

The Capacity Market (Amendment) Rules 2022

Presented to Parliament pursuant to Section 41(9) of the
Energy Act 2013

The Capacity Market (Amendment) Rules 2022

1. Citation, Commencement and Interpretation

1.1 These Rules may be cited as the Capacity Market (Amendment) Rules 2022.

1.2 These Rules come into force on the day after the day on which these Rules are made.

1.3 In these Rules:

1.3.1 “the Rules” means the Capacity Market Rules 2014 as amended by:

- (a) the Capacity Market (Amendment) Rules 2014;
- (b) the Capacity Market (Amendment) (No. 2) Rules 2014;
- (c) the Capacity Market (Amendment) Rules 2015;
- (d) the Capacity Market (Amendment) (No. 2) Rules 2015;
- (e) the Capacity Market (Amendment) Rules 2016;
- (f) the Capacity Market (Amendment) (No. 2) Rules 2016;
- (g) the Capacity Market (Amendment) (No. 3) Rules 2016;
- (h) the Capacity Market (Amendment) Rules 2017;
- (i) the Capacity Market (Amendment) (No. 2) Rules 2017;
- (j) the Capacity Market (Amendment) (No. 3) Rules 2017;
- (k) the Capacity Market (Amendment) (No. 4) Rules 2017;
- (l) the Capacity Market (Amendment) Rules 2019;
- (m) the Capacity Market (Amendment) (No. 2) Rules 2019;
- (n) the Capacity Market (Amendment) (No. 3) Rules 2019;
- (o) the Capacity Market (Amendment) (No. 4) Rules 2019;
- (p) the Capacity Market (Amendment) (No. 5) Rules 2019;

- (q) the Capacity Market (Amendment) Rules 2020;
- (r) the Capacity Market (Amendment) Rules 2020 (No. 2);
- (s) the Capacity Market (Amendment) Rules 2020 (No. 3);
- (t) the Capacity Market (Amendment) Rules 2021; and
- (u) the Capacity Market (Amendment) Rules 2022.

1.3.2 a reference to a Chapter, Rule or numbered Schedule by number alone is a reference to the Chapter, Rule or Schedule so numbered in the Rules; and

1.3.3 expressions which are defined in the Rules have the same meaning as in the Rules.

2. Amendments

2.1 The Rules are amended as set out in the Schedule to these Rules.

SCHEDULE

Part 1

Relevant Balancing Services

1. Amendments to Chapter 1 (General Provisions)

1.1 In Rule 1.2 (Definitions):

1.1.1 after the definition of “Price-Taker Threshold”, insert:

“Primary Fuel	means the predominant fuel used by a Generating Unit or a Permitted On-Site Generating Unit for the purposes of generating electricity”.
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2. Amendments to Chapter 3 (Prequalification Information)

2.1 In Rule 3.3 (Submitting an Application for Prequalification):

2.1.1 after rule 3.3.6, insert:

“3.3.6A From the opening of the 2023 Prequalification Window, where an Applicant has submitted a previous successful Application and there are elements of the application form and/or Additional Information which remain unchanged and which continue to meet the requirements of these Rules, the Applicant may elect to reuse the unchanged elements of the previous application form and/or Additional Information when submitting a new Application for the relevant Capacity Auction, subject to the following:

(a) The Applicant may continually reuse the unchanged elements for a maximum period of 4 years;

(b) Notwithstanding the ability to reuse the unchanged elements, the Applicant is required to fully complete and submit an Application for the relevant Capacity Auction;

(c) This Rule 3.3.6A does not apply to:

- (i) the Prequalification Certificate;
- (ii) information submitted to comply with Rule 3.4.11;
- (iii) information submitted to comply with Rule 3.6.1;
- (iv) information submitted to comply with Rule 3.6A.1;
- (v) information submitted to comply with Rule 3.6.5;

- (vi) information submitted to comply with Rule 3.6.5A;
- (vii) information submitted to comply with Rule 3.6.6;
- (viii) information submitted to comply with Rule 3.6.7;
- (ix) information submitted to comply with Rule 3.7.3A;
- (x) information submitted to comply with Rule 3.7.4;
- (xi) information submitted to comply with Rule 3.8.2A;
- (xii) information submitted to comply with Rule 3.8.3;
- (xiii) information submitted to comply with Rule 3.9.5;
- (xiv) information submitted to comply with Rule 3.9.5A;
- (xv) information submitted to comply with Rule 3.9.6;
- (xvi) information submitted to comply with Rule 3.9.7;
- (xvii) information submitted to comply with Rule 3.10.3A;
- (xviii) information submitted to comply with Rule 3.10.4;
- (xix) information submitted to comply with Rule 3.11.2A;
- (xx) information submitted to comply with Rule 3.15;
- (xxi) information submitted to comply with Rule 4.8.1(b);
- (xxii) information submitted to comply with Rule 6.6.1;
- (xxiii) information submitted to comply with Rule 9.2.10A; and
- (xxiv) information submitted to comply with Rule 13.2.6(a)(i).

- (d) This Rule 3.3.6A does not apply to application forms and/or Additional Information submitted prior to the opening of the 2022 Prequalification Window.”

2.2 In Rule 3.4 (Information to be provided in all Applications):

2.2.1 in Rule 3.4.2(a), substitute “Rule 3.4.2(b)” with “Rule 3.3.6A”.

2.2.2 after Rule 3.4.2(a), remove:

“(b) If an Applicant has submitted the information required by Rule 3.4.2(a) with a previous Application and that information remains accurate and up to date, the Applicant may, instead of complying with Rule 3.4.2(a), confirm in the Application that the information previously provided remains accurate and up to date.”

