

The Capacity Market (Amendment) Rules 2025

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

The Capacity Market (Amendment) Rules 2025

1 Citation, Commencement and Interpretation

1.1 These Rules may be cited as the Capacity Market (Amendment) Rules 2025.

1.2 These Rules come into force as follows:

1.2.1 Part 2 (Termination of CMUs transferring to CCS CFDs) and Part 9 (Revocation of Rules relating to previous Auctions) come into force when the Electricity Capacity (Amendment) (No. 2) Regulations 2025 come into force.

1.2.2 All other Rules come into force the day after the day 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;
- (l) the Capacity Market (Amendment) Rules 2018;
- (m) the Capacity Market (Amendment) Rules 2019;
- (n) the Capacity Market (Amendment) (No. 2) Rules 2019;
- (o) the Capacity Market (Amendment) (No. 3) Rules 2019;
- (p) the Capacity Market (Amendment) (No. 4) Rules 2019;
- (q) the Capacity Market (Amendment) (No. 5) Rules 2019;

- (r) the Capacity Market (Amendment) Rules 2020;
- (s) the Capacity Market (Amendment) (No. 2) Rules 2020;
- (t) the Capacity Market (Amendment) (No. 3) Rules 2020;
- (u) the Capacity Market (Amendment) Rules 2021;
- (v) the Capacity Market (Amendment) (No. 2) Rules 2021;
- (w) the Capacity Market (Amendment) Rules 2022;
- (x) the Capacity Market (Amendment) (No. 2) Rules 2022;
- (y) the Capacity Market (Amendment) Rules 2023;
- (z) the Capacity Market (Amendment) Rules 2024;
- (z1) the Capacity Market (Amendment) (No. 2) Rules 2024; and
- (z2) the Capacity Market (Amendment) (No. 3) Rules 2024.

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 Application

2.1 These Rules apply as follows:

2.1.1 All amendments apply (unless otherwise stated or amended from time to time) in respect of any Capacity Agreement that has been awarded as a result of a Capacity Auction held before these Rules come into force and in respect of any Capacity Agreement awarded as a result of a Capacity Auction held after these Rules come into force.

3 Amendments

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

Signed and Dated:

22/05/2025



Michael Shanks

Parliamentary Under-Secretary of State

Department for Energy Security and Net Zero

SCHEDULE

Part 1

Lifetime Extension Works of Refurbishing CMUs

1. Amendments to Chapter 1 (General Provisions)

1.1 In Rule 1.2.1 (Definitions):

- (a) After the definition of “Delivery Body”, insert:

“Delivery Period means the Delivery Year or Delivery Years for which a Capacity Obligation would be awarded in respect of a CMU (“CMU i”) if a bid in respect of CMU i were accepted at the Capacity Auction for which the Applicant is applying for Prequalification.”

- (b) After the definition of “Legal Right”, insert:

“Lifetime Extension Works means, in respect of a Refurbishing CMU which is the subject of an Application, works that are expected to:

- (a) extend the duration of time which the CMU will be Operational from the date the Pre-Refurbishment CMU which comprises that CMU is projected (at the time the Application is made) to be permanently closed down, decommissioned or otherwise non-Operational; and
- (b) ensure that the CMU will remain Operational for at least the Delivery Period of the Capacity Agreement:
 - (i) once refurbished; and
 - (ii) should the CMU be awarded a Capacity Obligation in the Capacity Auction to which the Application relates”

2. Amendments to Chapter 3 (Prequalification Information)

2.1 In Rule 3.8.1A:

- (a) after Rule 3.8.1A(a), insert:

“(aa) Paragraph (ba) applies where an Application in relation to a Refurbishing CMU:

- (i) states pursuant to Rule 3.7.2(d)(i)(cc) or Rule 3.7.2(d)(iii)(bb) and Rule 3.8.1, that the Qualifying £/kW Capital Expenditure is equal to or greater than the Three Year Minimum £/kW Threshold; and
- (ii) where the Applicant intends the improvements programme at the Refurbishing CMU to include Lifetime Extension Works.”

(b) in paragraph (b), at the start, insert “Other than where paragraph (ba) applies to a CMU (due to the effect of paragraph (aa) (Lifetime Extension Works)), ”.

(c) After Rule 3.8.1A(b), insert:

“(ba) Where this paragraph (ba) applies, the Application must be accompanied by a declaration in the form set out Exhibit AB (Form of Lifetime Extension Declaration).”.

