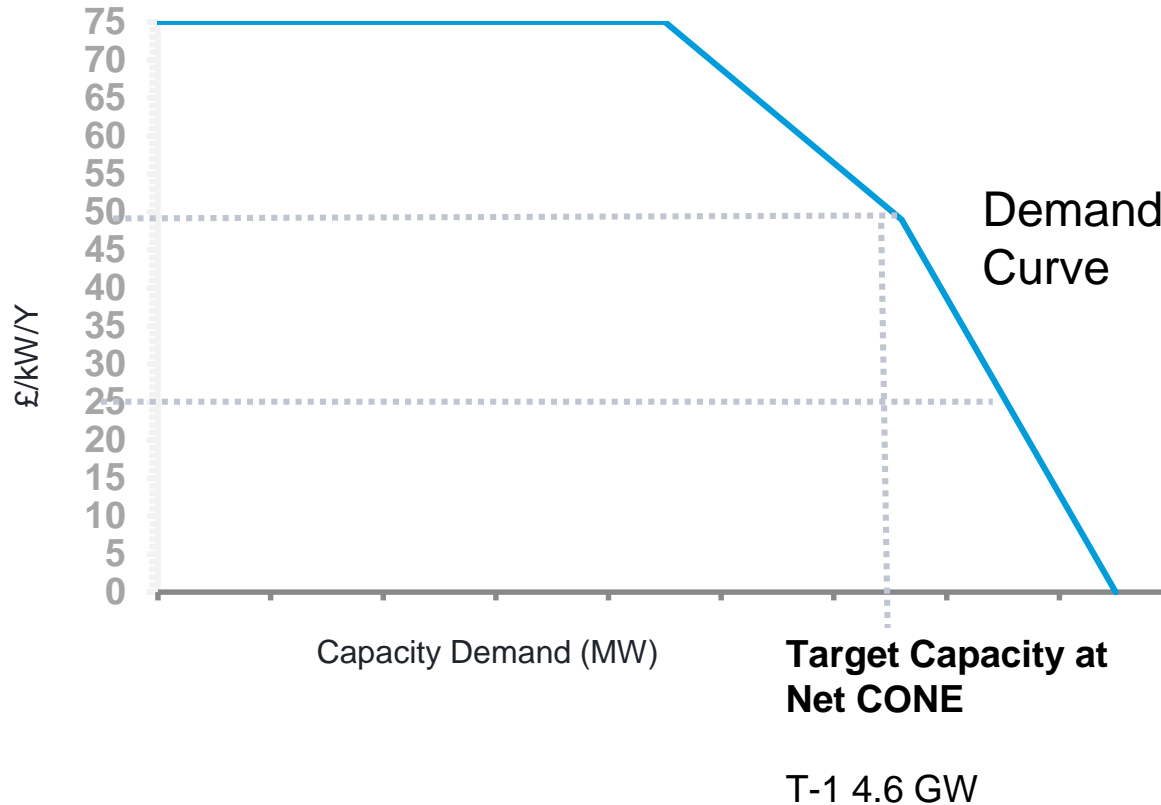
# Auction Parameters

	T-1 Auction	T-4 Auction
Target capacity	4.6 GW	46.3 GW
Demand curve coordinate –volume at price <b>cap</b>	3.6 GW	44.8 GW
Demand curve coordinate –volume at £0/kW	5.6 GW	47.8 GW
Price Cap	£75 /kW/year	£75 /kW/year
Net CONE	£49 /kW/year	£49 /kW/year
Price Taker Threshold	£25 /kW/year	£25 /kW/year
15 Year Minimum £/kW Threshold	N/A	£270/kW (De-rated capacity)
3 Year Minimum £/kW Threshold	N/A	£135/kW (De-rated capacity)
Indexation base period	N/A	2017/2018

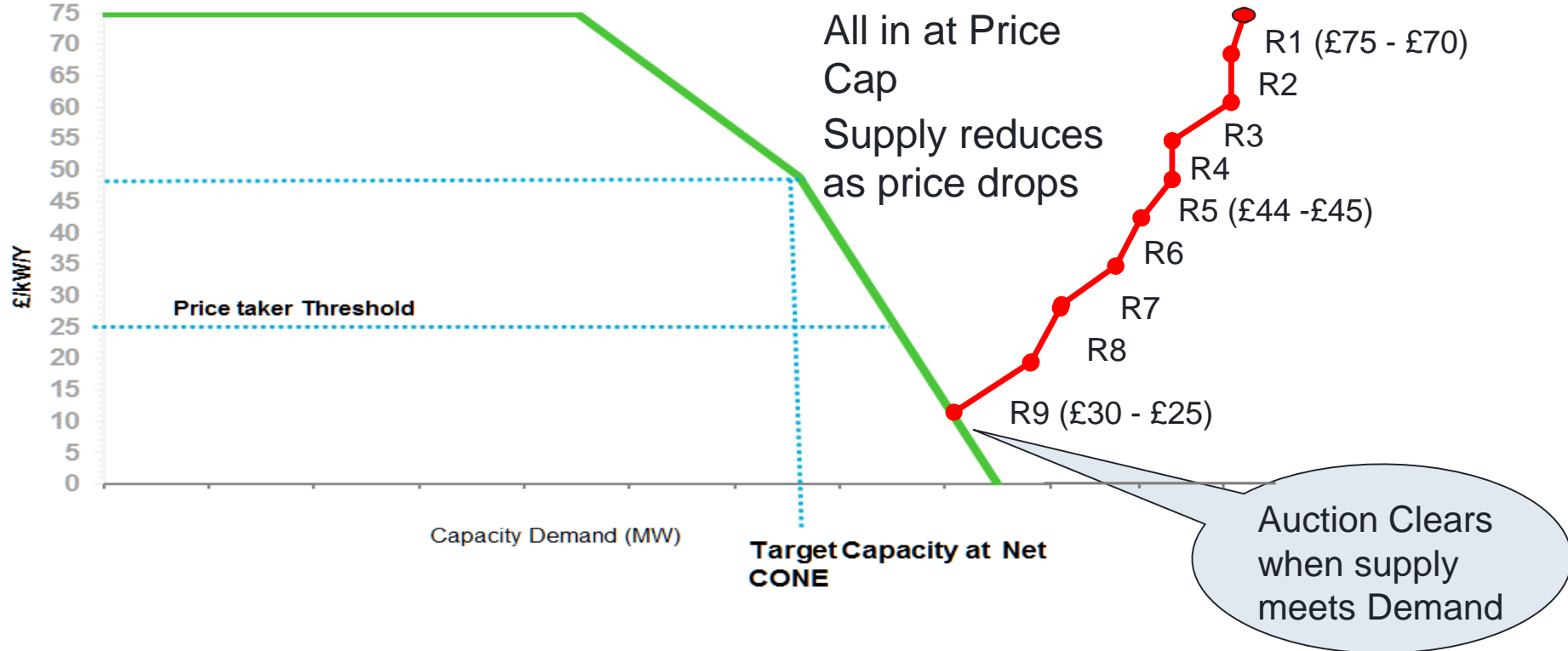
# Auction Parameters

Price Cap

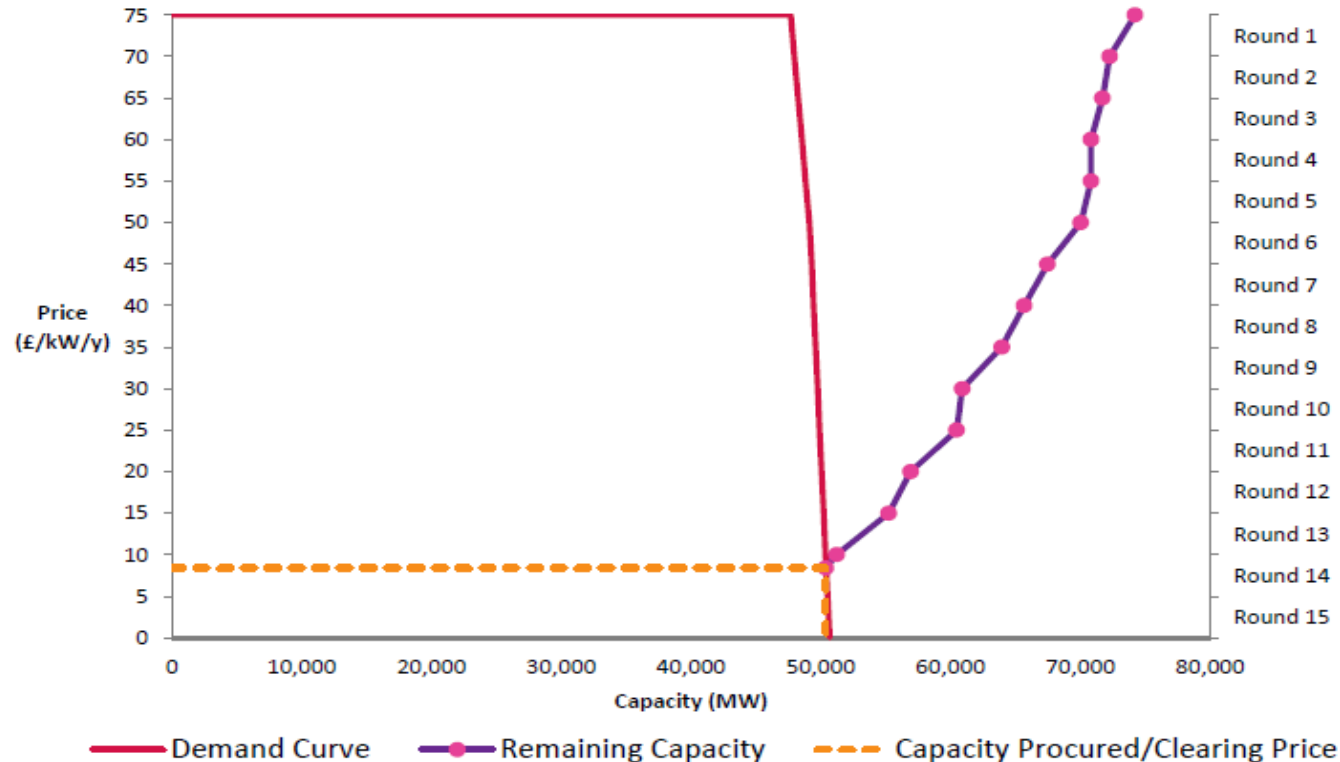
Price Taker  
Threshold



# Capacity Demand Curve



# Supply and Demand



Auction supply  
Capacity 74GW

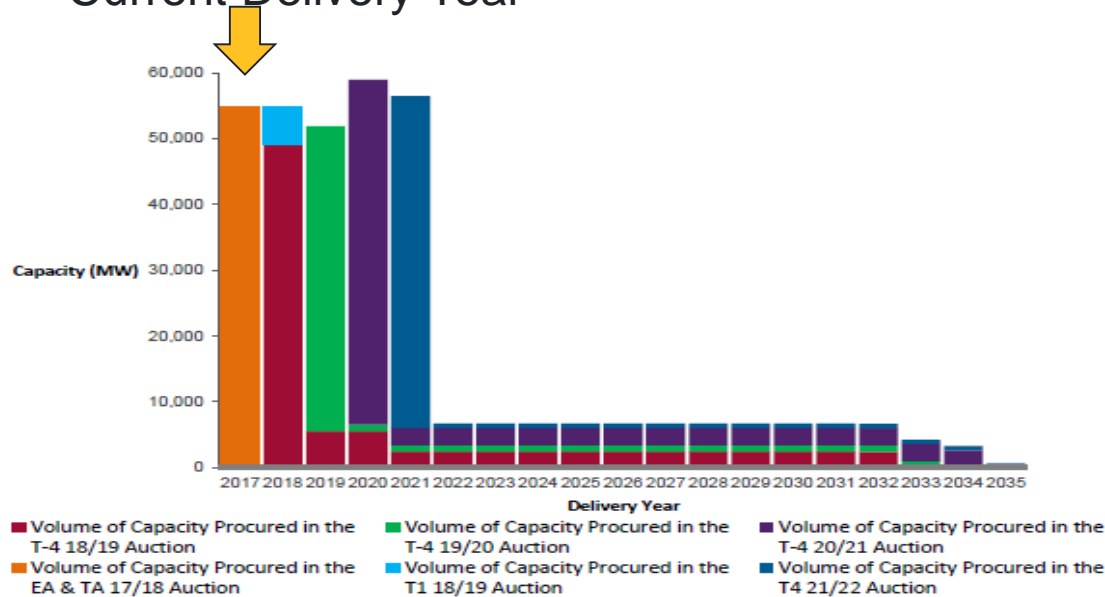
Cleared round 14  
50.415GW £8.40

- Descending clock/Pay as clear i.e. all get the same price
- Technology neutral
- Eligible participants who do nothing at auction will get an agreement at the clearing price
- **Exit bid** takes you out of the auction (unless your exit bid is equal or less than the clear price)
- **Duration Bid amendment** used to change agreement length (to 1 year)
- Duration Bid amendment used to change from Refurb to Pre-refurb
- Auction System is internet based

