

# The Capacity Market (Amendment) Rules 2015

## 1. Citation, commencement and interpretation

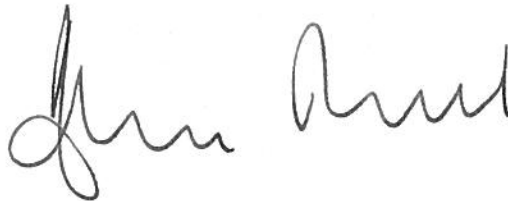
- 1.1 These Rules may be cited as the Capacity Market (Amendment) Rules 2015.
- 1.2 These Rules come into force on the day after the date on which they are made.
- 1.3 In these Rules:
  - 1.3.1 "the Rules" means the Capacity Market Rules 2014 as amended by the Capacity Market (Amendment) Rules 2014 and the Capacity Market (Amendment) (No. 2) Rules 2014;
  - 1.3.2 a reference to a Rule or Schedule by number alone (or to an Exhibit by letter alone) is a reference to the Rule or Schedule so numbered (or the Exhibit so lettered) 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.

## 3. Transitional provision

- 3.1 The amendments made by Part 3 of the Schedule do not apply in respect of any Capacity Agreement that has been awarded as a result of a Capacity Auction held before the commencement of these Rules.



Amber Rudd  
Secretary of State

Department of Energy and Climate Change

2/6

2015

# SCHEDULE

## PART 1

### Insertion of new definitions

#### 1. Amendment of Rule 1.2

1.1 In Rule 1.2 insert the following definitions in alphabetical order at the appropriate places:

<b>"Aggregator Declaration"</b>	means a declaration in the form set out in Exhibit F <sup>1</sup> ;
<b>"Aggregator Transfer Declaration"</b>	means a declaration in the form set out in Exhibit H <sup>2</sup> ;
<b>"Balancing Services Metering Configuration Solution"</b>	means a Metering System installed to comply with one of the following Relevant Balancing Services: (a) Short Term Operating Reserve; (b) Frequency Control by Demand Management; or (c) Firm Frequency Response";
<b>"Bespoke Metering Configuration Solution"</b>	means a Metering System using additional on-site Meters to demonstrate output behind the pre-existing Meter Point which is installed to comply with the Bespoke Technical Requirements";
<b>"Bespoke Technical Requirements"</b>	means the technical requirements for the Bespoke Metering Configuration Solution set out in Schedule 7 <sup>3</sup> containing technical information relating to Meter Points <sup>4</sup> , measured quantities and demand values for Metering Systems, Metering Equipment criteria and commissioning, records and proving";
<b>"Capacity Year"</b>	has the meaning given to that term in Regulation 2";
<b>"Core Generating Plant"</b>	means any combination of generators, turbines and other machinery or devices (" <b>Apparatus</b> ") which are connected physically and operated together as part of one Generating Unit which: (a) transform energy from a fuel source into mechanical or electrical form (or both); (b) are driven by water, other than by tidal flows, waves, ocean currents or geothermal sources; or (c) convert stored energy into electrical energy";
<b>"Core Winter Period"</b>	means a period beginning with 1 December in any year and ending with the last day of the following February";

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<sup>1</sup> Exhibit F is inserted by paragraph 37 of this Schedule.

<sup>2</sup> Exhibit H is inserted by paragraph 37 of this Schedule.

<sup>3</sup> Schedule 7 is inserted by paragraph 34 of this Schedule.

<sup>4</sup> Definition amended by paragraph 25.1.3 of this Schedule.

<b>"Defaulting Interconnector CMU</b>	means, in relation to a Capacity Auction in respect of Delivery Year "t", an Interconnector CMU to which paragraph (a) or (b) of the definition of "Defaulting CMU" applies";
<b>"E<sub>ij</sub></b>	for CMU "i" and Settlement Period "j", has the meaning given by Rule 8.6";
<b>"Electricity Interconnector</b>	has the meaning given to that term in section 4(3E) EA 1989 (but does not include any line or plant landward of the converter station)";
<b>"Existing CMU</b>	means an Existing Generating CMU or an Existing Interconnector CMU";
<b>"Existing Interconnector CMU</b>	means an Interconnector CMU falling within Regulation 5A(1)(a) <sup>5</sup> ;
<b>"Extended Years Criteria</b>	has the meaning given in Rules 8.3.6B and 8.3.6C <sup>6</sup> ;
<b>"Governing Documents</b>	means each of the following documents that are applicable to a Metering Configuration Solution: <ul style="list-style-type: none"> <li>(a) in respect of the Balancing Services Metering Configuration Solution: <ul style="list-style-type: none"> <li>(i) Short Term Operating Reserve - STOR Despatch Procedure version 1.3; or</li> <li>(ii) Frequency Control by Demand Management – the relevant bilateral agreement between the Generator and System Operator; or</li> <li>(iii) Firm Frequency Response – the relevant framework agreement or relevant bilateral agreement between the Generator and System Operator;</li> </ul> </li> <li>(b) in respect of the Bespoke Metering Configuration Solution, the Bespoke Technical Requirements;</li> <li>(c) in respect of the Supplier Settlement Metering Configuration Solution, the version of the BSC Metering Codes of Practice applicable at the date of installation of the Applicant's/Capacity Provider's Metering System";</li> </ul>
<b>"Half Hourly Data Aggregators</b>	has the meaning given in the BSC";
<b>"Half Hourly Data Collectors</b>	has the meaning given in the BSC";
<b>"Half Hourly Metering System</b>	has the meaning given in the BSC";
<b>"High Demand Settlement Period</b>	means: <ul style="list-style-type: none"> <li>(a) in relation to the calculation of a De-rating Factor for the CCGT Generating Technology Class, a Settlement Period in</li> </ul>

<sup>5</sup> Regulation 5A was inserted by the Electricity Capacity (Amendment) Regulations 2015 (S.I. 2015/875).

<sup>6</sup> Rules 8.3.6B and 8.3.6C are inserted by paragraph 24.1 of this Schedule.

	a Core Winter Period where demand is above the 90th percentile of the Demand in all the Settlement Periods falling between 7am and 7pm on Working Days in that Core Winter Period;
	(b) in relation to the calculation of a De-rating Factor for any other Generating Technology Class or for DSR CMUs, a Settlement Period in a Core Winter Period where demand is above the 50th percentile of the Demand in all the Settlement Periods falling between 7am and 7pm on Working Days in that Core Winter Period”;
<b>“Interconnected Capacity</b>	has the meaning given to that term in Regulation 2 <sup>7n</sup> ;
<b>“Interconnection Licence</b>	means a licence for making an Electricity Interconnector available for use for the conveyance of electricity, as modified from time to time, granted pursuant to section 6(1)(e) of EA 1989 <sup>8n</sup> ;
<b>“Interconnector CMU</b>	has the meaning given to that term in Regulation 5A”;
<b>“Interconnector Scheduled Transfer</b>	has the meaning given in the BSC”;
<b>“Joint Owner</b>	means, in relation to an Interconnector CMU, and provided that there is more than one such owner, any legal owner of: (a) the Electricity Interconnector comprised in that CMU; or (b) the Non-GB Part”;
<b>“Joint Owner Declaration</b>	means a declaration in the form set out in Exhibit DA, DB or DC <sup>9n</sup> ;
<b>“Legal Owner Declaration</b>	means a declaration in the form set out in Exhibit G <sup>10n</sup> ;
<b>“Legal Owner Transfer Declaration</b>	means a declaration in the form set out in Exhibit I <sup>11n</sup> ;
<b>“Measurement Transformers</b>	means either a current transformer (CT) or a voltage transformer (VT) or a device carrying out both such functions, whose purpose is to enable the Metering Equipment to operate at more convenient currents and/or voltages (as applicable) than are present on the power system being measured”;
<b>“Metering Configuration Solution</b>	means, as applicable, any one of the following: (a) Balancing Services Metering Configuration Solution; (b) Bespoke Metering Configuration Solution; or (c) Supplier Settlement Metering Configuration Solution”;

<sup>7</sup> That definition was amended by the Electricity Capacity (Amendment) Regulations 2015.

<sup>8</sup> See paragraph (b) of the definition of “participating in the operation of an electricity interconnector” in section 4(3C) EA 1989.

<sup>9</sup> Exhibits DA, DB and DC are inserted by paragraphs 19 to 21 of this Schedule.

<sup>10</sup> Exhibit G is inserted by paragraph 37 of this Schedule.

<sup>11</sup> Exhibit I is inserted by paragraph 37 of this Schedule.



<b>"Metering Equipment</b>	means Meters, Measurement Transformers, metering protection equipment including alarms, circuitry, associated Communications Equipment, Settlement Instations and Outstations and wiring, transducers, supervisory control and data acquisition meters, power line communications, analogue, power and pulsing metering and shall include any customer meter and associated Metering Equipment";
<b>"Metering Site</b>	means the location of the Metering Equipment of a Generating Unit, DSR CMU Component or Electricity Interconnector comprised in a CMU";
<b>"Metering Statement</b>	means a statement provided by an Applicant which must include, as applicable, the metering information set out in Schedule 6 <sup>12</sup> of the Rules";
<b>"Net Output</b>	in relation to an Interconnector CMU, has the meaning given in Regulation 2 <sup>13</sup> ;
<b>"Non-completion Fee</b>	has the meaning given to that term in Regulation 43A <sup>14</sup> ;
<b>"Non-completion Notice</b>	has the meaning given in Rule 6.8.2B <sup>15</sup> ;
<b>"Non-GB Part</b>	means, in relation to an Interconnector CMU, any part of an electric line or other electrical plant that, by virtue of the condition in section 4(3E)(a) EA 1989, does not form part of the Electricity Interconnector comprised in that CMU (but does not include any line or plant landward of the converter station)";
<b>"Outstation</b>	means equipment which receives and stores data from a Meter(s) for the purpose, inter alia, of the transfer of that data to the CM Settlement Body, and which may perform some processing function before such transfer, and which may be one or more separate units or be integral with the Meter";
<b>"Power Transformer Losses</b>	means the losses incurred converting energy from the primary side of the power transformer to the secondary side";
<b>"Prospective CMU</b>	means a Prospective Generating CMU or a Prospective Interconnector CMU";
<b>"Prospective Interconnector CMU</b>	means an Interconnector CMU falling within Regulation 5A(1)(b)";
<b>"Second Full Capacity Auction</b>	means the T-4 Auction for the Delivery Year commencing on 1 October 2019 (if any)";
<b>"Site Audit</b>	means a visit of the Metering Site by the CM Settlement Body during any Delivery Year to determine whether:

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<sup>12</sup> Schedule 6 is inserted by paragraph 33 of this Schedule.

<sup>13</sup> That definition was inserted by the Electricity Capacity (Amendment) Regulations 2015.

<sup>14</sup> Regulation 43A was inserted by the Electricity Capacity (Amendment) Regulations 2015.

<sup>15</sup> Rule 6.8.2B is inserted by paragraph 7.4.3 of this Schedule.

	(a) the metering configuration for any Generating Unit, DSR CMU Component or Electricity Interconnector;
	(b) meter data in relation to a Generating Unit, DSR CMU Component or Electricity Interconnector; or
	(c) the metering configuration and meter data in relation to a Generating Unit, a DSR CMU Component or an Electricity Interconnector,
	is compliant with the Rules”;
<b>“Supplier Meter Registration Service (SMRS)”</b>	has the meaning given in the BSC”;
<b>“Supplier Settlement Metering Configuration Solution”</b>	means a Metering System that uses a supplier’s Half Hourly Metering System by using Half Hourly Data Aggregators to collect metered data”;
<b>“Total System”</b>	means the Transmission Network and each Distribution Network”;
<b>“Unlicensed Network”</b>	means a Distribution Network which is exempt from the requirement to hold a licence under section 4 EA 1989 by virtue of The Electricity (Class Exemptions from the Requirement for a Licence) Order 2001 and has access to the Total System”;

## PART 2

### Electricity Interconnectors

#### 2. Amendments of Chapter 1

##### 2.1 In Rule 1.2:

2.1.1 After paragraph (a) of the definition of “Additional Information”, insert:

“(aa) in the case of an Application relating to an Interconnector CMU, such information as is required pursuant to Rule 3.6A and/or 3.6B”.

2.1.2 In the definition of “Bidder”<sup>16</sup>, omit “Generating”.

2.1.3 In the definition of “Bidding Capacity”, after “Generating CMU” insert “or an Interconnector CMU”.

2.1.4 In the definition of “Bidding CMU”<sup>17</sup>, omit “Generating”.

2.1.5 For the definition of “Boundary Point” substitute:

**“Boundary Point**

means:

(a) for a Generating CMU, any point at which any plant or

<sup>16</sup> Definition amended by the Capacity Market (Amendment) Rules 2014

<sup>17</sup> Definition amended by the Capacity Market (Amendment) Rules 2014

apparatus not forming part of the Total System is connected to the Total System;

- (b) for an Interconnector CMU, any point at which any plant or apparatus forming part of the Electricity Interconnector is connected to the GB Transmission System”.

2.1.6 For the definition of “Capital Expenditure” substitute:

**“Capital Expenditure** means the capital expenditure as determined under International Accounting Standard 16:

- (a) for a Generating CMU, on that CMU; or
- (b) for an Interconnector CMU, on that CMU together with the Non-GB Part”.

2.1.7 In the definition of “Connection Capacity”, for the words “means” to the end substitute:

“means:

- (a) with respect to a Generating CMU or a Generating Unit, the capacity of that Generating CMU or Generating Unit as determined pursuant to Rule 3.5; or
- (b) with respect to an Interconnector CMU, the capacity of that Interconnector CMU as determined under Rule 3.5A”.

2.1.8 In the definition of “Construction Milestones”, after “Prospective” omit “Generating”.

2.1.9 In the definition of “Defaulting CMU”, before “a CMU” insert “a Defaulting Interconnector CMU or”.

2.1.10 In the definition of “De-rated Capacity”, after “Generating CMU” insert “or an Interconnector CMU”.

2.1.11 In the definition of “De-rating Factor”, after “Classes” insert “, to each Interconnector CMU”.

2.1.12 In the definition of “Excluded CMU”, omit the first occurrence of “Generating” in both paragraph (a) and paragraph (b)”.

2.1.13 In the definition of “Financial Commitment Milestone”, after “Prospective” omit “Generating”.

2.1.14 In the definition of “Grid Connection Agreement”, after “Transmission CMU” insert “or an Interconnector CMU” and omit “or a Bilateral Embedded Generation Agreement”.

2.1.15 In the definition of “Independent Technical Expert”, after “Generating Units” insert “or (as the case may be) Electricity Interconnectors”.

2.1.16 In the definition of “Insolvency Termination Event”, insert after each occurrence of “Capacity Provider” “or a Joint Owner”.

2.1.17 In the definition of “Major Contract”, after “Prospective” omit “Generating”.

- 2.1.18 In the definition of "Mandatory CMU", after "means" insert "an Existing Interconnector CMU, or".
- 2.1.19 In the definition of "Metering Assessment", after "Existing" omit "Generating".
- 2.1.20 In the definition of "Minimum Completion Requirement", insert at the end "or (as the case may be) Rule 6.8.3A".
- 2.1.21 In the definition of "New Build CMU", after "Prospective" omit "Generating".
- 2.1.22 In the definition of "Non-Operational Opted-Out", after "Existing" omit "Generating".
- 2.1.23 In the definition of "Operational":
- (a) after the first occurrence of "capacity" insert "and for an Interconnector CMU or its physical capability";
  - (b) after paragraph (a) insert:  
    - "(aa) for an Interconnector CMU, the issuance of an ION for that CMU and that physical capability;"; and
  - (c) in paragraph (c), for "(a) or (b)" substitute "(a), (aa) or (b)".
- 2.1.24 In the definition of "Opt-out", after "Existing" omit "Generating".
- 2.1.25 In the definition of "Pre-Refurbishment CMU", after "Existing" omit "Generating".
- 2.1.26 In the definition of "Refurbishing CMU", omit each occurrence of "Generating".
- 2.1.27 In the definition of "Relevant Planning Consent", omit "or" after paragraph (e) and insert after paragraph (f):
- "(g) a marine licence under the Marine and Coastal Access Act 2009; or
  - (h) in the case of an Interconnector CMU, the corresponding consents under the law of another country or territory required for the construction of the Non-GB Part".
- 2.1.28 In the definition of "Retired", after "Existing" omit "Generating" and for "generating electricity" substitute "providing electricity".
- 2.1.29 In the definition of "Secondary Trading Entrant", after paragraph (a) omit "or" and add:
- "(aa) an Existing Interconnector CMU; or".
- 2.1.30 In the definition of "Subsidiary" add at the end "(but in relation to any Applicant or Capacity Provider for an Interconnector CMU, or shareholder in such an Applicant, subsection (1)(a) of that section shall apply as if a "majority of the voting rights" included 50% only of those rights).
- 2.1.31 For the definition of "Volume" substitute:
- "Volume** means a volume of electrical generating capacity, Interconnected Capacity or DSR Capacity in a time period, expressed in MWh".

### 3. Amendments of Chapter 2

3.1 In Rule 2.1 insert at the end "or, in the case of Interconnector CMUs, the Secretary of State".

3.2 In Rule 2.3:

3.2.1 After Rule 2.3.1 insert:

"2.3.1A The Secretary of State must, for each calendar year:

- (a) subject to Rule 2.3.1B, determine a De-rating Factor for each Interconnector CMU; and
- (b) as soon as reasonably practicable give notice of those De-rating Factors to the Delivery Body, for the purpose of their inclusion in the Auction Guidelines.

2.3.1B The Secretary of State is not required to determine a De-rating Factor for an Interconnector CMU unless it is:

- (a) an Existing Interconnector CMU; or
- (b) a Prospective Interconnector CMU, provided that the Electricity Interconnector comprised in the CMU has been included in the most recent report of the Delivery Body under Regulation 7.<sup>18</sup>

3.2.2 In Rule 2.3.2, after "Rule 2.3.1" insert "or 2.3.1A".

3.2.3 In Rule 2.3.4 omit "and" after paragraph (a) and insert after paragraph (b):

"; and

- (c) for an Interconnector CMU, the Equivalent Firm Interconnector Capacity ("EFIC") of that CMU".

3.2.4 After Rule 2.3.5 insert:

"2.3.5A EFIC is determined by the Secretary of State for an Interconnector CMU in accordance with the methodology set out in Schedule 3A.<sup>19</sup>

### 4. Amendments of Chapter 3

4.1 In Rule 3.1:

4.1.1 In Rule 3.1.2(a), after "Non-CMRS Distribution CMU" insert ", an Interconnector CMU".

4.1.2 In Rule 3.1.2(b), after the first occurrence of "Generating CMU" insert "or an Interconnector CMU" and for "the Generating CMU comprises of an Existing Generating" substitute "the CMU comprises an Existing".

4.2 In Rule 3.2:

4.2.1 After Rule 3.2.7<sup>20</sup> insert:

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<sup>18</sup> Regulation 7 was amended by the Capacity Market (Amendment) Regulations 2015.

<sup>19</sup> Schedule 3A is inserted by paragraph 16 of this Schedule.

<sup>20</sup> Rules 3.2.4 to 3.2.7 are substituted for Rule 3.2.4 by paragraph 35.2 of this Schedule.

- “3.2.8 Subject to Rule 3.2.9, the Applicant for an Interconnector CMU must be the person that is, or in the case of a Prospective Interconnector CMU will be, the legal owner of the Electricity Interconnector comprised in that CMU together with the Non-GB Part.
- 3.2.9 The Applicant may be a Joint Owner in relation to the Interconnector CMU, provided that:
- (a) the Applicant is a legal owner of the Electricity Interconnector and the holder of the Interconnection Licence; and
  - (b) a Joint Owner Declaration is submitted with the relevant Application that:
    - (i) identifies which of the Joint Owners is making the Application;
    - (ii) in the case of an Application for an Existing CMU, is in the form set out in and signed in accordance with Exhibit DA or DB; and
    - (iii) In the case of an Application for a Prospective CMU, is in the form set out in and signed in accordance with Exhibit DC.”.

**4.3** At the end of Rule 3.3.3,<sup>21</sup> before “CMU” omit “Generating”.

**4.4** In Rule 3.4:

4.4.1 After Rule 3.4.1(e), insert:

“(ea) in the case of an Application in respect of an Interconnector CMU, whether or not the Applicant holds an Interconnection Licence at the time of making the Application;”.

4.4.2 In Rule 3.4.3(a)(i), after “Component(s)” insert “, or of the Electricity Interconnector”.

4.4.3 In Rule 3.4.3(a)(ii), omit “and” in the second place it appears and after Rule 3.4.3(a)(iii) insert:

“(iv) in the case of an Interconnector CMU, the relevant interconnector identifier(s) as specified for the purposes of the BSC in file CDCA-I041 of the Central Data Collection Agent (CDCA); and”.

4.4.4 In Rule 3.4.4, after “Existing” omit “Generating”.

4.4.5 In Rule 3.4.5(a), after “Generating CMU” insert “or Interconnector CMU” and after “Rule 3.5” insert “or Rule 3.5A”.

4.4.6 In Rule 3.4.9(e) , after sub-paragraph (v) insert:

“(va) where the Application is for an Interconnector CMU, to any person who is a Joint Owner in relation to that Interconnector CMU;”.