3. Amendments to Exhibit A (Form of Prequalification Certificate)

3.1 In the footnote for paragraph (f), for “3.8.1A”, substitute “3.8.1A(b)”.

4. Insertion of Exhibit AB (Form of Lifetime Extension Declaration)

4.1 After Exhibit AA, insert:

“EXHIBIT AB: FORM OF LIFETIME EXTENSION DECLARATION

[NAME OF APPLICANT]

(Incorporated in England and Wales or Scotland under Registered No. [●]) [ADDRESS OF REGISTERED OFFICE]

[APPLICATION YEAR] Prequalification Certificate

We, being Director/s¹ of [APPLICANT] (the “Company”), HEREBY CERTIFY as at the date of this certificate that, having made due and careful enquiry and to the best of our knowledge, information and belief² and :

[Description of Refurbishing CMU to be inserted] (the “Relevant CMU”);

- (a) Rule 3.8.1A(ba) applies because the improvements programme at the Relevant CMU is intended by the Applicant to include Lifetime Extension Works;
- (b) taking into account current economic conditions and the regulatory and legislative framework, there are reasonable grounds to believe that a Capacity Agreement greater than one year in duration is required to facilitate the improvements programme at the Relevant CMU;
- (c) the Qualifying £/kW Capital Expenditure has been determined, without reference to any substantive routine or statutory maintenance works required at the Relevant CMU other than those necessary to deliver Lifetime Extension Works which are incurred or are expected to be incurred between the Auction Results Day for the T-4 Auction to which the Application relates and the start of the first Delivery Year.

¹ Or officer, in the case of a body other than a company.

² For sole director companies, substitute “I, being the director of [APPLICANT], HEREBY CERTIFY as at the date of this certificate that, having made due and careful enquiry and to the best of my knowledge, information and belief:”.

Capitalised terms in this certificate have the meaning given to them in the Capacity Market Rules 2014 unless otherwise indicated.

DATED: [dd/mm/yyyy]³

DATED: [dd/mm/yyyy]⁴

Signed

Signed

.....

.....

Director⁵

Director⁶

Print Name:

Print Name:".

To be executed by the signature of two Directors, unless Rule 1.3A applies.".

³ Signatures need to be dated: The date for each signature is to be provided on the day in which the relevant director signs, in the format: day, month, year (dd/mm/yyyy).

⁴ Signatures need to be dated: The date for each signature is to be provided on the day in which the relevant director signs, in the format: day, month, year (dd/mm/yyyy).

⁵ Or officer, in the case of a body other than a company.

⁶ Or officer, in the case of a body other than a company.

Part 2

Termination of CMUs transferring to CCS CFDs

5. Amendments to Chapter 1 (General Provisions)

5.1 In Rule 1.2.1 (Definitions):

(a) After “Capital Expenditure”, insert:

“CCS CFD has the meaning given to that term in Regulation 34A(4)

CCS CFD Evidence has the meaning given to that term in Rule 6.10.5

CCS CFD Payment Start Date has the meaning given in Regulation 34A(4)

CCS CFD Related Termination Date has the meaning given to that term in Regulation 34A(4)

CCS CFD Transfer Notice has the meaning given to that term in Regulation 34A(4)

CCS CFD Transfer Notice Window means the period from the date which is 41 Working Days prior to the first Bidding Window of a T-4 Auction to the date which is 11 Working Days prior to that Bidding Window

CCS CFD Transfer Refusal Notice has the meaning given to that term in Rule 6.10.6(b)(ii). ”.

(b) After the definition of “Certificate of Conduct”, insert:

“CFD Counterparty has the meaning given to that term in Regulation 2(1). ”.

(c) After the definition of “New Build CMU”, insert:

“Nominated CCS CFD Related Termination Date has the meaning given in Regulation 34A(4). ”.

6 Amendments to Chapter 2 (Auction Guidelines and Derating)

6.1 In Rule 2.2.3 (Auction Guidelines), after Rule 2.2.3(c), insert:

“(ca) the start and end date of the CCS CFD Transfer Notice Window.”.

7 Amendments to Chapter 3 (Prequalification Information)

7.1 In Rule 3.4.7(a):

(a) in sub-paragraph (i):

- (i) in paragraph (bb), after “Low Carbon Exclusion”, insert “of the type described in paragraph (a) of the definition of “Low Carbon Exclusion” in Regulation 16(4)”;
- (ii) in paragraph (cc), after “benefitting from”, insert “support under”;
- (b) in sub-paragraph (ii):
 - (i) after “benefitting from”, insert “support under”;
 - (ii) after “Low Carbon Exclusion”, insert “of the type described in paragraph (a) of the definition of “Low Carbon Exclusion” in Regulation 16(4)”;
- (c) in sub-paragraph (iii), after “Low Carbon Exclusion”, insert “in the form of a CFD”.

8 Amendments to Chapter 6 (Capacity Agreements)

8.1 In Rule 6.10.1(d)(iii), at the end, insert “(except in the case of a CCS CFD where the Capacity Provider complies with Rule 8.2.2(b) and Rule 6.10.4 so that Rule 6.10.6 applies in respect of termination of the Capacity Agreement)”.