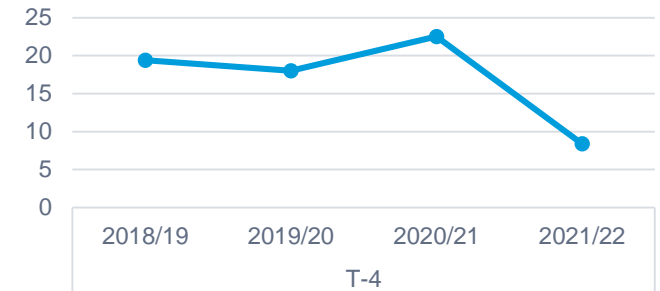


# Auction clearing to Date

## Current Delivery Year



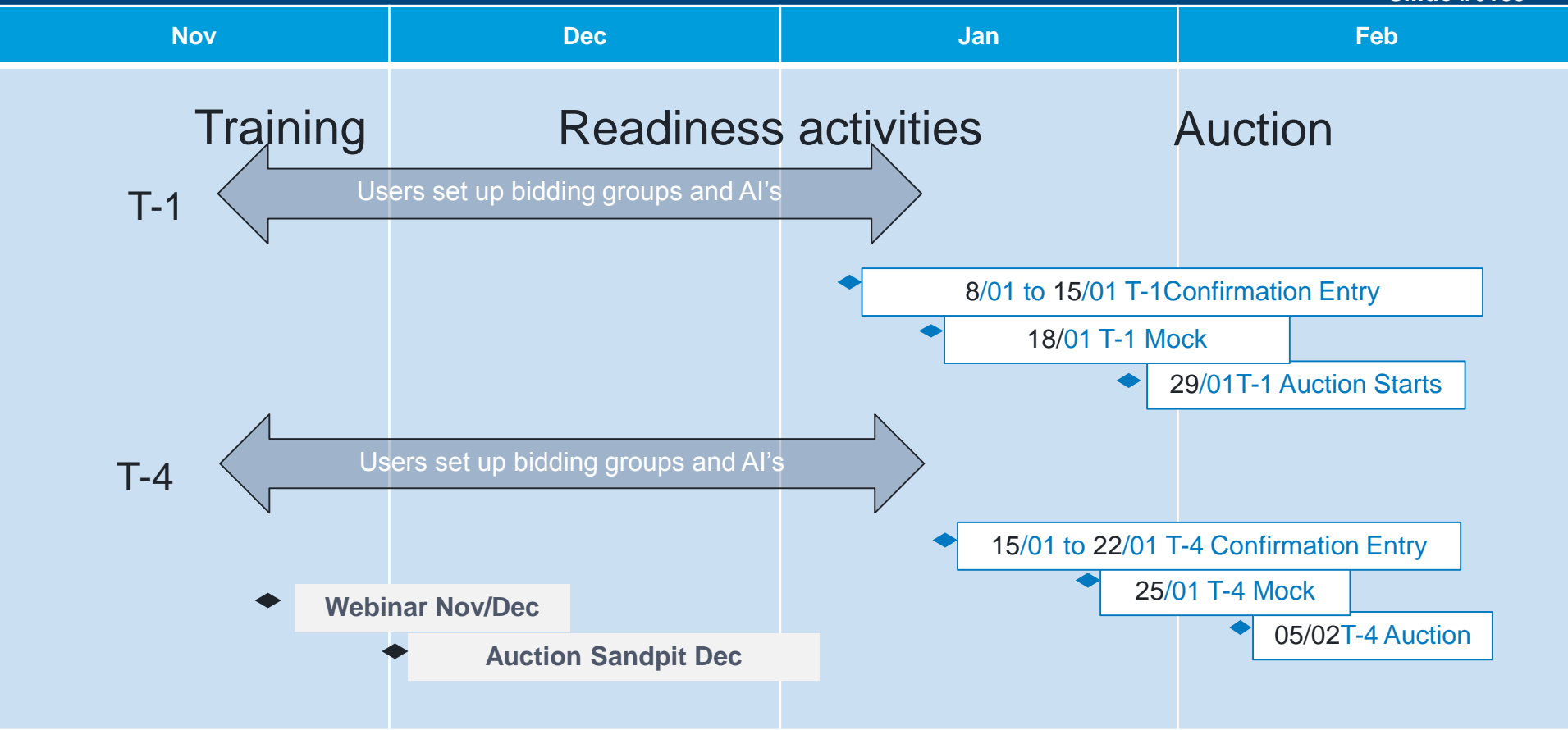
## T-4 Clearing £ (£/kw/year)



## TA/T-1 Clearing £ (£/kw/year)



# Operational Activities



# What have we changed

What you said?	What we did?
Auctions Too long	last year reduced rounds to 1 hour and 3 days. Next auction reduced to 30mins/15min recess to run across 1.5 day
Auction reporting limited	Improved the reporting and how it is published
Processes are complex	For next auctions created video supporting guidance and Webinar
Guidance documents are complex	Rewritten to simplify/ Webinar/Training auctions

# Secondary Trading And Volume Reallocation

Vikas Garg



# Obligation Trading

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Auction participants with a Capacity Agreement may be unable to deliver (planned or forced outages) have the following options to hedge position;

- Physical Secondary Trading (ex ante)
- Volume Reallocation (ex post)
- Parties are free to procure a financial product outside of the Capacity Market mechanism.

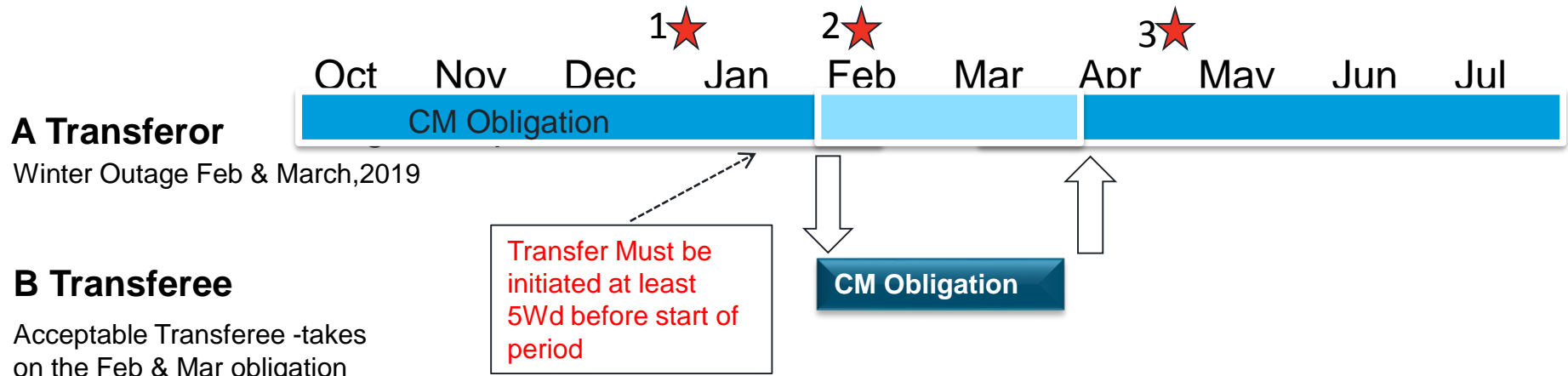
# Why Trade?

## Value of obligation trading;

1MW with £10 clearing price. Annual obligation payment £10,000

- For every HH non-delivered for a stress event;  
1HH = 1x24<sup>th</sup> payment  
2HH = 1x12th payment  $\text{£}10,000/12 = \text{£}833$
- In any month the max penalty is capped at **2 months (4HH)** payments
- In a delivery year max penalty = 100% capacity payment

# Secondary Trading Example



## Secondary Trading Summary

---

- Transfer of the Capacity obligation from Party A to Party B
- Minimum time period 1 day and minimum volume 2MW
- CMU Transferee satisfies the Acceptable Transferee's requirements
- Transfer requests commenced from T-1 results for the Oct to Sep delivery year
- The holder of an obligation across winter (even 1 day) will need to prove Satisfactory Performance Days

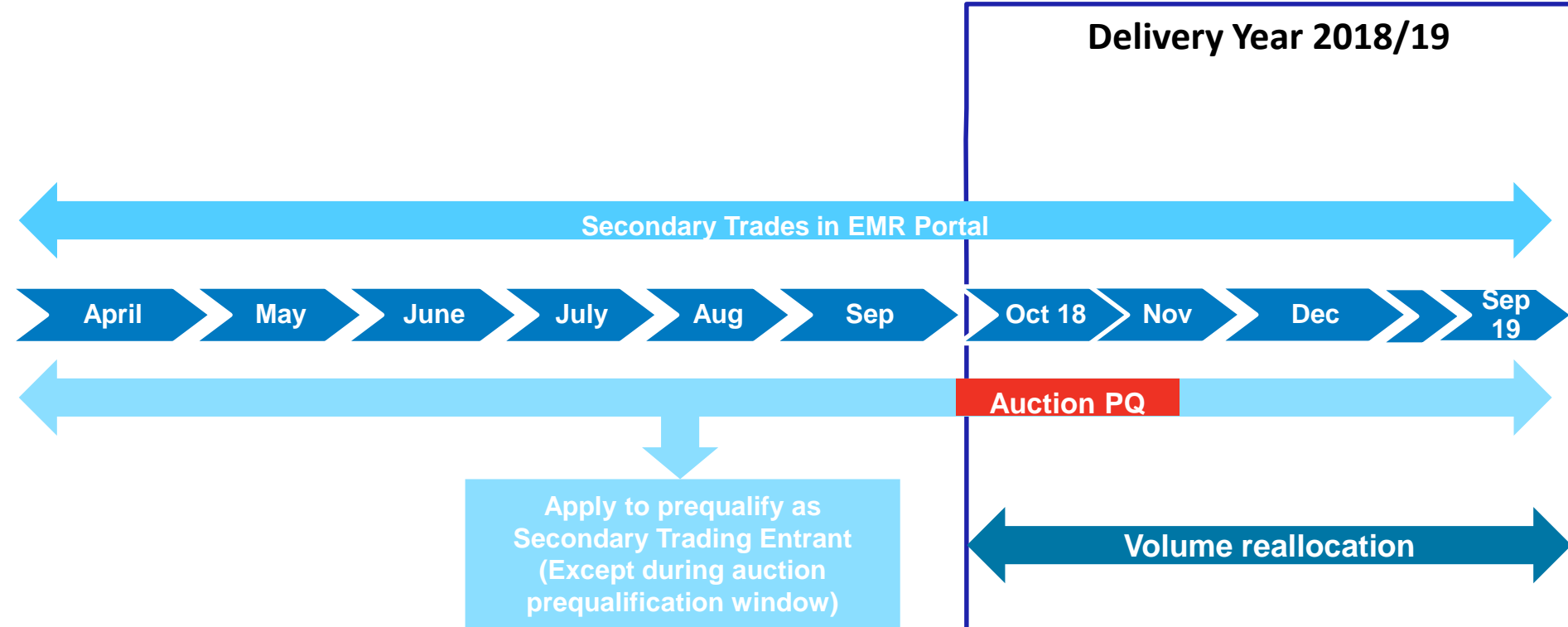


# Who can Secondary Trade?

**An Acceptable Transferee** is any of the following:

- CMU Opted-out at the T-4 Auction and has since Prequalified in the T-1
- Prospective CMU that has achieved the Substantial Completion Milestone prior to the Delivery Year
- A Capacity Provider of a CMU that Prequalified but does have a Capacity Agreement
- An Eligible Secondary Trading Entrant:
  - Existing Generating CMU comprising biomass plant which is exiting the Low Carbon Exclusion
  - Existing Interconnector CMU
  - Proven DSR CMU
  - An Existing CMU which is not an excluded CMU

