
TYPE & NUMBER EMR Circular 44

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To EMR Circular List

From EMR Settlement Limited

Purpose For Information

Non-Payment Register for the Capacity Market is now published

This circular informs Suppliers that following the invoicing of the first monthly Settlement Costs Levy payment for the Capacity Market the Electricity Settlements Company (ESC) has now published the non-payment register. This circular also answers the following questions:

- Why is a non-payment register being published?
- Where is the non-payment register published?
- Will any materiality limit be applied to the non-payment register?
- When is late payment interest applied to non-payments?
- What late payment interest is applied to non-payments?

We've communicated about the Settlement Costs Levy notice and invoice being issued to Suppliers for the Capacity Market via [EMRC39](#).

Who does this impact?

Suppliers (and from late 2016 Capacity Providers) who have been issued an invoice for payment pursuant to [The Electricity Capacity Regulations 2014](#) or [The Electricity Capacity \(Supplier Payment etc.\) Regulations 2014](#) fail to make payment by the due date.

Why is a non-payment register being published?

In accordance with [The Electricity Capacity Regulations 2014](#) Regulation 47, ESC must maintain a register ("the non-payment register") which sets out the names of and details relating to Suppliers and Capacity Providers who have not paid an invoice issued under [The Electricity Capacity Regulations 2014](#) or [The Electricity Capacity \(Supplier Payment etc.\) Regulations 2014](#) by 5.00 p.m. on the payment due date.

Where is the non-payment register published?

ESC has now published the non-payment register on its [website](#) and we'd suggest opening this within Internet Explorer. ESC will update the register in accordance with Regulation 47 of the [The Electricity Capacity Regulations 2014](#) including updates on previous entries (i.e. outstanding monies recovered or disputes notices given).

Will any materiality limit be applied to the non-payment register?

Until further notice, for administrative efficiency ESC will apply a materiality limit in relation to publication of Suppliers on the non-payment register. This is for operational publication reasons and will not affect Suppliers' obligations to pay all amounts due from them by the relevant due dates (plus

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interest on any outstanding amount). It also in no way affects ESC's rights to recover monies which are due. The materiality limit has been set at an aggregated value of £100.00.

When is 'late payment interest' applied to non-payments?

Where a Supplier or capacity provider has not paid the invoiced amount to ESC in full the Supplier or capacity provider must pay ESC simple interest on the outstanding balance of the invoiced amount from the due date for payment until the date of payment. This is in accordance with Regulation 11(3) of [The Electricity Capacity \(Supplier Payment etc.\) Regulations 2014](#) and Regulation 46(2) of [The Electricity Capacity Regulations 2014](#). Late payment interest applies regardless of any materiality limit being applied for operational reasons in relation to publication in the non-payment register.

What 'late payment interest' rate is applied to non-payments?

This rate is set in accordance with Regulations 11(5) and 11(6) of [The Electricity Capacity \(Supplier Payment etc.\) Regulations 2014](#) and Regulations 46(4) and (5) of [The Electricity Capacity Regulations 2014](#). The rate is 5 per cent per annum over the [Bank of England](#) base rate in force on either the 30th June or the 31st December (being whichever is the nearest date before the date on which the interest starts to run).

How long will an entry be on the register?

Once a Supplier is entered onto the register the entry will remain on the register for 12 months from the due date for payment or, in the case of a disputed payment decided in the Supplier's favour under Part 10 of [The Electricity Capacity Regulations 2014](#), the date of such decision.

Once a party has made a late payment, that entry will be recorded as paid but it will remain on the register for 12 months.

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](#).