
TYPE & NUMBER EMR Circular 34

Date 27 February 2015

To EMR Circular List

From EMR Settlement Limited

Purpose For Information

In Period Adjustment of the Interim Levy Rate for 1 April 2015 to 30 June 2015

This circular informs all **Suppliers** that the Low Carbon Contracts Company (LCCC) have adjusted the Interim Levy Rate for the first quarterly obligation period 1 April 2015 to 30 June 2015 to a zero rate (£0.000/MWh). On behalf of the LCCC we've issued an in period adjustment notice to all Suppliers, detailing the Interim Levy Rate for the first quarterly obligation period.

This circular also details:

- How does this affect my Reserve Payment amount?
- How does this affect my Credit Cover requirement?

This updates [EMR Circular 27](#) we issued on Tuesday 23 December confirming we issued Reserve Payment and Interim Levy Rate notices to Suppliers for the first quarterly obligation period 1 April 2015 to 30 June 2015.

Who does this impact?

This impacts all **Suppliers**.

Why has the Interim Levy Rate been adjusted?

The LCCC initially set the Interim Levy Rate and Total Reserve Amount on 16 December 2014 (we detailed this via [EMR Circular 26](#)).

This was prior to the LCCC knowing the outcome of the first CFD Allocation Round which was released yesterday, Thursday 26 February 2015, [here](#). It indicates that no payments during the first quarterly obligation period will be required to be made to CFD Generators. The LCCC has used its powers under the Contracts for Differences (Electricity Supplier Obligations) Regulations 2014 to reduce the Interim Levy Rate to a zero rate (£0.000/MWh) for the period. The LCCC has published further details on their website, [here](#).

How does this affect my Interim Rate payments?

Your interim rate payments will be zero during the quarterly obligation period from 1 April 2015 to 30 June 2015.

How does this affect my Reserve Payment amount?

There is no change to 'Suppliers' Reserve Payment that was invoiced in December 2014 for the 1 April 2015 to 30 June 2015 quarter. The Reserve Payment amount is due no later than **Monday 13 April 2015**. The Contracts for Differences (Electricity Supplier Obligations) Regulations 2014 does not permit the Total Reserve Amount to be reduced.

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Following the end of each quarter, the Reserve Payment made by Suppliers is reconciled. This process is explained in the CFD Reserve Payment Guidance, available [here](#).

How does this affect my Credit Cover requirement?

Suppliers will not be required to lodge Credit Cover for the quarterly obligation period from 1 April 2015 to 30 June 2015 as a result. The Daily Credit Cover Report (D0363) will not be issued during this period.

Have any Frequently Asked Questions been published?

Yes, we have published related Frequently Asked Questions (FAQs) and these are available on our website, [here](#).

Who do I contact if I have a query?

Here are the necessary contact details if you have any queries.

Contact	Query	Telephone	Email
LCCC	Total Reserve Amount Interim Levy Rate	020 7211 8881	forecasting@lowcarboncontracts.uk
EMRS	Reserve Payment Notice & Invoice Adjusted Interim Levy Rate Notice CFD Reserve Payment Guidance	020 7380 4333	contact@emrsettlement.co.uk

Where can I get more information?

If you have any further questions about this Circular, please email contact@emrsettlement.co.uk. Find out more about our role in EMR on the [EMR Settlement website](#).