

2020 one year ahead Capacity Auction (T-1)
Delivery Year 2021/22
Auction Monitor Report

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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 9 February 2021. 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://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/904364/Informal_consolidation_of_capacity_market_rules_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 2020 one year ahead Capacity Auction (T-1) Delivery Year 2021/22 ("the 2020 T-1 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 2020 T-1 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 2020 T-1 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 September 2020.

1.5 Other matter: Covid alternative arrangements

The CM Regulations, *inter alia*, require that the Auction Monitor has full read-only access to the electronic platform provided by the Auctioneer for the purpose of the Capacity Auction including the ability to view all Bids as they occur and all communication during the Capacity Auction between the Auctioneer and the Bidders (5.14.2).

In normal circumstances the Auction Monitor is able to observe adherence to the Auction Room Protocol by all Auctioneer personnel, covering in particular security and confidentiality arrangements. The ongoing Covid-19 restrictions necessitated that one Auctioneer undertook their role remotely and alternative arrangements were put in place including:

- i. remote access by the remote Auctioneer to the Auction System over secure VPN;
- ii. review of security arrangements for the remote location at the start of each Auction session;
- iii. an open MS Teams video conference call to observe the actions of the remote Auctioneer and screenshare the remote Auctioneer's desktop throughout the live Auction;
- iv. no pages containing price information were viewed by the remote Auctioneer during the live Auction;
- v. signed declaration of adherence to the remote Auction Room protocol including the security and confidentiality arrangements contained therein.

These alternative procedures enabled the Auction Monitor to monitor all communication during the Capacity Auction between the Auctioneer and the Bidders. Accordingly, our conclusion is not qualified in this respect.

1.6 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 2020 T-1 Auction held between 09:00 on 2 March 2021 and 13:45 on 2 March 2021.

A list of the Bidders and corresponding Capacity Market Units ("CMUs") to be awarded Capacity Agreements following the 2020 T-1 Auction is included in Section 3.

1.7 Independence

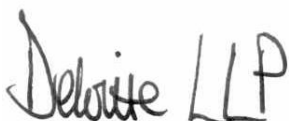
In conducting our engagement, we have complied with the Code of Ethics issued by the Institute of Chartered Accountants in England & Wales.

1.8 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.

1.9 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 September 2020. 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.



Deloitte LLP
Edinburgh, United Kingdom
4 March 2021

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.

National Grid Electricity System Operator Limited (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 NGENSO to perform the Auction Monitor role and report on the performance by NGENSO (in its role as Delivery Body for the 2020 T-1 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 9 February 2021 and any other potential irregularity with respect to the conduct of a Capacity Auction.

3 Report of Observations

We have no 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 9 February 2021 and one observation concerning potential irregularity with respect to the conduct of a Capacity Auction.

Table 1. Observation concerning potential irregularity with respect to the conduct of a Capacity Auction

Observation	Related CM Rules and Regulations	Effect	Recommendation
CMU Components in the system that should be excluded.			
The auction system set up for the Mock Auction included 7 CMUs whose components had agreements from the 2017 T-4 auction (delivery year 2021), and so should not have been submitted by the Applicant or prequalified for the 2020 T-1 auction. The capacity register was updated on 1 March 2021 to change the prequalification status of the 7 CMUs that had been identified as being prohibited from participating in the 2020 T-1 Auction. The auction system was also updated.	Rule 3.3.3(a) Rule 4.4.2(d)(i)	None Prior to the start of the auction, the DB removed the 7 CMUs from the auction system and updated the register so the CMUs were not prequalified	The DB should assess whether additional checks during pre-qualification process could have identified and resolved the issue sooner, in particular ensuring CMU components are not re-entered.

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

The 2020 T-1 Auction started at 09:00 on 2 March 2021 and the Clearing Round was round 6, which closed at 13:45 on 2 March 2021.

The Clearing Price of the 2020 T-1 Auction was equal to £45.00, with the aggregate Bidding Capacity of Capacity Agreements of 2,252.116MW.

Based on the outcome of the 2020 T-1 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 2020 T-1 Auction.

Table 2. List of Bidders and Corresponding CMUs Awarded Capacity Agreements in the 2020 T-1 Auction

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register
AMALGAMATED SMART METERING LIMITED	AMALGAMATED SMART METERING LIMITED	Union Street
AMBER ENERGY STORAGE XL LIMITED	AMBER ENERGY STORAGE XL LIMITED	XL Energy Storage
AMPIL 2 ASSET LIMITED	AMPIL 2 ASSET LIMITED	VILLA4
Braintree Electric Forecourt Ltd	Braintree Electric Forecourt Ltd	Braintree Electric Forecourt
Centrica Business Solutions UK Optimisation Limited	Centrica Business Solutions UK Optimisation Limite	6RES1A-BC
	Centrica Business Solutions UK Optimisation Limite	6RES1B-MT
	Centrica Business Solutions UK Optimisation Limite	6RES1C-WA
	Centrica Business Solutions UK Optimisation Limite	6RES1D-WR
	Centrica Business Solutions UK Optimisation Limite	6RES22
	Centrica Business Solutions UK Optimisation Limite	6RES2A-ST
	Centrica Business Solutions UK Optimisation Limite	6RES2B-WRD
	Centrica Business Solutions UK Limited	DVH001

