



**2019 three years ahead Capacity Auction (T-3)
Delivery Year 2022/23
Auction Monitor Report**

4 February 2020

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1 Assurance Report

ISAE 3000 Independent Assurance Report on Compliance of National Grid Electricity System Operator Limited (NGESO) (as Electricity Market Reform Delivery Body) with selected requirements of the Capacity Market Rules, Regulations and the Auction Guidelines.

1.1 Scope

We have performed assurance work over the extent to which the Delivery Body ("DB") has complied with the requirements of Chapter 5 of the Capacity Market Rules, Regulations and the Auction Guidelines (together the "Rules and Guidelines") as at 23 January 2020. In particular, we have considered the rules included in Chapter 5 of the Capacity Market Rules as listed in Appendix A.

A consolidated version of the detailed Capacity Market Rules is available here:

https://www.ofgem.gov.uk/system/files/docs/2019/09/informal_consolidated_capacity_market_rules_26_july_2019.pdf with the subsequent amendments at the time of writing available here:

<https://www.gov.uk/government/publications/capacity-market-rules>. In the context of this Report, the actions of the DB in performing the 2019 three year ahead Capacity Auction (T-3) Delivery Year 2022/23 ("the 2019 T-3 Auction") is the "Subject Matter" and the above sections of the Capacity Market Rules form the "Criteria" against which the Subject Matter has been evaluated.

1.2 Respective Responsibilities

The DB as the Responsible Party is responsible for delivering the process and requirements for the 2019 T-3 Auction in accordance with the Capacity Market Rules.

Our responsibility, as agreed with the DB, is to assess the actions performed by the DB in performing the 2019 T-3 Auction against the requirements of the Capacity Market Rules and to independently express a conclusion as to whether the process and actions undertaken by the DB comply with the requirements of the Capacity Market Rules. Other than as defined in our assurance procedures, we did not audit or otherwise test or verify the information given to us in the course of the Services.

1.3 Work Performed

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". That standard requires that we comply with ethical requirements, including independence requirements, and plan and perform our work to obtain appropriate evidence about the subject matter of the engagement sufficient to support an opinion providing reasonable assurance.

An outline of the work we performed is included in Appendix B. Except to the extent expressly stated above, we did not subject the information contained in our Report or given to us by the DB to checking or verification procedures. The procedures we performed were not designed to and are not likely to reveal fraud.

1.4 Basis of Opinion

We believe that our work performed and evidence obtained provides a reasonable basis for our opinion. Our assurance report has been produced under our letter of engagement with the Responsible Party effective from 1 October 2019.

1.5 Opinion

In our opinion the actions performed by NGESO, in its role as the Capacity Market Delivery Body for Electricity Market Reform, have in all material respects, complied with the relevant sections of the Rules and Guidelines as detailed in Section 1.1 above in respect of the 2019 T-3 Auction held between 09:00 on 30 January 2020 and 12:15 on 31 January 2020.

A list of the Bidders and corresponding Capacity Market Units ("CMUs") to be awarded Capacity Agreements following the 2019 T-3 Auction is included in Section 3.

1.6 Independence

In conducting our engagement, we have complied with the Code of Ethics issued by the Institute of Chartered Accountants in England & Wales.

1.7 Quality Control

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

1.8 Use of Report

Our Report has been prepared for the exclusive use of NGESO in accordance with the scope agreed within our engagement letter effective from 1 October 2019. Our work has been undertaken solely for the purpose of assessing NGESO's compliance with the Rules and Guidelines outlined in Section 1.1 above. Our work was not planned or conducted with any other objective in mind and so cannot be relied upon for any other purposes. Save that a copy of our report may be provided to the Secretary of State for Business Energy and Industrial Strategy and the Gas and Electricity Market Authority and may be published on the Department of Business, Energy and Industrial Strategy website, our Report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without our prior written express consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than NGESO for this report or for the conclusions we have formed.

A handwritten signature in black ink that reads "Deloitte LLP". The signature is written in a cursive, slightly slanted style.

Deloitte LLP
Edinburgh, United Kingdom

4 February 2020

2 Background and Context

2.1 Background

Electricity Market Reform ("EMR") is intended, inter alia, to promote investment in low-carbon electricity generation and ensure security of supply. The Capacity Market will support achieving security of electricity supply by providing a payment for reliable sources of capacity. This will supplement generators' electricity revenues, to ensure they deliver energy when needed. This is designed to encourage the investment needed to replace older power stations, provide backup for more intermittent and inflexible low carbon generation sources and support the development of more active demand management in the electricity market.

EMR has been implemented through the Energy Act 2013 and the Electricity Capacity Regulations 2014 (as amended) ("the Regulations"). The Capacity Market Rules 2014 (as amended) ("the Rules") provide the technical and administrative detail for implementing the operating framework set out in the Regulations. As such, the Rules provide a description and procedures regarding the operation of the Capacity Market.

The National Grid Electricity System Operator Limited (NGESO) became a legally separate entity within the National Grid Group on 1 April 2019. The NGESO fulfils the role of EMR delivery body for the Capacity Market and is responsible for pre-qualifying auction participants, running the capacity auctions, and issuing and monitoring agreements, and for the issuing of Capacity Market notices.

Unless otherwise specified herein, words and expressions used in this Report have the same meaning as defined in the Regulations and Rules.