**4.5** In Rule 3.5.1, before the first occurrence of “CMU” insert “Generating”.

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<sup>21</sup> Rule 3.3.3 was amended by the Capacity Market (Amendment) Rules 2014.

4.6 After Rule 3.5 insert:

**"3.5A Determining the Connection Capacity of an Interconnector CMU**

The Connection Capacity of an Interconnector CMU is equal to the positive value of Connection Entry Capacity (or, if different, the positive value of Transmission Entry Capacity) stated in the Grid Connection Agreement.

4.7 After Rule 3.6 insert:

**"3.6A Additional information for an Existing Interconnector CMU**

3.6A.1 Previous Settlement Period performance

Each Applicant for an Existing Interconnector CMU must identify in the Application three Settlement Periods on separate days in the Winter preceding the start of the Prequalification Window in which such Existing Interconnector CMU provided its highest Net Output as recorded for the purposes of the BSC by file CDCA-I041 of the Central Data Collection Agent (CDCA).

3.6A.2 Connection Arrangements

Each Applicant for an Interconnector CMU must:

- (a) confirm that one or more Grid Connection Agreements have been entered into which secure Transmission Entry Capacity for the relevant Delivery Year for that CMU at least equal, in aggregate, to the Anticipated De-rated Capacity of the CMU and any other CMUs to which any such Grid Connection Agreement applies; and
- (b) provide a copy of the Grid Connection Agreement with the Application.

3.6A.3 Metering Arrangements

- (a) Each Applicant for an Existing Interconnector CMU must:
  - (i) provide detailed line diagrams showing the location at which the Interconnector CMU is metered; and
  - (ii) complete a Metering Assessment in relation to that CMU.
- (b) The Delivery Body must on or before the Prequalification Results Day, send to the CM Settlement Body a copy of any completed Metering Assessment or other information provided by an Applicant under (a).

**3.6B Additional Information for an Existing or Prospective Interconnector CMU**

Each Applicant for an Interconnector CMU must declare in the Application:

- (a) the technical specifications of the Electricity Interconnector concerned;
- (b) the country or territory in which the Non-GB Part will be located; and
- (c) the forecasted technical reliability for the relevant Delivery Year."



- 4.8** In Rule 3.7:
- 4.8.1 In Rule 3.7.1(b), after both occurrences of "Generating Plant" insert "or Prospective Interconnector CMU".
- 4.8.2 In Rule 3.7.2(c),<sup>22</sup> after "CMU" insert "(or, in the case of an Interconnector CMU, the CMU together with the Non-GB Part)".
- 4.8.3 In Rule 3.7.2(d), insert at the beginning "for a Generating CMU,".
- 4.8.4 After Rule 3.7.3(a) insert:
- “(aa) Each Applicant for a New Build CMU that is or will be an Interconnector CMU must:
- (i) confirm that a Grid Connection Agreement has been entered into which secures Transmission Entry Capacity for the relevant Delivery Year for that CMU at least equal to the Anticipated Derated Capacity of the CMU and any other CMUs to which any such Grid Connection Agreement applies; and
- (ii) provide a copy of the Grid Connection Agreement with the Application.”.
- 4.9** In Rule 3.8:
- 4.9.1 In Rule 3.8.2(b), for "either Rule 3.5 or Rule 3.11" substitute "either Rule 3.5 or Rule 3.5A (as applicable) or Rule 3.11".
- 4.9.2 In Rule 3.8.2(c), for "Rule 3.5" substitute "either Rule 3.5 or Rule 3.5A (as applicable)".
- 4.10** In Rule 3.11:
- 4.10.1 In Rule 3.11.2(d), after "location of," insert "the Electricity Interconnector or".
- 4.10.2 In Rule 3.11.3, for "generates" substitute "provides electricity".
- 4.10.3 In Rule 3.11.4, for "generates" substitute "provides".

## **5. Amendments of Chapter 4**

- 5.1** In Rule 4.3:
- 5.1.1 In Rule 4.3.1(c)<sup>23</sup>, after the first occurrence of "Generating CMU" insert "or an Interconnector CMU" and in the second occurrence omit "Generating".
- 5.1.2 At the end of Rule 4.3.2 insert "or the Net Output of an Existing Interconnector CMU pursuant to Rule 3.6A.1".
- 5.2** Omit "or" after Rule 4.4.2(e) and after Rule 4.4.2(f) insert:
- “(g) the Delivery Body is unable to obtain any data with respect to the Net Output of an Existing Interconnector CMU in any Settlement Period nominated by the Applicant pursuant to Rule 3.6A.1; or

<sup>22</sup> Rule 3.7.2(c) was substituted by the Capacity Market (Amendment) Rules 2014

<sup>23</sup> Rule 4.3.1 was amended by the Capacity Market (Amendment) Rules 2014.



- (h) the Net Outputs of an Existing Interconnector CMU in the Settlement Periods nominated by the Applicant pursuant to Rule 3.6A.1, as recorded for the purposes of the BSC by file CDCA-I041 of the Central Data Collection Agent (CDCA), are not each greater than zero”.

**5.3** In Rule 4.5:

5.3.1 After Rule 4.5.1(b)(vii) insert:

“(viiia) where the CMU is an Interconnector CMU, that it is a Price-Taker;”.

5.3.2 In Rule 4.5.1(b)(ix), after “Non-CMRS Distribution CMU” insert “, an Interconnector CMU”.

5.3.3 In Rule 4.5.1(b)(x), after the first occurrence of “Generating CMU” insert “or an Interconnector CMU” and omit the second occurrence of “Generating”.

**5.4** In Rules 4.11.1 and 4.11.2, omit “Generating”<sup>24</sup>.

**6. Amendments of Chapter 5**

**6.1** In Rule 5.5:

6.1.1 In Rule 5.5.14(b),<sup>25</sup> after “Refurbishing CMU,” insert “other than an Interconnector CMU,”.

6.1.2 In Rule 5.5.17(c), omit “Generating”.

**6.2** In Rule 5.6.3, omit “Generating”.

**6.3** In Rule 5.13.1, after sub-paragraph (v) of paragraph (e) insert:

“(va) where the Application is for an Interconnector CMU, to any person who is a Joint Owner in relation to that Interconnector CMU;”.

**7. Amendments of Chapter 6**

**7.1** In Rule 6.1.3, omit “universal” and insert at the end “, and in relation to the payment of a Non-completion Fee in certain circumstances”.

**7.2** In Rule 6.6:

7.2.1 In Rule 6.6.1, omit “Generating” and insert at the end “(or, where the Capacity Provider is a Joint Owner, in Rules 6.6.2(a) and 6.6.3)”.

7.2.2 In Rule 6.6.2(b)(ii), after “Generating Unit(s)” insert “or Electricity Interconnector”.

7.2.3 After Rule 6.6.2 insert:

“6.6.3 The matter referred to in Rule 6.6.1 in relation to a Capacity Provider who is a Joint Owner, is that:

- (a) the Capacity Provider and the other Joint Owners have, or will have, sufficient financial resources available to them to meet the Total Project Spend for that CMU and Non-GB Part;

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<sup>24</sup> Rule 4.11 was amended by the Capacity Market (Amendment) Rules 2014.

<sup>25</sup> Rule 5.5.14 was amended by the Capacity Market (Amendment) Rules 2014.

- (b) the Capacity Provider has entered into a Major Contract, or the Capacity Provider and the other Joint Owners have entered into Relevant Contracts (as defined in Rule 6.6.4) representing together at least 20% of that Total Project Spend;
- (c) the board of directors of the Capacity Provider (or officers, in the case of a Capacity Provider other than a company):
  - (i) have resolved to complete the relevant construction, repowering or refurbishment works such that the corresponding Electricity Interconnector is Operational on or prior to the date falling at the start of that Capacity Provider's first scheduled Delivery Year (such resolution to be annexed to the report); or
  - (ii) to the extent that those works are in part to be carried out by another Joint Owner, have resolved to complete the relevant construction, repowering or refurbishment works for which the Capacity Provider is responsible, and have certified that they have been notified by each Joint Owner of corresponding resolutions or decisions made in respect of that Joint Owner in relation to any of the relevant works for which that Joint Owner is responsible (such certification to be annexed to the report); and
- (d) the directors of the Capacity Provider (or officers, in the case of a Capacity Provider other than a company) have certified that:
  - (i) the Capacity Provider and the other Joint Owners have or will have sufficient financial resources to meet the Total Project Spend;
  - (ii) the Major Contract (or any Relevant Contract) entered into by the Capacity Provider is legal, valid and binding and in full force and effect and has been entered into with counterparties who are able to perform their obligations under that Major Contract (or Relevant Contract); and
  - (iii) where another Joint Owner has entered into a Relevant Contract, they have been notified by that Joint Owner that the Relevant Contract satisfies the conditions mentioned in sub-paragraph (ii).

6.6.4 For the purposes of Rule 6.6.3, "**Relevant Contract**" means, for a Prospective Interconnector CMU, an agreement or agreements for the supply of major components representing a portion of the Total Project Spend for that CMU and Non-GB Part (whether or not as part of a wider agreement) and which is consistent with the resolution of the board of directors of the Joint Owner in respect of that CMU (or the officers, in the case of a Joint Owner other than a company) to complete the relevant construction, repowering or refurbishment works

for which that Joint Owner is responsible on or prior to the date falling at the start of the first scheduled Delivery Year for that CMU.”.

**7.3** In Rule 6.7:

7.3.1 For Rule 6.7.3 substitute:

“6.7.3 In the case of an Interconnector CMU, a New Build CMU or a Refurbishing CMU will have met its Substantial Completion Milestone obligation if:

- (a) the corresponding Electricity Interconnector is Operational with the physical capability of transmitting a Net Output which, after being multiplied by its De-rating Factor, equals or exceeds 90 per cent of its Capacity Obligation; and
- (b) the Capacity Provider has provided detailed line diagrams and completed a Metering Assessment as required by Rule 8.3.3(ba).<sup>26</sup>”.

7.3.2 In Rule 6.7.4(a), omit “Generating”.

7.3.3 In Rule 6.7.4(b), after “generating capacity” insert “(or, in the case of an Interconnector CMU the physical capability of transmitting a Net Output)”.

7.3.4 After Rule 6.7.6 insert:

“6.7.6A At any time during the Delivery Year of the Capacity Agreement, a Capacity Provider may notify the Delivery Body that a Prospective Interconnector CMU has increased its Operational physical capability of transmitting a Net Output such that it is now sufficient to deliver a higher proportion (up to but not exceeding 100 per cent) of its Capacity Obligation, and the Capacity Agreement will take effect from such date with respect to that increased proportion.”.

7.3.5 In Rule 6.7.8, omit “Generating”.

**7.4** In Rule 6.8:

7.4.1 In Rule 6.8.1, omit “Generating”.

7.4.2 In Rule 6.8.2:

- (a) for “If the Delivery” substitute “Subject to Rules 6.8.2A to 6.8.2D, if the Delivery”; and
- (b) after “Rule 6.8.3” insert “or 6.8.3A”.

7.4.3 After Rule 6.8.2 insert:

“6.8.2A Rule 6.8.2B applies where:

- (a) the New Build CMU referred to in Rule 6.8.2 is an Interconnector CMU in respect of which a Capacity Agreement has been awarded for a Delivery Year (“Y”);

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<sup>26</sup> Rule 8.3.3(ba) was inserted by the Capacity Market (Amendment) Rules 2014.

- (b) a Capacity Agreement has not been awarded in respect of that CMU for the Capacity Year immediately following Delivery Year Y; and
- (c) the Delivery Body becomes aware that the CMU has failed to reach its Minimum Completion Requirement by the end of Delivery Year Y.

6.8.2B Where this Rule 6.8.2B applies the Delivery Body must, instead of the notice referred to in Rule 6.8.2, issue a written notice to the Capacity Provider, the Secretary of State, the CM Settlement Body and the Authority (a "**Non-completion Notice**") stating that the Capacity Provider is liable to pay a Non-completion Fee within the period of 60 Working Days beginning with the date of the notice.

6.8.2C Rule 6.8.2D applies where:

- (a) the New Build CMU referred to in Rule 6.8.2 is an Interconnector CMU in respect of which a Capacity Agreement has been awarded for a Delivery Year ("Z"); and
- (b) a Capacity Agreement has been awarded in respect of that CMU for a Delivery Year immediately following Delivery Year Z.

6.8.2D Where this Rule 6.8.2D applies, the notice issued in accordance with Rule 6.10.2(a) shall be treated, for the purposes of this Chapter 6, as a Termination Notice issued in respect of each of the following Capacity Agreements (but without making the Capacity Provider liable to pay more than one termination fee in respect of them):

- (a) the Capacity Agreement in respect of that New Build CMU that is in force at the time of the expiry of the notice period or extension period referred to in Rule 6.10.2(e); and
- (b) any other Capacity Agreement awarded in respect of that New Build CMU for a Delivery Year subsequent to Delivery Year Z."

7.4.4 After Rule 6.8.3 insert:

"6.8.3AA Prospective Interconnector CMU has reached its Minimum Completion Requirement if:

- (a) the CMU is Operational with a Connection Capacity which, after being multiplied by its De-rating Factor, exceeds 50 per cent of its Capacity Obligation; and
- (b) the Capacity Provider has provided detailed line diagrams and completed a Metering Assessment as required by Rule 8.3.3(ba)<sup>27</sup>."

7.5 In Rule 6.10:

7.5.1 In Rule 6.10.1(a), insert at the end "or, in relation to an Interconnector CMU, any Joint Owner".

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<sup>27</sup> Rule 8.3.3(ba) was inserted by the Capacity Market (Amendment) Rules 2014.

- 7.5.2 In Rule 6.10.1(c), insert at the beginning "except where Rule 6.8.2B applies," and after "Rule 6.8.3" insert "or 6.8.3A".
- 7.5.3 In Rule 6.10.1(g), after "Generating CMU" insert "or an Interconnector CMU".
- 7.5.4 In Rule 6.10.1(h), omit "Generating".

**7.6** After Rule 6.10 insert:

**"6.11 Non-completion Fee**

- 6.11.1 Part 10 of the Regulations, and Regulation 33 (other than Regulation 33(2)(b), (3) and (5)(b)), shall apply to a Non-completion Notice as they apply to a Termination Notice.
- 6.11.2 Within 20 Working Days of receipt of a Non-completion Notice under Rule 6.8.2B, a Capacity Provider may make written representations to the Secretary of State in accordance with Regulation 33(4) as applied by Rule 6.11.1:
  - (a) applying to have that Non-completion Notice withdrawn; and
  - (b) specifying the reasons for requesting the withdrawal of the notice.
- 6.11.3 The Delivery Body:
  - (a) may withdraw a Non-completion Notice in accordance with a Reconsidered Decision pursuant to Part 10 of the Regulations as applied by Rule 6.11.1; and
  - (b) must immediately withdraw a Non-completion Notice on the instruction of:
    - (i) the Secretary of State in accordance with regulation 33(2) as applied by Rule 6.11.1;
    - (ii) the Authority in accordance with Regulation 71 as so applied; or
    - (ii) a court of competent jurisdiction in accordance with Regulation 72 as so applied.
- 6.11.4 Where a Non-completion Notice has not been withdrawn in accordance with Rule 6.11.3, the Capacity Provider is liable to pay a Non-completion Fee:
  - (a) if no request or appeal has been made under Part 10 of the Regulations as applied by Rule 6.11.1, by the end of the period stated in the notice;
  - (b) otherwise, if such a request or appeal is unsuccessful or is withdrawn, within five Working Days of the final determination or withdrawal of the request or appeal.

6.11.5 The amount of the Non-completion Fee payable is TF1, as determined in accordance with Regulation 43(3).<sup>28</sup>

## 8. Amendments of Chapter 7

### 8.1 In Rule 7.4:

8.1.1 In Rule 7.4.1(a)(ii), after "including" insert "(where applicable)".

8.1.2 In Rule 7.4.1(d)(i), before "or a DSR" insert ", an Interconnector CMU".

8.1.3 In Rule 7.4.1(d)(ii), after "Generating CMU" insert "or an Interconnector CMU" and omit the second occurrence of "Generating".

8.1.4 In Rule 7.4.1(d)(vi), omit "Generating".

8.1.5 In Rule 7.4.1(d)(vii)(cc), after "CMU" insert "that is a Distribution CMU".

8.1.6 In Rule 7.4.5(j), omit "Generating".

8.1.7 In Rule 7.4.5(l), omit "Generating".

8.1.8 In Rule 7.4.5(m), after "Fee" insert "or Non-completion Fee".

8.2 In Rule 7.5.1(r), after "Component(s)" insert ", or of an Interconnector CMU,".

## 9. Amendments of Chapter 8

### 9.1 In Rule 8.3:

9.1.1 In Rule 8.3.3(ba)<sup>29</sup> omit the first occurrence of "Generating", and after "located" insert "or the location at which the Interconnector CMU is metered".

9.1.2 In Rule 8.3.3(d)(i), (d)(ii), (e)(ii), (e)(iii) and (e)(iv),<sup>30</sup> omit "Generating".

### 9.2 In Rule 8.5.1, after paragraph (b) insert:

"(ba) where the Capacity Committed CMU is an Interconnector CMU, in any Settlement Period during which the CMU is affected by a measure taken by the System Operator which has the effect of reducing the Net Output of that CMU to an amount lower than the Interconnector Scheduled Transfer; or".

### 9.3 Omit the word "and" at the end of Rule 8.6.2 and insert the new paragraph:

"8.6.2A in the case of an Interconnector CMU, the Interconnector Scheduled Transfer; and".

## 10. Amendments of Chapter 9

### 10.1 In Rule 9.2:

10.1.1 In Rule 9.2.4, insert after paragraph (c):

"; or

<sup>28</sup> Regulation 43(3) to (5) applies to the determination of the amount of a Non-completion Fee by virtue of Regulation 43A(4), inserted by the Electricity Capacity (Amendment) Regulations 2015.

<sup>29</sup> Paragraph (ba) was inserted by the Capacity Market (Amendment) Rules 2014.

<sup>30</sup> Paragraph (d)(i) was amended, and paragraph (e)(iv) was inserted, by the Capacity Market (Amendment) Rules 2014.

- (d) with respect to a Capacity Committed CMU which is an Interconnector CMU, transferring all Capacity Agreements relating to that CMU outright to a person acquiring that Electricity Interconnector (or, if it is a Prospective Interconnector CMU, all the contractual and other rights and assets then owned by the Capacity Provider and necessary to achieve the Substantial Completion Milestone with respect to such CMU) provided that such person is an Acceptable Transferee”.

10.1.2 In Rule 9.2.6(b), omit “Generating”

10.1.3 Omit “and” after proviso (ii) to Rule 9.2.6, and insert after proviso (iii):

”; and

- (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 (or any part of such a Delivery Year)”.

10.1.4 In Rules 9.2.7 and 9.2.8, for “Rule 9.2.4(b) or 9.2.4(c)” substitute “Rule 9.2.4(b), Rule 9.2.4(c) or Rule 9.2.4(d)”.

## **11. Amendment of Chapter 11**

11.1 In Rule 11.3.2, omit “and” after paragraph (b) and insert after paragraph (c):

”; and

- (d) any Interconnector CMU”.

## **12. Amendments of Chapter 12**

12.1 In Rule 12.2:

12.1.1 In the title, omit “Generating”.

12.1.2 In Rule 12.2.1:

- (a) omit the first occurrence of “Generating”;
- (b) after “terminates” insert “or a Non-completion Notice is issued”; and
- (c) after “Generating Unit” insert “or Electricity Interconnector”.

12.1.3 In Rule 12.2.2, omit “Generating”.

12.1.4 In Rule 12.2.3, after “Generating Units” insert “, or the Electricity Interconnector,” and omit the second occurrence of “Generating”.

12.1.5 In Rule 12.2.4, omit “Generating”.

12.1.6 In Rule 12.2.6, after “Generating Unit,” insert “or Electricity Interconnector,”.

## **13. Amendments of Chapter 13**

13.1 In Rule 13.3:

13.1.1 In Rule 13.3.1, after “in a CMU” insert “, or the Electricity Interconnector comprised in an Interconnector CMU,”.



13.1.2 In Rule 13.3.3, after "Component," insert "Electricity Interconnector,".

13.1.3 In Rule 13.3.6:

- (a) after "Component" wherever it occurs insert ", or Electricity Interconnector,"; and
- (b) in paragraph (b), after the second occurrence of "CMU" insert ", or the Electricity Interconnector comprised in the Interconnector CMU,".

13.1.4 In Rule 13.3.8, for "Generating Units or" substitute "Generating Units," and after "Components" insert "or Electricity Interconnector".

**13.2** In Rule 13.4:

13.2.1 In Rule 13.4.1, for "If a Capacity" substitute "Subject to Rule 13.4.1A, if a Capacity".

13.2.2 After Rule 13.4.1 insert:

"13.4.1A For the purposes of the definition of "Satisfactory Performance Day" in Rule 13.4.1, in the case of an Interconnector CMU, the demonstration that is to be made is of Net Output at a level greater than zero as recorded for the purposes of the BSC by file CDCA-I041 of the Central Data Collection Agent (CDCA).".

13.2.3 In Rule 13.4.2 after "Generating CMU" insert "or an Interconnector CMU".

#### **14. Amendments of Chapter 14**

14.1 In Rule 14.3.1(a), after "Generating CMU" insert "or Interconnector CMU".

14.2 After Rule 14.4.2 insert:

"14.4.2A The System Operator must provide to the CM Settlement Body in respect of each Settlement Period in which a System Stress Event occurs, for each Capacity Committed CMU which is an Interconnector CMU, details of any reduction of Net Output falling within Rule 8.5.1(ba).<sup>31</sup>".