8.2 In Rule 6.10.4:

- (a) in paragraph (a), at the end, insert “(other than where paragraph (aa) applies in respect of a CCS CFD)”.
- (b) after paragraph (a), insert:
 - “(aa) A Capacity Provider for a Generating CMU awarded a T-4 Agreement in respect of a multi-year Capacity Obligation must, if the Capacity Provider proposes to enter into or enters into a CCS CFD in respect of that CMU, notify the Delivery Body in accordance with Rule 8.2.2(b) and request termination of a Capacity Agreement in accordance with Rule 6.10.4(ba).”.
- (c) for paragraph (b), substitute:
 - “(b) In order to have a Capacity Agreement terminated in accordance with Rule 6.10.4(a), the Capacity Provider in respect of a CMU must give the Delivery Body:
 - (i) a ROO Conversion Notice in respect of a request relating to ROO; or
 - (ii) a CFD Transfer Notice in respect of a request relating to a CFD which is not a CCS CFD,

by no later than 16 months before the start of the Delivery Period to which the Capacity Agreement relates.
 - (ba) In order to have a Capacity Agreement terminated in accordance with Rule 6.10.4(aa), the Capacity Provider in respect of a CMU must give the Delivery Body a CCS CFD Transfer Notice during the CCS CFD Transfer Notice Window which is:
 - (i) in respect of a Capacity Provider which intends for the Capacity Agreement to have a final Delivery Year (Delivery Year ‘u’), during Capacity Year u-2; or
 - (ii) in respect of a Capacity Provider which intends for the Capacity Agreement to be terminated before its first Delivery Year (Delivery Year ‘t’), during Capacity Year t-2.”.

(d) after paragraph (c), insert:

“(d) Upon receiving a request from a Capacity Provider in accordance with Rule 6.10.4(ba), Rule 6.10.6(a) applies.”.

8.4 After Rule 6.10.4 insert:

“6.10.5 Definition of CCS CFD Evidence

“CCS CFD Evidence” means;

- (a) terms of the CCS CFD in respect of a CMU (“CMU i”);
- (b) confirmation in writing from the CFD Counterparty that the Capacity Provider in respect of CMU i has entered into a CCS CFD;
- (c) confirmation of the date which the Capacity Provider expects to be the CCS CFD Payment Start Date (as defined in Regulation 34A(4));
- (d) a declaration in writing that the CCS CFD relates to CMU i; and
- (e) a written report which describes:
 - (i) dates during which CMU i will operate at reduced output, be temporarily closed down, decommissioned or otherwise non-operational because the Capacity Provider intends to undertake works required to deliver under the CCS CFD when; and
 - (ii) the projected Connection Capacity and De-rated Capacity of CMU i after works undertaken to deliver under the CCS CFD are complete.

6.10.6 Termination under Rule 6.10.4 in respect of CCS CFDs

- (a) This Rule 6.10.6 applies in respect of a request from a Capacity Provider under Rule 6.10.4(ba), unless:
 - (i) Rule 6.10.1(d)(iii) applies because a Capacity Provider enters into a CCS CFD and does not notify the Delivery Body when required under Rule 8.2.2(b) and Rule 6.10.4;
 - (ii) Rule 6.10.1(d)(iii) applies because a Capacity Provider becomes eligible to receive a Generation Counterparty Payment under a CCS CFD before the CCS CFD Related Termination Date specified in a notice given under Rule 6.10.4(ba) in respect of a Capacity Agreement.
- (b) Five Working Days after the end of the CCS CFD Transfer Notice Window during which a CCS CFD Transfer notice is provided, the Delivery Body must:
 - (i) issue a notice under Regulation 34A(2) specifying the CCS CFD Related Termination Date of the relevant Capacity Agreement; or
 - (ii) notify the Capacity Provider that a notice under Regulation 34A(2) will not be given and provide reasons for such refusal (“a CCS CFD Transfer Refusal Notice”).
- (c) A Capacity Provider may, before the end of the CCS CFD Transfer Notice Window during which notice is provided under Rule 6.10.4(ba), amend or withdraw a CCS CFD Transfer Notice by submitting a request to the Delivery Body, with (where relevant) the amended CCS CFD Transfer Notice which it seeks to be substituted.

- (d) Where:
- (i) the Delivery Body has issued a notice in respect of CMU i in accordance with Regulation 34A(2); and
 - (ii) prior to the CCS CFD Related Termination Date in respect of CMU i, the Delivery Body gives the Capacity Provider one or more Termination Notices under Rule 6.10.2(a),
- the Delivery Body must terminate the Capacity Agreement on the ground specified in whichever Termination Notice first reaches the date on which it automatically terminates as described in Rule 6.10.2(e).
- (e) Where:
- (i) the Delivery Body has issued a notice in respect of CMU i in accordance with Regulation 34A(2); and
 - (ii) prior to the CCS CFD Related Termination Date in respect of CMU i, the Delivery Body gives the Capacity Provider one or more Reductions Notices under Rule 8.3.6D(a),
- where the earliest date at the end of the duration specified in a Reduction Notice is before the CCS CFD Related Termination Date, then the Capacity Agreement ends before being terminated on the CCS CFD Related Termination Date.”.

9. Amendments to Chapter 7 (Capacity Market Register and Capacity Market Metering Register)

- 9.1** In Rule 7.5.1 (Delivery Body amendments to the Capacity Register), after Rule 7.5.1(h), insert:

“(ha) to record the CCS CFD Related Termination Date on which a Capacity Agreement has terminated;”.