# Trading Timeline



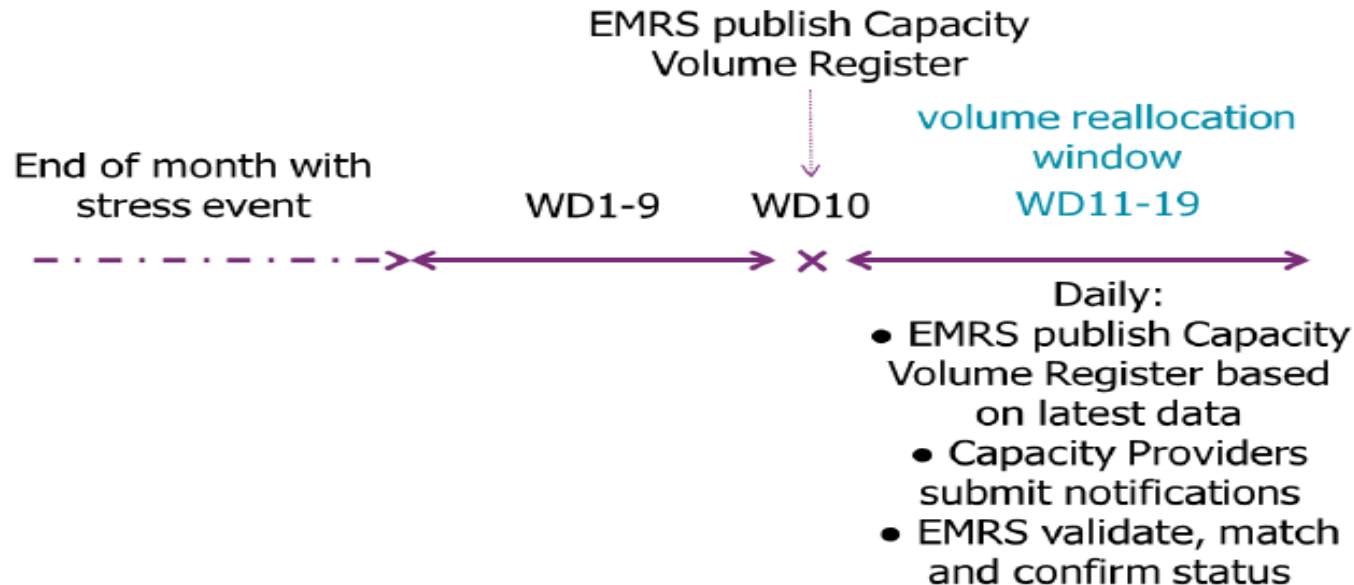
# Volume Reallocation

---

Ability to cover short fall in obligation delivery post stress event with CMVR (Capacity Market Volume Reallocation) Registered Participant.

- Meet the Acceptable Transferee's requirements
- Register to be CMVRP **in advance** of delivery period
- Capacity volume register updated on WD10 by EMRS
- CMVR Registered Participants can submit a CMVRN (Capacity Market Volume Reallocation Notification) between WD 11-19 to EMRS

# Volume Reallocation



Compliments of EMRS



**Lunch Break**  
Back in 45mins....

# Agreement Management

Konstantina / Mark



# Agreement Management - update

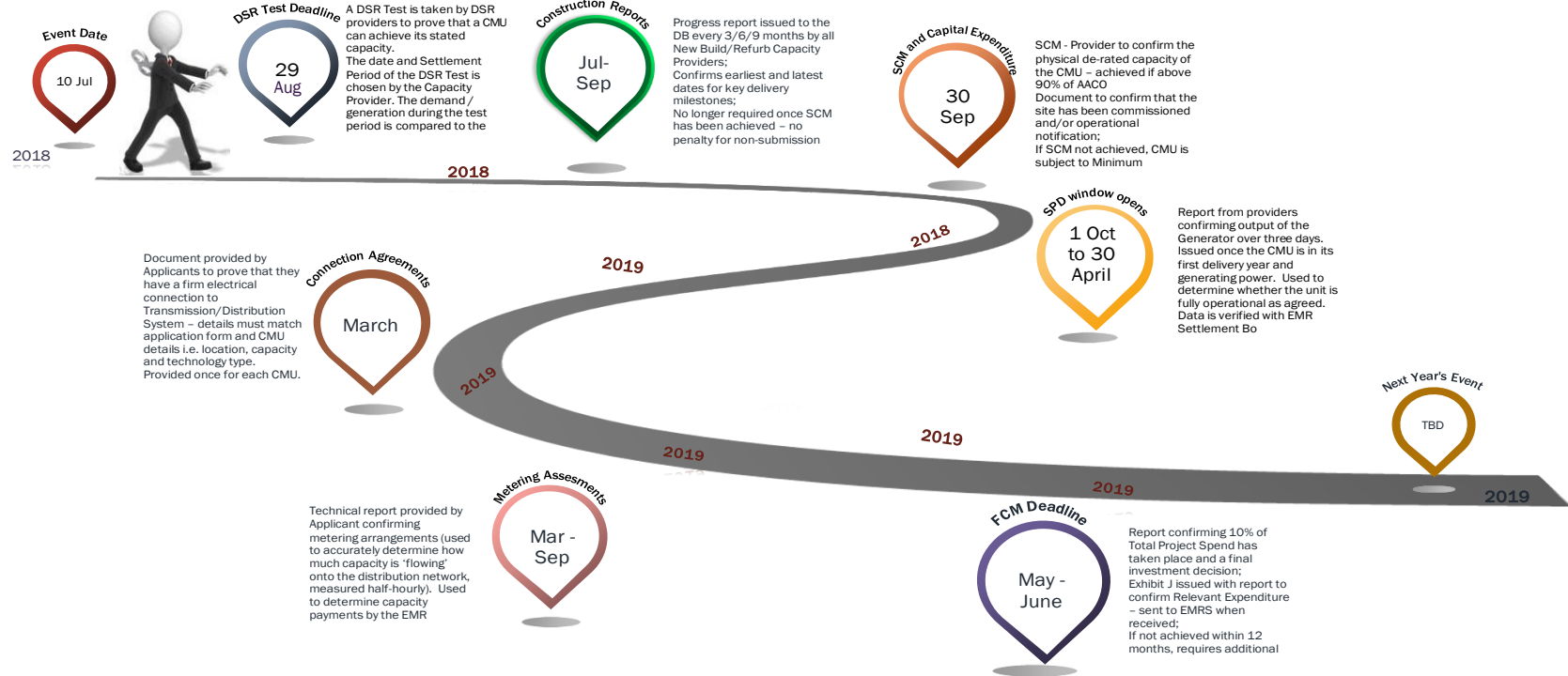
## ■ You have said and we have noticed:

- Guidance is hard to find and often out of date.
- Website is not user friendly.
- Query response times have been too long on some occasions.
- There are lots of different deadlines for processes, making it hard to manage agreements effectively.
- It isn't always clear why processes have been rejected in the Portal.

## ■ We have:

- **Updated guidance documents** – policy changes, clarifications and queries now included as part of regular updates
- **Made improvements to our website** to make documents easier to find
- **Created a 'front desk' support team** to ensure enquiries are handled quickly, efficiently and consistently
- **Developed a 'customer deadlines tool'** to help with milestone management and are sending regular reminder notifications
- Started to **proactively contact Capacity Providers** who have not met milestones or who are at risk of termination

# Agreement Management Milestones

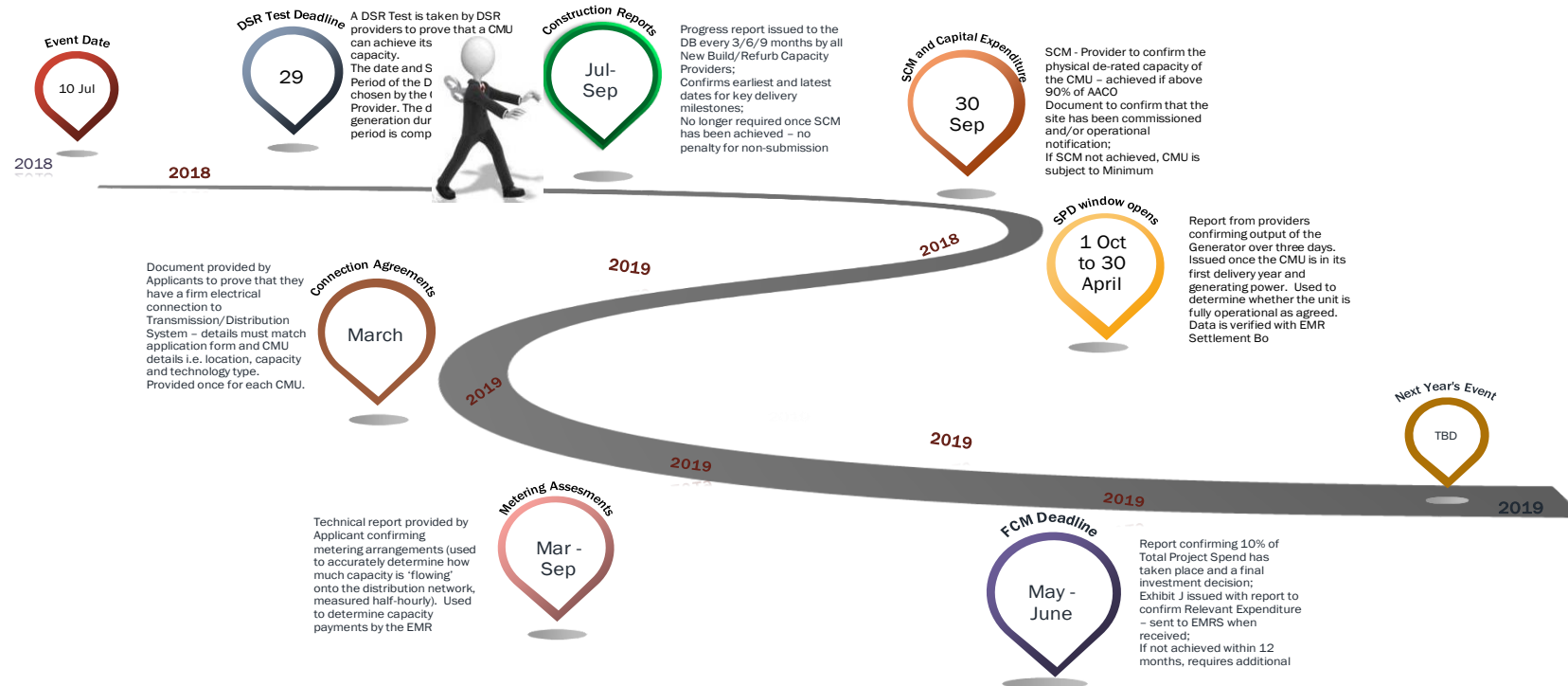






- A DSR Test is taken by DSR providers to prove that a CMU can achieve its acquired capacity.
- The window to submit a DSR test for the agreements delivering in 2018/19 is now open until **29 August**, considering that two days notice needs to be given before a test takes place.
- The date and Settlement Period of the DSR Test is chosen by the Capacity Provider.
- DB will inform the control room and request the metered data from EMRS. Once received, we will **perform the DSR Test analysis** and inform about the outcome.