#### **15. Amendments of Schedule 1**

15.1 In Part D of Schedule 1, second column:

15.1.1 In row (i), add at the end "or the Electricity Interconnector".

15.1.2 In row (iv), after "Non-CMRS Distribution" insert ", Interconnector".

15.1.3 In row (v), after "Generating" insert "or Interconnector".

15.1.4 In rows (vi) and (vii), omit "Generating".

#### **16. New Schedule 3A**

16.1 After Schedule 3 insert:

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<sup>31</sup> Rule 8.5.1(ba) is inserted by paragraph 9.2 of this Schedule.



## **"SCHEDULE 3A: METHODOLOGY FOR DETERMINING THE DE-RATING FACTOR FOR AN INTERCONNECTOR CMU**

This Schedule 3A sets out the methodology for the determination of the Equivalent Firm Interconnector Capacity ("EFIC") of an Interconnector CMU for the purpose of Rule 2.3.4(c).<sup>32</sup>

The EFIC of an Interconnector CMU for a calendar year ("Year Y") will be the greater of:

- (1) the Historical De-rating Factor of that CMU for Year Y, and
- (2) the Forecasted De-rating Factor of that CMU for Year Y,

unless there are publically reported concerns about the supply of electricity for Year Y in the country or territory in which the Non-GB Part will be located ("the Interconnected Country"), in which case the Secretary of State may decide on a value for EFIC that is less than the Historical De-rating Factor.

### **Historical De-rating Factor**

The Historical De-rating Factor is to be determined by the Secretary of State as follows:

For each Financial Year ("Year A") in the period of seven Financial Years ending with 31 March in the year preceding the calendar year in which the determination is made (or of six Financial Years if the determination is made in 2015) ("the Relevant Period"), take all those hourly periods which show the highest 50% of peak demand in Core Winter Periods during Working Days between 7am and 7pm ("Periods of Highest Demand"). From those periods, take the subset of periods in which the day-ahead wholesale price for electricity in Great Britain is greater than the day-ahead wholesale price in the Interconnected Country ("the Positive Price-differential Periods").

For this purpose "Financial Year" means a period of one year commencing with 1 April.

#### **Case 1**

If an Electricity Interconnector has been in place throughout the Relevant Period for the purpose of transmitting electricity between the Interconnected Country and the GB Transmission system, and a complete set of data is available showing the amounts of electricity transmitted through that Electricity Interconnector during the Relevant Period (even in the instance of prolonged maintenance periods), take the subset of all those Positive Price-differential Periods in which there has been such a transmission into the GB Transmission System. Divide the number of periods in that subset by the total number of Periods of Highest Demand to give a de-rating factor for Year A ("DF<sub>A</sub>").

The Historical De-rating Factor for Year Y is then the average of DF<sub>A</sub> for each Year A.

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<sup>32</sup> Rule 2.3.4(c) is inserted by paragraph 3.2.3 above.

## Case 2

Where Case 1 does not apply, divide the number of Positive Price-differential Periods by the total number of Periods of Highest Demand, and then make a downward adjustment of the resulting figure based on factors such as technical availability, ramp rates and transmission losses to give a de-rating factor for Year A ("DF<sub>A</sub>").

The Historical De-rating Factor for Year Y is then the average of DF<sub>A</sub> for each Year A.

### Forecasted De-Rating Factor

The Forecasted De-rating Factor is to be determined by the Secretary of State as follows:

The Forecasted De-Rating Factor is to be based on a set of de-rating factors for Electricity Interconnectors produced by the Delivery Body using stochastic modelling methodology.

The Delivery Body must provide those de-rating factors to the Secretary of State, together with the scenarios on which they are based.

The Secretary of State will make a determination of the Forecasted De-Rating Factor for Year Y, taking those de-rating factors into consideration and after consulting such persons of proven technical expertise as the Secretary of State considers appropriate."

## 17. Amendments of Exhibit A

### 17.1 In Exhibit A:

#### 17.1.1 After paragraph (a) insert:

"[(aa) there is no ground on which a Joint Owner could be found to be Insolvent, taking into account all of that Joint Owner's liabilities (including any contingent or prospective liabilities)];"

#### 17.1.2 After paragraph (b) insert:

"[(bb) there is no ground for concluding that a Joint Owner will become Insolvent as a result of the Company entering into a Capacity Agreement]".

#### 17.1.3 After the sentence ending "otherwise indicated.", insert "[ "Joint Owner" means a Joint Owner in relation to the CMU to which the Application relates.]"

#### 17.1.4 To each of the insertions made above, attach the footnote:

"Delete unless the Application is made in respect of an Interconnector CMU in relation to which there are Joint Owners."

## 18. Amendment of Exhibit C

### 18.1 In paragraph (e) of Exhibit C, insert after sub-paragraph (v):

"(va) where the Application is for an Interconnector CMU, to any person who is a Joint Owner in relation to that Interconnector CMU;"

19. **New Exhibit DA**

19.1 After Exhibit D insert:

**“EXHIBIT DA: FORM OF JOINT OWNER DECLARATION FOR EXISTING INTERCONNECTOR CMU**

**Joint Owner Declaration for an Existing Interconnector CMU**

The following confirmations and declarations are made by [Party A; Party B; Party C as applicable] (the “**Relevant Parties**”) who are together the Joint Owners in relation to the following Interconnector CMU (the “**Relevant CMU**”) and/or its associated Non-GB Part:

*[Description of Interconnector CMU and Non-GB Part to be inserted]*

and are made in relation to the Application for the Relevant CMU (the “**Relevant Application**”).

- (a) Each of the Relevant Parties hereby confirms that:
  - (i) each is a Joint Owner in relation to the Relevant CMU; and
- (b) Each of the Relevant Parties hereby declares that:
  - (i) [Party ] is the Applicant for the Relevant CMU in relation to the Relevant Application (the “**Applicant Party**”);
  - (ii) in the event that the Relevant CMU becomes a Prequalified CMU for the Capacity Auction to which the Relevant Application relates, the Applicant Party will be the Bidder for the Relevant CMU in that Capacity Auction;
  - (iii) in the event that the Relevant CMU becomes a Capacity Committed CMU pursuant to the Capacity Auction to which the Relevant Application relates, the Applicant Party will be the Capacity Provider for the Relevant CMU.

Capitalised terms used herein have the meaning given to them in the Capacity Market Rules 2014 unless otherwise indicated.

DATED: [●]

Signed for and on behalf of:

.....  
Director

.....  
Director

Print Name:

Print Name:

To be executed by each Relevant Party by the signature of two directors, unless Rule 1.3A (inserted by the Capacity Market (Amendment) Rules 2014) applies, or execution is on behalf of a company which is not a UK-registered company (in which case it is to be duly executed under the law of the place in which the company is incorporated).”.

20. New Exhibit DB

20.1 After Exhibit DA (inserted by paragraph 19) insert:

**"EXHIBIT DB: ALTERNATIVE FORM OF JOINT OWNER DECLARATION FOR EXISTING INTERCONNECTOR CMU**

**Joint Owner Declaration for an Existing Interconnector CMU**

The following confirmations and declarations are made by [APPLICANT] who together with [LIST OTHER JOINT OWNERS] is a Joint Owner in relation to the following Interconnector CMU (the "Relevant CMU") and/or its associated Non-GB Part:

*[Description of Interconnector CMU and Non-GB Part to be inserted]*

and are made in relation to the Application for the Relevant CMU (the "Relevant Application").

- (a) [APPLICANT] hereby confirms that:
  - (i) it is a Joint Owner in relation to the Relevant CMU;
  - (ii) the ownership arrangements in relation to the Relevant CMU and the Non-GB Part do not preclude or limit its ability to act as Applicant or Capacity Provider or to perform any of its obligations under the Regulations or the Capacity Market Rules 2014; and
  - (iii) it has attached to this Declaration a signed acknowledgement from each of the other Joint Owners that they agree to its participation or intended participation in the Capacity Market; and
- (b) [APPLICANT] hereby declares that:
  - (i) it is the Applicant for the Relevant CMU in relation to the Relevant Application;
  - (ii) in the event that the Relevant CMU becomes a Prequalified CMU for the Capacity Auction to which the Relevant Application relates, it will be the Bidder for the Relevant CMU in that Capacity Auction;
  - (iii) in the event that the Relevant CMU becomes a Capacity Committed CMU pursuant to the Capacity Auction to which the Relevant Application relates it will be the Capacity Provider for the Relevant CMU.

Capitalised terms used herein have the meaning given to them in the Capacity Market Rules 2014 unless otherwise indicated.

DATED: [●]

Signed for and on behalf of [APPLICANT]

.....  
Director

.....  
Director

Print Name:

Print Name:

To be executed by the signature of two directors, unless Rule 1.3A (inserted by the Capacity Market (Amendment) Rules 2014) applies.”.

**21. New Exhibit DC**

**21.1** After Exhibit DB (inserted by paragraph 20) insert:

**“EXHIBIT DC: FORM OF JOINT OWNER DECLARATION FOR PROSPECTIVE INTERCONNECTOR CMU**

**Joint Owner Declaration for a Prospective Interconnector CMU**

The following confirmations and declarations are made by [Party A; Party B; Party C as applicable] (the “**Relevant Parties**”) who are together the Joint Owners in relation to the following Interconnector CMU (the “**Relevant CMU**”) and/or its associated Non-GB Part:

*[Description of Interconnector CMU and Non-GB Part to be inserted]*

and are made in relation to the Application for the Relevant CMU (the “**Relevant Application**”).

(a) Each of the Relevant Parties hereby confirms that:

- (i) each is a Joint Owner in relation to the Relevant CMU; and

(b) Each of the Relevant Parties hereby declares that:

- (i) [Party ] is the Applicant for the Relevant CMU in relation to the Relevant Application (the “**Applicant Party**”);
- (ii) in the event that the Relevant CMU becomes a Prequalified CMU for the Capacity Auction to which the Relevant Application relates, the Applicant Party will be the Bidder for the Relevant CMU in that Capacity Auction;
- (iii) in the event that the Relevant CMU becomes a Capacity Committed CMU pursuant to the Capacity Auction to which the Relevant Application relates, the Applicant Party will be the Capacity Provider for the Relevant CMU;
- (iv) any statement or declaration made or deemed to be made by the Applicant Party as Applicant, Bidder or Capacity Provider in accordance with the Capacity Market Rules 2014 is made or deemed to be made by or in respect of all Relevant Parties;
- (v) any certification required to be made by the Applicant, Bidder or Capacity Provider in accordance with Capacity Market Rules, including the Prequalification Certificate and the Certificate of Conduct, is made by or in respect of all Relevant Parties.

Capitalised terms used herein have the meaning given to them in the Capacity Market Rules 2014 unless otherwise indicated.

DATED: [•]

Signed for and on behalf of

.....  
Director

.....  
Director

Print Name:

Print Name:

To be executed by each Relevant Party by the signature of two directors, unless Rule 1.3A (inserted by the Capacity Market (Amendment) Rules 2014) applies, or execution is on behalf of a company which is not a UK-registered company (in which case it is to be duly executed under the law of the place in which the company is incorporated).".

### **PART 3**

#### **Eligibility conditions for a fifteen year Capacity Agreement**

#### **22. Amendment of Chapter 1**

**22.1** In Rule 1.2, in the definition of "Maximum Obligation Period", for paragraph (a) substitute:

- "(a) fifteen Delivery Years, including the first Delivery Year for which the Capacity Agreement is awarded, for a Prospective Generating CMU for which an Applicant has stated:
  - (i) pursuant to Rule 3.7.2(a), that to the best of its knowledge and belief the CMU will meet the Extended Years Criteria when completed; and
  - (ii) pursuant to Rule 3.7.2(d), that Qualifying £/kW Capital Expenditure is expected to equal or exceed the Fifteen Year Minimum £/kW Threshold;".

#### **23. Amendment of Chapter 3**

**23.1** In Rule 3.7.2, for paragraph (a) substitute:

- "(a) a description of the nature of the construction, repowering or refurbishment works to be undertaken; and, where the duration of the Capacity Agreement for the CMU is to be greater than three Delivery Years:
  - (i) that, to the best of its knowledge and belief, the CMU will meet the Extended Years Criteria when completed; and
  - (ii) a description of how those criteria are to be met;".

#### **24. Amendment of Chapter 8**

**24.1** After Rule 8.3.6 insert:

"8.3.6A Meeting the Extended Years Criteria

- (a) This Rule 8.3.6A applies where a Prospective Generating CMU has been awarded a Capacity Agreement with a duration of more than three Delivery Years.

- (b) Unless the requirements of paragraph (c) are satisfied, at the start of the first Delivery Year the relevant Capacity Provider must provide to the Delivery Body a certificate from an Independent Technical Expert, confirming that the Independent Technical Expert is satisfied that the CMU meets the Extended Years Criteria.
- (c) The requirements of this paragraph are that:
  - (i) at any time prior to the start of the first Delivery Year the relevant Capacity Provider provides to the Delivery Body a certificate from an Independent Technical Expert, confirming that the Independent Technical Expert is satisfied that the CMU meets the Extended Years Criteria, or that they will be met if certain conditions are fulfilled;
  - (ii) at the start of the first Delivery Year (or on the date that the Capacity Agreement takes effect in accordance with Rule 6.7.4(a)(ii) or Rule 6.8.5), that Capacity Provider provides to the Delivery Body a certificate from an Independent Technical Expert, confirming that the Independent Technical Expert is satisfied that, for the purposes of those criteria, there have been no material changes since the certificate provided under sub-paragraph (i) and that any conditions specified in the certificate have been fulfilled; and
  - (iii) the certificates provided under sub-paragraphs (i) and (ii) are so far as possible issued by the same Independent Technical Expert or, if not, by a member of the same firm (where that firm is still providing services).
- (d) If the requirements of paragraph (b) or (c) are satisfied, but Rule 8.3.6(b) or (c) applies, the duration of the Capacity Agreement is reduced and the Capacity Market Register must be updated in accordance with Rule 8.3.6(b) or (c) as applicable.
- (e) If the requirements of neither paragraph (b) nor paragraph (c) are satisfied, the duration of the Capacity Agreement is reduced to:
  - (i) three years, where a certificate is provided which satisfies Rule 8.3.6(a)(ii) or (iii); or
  - (ii) one year, where a certificate is provided which satisfies Rule 8.3.6(a)(i) or Rule 8.3.6(c) applies.
- (f) If paragraph (e) applies, the Delivery Body must update as applicable the duration of the Capacity Agreement in the Capacity Market Register.

#### 8.3.6B Definition of Extended Years Criteria

**"Extended Years Criteria"** means the requirements, in respect of a Prospective Generating CMU, that:

- (a) for each Generating Unit of the CMU, the Core Generating Plant consists of:



- (i) new Apparatus;
- (ii) both new and rebuilt Apparatus, where at least one complete generator or turbine is new; or
- (iii) rebuilt and/or previously used Apparatus, provided that the Generating Unit:
  - (aa) has not been used, or been available for use, for the generation and Export of electricity in Great Britain at any time in the three years preceding the Application; and
  - (bb) forms part of a CMU which is installed on a site that has not previously been used for that CMU and benefits from a new Grid or Distribution Connection Agreement;
- (b) each Generating Unit of the CMU can, with routine maintenance, be expected to remain capable of operation for at least fifteen years beginning with the first Delivery Year for which the Capacity Agreement is awarded;
- (c) where the CMU is a combustion installation covered by the BREF, the introductory note to a permit issued in respect of that CMU by the Environment Agency, Natural Resources Wales or the Scottish Environment Protection Agency includes the statement prescribed by Rule 8.3.6C(b); and
- (d) if paragraph (c) does not apply, and the Core Generating Plant of any Generating Unit of the CMU does not comprise all new Apparatus:
  - (i) where the CMU is a combustion installation that is not covered by the BREF, the CMU meets the emissions and energy efficiency standards that could be expected of a new plant of the same type, size and energy source installed in Great Britain; or
  - (ii) where the CMU is not a combustion installation, the CMU meets the energy efficiency standards that could be expected of a new plant of the same type, size and energy source installed at that location.

#### 8.3.6C Definition of Extended Years Criteria: supplementary

For the purposes of Rule 8.3.6B:

- (a) "**BREF**" means the document of the European Commission "Integrated Pollution Prevention and Control, Reference Document on Best Available Techniques for Large Combustion Plants" dated July 2006, or as revised or reissued from time to time; and
- (b) the statement referred to in Rule 8.3.6B(c) is a statement to the effect that the CMU will comply with those best available techniques levels, in relation to emissions and energy efficiency, that are:
  - (i) applicable to a new combustion installation of the same type, size and energy source; and



- (ii) defined by the version of the BREF that has effect at the time of issue of the permit.”.

## PART 4

### Metering and credit cover

#### 25. Amendments of Chapter 1

##### 25.1 In Rule 1.2:

25.1.1 For the definition of "Approved Metering Solution" substitute:

**"Approved Metering Solution"** means a Metering Configuration Solution<sup>33</sup> approved by the CM Settlement Body which is an arrangement of Metering Equipment<sup>34</sup> for:

- (a) a Generating Unit that is not a BM Unit;
- (b) a DSR CMU Component; or
- (c) a CMU that is a partial BM Unit".

25.1.2 For the definition of "Meter" substitute:

**"Meter"** means a device for measuring Active Energy and/or Active Power".

25.1.3 For the definition of "Meter Point" substitute:

**"Meter Point"** means a Metering System connection point between an Interconnector CMU, or a Generating Unit and/or DSR Component and:

- (a) for an Interconnector CMU or a Transmission CMU, the Transmission Network;
- (b) for a Distribution CMU, the relevant Distribution Network;
- (c) for a CMU on an Unlicensed Network<sup>35</sup>, the relevant Unlicensed Network; or
- (d) for a CMU within a Customer site, the connection point to the Customer site behind the existing site Boundary Point<sup>36</sup>.

25.1.4 For the definition of "Metered Volume" substitute:

**"Metered Volume"** means for a CMU, DSR CMU Component or Generating Unit and a Settlement Period, the net aggregate volume of Active Energy (for all Meter Points applicable to the CMU),

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<sup>33</sup> Definition is inserted by paragraph 1 of this Schedule.

<sup>34</sup> Definition is inserted by paragraph 1 of this Schedule.

<sup>35</sup> Definition is inserted by paragraph 1 of this Schedule.

<sup>36</sup> Definition is amended by paragraph 2.5.1 of this Schedule.

determined at the Boundary Point of the Transmission Network which flowed in that Settlement Period to or from that CMU or DSR CMU Component or Generating Unit, or in the case of an Interconnector CMU through that CMU into the Transmission Network”.

## **26. Amendments of Chapter 3**

### **26.1** In Rule 3.4.3(a):

26.1.1 at the end of sub-paragraphs (ii) and (iii) omit “and”; and

26.1.2 after sub-paragraph (iv)<sup>37</sup> insert:

- “(v) if applicable, the Metering Configuration Solution used by each Generating Unit or DSR CMU Component within a CMU, or by the Interconnector CMU, confirming each Metering Configuration Solution complies with the requirements set out in the applicable Governing Documents<sup>38</sup>; and
- (vi) if applicable, that the metering arrangements for each Generating Unit or DSR CMU Component comprised in a CMU, or for the Interconnector CMU, have not changed since a Metering Test was carried out by the CM Settlement Body; and”.

### **26.2** After Rule 3.10.2 insert:

“3.10.3 Information on existing Applicant Credit Cover

- (a) This Rule 3.10.3 applies to an Applicant for an Unproven DSR CMU, consisting of the same DSR CMU Components as the Unproven DSR CMU for which it has an existing Capacity Agreement, who:
  - (i) has previously provided Applicant Credit Cover in respect of that Unproven DSR CMU; and
  - (ii) wishes to be exempt from the requirement to provide further Applicant Credit Cover in accordance with Regulation 59(1B).<sup>39</sup>
- (b) Such an Applicant must include in the Application:
  - (i) confirmation that its Application is for the same Unproven DSR CMU as the one to which that existing Capacity Agreement relates;
  - (ii) the unique CMU identifier of that Unproven DSR CMU; and
  - (iii) confirmation that the Applicant Credit Cover previously provided has not been drawn down under Regulation 61 or released under Regulation 58(1)(a).”.

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<sup>37</sup> Sub-paragraph (iv) is inserted by paragraph 4.4.3 of this Schedule.

<sup>38</sup> Definition is inserted by paragraph 1 of this Schedule.

<sup>39</sup> Regulation 59(1B) was inserted by the Electricity Capacity (Amendment) Regulations 2015.

## 27. Amendment of Chapter 4

27.1 After Rule 4.5 insert:

### "4.5A Unproven DSR CMU: Applicant Credit Cover

4.5A.1 For the purpose of Regulation 59(1B), an Applicant for an Unproven DSR CMU to whom Rule 3.10.3 applies must provide further Applicant Credit Cover if Rule 4.5A.2 applies.

4.5A.2 This Rule 4.5A.2 applies where the CM Settlement Body has drawn down the Applicant Credit Cover previously provided under Regulation 61 or released it under Regulation 58(1)(a), and has given notice accordingly under Rule 4.5C.