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
	Centrica Business Solutions UK Optimisation Limite	JPSBDV
	Centrica Business Solutions UK Optimisation Limite	NECX3
	Centrica Business Solutions UK Optimisation Limite	REST04
	Centrica Business Solutions UK Optimisation Limite	REST45
	Centrica Business Solutions UK Optimisation Limite	REST46
COGENERATION SOLUTIONS LIMITED	COGENERATION SOLUTIONS LIMITED	Cavendish
Conrad (Flint) Limited	Conrad (Flint) Limited	Flint B
CONRAD ENERGY (DEVELOPMENTS) LIMITED	CONRAD ENERGY (DEVELOPMENTS) LIMITED	Caernarfon
	CONRAD ENERGY (DEVELOPMENTS) LIMITED	Hawarden
	CONRAD ENERGY (DEVELOPMENTS) LIMITED	Langage
	CONRAD ENERGY (DEVELOPMENTS) LIMITED	Lower Dunton
	CONRAD ENERGY (DEVELOPMENTS) LIMITED	Plymouth
	CONRAD ENERGY (DEVELOPMENTS) LIMITED	Wrexham
	CONRAD ENERGY (DEVELOPMENTS) LIMITED	Wrexham B
Corby Power Limited	Corby Power Limited	Corby_1
CROSSDYKES WF LIMITED	CROSSDYKES WF LIMITED	NB_109
Distributed Generators Limited	Distributed Generators Limited	Elms
Douglas West Wind Farm Ltd	Douglas West Wind Farm Ltd	Douglas West wind farm
DURHAM RP LIMITED	DURHAM RP LIMITED	Kestral Road
E.ON UK Plc	E.ON UK Plc	BVC_CHP
	E.ON UK Plc	CE WST_CRB2
	E.ON UK Plc	IMP_CHP
	E.ON UK Plc	SPX_CHP
EirGrid Interconnector Designated Activity Company	EirGrid Interconnector Designated Activity Company	EWIC19
Enel X UK Limited	Enel X UK Limited	DSRX01
	Enel X UK Limited	DSRX02

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register
	Enel X UK Limited	DSRX03
	Enel X UK Limited	DSRX04
	Enel X UK Limited	DSRX05
	Enel X UK Limited	DSRX76
	Enel X UK Limited	DSRX77
	Enel X UK Limited	DSRX78
	Enel X UK Limited	GCMU18
	Enel X UK Limited	GCMU20
	Enel X UK Limited	GENX36
	Enel X UK Limited	NDSR01
	Enel X UK Limited	NDSR02
	Enel X UK Limited	NDSR03
	Enel X UK Limited	NDSR04
	Enel X UK Limited	NDSR07
	Enel X UK Limited	NGEN30
	Enel X UK Limited	NGEN31
	Enel X UK Limited	NGEN34
	Enel X UK Limited	NGEN35
	Enel X UK Limited	XDSR38
	Enel X UK Limited	XDSR39
	Enel X UK Limited	XGEN24
	Enel X UK Limited	XGEN25
Energy Store 4 Ltd	Energy Store 4 Ltd	BILTON FARM
ESB SOLAR (NORTHERN IRELAND) LIMITED	ESB SOLAR (NORTHERN IRELAND) LIMITED	MillFarm1
Flexitricity Limited	Flexitricity Limited	FLEX67
FLINT TO CELL LIMITED	FLINT TO CELL LIMITED	Finway
Glass Leaf Power Limited	Glass Leaf Power Limited	Glassleaf Power
GREEN PEAK GENERATION LIMITED	GREEN PEAK GENERATION LIMITED	Lillyhall
Greenspan Nifty Fifty Limited	Greenspan Nifty Fifty Limited	Wardpark Alpha
Greenspan Nifty Fifty Limited	Greenspan Nifty Fifty Limited	Wardpark Bravo

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register
GridBeyond Limited	GridBeyond Limited	END034
	GridBeyond Limited	END035
	GridBeyond Limited	END036
	GridBeyond Limited	GBD010
	GridBeyond Limited	GridBeyond GBD009
Harmony HB Limited	Harmony HB Limited	HOLESBAY
INOVYN ChlorVinyls Limited	INOVYN ChlorVinyls Limited	MCRUN
KiWi Power Ltd	KiWi Power Ltd	KPEG52
	KiWi Power Ltd	KPEG53
	KiWi Power Ltd	KPEG54
	KiWi Power Ltd	KPEG55
	KiWi Power Ltd	KPEG58
	KiWi Power Ltd	KPEG59
	KiWi Power Ltd	KPEG60
	KiWi Power Ltd	KPEG62
	KiWi Power Ltd	KPEG63
	KiWi Power Ltd	KPEG64
	KiWi Power Ltd	KPEG65
	KiWi Power Ltd	KPEG66
	KiWi Power Ltd	KPEG67
	KiWi Power Ltd	KPEG68
	KiWi Power Ltd	KPEG69
	KiWi Power Ltd	KPEG71
	KiWi Power Ltd	KPEG72
	KiWi Power Ltd	KPEG73
	KiWi Power Ltd	KPEG74
	KiWi Power Ltd	KPEG77
Larport Hulley & Lascar - T-1	Lascar Battery Storage Limited	ADSLS2
	Hulley Road Energy Storage Limited	AGHUL2

