
TYPE & NUMBER EMRC114

Date 07 March 2017
To EMR Circular List & Finance Authorities
From EMR Settlement Ltd
Purpose For information

Payment terms for Capacity Market Payments increased to five working days

This circular informs **Suppliers** and **Capacity Providers** that the payment terms for all Capacity Market payments has now increased from three to five working days. This aligns the Capacity Market payment terms with those for Contracts for Difference, and provides EMR Parties with additional time to make payments.

EMRS, on behalf of [Electricity Settlements Company](#) (ESC), will now send invoices and credit notes displaying the new payment term.

This change was brought into effect by [The Electricity Capacity \(Amendment\) Regulations 2016](#).

Who does this impact?

This impacts **Suppliers** and **Capacity Providers**.

When is the effective date?

The new payment term is effective immediately. The first payment to be affected is shown below.

Capacity Market Payment Type	Date of first invoice or credit note with the new payment term	New Payment Date
Supplier Charge Monthly Reconciliation Invoice	14 March 2017	21 March 2017

What action do I need to take?

This will depend on how you have chosen to make Capacity Market Payments.

Capacity Market Payment Method	Action needed	Explanation
By Direct Debit	No	New payment amounts will automatically be collected to reflect the new payment terms
Electronic Transfer	Yes	You can adjust when you make payments to ESC.

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What payments are effected?

All Capacity Market payments are covered by this change and this is illustrated below.

EMR Party	Capacity Market Payment Type
Supplier	Capacity Market Supplier Charge Supplier Charge Monthly Reconciliation Supplier Charge Annual Reconciliation Penalty Residual Supplier Amount Settlement Costs Levy Settlement Costs Levy Revision Settlement Costs Levy Refund
Capacity Provider	Monthly Capacity Provider Payment Over-Delivery Payment Penalty Charge

This change also applies to any ad hoc payments.

Have any EMRS publications been impacted?

All impacted publications on the [EMRS website](#) have been updated to reflect the new payment terms and this includes:

- WP1 – Overview of EMR Settlement
- WP41 – Late Payment Procedure
- G11 – Termination of Capacity Agreements
- G14 – Supplier Capacity Market Credit Cover
- G15 – Supplier Capacity Market Payments
- G17 – Capacity Provider Payments

The [Settlement Calendar](#) for the next financial year 2017/18 will reflect these new payment terms. This will be available on the [EMRS website](#) shortly.

Where can I get more information?

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