2.3 In Rule 3.4.5 (Statement as to Capacity):

2.3.1 In Rule 3.4.5(a) after “the Connection Capacity or DSR Capacity (as applicable) of the CMU”, insert:

“and, in the case of a Generating CMU, each Generating Unit comprising such CMU,”

2.4 In Rule 3.4.5A (Primary Fuel Type)

2.4.1 after “in the case of a Generating CMU, each Application must state the Primary Fuel Type”, insert:

“, and the Primary Fuel for each Generating Unit comprising such CMU,”

2.4.2 after “which it is intended at the time the Application is made will be used for the CMU”, insert:

“, and each Generating Unit comprising such CMU,”

3. Amendments to Chapter 4 (Determination of Eligibility)

3.1 In Rule 4.5 (Notification of Prequalification decision to Applicants):

3.1.1 after Rule 4.5C, insert:

4.5D Notification of a change of Prequalification status to Applicants

“If an Applicant undergoes a change in Prequalification status, following the Prequalification Results Day but prior to the commencement of the first Bidding Window for the relevant Capacity Auction, the Delivery Body must notify said Applicant of the change in Prequalification status via the EMR Delivery Body Portal, and within one working day except in circumstances of a system outage or other planned unavailability of the EMR Delivery Body Portal. This includes, but is not limited to, circumstances covered by Rules 4.6.3, 4.6.4 and 4.7.2.”

4. Amendments to Chapter 7 (Capacity Market Register)

4.1 In Rule 7.4 (Contents of the Capacity Market Register):

4.1.1 in Rule 7.4.1, after Rule 7.4.1(ib), insert:

“(ic) a description of the CMU including (where applicable) each Generating Unit comprising such CMU and in the case of a Generating CMU, the Primary Fuel Type, Generating Technology Class, Connection Capacity and De-rated Capacity for the CMU and the Primary Fuel, Generating Technology Class,

Connection Capacity and De-rated Capacity for each Generating Unit comprising such CMU;

- (id) a description of the CMU including (where applicable) each DSR CMU Component comprising such CMU and in the case of a Proven DSR CMU, whether it includes a Permitted On-Site Generating Unit and if so the Primary Fuel and generating capacity (in MW) of the Permitted On-Site Generating Unit;”

4.1.2 in Rule 7.4.1(ix), after “the De-rated Capacity of the CMU”, insert:

“and, in the case of a Generating CMU, the De-rated Capacity of each Generating Unit comprising such CMU;”

4.1.3 in Rule 7.4.5(j)(ii), after “the date by which it must be provided;”, remove: “and”

4.1.4 in Rule 7.4.5(j)(iii), after “Minimum Completion Requirement;”, insert: “and”

4.1.5 in Rule 7.4.5, after Rule 7.4.5(j)(iii), insert:

- “(iv) whether the Capacity Provider is subject to a requirement to meet the Substantial Completion Milestone in accordance with Rule 6.7 and, if so, the earliest and latest dates on which the Substantial Completion Milestone is expected to be met (as provided by Capacity Providers under Rule 12.2.1(a);”

4.1.6 in Rule 7.4.5(l), substitute “is an Existing CMU or a Proven DSR CMU” with “is a Prospective CMU, an Existing CM, or a Proven DSR CMU”

4.1.7 after Rule 7.4.5(l), insert:

- “(la) where applicable, the date on which a valid Metering Test Certificate was awarded to a Capacity Committed CMU which is a Prospective CMU, an Existing CMU, a Proven DSR CMU or an Unproven DSR CMU;”

4.2 In Rule 7.5 (Delivery Body amendments to the Capacity Market Register):

4.2.1 in Rule 7.5.1, after Rule 7.5.1(l), insert:

- “(la) to record the date on which a Capacity Committed CMU is awarded a Metering Test Certificate, within five Working Days of receipt of the Metering Test Certificate;”

4.2.2 in Rule 7.5.1(ra), substitute:

“to record any change in the Primary Fuel Type for a Generating CMU notified to the Delivery Body;”

with:

“to record any change in the Primary Fuel Type or Generating Technology Class for a Generating CMU and the Primary Fuel or Generating Technology Class for each Generating Unit comprising such CMU notified to the Delivery Body;”

4.2.3 in Rule 7.5.1(gg), substitute:

“to record any changes to the Connection Capacity and De-rated Capacity of a CMU pursuant to Rule 4.7.3.”

with:

“to record any changes to the Connection Capacity and De-rated Capacity of a CMU and, where applicable, each Generating Unit comprising such CMU, pursuant, but not limited to, to Rule 4.7.3;”

4.2.4 after Rule 7.5.1(gg), insert:

“(hh) to record any changes to the Primary Fuel or generating capacity of the Permitted On-Site Generating Unit comprising a Proven DSR CMU; and

(ii) to record when a Capacity Committed CMU meets its Substantial Completion Milestone, within five Working Days following approval from the Delivery Body.”

5. Amendments to Exhibit A: Form of Prequalification Certificate

5.1 After:

“(f) [taking into account current economic conditions and the regulatory and legislative framework:

(i) there are reasonable grounds to believe that a Capacity Agreement greater than one year in duration is required to facilitate the improvements programme at the Refurbishing CMU; and

- (ii) the Qualifying £/kW Capital Expenditure has been determined, so far as possible, without reference to any substantive routine or statutory maintenance works required at the Refurbishing CMUJ”

insert:

- “(g) that the Application has been completed in accordance with the requirements of the Capacity Market Rules 2014, as amended, and that where previous Exhibits, Declarations or Additional Information have been resubmitted under Rule 3.3.6A, confirm that they remain valid and in accordance with the Capacity Market Rules 2014 as amended.”