2.2 Requirement for the Auction Monitor

In its role as Delivery Body ("DB") for EMR, NGESO, pursuant to Chapter 5 of the Capacity Market Rules 2014 (as amended), is required to appoint a third party to monitor the conduct of each Capacity Auction, referred to as the Auction Monitor.

Under the Rules the Auction Monitor is required to provide a report ("Report") to the Secretary of State for Business, Energy and Industrial Strategy ("the SoS") with a copy to the Gas and Electricity Markets Authority ("the Authority") which:

- Confirms the list of Bidders that should have been awarded a Capacity Agreement;
- Sets out whether or not the Auction Monitor considers that the Capacity Market DB and/or the Auctioneer has conducted the Capacity Auction in accordance with the Regulations and the Rules;
- If applicable, identifies any actual or potential breach of the Regulations or the Rules or other actual or potential irregularity in the conduct of the Capacity Auction by the Capacity Market DB and/or the Auctioneer; and
- If applicable, includes a review of the calculations made and the Auction Monitor's assessment as to the likely consequences of such actual or potential breach or irregularity.

Under Rule 5.14.3(a) the Auction Monitor is required to provide the Report to the SoS. This will be achieved through the Auction Monitor providing the Report to the DB who will send it to the SoS and copy the Report to the Authority. We understand the SoS intends to publish this Report.

2.3 Basis on which work performed

Deloitte LLP has been engaged by NGESO to perform the Auction Monitor role and report on the performance by NGESO (in its role as Delivery Body for the 2019 T-3 Auction) by providing a reasonable assurance opinion under the International Standard on Assurance Engagements ("ISAE") (Revised) 3000 in respect of the requirements for the Auction Monitor.

Our independent opinion has been prepared under ISAE 3000, which provides the structure and internationally recognised framework for undertaking the engagement, leading to a formal assurance opinion which is provided in Section 1 of this Report.

2.4 Report of Observations

Where identified during the course of our work, we also report observations in section 3 relating to the DB's compliance with relevant parts of Chapter 5 of the Capacity Market Rules and the Data and Auction sections of the Capacity Market Auction Guidelines (the 'Auction Guidelines') dated 23 January 2020.

3 Report of Observations

We have two observations to report relating to the DB's compliance with relevant parts of Chapter 5 of the Capacity Market Rules and the Data and Auction sections of the Capacity Market Auction Guidelines (the 'Auction Guidelines') dated 23 January 2020.

Observation	Related CM Rules and Regulations	Effect	Recommendation
CMUs on the system compared to the capacity market register.			
<p>The auction system included one CMU that was not prequalified to participate in the 2019 T-3 Auction.</p> <p>The capacity register was updated on the 28 January 2020 to change the prequalification status of the CMU that had been identified as being prohibited from participating in the 2019 T-3 Auction in accordance with Rule 3.7.1 (a)(i).</p> <p>Given the timing for this update to the CM register, the auction system was not updated to remove the affected CMU prior to the start of the auction.</p>	<p>Rule 5.3.1 (a), Rule 3.7.1 (a)(i) and Rule 5.3.3 (b)</p>	<p>None</p> <p>Prior to the start of the auction, the DB removed access to the auction system for the Authorised Individuals for the CMU. In line with Rule 5.3.3 (b) the DB also submitted bids at the Bidding Round Price Cap in the first round for the relevant CMU.</p>	<p>The DB should assess whether additional checks during pre-qualification process could have identified and resolved the issue sooner. In particular, this should include checks in respect of the maximum Connected Capacity of CMUs.</p>
Notification of Bidders and SoS of the provisional results.			
<p>At 19:00 on 31 January 2020 the Delivery Body (DB) notified Bidders of the provisional results of the 2019 T-3 Auction via the Auction System and through the publication of the provisional results report, which was also shared with the SoS.</p> <p>Following publication, a participant alerted the DB of an error in the duration of the Capacity Agreement awarded to three CMUs units in the published version of the provisional results report.</p>	<p>Rule 5.10.1 and Rule 5.10.2</p>	<p>None</p> <p>The values in the provisional results report did not correspond to the values in the Auction System for three CMUs. This was subsequently corrected in the provisional results report which was re-sent to the SoS and re-published by the DB on 1 February 2020.</p>	<p>Prior to publication, the DB should undertake additional checks to confirm the consistency between the report to be published and the results calculated based on Chapter 5 of the Capacity Market Rules.</p>

4 Confirmation of the list of Bidders to be awarded Capacity Agreements

The 2019 T-3 Auction started at 09:00 on 30 January 2020 and the Clearing Round was round 14, which closed at 12:15 on 31 January 2020.

The Clearing Price of the 2019 T-3 Auction was equal to £6.44, with the aggregate Bidding Capacity of Capacity Agreements of 45,058.832 MW.

Based on the outcome of the 2019 T-3 Auction and in accordance with the Capacity Market Rules 2014 published on 1 August 2014 (as amended), we confirm that the following list of bidders and corresponding CMUs¹ to be awarded Capacity Agreements were successful in the 2019 T-3 Auction.