# Agreement Management Milestones





Report describing construction progress of a Prospective CMU

- Confirms earliest and latest dates for key construction milestones
- Explains if any delays or changes to construction
- No longer required once SCM has been achieved

**Option to Defer? – No**

*3/9 months from Capacity Auction (first year only)*

*6 monthly until SCM achieved*

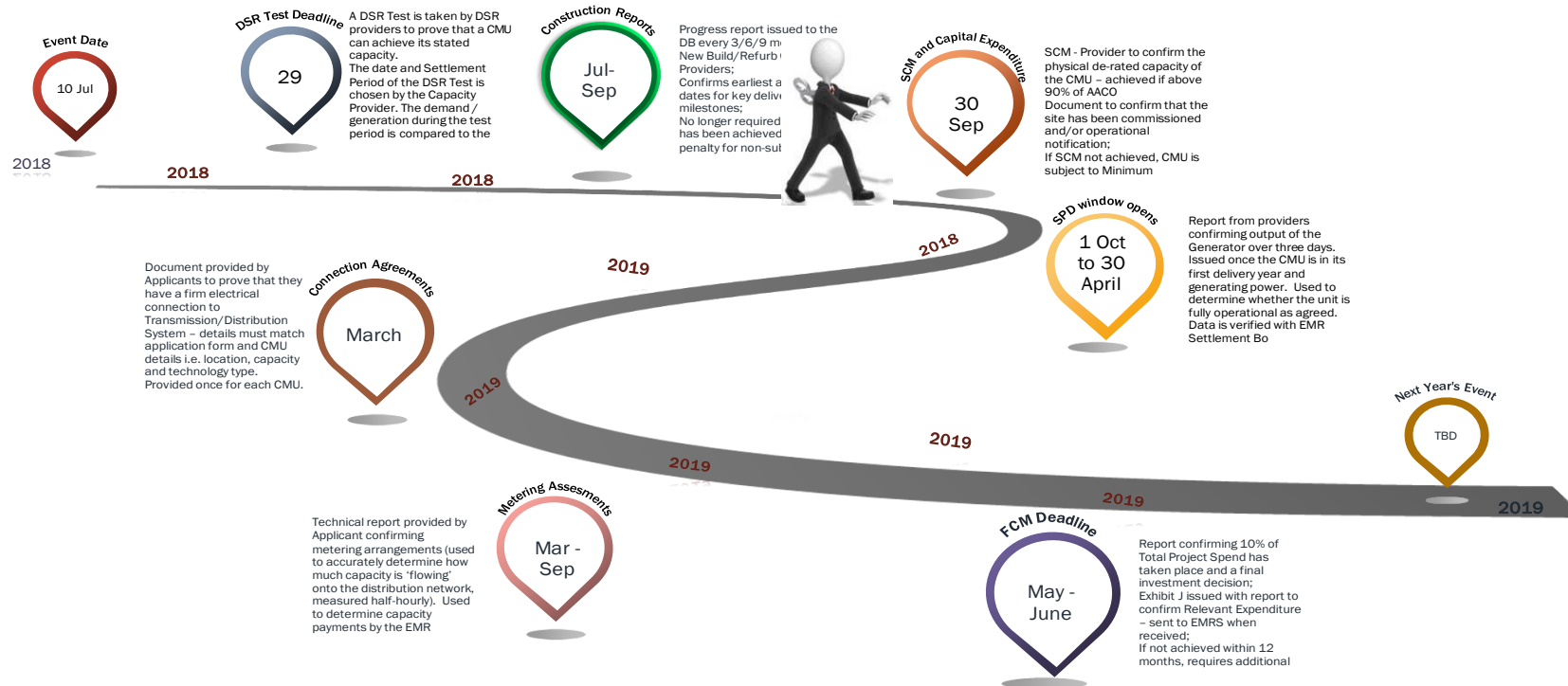
# Agreement Management Milestones

**nationalgrid**

Electricity Market Reform

DELIVERY BODY

Sli.do #6139





### SCM

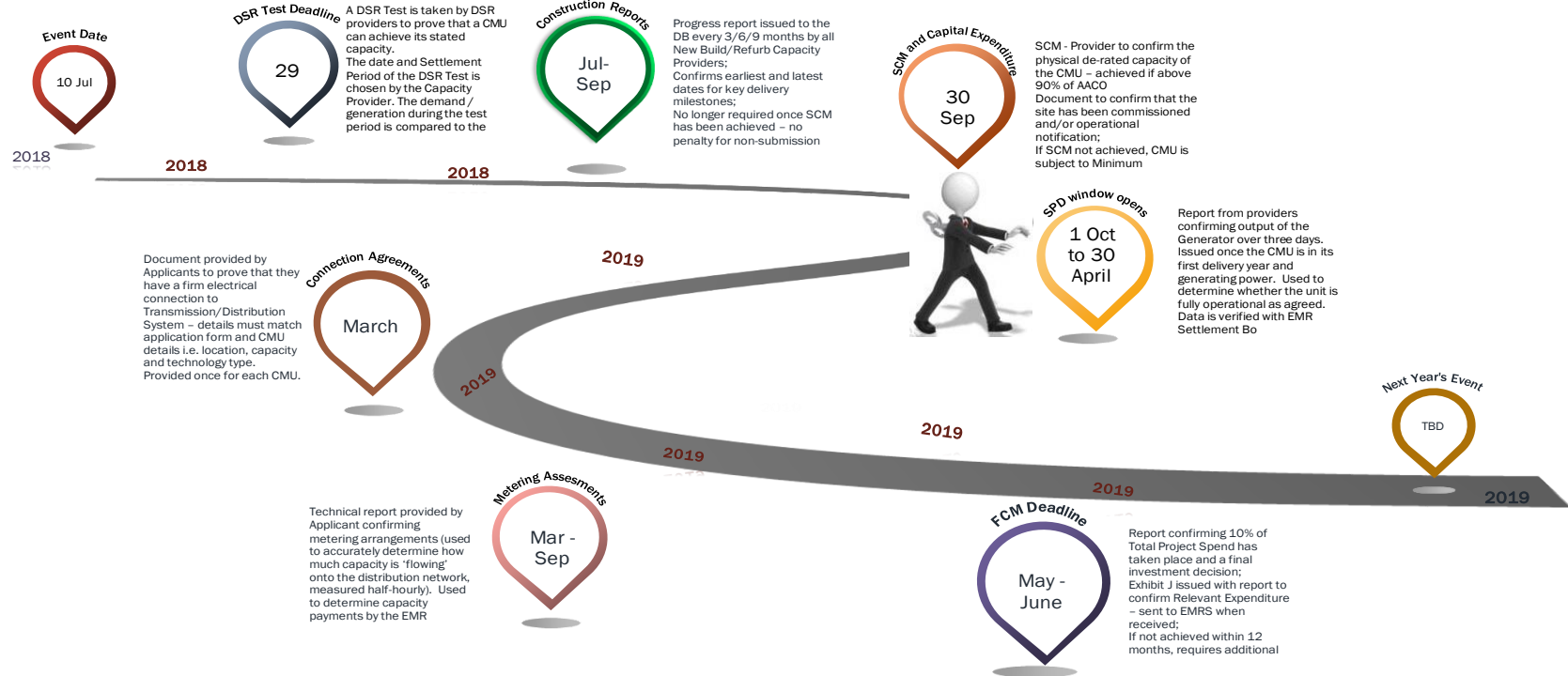
- Report or notification confirming that a Prospective CMU has been commissioned and is Operational
- De-rated capacity is equal to or greater than 90% of its Capacity Obligation
- Metering assessment completed/SLD provided
- Capacity Agreement only effective once achieved

### Capital Expenditure

- Required for multi-year Agreements
- Total Project Spend used to determine Agreement duration (£/kW)
- Agreements of more than 3 Delivery Years must provide an ITE certificate to confirm CMU meets Extended Years Criteria

**Option to Defer?** – No - deadline is Long Stop Date

# Agreement Management Milestones





**Who needs to do it?** All CMUs with an Agreement delivering in **2018/19**.

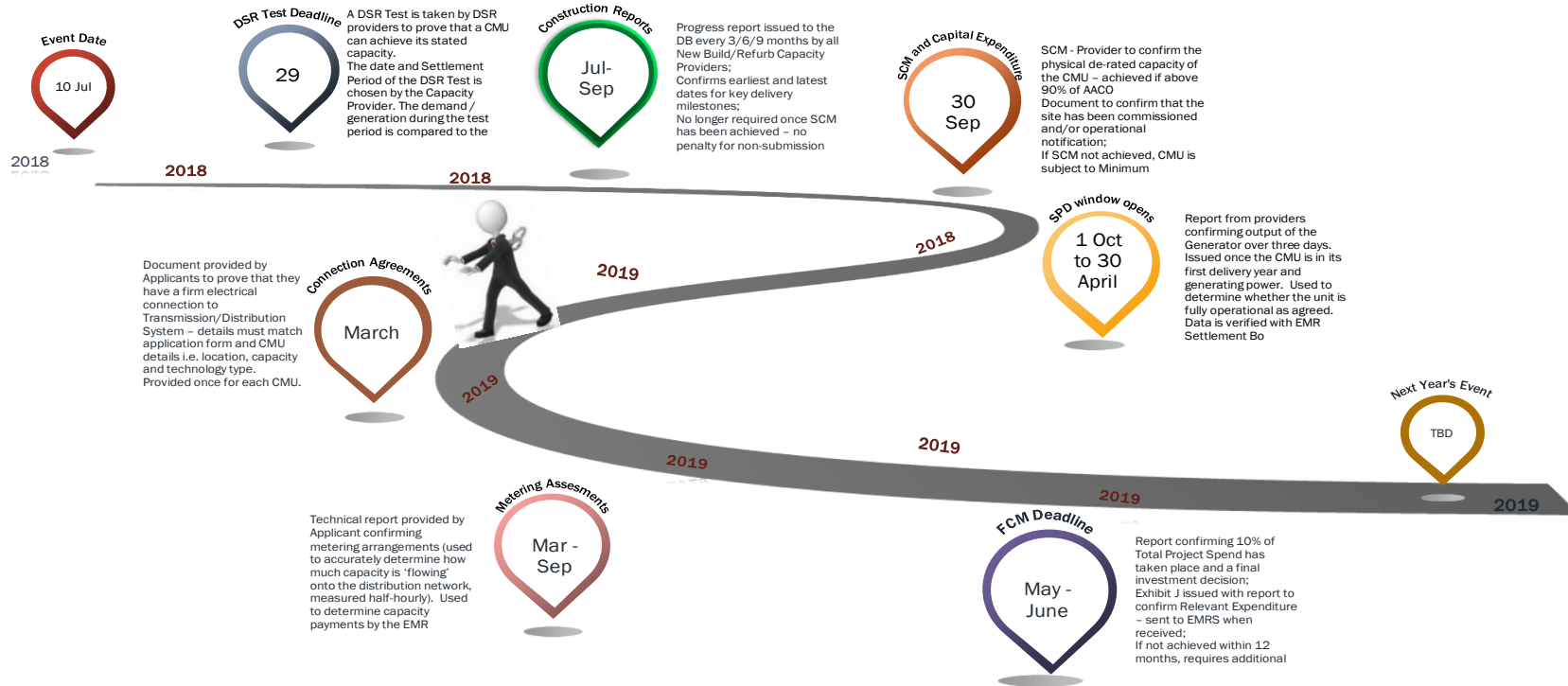
**What is required?**

- Ensure that the **data flows** are set up and active as per EMRS Guidance.
- Submission of 3 separate dates in which the CMU met the capacity obligation between **1 Oct and 30 April**. For the T-1 2018/19 Agreements, at least one of the three SPDs must be demonstrated in the period Jan-Apr.

