



**Department for
Business, Energy
& Industrial Strategy**

Duncan Burt (Director of Operations, National Grid ESO)
National Grid
National Grid House
Warwick Technology Park
Gallows Hill, Warwick
CV34 6DA

The Rt Hon Greg Clark MP
Secretary of State
Department for Business,
Energy & Industrial Strategy
1 Victoria Street
London
SW1H 0ET

T +44 (0) 20 7215 5000
E enquiries@beis.gov.uk
W www.gov.uk

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Dear Mr Burt

Thank you for your report of 29 April on your recommended adjustments to the demand curve for the forthcoming replacement one-year ahead Capacity Market auction. I am writing to you to confirm adjustments to the auction parameters for that auction.

Parameter	Value	Explanation
Target capacity for T1 auction	2.7GW	A reduction reflecting primarily: <ul style="list-style-type: none"> the volume of autogeneration capacity assumed to be outside of the Capacity Market in the modelling that has submitted a prequalification application, an adjustment for Long term STOR participation, the volume of plant opting out but remaining operational, and; the volume of new build plant with capacity agreements in future years that have commissioned early but haven't prequalified.
Demand curve: Maximum capacity at price cap	1.7GW	
Demand curve: Minimum capacity at £0	3.7GW	

Other parameters are unchanged.

*Yours sincerely
Greg*

THE RT HON GREG CLARK MP
Secretary of State for Business, Energy & Industrial Strategy