

**TYPE & NUMBER** EMR Circular 76

**Date** 4 March 2016  
**To** EMR Circular List  
**From** EMR Settlement Limited  
**Purpose** For Information

### CM Settlement Costs Levy Revision for 2015/16

This circular informs **Suppliers** of the forthcoming Capacity Market Settlement Costs Levy Revision for the current financial year 2015/16. EMRS, on behalf of the Electricity Settlements Company (ESC), will shortly be sending out an invoice or a credit note to Suppliers, detailing the Settlement Costs Levy Revision amount.

This circular includes details on the following:

- What is the Settlement Costs Levy Revision?
- What data is used to calculate my Settlement Costs Levy Revision?
- When will I receive an invoice or credit note for the Settlement Costs Levy Revision?

### Who does this impact?

This impacts those Suppliers who supplied electricity to premises in Great Britain in periods of high demand (4 pm to 7 pm on any working day in November, December, January or February) in the financial year (2014/15) or financial year (2015/16). They must make a payment to ESC for the financial year as detailed in [The Electricity Capacity \(Supplier Payment etc.\) Regulations 2014 \(as amended\)](#).

### What is the Settlement Costs Levy Revision?

The total Settlement Costs Levy for a financial year is initially apportioned between those Suppliers who supplied electricity to premises in Great Britain in periods of high demand preceding the one the Levy is set for.

This apportionment is then revised once data for periods of high demand (Revised Data Period) within the financial year the Levy is set for is available.

Financial Year	Initial Data Period	Revised Data Period
<b>2015/2016</b>	1 November 2014 – 28 February 2015	1 November 2015 – 29 February 2016
<b>2016/2017</b>	1 November 2015 – 29 February 2016	1 November 2016 -28 February 2017

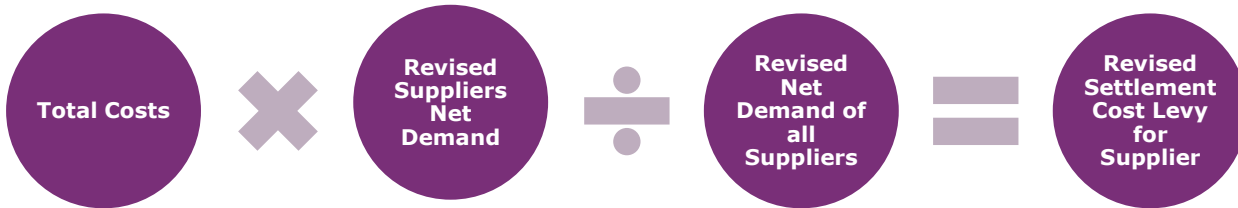
This initial apportionment is calculated in accordance with Regulation 9(4) of [The Electricity Capacity \(Supplier Payment etc.\) Regulations 2014 \(as amended\)](#).

The Settlement Costs Levy for financial year can be found on settlement data page of our [website](#).

# CIRCULAR

## What data is used to calculate my Settlement Costs Levy Revision?

We use metered data provided by the Balancing and Settlement Code Company (BSCCo) to calculate Suppliers' monthly Settlement Costs Levy payments, which includes only Initial Volume Allocation Run (SF) metered data. Once SF Data for the Revised Data Period is made available the below calculation is carried out. For each supplier, their revised allocation is compared to the amount of Settlement Costs Levy they have paid over the year and they are either invoiced or credited the difference.



For more information about how a Supplier's demand is calculated, please see [EMR Circular 37](#). Or Guidance document [G2 – Calculation of Supplier Demand for EMR Charging](#).

## When will I receive an invoice or credit note for the Settlement Costs Levy Revision?

Below are the key activities and dates to note:

Activity	Date
Settlement Costs Levy Revision Invoice issued	24 March 2016
Invoice Payment Due	31 March 2016
Settlement Costs Levy Revision Credit Note Issued	4 April 2016
Credit Note Payment Made	7 April 2016

Credit Notes are issued to applicable Suppliers after Settlement Costs Levy Revision Invoice payment due date. This allows for the credit due to be recalculated in the case that not all invoice payments are received in full. This is in accordance with [Regulation 9\(7\) of The Electricity Capacity \(Supplier Payment etc.\) Regulations 2014 \(as amended\)](#).

## Have any Frequently Asked Questions been published?

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

## Where can I get more information?

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