**What will DB check?** The DB will request the metered data from EMRS. Once received, we will compare the output to the AACO and let you know the outcome via the EMR Portal.

**What about Termination?** From this year and onwards, failure to demonstrate the further SPDs results after the suspension will trigger a **Termination Event**. The Termination fee is equivalent to £35,000/MW.

# Agreement Management Milestones







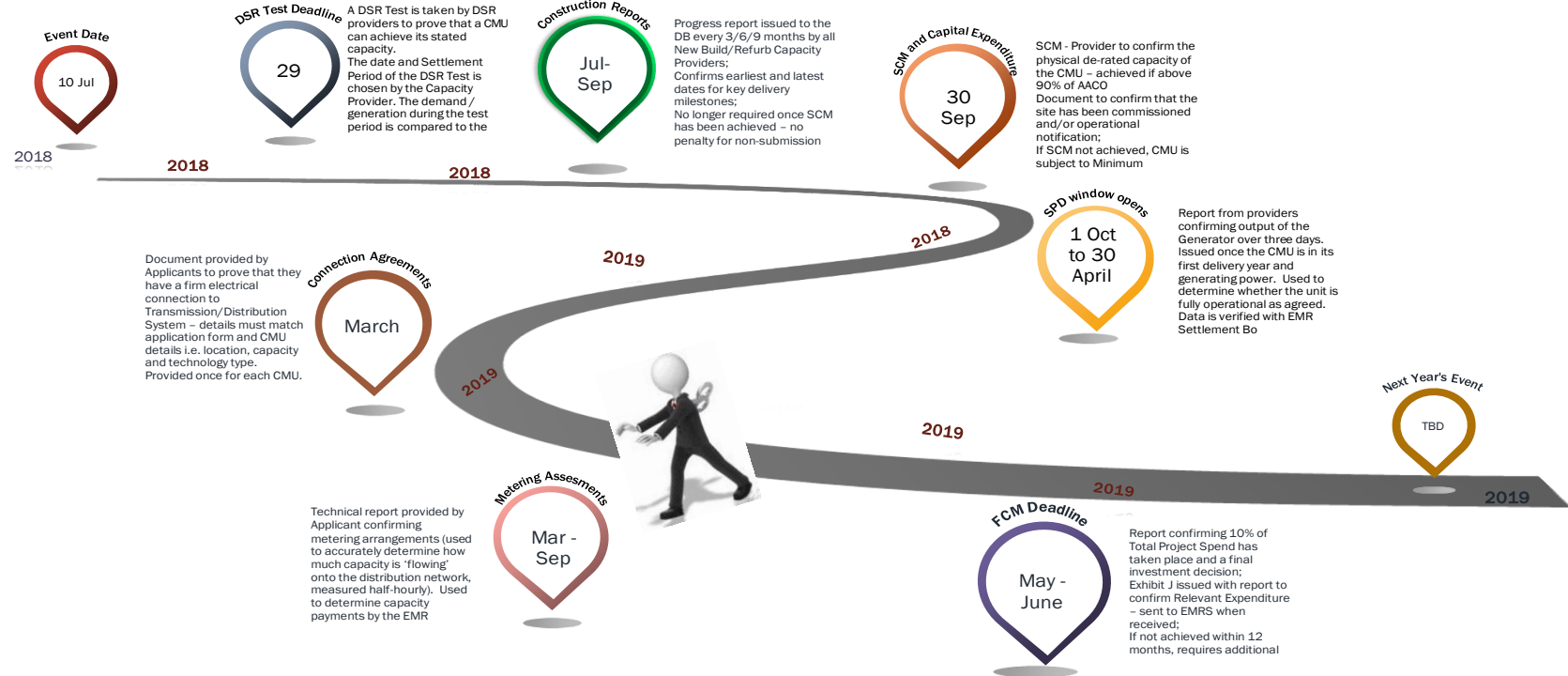
Document to confirm that a CMU is able to connect to and export to the System

- Must be a valid connection agreement/ connection offer and signed acceptance (or letter from Private Network owner);
- Should confirm that the connection allows for Export equal to or greater than the anticipated De-rated Capacity of the CMU
- Location, Applicant name, company details and CMU component information should match with details on CM Application

**Option to Defer?** – Yes – Prospective T-4 Distribution CMUs only

*Deadline 18 months prior to Delivery Year start date*

# Agreement Management Milestones





All CMUs that are awarded a Capacity Market Agreement will need to complete a Metering Assessment.

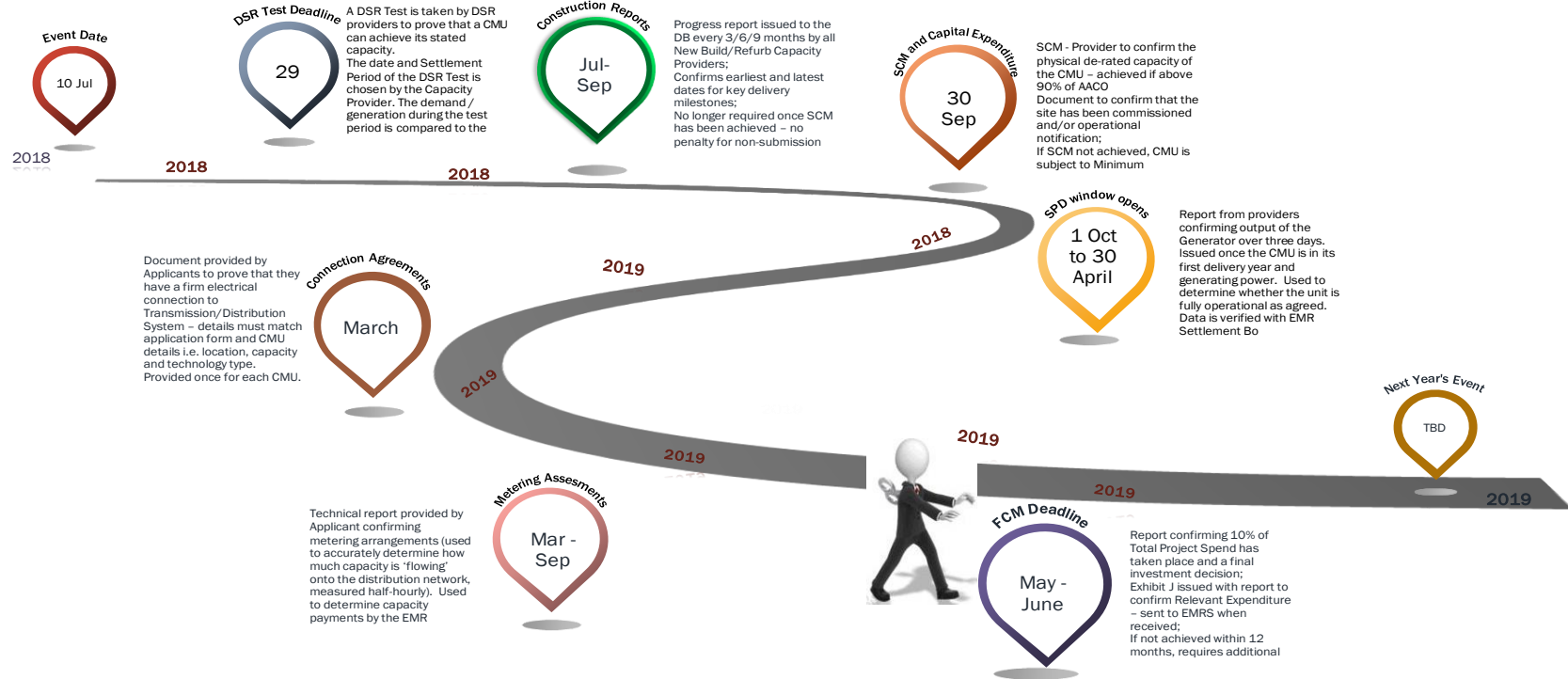
1. The Metering Assessment determines the metering arrangements on site and the requirement for a
2. The Capacity Provider must also provide detailed line diagrams showing electrical configurations and metering sites at which the Generating Units or DSR Components are located.

**Option to Defer? – Yes**

*T-1 and T-4 with single year agreement by Delivery Year start*

*T-4 with multi-year Agreement by Long Stop Date*

# Agreement Management Milestones





ITE Report confirming that Capital Expenditure of 10% of Total Project Spend has been incurred. Also required are:

- Directors Certificate stating that a final investment decision has taken place (and Financial Close has occurred – if financed outside of own group resources)
- Funding Declaration (Exhibit J) confirming whether any Relevant Expenditure has been incurred – must be completed
- Additional credit cover if FCM not achieved within 12 months of Auction Results Day (£15k\*MW)

**Option to Defer?** – Yes

*Deadline for T-1 - 3 months from Auction Results*

*Deadline for T-4 - 18 months, from Auction Results*

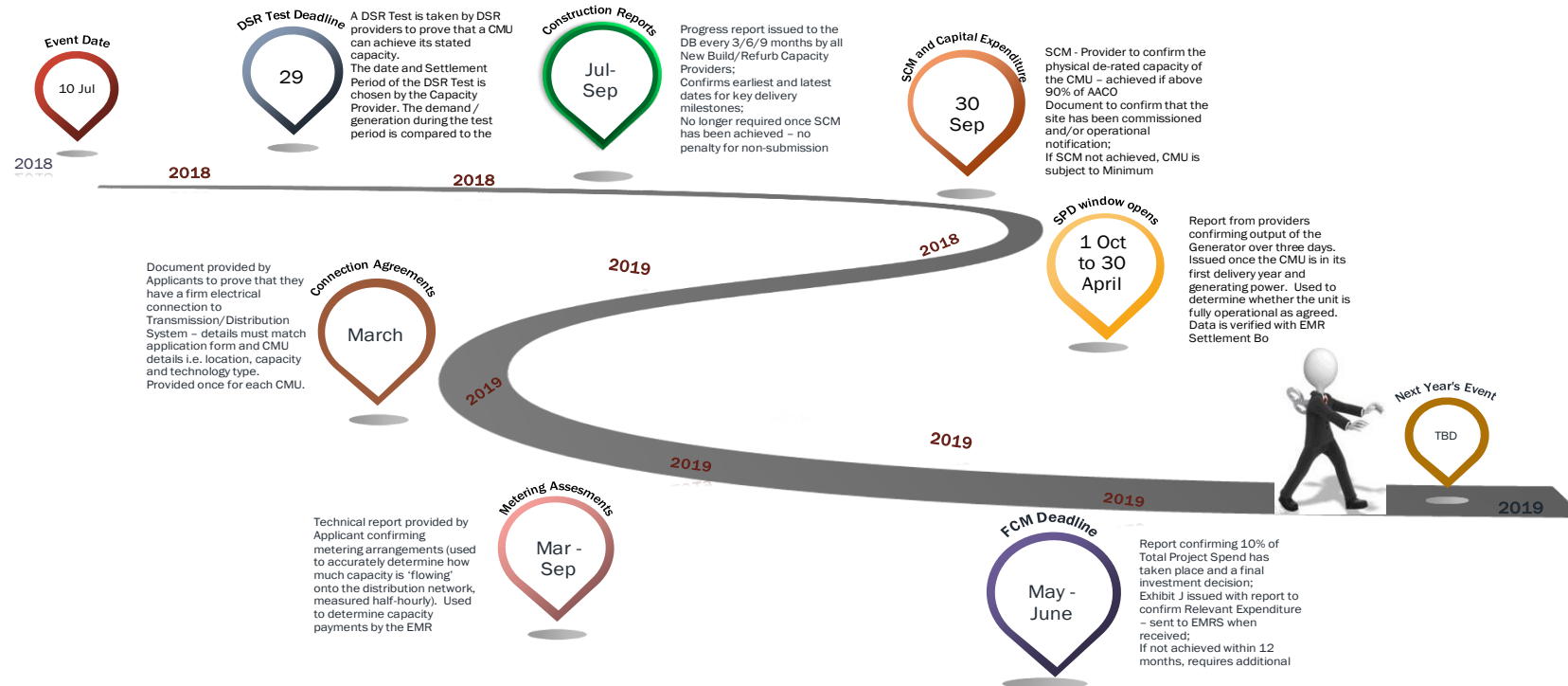
# Agreement Management Milestones

**nationalgrid**

Electricity Market Reform

DELIVERY BODY

Sli.do #6139



# Agreement Management - summary

## ■ Capacity Providers in current delivery:

### – **Substantial Completion Milestone**

- Ensure reports are provided ahead of DY start
- Provide Total Project Spend and Extended Years criteria updates for T-4 multi-year agreements
- Submit reports for each Agreement held
- Complete Metering and SLD before submitting