4.5A.3 Where Rule 4.5A.2 applies, the Delivery Body must:

- (a) notify the Applicant that it must, within five Working Days of such notification, provide further Applicant Credit Cover to the CM Settlement Body in accordance with Part 7 of the Regulations; and
- (b) provide a copy of that notice to the CM Settlement Body.

4.5A.4 A notice served by the Delivery Body on the Applicant under Rule 4.5A.3 shall be deemed to be a conditional prequalification notice for the purposes of Part 7 of the Regulations.

4.5A.5 If the CM Settlement Body gives notice to the Applicant that it has approved that further Applicant Credit Cover, the Applicant must within five Working Days provide the Delivery Body with a copy of that notice.

4.5A.6 Within five Working Days of receiving a copy of a notice in accordance with Rule 4.5A.5, the Delivery Body must notify the Applicant that it is fully Prequalified.

4.5A.7 If the Delivery Body has not received a copy of a notice in accordance with Rule 4.5A.5 within 32 Working Days of providing notice under Rule 4.5A.3, the Delivery Body must notify the Applicant that it has not Prequalified.

### 4.5B Unproven DSR CMU: provision of Applicant Credit Cover by Capacity Provider

4.5B.1 For the purpose of Regulation 59(1B), a Capacity Provider who:

- (a) applied for Prequalification in a Capacity Auction in which it was awarded a Capacity Agreement; and
- (b) in relation to that Capacity Auction was an Applicant to whom Rule 3.10.3 applied, where Rule 4.5A.2 did not apply,

must provide further Applicant Credit Cover if Rule 4.5B.2 applies.

4.5B.2 This Rule 4.5B.2 applies where the CM Settlement Body has drawn down the Applicant Credit Cover previously provided under Regulation 61 or released it under Regulation 58(1)(a), and given notice accordingly under Rule 4.5C.

4.5B.3 Where Rule 4.5B2 applies, the Delivery Body must-

- (a) notify the Capacity Provider that it must, within five Working Days of such notification, provide further Applicant Credit Cover to the CM Settlement Body in accordance with Part 7 of the Regulations; and
- (b) provide a copy of that notice to the CM Settlement Body.

4.5B.4 Where a Capacity Provider has been notified by the Delivery Body under Rule 4.5B.3(a), Part 7 of the Regulations shall apply as if references in it to a person who has applied to prequalify and to a person who is required to provide credit cover included references to that Capacity Provider.

4.5B.5 If the CM Settlement Body gives notice to the Capacity Provider that it has approved the further Applicant Credit Cover provided by the Capacity Provider, the Capacity Provider must within five Working Days provide the Delivery Body with a copy of that notice.

4.5B.6 Within five Working Days of receiving from a Capacity Provider of an Unproven DSR CMU a copy of a notice in accordance with Rule 4.5B.5, the Delivery Body must notify the Applicant that it has successfully lodged the further Applicant Credit Cover.

4.5B.7 If the Delivery Body has not received a copy of a notice in accordance with Rule 4.5B.5 within 32 Working Days of providing notice under Rule 4.5B.3, Rule 6.10.1(m) applies with respect to the Capacity Agreement.

#### **4.5C Applicant Credit Cover: notices to Delivery Body**

Where, in respect of an Unproven DSR CMU, the CM Settlement Body has drawn down Applicant Credit Cover in accordance with Regulation 61 or released Applicant Credit Cover in accordance with Regulation 58(1)(a), it must notify the Delivery Body accordingly.”.

## **28. Amendments of Chapters 5 and 6**

**28.1** In Rule 5.5.13, for “Where” substitute “Subject to Rule 5.5.13A where”, and after that Rule insert:

“5.5.13A Where an Applicant provides confirmation in accordance with Rule 3.10.3(a), Rule 5.5.13 does not apply.”.

**28.2** In Rule 5.5.16 for “Failure” substitute “Subject to Rule 5.5.16A, failure” and after that Rule insert:

“5.5.16A Where an Applicant provides confirmation in accordance with Rule 3.10.3(b), Rule 5.5.16(b) does not apply.”.

**28.3** In Rule 6.10.1:

28.3.1 after paragraph (k)<sup>40</sup>, insert:

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<sup>40</sup> Rule 6.10.1(k) is inserted by paragraph 43.4.1 of this Schedule.

- “(l) where the Capacity Agreement relates to a Generating CMU with a multi-year Capacity Obligation and the CM Settlement Body determines that the Capacity Provider has on three separate occasions invalidated the Metering Test Certificate relating to that Generating CMU;
- (m) where the Capacity Agreement relates to an Unproven DSR CMU, Rule 4.5B.2 applies and the Capacity Provider has failed to lodge credit cover in accordance with Rule 4.5B.7;”.

## **29. Amendments of Chapters 7, 8, 9 and 11**

### **29.1 In Rule 7.5.1:**

29.1.1 after paragraph (u) insert:

“and

- (v) to record the reduced Capacity Obligation of a Capacity Committed CMU under Rule 13A.8.8, within five Working Days of the DSR Test Certificate being provided.”.

### **29.2 In Rule 8.3.3:**

29.2.1 in paragraph (d)(ii)(bb), for “CM Settlement Body” substitute “Delivery Body”;

29.2.2 for paragraph (f) substitute:

“(f) A Capacity Provider must:

- (i) ensure the accurate submission of information to the Delivery Body and the CM Settlement Body in meeting the requirements under Rule 3.6.4(a) and Rule 3.9.4(a) as applicable;
- (ii) notify the Delivery Body and the CM Settlement Body in advance of any proposed change to:
  - (aa) the metering configuration for any Generating Unit or DSR CMU Component, or any Interconnector CMU; or
  - (bb) the arrangements specified in the information provided pursuant to Rule 3.4.3;
- (iii) obtain the prior confirmation of the CM Settlement Body that such proposed changes:
  - (aa) will meet the standards required at Prequalification; and
  - (bb) in the case of a DSR CMU or a DSR CMU Component, will not affect its ability to determine the Baseline Demand with accuracy on a Settlement Period basis;
- (iv) in the case of a proposed change pursuant to paragraph (ii)(aa) above, obtain a Metering Test Certificate for the DSR CMU with the new metering configuration after the change has taken effect;
- (v) if notified by a third party that the Metering Equipment is faulty and/or the Meter is recording inaccurate data, notify the CM

Settlement Body within two Working Days of being notified by the third party and within five Working Days either:

- (aa) correct the fault; or
- (bb) submit a rectification plan to the CM Settlement Body setting out how and when the fault will be corrected;
- (vi) ensure that all replacement Metering Equipment is installed and tested in accordance with the relevant Governing Documents;
- (vii) ensure that all replacement Metering Equipment complies with the change procedures set out in the relevant Governing Documents and in the event the Delivery Body no longer operates a Relevant Balancing Service, the Capacity Provider must amend the metering configuration to one of the other Metering Configuration Solutions; and
- (viii) ensure the Metering Configuration Solution for each Generating Unit or DSR CMU Component, or for the Interconnector CMU, complies with any changes to the process for submitting meter data as requested by the CM Settlement Body.”; and

29.2.3 after paragraph (f) insert:

- “(g) In respect of a CMU that is a subset of a BM Unit, the Capacity Provider must:
  - (i) divide the BM Unit into further BM Units that represent the output of the CMU; or
  - (ii) when confirming the Metering Configuration Solution under Rule 3.4.3(a)(v) select the Bespoke Metering Configuration Solution<sup>41</sup> to identify the output of the CMU.

For the purposes of the definition of the Bespoke Metering Configuration Solution, Schedule 7 has effect.”.

**29.3** After Rule 9.2.5(b)(iii) insert:

“and

- (iv) which are not in breach of Rule 14.5.7;”.

**29.4** After Rule 11.3.5 insert:

“11.3.6 Submission of meter data

- (a) During the Transition Period, a Capacity Provider using either:
  - (i) the Balancing Services Metering Configuration Solution<sup>42</sup>; or
  - (ii) the Bespoke Metering Configuration Solution,is permitted to either:

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<sup>41</sup> Definition is inserted by paragraph 1 of this Schedule.

<sup>42</sup> Definition is inserted by paragraph 1 of this Schedule.

- (aa) submit meter data directly to the CM Settlement Body;  
or
  - (bb) arrange for the data to be collected and submitted to the CM Settlement Body.
- (b) Data submitted using either of the methods set out at paragraphs (aa) and (bb) must be submitted via secure file transfer protocol in a comma separated value format.”.

### **30. Amendments of Chapter 13**

#### **30.1 For Rule 13.1 substitute:**

##### **“13.1 Purpose of this Chapter**

The Rules prescribe the procedures for:

13.1.1 the DSR Test;

13.1.2 the Metering Test;

13.1.3 the demonstration of satisfactory performance by Capacity Committed CMUs; and

13.1.4 the Site Audit.”.

#### **30.2 For Rule 13.2.5(b)(ii) substitute:**

- “(ii) where no Metering Test Certificate has been issued for the DSR CMU, confirmation of the Approved Metering Solution that each DSR CMU Component is to be measured against.”.

#### **30.3 After Rule 13.2.12, insert:**

“13.2.12A Subject to Rule 13.2.12 and 13.2.14, a DSR Test Certificate issued pursuant to this Rule 13.2 will remain valid if the Applicant in respect of a DSR CMU submits an Application for the same resource in a subsequent Capacity Auction and provides confirmation in accordance with Rule 3.10.3.”.

#### **30.4 After Rule 13.2 insert:**

##### **“13.2A New DSR Test**

13.2A.1 Rule 13.3A.2 applies where a Capacity Provider has a DSR Test Certificate and the CM Settlement Body has notified the Delivery Body under Rule 13A.2.4(c), 13A.2.7(c), 13A.3.4(d), 13A.3.7(c), 13A.4.5(d), 13A.4.8(c), 13A.5.4(c) or Rule 13A.5.7(c) that the Metering Test Certificate is invalid and that a new DSR Test is required.

13.2A.2 Where this Rule 13.2A.2 applies, the Delivery Body must notify the Capacity Provider that a new DSR Test must be carried out.

13.2A.3 To enable the Delivery Body to carry out a new DSR Test with respect to the relevant DSR CMU, the Capacity Provider must provide the Delivery Body with the information set out in Rule 13.2.5, except for the information required by Rule 13.2.5(b)(ii).



- 13.2A.4 Following the submission of the information referred to in Rule 13.2A.3, the Capacity Provider must for each DSR CMU comply with Rule 13.2.6(b).
- 13.2A.5 If the Capacity Provider complies with Rule 13.2.6(b), Rules 13.2.7 and 13.2.8 apply.
- 13.2A.6 The Delivery Body must for the activation Settlement Period in the case of Rule 13.2.6(b), notify the Capacity Provider of its verified calculations of:
- (a) Baseline Demand;
  - (b) the DSR evidenced (which can be zero); and
  - (c) the Proven DSR Capacity calculated by multiplying the DSR by two.
- 13.2A.7 The Delivery Body must comply with the requirement in Rule 13.2A.6 within 5 Working Days of receipt of data from the CM Settlement Body regarding Metered Volumes at the relevant meters during the Settlement Period referred to in Rule 13.2.6(b).
- 13.2A.8 The Capacity Provider may, within 2 Working Days of receiving a notice from the Delivery Body pursuant to Rule 13.2A.6, issue a notice under Rule 13.2.6(b).
- 13.2A.9 If a Capacity Provider issues a notice under Rule 13.2A.8, Rules 13.2.6(b), 13.2.7 and 13.2A.6 apply provided that the Capacity Provider may only exercise the right to require a retest pursuant to this Rule on one occasion.
- 13.2A.10 Where a Capacity Provider exercises the right to require a re-test pursuant to Rule 13.2A.9, the outcome of the second DSR Test will be conclusive as to the Proven DSR Capacity of the relevant DSR CMU even if such outcome demonstrates a lower Proven DSR Capacity than the first DSR Test.
- 13.2A.11 Within five Working Days of receipt of the notice under 13.2A.6, and provided that no notice has been issued under Rule 13.2A.8, the Delivery Body must issue a new DSR Test Certificate to the Capacity Provider:
- (a) confirming that a new DSR Test has occurred;
  - (b) setting out the new Proven DSR Capacity of the DSR CMU, which must be that notified by the Delivery Body pursuant to Rule 13.2A.6; and
  - (c) detailing the metering configuration for each DSR CMU Component comprised in the DSR CMU.
- 13.2A.12 The Delivery Body shall:
- (a) notify the CM Settlement Body of the outcome of any new DSR Test carried out pursuant to this Rule 13.2A; and

- (b) update the Capacity Market Register in accordance with Rules 7.5.1(j) and (v)."

**30.5** For Rule 13.3.2 substitute:

"13.3.2 A Capacity Provider for a CMU that is subject to a Metering Test must:

- (a) notify the CM Settlement Body that it requires a Metering Test to be carried out with respect to that CMU; and
- (b) submit a Metering Statement setting out the Metering Configuration Solution that each Generating Unit or DSR CMU Component comprised in the CMU, or the Electricity Interconnector comprised in the Interconnector CMU, is to be tested against."

**30.6** In Rule 13.3.9(b), for "independent meeting specialist" substitute "independent metering specialist".

**30.7** After Rule 13.3.10 insert:

"13.3.11 A Metering Test Certificate issued pursuant to Rule 13.3.6 will only be valid for the Generating Unit or DSR CMU Component to which it relates for so long as the details relating to the configuration of the CMU and/or the Metering Configuration Solution as detailed pursuant to Rule 3.4.3(a)(v) and (vi) remain unchanged. In the event that the configuration of the CMU and/or the Metering Configuration Solution changes, the Capacity Provider must obtain a new Metering Test Certificate."

**30.8** After Rule 13.4 insert:

**"13.5 Site Audit<sup>43</sup>**

13.5.1 A Site Audit may be carried out if:

- (a) non-compliance is suspected by the CM Settlement Body;
- (b) a change to a Capacity Provider's metering configuration has occurred further to Rule 8.3.3(f)(ii)(aa);
- (c) a Capacity Provider submits meter data directly to the CM Settlement Body; or
- (d) an on-site check has not been conducted by the CM Settlement Body to confirm the metering configuration used by the Capacity Provider.

13.5.2 A Site Audit must involve verification that the Metering System accords with any Metering Statement submitted by the Capacity Provider in accordance with Rule 13.3.2 and where applicable may include a comparison with the settlement meter data submitted to the CM Settlement Body in order to detect errors.

13.5.3 Where a Site Audit is to take place, the CM Settlement Body must:

- (a) notify the Capacity Provider that a Site Audit will take place;

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<sup>43</sup> Definition is inserted by paragraph 1 of this Schedule.

- (b) propose a date (the "proposed date") for the Site Audit to take place (a minimum of 2 months' notice required);
- (c) set out the nature of access required for the purposes of conducting the Site Audit;
- (d) if applicable, notify the Capacity Provider if it requires further information to be submitted about the Metering System in advance of the Site Audit; and
- (e) if applicable, notify the Capacity Provider that if it has not been subject to a Metering Test and has not provided a Metering Statement it must provide a Metering Statement.

13.5.4 The CM Settlement Body shall (and shall procure that any suitably-qualified persons nominated by the CM Settlement Body) take or refrain from taking all such action as may be reasonably required by the Capacity Provider in order to comply with applicable health and safety rules in relation to the Metering Site which is the subject of the Site Audit.

13.5.5 Following receipt of a notice issued pursuant to Rule 13.5.3, the Capacity Provider must within 5 Working Days:

- (a) acknowledge receipt of the notice;
- (b) confirm the proposed date for the Site Audit is suitable and if unsuitable liaise with the CM Settlement Body and agree a suitable date for the Site Audit to take place within one month of the proposed date (the "agreed date");
- (c) liaise with the CM Settlement Body to determine the nature of the access required to enable the CM Settlement Body to conduct the Site Audit and the times when such access shall be granted to the CM Settlement Body ("the Entry Right"); and
- (d) notify the CM Settlement Body of any changes to the Metering System since the Metering Statement was provided.

13.5.6 If Rule 13.5.3(d) or (e) apply, the Capacity Provider must provide the requested information and/or Metering Statement as applicable to the CM Settlement Body, within 21 Working Days prior to the agreed date of the Site Audit.

13.5.7 The Capacity Provider must obtain (or, if the Capacity Provider is not the owner of the relevant property or asset, shall procure that the owner obtains) each authorisation, licence, accreditation, permit, consent, certificate, resolution, clearance, exemption, order confirmation, permission or other approval for it to be able to grant the Entry Right to the CM Settlement Body and any suitably-qualified persons nominated by the CM Settlement Body.

13.5.8 Following completion of a Site Audit, the CM Settlement Body must within 5 Working Days either:

- (a) issue a notice of compliance to the Capacity Provider; or

- (b) issue a notice of non-compliance to the Capacity Provider and provide details of the non-compliance.

13.5.9 If the CM Settlement Body:

- (a) gives notice to a Capacity Provider pursuant to Rule 13.5.8(b); and
- (b) the Site Audit identifies that the Capacity Provider was in breach of the requirements under Rule 8.3.3(f) and/or Rule 14.5.7, Rule 13A.6.1 applies.

13.5.10 If the CM Settlement Body gives notice to a Capacity Provider pursuant to Rule 13.5.8(b), the Capacity Provider must within 5 Working Days of receipt of such notice, notify the CM Settlement Body specifying whether or not the Capacity Provider accepts the decision of the CM Settlement Body.

13.5.11 If the Capacity Provider accepts a decision of the CM Settlement Body pursuant to Rule 13.5.10, the Capacity Provider must respond to the applicable Metering Recovery Payment Notice in accordance with Rule 13A.6.1, and, thereafter, if the CM Settlement Body is satisfied that the Capacity Provider has complied with the above requirements, issue a notice of compliance to the Capacity Provider.

13.5.12 If the Capacity Provider does not accept the decision of the CM Settlement Body pursuant to Rule 13.5.10:

- (a) the Capacity Provider must submit to the CM Settlement Body within 5 Working Days of receipt of the notice pursuant to Rule 13.5.8(b) written representations setting out the reasons why the Capacity Provider believes that a non-compliance notice should not have been issued together with supporting information from an independent metering specialist;
- (b) within 5 Working Days of receiving the submissions referred to in Rule 13.5.12(a), the CM Settlement Body will convene a meeting with the Capacity Provider and the independent metering specialist to seek a resolution to the dispute;
- (c) if a resolution is agreed pursuant to Rule 13.5.12(b), either the CM Settlement Body will issue a compliance notice or Rule 13.5.11 will apply as applicable;
- (d) if no resolution is agreed pursuant to Rule 13.5.12(b), the dispute shall be submitted to an expert for determination in accordance with the Expert Determination Procedure; and
- (e) following the determination by the expert in accordance with the Expert Determination Procedure, either the CM Settlement Body will issue a compliance notice or Rule 13.5.11 will apply as applicable.

13.5.13 For the purposes of Rule 13.5.12(d) references there to "Expert Determination Procedure" mean the procedure set out in Schedule 5 with the following modifications:

- (a) all references to Rule 13.3.6(b) should be read as 13.5.8(b);
- (b) all references to Rule 13.3.9(b) should be read as 13.5.12(b);  
and
- (c) all references to Rule 13.3.9(d) should be read as Rule  
13.5.12(d).

13.5.14 The CM Settlement Body shall notify the Delivery Body of the outcome of any Site Audit carried out pursuant to this Rule 13.5.”.

### **31. New Chapter 13A**

31.1 After Chapter 13 insert:

## **“CHAPTER 13A: METERING RECOVERY FAULTS AND REPAYMENT OF CAPACITY PAYMENTS**

### **13A. Metering Recovery Faults and Payments**

#### **13A.1 Purpose of this Chapter**

The Rules describe the circumstances in which:

- (a) a Metering Test Certificate or DSR Test Certificate is invalidated; and
- (b) a capacity payment is repayable as a result of such an invalidity.

#### **13A.2 Failure to notify a change to the metering configuration**

13A.2.1 If the CM Settlement Body becomes aware that a Capacity Provider has failed to notify it of a change to the metering configuration in accordance with Rule 8.3.3(f)(ii) the CM Settlement Body must issue, as soon as reasonably practicable, a Metering Recovery Payment Notice to the Capacity Provider.

13A.2.2 Within five Working Days of receipt of a Metering Recovery Payment Notice, the Capacity Provider must:

- (a) confirm to the CM Settlement Body whether a change to the metering configuration occurred;
- (b) confirm, if applicable, the date the change first occurred (the “invalidation date”); and
- (c) provide evidence to prove the invalidation date.

13A.2.3 If a Capacity Provider:

- (a) fails to comply with Rule 13A.2.2, then Rule 13A.2.4 and 13A.2.5 apply.
- (b) complies with Rule 13A.2.2 and the CM Settlement Body determines that the Capacity Provider has failed to meet the requirement in Rule 8.3.3(f)(ii), Rule 13A.2.7 and 13A.2.8 apply.

13A.2.4 Where this Rule applies:

- (a) a Capacity Provider’s Metering Test Certificate is invalidated;

- (b) the CM Settlement Body must notify a Capacity Provider that its Metering Test Certificate has been invalidated and that the Capacity Provider must repay the capacity payments it has received in accordance with Rule 13A.8.4;
- (c) if a Capacity Provider also has a DSR Test Certificate, the CM Settlement Body must:
  - (i) notify the Delivery Body as soon as reasonably practicable that the Capacity Provider's Metering Test Certificate has been invalidated; and
  - (ii) notify the Delivery Body that a new DSR Test is required in accordance with Rule 13.2A; and
- (d) unless a new DSR Test under paragraph (c)(ii) confirms the accuracy of the existing DSR Test Certificate the Capacity Provider's existing DSR Test Certificate is invalidated.

