



Department
of Energy &
Climate Change

DECC ELECTRICITY MARKET REFORM STAKEHOLDER BULLETIN

16 February 2015

Dear Colleagues,

Announcement of de-rating methodology for interconnector CMUs in the Capacity Market

As a follow up to the Government response to the consultation on 'Capacity Market Supplementary Design proposals and Transitional Arrangements' that was published in January, we have provided further details on the de-rating methodology for interconnector CMUs in the Capacity Market [here](#).

We will implement a "hybrid" de-rating approach for interconnectors which will utilise both historical and forecasting methodologies. This will enable a minimum de-rating factor to be derived from historical evidence, subject to there not being any publically reported concerns about the security of supply outlook in the connected market for the relevant Delivery Year. This methodology will be formalised in the Capacity Market Rules in March.

The DECC EMR team