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
2020 T-3 Auction - All CMU's	Clayhill Solar Limited	Clayhill
	Hulley Road Energy Storage Limited	Hulley Road
	Larport Energy Storage Limited	Larport
	Lascar Battery Storage Limited	Lascar
AEROSPACE ENERGY UK LIMITED	AEROSPACE ENERGY UK LIMITED	AeroCM
Alkane Energy UK Limited	Alkane Energy UK Limited	AUKPR8
	Alkane Energy UK Limited	Bils1Flor1Gedl1KMil1Whel5
	Alkane Energy UK Limited	CMM Port
	Alkane Energy UK Limited	Shirebrook1-6
	Alkane Energy UK Limited	Wheldale134
	Alkane Energy UK Limited	Whitwell
AMPIL 2 ASSET LIMITED	AMPIL 2 ASSET LIMITED	VILLA3
Anesco Battery Solutions Limited	Anesco Battery Solutions Limited	ABS1
	Anesco Battery Solutions Limited	ABS2
BALANCE POWER PROJECTS LIMITED	BALANCE POWER PROJECTS LIMITED	EYRE STREET
British Sugar plc	British Sugar plc	Bury St Edmunds CHP
	British Sugar plc	Wissington CHP
BRITNED DEVELOPMENT LIMITED	BRITNED DEVELOPMENT LIMITED	BritNed Interconnector

¹ Bidding Company/Group information is taken from the Capacity Market Register.

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
Cargill PLC	Cargill PLC	Cargill Manch Generation
Carrington Power Limited	Carrington Power Limited	Carrington_1
	Carrington Power Limited	Carrington_2
Centrica Business Solutions UK Optimisation Limite	Centrica Business Solutions UK Optimisation Limite	CENEST1
	Centrica Business Solutions UK Optimisation Limite	Glaxo Barnard Montrose Ware & Worthing
	Centrica Business Solutions UK Optimisation Limite	Glaxo R&D Stevenage, Ware
	Centrica Business Solutions UK Optimisation Limite	JPSBDV
	Centrica Business Solutions UK Optimisation Limite	NECX3
	Centrica PB Limited	Peterborough
	Centrica Business Solutions UK Optimisation Limite	REST04
	Centrica Business Solutions UK Optimisation Limite	REST07
	Centrica Business Solutions UK Optimisation Limite	REST09
	Centrica Business Solutions UK Optimisation Limite	REST14
	Centrica Business Solutions UK Optimisation Limite	REST20
	Centrica Business Solutions UK Optimisation Limite	REST21
	Centrica Business Solutions UK Optimisation Limite	REST22
	Centrica Business Solutions UK Optimisation Limite	REST45
Centrica Business Solutions UK Optimisation Limite	REST46	
COGENERATION SOLUTIONS LIMITED	COGENERATION SOLUTIONS LIMITED	Cavendish
Crookedstane Windfarm Limited	Crookedstane Windfarm Limited	Crookedstane
Distributed Generators Limited	Distributed Generators Limited	Elms
Drax Generation Enterprise Limited	Drax Generation Enterprise Limited	Cruachan Unit 1
	Drax Generation Enterprise Limited	Cruachan Unit 2
	Drax Generation Enterprise Limited	Cruachan Unit 3
	Drax Generation Enterprise Limited	Cruachan Unit 4
	Drax Generation Enterprise Limited	Damhead Creek

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
Drax Generation Enterprise Limited	Drax Generation Enterprise Limited	Glenlee Hydro
	Drax Generation Enterprise Limited	Kendoon Hydro
	Drax Generation Enterprise Limited	Rye House
	Drax Generation Enterprise Limited	Shoreham
	Drax Generation Enterprise Limited	Tongland Hydro
Drax Power Limited	Drax Power Limited	DRAX Unit 9
	Drax Power Limited	DRAX10
	Drax Power Limited	DRAX12
E.ON	E.ON UK Plc	BVC_CHP
	E.ON UK Plc	CE_Aggregated
	E.ON UK Plc	CE_Aggregated 2
	Citigen (London) Limited	Citigen
	E.ON UK Plc	EON042
	E.ON UK Plc	EON045
	E.ON UK Plc	EON055
	E.ON UK Plc	IMP_SPX CHP
	E.ON UK CHP Limited	POL CHP
	E.ON UK Plc	QMC_CHP
EDF Energy (Thermal Generation) Limited	EDF Energy (Thermal Generation) Limited	West Burton B Power Station CMU 1
	EDF Energy (Thermal Generation) Limited	West Burton B Power Station CMU 2
	EDF Energy (Thermal Generation) Limited	West Burton B Power Station CMU 3
EDF Energy Nuclear Generation Limited	EDF Energy Nuclear Generation Limited	Dungeness B Power Station CMU 21
	EDF Energy Nuclear Generation Limited	Dungeness B Power Station CMU 22
	EDF Energy Nuclear Generation Limited	Hartlepool Power Station CMU 1
	EDF Energy Nuclear Generation Limited	Hartlepool Power Station CMU 2
	EDF Energy Nuclear Generation Limited	Heysham 1 Power Station CMU 1
	EDF Energy Nuclear Generation Limited	Heysham 1 Power Station CMU 2