13A.2.5 The CM Settlement Body must notify the Capacity Provider that it is required to undertake a new Metering Test in accordance with Rule 13.3.

13A.2.6 Where a new Metering Test is required under Rule 13A.2.5 the requirement in Rule 13.3.2 that the Capacity Provider must notify the CM Settlement Body that it requires a Metering Test to be carried out with respect to that CMU does not apply.

13A.2.7 Where this Rule applies:

- (a) a Capacity Provider's Metering Test Certificate is invalidated;
- (b) the CM Settlement Body must notify a Capacity Provider that its Metering Test Certificate has been invalidated and that the Capacity Provider must repay the capacity payments it has received in accordance with Rule 13A.8.2;
- (c) if a Capacity Provider also has a DSR Test Certificate, the CM Settlement Body must:
  - (i) notify the Delivery Body as soon as reasonably practicable that the Capacity Provider's Metering Test Certificate has been invalidated; and
  - (ii) notify the Delivery Body that a new DSR Test is required in accordance with Rule 13.2A; and
- (d) unless a new DSR Test under paragraph (c)(ii) confirms the accuracy of the existing DSR Test Certificate the Capacity Provider's existing DSR Test Certificate is invalidated.

13A.2.8 The CM Settlement Body must notify the Capacity Provider that it is required to undertake a new Metering Test in accordance with Rule 13.3.

13A.2.9 Where a new Metering Test is required under Rule 13A.2.8 the requirement in Rule 13.3.2 that the Capacity Provider must notify the

CM Settlement Body that it requires a Metering Test to be carried out with respect to that CMU does not apply.

13A.2.10 If a Capacity Provider is required to undertake a new DSR Test and the new DSR Test demonstrates a lower output than the Capacity Provider's Capacity Obligation, the Capacity Provider must have its Capacity Obligation reduced to its new Proven DSR Capacity and Rule 13A.8.6 applies. Where the new Proven DSR Capacity is less than 2MW, Rule 6.10.1(d) applies.

### **13A.3 Errors with the submission of data**

13A.3.1 If the CM Settlement Body becomes aware that a Capacity Provider has failed to notify it in accordance with Rule 14.5.7 of an error with any data submitted, the CM Settlement Body must issue, as soon as reasonably practicable, a Metering Recovery Payment Notice to the Capacity Provider.

13A.3.2 Within five Working Days of receipt of a Metering Recovery Payment Notice, the Capacity Provider must provide to the CM Settlement Body details of the date when errors in any data submitted first occurred (the "invalidation date") and either:

- (a) correct the fault; or
- (b) submit to the CM Settlement Body a rectification plan setting out how and when the fault will be corrected.

13A.3.3 If a Capacity Provider:

- (a) fails to comply with Rule 13A.3.2, then Rule 13A.3.4 and 13A.3.5 apply.
- (b) complies with Rule 13A.3.2 and the CM Settlement Body determines that the Capacity Provider has breached Rule 14.5.7, Rule 13A.3.7 and 13A.3.8 apply.

13A.3.4 Where this Rule applies:

- (a) a Capacity Provider's Metering Test Certificate is invalidated;
- (b) the CM Settlement Body must notify a Capacity Provider that its Metering Test Certificate has been invalidated and that the Capacity Provider must repay the capacity payments it has received in accordance with Rule 13A.8.4;
- (c) if a rectification plan was submitted under Rule 13A.3.2(b), the Capacity Provider must:
  - (i) undertake any repairs to the Metering Equipment in accordance with that plan; or
  - (ii) notify the CM Settlement Body that the repairs have been completed within five Working Days of completion;
- (d) if a Capacity Provider also has a DSR Test Certificate, the CM Settlement Body must:



- (i) notify the Delivery Body as soon as reasonably practicable that the Capacity Provider's Metering Test Certificate has been invalidated; and
- (ii) notify the Delivery Body that a new DSR Test is required in accordance with Rule 13.2A; and
- (e) unless a new DSR Test under paragraph (d)(ii) confirms the accuracy of the existing DSR Test Certificate the Capacity Provider's existing DSR Test Certificate is invalidated.

13A.3.5 The CM Settlement Body must notify the Capacity Provider that it is required to undertake a new Metering Test in accordance with Rule 13.3.

13A.3.6 Where a new Metering Test is required under Rule 13A.3.5 the requirement in Rule 13.3.2 that the Capacity Provider must notify the CM Settlement Body that it requires a Metering Test to be carried out with respect to that CMU does not apply.

13A.3.7 Where this Rule applies:

- (a) a Capacity Provider's Metering Test Certificate is invalidated;
- (b) the CM Settlement Body must notify a Capacity Provider that its Metering Test Certificate has been invalidated and:
  - (i) if the fault is corrected by the Capacity Provider in accordance with Rule 13A.3.2(a), the Capacity Provider must repay the capacity payments it has received in accordance with Rule 13A.8.2; or
  - (ii) if repairs are required under a rectification plan submitted under Rule 13A.3.2(b) the Capacity Provider must:
    - (aa) undertake any repairs to the Metering Equipment in accordance with the rectification plan submitted;
    - (bb) notify the CM Settlement Body that the repairs have been completed within five Working Days of completion (the "completion notice"); and
    - (cc) repay the capacity payments it has received in accordance with Rule 13A.8.3;
- (c) where a Capacity Provider also has a DSR Test Certificate, the CM Settlement Body must:
  - (i) notify the Delivery Body as soon as reasonably practicable that the Capacity Provider's Metering Test Certificate has been invalidated; and
  - (ii) notify the Delivery Body that a new DSR Test is required in accordance with Rule 13.2A.



- 13A.3.8 The CM Settlement Body must notify the Capacity Provider that it is required to undertake a new Metering Test in accordance with Rule 13.3.
- 13A.3.9 Where a new Metering Test is required under Rule 13A.3.8 the requirement in Rule 13.3.2 that the Capacity Provider must notify the CM Settlement Body that it requires a Metering Test to be carried out with respect to that CMU does not apply.
- 13A.3.10 If a Capacity Provider is required to undertake a new DSR Test and the DSR Test demonstrates a lower output than the Capacity Provider's Capacity Obligation, the Capacity Provider must have its Capacity Obligation reduced to its new Proven DSR Capacity and Rule 13A.8.6 applies. Where the new Proven DSR Capacity is less than 2MW Rule 6.10.1(d) applies.

#### **13A.4 Faulty Metering Equipment**

- 13A.4.1 If a Capacity Provider fails to notify the CM Settlement Body of any faulty Metering Equipment that is, or has been, inaccurately recording data in breach of Rule 8.3.3(f)(v) the CM Settlement Body must, as soon as reasonably practicable, issue a Metering Recovery Payment Notice to the Capacity Provider.
- 13A.4.2 The obligation on the CM Settlement Body in Rule 13A.4.1 only arises if the CM Settlement Body becomes aware of the faulty Metering Equipment through a third party or a Site Audit.
- 13A.4.3 Within five Working Days of receipt of a Metering Recovery Payment Notice, the Capacity Provider must provide to the CM Settlement Body details of when the fault was first discovered (the "invalidation date"), evidence of the fault and either:
- (a) correct the fault; or
  - (b) submit a rectification plan to the CM Settlement Body setting out how and when the fault will be corrected.
- 13A.4.4 If a Capacity Provider:
- (a) fails to comply with Rule 13A.4.3, then Rule 13A.4.5 and 13A.4.6 apply.
  - (b) complies with Rule 13A.4.3 and the CM Settlement Body determines that the Capacity Provider has failed to meet the requirement in Rule 8.3.3(f)(v) then Rule 13A.4.8 and 13A.4.9 apply.
- 13A.4.5 Where this Rule applies:
- (a) a Capacity Provider's Metering Test Certificate is invalidated;
  - (b) the CM Settlement Body must notify a Capacity Provider that its Metering Test Certificate has been invalidated and that the Capacity Provider must repay the capacity payments it has received in accordance with Rule 13A.8.4;

- (c) if a rectification plan was submitted under Rule 13A.4.3(b) required, the Capacity Provider must:
  - (i) undertake any repairs to the Metering Equipment in accordance with that plan; or
  - (ii) notify the CM Settlement Body that the repairs have been completed within five Working Days of completion;
- (d) where a Capacity Provider also has a DSR Test Certificate, the CM Settlement Body must:
  - (i) notify the Delivery Body as soon as reasonably practicable that the Capacity Provider's Metering Test Certificate has been invalidated; and
  - (ii) notify the Delivery Body that a new DSR Test is required in accordance with Rule 13.2A; and
- (e) unless a new DSR Test under paragraph (d)(ii) confirms the accuracy of the existing DSR Test Certificate the Capacity Provider's existing DSR Test Certificate is invalidated.

13A.4.6 The CM Settlement Body must notify the Capacity Provider that it is required to undertake a new Metering Test in accordance with Rule 13.3.

13A.4.7 Where a new Metering Test is required under Rule 13A.4.6 the requirement in Rule 13.3.2 that the Capacity Provider must notify the CM Settlement Body that it requires a Metering Test to be carried out with respect to that CMU does not apply.

13A.4.8 Where this Rule applies:

- (a) a Capacity Provider's Metering Test Certificate is invalidated;
- (b) the CM Settlement Body must notify a Capacity Provider that its Metering Test Certificate has been invalidated and:
  - (i) if the fault is corrected by the Capacity Provider in accordance with Rule 13A.4.3(a), the Capacity Provider must repay the capacity payments it has received in accordance with Rule 13A.8.2; or
  - (ii) if repairs are required under a rectification plan submitted under Rule 13A.4.3(b) the Capacity Provider must:
    - (aa) undertake any repairs to the Metering Equipment in accordance with the rectification plan submitted;
    - (bb) notify the CM Settlement Body that the repairs have been completed within five Working Days of completion (the "completion notice"); and

- (cc) repay the capacity payments it has received in accordance with Rule 13A.8.3;
- (c) where a Capacity Provider also has a DSR Test Certificate, the CM Settlement Body must:
  - (i) notify the Delivery Body as soon as reasonably practicable that the Capacity Provider's Metering Test Certificate has been invalidated; and
  - (ii) notify the Delivery Body that a new DSR Test is required in accordance with Rule 13.2A; and
- (d) unless a new DSR Test under paragraph (c)(ii) confirms the accuracy of the existing DSR Test Certificate the Capacity Provider's existing DSR Test Certificate is invalidated.

13A.4.9 The CM Settlement Body must notify the Capacity Provider that it is required to undertake a new Metering Test in accordance with Rule 13.3.

13A.4.10 Where a new Metering Test is required under Rule 13A.4.9 the requirement in Rule 13.3.2 that the Capacity Provider must notify the CM Settlement Body that it requires a Metering Test to be carried out with respect to that CMU does not apply.

13A.4.11 If a Capacity Provider is required to undertake a new DSR Test and that DSR Test demonstrates a lower output than the Capacity Provider's Capacity Obligation, the Capacity Provider must have its Capacity Obligation reduced to its new Proven DSR Capacity and Rule 13A.8.6 applies. Where the new Proven DSR Capacity is less than 2MW Rule 6.10.1(d) applies.

### **13A.5 Submission of incorrect information**

13A.5.1 If the CM Settlement Body becomes aware that a Capacity Provider has submitted incorrect information to the Delivery Body or CM Settlement Body regarding a CMU, Generating Unit or DSR component in purported compliance with Rule 8.3.3(f)(i), the CM Settlement Body must, as soon as reasonably practicable, issue a Metering Recovery Payment Notice to the Capacity Provider.

13A.5.2 Within five Working Days of receipt of a Metering Recovery Payment Notice, the Capacity Provider must:

- (a) provide the CM Settlement Body with details of the date when the incorrect information was first submitted (the "invalidation date"); and
- (b) explain to the CM Settlement Body why the line diagrams provided in accordance with, as applicable, Rule 3.6.4(a)(i), Rule 3.9.4(a)(i) or Rule 8.3.3(ba), and/or the Metering Statement provided in accordance with Rule 13.3.2, differ from the metering configuration.

13A.5.3 If a Capacity Provider:

- (a) fails to comply with Rule 13A.5.2, then Rule 13A.5.4 and 13A.5.5 apply;
- (b) complies with Rule 13A.5.2 and the CM Settlement Body determines that the Capacity Provider has breached the requirement in Rule 8.3.3(f)(i) then Rule 13A.5.7 and 13A.5.8 apply.

13A.5.4 Where this Rule 13A.5.4 applies:

- (a) a Capacity Provider's Metering Test Certificate is invalidated;
- (b) the CM Settlement Body must notify the Capacity Provider that its Metering Test Certificate has been invalidated and that the Capacity Provider must repay the capacity payments it has received in accordance with Rule 13A.8.4;
- (c) if a Capacity Provider also has a DSR Test Certificate, the CM Settlement Body must:
  - (i) notify the Delivery Body as soon as reasonably practicable that the Capacity Provider's Metering Test Certificate has been invalidated; and
  - (ii) notify the Delivery Body that a new DSR Test is required in accordance with Rule 13.2A; and
- (d) unless a new DSR Test under paragraph (c)(ii) confirms the accuracy of the existing DSR Test Certificate the Capacity Provider's existing DSR Test Certificate is invalidated.

13A.5.5 The CM Settlement Body must notify the Capacity Provider that it is required to undertake a new Metering Test in accordance with Rule 13.3.

13A.5.6 Where a new Metering Test is required under Rule 13A.5.5 the requirement in Rule 13.3.2 that the Capacity Provider must notify the CM Settlement Body that it requires a Metering Test to be carried out with respect to that CMU does not apply.

13A.5.7 Where this Rule 13A.5.7 applies:

- (a) a Capacity Provider's Metering Test Certificate is invalidated;
- (b) the CM Settlement Body must notify the Capacity Provider that its Metering Test Certificate has been invalidated and that the Capacity Provider must repay the capacity payments it has received in accordance with Rule 13A.8.2;
- (c) if a Capacity Provider also has a DSR Test Certificate, the CM Settlement Body must:
  - (i) notify the Delivery Body as soon as reasonably practicable that the Capacity Provider's Metering Test Certificate has been invalidated; and
  - (ii) notify the Delivery Body that a new DSR Test is required in accordance with Rule 13.2A; and

- (d) unless a new DSR Test under paragraph (c)(ii) confirms the accuracy of the existing DSR Test Certificate the Capacity Provider's existing DSR Test Certificate is invalidated.

13A.5.8 The CM Settlement Body must notify the Capacity Provider that it is required to undertake a new Metering Test in accordance with Rule 13.3.

13A.5.9 Where a new Metering Test is required under Rule 13A.5.8 the requirement in Rule 13.3.2 that the Capacity Provider must notify the CM Settlement Body that it requires a Metering Test to be carried out with respect to that CMU does not apply.

13A.5.10 If a Capacity Provider is required to undertake a new DSR Test and that DSR Test demonstrates a lower output than the Capacity Provider's Capacity Obligation, the Capacity Provider must have its Capacity Obligation reduced to its new Proven DSR Capacity and Rule 13A.8.6 applies. Where the new Proven DSR Capacity is less than 2MW, Rule 6.10.1(d) applies.

#### **13A.6 Metering concerns following Site Audit**

13A.6.1 If, following a Site Audit, the CM Settlement Body determines that a breach of Rule 8.3.3(f) or Rule 14.5.7 has occurred; the CM Settlement Body must issue a Metering Recovery Payment Notice in accordance with, as applicable, Rule 13A.2.1, 13A.3.1, 13A.4.1 or 13A.5.1.

#### **13A.7 Determining the repayment periods**

13A.7.1 For the purposes of this Chapter, "Metering Recovery Payment Notice" has the meaning given, as applicable, in Rule 13A.2.1, 13A.3.1, 13A.4.1 or 13A.5.1.

13A.7.2 For the purposes of this Chapter, "completion notice" has the meaning given, as applicable, in Rule 13A.3.7(b)(ii)(bb) or 13A.4.8(b)(ii)(bb).

13A.7.3 For the purposes of this Chapter, "invalidation date" has the meaning given, as applicable, in Rule 13A.2.2(b), 13A.3.2, 13A.4.3 or 13A.5.2(a).

#### **13A.8 Repayment of capacity payments for a metering fault**

13A.8.1 Where a Metering Test Certificate or DSR Test Certificate is held to be invalid on one of the grounds specified in Rule 13A.2.4, 13A.2.7, 13A.3.4, 13A.3.7, 13A.4.5, 13A.4.8, 13A.5.4 and 13A.5.7 the Capacity Provider must repay Capacity Payments in accordance with the provisions of this Rule.

13A.8.2 Subject to Rule 13A.8.5, Capacity Payments are repayable in respect of the period MP1, as defined in Regulation 43C(4)(a),<sup>44</sup> where the Metering Test Certificate or DSR Test Certificate is held to be invalid

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<sup>44</sup> Regulation 43C was inserted by the Electricity Capacity (Amendment) Regulations 2015.

on any of the grounds specified in Rule 13A.2.7(b), 13A.3.7(b)(i), 13A.4.8(b)(i) and 13A.5.7(b).

13A.8.3 Subject to Rule 13A.8.5, Capacity Payments are repayable in respect of the period MP2, as defined in Regulation 43C(4)(b), where the Metering Test Certificate or DSR Test Certificate is held to be invalid on any of the grounds specified in Rule 13A.3.7(b)(ii)(cc) and 13A.4.8(b)(ii)(cc).

13A.8.4 Subject to Rule 13A.8.5, Capacity Payments are repayable in respect of the period MP3, as defined in Regulation 43C(4)(c), where the Capacity Provider fails to comply with any of the grounds specified in Rules 13A.2.4(b), 13A.3.4(b), 13A.4.5(b) and 13A.5.4(b).

13A.8.5 Capacity Providers with a capacity agreement relating to a Generating CMU with a multi-year Capacity Obligation are not required to repay Capacity Payments for a metering fault on the third occasion of invalidating their Metering Test Certificate. Capacity Payments are repayable in the event of the relevant Capacity Agreement being terminated under Rule 6.10.1(l) in accordance with Rule 6.10.3A.

13A.8.6 Rule 13A.8.8 applies if a Capacity Provider:

- (a) is required to undertake a new DSR Test in accordance with any of the provisions specified in Rule 13A.8.7; and
- (b) that test evidences a Proven DSR Capacity in an amount less than its Capacity Obligation and greater than 2MW.

13A.8.7 The provisions specified in Rule 13A.8.6(a) are:

- (a) Rule 13A.2.4(c)(ii);
- (b) Rule 13A.2.7(c)(ii);
- (c) Rule 13A.3.4(c)(ii);
- (d) Rule 13A.3.7(c)(ii);
- (e) Rule 13A.4.5(d)(ii);
- (f) Rule 13A.4.8(c)(ii);
- (g) Rule 13A.5.4(c)(ii); or
- (h) Rule 13A.5.7(c)(ii).

13A.8.8 Where this Rule 13A.8.8 applies:

- (a) the Capacity Obligation; and
- (b) all payments (whether Capacity Payments or penalties),

with respect to a CMU in relation to which a DSR Test was undertaken under Rule 13A.8.6 must be reduced by the proportion which the Proven DSR Capacity bears to the Unproven DSR Capacity."

### 32. Amendment of Chapter 14

32.1 After Rule 14.5.5 insert:

"14.5.6 Rule 14.5.7 applies to a Capacity Provider ("C") in relation to each Capacity Committed CMU in respect of which C is the Capacity Provider, including any such CMU which is a Generating CMU comprised of BM Units.

14.5.7 Where this Rule 14.5.7 applies, C must notify the CM Settlement Body if it identifies there is an error with the data submitted in accordance with Rule 14.5 within two Working Days of discovering the fault and within five Working Days either:

- (a) correct the fault; or
- (b) submit a rectification plan to the CM Settlement Body setting out how and when the fault will be corrected."

