

Baroness Verma of Leicester Parliamentary Under Secretary of State

Department of Energy & Climate Change 3 Whitehall Place, London SW1A 2AW

http://www.gov.uk/decc

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Nick Winser, Executive Director
Mark Ripley, Project Director, Electricity Market Reform
National Grid
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Dear Nich, Mark

CAPACITY MARKET DELIVERY TIMETABLE

As you know, DECC will shortly be making some immediate amendments to the Capacity Market Rules 2014. We expect the amended Rules, 'The Capacity Market (Amendment) Rules 2014' to be in force not later than Friday 22 August. These changes correct a number of minor and technical drafting issues which have been identified which need to be corrected to ensure that the Rules governing prequalification for the first auction are clear and operate as intended.

The amendments being made to the Capacity Market Rules should have little or no impact on the information that applicants submit as part of their pre-qualification applications. However, in order to allow applicants to consider these amendments before finalising their prequalification applications, I am formally directing you as the Delivery Body to extend the prequalification window by five working days. This means that the pre-qualification window should close on 5 September 2014, prequalification results day should be on 3 October 2014 and the first capacity auction should commence on 16 December 2014.

I understand that you will publish updated auction guidelines in due course setting out all the changes to the timetable for the 2014 capacity auction.

BARONESS VERMA