### – **DSR**

- Submit DSR test request as soon as possible

### – **Satisfactory Performance Days**

- Familiarise with requirements for providing data for Winter 2018/19
- Ensure data flow has been set up with EMRS

## ■ New entrants:

### – **Capacity Agreements**

- Check details carefully when Capacity Agreement Notice issued – limited time to dispute

### – **Conditional Prequalification**

- Familiarise with milestone deadlines for deferred milestone documents i.e. FCM and Connection

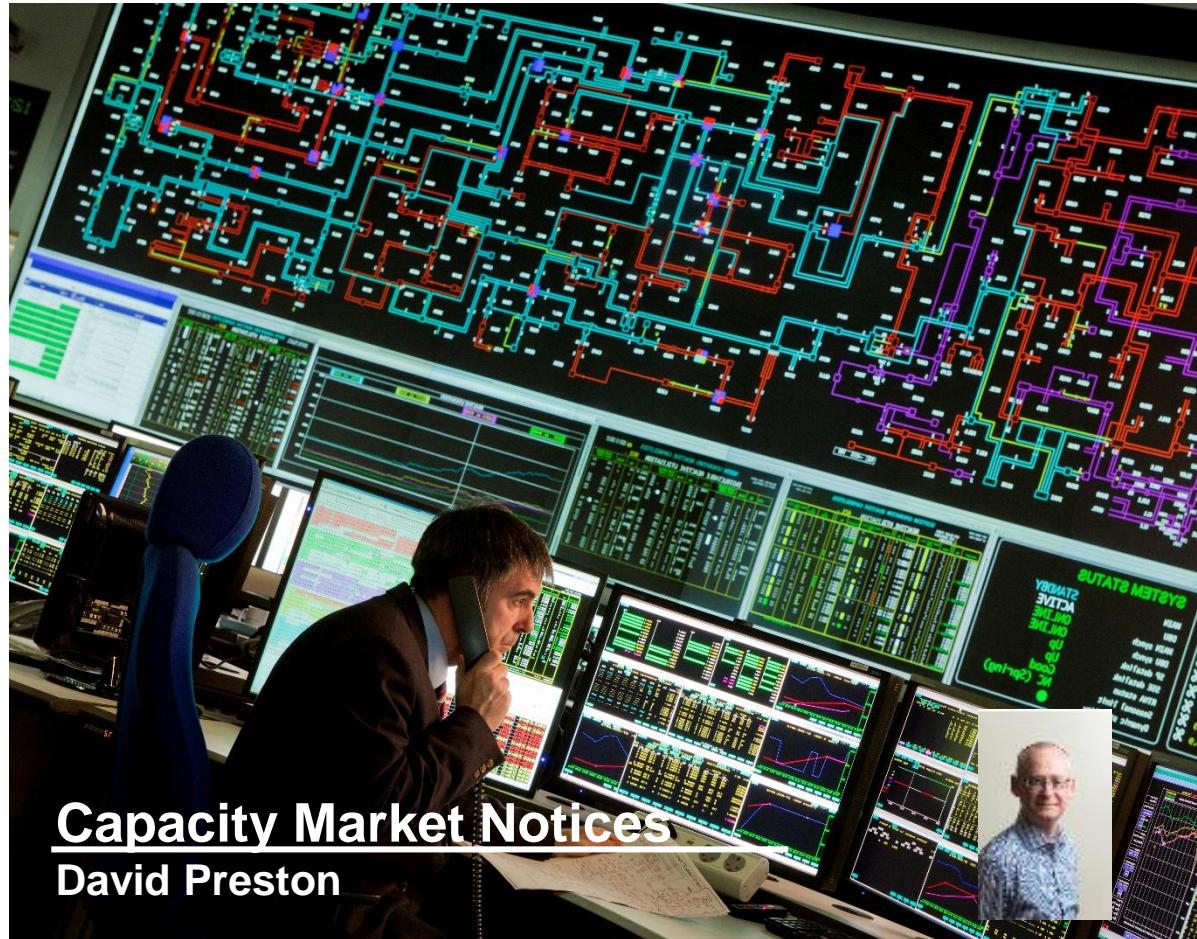
### – **Monitoring Construction**

- Prospective CMUs, ensure that reports are submitted by required deadlines

### – **Credit Cover**

- Credit cover can only be returned once all credit obligations have been met i.e. FCM, connection, planning and DSR test





## **Capacity Market Notices**

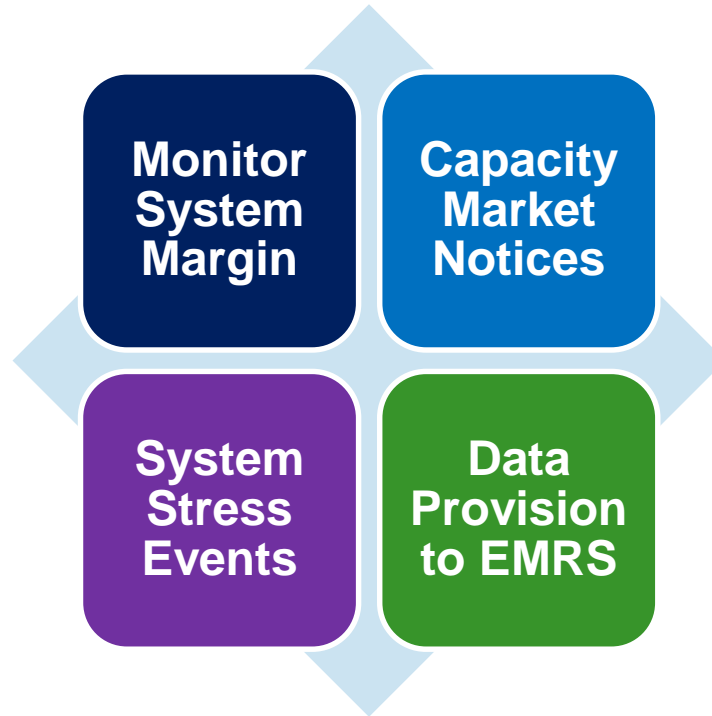
**David Preston**





## System Operator role in Capacity Market

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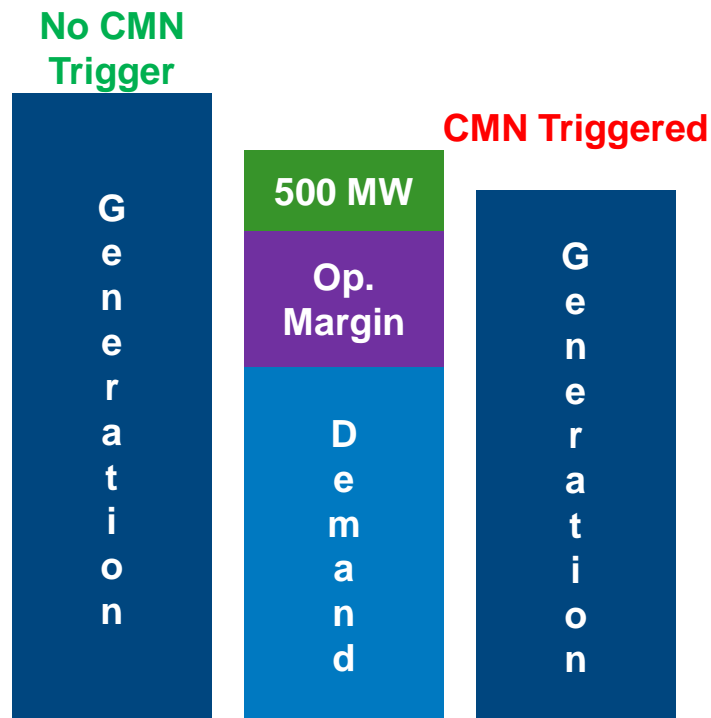


# Capacity Market Notices (CMN) recap

Comparison with Electricity Margin Notice (EMN)  
(previously known as NISM)

CMN	vs	EMN
Automated	Trigger	Manual
500MW above Margin requirement	Threshold	500-700MW below Margin requirement
Not included	Constraints	Included
4 hours out (for initial alert)	Lead time	Flexible

How Triggered?



# Capacity Market Notices

---

## Website and Purpose

- [gbcmn.nationalgrid.co.uk](http://gbcmn.nationalgrid.co.uk) operational from 01 October 2016
- Designed to increase awareness of tight system, not a dispatch tool

## 17/18 Winter Outturn

2,300+ subscribers

0 CMNs  
2 CMNs in 16/17

0 EMNs issued

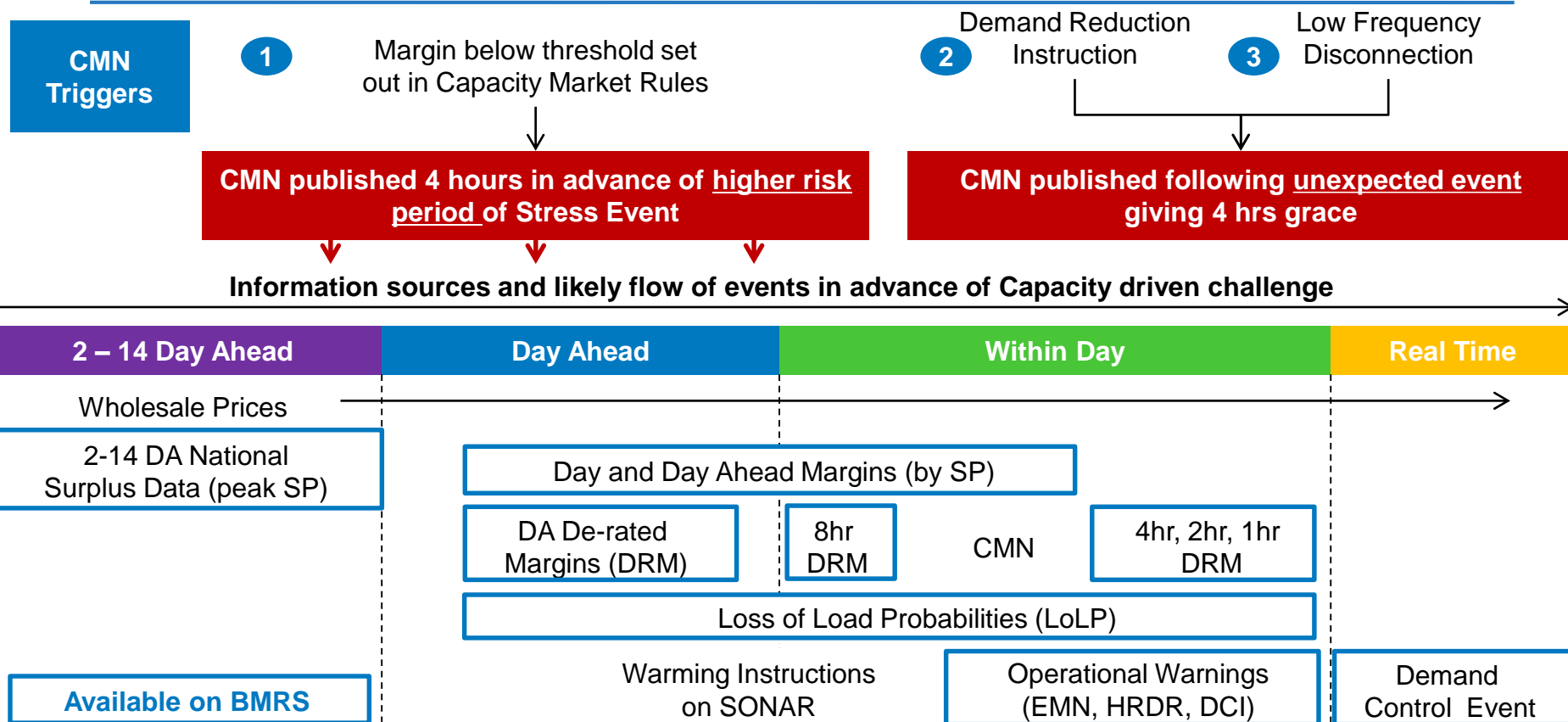
## Changes to CMN process

- No CMN to be triggered for “system” tagged demand events
- Updates to be made to the CMN website (content and visuals)

