
TYPE & NUMBER EMR Circular 48

Date 30 June 2015

To EMR Circular List

From EMR Settlement Limited

Purpose For Information

LCCC has determined the Interim Levy Rate and Total Reserve Amount

This circular informs **Suppliers** that the Low Carbon Contracts Company (LCCC) has determined the Interim Levy Rate and Total Reserve Amount for the quarterly obligation period 1 October 2015 to 31 December 2015.

On behalf of LCCC we have issued a notice to Suppliers, detailing the reserve payment and the Interim Levy Rate in accordance with [The Contracts for Difference \(Electricity Supplier Obligations\) Regulations 2014 as amended \(the "Regulations"\)](#).

This circular also details:

- What is the Interim Levy Rate and Total Reserve Amount?
- How does this affect my payments and credit cover requirement?

Who does this announcement impact?

This impacts **Suppliers**.

How much is the Interim Levy Rate and Total Reserve Amount?

LCCC has determined the Interim Levy Rate and Total Reserve Amount for the quarterly obligation period 1 October 2015 to 31 December 2015.

Total Reserve Amount
£0.00

Interim Levy Rate
£0.000/MWh

LCCC has published the Interim Levy Rate and Total Reserve Amount on its website [here](#).

How has LCCC determined this decision?

In arriving at its decision on the Interim Levy Rate and Total Reserve Amount, LCCC has taken into account the fact that none of the CFD Generators from the first allocation round, nor any of the Investment Contracts in respect of which there is State Aid approval, are expected to generate prior to 31 December 2015.

LCCC is, however, mindful of the fact that there are two Generators holding CFDs with the Secretary of State in respect of which applications have been made to the European Commission for State Aid

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approval. One of these Investment Contracts has a target commissioning window prior to 31 December 2015 (see <https://www.gov.uk/government/publications/final-investment-decision-fid-enabling-for-renewables-investment-contracts> for details on the Investment Contracts).

In the event State Aid approval is given in respect of these Investment Contracts, it is expected that these Contracts will then be transferred from the Secretary of State to LCCC. The European Commission has not as yet given any clear indication as to when it might make its decision in relation to State Aid on either Investment Contract project.

Should State Aid approval be granted to these projects (and subject to the relevant Generator being in a position to generate under that Investment Contract) this would require CFD payments to be made within the quarterly obligation period. LCCC has the capacity to exercise its rights to make an in period adjustment to the Interim Levy Rate and/or the Total Reserve Amount under Regulation 12 of the Regulations.

On the basis of the information that the LCCC currently holds, it does not expect any CFD payments to be made to CFD Generators during the quarterly obligation period 1 October 2015 to 31 December 2015.

How does this affect my payments and credit cover requirement?

Your payments for the quarterly obligation period from 1 October 2015 to 31 December 2015 will be zero for both the interim rate payment and reserve payment. As a result you will not be required to lodge credit cover for the quarterly obligation period from 1 October 2015 to 31 December 2015.

Have any Frequently Asked Questions been published?

We've published related Frequently Asked Questions (FAQs) which are available on our [website](#). LCCC will also be publishing its FAQs on its [website](#) in the coming weeks.

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	020 7211	forecasting@lowcarboncontracts.uk
	Interim Levy Rate	8881	cfdpreparations@lowcarboncontracts.uk
EMRS	Reserve Payment and Interim Levy Rate Notice	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](#).