10. Amendments to Chapter 8 (Obligations of Capacity Providers and System Stress Events)

- 10.1** In Rule 8.2.1, at the start, insert “Except where Rule 8.2.2 applies,”;

- 10.2** After Rule 8.2.1, insert:

“8.2.2 Notification under Rule 8.2.1: CCS CFDs

- (a) Rule 8.2.1 does not apply if a Capacity Provider in respect of a multi-year Capacity Obligation complies with paragraph (b).
- (b) A Capacity Provider must notify the Delivery Body if a CMU ceases to meet the third condition of the General Eligibility Criteria described in Regulation 15(5) due to the Capacity Provider in respect of the CMU proposing to enter or entering into a CCS CFD.”.

11. Amendments to Chapter 9 (Transfer of Capacity Obligations)

11.1 After Rule 9.2.3, insert:

“9.2.3A Rule 9.2.3B applies where a Capacity Agreement (in which a Capacity Obligation to be transferred is comprised) is given a notice under Regulation 34A(2).

9.2.3B Where this Rule 9.2.3B applies, a transfer under Rule 9.2.4(a) will only have effect for a period which expires before the CCS CFD Related Termination Date in respect of the relevant CMU.”.

11.2 After Rule 9.2.5(b), insert:

“(bza) under Rule 9.2.4(a) can only be effected in respect of a CMU Transferor or CMU Transferee which is subject to a Capacity Agreement or Transferred Part in respect of which the Delivery Body has given a notice under Regulation 34A(2), where the Transfer Period expires before the CCS CFD Related Termination Date of the CMU Transferor or CMU Transferee (whichever is earlier).”.

11.3 After Rule 9.2.6(e)(xii), insert:

“(xiii) where the CMU Transferee is a CMU in respect of which the Delivery Body has given a notice under Regulation 34A(2):

(aa) a request under Rule 9.3.1 must be before the CCS CFD Related Termination Date in respect of the CMU; and

(bb) the CMU Transferee must provide the Delivery Body confirmation of the date which the Capacity Provider expects to be the CCS CFD Payment Start Date (as defined in Regulation 34A(4)).”.

11.3 After Rule 9.4, insert:

“9.4A Effect of a Termination under Regulation 34A

9.4A.1 In respect of any transfer relating to a CMU Transferee in respect of which the Delivery Body has given a notice under Regulation 34A(2), the transfer shall have effect for a period ending with whichever is the earlier of:

(a) the CCS CFD Related Termination Date; or

(b) the end of the relevant Transfer Period.”.

12. Amendments to Chapter 14 (Data Provision)

12.1 In Rule 14.4 (System Operator and Delivery Body: Data Provision):

(a) In Rule 14.4.3, after paragraph (g), insert:

“(h) notice of all CMUs that are subject to termination under Rule 6.10.1(d)(iii) because they cease to meet the third Condition of the General Eligibility Criteria described in Regulation 15(5) due to the Capacity Provider for the CMU entering into a CCS CFD

in respect of that CMU and where the Capacity Provider does not comply with Rule 8.2.2(b) and Rule 6.10.4.”.

- (b) In Rule 14.4.5, after “14.4.3”, insert “(other than 14.4.3(h))”.

Part 3

Decarbonisation Readiness

13. Amendments to Chapter 3 (Prequalification Information)

- 13.1 In Rule 3.7 (Additional Information for a New Build CMU), after Rule 3.7.4 (Fossil Fuel Emissions Commitment), insert:

“3.7.5 Decarbonisation Readiness

- (a) In respect of an Application for the T-4 Auction for the Delivery Year commencing on 1 October 2029, an Applicant for a New Build CMU that meets the requirements set out in paragraph (b) must make the declaration in paragraph (c).
- (b) This paragraph (b) applies to an Applicant in respect of a New Build CMU where the CMU:
 - (i) has a Net Output under 300MW;
 - (ii) is or will be an “in-scope generator” as defined in paragraph 2 of Schedule 25C to the Permitting Regulations (as inserted by regulation 5 of the Permitting Amendment Regulations for the purposes of those Regulations);
 - (iii) is a CMU in respect of which the Applicant:
 - (aa) is or will be required to apply for an Environmental Permit under regulation 12 of the Permitting Regulations; or
 - (bb) is to apply or will apply for a variation of an Environmental Permit under regulation 20 of the Permitting Regulations.
- (c) An Applicant who meets the requirements in Rule 3.7.5 (b) must declare in its Application that it will, prior to the commencement of the Delivery Year commencing on 1 October 2029, comply with the requirements of regulation 35(1) of, and paragraph 8 of Schedule 25(C) of the Permitting Regulations (as inserted by regulation 5 of the Permitting Amendment Regulations).
- (d) In this Rule 3.7.5: -
 - “Permitting Regulations” means the Environmental Permitting (England and Wales) Regulations 2016.⁷
 - “Permitting Amendment Regulations” means the Environmental Permitting (Electricity Generating Stations) (Amendment) Regulations 2025.⁸
 - “Environmental Permit” has the meaning given in regulation 13(1) of Permitting Regulations.”.

⁷ S.I. 2016/1154.

⁸ S.I. 2025/154.

