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**TYPE & NUMBER**      EMR Circular 101

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**Date**                      4 October 2016

**To**                            EMR Circular List

**From**                        EMR Settlement Limited

**Purpose**                      For information

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## **Updates to the EMRS Settlement Calendar and publication of monthly Weighting Factors**

The [EMRS Settlement Calendar](#) has been updated to include payment types linked to the Capacity Market Delivery Year starting in October 2016.

We have published the [monthly Weighting Factors](#) for 2016/17 Delivery Year following feedback from Suppliers and Capacity Providers.

### **What is the EMRS Settlement Calendar?**

The [EMRS Settlement Calendar](#) provides a schedule of when payments will be invoiced, when they're due and, if applicable, the Settlement day and the Settlement code used in determining the payment. The Calendar covers Settlement Days 1 April 2016 to 31 March 2017.

### **What updates have been made?**

The first Capacity Market Delivery Year will start in October of this year. We have updated the [EMRS Settlement Calendar](#) to include the relevant types of payments. These are:

#### **For Suppliers:**

- **Monthly Capacity Market Supplier Charge:** a monthly charge that covers the payments to Capacity Providers for a Delivery Year.
- **Monthly Reconciliation:** the Monthly Capacity Market Supplier Charge is reconciled at set periods in time, as detailed in the 'CM Supplier Reconciliation' tab of the [Settlement Calendar](#).

#### **For Capacity Providers:**

- **Capacity Provider Payments:** Capacity Providers will receive a monthly payment throughout the course of the Delivery Year.
- **Penalty Charge:** Capacity Providers will receive a Penalty Charge if a stress event is called and they do not deliver their Capacity Obligation

The EMRS Settlement Calendar has also been amended to reflect changes to the ELEXON Settlement Calendar, following an error in the schedule of Settlement Runs for the Easter 2017 Bank Holiday dates of 14 and 17 April 2017.

### **Will there be any further updates to EMRS Settlement Calendar?**

A new calendar will be published in March 2017 to cover Settlement Days 1 April 2017 to 31 March 2018. This update to the calendar will also include Supplier Annual Reconciliation, Penalty Residual Supplier Amount, and Over-Delivery Payment.

# CIRCULAR

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## WEIGHTING FACTORS

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We have published the [monthly Weighting Factors](#) for 2016/17 Delivery Year following feedback from Suppliers and Capacity Providers. They are available in the [Key Figures for Payments in 2016/17](#) document on the [Settlement Data](#) page of the website.

### What are monthly Weighting Factors?

EMRS, on behalf of [Electricity Settlements Company](#), calculates the monthly weighting factors which is an average of electrical demand in Great Britain. It is calculated by dividing the sum of electrical demand in Great Britain for a month for the past 3 years by the sum of the total demand for the last 3 years.

They are used to weight Capacity Provider Payments, Capacity Market Supplier Charge and Supplier Credit Cover Requirements to the months when electricity demand is greatest and a stress event could be more likely to be called.

### What calculations are they used in?

The weighing factors are used in the calculation of a **Supplier's** monthly Supplier Charge and Credit Cover Requirements and a **Capacity Provider's** monthly Capacity Payments.

## MORE INFORMATION

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If you have any questions about this circular please email [contact@emrsettlement.co.uk](mailto:contact@emrsettlement.co.uk) or call 020 7380 4333.