## Summary

- Harsher 17/18 winter, but no issues from a margin perspective
- Difficult to qualify appropriateness of CMN process to date
- Experience of additional winters needed to qualify specific CMN rules
- Additional “cashout” changes due from 01 November 2018

## Likely signposts prior to capacity challenge



# De-rated Margins for 31 October 2016

Loss of Load Probability | x

Secure | <https://www.bmreports.com/bmrs/?q=transmission/lossloadProbDerateMargin/historic>

ELEXON ELEXON.co.uk ELEXON Portal **BM Reports** TAAMT

**ELEXON** Electricity Data Summary REMIT Transparency Transmission Demand Generation Balancing Help

</> XML CSV

Settlement Date	SP	12:00 forecast		8 hour forecast		4 hour forecast		2 hour forecast		1 hour forecast	
		LOLP	DRM	LOLP	DRM	LOLP	DRM	LOLP	DRM	LOLP	DRM
2016-10-31	31		6290.5645000		6195.6807000		5301.5044000		7538.8020000	0.000000000	7425.1220000
2016-10-31	32		5178.5760000		5037.5480000		4704.0210000		6433.6753000	0.000000000	6768.5596000
2016-10-31	33		5274.0310000		4756.8115000		5274.0310000		6080.3830000	0.000000000	6330.4556000
2016-10-31	34		2393.3462000		1738.0232000		2865.5900000		3513.7192000	0.000000300	3484.0522000
2016-10-31	35		151.0970800		-561.3518000		824.4184000		1077.4644000	0.214763900	553.4904000
2016-10-31	36		-25.5671880		-565.1274400		674.0322000		986.1822000	0.290180600	387.2342200
2016-10-31	37		358.0623800		-68.3080700		1077.0916000		1074.4926000	0.063897200	1065.5596000
2016-10-31	38		1265.4137000		704.2468000		2427.4453000		1837.7034000	0.007945100	1687.7098000
2016-10-31	39		2300.0789000		1060.5978000		3409.8994000		2623.5615000	0.000003100	3162.0486000

14:56 28/07/2017

Public

# Capacity Market Metering

Metering Identifiers & Aggregation Rules

Metering Test Deadlines

Metering Pathways

10 July 2018

Iain Nicoll

# Metering Identifiers and Aggregation Rules for the 2018/19 Delivery Year

# What is the activity?

To be able to perform the settlement activities in the Capacity Market, EMRS require the Metering Systems set up for each CMU.

## **EMRS need to:**

- ✦ Be able to identify the correct Metered Volumes to be used for each CMU ID and each CMU Component.
- ✦ What we should do with those Metered Volumes to correctly determine the Capacity Obligation has been met.



# How will the process work for 2018/19?

The process for the Metering Identifiers and Aggregation Rules activity is outlined as follows:

Delivery Body will email Capacity Providers a template per Auction to be completed

CMU ID, Component ID, Effective Date and the address of the CMU Component will be pre-populated by the Delivery Body

Capacity Providers email the completed template back to [emr@nationalgrid.com](mailto:emr@nationalgrid.com)

EMRS validate the template and identify any issues

EMRS/Delivery Body resolve issues with the Capacity Provider

Once all CMU's are validated Delivery Body and EMRS upload the required data

Aggregation Rules will be loaded into the EMR Settlement System

Any queries please email [emr@nationalgrid.com](mailto:emr@nationalgrid.com) or [metering@emrsettlement.co.uk](mailto:metering@emrsettlement.co.uk).

# What is the format of the template?

- ✦ Guidance on how to complete the template will be attached to the email received.
- ✦ Delivery Body will pre-populate the CMU ID, Component ID, Effective Date and the address of the CMU Component, illustrated by the grey cells.
- ✦ Any issues with Component IDs and/or addresses should be updated in the relevant columns.

For Component ID errors

For address errors

Row No.	CMU ID	Component ID	Updated Component ID	Change Flag	Effective Date	Metered Entity Type	Metered Entity ID	Multiplier	Distributor ID	LLFC ID	Boundary Point MPAN / MSID	Address of the CMU Component	Updated Address of the CMU Component
1	ABCD01	ABCD001			01/10/2018							123 Main Street, London, SW99 9ZZ	

- ✦ Delivery Body will determine whether the updates are allowed under the Rules.
- ✦ Delivery Body will pass completed templates to EMRS to validate the metering information.

# What is the format of the template?

## ✦ Capacity Providers will complete the metering information

Identifies type of Metering System:

- BMU
- Supplier Settlement
- Non-BSC
- Interconnector

Identifies Metered Volumes via BMU ID, MPAN, Interconnector ID.  
For non-BSC this must match the CSV file identifier

Row No.	CMU ID	Component ID	Updated Component ID	Change Flag	Effective Date	Metered Entity Type	Metered Entity ID	Multiplier	Distributor ID	LLFC ID	Boundary Point MPAN / MSID	Address of the CMU Component	Updated Address of the CMU Component
1	ABCD01	ABCD001			01/10/2018							123 Main Street, London, SW99 9ZZ	

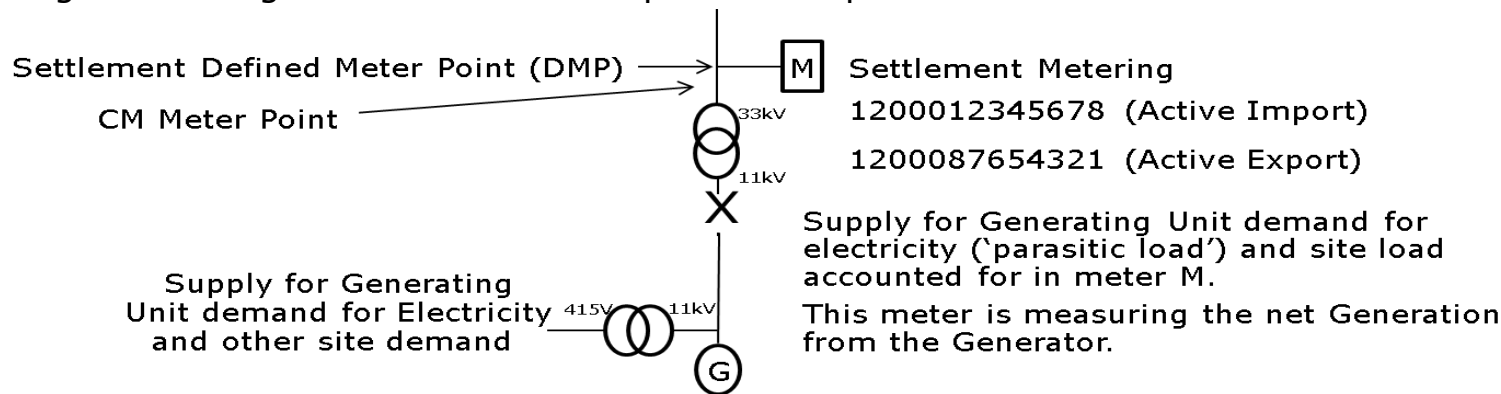
Identifies whether NEW or an Update

Identifies shared demand circuits, ineligible generation (e.g. low carbon subsidised or part of another CMU) to be netted off another Metering System

Only completed for non-BSC Metering Systems where the site is embedded within a site connected to a Distribution System  
Allows Line Losses to be applied to Metered Volumes

# Let's go through an example

An Existing Generating CMU that has an Import and Export MPAN.

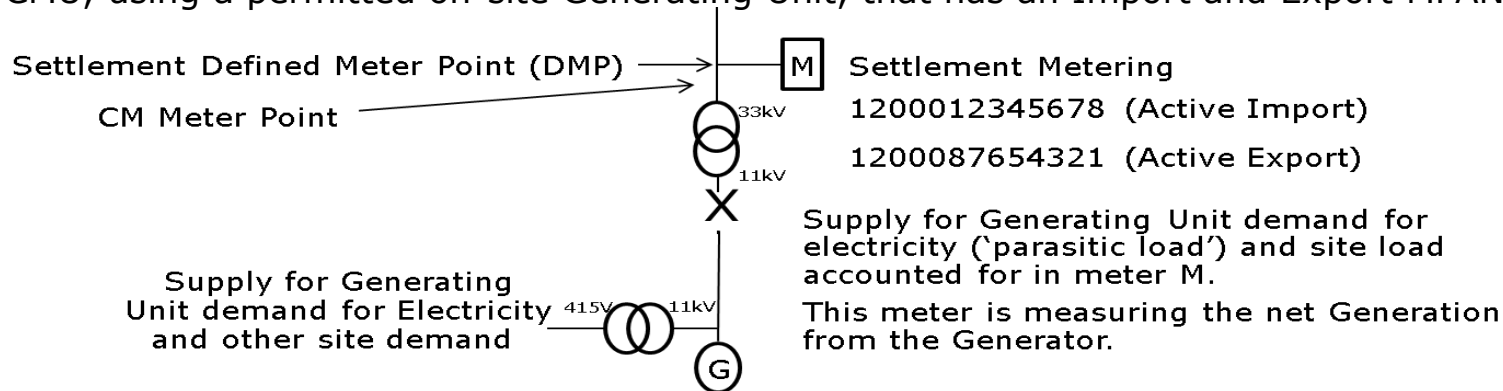


- Net Output demonstrated through Active Export MPAN Metered Volumes.
- Complete the pre-populated row for the CMU Component ID for the relevant MPAN.

Row No.	CMU ID	Component ID	Change Flag	Effective Date	Metered Entity Type	Metered Entity ID	Multiplier	Distributor ID	LLFC ID	Boundary Point MPAN / MSID	Balancing Services ID	Address of CMU Component
1	ABCD001	ABCD001	NEW	01/10/2018	MPAN	1200087654321	1.00					X Power Station, UK

# Let's go through a second example

A DSR CMU, using a permitted on-site Generating Unit, that has an Import and Export MPAN.



- DSR Volume demonstrated by swing from Import to Export.
- Complete the pre-populated row for the CMU Component ID for one of the MPANs.

Row No.	CMU ID	Component ID	Change Flag	Effective Date	Metered Entity Type	Metered Entity ID	Multiplier	Distributor ID	LLFC ID	Boundary Point MPAN / MSID	Balancing Services ID	Address of CMU Component
1	ABCD001	ABCD001	NEW	01/10/2018	MPAN	1200087654321	1.00					X Power Station, UK

- Insert a second row for the other MPAN and copy the pre-populated details into this row.