Part 4

Opt-outs

14. Amendments to Chapter 1 (General Provisions)

14.1 In Rule 1.2.1

(a) in the definition of “Retired” for paragraph (a), substitute:

- “(a)
- (i) a statement in the Opt-Out Notification that such CMU is Opting-out pursuant to Rule 3.11.2(f)(i); and
 - (ii) is a CMU in respect of which an Updating Opt-Out Notification has not been provided”;

(b) after the definition of “Unproven DSR CMU”, insert:

“**Updating Opt-Out Notification** has the meaning given in Rule 3.11.2C”.

15. Amendments to Chapter 3 (Application for Prequalification)

15.1 After Rule 3.11.2B (Opt-Out Notifications), insert:

- “3.11.2C In respect of an Application for a Delivery Year (“Delivery Year t”), an Applicant for a Mandatory CMU that would have otherwise been an Excluded CMU due to the Applicant previously making a statement pursuant to Rule 3.11.2(f)(i) that the CMU is Retired for Delivery Years t-1 or t-2, may, in respect of Delivery Year t, provide a new Opt-Out Notification (“Updating Opt-Out Notification”), which:
- (a) must comply with the requirements of Rule 3.11.2; and
 - (b) changes the CMU’s Opt-out notification status in order to fall within Rule 3.11.2(f)(ii) or 3.11.2(f)(iii).”.

16. Amendments to Chapter 7 (Capacity Market Register and Capacity Market Metering Register)

16.1 In Rule 7.5.1 (Delivery Body amendments to the Capacity Market Register), after paragraph (z9), insert:

- “(z10) to record a change to the status of a CMU if a CMU has provided an Updating Opt-Out Notification in accordance with Rule 3.11.2C.”.

Part 5

Termination for failure to provide a DSR Test Certificate

17. Amendments to Chapter 6 (Capacity Agreements)

17.1 In Rule 6.10.3 (Termination Fees), after paragraph (d), insert:

- “(da) Where a Capacity Agreement awarded as a result of a Capacity Auction held after the coming into force of the Capacity Market (Amendment) Rules 2025, or a Transferred Part in respect of such a Capacity Agreement, is terminated on the ground specified in paragraph Rule 6.10.1(i), the Capacity Provider is liable to pay a termination fee in accordance with Regulation 43.
- (db) The amount of a termination fee payable under Rule 6.10.3(da) is TF1, as determined in accordance with Regulation 43(3), where the Capacity Agreement or Transferred Part is terminated on the ground specified in Rule 6.10.1(i).”.

Part 6

Notifying DSR CMU Components

18. Amendments to Chapter 8 (Obligations of Capacity Providers and System Stress Events)

18.1 For Rule 8.3.3(e)(i), substitute:

- “(i) in the case of an Unproven DSR CMU:
 - (aa) in respect of a Capacity Agreement awarded in a T-4 Auction, 20 Working Days before the relevant deadline for a DSR Test in Rule 13.2.2(b) or (d) (or in respect of a Joint DSR Test, the relevant deadline in Rule 13.2B.2(b) or (d));
 - (bb) In respect of a Capacity Agreement awarded in a T-1 Auction, 10 Working Days before the deadline for a DSR Test in Rule 13.2.2(b) (or in respect of a Joint DSR Test, the deadline in Rule 13.2B.2(b));”.

19. Amendments to Chapter 13 (Testing Regime)

19.1 In Rule 13.2.5:

(a) after “must”, insert “, by the deadline specified in paragraph (c),”;

(b) after paragraph (b), insert:

- “(c) the deadline specified in this paragraph is:
 - (i) in respect of a Capacity Agreement awarded in a T-4 Auction to an Unproven DSR CMU, 20 Working Days before the relevant deadline in Rule 13.2.2(b) or (d);
 - (ii) in respect of a Capacity Agreement awarded in a T-1 Auction to an Unproven DSR CMU, 10 Working Days before the relevant deadline in Rule 13.2.2(b);
 - (iii) where Rules 8.3.4(b) or 8.3.4(e) apply, prior to carrying out a DSR Test in accordance with the relevant deadline in Rule 13.2.2(c), and after the final notification of component additions and/or removals;
 - (iv) in any other case, prior to carrying out the DSR Test.”.

19.2 In Rule 13.2A.3, for the words “Rule 13.2.5” to the end, substitute “Rule 13.2.5(a) and 13.2.5(b)(i)”.

19.3 In Rule 13.2B.5:

(a) after “must”, insert “, by the deadline specified in paragraph (c),”.

(b) after paragraph (b), insert:

- “(c) the deadline specified in this paragraph is:

- (i) in respect of a Capacity Agreement awarded in a T-4 Auction to an Unproven DSR CMU, 20 Working Day before the relevant deadline in Rule 13.2B.2(b) or (d);
- (ii) In respect of a Capacity Agreement awarded in a T-1 Auction to an Unproven DSR CMU, 10 Working Day before the relevant deadline in Rule 13.2B.2(b);
- (iii) where Rules 8.3.4(b) or 8.3.4(e) apply, prior to carrying out a Joint DSR Test in accordance with the relevant deadline in Rule 13.2B.2(c), and after the final notification of component additions and/or removals;
- (iv) in any other case, prior to carrying out the Joint DSR Test.”.

