

EDR Pilot Scheme Clarifications to Participant Handbook

Issue 2 – 24 October 2014 – these changes have been included in version 2.0 of the Participant Handbook.

Paragraph 2.2 (What does the application require?)

Should my application be for a kW or kWh figure?

A kW figure must be provided. The application form requires participants to summarise the proposed project, including the total kW winter peak capacity savings. The capacity savings figure should be taken from the M&V Plan – as set out in 2.3 of the M&V Manual and must be in kW (not kWh). This will be the amount you bid into the auction (see **Entering a Bid** below).

While the M&V Plan/templates can use kWh figures as part of the payback calculation the estimate of the average winter peak capacity savings you are committing to deliver must be on a capacity (kW) basis.

Paragraphs 2.14 – 2.16 (Rationed bids) and 3.10-3.12 (Rationed bids)

If my application is unsuccessful can I still enter a rationed bid?

No – you will not be able to submit a rationed bid if your (parent) application was unsuccessful (in the event that we allow rationed bids in the auction).

Paragraphs 3.2-3.5 (Entering a bid)

Can I bid in a different capacity (kW) than is in my application/M&V Plan?

No – the total average kW you are committing to deliver across the Winter Peak period must be the same as the capacity savings you identified in your application and M&V Plan, which were approved by DECC. The bid form will be pre-populated with this capacity.

Paragraphs 4.2-4.5? (What is a Participant Agreement)

Is there a draft version available?

Yes – a version of the draft Participant Agreement is available on the EDR website, <https://www.gov.uk/electricity-demand-reduction-pilot>

Paragraphs 8.2 -8.3 (Calculating your payment)

What is the VAT treatment of EDR payments to successful bidders?

We expect to confirm VAT treatment of EDR payments by the end of November ahead of the portal opening for bids on 1 December 2014.