

The Capacity Market (Amendment) Rules 2020

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

The Capacity Market (Amendment) Rules 2020

1. Citation and commencement

1.1 These Rules may be cited as the Capacity Market (Amendment) Rules 2020.

1.2 These Rules come into force on 20 January 2020.

1.3 In these Rules:

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

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

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

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

2. Amendments

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

Kwasi Kwarteng
Minister of State for Business, Energy and Clean Growth

20 January 2020

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Department for Business, Energy & Industrial Strategy

SCHEDULE

1. **Amendment of Chapter 17 (modifications in respect of Subsequent Capacity Auctions)**

1.1 In Rule 17.3 (Application of this Chapter in respect of Subsequent Capacity Auctions):

1.1.1 in Rule 17.3.1, after “Rule 17.3.2” insert “and Rule 17.3.3”; and

1.1.2 after Rule 17.3.2 insert:

“17.3.3 The modifications made by Rule 17.7A and Rule 17.11 apply on and from the coming into force of the Capacity Market (Amendment) Rules 2020.”.

2. **Amendment of Chapter 7 (Capacity Market Register)**

2.1 After Rule 17.7 (modifications to Chapter 6) insert:

“17.7A Modifications to Chapter 7 (Capacity Market Register)

17.7A.1 Chapter 7 applies as if after Rule 7.8 there were inserted:

“7.9 Secretary of State notification in respect of Regulation (EU) 2019/2043

- (a) If the Secretary of State is aware that the European Commission has issued an opinion under Article 20(5) of Regulation (EU) No 2019/2043¹ in respect of a GB implementation plan, the Secretary of State must notify the Settlement Body and the Delivery Body as soon as reasonably practicable.
- (b) A notification by the Secretary of State must:
 - (i) specify that the notification is given for the purposes of this Rule 7.9;
 - (ii) specify the date of the notification; and

¹ Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity, OJ L 158, 14.6.2019, p. 85.

- (iii) be published as soon as reasonably practicable after it is given.”.”.

2.2 After Rule 17.10 (modifications to Schedule 1) insert:

“17.11 Modifications in respect of Capacity Agreements awarded as a result of a Subsequent Capacity Auction: Regulation (EU) 2019/2043

17.11.1

- (a) Rule 5.10 (Capacity Auction results) applies as if:
 - (i) after Rule 5.10.6(e) and before “and include”, there were inserted:
 - “(f) in relation to any Capacity Agreement awarded in a Subsequent Capacity Auction held before the Secretary of State has given a notification in accordance with Rule 7.9, that the Capacity Agreement comes into force on whichever is the earlier of the day after the date on which the Secretary of State has given a notification in accordance with Rule 7.9 and 1 May 2020”;
 - (ii) in Rule 5.10.7, for “from this time” there were substituted “on whichever is the earlier of the day after the date on which the notification given by the Secretary of State in accordance with Rule 7.9 is published and 1 May 2020,”;
- (b) Rule 7.4 (Capacity Market Register) applies as if, at the end of Rule 7.4.3, there were inserted “, and, in respect of a Capacity Agreement awarded in a Subsequent Capacity Auction held before the Secretary of State has given a notification in accordance with Rule 7.9, that the Capacity Agreement comes into force on whichever is the earlier of the day after the date on which the Secretary of State has given a notification in accordance with Rule 7.9 and 1 May 2020”;
- (c) Rule 7.5 (Delivery Body amendments to the Capacity Market Register) applies as if, before Rule 7.5.1(a), there were inserted:

- “(za) where a Capacity Agreement awarded in a Subsequent Capacity Auction held before a notification was given by the Secretary of State in accordance with Rule 7.9 has come into force in accordance with Rule 5.10.7 (as modified by Rule 17.11.1(a)(ii)), to remove the modification described in Rule 17.11.1(b) to the entry on the Register required by Rule 7.4.3;” and
- (d) Schedule 1 (Template Capacity Agreement Notice) applies as if before “Part A: Capacity Obligation”, there were inserted “If the Capacity Agreement which is the subject of this Capacity Agreement Notice was awarded in a Subsequent Capacity Auction held before a notification was given by the Secretary of State in accordance with Rule 7.9, the Capacity Agreement comes into force in accordance with Rule 5.10.7 (as modified by Rule 17.11.1(a)(ii)).”.