

Capacity Market Code Modifications

Working Group 11(b)

5 March 2020



Modification Timetable

Event	Date
Working Group 11(b)	05/03/2020
Consultation Period Opens	11/03/2020
Consultation Period Closes	20/03/2020
Decision Expected	27/03/2020
Publication of Decision	30/03/2020
Implementation within the CMC	30/03/2020

- The RAs published the *Capacity Market Code Urgent Modification – CMC_03_20 Timetable* on 2nd March 2020

CMC_03_20: Modification to the Long Stop Date for the CY2023/24 T-4 Capacity Auction - Overview

- During the qualification process, the TSOs indicated that they were unable to meet the scheduled auction deadline and have requested a revision to the timetable.
- Mod CMC_02_20 was implemented through SEM Committee Decision SEM-20-008 and shortened the time between the CY2023/24 T-4 Auction and the start of the delivery year to less than the 42 months set out in the main body of the CMC.
- An amended CY2023/24 T-4 Auction Timetable was published on 18 February 2020 with the Capacity Auction Run Start being deferred to 27 April 2020 – a 5½ week delay from the original date.
- Respondents to the consultation on CMC_02_20 raised the issue of the reduced delivery window for new capacity and noted the increased delivery risk that would arise.
- Some respondents requested that the Long Stop Date be adjusted to maintain the full 42+18 months from the Auction to delivery.

CMC_03_20: Modification to the Long Stop Date for the CY2023/24 T-4 Capacity Auction

- The modification proposes an addition to the new provision in the form of M.10 – implemented under CMC_02_20 – This proposal makes no other alterations to the CMC.
- The text is specific in that the modification is **only** applicable to the T-4 CY2023/24 Auction.
- The Mod proposes:
 - M.10.1.4A Paragraph J.6.1.1(b) shall be replaced with “Long Stop Date: the Long Stop Date in respect of Awarded New Capacity means the last day of the sixtieth full calendar Month after the Capacity Auction Run Start”.*
- *Capacity Auction Run Start (27/04/2020) + 60 Months = **New Long Stop Date 27/04/2025***
- The RAs believe that it is reasonable to make such an adjustment in the case of a multi-year contract award as this reduces risk for new capacity providers without material impact on security of supply and the value of the CRM hedge to consumers.