### 33. New Schedule 6:

33.1 After Schedule 5 insert:

#### "SCHEDULE 6: METERING STATEMENT

A Capacity Provider must provide a detailed description for each CMU, Generating Unit or DSR CMU Component which must include, as applicable, the following information:

- (a) **Single Line Diagram** – to determine that the Metering System is at the Meter Point and to measure the Metered Volume of the CMU. The single line diagram must show all CMU components and all connections to the Total System, as applicable.
- (b) **CMU Metering Site details** (to include the following):
  - (i) CMU ID;
  - (ii) Circuit name (if applicable);
  - (iii) Confirmation that the CMU is either a Generating CMU or a Demand Side Response CMU;
  - (iv) Type of site;
  - (v) Site address;
  - (vi) Site contact details; and
  - (vii) Arrangements for Site Audit
- (c) **Metering Technical details** (to include the following):
  - (i) Meter Point Administration Numbers or Metering System Identifier(s);
  - (ii) Meter serial numbers;
  - (iii) Outstation ID;
  - (iv) number of channels;
  - (v) measurement quantity ID;
  - (vi) Meter and pulse multipliers;
  - (viii) Current and voltage transformer ratios applied;



- (ix) Communications numbers and confirm method for remote communication;
  - (x) Metering dispensations for the Metering Site (if applicable);
  - (xi) Complex Site Supplementary Form (if applicable). In respect of an SMRS registered CMU: the D0268, in respect of a CMRS CMU: the BSCP20/4.3a, b and c forms and in respect of a Metering Site using the Bespoke Metering Configuration Solution the Key Meter Technical Details form; and
  - (xii) If the CMU is identical to the BM Unit, the completed Aggregation Rule Form BSCP75/4.2. If the CMU is different from the BM Unit, the Capacity Provider must provide details of the metered data values to be aggregated to the appropriate Metered Volume for the CMU.
- (d) In respect of a CMU not using a Meter that measures on a half hourly basis, the Capacity Provider must provide the following metering information:
- (i) Technical specification of the device providing instantaneous metering values;
  - (ii) A calibration test certificate for the device listed in paragraph (d)(i) above;
  - (iii) Ratios of any connected instrument transformers;
  - (iv) Details of the Settlement Instation; and
  - (v) Confirmation of the method used of converting to half hourly data to submit to the CM Settlement Body.
- (e) **Data Provision**
- A Capacity Provider must confirm:
- (i) the method it proposes to use to submit data to the CM Settlement Body; and
  - (ii) if applicable, the contact details of the relevant Half Hourly Data Aggregators<sup>45</sup> or Half Hourly Data Collectors<sup>46</sup> to enable the CM Settlement Body to confirm the Metering Technical details provided by the Capacity Provider at paragraph (c) above, match those held by the Half Hourly Data Aggregators or Half Hourly Data Collectors.
- (f) **Time Synchronisation**
- For Capacity Providers using Meters which are not communicated to on a daily basis by a Half Hourly Data Collector; they must provide a statement detailing how the time of the meters or Settlement Instation used is synchronised to UTC.
- (g) **Security**
- A Capacity Provider must submit a detailed description of their security arrangements, including, where applicable, details of any sealed or padlocked hardware and password protected IT software.
- (h) **Testing Facilities**
- A Capacity Provider must submit a detailed description of the testing facilities and fusing arrangements for the Meters.

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<sup>45</sup> Definition is inserted by paragraph 1 of this Schedule.

<sup>46</sup> Definition is inserted by paragraph 1 of this Schedule.



(i) **Installation Date**

A Capacity Provider must confirm the date that the Metering System was installed and commissioned to enable the CM Settlement Body to verify compliance with the relevant Governing Documents, as applicable, at that time. If the date of installation and commissioning is unknown, the Capacity Provider must undertake a new commissioning test.

(j) **Instrument Transformers**

A Capacity Provider must provide the manufacturers test certificates or a letter from the manufacturer confirming the typical errors for the Current and Voltage Transformers to enable the CM Settlement Body to determine they are of the correct accuracy class and the errors are within the allowed limits of that accuracy class. If the manufacturers test certificates or a letter from the manufacturer confirming the typical errors are unavailable, the Capacity Provider must provide a photograph of the transformer rating plate clearly showing the ratio, burden, accuracy class and serial number of the transformer.

(k) **Power Transformers**

A Capacity Provider must submit a copy of the manufacturers Power Transformer Test Certificate as part of their approved dispensation, which accounts for transformer losses where the installed metering is not at the defined Meter Point and there is a power transformer between the two points.

(l) **Meters**

A Capacity Provider must provide either:

- (i) A Manufacturers test certificate;
- (ii) A letter from the manufacturer confirming the typical errors of the device; or
- (iii) A calibration test certificate tested at the calibration testing points set out in the table below performed by a third party

Calibration testing points for Meter Types 1, 2, 3 and 4:

Test Point	Active Meter			Reactive Meter		
	Power Factor (Cos $\phi$ )			Power Factor (Sin $\phi$ )		
Value of current (I)	Unity	0.5 Inductive	0.8 Capacitive*	1	0.5 Inductive	0.5 Capacitive
0.01 $I_n$	X					
0.02 $I_n$		X	X			
0.05 $I_n$	X (3), Y****			X, Y		
0.1 $I_n$		X	X		X	X
1.0 $I_n$ ***	X (2), Y (5)	X (4)	X	X		
1.0 $I_{max}$ or 1.2 $I_n$ or 1.5 $I_n$ or 2.0 $I_n$ **	X (1)	X	X	X		
<b>Notes:</b>						

These tests shall be carried out for input electricity and output electricity directions for a given metering point. If the same measuring element is used for both input electricity and output electricity, one additional test point only (at "1.0 In", Unity Power Factor, balanced) is required in the reverse direction.

X = all elements combined.

Y = each element on its own.

X,Y = tests should be carried out both on all elements combined, and each element on its own.

\* = tests at 0.5 capacitive Power Factor is acceptable.

\*\* = determined by overload capacity of circuit. If unspecified, test at "1.0 I<sub>max</sub>".

\*\*\* = Tests points for Class 1 (Type 3) and Class 2 (Type 4) Meter only

\*\*\*\* = X and Y for Class 0.2s (Type 1) and Class 0.5s (Type 2) Meter; X only for Class 1 (Type 3) and Class 2 (Type 4) Meter

Numbers in brackets identify, for reference only, those tests specified in Statutory Instruments 1998 No. 1566 Schedule 1, Table 2 and Schedule 3, Table 2.

(m) **Instrument Transformer Burdens**

A Capacity Provider must provide either:

- (i) a measurement of the burden connected to the current and voltage transformer; or
- (ii) a calculated estimate of the burden connected to the current and voltage transformer so as to determine that these connected burdens are less than the rated burden of the transformer.

In the case of (ii), a Capacity Provider must also submit a justification as to why it was not possible to provide a measurement of the burden connected to the current and voltage transformer.

(n) **Commissioning requirements**

A Capacity Provider must provide a copy of the commissioning paperwork for the metering installation which must include Instrument transformer commissioning (by way of example ratio and polarity tests).

If a Capacity Provider is unable to provide the information above, the following information must be submitted to establish primary load (in order of preference):

- (i) the Demand (derived from independently measured primary values) and the Meter's instantaneous Demand reading for the same period; or
- (ii) the Demand (derived from independently measured secondary values where the primary/secondary ratios can be established) and shall be compared to the Demand reading for the same period; or
- (iii) where appropriate and in consultation with the CM Settlement Body, an alternative measurement device shall be used for comparison with that of the Meter.

A Capacity Provider must also provide:

- (i) Meter commissioning tests; and
- (ii) Meter proving tests

If a Capacity Provider is unable to provide the information above, the meter commissioning tests and proving tests must be completed again.

(o) **Transformer Loss Compensations**

In the event that transformer error or loss compensation has been applied to the metering, a Capacity Provider must provide evidence of the compensation calculation. The evidence provided can be for the measurement of transformer errors only or, in the case of a dispensation, Power Transformer Losses.

(p) **Cable and Overhead Line Loss Compensations**

In the event that cable and overhead line loss compensation has been applied to the metering, a Capacity Provider must provide evidence of the compensation calculation.

(q) **Electrical Losses Factor**

A Capacity Provider using the Balancing Services Metering Configuration Solution or the Bespoke Metering Configuration Solution operating on an Unlicensed Network must provide, where applicable, a copy of the methodology statement justifying the Unlicensed Network operator's calculations of electrical losses from the CMU component connection point to the Boundary Point of the Unlicensed Network with the Total System.

(r) **Declaration**

The Directors of the Capacity Provider must certify that the information contained in and enclosed with the Metering Statement, is, at the date of submission and to the best of their knowledge, information and belief, true, complete and accurate in all material respects."

**34. New Schedule 7**

**34.1** After Schedule 6 (inserted by paragraph 33) insert:

**"SCHEDULE 7: BESPOKE TECHNICAL REQUIREMENTS**

**Definitions**

In these technical requirements all definitions used are to be found in Rule 1.2 of the Capacity Market Rules 2014 unless otherwise defined here:

**Accredited Laboratory** means the National Physical Laboratory or a calibration laboratory that has been accredited by the United Kingdom Accreditation Service, or a similarly accredited international body.

**Capacity Market Settlement Activities** means the calculation, invoicing, reconciliation and settlement of payments to be made pursuant to a Capacity Agreement.

**Check Meter** means a precision processor-based meter which measures the electric energy as accurately as the utility revenue meter forming part of the Metering Equipment that a Capacity Provider is required to install and maintain.

**Commissioning Tests** means the minimum requirements necessary to establish that the Metering Equipment is accurately measuring and recording the energy (demand or generation) in an Outstation.

**Consumption Data Comparison Check** means a method to prove the validity of the data from the transfer process, as set out in Section Z of the Bespoke Technical Requirements.

**Correct Energy Measurement Test** means a method to prove the output of the Metering System correctly records the energy in the primary system at the Capacity Provider Meter Point as set out in the Meter checks – commissioning, records and proving section of the Bespoke Technical Requirements.

**Half-Hourly Metering Equipment** means the Metering Equipment which provides measurements on a Settlement Period basis for the purposes of the Capacity Market Settlement Activities.

**Key Meter Technical Details** means those items set out in paragraph 65 of Section Y of the Bespoke Technical Requirements.

**Main Meter** means the Metering Equipment that the Capacity Provider is required under the Bespoke Technical Requirements to install to measure electricity supplied by the Capacity Provider.

**Meter Operator Agent** has the meaning given in the BSC.

**Meter Register** means the physical Meter reading displayed in kWh/MWh or kVAh/MVAh.

**Meter Technical Details** means all technical details (including Outstation channel mapping) of a Metering System required to enable metered data to be collected and correctly interpreted from that Metering System as referred to in section 16 of the Bespoke Technical Requirements.

**Primary Energy** means the energy associated with the high voltage and high current side of the Measurement Transformers.

**Power Factor** means the ratio of the real power [W] to the apparent power [VA] in the circuit of an alternating current electrical power system.

**Proving Test** means a test to confirm that the stored metered data associated with the energy imported to, or exported from the Total System can be satisfactorily transferred via a suitable communications link to the data collection parties.

**Rated Measuring Current** means the value of current in accordance with which the relevant performance of a transformer operated meter is fixed.

**UTC** means Co-ordinated Universal Time.

#### **A. Technical Requirements**

1. The CMU shall comply at all times with the requirements of these Bespoke Technical Requirements, which are aligned with the applicable BSC metering codes of practice.
2. The CMU, a Generating Unit or DSR CMU Component that uses the Bespoke Metering Configuration Solution shall install, commission, test, maintain, rectify faults and provide a sealing service in respect of its Metering Equipment, including its associated Communications Equipment, in accordance with these Bespoke Technical Requirements.
3. Existing BSC approved metering dispensations will be taken into consideration and Capacity Providers must include information on any metering dispensations when completing their Metering Statement.

**B. Metering points**

4. The Capacity Provider shall ensure that all Meters are installed at an appropriate location and that at all times the metering arrangements must meet all the Bespoke Technical Requirements and can accurately record the Metered Volume comprising:
- (a) All output electricity generated by the CMU; and
  - (b) All input electricity used, including any imported on-site electricity, by the CMU.

**C. Measurement quantities**

5. The Capacity Provider must ensure that it reports its net Metered Volume for the purposes of the Capacity Market Settlement Activities.
6. For each separate circuit the following energy measurements are required for the purposes of Capacity Market Settlement Activities:
- (a) Import kWh/MWh; and
  - (b) Export kWh/MWh.

**D. Accuracy requirements**

7. The overall accuracy of the energy measurements at or referred to a Meter Point shall at all times be within the limits of error as shown below. For a Capacity Provider that is aggregating a number of components the overall accuracy to be used is the rated capacity of the individual component and not the rated capacity of the aggregated capacity. Metering Type 4 is only applicable to an aggregating Capacity Provider as the upper threshold is below the minimum capacity threshold.

**Table 1:** Metering Type 1 (Metering of circuits rated greater than 100MVA for the purposes of Capacity Market Settlement Activities)

CONDITION		LIMITS OF ERROR AT STATED SYSTEM POWER FACTOR	
Current expressed as a percentage of Rated Measuring Current	Power Factor	Limits of Error	
120% to 10% inclusive	1	± 0.5%	
Below 10% to 5%	1	± 0.7%	
Below 5% to 1%	1	± 1.5%	
120% to 10% inclusive	0.5 lag and 0.8 lead	± 1.0%	

**Table 2:** Metering Type 2 (Metering of circuits not exceeding 100MVA for the purposes of Capacity Market Settlement Activities)

LIMITS OF ERROR AT STATED SYSTEM POWER FACTOR		
CONDITION	Power Factor	Limits of Error
Current expressed as a percentage of Rated Measuring Current		
120% to 10% inclusive	1	± 1.0%
Below 10% to 5%	1	± 1.5%
Below 5% to 1%	1	± 2.5%
120% to 10% inclusive	0.5 lag and 0.8 lead	± 2.0%

**Table 3:** Metering Type 3 (Metering of circuits not exceeding 10MVA for the purposes of Capacity Market Settlement Activities)

LIMITS OF ERROR AT STATED SYSTEM POWER FACTOR		
CONDITION	Power Factor	Limits of Error
Current expressed as a percentage of Rated Measuring Current		
120% to 10% inclusive	1	± 1.5%
Below 10% to 5%	1	± 2.0%
120% to 10% inclusive	0.5 lag and 0.8 lead	± 2.5%

**Table 4:** Metering Type 4 (Metering of energy transfers with a maximum demand of up to (and including) 1MW for the purposes of Capacity Market Settlement Activities)

LIMITS OF ERROR AT STATED SYSTEM POWER FACTOR		
CONDITION	Power Factor	Limits of Error
Current expressed as a percentage of Rated Measuring Current		
100% to 20% inclusive	1	± 1.5%
Below 20% to 5%	1	± 2.5%
100% to 20% inclusive	0.5 lag and 0.8 lead	± 2.5%

**E. Metering Equipment**



8. Capacity Providers shall ensure that all Metering Equipment in accordance with these Bespoke Technical Requirements is:
  - (a) installed and commissioned (if not already installed and commissioned); and
  - (b) maintained and operated.
9. The Metering Equipment to be installed should be in accordance with Schedule 7 of the EA 1989 and the Meters must be approved in accordance with Schedule 4 of the Meters (Certification) Regulations 1998 or Measuring Instruments (Active Electrical Energy Meters) Regulations 2006 No.1679.

**F. Meters**

10. Meters that measure on a half hourly basis must be static and all meters must be configured to measure on a Settlement Period basis.
11. For each circuit Meters shall be supplied and meters that are used for customer billing may be used for a period not exceeding 10 years from the date of manufacture. Meters for non-customer billing do not need to be replaced as long as the meter continues to meet the stipulated accuracy requirements, however the meter must be re-calibrated every 10 years from the date of manufacture.
12. All Metering Systems should include Outstation functionality and this can be either integrated or separate to the meter.
13. Meters shall be configured such that the number of measuring elements is equal to or one less than the number of primary system conductors. These include the neutral conductor, and/or the earth conductor where system configurations enable the flow of zero sequence energy.
14. All Meters supplied via Measurement Transformers shall be set to the actual primary and secondary ratings of the Measurement Transformers and the ratios displayed as follows:
  - (a) for Meters separate from the display and/or Outstation the ratios shall be recorded on the nameplate of the Meter; and
  - (b) for Meters combined with the display and/or the Outstation, the ratios shall be displayed. In addition, the compensation factor that has been applied for measurement transformer errors and/or system losses, where this is a constant factor applied at security level 3 shall be similarly displayed.
15. All Meters shall include a non-volatile Meter Register of cumulative energy for each measured quantity. The Meter Register(s) shall not roll-over more than once within a six month period.

**Table 5:** All meters for Type 1, 2, 3 and 4 metering should meet the following criteria:

Type of Meter	Relevant Standard	Minimum Class Accuracy
1	BS EN 62053-22	0.2s
2	BS EN 62053-22 BS EN 50470-3	0.5s C
3	BS EN 62053-21 BS EN 50470-3	1 B
4	BS EN 62053-21 BS EN 50470-3	2 A

The standards quoted are the current standards for Meters at those accuracy classes. Any Meter currently installed pre-dating these standards should meet the applicable standard at the time of installation.

**G. Meter technical details**

16. The Capacity Provider of each Metering System shall:

- (a) establish and maintain Meter Technical Details in respect of the Metering Equipment;
- (b) ensure that such Meter Technical Details are true, complete and accurate; and
- (c) provide such Meter Technical Details to the CM Settlement Body if requested.

**H. Calibration, commissioning and maintenance of metering equipment**

17. The Capacity Provider of each Metering System shall ensure that the Metering Equipment shall be calibrated, maintained and commissioned in accordance with these Bespoke Technical Requirements. The calibration is required to demonstrate compliance with either IEC 61869-2, IEC 61869-3, IEC 61869-4, IEC 185, IEC 186, BS EN 60044-1, BS EN 60044-2, and/or class index BS EN 60044-3 accuracy and measurement range requirements, as appropriate for the Measurement Transformers.

18. These calibrations must demonstrate conformity with relevant product standards appropriate to the class index of the Meters and demonstrate compliance with either BS EN 62053-22, BS EN 62053-21, and/or BS EN 50470-3 (or the applicable standard at the time of the meter installation) accuracy and measurement range requirements, as appropriate for the Meters.



19. Where it is necessary to apply compensations to Meters, these are to be applied after the Meter has been calibrated and further tests carried out which confirm that the compensation has been correctly applied.
20. The Capacity Provider shall, at its own cost and expense, ensure that the Metering Equipment is kept in good working order, repair and condition to the extent necessary to allow the correct registration, recording and transmission of the requisite details of the Metered Volume measured by the relevant Metering System.
21. If Metering Equipment is removed, replaced or otherwise changed, then its commissioning record should be retained by the Capacity Provider and must be provided to the CM Settlement Body on request.

**I. Metering Equipment criteria**

22. Metering Equipment other than outdoor Measurement Transformers shall be accommodated in a clean and dry environment.
23. For each circuit, other than one which is permanently disconnected, the voltage supply to any Meters, displays and Outstations shall be connected such that it is normally energised to facilitate reading of the Meter Register(s) and local and remote interrogation of the Outstation.

**J. Measurement Transformers**

24. For each circuit, CTs and VTs shall meet the requirements set out below.
25. Additionally, where a combined unit measurement transformer (VT and CT) is provided the 'Tests for Accuracy' covering mutual influence effects shall be met.
26. All Measurement Transformers shall be of a wound construction.
27. Where practicable, the following may be subject to checks:
  - (a) Ratio, class, rated burden and polarity from the labels physically attached to the Measurement Transformers and/or the identification plates attached to switchgear or other enclosures containing Measurement Transformers (although this may not always be practical for safety reasons); and
  - (b) Test records/certificates detailing specific measured errors held by the equipment owner, associated with the Measurement Transformers on site or from agreed generic CT/VT certificates in the case of CTs and VTs.
28. It is understood that existing sites may no longer have certificates for instrument transformers or that the levels of accuracy applicable at the time of commissioning may be aligned to older BSC Codes of Practice. In these situations it is possible for CMUs to use the National Measurement Transformer Database, which will provide an average level of error or a letter from the manufacturer confirming the typical errors for the CTs and VTs or a photograph of the transformer rating plate clearly showing the ratio, burden, accuracy class and serial number of the transformer.

**Table 6:** All current transformers for Type 1, 2, 3 and 4 metering should meet the following criteria:

Type of Meter	Relevant Standard	Minimum Class Accuracy	No of Sets	Usage
1	IEC 60044-1 or IEC 61869-2	0.2s	2	1 set of CTs shall be dedicated to the Main Meter only and 1 set supplying the Check Meters. Check Meter CTs can be used for other purposes providing the Capacity Market accuracy requirements are met.
2	IEC 60044-1 or IEC 61869-2	0.2s	1	CTs shall be dedicated to Capacity Market Settlement Activities supplying both Main Meters and Check Meters. An additional set of CTs may be fitted for the Check Meter which may also be used for other purposes providing the Capacity Market accuracy requirements are met.
3	IEC 185 or IEC 61869-2	0.5	1	1 set of CTs for Main Meters and Check Meters for Capacity Market Settlement Activities purposes, but can be used for other purposes if the Capacity Market accuracy requirements are met.
4	IEC 185 or IEC 61869-2	0.5	1	1 set of CT for the main meter for Capacity Market Settlement Activities, but the CTs may be used for other purposes provided the overall accuracy requirements are met.

29. The primary winding of voltage transformers shall be connected to the circuits being measured.

**Table 7:** The secondary windings of VTs for Type 1, 2, 3 and 4 metering used for the purposes of Capacity Market Settlement Activities shall meet the following criteria:

Type of Meter	Relevant Standard	Minimum Class Accuracy	No of VTs required	Usage
1	IEC 60044-2 or IEC 61869-3	0.2	2 VTs (or 1 VT with two or more secondary windings)	1 VT secondary winding dedicated to the Main Meter for Capacity Market Settlement Activities purposes only. A second VT secondary winding for the Check Meter, which may also be used for other purposes providing the

Type of Meter	Relevant Standard	Minimum Class Accuracy	No of VTs required	Usage
				Capacity Market accuracy requirements are met.
2	IEC 60044-2 or IEC 61869-3	0.5	1	VT secondary winding shall be dedicated to Capacity Market Settlement Activities supplying both Main Meters and Check Meters. An additional VT or secondary winding may be used for the Check Meter which may also be used for other purposes providing the Capacity Market accuracy requirements are met.
3	IEC 186 or IEC 61869-3	1	1	Capacity Market Settlement Activities purposes, but other uses if Capacity Market accuracy requirements are met.
4	IEC 186 or IEC 61869-3	1	1	Capacity Market Settlement Activities purposes, but other uses if Capacity Market accuracy requirements are met.