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
EDF Energy Nuclear Generation Limited	EDF Energy Nuclear Generation Limited	Heysham 2 Power Station CMU 7
	EDF Energy Nuclear Generation Limited	Heysham 2 Power Station CMU 8
	EDF Energy Nuclear Generation Limited	Sizewell B Power Station CMU 1
	EDF Energy Nuclear Generation Limited	Sizewell B Power Station CMU 2
	EDF Energy Nuclear Generation Limited	Torness Power Station CMU 1
	EDF Energy Nuclear Generation Limited	Torness Power Station CMU 2
EELPOWER (OPCO6) LIMITED	EELPOWER (OPCO6) LIMITED	WORM18
EirGrid Interconnector Designated Activity Company	EirGrid Interconnector Designated Activity Company	EWIC
Eleclink Limited	Eleclink Limited	Eleclink
Enel X UK Limited	Enel X UK Limited	NDSR32
	Enel X UK Limited	NDSR33
	Enel X UK Limited	NDSR34
	Enel X UK Limited	NDSR41
	Enel X UK Limited	NDSR42
	Enel X UK Limited	NDSR43
	Enel X UK Limited	NDSR44
	Enel X UK Limited	NDSR45
	Enel X UK Limited	NDSR46
EP UK Investments	EP SHB Limited	South Humber Bank
	EP Langage Limited	T_LAGA-1
ESB SOLAR (NORTHERN IRELAND) LIMITED	ESB SOLAR (NORTHERN IRELAND) LIMITED	MillFarm1
FCC Environment (UK) Limited	Kent Enviropower Limited	Allington EFW
	FCC Buckinghamshire Limited	FCC Buckinghamshire Ltd
	FCC (E&M) Limited	Millerhill EFW
Ferrybridge MFE 2 Limited	Ferrybridge MFE 2 Limited	FM2
Ferrybridge MFE Limited	Ferrybridge MFE Limited	FM1

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
First Hydro Company	First Hydro Company	Dinorwig Unit 1
	First Hydro Company	Dinorwig Unit 2
	First Hydro Company	Dinorwig Unit 3
	First Hydro Company	Dinorwig Unit 4
	First Hydro Company	Dinorwig Unit 5
	First Hydro Company	Dinorwig Unit 6
	First Hydro Company	Ffestiniog Unit 3
Flexitricity Limited	Flexitricity Limited	F18024
	Flexitricity Limited	FLEX01
	Flexitricity Limited	FLEX02
	Flexitricity Limited	FLEX03
	Flexitricity Limited	FLEX04
	Flexitricity Limited	FLEX05
	Flexitricity Limited	FLEX07
	Flexitricity Limited	FLEX108
	Flexitricity Limited	FLEX109
	Flexitricity Limited	FLEX11
	Flexitricity Limited	FLEX110
	Flexitricity Limited	FLEX14
	Flexitricity Limited	FLEX19
	Flexitricity Limited	FLEX27
	Flexitricity Limited	FLEX29
	Flexitricity Limited	FLEX33
	Flexitricity Limited	FLEX34
	Flexitricity Limited	FLEX36
	Flexitricity Limited	FLEX39
	Flexitricity Limited	FLEX40
	Flexitricity Limited	FLEX66
Flexitricity Limited	FLEX67	
Flexitricity Limited	FLEX86	
Flexitricity Limited	Ledi	

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
Flexitricity Limited	Flexitricity Limited	Tinto
FLINT TO CELL LIMITED	FLINT TO CELL LIMITED	Finway
FS NEVENDON LIMITED	FS NEVENDON LIMITED	Nevendon Battery Storage
Glass Leaf Power Limited	Glass Leaf Power Limited	Glassleaf Power
Glen Kyllachy Wind Farm Limited	Glen Kyllachy Wind Farm Limited	GKWF02
Gloucestershire County Council	Gloucestershire County Council	JAVP19
Grangemouth CHP Limited	Grangemouth CHP Limited	Grangemouth CHP
GREEN PEAK GENERATION LIMITED	GREEN PEAK GENERATION LIMITED	Lillyhall
Greenspan Contractors Limited	Greenspan Contractors Limited	Abercorn
Greenspan Nifty Fifty Limited	Greenspan Nifty Fifty Limited	Wardpark Alpha
	Greenspan Nifty Fifty Limited	Wardpark Bravo
GridBeyond Limited	GridBeyond Limited	END027
	GridBeyond Limited	END028
	GridBeyond Limited	END029
	GridBeyond Limited	END030
	GridBeyond Limited	END031
	GridBeyond Limited	END032
	GridBeyond Limited	Endeco Technologies CMU1
	GridBeyond Limited	Endeco Technologies END015
	GridBeyond Limited	Endeco Technologies END016
	GridBeyond Limited	Endeco Technologies END017
GridBeyond Limited	Endeco Technologies END018	
GridBeyond Limited	GBD010	
Hanford Waste Services Limited	Hanford Waste Services Limited	Stoke Incinerator
Harworth Power (Generation) Limited	Harworth Power (Generation) Limited	HPGL19
Hooton Bio Power Limited	Hooton Bio Power Limited	Hooton Bio Power Limited
Indian Queens Power Limited	Indian Queens Power Limited	Indian Queens
Infinis Alternative Energies Limited	Infinis Alternative Energies Limited	SUTTONCOURTENAY

