

The Capacity Market (Amendment) (No. 2) Rules 2025

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Energy Act 2013



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The Capacity Market (Amendment) (No. 2) Rules 2025

1. Citation, Commencement and Interpretation

1.1 These Rules may be cited as the Capacity Market (Amendment) (No. 2) Rules 2025.

1.2 These Rules come into force on 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) Rules (No. 2) 2020;
- (t) the Capacity Market (Amendment) Rules (No. 3) 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;
- (aa) the Capacity Market (Amendment) (No. 2) Rules 2024;
- (bb) the Capacity Market (Amendment) (No. 3) Rules 2024; and
- (cc) the Capacity Market (Amendment) Rules 2025.

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.

SCHEDULE

Part 1

Protection from Very Late Network Connections

1 Amendments to Chapter 6 (Capacity Agreements)

1.1 In Rule 6.7.6:

- (a) in paragraph (a), after “Declared Long Stop CMU”, insert “or a Prospective Generating CMU which has extended its Long Stop Date under Rule 6.7.7”;
- (b) in paragraph (b), after “in the case of any other” insert “Prospective Generating”.

1.2 For Rule 6.7.7, substitute:

- “6.7.7 (a) Where the Substantial Completion Milestone is delayed solely due to a failure by the System Operator, Transmission Licensee or the relevant Distribution Network Operator (or their subcontractors, excluding the Capacity Provider or any member of its Group) to provide an active connection point in accordance with a valid Grid Connection Agreement or Distribution Connection Agreement, the relevant Long Stop Date must be extended where a Capacity Provider makes a request complying with paragraph (b).
- (b) To obtain an extension under paragraph (a), the Capacity Provider must apply to the Delivery Body on the following basis:
- (i) as soon as practicable, but in any case no later than 5 Working Days before the Long Stop Date;
 - (ii) identifying the duration of the extension sought;

- (iii) including a report from an Independent Technical Expert substantiating the reasoning for the duration of the extension sought under this rule.
- (c) For the purposes of paragraph b(ii) the duration of the extension sought may be either:
 - (i) day for day for the delay in achieving the Substantial Completion Milestone after the start of the first Delivery Year of the Capacity Agreement; or
 - (ii) until the latest planned connection date, provided sufficient evidence from the Transmission Licensee, System Operator or the relevant Distribution Network Operator is provided in the Independent Technical Expert report.”.

1.3 In Rule 6.7.9:

- (a) omit “released the Transmission Licensee or the relevant Distribution Network Operator from its obligation to provide an active connection point under a Grid Connection Agreement or Distribution Connection Agreement, or where the relevant Capacity Provider has agreed to”;
- (b) after “under Rule 6.7.7 where the relevant Capacity Provider has”, insert “requested”;
- (c) after “an extension”, insert “from the relevant Transmission Licensee, System Operator or Distribution Network Operator (or their subcontractors)”;
- (d) after “must be provided”, insert “under a Grid Connection Agreement or Distribution Connection Agreement.”.

Part 2

Clarifying Restrictions on the Role of Agent

2 Amendments to Chapter 3 (Prequalification Information)

2.1 In Rule 3.3.5:

- (a) In paragraph (c), after “such Agent”, insert “(or any member within the Agent’s Group)”;
- (b) In paragraph (c), after “member of the same”, insert “Applicant’s”;
- (c) In paragraph (e), omit “have”;
- (d) In paragraph (e), after “not”, insert “have the”.

3 Amendments to Chapter 5 (Capacity Auctions)

- 3.1** In Rule 5.13.1(e)(iv), after “Bidding provided that such Agent”, insert “(or any member within the Agent’s Group)”.

4 Amendments to Exhibit E (Form of Agent Nomination Form)

4.1 After paragraph 2.4, insert:

“2.5 Agent’s Company Number (Incorporated in England and Wales, or Scotland under Registered No. []):

2.6 Agent’s Group – Ultimate Holding Company Name:

2.7 Agent’s Group – Ultimate Holding Company Number (Incorporated in England and Wales, or Scotland under Registered No. []):”.

Part 3

Increasing Flexibility for Satisfactory Performance Day Portfolios

5 Amendments to Chapter 13 (Testing Regime)

- 5.1** In Rule 13.4.1B, after “the same Capacity Provider”, insert “or Capacity Provider Group”.

Part 4

Change to the definition of SCEC in Rule 3.5.5

6 Amendments to Chapter 1 (General Provisions)

6.1 In Rule 1.2 (Definitions), after the definition of “State aid authority”, insert:

“Station-level has the meaning given in Rule 3.5.5.

Connection Entry

Capacity (SCEC)

Station-level has the meaning given in Rule 3.5.5.”.

Transmission Entry

Capacity (STEC)

7 Amendments to Chapter 3 (Prequalification Information)

7.1 In Rule 3.5.5:

- (a) For “STEC is” substitute “Station-level Transmission Entry Capacity (STEC) is”;
- (b) For “SCEC is” substitute “Station-level Connection Entry Capacity (SCEC) is”;
- (c) For paragraph (a)(i), substitute “(i) the Connection Entry Capacity stated in the Grid Connection Agreement for the power station of which Generating Unit “i” is a component; or”;
- (d) For paragraph (b)(i), substitute “(i) “the registered capacity (or inverter rating, if applicable) stated in the Distribution Connection Agreement for the power station of which Generating Unit “i” is a component; or”.