19.4 In Rule 13.2C.3, for the words “Rule 13.2B.5” to the end, substitute “Rule 13.2B.5(a) and 13.2B.5(b)(i)”.

Part 7

DSR - Business Models

20. Amendments to Chapter 1 (General Provisions)

20.1 After the definition of “DSR CMU Component”, insert:

“DSR CMU Component Class has the meaning given in Rule 3.9.3(c)”

21. Amendments to Chapter 3 (Prequalification Information)

21.1 In Rule 3.9.3 (Business Model):

(a) In Rule 3.9.3(a), for the chapeau text, substitute:

“(a) Each Applicant for a Proven DSR CMU must include in the Application a business model for each DSR CMU Component that comprises the DSR CMU (or, where Rule 3.9.3(c) applies, include in the Application a business model for each DSR CMU Component Class that comprises that Proven DSR CMU) setting out the following:”.

(b) after Rule 3.9.3(b) insert:

“(c) This paragraph (c) applies where more than one DSR CMU Component comprised in a Proven DSR CMU which an Applicant intends to include in a business model has duplicative details (as listed in Rule 3.9.3(a)) across the DSR CMU Components (“DSR CMU Component Class”).

(d) Where Rule 3.9.3(c) applies:

- (i) an Applicant may collate each DSR CMU Component Class into a single entry in a business model for the purpose of Rule 3.9.3(a); and
- (ii) if an Applicant chooses to collate each DSR CMU Component Class into a single entry, the Applicant must specify the number of DSR CMU Components in the DSR CMU Component Class.”.

21.2 In Rule 3.10.1 (Business Plan):

(a) In Rule 3.10.1(a)(ii), after the words “DSR CMU Component”, insert “or DSR CMU Component Class”;

(b) In Rule 3.10.1(a)(iii), after the words “DSR CMU Component”, insert “or DSR CMU Component Class”;

(c) In Rule 3.10.1(a)(iv), after the words “DSR CMU Components”, insert “or DSR CMU Component Classes”.

Part 8

Low Carbon Declarations

22. Amendments to Chapter 3 (Prequalification Information)

22.1 In Rule 3.10ZA, after Rule 3.10.ZA2, insert:

“3.10ZA.2A Where this Rule 3.10ZA applies to a Secondary Trading Entrant because of Rule 3.13, Rule 3.10ZA.2 applies as though “In the period between the Prequalification Results Day and the commencement of the First Bidding Window for that Capacity Auction” were omitted.”.

23. Amendments to Chapter 9 (Transfers of Capacity Obligations)

23.1 In Rule 9.2.5A (Transfers involving Declared Low Carbon CMUs), after paragraph (b), insert:

- “(ba) In respect of a Capacity Provider which meets the requirement in Rule 9.2.6(c), and in respect of a Delivery Year (“Delivery Year X”) and a CMU which the Capacity Provider intends to be a CMU Transferee and Declared Low Carbon CMU:
- (i) the Capacity Provider must provide the Delivery Body a Low Carbon Declaration where no Low Carbon Declaration has been made, or a Low Carbon Declaration has previously been made specifying a Low Carbon Period that does not include all or part of Delivery Year X;
 - (ii) the Low Carbon Declaration must specify a Low Carbon Period that includes all or part of Delivery Year X.
- (bb) For the purposes of this Rule 9.2.5A, a CMU Transferee is a Declared Low Carbon CMU if an Applicant, Secondary Trading Entrant or Capacity Provider (as the case may be), provides the Delivery Body a Low Carbon Declaration in accordance with Rule 3.10ZA, Rule 9.2.5A(ba), Rule 8.3.11A, or Rule 8.3.15A.”.

24. Amendments to Chapter 8 (Obligations of Capacity Providers and System Stress Events)

24.1 After Rule 8.3.15, insert:

“8.3.15A A Capacity Provider for a Capacity Committed CMU may provide the Delivery Body a Low Carbon Declaration in respect of a Delivery Year (“Delivery Year X”):

- (a) either:
 - (i) at any time after the Auction Results Day the CMU is awarded a Capacity Agreement, in respect of a Capacity Provider which has previously provided a Fossil Fuel Emissions Commitment to the Delivery Body; or
 - (ii) with a Fossil Fuel Emissions Declaration provided to the Delivery Body under Rule 8.3.11(a), Rule 8.3.12(b), Rule 8.3.12A(b), Rule 8.3.13(a);
- (b) where:

- (i) no Low Carbon Declaration has been made: or
 - (ii) a Low Carbon Declaration has previously been made specifying a Low Carbon Period that does not include all or part of Delivery Year X; and
- (c) which specifies a Low Carbon Period that includes all or part of Delivery Year X.”.