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
INOVYN ChlorVinyls Limited	INOVYN ChlorVinyls Limited	MCRUN
	INOVYN ChlorVinyls Limited	RuncornERF - Phase 2
InterGen T-3 Bidding Company	Coryton Energy Company, Ltd.	Coryton
	Rocksavage Power Company, Ltd.	Rocksavage
	Spalding Energy Company, Ltd.	Spalding
Inverclyde Renewables LLP	Inverclyde Renewables LLP	Inverclyde
Keekle Power Limited	Keekle Power Limited	Nursling
KiWi Power Ltd	KiWi Power Ltd	CMU - Unproven DSR KIWI76
	KiWi Power Ltd	KPB004
	KiWi Power Ltd	KPEG47
	KiWi Power Ltd	KPEG48
	KiWi Power Ltd	KPEG49
	KiWi Power Ltd	LeicsNHS
Limejump Ltd	Limejump Ltd	DSR307
	Limejump Ltd	DSR308
	Limejump Ltd	DSR310
	Limejump Ltd	DSR311
	Limejump Ltd	DSR312
	Limejump Ltd	DSR314
	Limejump Ltd	DSRL30
	Limejump Ltd	DSRL53
	Limejump Ltd	EXKAP1
	Limejump Ltd	EXL100
	Limejump Ltd	EXLJ20
	Limejump Ltd	EXLJ23
LondonEnergy Ltd	LondonEnergy Ltd	LondonWaste
Mercia Waste Management Limited	Mercia Waste Management Limited	Mercia Waste Management Ltd
Moyle Interconnector Limited	Moyle Interconnector Limited	Moyle Interconnector
National Grid Interconnectors Limited	National Grid IFA2 Limited	IFA2
	National Grid Interconnectors Limited	Interconnexion France Angleterre

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
National Grid Interconnectors Limited	National Grid North Sea Link Limited	NSL_22
NEMO LINK LIMITED	NEMO LINK LIMITED	NEMOGB
Northumberland Energy Recovery Limited	Northumberland Energy Recovery Limited	STV Line 3 EfW
NPOWER LIMITED	NPOWER LIMITED	NPCM-13
Nuclear Decommissioning Authority	Nuclear Decommissioning Authority	Maentwrog Hydro-electric Power Station
P3P Energy Management AE Limited	P3P Energy Management AE Limited	Woodhouse Energy Centre
P3P Energy Management Limited	P3P Energy Management Limited	Europa Energy Centre
PARC ADFER LIMITED	PARC ADFER LIMITED	Parc Adfer
PIVOT POWER BATTERY CO. LIMITED	PIVOT POWER BATTERY CO. LIMITED	Pivot Power 1
	PIVOT POWER BATTERY CO. LIMITED	Pivot Power 1
POWER UP GENERATION LIMITED	POWER UP GENERATION LIMITED	Bond Estates Milton Keynes
PUTNEY POWER LIMITED	PUTNEY POWER LIMITED	Copse
Regent Park Energy Limited	Regent Park Energy Limited	A11708
	Regent Park Energy Limited	A41701
	Regent Park Energy Limited	A41703
	Regent Park Energy Limited	A41711
	Regent Park Energy Limited	Maltby
	Regent Park Energy Limited	Rhymney
Riverside Resource Recovery Limited	Riverside Resource Recovery Limited	RRRF01
Rock Energy Storage Limited	Rock Energy Storage Limited	ROCK18
RWE Generation UK plc	RWE Generation UK plc	CMU_COWE1
	RWE Generation UK plc	CMU_COWE2
	RWE Generation UK plc	CMU_DIDC1G
	RWE Generation UK plc	CMU_DIDC2G
	RWE Generation UK plc	CMU_DIDC3G
	RWE Generation UK plc	CMU_DIDC4G
	RWE Generation UK plc	CMU_DIDCB5

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
RWE Generation UK plc	RWE Generation UK plc	CMU_DIDCB6
	RWE Generation UK plc	CMU_GYAR-1
	RWE Generation UK plc	CMU_HYTHER
	RWE Generation UK plc	CMU_LBAR-1
	RWE Generation UK plc	CMU_PEMB-11
	RWE Generation UK plc	CMU_PEMB-21
	RWE Generation UK plc	CMU_PEMB-31
	RWE Generation UK plc	CMU_PEMB-41
	RWE Generation UK plc	CMU_PEMB-51
	RWE Generation UK plc	CMU_STAY-1
	RWE Generation UK plc	CMU_STAY-2
	RWE Generation UK plc	CMU_STAY-3
	RWE Generation UK plc	CMU_STAY-4
	Saltend Cogeneration Company Limited	Saltend Cogeneration Company Limited
Saltend Cogeneration Company Limited		Saltend Unit 2
Saltend Cogeneration Company Limited		Saltend Unit 3
SCOTTISHPOWER RENEWABLES (UK) LIMITED	SCOTTISHPOWER RENEWABLES (UK) LIMITED	BAT3
	SCOTTISHPOWER RENEWABLES (UK) LIMITED	Halsary
Seabank Power Limited	Seabank Power Limited	Seabank 1 and 2
Sembcorp Utilities (UK) Limited	Sembcorp Utilities (UK) Limited	Sembcorp Wilton GT1
	Sembcorp Utilities (UK) Limited	Sembcorp Wilton GT2
	Sembcorp Utilities (UK) Limited	Sembcorp Wilton ST11
Severn Power Limited	Severn Power Limited	Severn Unit 10
	Severn Power Limited	Severn Unit 20
Shovel Ready 6 Limited	Shovel Ready 6 Limited	Amy Johnson Way
Shovel Ready 7 Limited	Shovel Ready 7 Limited	Venture Road
SIMEC Lochaber Hydropower 2 Limited	SIMEC Lochaber Hydropower 2 Limited	SLH2G1
	SIMEC Lochaber Hydropower 2 Limited	SLH2G2
	SIMEC Lochaber Hydropower 2 Limited	SLH2G3