**K. Fusing and testing facilities**

30. To enable Meters to be routinely tested and/or changed safely with the circuit energised testing facilities (test blocks) are required. For Type 3 and 4 installations testing facilities shall be provided close by the Meters of each circuit. For a Type 1 or Type 2 installation, separate testing facilities shall be provided for the Main Meters and for the Check Meters of each circuit.
31. Separately fused VT supplies shall be provided locally for:
- (a) the Main Meter;
  - (b) the Check Meter; and
  - (c) any other Metering Equipment burden.
32. Local fusing shall discriminate with the source fusing.
33. Where current transformers are used on low voltage installations, the voltage supply to the Metering Equipment shall be fused as close as practicable to the point of that supply with a set of isolating links, suitably identified, provided locally to the Metering Equipment. If that point of supply is close to the Metering Equipment, then the isolating links may be omitted.

**L. Displays and facilities**

34. The Metering Equipment must display the primary information (not necessarily simultaneously) listed at (a) – (d) below and Capacity Providers

with sites with separate outstations do not need to display this information but must provide the information listed at (a)-(d) below when completing their Metering Statement:

- (a) measured quantities as per the accuracy requirements;
- (b) current time ("UTC") and date;
- (c) the CT and/or VT ratios that the Meter has been programmed to, where appropriate; and
- (d) the compensation factor that has been applied for Measurement Transformer errors and/or system losses, where this is a constant factor applied at security level 3 (i.e. where the Meter is combined with the display and/or Outstation).

**M. Outstation**

- 35. An Outstations system shall either be incorporated into the Meters or installed separately to the meter, and must receive and transfer data from Settlement Instations. The data shall be to a format in accordance with Capacity Market Settlement Activities and approved by the CM Settlement Body.
- 36. Where a separate modem associated with the Outstation system is used, then it shall be provided with a separately fused supply either from a secure supply or from voltage supply to meters. Alternatively, line or battery powered modem types may be used.
- 37. For the purpose of transferring stored metering data from the Outstation to the Settlement Instation, a unique Outstation ID shall be provided.
- 38. An interrogation port must be provided for each Outstation or remote interrogation facilities must be provided.

**N. Data storage**

- 39. Data storage facilities for metering data shall be provided as follows:
  - (a) each Metered Volume shall be identifiable to its respective date and time;
  - (b) a storage capacity of 48 periods per day for a minimum of 10 days for Metering Type 1 and 2 and 20 days for Metering Type 3 and 4 for all Metered Volume and the stored values shall be integer multiples of kWh;
  - (c) the resolution of the energy transferred into the registers shall be within  $\pm 0.1\%$  (at full load) of the amount of Active Energy measured by the associated Meter;
  - (d) the value of any energy measured in a Settlement Period but not stored in that Settlement Period shall be carried forward to the next Settlement Period;
  - (e) where a separate Outstation is used, cumulative register values shall be provided in the Outstation which shall be set to match and increment with the Meter Registers;

- (f) in the event of an Outstation supply failure, the Outstation shall protect all data stored up to the time of the failure, and maintain the time accuracy;
- (g) partial Metered Volume, those in which an Outstation supply failure and/or restoration occurs, and zero Metered Volume associated with an Outstation supply failure, shall be marked so that the Settlement Instation can identify them;
- (h) to cater for continuous supply failures, the clock, calendar and all data in Meters that measure on a half hourly basis shall be supported for a period of 10 days for Metering Type 1 and 2 and 20 days for Metering Type 3 and 4 without an external supply connected;
- (i) any "read" operation shall not delete or alter any stored metered data; and
- (j) an Outstation shall provide all of the metered data stored from the commencement of any specified date upon request by the Settlement Instation.

**O. Time keeping**

- 40. The Outstation time shall be set to UTC. No switching between UTC and British Summer Time shall occur for Capacity Market Settlement Activities data storage requirements.
- 41. Time synchronisation of the Outstation may be performed by the Capacity Provider (or its data collection agent) as part of the normal interrogation process.
- 42. When time synchronisation occurs, the relevant period(s) shall be marked.
- 43. The overall limits of error for the time keeping allowing for a failure to communicate with the Outstation for a period of 20 days shall be:
  - (a) the completion of each Settlement Period shall be at a time which is within  $\pm 20$  seconds of UTC; and
  - (b) the duration of each Settlement Period shall be within  $\pm 0.1\%$ , except where time synchronisation has occurred in a Settlement Period.

**P. Monitoring facilities**

- 44. Capacity Providers are responsible for monitoring the conditions listed at (a) – (g) below and if an incident occurs, the Capacity Provider must note the Settlement Periods impacted when submitting data to the CM Settlement Body.
  - (a) phase failure of any one or a combination of phases;
  - (b) Metering Equipment resets caused other than by a supply failure (where fitted);
  - (c) battery failure monitoring (where battery fitted);
  - (d) changes to time and/or date;

- (e) where different from (d), Settlement Period(s) which have been truncated or extended by a time synchronisation;
  - (f) interrogation port access which changes data other than time and/or date; and
  - (g) reverse running (if fitted).
45. In addition, detected errors in Metering Equipment functionality should be recorded as an event alarm with date and time.
46. Any alarm indications shall not be cancelled or deleted by the interrogation process and shall be retained with the data until overwritten. The alarm shall reset automatically when the abnormal condition has been cleared.

**Q. Communications**

47. Meters must provide local or remote (or if applicable both) interrogation facilities.
48. To prevent unauthorised access to the data in the Metering Equipment a security scheme, as defined below shall be incorporated for both local and remote access to Meters that measure on a half hourly basis. Separate Outstations are exempt from this requirement. Separate security levels shall be provided for the following activities:

Level 1 – Password for Read only of the following metering data, which shall be transferable on request during the interrogation process:

- (a) Outstation ID;
- (b) demand values as defined for Main Meters and Check Meters;
- (c) cumulative measured quantities as defined for Main Meters and Check Meters;
- (d) maximum demand for kW/MW or kVA/MVA per programmable charging period i.e. monthly, statistical review period;
- (e) multi-rate cumulative Active Energy as specified by the Capacity Provider;
- (f) the Measurement Transformer ratios, where appropriate;
- (g) the Measurement Transformer error correction factor and/or system loss factor, where this is a constant factor applied to the entire dynamic range of the Meter and the Meter is combined with the display and/or Outstation;
- (h) alarm indications; and
- (i) outstation time and date.

Level 2 – Password for:

- (a) corrections to the time and/or date; and
- (b) resetting of the maximum demand.

Level 3 – Password for programming of:



- (a) the displays and facilities;
  - (b) the Measurement Transformer ratios, as appropriate;
  - (c) the Measurement Transformer error correction and/or system loss factor where this is a constant factor applied to the entire dynamic range of the Meter and the Meter is combined with the display and/or Outstation; and
  - (d) the passwords for levels 1, 2 and 3.
49. In addition, it shall be possible to read additional information within the Metering Equipment to enable the programmed information to be confirmed.

Level 4 – Password for removal of Metering Equipment cover(s) necessitating the breaking of a seal for:

- (a) calibration of the Metering Equipment;
  - (b) setting the Measurement Transformer ratios, as appropriate;
  - (c) programming the Measurement Transformer error correction factor and/or system loss factor where this is other than a single factor; and
  - (d) programming the level 3 Password and the level 4 Password, if appropriate.
50. In addition to the functions specified for each level it shall be feasible to undertake the functions at the preceding level(s). For example, at level 3 it must also be possible to carry out the functions specified at levels 1 and 2. This need not apply at level 4 when access is obtained via removing the cover.
51. Different passwords must be utilised for each level.

**R. Interrogation**

52. To enable local interrogation for Meters that measure on a half hourly basis an interrogation port shall be provided for each Outstation.
53. Metering Equipment that aligns Meter readings to Settlement Periods must be able to remotely interrogate the Meters.
54. Remote interrogation facilities must have fault monitoring to flag up communication faults between the Outstation system and the Settlement Instation to the Capacity Provider or an appointed agent.

**S. Sealing and security**

55. The Capacity Provider must ensure that the Metering Equipment is appropriately secure so as to provide assurance that the following parameters are met:
- (a) all standards applicable to the Capacity Provider under the Electricity Safety, Quality and Continuity Regulations 2002; and
  - (b) a reasonable and prudent standard of anti-tamper protection.

**T. Defective Metering Equipment**

56. The Capacity Provider must meet its obligations under Rule 8.3.3(f) in respect of defective Metering Equipment.

**U. Validation of meter data**

57. If any of the following faults are identified, the CM Settlement Body shall be entitled (but not obliged) to undertake a full investigation of the Metering Equipment at the Capacity Provider's expense:
- (a) where the Outstation is interrogated, or when data is received from the Outstation automatically, and the 'electronic serial number' of the Outstation differs from that expected;
  - (b) where the Outstation is interrogated, or when data is received from the Outstation automatically, and the number of channels of the Outstation differs from that expected;
  - (c) where the Outstation is interrogated, and the time of the Outstation differs by more than 15 minutes from that expected; or
  - (d) where the Outstation is interrogated, or when data is received from the Outstation automatically, and the individual alarms required by the Bespoke Technical Requirements are flagged.

**V. Main/Check comparison**

58. Where the Main Meters and Check Meters are installed in accordance with the Bespoke Technical Requirements, the metering data recorded by each Meter must be compared for each circuit. Allowance shall be made for low load discrepancies. Any discrepancy between the two values in excess of 1.5 times the accuracy requirements prescribed for the individual Meters at full load, as defined in the Bespoke Technical Requirements, shall be investigated by the CM Settlement Body.

**W. Meter checks - commissioning, records and proving**

59. All Metering Equipment must be fully commissioned prior to a Metering Assessment and Metering Test taking place within the timeframes set out in Rule 8.3.3. The purpose of commissioning is to ensure that the electricity flowing across a Meter Point is accurately recorded by the associated Metering System. Commissioning Tests shall be performed on site to confirm and record, so far as appropriate, that:
- (a) the CTs are of the correct ratio and polarity, and correctly located to record the required power flow;
  - (b) the VTs are the correct ratio and polarity, and correctly located to record the required power flow;
  - (c) the relationships between voltages and currents are correct, and that phase rotation is standard at the Meter terminals;
  - (d) the burdens on the Measurement Transformers are within the correct limits;



- (e) the Meters are set to the same current transformer and voltage transformer ratios as the installed Measurement Transformers;
  - (f) the Meters have the correct compensation for errors in the Measurement Transformers/connections and losses in power transformers where appropriate;
  - (g) the output of the Metering System correctly records the energy in the primary system at the Capacity Provider Meter Point; and
  - (h) Metering Equipment that measures on a half hourly basis detects phase failure and operates the required alarms.
60. Where individual items of Metering Equipment are to be replaced, then only those items need to be commissioned at that time. For clarification, Metering Systems in their entirety do not need to be recommissioned when items are replaced within that system unless there is a Material Change to the Metering System.
61. The Correct Energy Measurement Test can be used as a way to prove the output of the Metering System correctly records the energy in the primary system at the Capacity Provider's Meter Point.
62. For the purposes of the Correct Energy Measurement Test, Primary Energy may be established using the following methods by:
- (a) comparing the demand derived from independently measured primary values to the Meter's instantaneous demand reading for the same period;
  - (b) comparing the demand derived from independently measured secondary values where the primary/secondary ratios can be established to the Meter's demand reading for the same period;
  - (c) using an alternative measurement device for comparison with the Meter; or
  - (d) using appropriate commissioning records which the Generator shall provide to the CM Settlement Body if requested.

**X. Instruments for commissioning**

63. The Capacity Provider shall establish and maintain a process to periodically calibrate the instruments used for commissioning (from which measurements are recorded). Each instrument shall be traceable to an Accredited Laboratory. The Capacity Provider shall maintain records to show the instruments used for commissioning by the Capacity Provider. All instruments for commissioning shall be re-calibrated every two years. If an instrument is found to be outside of the required accuracy limits specified in the Bespoke Technical Requirements, the Capacity Provider shall consider what impact that inaccuracy has had on previous Meter Commissioning Tests and inform the CM Settlement Body.

**Y. Proving Test**

64. A Capacity Provider must undertake a Proving Test to confirm that the stored metered data associated with the energy imported to, or exported from the

Total System (including all connection points), can be satisfactorily transferred via a suitable communications link to, and correctly recorded by, the data collection parties.

65. The following are Key Meter Technical Details that, if changed, require performance of a Proving Test:

- (a) Outstation ID;
- (b) Meter Serial Number;
- (c) Outstation Number of Channels;
- (d) Measurement Quantity ID;
- (e) Meter Multiplier;
- (f) Pulse Multiplier;
- (g) CT and/or VT Ratios

**Z. Consumption Data Comparison Check**

66. Consumption Data Comparison Check is a way to prove the validity of the data from the transfer process and shall take the following format:

- (a) the Meter Technical Details and the load (or generation) provided by the Capacity Provider in a Settlement Period shall be compared to that observed on-site. Consideration shall also be given to commissioning and historic Proving Test information;
- (b) a reading (for the dominant Active Energy flow direction at the time) of the cumulative register on the Meter's display at the beginning and end of the Settlement Period that is to be downloaded from the Meter's Outstation shall be taken; and
- (c) the true Meter Register half-hour advance for the half-hour period shall be calculated using the Meter Register multiplier.

**AA. Maintenance checks**

67. The Meter Technical Details may be checked to ensure that they conform to those recorded in Capacity Market Settlement Activities systems using information submitted by the Capacity Provider, including any Measurement Transformer error offsets and commissioning details.
68. To verify that the Metering System is recording the correct amount of energy, checks may be carried out to compare the Primary Energy with that being recorded by the Metering System.

**BB. Timing of maintenance checks**

69. A routine maintenance check will be conducted in each of the following years for the life of the Metering Equipment:
- (a) year four;
  - (b) year seven;
  - (c) year ten; and

- (d) year thirteen.

**CC. Information and records**

- 70. The Capacity Provider of each Metering System must:
  - (a) maintain records of maintenance checks for the life of the relevant item of Metering Equipment and where requested provide these to the CM Settlement Body;
  - (b) provide information to the CM Settlement Body relating to how the Metering Equipment meets the Bespoke Technical Requirements if requested; and
  - (c) submit information to the CM Settlement Body regarding the dates and time periods for installation of new Metering Equipment and the dates in accordance with Rule 8.3.3 (f).
- 71. Records required to be provided to the CM Settlement Body if requested shall include, as a minimum and where applicable, the following information:
  - (a) site name;
  - (b) site address;
  - (c) Meter Serial Number;
  - (d) name of commissioning body (even if the Capacity Provider does it);
  - (e) date of commissioning;
  - (f) name of person responsible for undertaking commissioning (and organisation);
  - (g) reason for commissioning;
  - (h) Meter details (including any certificate identity);
  - (i) CT details (including any certificate identity);
  - (j) VT details (including any certificate identity);
  - (k) circuit name (where more than one);
  - (l) results of inspections, tests and observations; and
  - (m) evidence of compensation calculations for transformer errors and power transformer, cable and overhead line losses.

**DD. Ownership of metering data**

- 72. The Capacity Provider shall own the Metered Volume data acquired from a Metering System, and may provide to any person access to and use of such data. Data requirements from the Capacity Provider to the CM Settlement Body including frequency are set out in Rule 14.5 of the Capacity Market Rules.

**EE. Access to property**

73. The Capacity Provider shall facilitate Metering Site access as part of the Metering Test and Site Audits, and in addition will provide access to records of checks and tests.

**FF. Data flow and communications with the CM Settlement Body**

74. Meter data must be sent to the CM Settlement Body in Settlement Period format.
75. During the transitional arrangements, a Capacity Provider can submit meter data directly to the CM Settlement Body or can arrange for the data to be collected and submitted to the CM Settlement Body in accordance with Rule 11.3.6.

**GG. Disputes process**

76. Any disputes arising from a Metering Test relating to the Metering Equipment and metering set-up will follow the process outlined in Rule 13.3 of the Capacity Market Rules.

**HH. Changes to Bespoke Technical Requirements**

77. When updates are made to the Bespoke Technical Requirements, Capacity Providers will be able to choose whether to implement the new metering requirements or remain with the applicable version of the Bespoke Technical Requirements at the time the CMU received a valid Metering Test Certificate. However, for any changes that impact on the accuracy and robustness of the metering configuration and meter data Capacity Providers must comply with the latest metering requirements.
78. To prevent having to maintain inadequate legacy data transfer systems, there will be no grandfathering provisions for the process of submitting metered data to the CM Settlement Body.”

**PART 5**

**Aggregation of Generating Units**

**35. Amendment of Chapter 3**

**35.1** In Rule 3.2.3, for “Rule 3.2.4” substitute “Rules 3.2.4 to 3.2.7”.

**35.2** For Rule 3.2.4, substitute:

“3.2.4 Rule 3.2.5 applies where:

- (a) an Existing Generating CMU comprises a Generating Unit or a number of Generating Units;
- (b) all such Generating Units are within the legal ownership of the same person; and

- (c) the Despatch Controller with respect to each Generating Unit comprised in that Existing Generating CMU is a person other than the legal owner.

3.2.5 Where this Rule 3.2.5 applies, the Despatch Controller may be the Applicant with respect to an Existing Generating CMU provided that an Applicant Declaration is submitted with the relevant Application signed by:

- (a) two directors (or officers, in the case of a body other than a company) of the person having legal ownership of each Generating Unit comprised in that Existing Generating CMU; and
- (b) two directors (or officers, in the case of a body other than a company) of the Despatch Controller of each Generating Unit comprised in that Existing Generating CMU.

3.2.6 Rule 3.2.7 applies where:

- (a) an Existing Generating CMU comprises a number of Generating Units with a Connection Capacity totalling no more than 50 MW;
- (b) legal ownership of such Generating Units is vested in more than one person; and
- (c) Despatch Control with respect to each Generating Unit comprised in that Existing Generating CMU rests with a single Despatch Controller (who may also be the legal owner of one or more of the Generating Units comprised in such Existing Generating CMU).

3.2.7 Where this Rule 3.2.7 applies, the Despatch Controller may be the Applicant with respect to an Existing Generating CMU provided that the following declarations are submitted with the relevant Application:

- (a) an Aggregator Declaration signed by two directors (or officers, in the case of a body other than a company) of the Despatch Controller of each Generating Unit comprised in that Existing Generating CMU; and
- (b) a Legal Owner Declaration in respect of each Generating Unit comprised in that Existing Generating CMU signed by two directors (or officers, in the case of a body other than a company) of the person having legal ownership of the relevant Generating Unit.”.

## **36. Amendments of Chapters 6 and 9**

**36.1** In Rule 6.10.1, after paragraph (m)<sup>47</sup> insert:

“or

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<sup>47</sup> Rule 6.10.1(m) is inserted by paragraph 28.3 of this Schedule.

(n) a Capacity Provider makes a transfer, sale or disposal of a Generating Unit contrary to Rule 9.2.10 without complying with the conditions in 9.2.10A(a).”.

**36.2** In Rule 9.2.10 for “A Generating” substitute “Subject to Rule 9.2.10A, a Generating”, and after that Rule insert:

“9.2.10A(a) Rule 9.2.10 does not prevent the transfer, sale or disposal of a Generating Unit comprised in an Existing Generating CMU where a Capacity Agreement has been issued in respect of that Existing Generating CMU following the submission of an Application by a Despatch Controller under Rule 3.2.7, provided that:

- (i) Despatch Control over the whole of the Existing Generating CMU is retained by the Capacity Provider following such transfer, sale or disposal; and
- (ii) the Capacity Provider submits an Aggregator Transfer Declaration and a Legal Owner Transfer Declaration, in each case signed by two directors (or officers, in the case of a body other than a company), to the Delivery Body as soon as reasonably practicable following the completion of such transfer, sale or disposal.

(b) If a Capacity Provider makes such a transfer, sale or disposal without complying with the conditions in paragraph (a), then Rule 6.10.1(n) applies.”.

### **37. New Exhibits F to I**

**37.1** After Exhibit E insert:

#### **“EXHIBIT F: FORM OF AGGREGATOR DECLARATION**

##### **Aggregator Declaration**

The following confirmations and declarations are made by *[Name of aggregator]* (the “**Despatch Controller**”) with respect to the following Generating CMU:

*[Description of CMU to be inserted],*

(the “**Relevant CMU**”) and in relation to the Application to which this declaration relates (the “**Relevant Application**”).

(a) The Despatch Controller hereby confirms that:

- (i) the Relevant CMU comprises the following Generating Units and that legal ownership of each Generating Unit is vested in the parties listed below:

<b>Description of Generating Unit</b>	<b>Legal Owner</b>
<i>[Description of Generating Unit to be inserted]</i>	<i>[Name and address details of Legal Owner to be inserted]</i>

and

- (ii) the Despatch Controller has Despatch Control with respect to each Generating Unit comprised in the Relevant CMU.
- (b) The Despatch Controller hereby declares that:
  - (i) the Despatch Controller is the Applicant for the Relevant CMU in relation to the Relevant Application;
  - (ii) in the event that the Relevant CMU becomes a Prequalified CMU for the Capacity Auction to which the Relevant Application relates, the Despatch Controller will be the Bidder for the Relevant CMU in that Capacity Auction; and
  - (iii) in the event that the Relevant CMU becomes a Capacity Committed CMU pursuant to the Capacity Auction to which the Relevant Application relates, the Despatch Controller will be the Capacity Provider for the Relevant CMU.

