
TYPE & NUMBER EMRC97

Date 6 September 2016

To EMR Circular List

From EMR Settlement Ltd

Purpose For information

Process for Applicants to lodge Credit Cover

On **Friday 23 September 2016**, Applicants will receive a notice from [EMR Delivery Body](#) that will confirm if their Capacity Market Unit(s) (CMU) are conditionally prequalified and if Credit Cover is required to be lodged. This circular highlights the process for **Applicants** to lodge Credit Cover with [Electricity Settlements Company](#)). EMRS are managing this on their behalf.

Please note the **process for lodging a Letter of Credit has been amended**. From now on, Applicants need to request that their bank uses the SWIFT process rather than sending a physical letter to EMRS.

Do I need to register with EMRS?

As an Applicant, if you haven't previously registered your Company with EMRS then you will need to follow the process explained in [Working Practice 22 – Applicant/Capacity Provider Registration](#) and submit the [Capacity Market Registration Form](#) to us.

If you have previously registered your company with us then you don't have to register again, even if you have submitted new CMUs. If you would like to check the details we hold for you, please contact our service desk. To amend any details please follow [Working Practice 31- Amending EMR Party Details](#).

When does my Credit Cover need to be in place?

Applicants are required to provide Credit Cover within 15 Working Days after receiving their conditional Prequalification notice. Please refer to [EMR Delivery Body's Operational Plan](#) for exact dates for when a Notice of Approved Credit Cover must be received to qualify for the auction.

What is the process for lodging Credit Cover?

The bank account details and the approved Letter of Credit template can all be found in [Working Practice 35 – CM Applicant/ Capacity Provider Credit Cover Process](#).

To submit a Letter of Credit, you now need to request that your bank uses SWIFT. The Letter of Credit template has been updated to accommodate this so **please ensure that you use the correct version**.

As part of lodging Credit Cover you should also:

- Notify us once Credit Cover has been provided, including the amount, format (cash or Letter of Credit) and CMUs to which it applies to contact@emrsettlement.co.uk
- If lodging as a cash amount please include your CMU ID in the payment reference

EMRS will validate the received Credit Cover against the value given in the Notice of Prequalification success that you will receive from EMR Delivery Body. Once this is complete, we will send you either a Notice of Approved Credit Cover or a Notice of Unapproved Credit Cover. A copy of the Notice of

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Approved Credit Cover will also be sent to EMR Delivery Body. **You do not need to send a copy to EMR Delivery Body.**

If you already have a Letter of Credit lodged and it covers your pre-qualification requirement then you do not need to take any action. If you need to amend or replace your Letter of Credit then you will need to use the new template and process.

If you have any further questions about this circular, please email contact@emrsettlement.co.uk or call 020 7380 4333.