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
SIMEC Lochaber Hydropower 2 Limited	SIMEC Lochaber Hydropower 2 Limited	SLH2G4
	SIMEC Lochaber Hydropower 2 Limited	SLH2G5
South Tyne and Wear Energy Recovery Limited	South Tyne and Wear Energy Recovery Limited	STV Lines 4 & 5 EfW
Speciality Steel UK Limited	Speciality Steel UK Limited	2015_2
SSE	SSEPG (Operations) Limited	Chippenham
	SSE Generation Limited	Clachan 1
	SSE Generation Limited	Clunie
	SSE Generation Limited	Deanie 1
	SSE Generation Limited	Deanie 2
	SSE Generation Limited	Errochty 1
	SSE Generation Limited	Errochty 2
	SSE Generation Limited	Errochty 3
	SSE Generation Limited	Fasnakyle 1
	SSE Generation Limited	Fasnakyle 2
	SSE Generation Limited	Fasnakyle 3
	SSE Generation Limited	Foyers 1
	SSE Generation Limited	Foyers 2
	SSE Generation Limited	Glenmoriston
	SSE Generation Limited	Inverawe
	SSE Generation Limited	Lochay 1
	SSE Generation Limited	Lochay 2
	SSE Generation Limited	Luichart
	SSE Energy Supply Limited	Marchwood
	SSE Generation Limited	Peterhead
SSE Generation Limited	Rannoch 1	
SSE Generation Limited	Rannoch 2	
SSE Generation Limited	Rannoch 3	
SSE Generation Limited	Sloy 1	
SSE Generation Limited	Sloy 2	

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
SSE	SSE Generation Limited	Sloy 3
	SSE Generation Limited	Sloy 4
	SSE Generation Limited	Tummel 1
	SSE Generation Limited	Tummel 2
Statkraft Markets GmbH	Statkraft Markets GmbH	Generator 1 of the Rheidol Hydro Electric Power Plant
	Statkraft Markets GmbH	Generator 2 of the Rheidol Hydro Electric Power Plant
	Statkraft Markets GmbH	Generator 3 of the Rheidol Hydro Electric Power Plant
SUEZ RECYCLING AND RECOVERY KIRKLEES LTD	SUEZ RECYCLING AND RECOVERY KIRKLEES LTD	Kirklees EfW
SUEZ RECYCLING AND RECOVERY SUFFOLK LTD	SUEZ RECYCLING AND RECOVERY SUFFOLK LTD	Suffolk EfW
SUEZ RECYCLING AND RECOVERY TEES VALLEY LTD	SUEZ RECYCLING AND RECOVERY TEES VALLEY LTD	STV Lines 1 and 2 EfW
Sutton Bridge Power Generation	Sutton Bridge Power Generation	Sutton Bridge
SWB Power Ltd	SWB Power Ltd	RECTORY FARM
Tata Steel UK Limited	Tata Steel UK Limited	PT_G
Teesside Hire Limited	Teesside Hire Limited	Spark Steam Energy Centre
UK Power Reserve Limited	UK Power Reserve Limited	Aberdare Power Station
	UK Power Reserve Limited	Bridgwater Power Station
	UK Power Reserve Limited	Cantelo Power Station
	UK Power Reserve Limited	Cowley Hill Power Station
	UK Power Reserve Limited	Greengate Power Station
	UK Power Reserve Limited	Sevington Power Station
	UK Power Reserve Limited	Solutia Power Station
	UK Power Reserve Limited	South Cornelly Power Station
	UK Power Reserve Limited	Styal Road Power Station
	UK Power Reserve Limited	Watson Street Power Station
Uniper Global Commodities SE	Uniper Global Commodities SE	CDC
	Uniper UK Limited	Connahs U1&U2
	Uniper UK Limited	Connahs U3
	Uniper UK Limited	Connahs U4

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
Uniper Global Commodities SE	Uniper Global Commodities SE	Enfield
	Uniper Global Commodities SE	Grain GT-1
	Uniper Global Commodities SE	Grain GT-4
	Uniper Global Commodities SE	Grain U6
	Uniper Global Commodities SE	Grain U7
	Uniper Global Commodities SE	Grain U8
	Uniper Global Commodities SE	Killingholme Module 1
	Uniper Global Commodities SE	Killingholme Module 2
	Uniper Global Commodities SE	Ratcliffe U2
	Uniper Global Commodities SE	Ratcliffe U3
	Uniper Global Commodities SE	Taylor's Lane GT2
	Uniper Global Commodities SE	Taylor's Lane GT3
	Urban Energy	Birmingham District Energy Company Limited
Birmingham District Energy Company Limited		BDEC2
East London Energy Limited		CELEKY
East London Energy Limited		CELEYSC
Excel District Energy Company Limited		EDEC
Leicester District Energy Company Limited		LDEC
Southampton Geothermal Heating Company Limited		SGHC
URBAN RESERVE (ASSETCO) LIMITED	URBAN RESERVE (ASSETCO) LIMITED	Bear Power
	URBAN RESERVE (ASSETCO) LIMITED	Centric Power
	URBAN RESERVE (ASSETCO) LIMITED	Clarence Power
	URBAN RESERVE (ASSETCO) LIMITED	Collins Power
	URBAN RESERVE (ASSETCO) LIMITED	Crittall Power
	URBAN RESERVE (ASSETCO) LIMITED	Edison Power
	URBAN RESERVE (ASSETCO) LIMITED	Finmere Power
	URBAN RESERVE (ASSETCO) LIMITED	Gallions Power
	URBAN RESERVE (ASSETCO) LIMITED	Halton Power
	URBAN RESERVE (ASSETCO) LIMITED	Heysham Power
	URBAN RESERVE (ASSETCO) LIMITED	Homefield Power