Capitalised terms used in this declaration have the meaning given to them in the Capacity Market Rules 2014 unless otherwise indicated.

DATED: [•]

Signed for and on behalf of the Despatch Controller

.....  
Director

.....  
Director

Print Name:

Print Name:

To be executed by the signature of two directors, unless Rule 1.3A (inserted by the Capacity Market (Amendment) Rules 2014) applies.

## EXHIBIT G: FORM OF LEGAL OWNER DECLARATION

### Legal Owner Declaration

The following confirmations and declarations are made by *[Legal Owner]* (the "Legal Owner") with respect to the following Generating Unit:

*[Description of Generating Unit to be inserted],*

(the "Relevant Generating Unit").

- (a) The Legal Owner hereby confirms that:
  - (i) the Legal Owner is the sole legal owner of the Relevant Generating Unit; and
  - (ii) *[insert name of Despatch Controller]* (the "Despatch Controller") has Despatch Control with respect to the Relevant Generating Unit.



- (b) The Legal Owner hereby declares that the Legal Owner consents to the Despatch Controller submitting an Application in respect of a CMU, of which the Relevant Generating Unit forms part.

Capitalised terms used in this declaration have the meaning given to them in the Capacity Market Rules 2014 unless otherwise indicated.

DATED: [•]

Signed for and on behalf of the Legal Owner

.....  
 Director

.....  
 Director

Print Name:

Print Name:

To be executed by the signature of two directors, unless Rule 1.3A (inserted by the Capacity Market (Amendment) Rules 2014) applies.

## EXHIBIT H: FORM OF AGGREGATOR TRANSFER DECLARATION

### Aggregator Transfer Declaration

The following confirmations and declarations are made by *[Name of aggregator]* (the "Despatch Controller") with respect to the following Generating CMU:

*[Description of CMU to be inserted],*

(the "Relevant CMU").

The Despatch Controller hereby confirms that:

- (a) legal ownership of *[description of Generating Unit]* has been transferred from *[name of transferor Legal Owner]* to *[name of transferee Legal Owner]* with effect from *[insert date]*;
- (b) legal ownership of each Generating Unit comprised in the Relevant CMU is vested in the parties listed below:

Description of Generating Unit	Legal Owner
<i>[Description of Generating Unit to be inserted]</i>	<i>[Name and address details of Legal Owner to be inserted]</i>

and

- (c) the Despatch Controller has Despatch Control with respect to each Generating Unit comprised in the Relevant CMU.

Capitalised terms used in this declaration have the meaning given to them in the Capacity Market Rules 2014 unless otherwise indicated.

DATED: [●]

Signed for and on behalf of the Despatch Controller

.....  
Director

.....  
Director

Print Name:

Print Name:

To be executed by the signature of two directors, unless Rule 1.3A (inserted by the Capacity Market (Amendment) Rules 2014) applies.

## EXHIBIT I: FORM OF LEGAL OWNER TRANSFER DECLARATION

### Legal Owner Transfer Declaration

The following confirmations and declarations are made by [*Legal Owner*] (the "**Legal Owner**") with respect to the following Generating Unit:

[*Description of Generating Unit to be inserted*],

(the "**Relevant Generating Unit**").

The Legal Owner hereby confirms that:

- (a) the Legal Owner is the sole legal owner of the Relevant Generating Unit; and
- (b) [*insert name of Despatch Controller*] (the "**Despatch Controller**") has Despatch Control with respect to the Relevant Generating Unit.

Capitalised terms used in this declaration have the meaning given to them in the Capacity Market Rules 2014 unless otherwise indicated.

DATED: [●]

Signed for and on behalf of the Legal Owner

.....  
Director

.....  
Director

Print Name:

Print Name:

To be executed by the signature of two directors, unless Rule 1.3A (inserted by the Capacity Market (Amendment) Rules 2014) applies."

## PART 6

### Miscellaneous and minor amendments

#### 38. Amendments of Chapter 1

##### 38.1 In Rule 1.2:

38.1.1 In the definition of "the Regulations", after "2014," insert "as amended in particular by the Electricity Capacity (Supplier Payment etc.) Regulations 2014<sup>48</sup> and the Electricity Capacity (Amendment) Regulations 2015,<sup>49</sup>".

38.1.2 In the definition of "DSR CMU Component", for "Regulation 5" substitute "Regulation 2".

38.1.3 Omit the definition of "Gate Closure".

38.1.4 In the definition of "Relevant STOR Contact", for "Contact" substitute "Contract".

##### 38.2 Omit Rule 1.10.

#### 39. Amendments of Chapter 2

39.1 In Rule 2.2.2, in the fifth and sixth entries in the table, in the second column, omit "and associated update of affected Auction Parameters".

39.2 In Rule 2.3.8, for the second occurrence of "calculation" substitute "methodology".

#### 40. Amendments of Chapter 3

40.1 In Rule 3.4.9(e), for sub-paragraph (x) substitute:

"(x) to the professional advisers of:

(aa) the Applicant;

(bb) any member of the Applicant's Group;

(cc) any shareholder in the Applicant or, where such a shareholder is a company and a member of a Group, of any other company which is a member of that Group; or

(dd) any potential purchaser of the CMU;".

40.2 In Rule 3.5.5, in the definition of "Maximum Export Capacity" omit "and Use of System".

40.3 In Rule 3.6.3(b), after "First Full Capacity Auction" insert "and the Second Full Capacity Auction".

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<sup>48</sup> S.I. 2014/3354.

<sup>49</sup> S.I. 2015/875.

**40.4** In Rule 3.7.1(a), after “First Full Capacity Auction” insert “or the Second Full Capacity Auction”.

**40.5** After Rule 3.8.1, insert:

“3.8.1A Refurbishing CMU – declaration about refurbishing works

- (a) Paragraph (b) applies where, pursuant to Rule 3.7.2(d)(ii) and Rule 3.8.1, an Application in relation to a Refurbishing CMU states that the Qualifying £/kW Capital Expenditure is equal to or greater than the Three Year Minimum £/kW Threshold and less than the Fifteen Year Minimum £/kW Threshold.
- (b) Where this paragraph applies, the Prequalification Certificate must contain a declaration in the form set out in paragraph (f) of Exhibit A<sup>50</sup>.
- (c) If an Application fails to comply with this Rule 3.8.1A the Delivery Body:
  - (i) must not prequalify the CMU for a Capacity Agreement greater than one year in duration; and
  - (ii) must, if the Application otherwise has been completed and submitted in accordance with the Rules, prequalify the CMU so that the Maximum Obligation Period of a Capacity Agreement that the Applicant may bid for is one year.”.

#### **41. Amendments of Chapter 4**

**41.1** In Rule 4.4:

41.1.1 In Rule 4.4.2, for “The Delivery Body” substitute “Subject to Rule 3.8.1A(c)(ii), the Delivery Body”, and after paragraph (a) insert:

“(aa) it reasonably believes that any information or declaration submitted in or with an Application does not comply with the requirements in Rule 3.12.1;”.

41.1.2 In Rule 4.4.3, for “Save” substitute “Subject to Rule 4.4.3A, save”.

41.1.3 After Rule 4.4.3 insert:

“4.4.3A Following the Prequalification Results Day but prior to the commencement of the first Bidding Window for the relevant Capacity Auction, where the Delivery Body becomes aware or reasonably believes that any information or declaration submitted in or with an Application in respect of a Prequalified CMU did not comply with the requirements in Rule 3.12.1 or that any declaration submitted under Rule 4.7 is false or misleading, the Delivery Body must:

- (a) notify the relevant Applicant as soon as reasonably practicable that the CMU is no longer Prequalified; and
- (b) send a copy of that notice to the Authority.

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<sup>50</sup> Paragraph (f) is inserted by paragraph 49 of this Schedule.

4.4.3B Notwithstanding Rule 7.3, where the Delivery Body notifies an applicant under Rule 4.4.3A that a CMU is no longer Prequalified, the Prequalification status of that CMU is confirmed at the point at which the Delivery Body makes such notification.

4.4.3C Part 10 of the Regulations shall apply to a decision by the Delivery Body to notify an Applicant under Rule 4.4.3A that a CMU is no longer Prequalified as it applies to a "prequalification decision" within the meaning of Regulation 2."

**41.2** In Rule 4.5:

41.2.1 In Rule 4.5.1:

- (a) in paragraph (b)(iii), for "will be directly connected to a Distribution Network" substitute "is a Distribution CMU";
- (b) in paragraph (b)(iv), after "First Full Capacity Auction" insert "and the Second Full Capacity Auction"; and
- (c) in paragraph (b)(v), after "First Full Capacity Auction" insert "and the Second Full Capacity Auction".

41.2.2 In Rule 4.5.2, omit "as at that date" and at the end insert "and Conditionally Prequalified CMUs (as defined in Rule 4.6.1A) as at that date".

41.2.3 For Rule 4.5.3, substitute:

"4.5.3 The Delivery Body must issue authenticated communication codes/instructions through the EMR Delivery Body Portal, no later than 10 Working Days prior to the commencement of the first Bidding Round in the relevant Capacity Auction, to:

- (a) all Applicants with fully Prequalified CMUs; and
- (b) any Applicant permitted to bid into that Capacity Auction pursuant to Regulation 73(4)."

**41.3** In Rule 4.6:

41.3.1 In Rule 4.6.1, before "Rule 4.5.1(b)(ii), (iii) or (iv)" insert "Regulation 73(2)(b) or".

41.3.2 After Rule 4.6.1, insert:

"4.6.1A Where a CMU is registered on the Capacity Market Register pursuant to Regulation 73(2)(a) as a Prequalified CMU subject to the provision of Applicant Credit Cover ("Conditionally Prequalified CMU"):

- (a) the notice served by the Delivery Body on the Applicant pursuant to Regulation 73(2)(b) shall be deemed to be a conditional prequalification notice for the purposes of Part 7 of the Regulations; and
- (b) the Delivery Body must provide the CM Settlement Body with a copy of such notice."

41.3.3 After Rule 4.6.4, insert:

“4.6.4A If the Delivery Body has not received a copy of a notice in accordance with Rule 4.6.2 within 32 Working Days of it providing notice under Rule 4.6.1A:

- (a) where the CMU was registered on the Capacity Market Register as a Conditionally Prequalified CMU not less than 11 Working Days before the start of the relevant Capacity Auction, and a Capacity Agreement is awarded to the Applicant pursuant to that Capacity Auction; or
- (b) where the CMU was registered on the Capacity Market Register as a Conditionally Prequalified CMU after, or less than 11 Working Days before, the start of the relevant Capacity Auction and a Capacity Agreement has been offered to the Applicant pursuant to Regulation 73(5),

then Rule 6.10.1(k) shall apply.”.

**41.4** In Rule 4.7:

41.4.1 In Rule 4.7.1, after “First Full Capacity Auction” insert “or the Second Full Capacity Auction” and for “the Capacity Auction” substitute “such Capacity Auction”.

41.4.2 In Rule 4.7.2, after “First Full Capacity Auction” insert “or the Second Full Capacity Auction (as appropriate)”.

## **42. Amendment of Chapter 5**

**42.1** In Rule 5.10.7, for “Rule 7.4.2” substitute “Rule 7.4.3”.

**42.2** In Rule 5.13.1(e), for paragraph (x) substitute:

“(x) to the professional advisers of:

- (aa) the Applicant;
- (bb) any member of the Applicant’s Group;
- (cc) any shareholder in the Applicant or, where such a shareholder is a company and a member of a Group, of any other company which is a member of that Group; or
- (dd) any potential purchaser of the CMU; or”.

## **43. Amendments of Chapter 6**

**43.1** In Rule 6.2.1, for “is the term used to describe” substitute “comprises”.

**43.2** In Rule 6.7:

43.2.1 For Rule 6.7.2 substitute:

“6.7.2 In the case of a Generating CMU, a New Build CMU or a Refurbishing CMU will have met its Substantial Completion Milestone obligation if:

- (a) the corresponding Generating Unit(s) is/are Operational with an aggregate physical generating capacity (in MW) which, after

being multiplied by its De-rating Factor, equals or exceeds 90 per cent of its Capacity Obligation; and

- (b) the Capacity Provider has provided detailed line diagrams and completed a Metering Assessment as required by Rule 8.3.3(ba)<sup>51</sup>.

43.2.2 After Rule 6.7.8 insert:

"6.7.9 The relevant Long Stop Date must not be extended under Rule 6.7.7 where the relevant Capacity Provider has released the Transmission Licensee or the relevant Distribution Network Operator from its obligation to provide an active connection point under a Grid Connection Agreement or Distribution Connection Agreement, or where the relevant Capacity Provider has agreed to an extension to the date by which an active connection point must be provided."

43.3 In Rule 6.8:

43.3.1 In Rule 6.8.1:

- (a) in sub-paragraph (a), at the beginning insert "in the case of a New Build CMU,"; and
- (b) after sub-paragraph (a), omit "or" and insert:
  - "(aa) in the case of a Refurbishing CMU, its Financial Commitment Milestone in accordance with Rule 6.6 and Rule 6.8.4 shall apply; or".

43.3.2 For Rule 6.8.3 substitute:

"6.8.3 A Prospective Generating CMU has reached its Minimum Completion Requirement if:

- (a) the corresponding Generating Unit(s) is/are Operational with an aggregate physical generating capacity which, after being multiplied by its De-rating Factor, exceeds 50 per cent of its Capacity Obligation; and
- (b) the Capacity Provider has provided detailed line diagrams and completed a Metering Assessment as required by Rule 8.3.3(ba)."

43.4 In Rule 6.10:

43.4.1 In Rule 6.10.1:

- (a) in paragraph (d), omit the words "ab initio";
- (b) in paragraph (f), for the words from "evidencing" to the end, substitute "evidencing the matters specified in Rule 8.3.1(b) as required by that Rule"; and
- (c) omit "or" after paragraph (i), and after paragraph (j) insert:

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<sup>51</sup> Rule 8.3.3(ba) was inserted by the Capacity Market (Amendment) Rules 2014.



“(k) where the Delivery Body has not received a copy of a notice in accordance with Rule 4.6.2 and Rule 4.6.4A applies;”.

43.4.2 In Rule 6.10.2(a), for “in Rule 6.10.1(a) to (j)” substitute “in Rule 6.10.1(a) to (n)”.

43.4.3 In Rule 6.10.2(b), after “Rule 6.10.1(j)” insert “or Rule 6.10.1(k)”.

43.4.4 In Rule 6.10.3(a), for “or (h)” substitute “, (h) or (n)” and after “termination fee” insert “in accordance with Regulation 43”.

43.4.5 In Rule 6.10.3(b)(i), for “or 6.10.1(h)” substitute “, 6.10.1(h) or 6.10.1(n)”.

43.4.6 After Rule 6.10.3 insert:

“6.10.3A Repayment of Capacity Payments

- (a) Where a Capacity Agreement is terminated on one of the grounds specified in paragraphs (a), (d), (g), (k), (l)<sup>52</sup> or (n)<sup>53</sup> of Rule 6.10.1 or following a direction made under Rule 6.10.2(a)(ii), the Capacity Provider is liable to repay Capacity Payments in accordance with Regulation 43B<sup>54</sup>.
- (b) Capacity Payments are repayable in respect of the period TP1, as defined in Regulation 43B(3)(a), where the Capacity Agreement is terminated on the grounds specified in paragraphs (a), (d), (k) or (n) of Rule 6.10.1 or following a direction made under Rule 6.10.2(a)(ii).
- (c) Capacity Payments are repayable in respect of the period TP2, as defined in Regulation 43B(3)(b), where the Capacity Agreement is terminated on the grounds specified in paragraphs (g) or (l) of Rule 6.10.1.
- (d) Where a Capacity Agreement is terminated on the ground specified in Rule 6.10.1(g), the Delivery Body must notify the CM Settlement Body of the date on which the Termination Event occurred.”.

#### **44. Amendments of Chapter 7**

**44.1** In Rule 7.3, after “subject to” insert “Rule 4.4.3B<sup>55</sup> and”.

**44.2** In Rule 7.4:

44.2.1 In Rule 7.4.1(d)(vii)(dd), after “First Full Capacity Auction” insert “and the Second Full Capacity Auction”.

44.2.2 In Rule 7.4.1(d)(xiv), after “First Full Capacity Auction” insert “and the Second Full Capacity Auction”.

**44.3** In Rule 7.5:

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<sup>52</sup> Rule 6.10.1(l) is inserted by paragraph 28.3.1 of this Schedule.

<sup>53</sup> Rule 6.10.1(n) is inserted by paragraph 36.1 of this Schedule.

<sup>54</sup> Regulation 43B was inserted by the Electricity Capacity (Amendment) Regulations 2015.

<sup>55</sup> Rule 4.4.3B is inserted by paragraph 41.1.3 of this Schedule.

44.3.1 In Rule 7.5.1(r), at the beginning insert "in respect of a New Build CMU or a DSR CMU,".

44.3.2 After Rule 7.5.1(t) insert:

"(ta) within 5 Working Days following a notification by the Delivery Body under Rule 4.4.3A that a CMU is no longer Prequalified;".

**44.4** In Rule 7.8:

44.4.1 Number the existing paragraph "7.8.1".

44.4.2 After the existing paragraph insert:

"7.8.2 Rules 6.3.3 to 6.3.7 apply in relation to a replacement Capacity Agreement Notice issued to a Capacity Provider under Rule 7.8.1, provided that the Capacity Provider may only comment in writing to the Delivery Body under Rule 6.3.3 on the factual accuracy of details in the replacement Capacity Agreement Notice which are new or amended.".

## **45. Amendments of Chapter 8**

**45.1** In Rule 8.3:

45.1.1 In Rule 8.3.1(b), for sub-paragraph (i) substitute:

"(i) the Capacity Provider must, by no later than the date falling eighteen months prior to the commencement of the relevant first Delivery Year, provide to the Delivery Body a copy of its Grid Connection Agreement evidencing that it has secured Transmission Entry Capacity for all relevant Delivery Years for the Generating Units comprised in the CMU at least equal to the De-rated Capacity of that CMU and any other CMUs to which the Grid Connection Agreement applies;".

45.1.2 In Rule 8.3.3A<sup>56</sup>:

(a) for the first occurrence of "8.3.3(b)" substitute "8.3.3A(b)" and for "8.3.3(a)" substitute "8.3.3A(a)"; and

(b) after paragraph (b) insert:

"(c) Where a Capacity Agreement has been awarded to an Unproven DSR CMU in a Capacity Auction held in the 2014/15, 2015/16 or 2016/17 Auction Windows, that Unproven DSR CMU must not include any DSR CMU Component which is or has been part of a CMU in respect of which a Capacity Agreement has been awarded in a Transitional Capacity Auction.".

**45.2** In Rule 8.4.2, for "Transmission" substitute "GB Transmission".

## **46. Amendments of Chapters 9, 11, 12 and 13**

**46.1** For Rule 9.4.5, substitute:

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<sup>56</sup> Rule 8.3.3A was inserted by the Capacity Market (Amendment) Rules 2014.

"9.4.5 Where a transfer of a CMU for which the Transferor is Insolvent has been effected under Rule 9.2.4(b), the Delivery Body must notify the CM Settlement Body and update the Capacity Market Register accordingly."

**46.2** In Rule 11.3.2(b), omit "in any previous year".

**46.3** In Rule 12.3.1(a), after "records" insert "held by the Capacity Provider".

**46.4** In Rule 13.4.1(b), after "until" insert "the later of 1 June in that Delivery Year and".

#### **47. Amendments of Chapter 14**

**47.1** In Rule 14.3:

**47.1.1** In Rule 14.3.1, for paragraph (b) substitute:

- "(b) in respect of each Settlement Period, the BM Unit Metered Volume for:
- (i) each Capacity Committed CMU which is a Generating CMU or Interconnector CMU comprised of BM Units; and
  - (ii) each electricity supplier."

**47.1.2** In Rule 14.3.3, for "Rule 14.3.1" substitute "Rule 14.3.1(a) or (b)(i)".

**47.2** After Rule 14.3.3, insert:

"14.3.4 BSCCo must provide the data to which Rule 14.3.1(b)(ii) applies as soon as reasonably practicable."

**47.3** In Rule 14.4.2(a), before "whether" insert "details of".

#### **48. Amendment of Schedule 3**

**48.1** In Schedule 3:

**48.1.1** In paragraph 1.2, after the definition of "autogeneration" omit "and" and insert:

"'Combined Heat and Power plants' means turbines or engines which generate heat and power, including electricity, simultaneously in a single process; and".

#### **49. Amendment of Exhibit A**

**49.1** In Exhibit A (Form of Prequalification Certificate), after paragraph (e) insert:

- "(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 CMU]".

**49.2** To that insertion attach the footnote:

"Delete unless a statement is required to be made under Rule 3.8.1A".

**50. Amendment of Exhibit C**

**50.1** In Exhibit C (Form of Certificate of Conduct), for sub-paragraph (x) of paragraph (e)<sup>57</sup> substitute:

- “(x) to the professional advisers of:
  - (aa) the Applicant;
  - (bb) any member of the Applicant’s Group;
  - (cc) any shareholder in the Applicant or, where such a shareholder is a company and a member of a Group, of any other company which is a member of that Group; or
  - (dd) any potential purchaser of the CMU”.

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<sup>57</sup> Paragraph (e) was amended and the sub-paragraphs renumbered by the Capacity Market (Amendment) Rules 2014.