Part 9

Revocation of Rules relating to previous Auctions

25. Amendments to Chapter 1 (General Provisions)

25.1 In Rule 1.2 (Definitions), omit the following definitions:

- (a) “Conditional Agreement Auction”.
- (b) “Conditional Capacity Agreement”.
- (c) “First Full Capacity Auction”.
- (d) “SA Agreement”.
- (e) “Second Full Capacity Auction”.
- (f) “Second Transitional Capacity Auction”.
- (g) In the definition of “Subsequent Capacity Auction”, omit paragraphs (a) and (c).
- (h) “Subsequent Credit Cover”.
- (i) “Subsequent T-1 Auction”.
- (i) “Subsequent T-4 Auction”.
- (k) “Supplementary Auction”.
- (l) “T-1 auction for the Delivery Year commencing on 1 October 2019”.
- (m) “Transitional Capacity Auction”.
- (n) “Transition Period”.

25.2 In Rule 1.3.3, omit paragraph (b).

26. Amendments to Chapter 2 (Auction Guidelines and De-rating)

26.1 In Rule 2.2.2:

- (a) omit: “other than the First Full Capacity Auction”;
- (b) in the words at the end, omit “The timetable included in the Auction Guidelines for the First Full Capacity Auction will be as directed by the Secretary of State.”.

27. Amendments to Chapter 3 (Prequalification Information)

27.1 Omit Rule 3.3.3A.

27.2 In Rule 3.3.3(f)(ii), for “, 6.10.1(e), 6.10.1(ea), or 6.10.1(fa)” substitute “or 6.10.1(e)”.

27.3 In Rule 3.6.3:

- (a) in Rule 3.6.3(a)(i), omit “subject to rule 3.6.3(b)”;

- (b) omit Rule 3.6.3(b).
- 27.4** In Rule 3.6.5, omit paragraph (d).
- 27.5** Omit Rule 3.6.7.
- 27.6** In Rule 3.9.5, omit paragraph (d).
- 27.7** Omit Rule 3.9.7.
- 27.8** Omit Rule 3.10A (Amendments relating to Applications for a Supplementary Auction or the first T-1 Auction: Connection Agreements).

28. Amendments to Chapter 4 (Determination of Eligibility)

- 28.1** In Rule 4.5.1:
 - (a) omit Rule 4.5.1(b)(iv);
 - (b) omit Rule 4.5.1(b)(iva).
- 28.2** Omit Rule 4.5ZA.
- 28.3** In Rule 4.6.1, for “, (iii), (iv) or (iva)” substitute “or (iii)”.
- 28.4** In Rule 4.6.4, for “, (iii) or (iv)” substitute “ or (iii)”.

29. Amendments to Chapter 5 (Capacity Auctions)

- 29.1** Omit Rule 5.15 (Prequalification for the Subsequent T-4 Auction where a Capacity Agreement is awarded in the T-3 Auction).
- 29.2** Omit Rule 5.16 (Maximum Obligation Period of one Delivery Year for Prospective CMUs entering the Subsequent T-4 Auction where a Capacity Agreement is awarded in the T-3 Auction).

30. Amendments to Chapter 6 (Capacity Agreements)

- 30.1** In Rule 6.6.1, omit: “of an SA Agreement or”.
- 30.2** Omit Rule 6.6.6.
- 30.3** In Rule 6.6A.1, omit: “of a SA Agreement or”.
- 30.4** In Rule 6.7.4(a)(i), omit: “an SA Agreement or”.
- 30.5** In Rule 6.8.2E:
 - (a) in Rule 6.8.2E(a), omit: “an SA Agreement or”;
 - (b) in Rule 6.8.2E(b), omit: “SA Agreement or”.
- 30.6** In Rule 6.8.2F, omit: “SA Agreement or”.
- 30.7** In Rule 6.8.5, omit: “an SA Agreement or”.

30.8 In Rule 6.10.1, omit paragraphs (ea), (f) and (fa).

30.9 In Rule 6.10.2(b)(i), omit “an SA Agreement or”.

30.10 In Rule 6.10.3(c), omit “(ea), (f), (fa),”.

31. Amendments to Chapter 7 (Capacity Market Register)

31.1 In Rule 7.4.1(d):

(a) omit Rule 7.4.1(d)(vii)(dd).

(b) omit Rule 7.4.1(d)(vii)(ee);

(c) omit Rule 7.4.1(d)(vii)(ff).

31.2 In Rule 7.4.5:

(a) omit Rule 7.4.5(k).

(b) omit Rule 7.4.5(ka).

31.3 Omit Rule 7.5.1(x).

32. Amendments to Chapter 8 (Obligations of Capacity Providers)

32.1 In Rule 8.3.1:

(a) omit Rule 8.3.1(c);

(b) omit Rule 8.3.1(d).

32.2 Omit Rule 8.3.3A(c).

32.3 Omit Rule 8.5.3A.

33. Amendments to Chapter 9 (Transfer of Capacity Obligations)

33.1 In Rule 9.2.5(a), omit “(or, in the case of an SA Agreement, after 30 May 2017)”.

33.2 Omit Rule 9.2.6(e)(vi).

33.3 Omit Rule 9.2.6A.

34. Revocation of Chapter 11 (Transitional Arrangements)

34.1 Omit Chapter 11 (Transitional Arrangements).

35. Amendment to Chapter 14 (Data Provision)

35.1 Omit Rule 14.2.7.

36. Revocation of Chapter 16 (Modifications in Respect of Agreements Existing on 15 November 2018 and In Respect of the T-1 Auction for the Delivery Year Commencing on 1 October 2019)

- 36.1** Omit Chapter 16 (Modifications in Respect of Agreements Existing on 15 November 2018 and in Respect of the T-1 Auction for the Delivery Year Commencing on 1 October 2019).