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
URBAN RESERVE (ASSETCO) LIMITED	URBAN RESERVE (ASSETCO) LIMITED	Parkbury Power
	URBAN RESERVE (ASSETCO) LIMITED	Pilsworth Power
	URBAN RESERVE (ASSETCO) LIMITED	Sandhurst Power
	URBAN RESERVE (ASSETCO) LIMITED	Wallace Power
	URBAN RESERVE (ASSETCO) LIMITED	Whitworth Power
Utility I Ltd	Utility I Ltd	Lhoist Hindlow CHP
Veolia UK Limited	Veolia UK Limited	Chineham ERF
	Veolia UK Limited	Marchwood ERF
	Veolia UK Limited	Newhaven ERF
	Veolia UK Limited	Portsmouth ERF
	Veolia UK Limited	Royal Liverpool & Broadgreen Hospitals
	Veolia UK Limited	Southampton General Hospital
	Veolia UK Limited	SPEKE CHP
	Veolia UK Limited	Staffordshire ERF
	Veolia UK Limited	Veolia DSR
Viridor Waste Management Limited	Viridor Waste Management Limited	Cardiff ERF
	Viridor Waste Management Limited	Exeter ERF
	Viridor Waste Management Limited	Heathfield Gas Peaking
VITAL ENERGI SOLUTIONS LIMITED	VITAL ENERGI SOLUTIONS LIMITED	
	VITAL ENERGI SOLUTIONS LIMITED	
	VITAL ENERGI SOLUTIONS LIMITED	STJ
VP Flexgen Limited	VP Flexgen Limited	HULLA
	VP Flexgen Limited	HULLB
VPI Immingham LLP	VPI Immingham LLP	Immingham CHP
Welsh Power Group Limited	Bury Power Limited	Bury Power
	Clyne Power Limited	Clyne Power
	Culvery Power Limited	Culvery Power
	Dafen Reserve Power Limited	Dafen Power
Welsh Power Group Limited	Immingham Power Limited	Immingham Power

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register*
	Irwell Power Limited	Irwell Power
	Kiln Power Limited	Kiln Power
	Loddon Power Limited	Loddon Power
	Marden Power Limited	Marden Power
	Northwich Power Limited	Northwich Power
	Ogmore Power Limited	Ogmore Power
	St Asaph Power Limited	St Asaph Power
	Warrington Power Limited	Warrington Power
	Wharf Power Limited	Wharf Power
	Wolverhampton Power Ltd	Wolverhampton Power
Whitetower Energy Limited	Whitetower Energy Limited	Croydon Power
	Whitetower Energy Limited	Derby Cogen Ltd
	Whitetower Energy Limited	Heartlands Power
	Whitetower Energy Limited	Heartlands Power
	Whitetower Energy Limited	Viking Power
Winchester Power Limited	Winchester Power Limited	WINP18
Winnington CHP Limited	Winnington CHP Limited	Winnington CHP

(*) In certain instances, the CM Unit Name as per CM Register is blank, and our results reflect this.

Appendix A – In-scope Capacity Market Rules (Chapter 5)

The following Rules included in Chapter 5 of the Capacity Market Rules were considered in performing the assurance work.

- Rule 5.3 on the ability of qualified parties to participate in the Capacity Auction
- Rule 5.4 on CMUs excluded from the Capacity Auction
- Rules 5.5.1 to 5.5.4 and 5.11 on the scheduled timing and duration of the Capacity Auction
- Rules 5.5.5 to 5.5.9 on the Capacity Auction format and starting price
- Rule 5.5.10 on the publication of pre-auction information
- Rules 5.5.11 to 5.5.13 on Demand Side Response CMUs and Bidding Capacity
- Rules 5.5.14 to 5.5.17 on the consistency of the register with the pre-qualified parties
- Rules 5.5.18 to 5.5.20 on the information provided in each round by Auctioneer
- Rule 5.5.21 on the use of backup systems during the Capacity Auction
- Rules 5.6 to 5.9 on the calculation of the Capacity Auction results
- Rule 5.10 on the list of bidders to be awarded Capacity Agreements
- Rule 5.14 on the Auction Monitor role

Appendix B – Outline of Work Performed

The specific procedures performed were as follows.

