
TYPE & NUMBER EMRC109

Date 12 December 2016**To** EMR Circular List, Finance Authorities and Credit Cover Contacts**From** EMR Settlement Limited**Purpose** For action

Reminder: Suppliers need to ensure their lodged CFD Credit Cover is sufficient for January's Interim Levy Rate

The Interim Levy Rate increases from zero to **£0.956 per MWh** on 1 January 2017. As Suppliers' CFD Credit Cover requirements are linked to the Interim Levy Rate, **Suppliers** need to ensure they have sufficient Credit Cover lodged by **17.00 on 30 December 2016** to meet the new rate.

How much Credit Cover is required?

The minimum Credit Cover requirement is a Supplier's metered volumes for a 21 day reference period multiplied by the Interim Levy Rate, which will be **£0.956 per MWh** from **1 January 2017**.

If you need to increase your Credit Cover then this must be lodged by the last working day prior to the first working day of the Quarterly Obligation Period, which is by **17.00 on 30 December 2016**.

What is the process for lodging Credit Cover?

[WP42 – Supplier CFD Credit Cover](#) provides details on the process for lodging Credit Cover including the Letter of Credit templates and approved bank details. The bank account and Letter of Credit templates are **different** to those used for CM Credit Cover.

In order for Credit Cover to be considered to be lodged, the cash amount must have been received in the relevant bank account, or a valid Letter of Credit, must have been received electronically by EMRS by the above deadline.

What documents should I look at for further information?

[WP42 – Supplier CFD Credit Cover](#) provides details on the process for lodging and refunding Credit Cover including the Letter of Credit templates and bank details. [Guidance G5 – Supplier CFD Credit Cover](#) provides information on how to calculate your Credit Cover requirements, the daily Credit Cover report and what happens if a Supplier doesn't lodge sufficient Credit Cover.

If you have any further questions about this circular, please email contact@emrsettlement.co.uk or call 020 7380 4333. The EMRS Service Desk will be operating its normal working hours throughout the festive period.