37. Amendments to Chapter 17 (Modifications in Respect of Subsequent Capacity Auctions)

- 37.1** In Rule 17.3.2, omit “Rule 17.4, Rule 17.5, Rule 17.6”.
- 37.2** Omit Rule 17.4.
- 37.3** Omit Rule 17.5.
- 37.4** Omit Rule 17.6.
- 37.5** Omit Rule 17.7.2(a).
- 37.6** Omit Rule 17.7A.
- 37.8** Omit Rule 17.9.
- 37.9** Omit Rule 17.10.
- 37.10** Omit Rule 17.11.

38. Revocation of Chapter 18 (Modifications in Respect of the Effects of Coronavirus)

- 38.1** Omit Chapter 18 (Modifications in Respect of the Effects of Coronavirus).

39. Amendment to Schedule 7 (Bespoke Technical Requirements)

- 39.1** In Schedule 7, omit paragraph 75.

Part 10

Mothballed plant

40. Amendments to Chapter 3 (Prequalification Information)

40.1 In Rule 3.6.1 (Previous Settlement Period Performance):

40.2 In Rule 3.6.1(aa):

- (a) for "2024/2025" substitute "2025/2026";
- (b) for "the 2024 Prequalification Window", in each place it occurs, substitute "the 2025 Prequalification Window".

Part 11

Decisions to be made by the Delivery Body

41. Amendments to Chapter 4 (Determination of Eligibility)

- 41.1** In Rule 4.4.3A, after “did not comply”, insert “or no longer complies if the Application was being considered afresh”.

Part 12

The Capacity Market Register and Generating Technology Classes

42. Amendments to Chapter 7 (Capacity Market Register and Capacity Market Metering Register)

- 42.1** In Rule 7.5.1 (Delivery Body updates to the Capacity Market Register), in paragraph (ra):
- (a) omit “or Generating Technology Class” at each place it occurs.
 - (b) at the end, insert “notified to the Delivery Body”, insert “in accordance with Rule 8.3.4A”.

Part 13

Corrections of Errors and Miscellaneous

43. Amendments to Chapter 1 (General Provisions)

43.1 In Rule 1.2.1 (Definitions):

- (a) in the definition of “Maximum Obligation Period”, in paragraph (c), in each place it occurs, for “Total Project Spend divided by the De-Rated Capacity of the CMU” substitute “Qualifying £/kW Capital Expenditure”.
- (b) in the definition of “Total Project Spend”, in the second paragraph:
 - (i) omit “the total amount of”;
 - (ii) omit the words from and including “(excluding contingency)” to “relates and”.

44. Amendments to Chapter 3 (Prequalification Information)

- 44.1** In Rule 3.17.1(a)(ii), for “the form of declaration required to be used immediately” substitute “a form of declaration required to be used”.

45. Amendment to Chapter 8 (Obligations of Capacity Providers)

- 45.1** In Rule 8.3.3(c), for “Rules 3.6.4(d), 3.6A.3(c), 3.9.4(d) or”, substitute “Rule”.

45.2 In Rule 8.3.3(d):

- (a) in Rule 8.3.3(d)(i), after ‘pursuant to Rule 8.3.3(c)’, omit “(i)”;
- (b) in Rule 8.3.3(d)(ii), after ‘pursuant to Rule 8.3.3(c)’, omit “(i)”.

45.3 In Rule 8.3.14A:

- (a) in each place it occurs, for “Total Project Spend divided by the De-Rated Capacity of that CMU” substitute “Qualifying £/kW Capital Expenditure”;
- (b) in each place it occurs, for “Total Project Spend divided by the De-Rated Capacity of the CMU” substitute “Qualifying £/kW Capital Expenditure”.

46. Amendments to Chapter 13 (Testing Regime)

- 46.1** In Rule 13.2A.1, for “13.3A.2”, substitute “13.2A.2”.

47. Amendments to Chapter 14

- 47.1** In Rule 14.4.2(c), for “14.4.1(a) and Rule 14.4.2(c)”, substitute “14.4.2(b)”.

48. Amendments to Exhibit ZA (Form of Fossil Fuels Emissions Declaration)

- 48.1** In Exhibit ZA, in the text which immediately follows the heading, for “RULE 3.15.6(b)” substitute “RULE 3.17.1(b)”.

49. Amendments to Exhibit ZD (Form of Low Carbon Declaration)

49.1 Renumber the second Part 3 (Confirmation by the Applicant's Directors), as "Part 4".

50. Amendments to Exhibit AA (Form of Long Stop Utilisation Declaration)

50.1 In paragraph 4, for "capital expenditure on the Relevant CMU, per kilowatt of its de-rated capacity" substitute "Qualifying £/kW Capital Expenditure".