Ref	CM Rule	Independent checks
1	n/a	Check that the version of the Auction System used in the Auction is the same version accepted following User Acceptance Testing (UAT).
2	n/a	Check that security controls are in place to prevent unauthorised access to the Auction System. <ul style="list-style-type: none"> • Confirm that UAT included consideration of security processes. • Confirm that all users are required to have a password and PIN. • Confirm from the audit log that all authorised individuals that viewed the CMUs of an organisation were associated to that organisation.
3	5.3	Check that those Bidders and CMUs that were allowed to participate in the Capacity Auction had the correct access and information loaded on to the Auction System by: <ul style="list-style-type: none"> • Obtaining a register of qualifying CMUs, with their relevant features, which intend to participate in the Capacity Auction. • Comparing the register to the list of CMUs on the Auction System and confirming that there have been neither additions to nor omissions from the list. • Liaising with the Auctioneer throughout the Auction as to whether they have identified any disqualified CMUs and, if so, confirming that these have been treated as required by Rule 5.3.3.
4	5.4	Check that excluded CMUs do not have access to the Auction System by: <ul style="list-style-type: none"> • Obtaining list of CMUs that have been withdrawn from a Capacity Auction and register of qualifying CMUs. • Comparing the register to list of CMUs on the Auction System and confirming that those CMUs that have been withdrawn are not included in the Auction System, or that their ability to submit an Exit Bid has been withdrawn.
5	5.5.1 – 5.5.4 5.11 (if applicable)	Check on the timing and duration of the Capacity Auction by: <ul style="list-style-type: none"> • Confirming that the Capacity Auction was held on the date specified in the Auction Guidelines, with minimal delays. • If the Auction was not completed within 5 working days of the first Bidding Window, confirming that the Secretary of State was notified by the Auctioneer.
6	5.5.5 – 5.5.9	Check that the Capacity Auction was run in line with Rules 5.5.5 and 5.5.9 by: <ul style="list-style-type: none"> • Confirming that the Capacity Auction was run in a manner aligned with the Rules: on a descending clock basis, with a series of price spread Bidding Rounds of decrements as specified in the Secretary of State’s letter on 6 July 2016 as amended 27 October 2016, concluding only once the Capacity Auction clears. • Confirming that these spreads are expressed as a range from the Bidding Round Price Cap to the Bidding Round Price Floor, and that the Bidding Round Price Cap of the first round is equal to the Price Cap for the Auction. • Confirming that the price cap for round n+1 is equal to price floor to round n for all rounds as per Rule 5.5.7. • Reproducing the calculation of Clearing Price and the aggregate Bidding Capacity at the Clearing Price. • Check the auctioneer informed the delivery body of the Excess Capacity Rounding Threshold at least 20 days working days before the Auction.
7	5.5.10	Check that, at least 15 Working Days before the first Bidding Round, the Delivery Body published the date and time on which the Capacity Auction would start, the identity, the Excess Capacity Rounding Threshold and De-rated Capacity of all Prequalified CMUs, and the identity of the Auction Monitor.

Ref	CM Rule	Independent checks
8	5.5.11 – 5.5.13	Check that, for each Demand Side Response CMU (DSR CMU), Bidding Capacity equals De-rated Capacity unless the DSR CMU nominated a lower capacity at least 10 Working Days before the first Bidding Window.
9	5.5.14 – 5.5.17	<p>Check that the correct information for Prequalified New Build CMUs, Refurbishing CMUs and DSR CMUs has been correctly uploaded to the IT Auction System by:</p> <ul style="list-style-type: none"> • Confirming that the register provided for Rule 5.3 only includes those Prequalified New Build CMUs, Refurbishing CMUs and DSR CMUs that confirmed their intention to participate in the Capacity Auction between 15 and 10 Working Days before the first Bidding Window. • Confirming that the features contained in the register include the duration of Capacity Agreements at the Price Cap for New Build CMUs and Refurbishing CMUs. • Confirming that the system has recorded both the Refurbishing CMU and the Pre-Refurbishment CMU for any Applicant which confirmed that it wanted to participate with its Pre-Refurbishment CMU.
10	5.5.18 – 5.5.20	<p>Check that the running of the Auction was in line with the Rules, namely:</p> <ul style="list-style-type: none"> • For each round that is not the first bidding round, the Auctioneer announced the Bidding Round Price Spread, the Clearing Capacity at the Bidding Round Price Floor, and the Excess Capacity to the nearest Excess Capacity Rounding Threshold (or if the Excess Capacity is below this, the Auctioneer announced that the Excess Capacity is below 1 GW) at the start of the round. • For each round Excess Capacity at price floor was calculated and displayed correctly on the Auction system for each round in line with 5.5.18. • For each round the Auctioneer specified in advance the time that the Bidding Round would begin and end.
11	5.5.21	<p>Check that backup systems are in place to submit bids and that these include safeguards to ensure that the correct bid is submitted.</p> <p>Observe and confirm with the Auctioneer whether the backup systems have been used to submit bids during the Capacity Auction.</p> <p>Review log of calls made/received by the Auctioneer during the Auction.</p>
12	5.6 – 5.9	<p>Independently reapply the relevant Capacity Market Rules to calculate the Capacity Auction clearing price and confirm the identification of each CMU to be awarded a Capacity Agreement.</p> <ul style="list-style-type: none"> • Obtain full details of Exit Bids and Duration Bid Amendments from Delivery Body. • Independently reapply the Rules, as detailed within the Capacity Market Rules 2014 (as amended), and compare the results to those calculated by the Delivery Body. To minimise differences, use the random number generated by the Delivery Body in the case of a tie-break. If differences are identified in the results, review with the Delivery Body and obtain explanations for these differences. • Review Auction System UAT to check the random number process that is applied for the Auction.
13	5.10	<p>Confirm that the DB has notified Bidders and the SoS of the provisional results.</p> <p>Confirm that the DB has published the provisional clearing price and the provisional aggregated Bidding Capacity of Capacity Agreements awarded within 24 hours of the auction clearing.</p> <p>Compare the results provided by the DB to the Bidders and the SoS and published to the results of our independent reapplication of the Rules from the previous procedure.</p> <p>Obtain explanations for any differences.</p>
14	5.14	<p>Confirm read-only access has been provided to the Auction System for the Auction Monitor throughout the Capacity Auction.</p> <p>Document details of any discussion with Delivery Body of any potential breach identified by the Auction Monitor.</p> <p>Document details of any views expressed by the Auction Monitor following a request by the Delivery Body.</p>



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