The Capacity Market (Amendment) (No. 2) Rules 2022

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

The Capacity Market (Amendment) (No. 2) Rules 2022

1. Citation, Commencement and Interpretation

- **1.1** These Rules may be cited as the Capacity Market (Amendment) (No. 2) Rules 2022.
- **1.2** These Rules and the Schedule to these Rules come into force on the day after the day on which these Rules are made.
- **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;
 - (I) 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;

- (p) the Capacity Market (Amendment) (No. 5) Rules 2019;
- (q) the Capacity Market (Amendment) Rules 2020;
- (r) the Capacity Market (Amendment) (No. 2) Rules 2020;
- (s) the Capacity Market (Amendment) (No. 3) Rules 2020;
- (t) the Capacity Market (Amendment) Rules 2021;
- (u) the Capacity Market (Amendment) (No 2) Rules 2021; and
- (v) the Capacity Market (Amendment) Rules 2022.
- 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.

The Rt Hon Greg Hands MP Minister of State for Energy, Clean Growth and Climate Change Department for Business, Energy & Industrial Strategy

14 July 2022

SCHEDULE

Part 1

Fossil Fuel Emissions

1. Amendments to Chapter 1 (General Provisions)

1.1 In Rule 1.2.1:

1.1.1 In the definition of "Transitional Fossil Fuel Emissions Declaration", for "2022", substitute "2023".

Part 2

Prequalification Information

2. Amendments to Chapter 3 (Prequalification Information)

2.1 In Rule 3.5:

2.1.1 In Rule 3.5.4, after "Rule 3.6.1(a)", insert "or Rule 3.6.1(aa)".

2.2 In Rule 3.6.1:

- 2.2.1 In Rule 3.6.1(a), at the beginning insert, "Except where Rule 3.6.1(aa) applies";
- 2.2.2 After Rule 3.6.1(a), insert:
 - "(aa) This Rule 3.6.1(aa) applies solely to an Application submitted during the Prequalification Window for a Capacity Auction held in the 2022/23 Auction Window (for the purposes of this Rule "the 2022 Prequalification Window") in respect of an Existing Generating CMU which has been closed down, decommissioned or otherwise nonoperational in the 24 months prior to the end of the 2022 Prequalification Window ("the relevant CMU"). An Application must confirm that this Rule 3.6.1(aa) applies and identify three Settlement Periods on separate days in:
 - the most recent period of 24 months prior to the end of the 2022 Prequalification Window during which the relevant CMU was operational; or
 - (ii) if the relevant CMU has previously been operational for less than a period of 24 months, the most recent period prior to the end of the 2022 Prequalification Window during which the relevant CMU was operational,

in which the relevant CMU delivered a net output equal to or greater than its Anticipated De-rated Capacity, and specify the physically generated net outputs, or Metered Volume where applicable, in MWh to three decimal places for each of those Settlement Periods.";

- 2.2.3 In Rule 3.6.1(b), after "Rule 3.6.1(a)", insert "or Rule 3.6.1(aa)";
- 2.2.4 In Rule 3.6.1(c):

- 2.2.4.1 In Rule 3.6.1(c)(iii)(aa), after "Rule 3.6.1(a)", insert "or Rule 3.6.1(aa)";
- 2.2.4.2 In Rule 3.6.1(c)(iii)(bb), after "Rule 3.6.1(a)", insert "or Rule 3.6.1(aa)".