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register
	Larport Energy Storage Limited	AGLAR2
Limejump Ltd	Limejump Ltd	BAT001
	Limejump Ltd	BAT003
	Limejump Ltd	DSRL27
	Limejump Ltd	EXL202
LOWER MINETY ENERGY LIMITED	LOWER MINETY ENERGY LIMITED	LMES01
MINETY BATTERY STORAGE LIMITED	MINETY BATTERY STORAGE LIMITED	MBSS01
Nursling Energy Two Limited	Nursling Energy Two Limited	Nursling
OPEN ENERGI LIMITED	OPEN ENERGI LIMITED	Open Energi 02
PISTON HEATING SERVICES LIMITED	PISTON HEATING SERVICES LIMITED	Caswell
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
Rock Energy Storage Limited	Rock Energy Storage Limited	ROCK18
Saltholme South Power Limited	Saltholme South Power Limited	Saltholme South Power Limited
SCOTTISHPOWER RENEWABLES (UK) LIMITED	SCOTTISHPOWER RENEWABLES (UK) LIMITED	BAT3
	SCOTTISHPOWER RENEWABLES (UK) LIMITED	Halsary
Shovel Ready 6 Limited	Shovel Ready 6 Limited	Amy Johnson Way
Shovel Ready 7 Limited	Shovel Ready 7 Limited	Venture Road
SSE	SSE Generation Limited	Lochay 1
	SSE Generation Limited	Lochay 2
	SSE Generation Limited	Tummel 1
	SSE Generation Limited	Tummel 2
Tata Steel UK Limited	Tata Steel UK Limited	Multi Site_16 Other
	Tata Steel UK Limited	Multisite_16
	Tata Steel UK Limited	PT_G

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register
Uniper Global Commodities SE	Uniper Global Commodities SE	Ratcliffe U4
URBAN RESERVE (ASSETCO) LIMITED	URBAN RESERVE (ASSETCO) LIMITED	Bear Power
	URBAN RESERVE (ASSETCO) LIMITED	Bryn Power
	URBAN RESERVE (ASSETCO) LIMITED	Centric Power
	URBAN RESERVE (ASSETCO) LIMITED	Collins Power
	URBAN RESERVE (ASSETCO) LIMITED	Crittall Power
	URBAN RESERVE (ASSETCO) LIMITED	Edison Power
	URBAN RESERVE (ASSETCO) LIMITED	Enterprise 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
	URBAN RESERVE (ASSETCO) LIMITED	Isabella Power
	URBAN RESERVE (ASSETCO) LIMITED	Orchard Power
	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	
Viridor Waste Management Limited	Viridor Waste Management Limited	Avonmouth ERF
Viridor Waste Management Limited	Viridor Waste Management Limited	Exeter ERF
VITAL ENERGI SOLUTIONS LIMITED	VITAL ENERGI SOLUTIONS LIMITED	COV
	VITAL ENERGI SOLUTIONS LIMITED	CQH
	VITAL ENERGI SOLUTIONS LIMITED	IMP
	VITAL ENERGI SOLUTIONS LIMITED	STJ
Warrington Renewables (York) Ltd	Warrington Renewables (York) Ltd	BOSCAR GRANGE
Whitetower Energy Limited	Whitetower Energy Limited	Thornhill OCGT

Bidding Company / Group	Name of Applicant per CM Register	CM Unit Name per CM Register
Wicken BESS Limited	THRIVE RENEWABLES (WICKEN) LIMITED	Wicken
Zenobe Energy Limited	BESS HOLDCO 14 LIMITED	Abellio Walworth
	Zenobe Energy Limited	Bus Depot 1
	BESS HOLDCO 8 LIMITED	United Utilities Preston

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
- Not applicable for the 2020 T-1: Rules 5.15 and 5.16 on prequalification and maximum obligation period when an agreement was awarded in the T-3 Auction

Appendix B – Outline of Work Performed

The specific procedures performed were as follows.

Table 3. List of Procedures Performed

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

Ref	CM Rule	Independent checks
		Excess Capacity Rounding Threshold and De-rated Capacity of all Prequalified CMUs, and the identity of the Auction Monitor.
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; 5.15 – 5.16 not applicable to 2020 T-1	<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> <p>Review the pages accessed by those accessing the auction remotely.</p>



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