2	ABCD001	ABCD001	NEW	01/10/2018	MPAN	1200012345678	1.00					X Power Station, UK
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# Metering Test Deadlines

# Metering Test Deadlines

- ✦ Where a Metering Test is required a Capacity Provider must submit a Metering Statement as per Schedule 6 of the Rules.
- ✦ EMRS have published **G20 – Capacity Market Metering Statement** to assist Capacity Providers (<https://www.emrsettlement.co.uk/publications/guidance/>).

## Note:

- ✦ Recommend submitting a Metering Statement as soon as possible.
- ✦ Metering Tests can be failed and it takes time to resolve issues.
- ✦ Metering Tests are carried out on a first come first served basis.
- ✦ Where a large number of Metering Tests to be completed late submissions may not have time to be reviewed.

# Metering Test Deadlines - T-4 2014 Auction

- ✦ Unproven DSR CMUs, Refurbishing CMUs and New Build CMUs have upcoming deadlines to complete the **Metering Test** process.

CMU	Information	Deadline
Unproven DSR	Date falling four weeks prior to the start of the relevant Delivery Year (2014 Rules).	<b>31 August 2018</b>
Prospective	Not later than the Long Stop Date. For any New Build CMU the date falling 12 months after the start of the CMU's first scheduled Delivery Year.	<b>30 September 2019</b>
Refurbishing	Any Refurbishing CMU, the date falling at the start of the CMU's first scheduled Delivery Year	<b>28 September 2018</b>



# Metering Test Deadlines - T-1 2018 Auction

- ✦ Existing Generating CMUs, Proven DSR CMUs, Unproven DSR CMUs, Refurbishing CMUs and New Build CMUs have upcoming deadlines to complete the **Metering Test** process.

CMU	Information	Deadline
Existing Generating CMUs, Proven DSR CMUs and Unproven DSR CMUs	Date falling two weeks prior to the start of the relevant Delivery Year.	<b>14 September 2018</b>
Prospective	Not later than the Long Stop Date. For any <b>New Build</b> CMU the date falling at the start of the relevant Delivery Year. Any <b>Refurbishing</b> CMU, the date falling at the start of the relevant Delivery Year.	<b>28 September 2018</b>

# Metering Deadlines - T-4 2016 Auction (2020/21 DY)

- ✦ **Metering Statement** - Existing Generating CMUs and Proven DSR CMUs will have upcoming deadlines.
- ✦ **Metering Test** - Unproven DSR CMUs, Refurbishing CMUs and New Build CMUs will have upcoming deadline prior to the start of the Delivery Year.

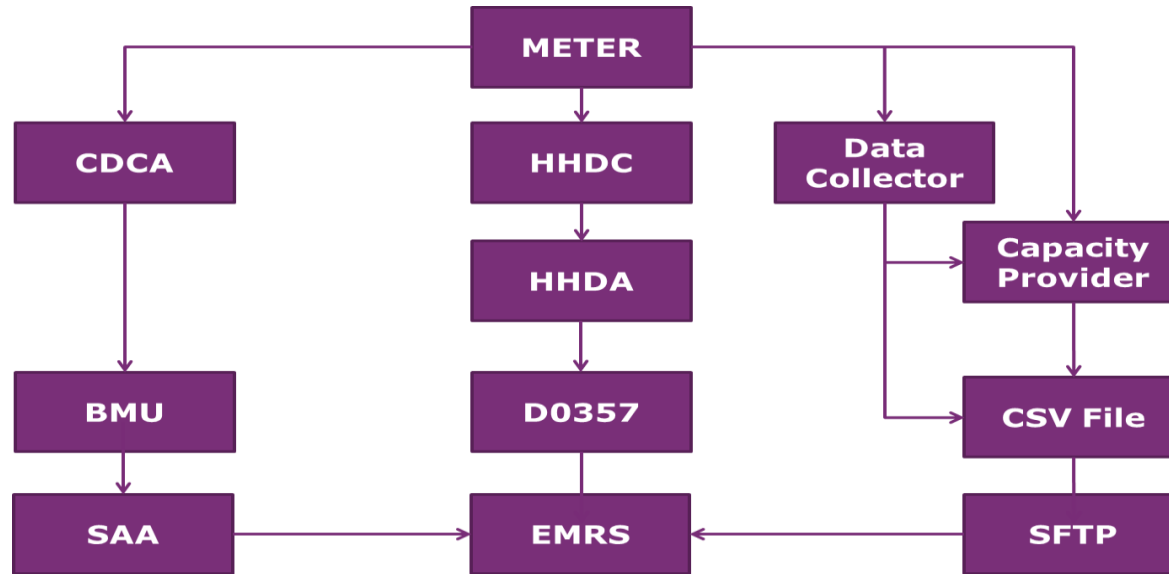
CMU	Information	Deadline
Existing Generating and Proven DSR	<b>Metering Statement</b> Date falling twenty one months prior to the start of the Delivery Year – Rule 13.3.2A (b).	<b>28 December 2018</b>
Existing Generating and Proven DSR	<b>Metering Test</b> Date falling the date falling <b>18 months</b> prior to the start of the Delivery Year.	<b>29 March 2019</b>

# Metering Pathways

# Setting up a Metering pathway

Three options:

- Balancing Mechanism Units (BMU)
- Supplier Settlement (MPAN)
- Self submission CSV (Balancing Services and Bespoke)



## BM Units

EMRS automatically receives BMU data via the Settlement Administration Agent.

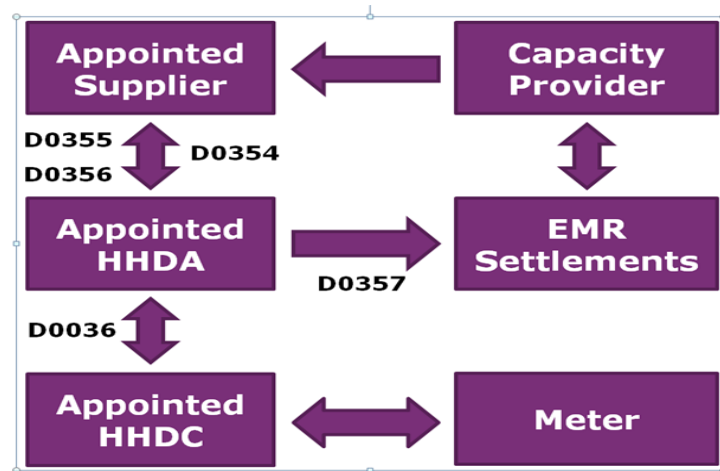
Capacity Provider has to take no action.

If the BMU is being split the CMU becomes Bespoke and the self submission pathway must be used.

# Settlement Metering Systems

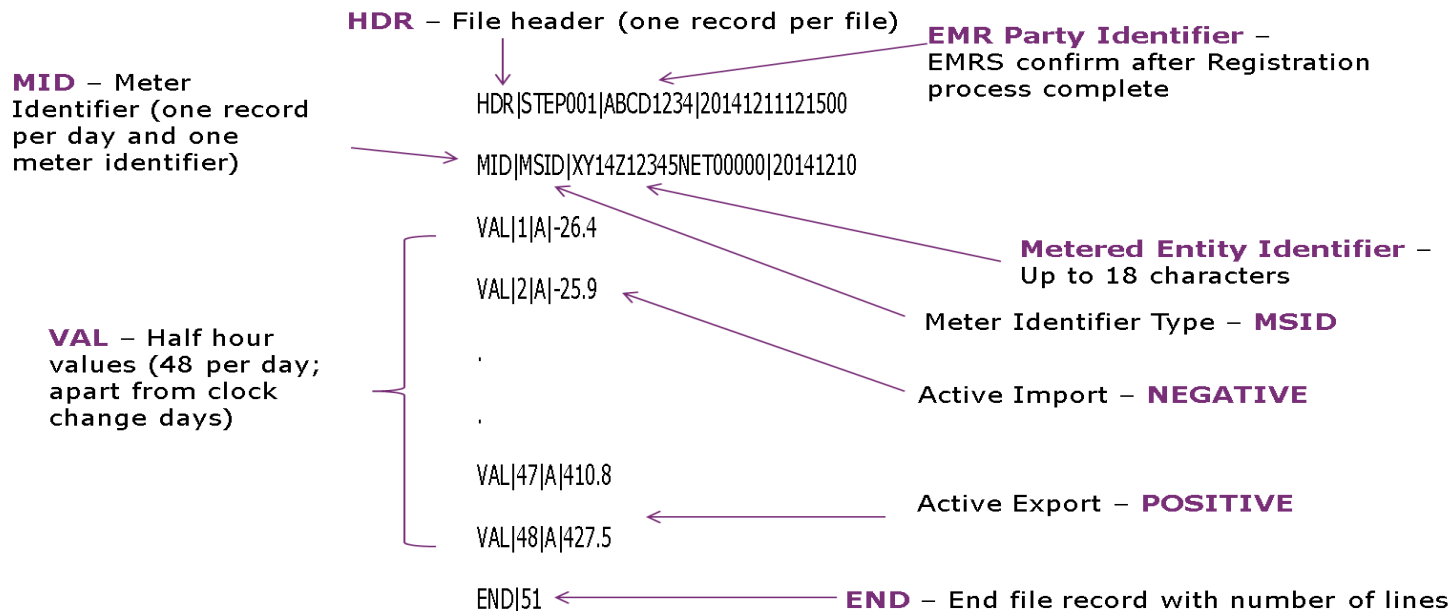
## MPANs

- ✦ Capacity Provider must contact the Supplier to establish the flow.
- ✦ You may require to do this for both the Import and Export MPAN – these may have different Suppliers.



# Format of the CSV file

- Defined CSV format must be used to upload data into the EMR Settlement System. The CSV file will be checked as part of the Metering Test process.



# Setting up an SFTP account

To submit CSV files with Metered Volumes for your CMUs you will need to have a Secure File Transfer Protocol (SFTP) account with EMRS.

- ✦ Email the Service Desk [contact@emrsettlement.co.uk](mailto:contact@emrsettlement.co.uk) to request a Secure File Transfer Protocol (SFTP) account.
- ✦ EMRS will issue a username, password and the address of the SFTP site.
- ✦ Username and password will be sent separately.

# Data submission requirements – October 2018

- ✦ Metering Pathways should be setup so Metered Volumes are being submitted for the start of the Delivery Year.
- ✦ On behalf of Electricity Settlement Company (ESC), EMRS will check that we are receiving data from the start of the Delivery Year.
- ✦ Capacity Providers need to be ready from the start of the Delivery Year as there could be a **Stress Event on 1 October 2018**.
- ✦ EMRS will only accept data through your chosen Metering Pathway as per **Rule 14.2.2**.

## Change your Metering Pathway

- ✦ If you wish to change your Metering Pathway you can request to do so under Rule 8.3.3(f)(ii).
- ✦ This request may not be approved or may be subject to a Metering Test being required to be passed before the Metering Pathway can be changed.



# More information

For Metering Pathways and the CSV file:

✦ **WP195 – Capacity Market and CFD Metered Data**

<https://www.emrsettlement.co.uk/publications/working-practices/>

## EMRS Service Desk

✦ [contact@emrsettlement.co.uk](mailto:contact@emrsettlement.co.uk)

✦ 020 7380 4333

## Close of presentations – Round table discussions

15:00	<p>Table discussions:</p> <p>Company Level Checks (Charlotte Watts)  Refurbishing &amp; New Build CMU's (Vikas Garg / Mark Baker)  Existing CMU's (Arjun Mukkara)  DSR CMU's (Konstantina Maniki)  Post Prequalification (Tim Dart)  Of12 (Tim Gregory)  Policy (Ofgem / BEIS)  ECR (Gareth Lloyd / Duncan Rimmer)  Capacity Market Notices (David Preston)</p>
16:00	Close