

# CIRCULAR

**TYPE & NUMBER** EMR Circular 133

**Date** 13 September 2017

**Purpose** For information

## Suppliers to receive repayment of excess Operational Costs and Settlement Costs Levy refund for Financial Year 2016/17

EMRS, on behalf of [Low Carbon Contracts Company](#) (LCCC) and [Electricity Settlements Company](#) (ESC), confirms for the Financial Year 2016/17 (1 April 2016 to 31 March 2017):

- A **repayment of excess CFD Operational Costs** will be issued to **Suppliers** based on the Total Repayment of Excess Operational Costs: **£3,801,778.38**
- **CM Settlement Costs Levy refund** will be issued to **Suppliers** based on the Total Settlement Costs Levy Refund: **£1,373,030.76**

On **18 September 2017** Suppliers will receive a credit note for both repayment of excess CFD Operational Costs and CM Settlement Costs Levy refund with a payment date of **25 September 2017**. Please be advised that there will be no associated backing data for the repayment of excess for the Operational Costs. Associated backing data will be issued for the Settlement Costs Levy refund.

### Who does this impact?

This impacts **Suppliers** who made Operational Costs and Settlement Costs Levy Payments in Financial Year 2016/17.

### What will happen if an invoice is due on the same date?

If an invoice is due on the same date, **25 September 2017** please note:

- If the invoice amount is greater than the credit note amount, please pay the net amount; or
- If the credit note amount is greater than the invoice amount, EMRS will allocate the credit against the invoice amount, and the remaining credit will be paid to the Supplier's registered bank account.

### How is my share calculated?

Supplier's **repayment of excess CFD Operational Costs** is calculated based on their **overall market share** over the Financial Year. This is in accordance with [the Contracts for Difference \(Electricity Supplier Obligations\) Regulations 2014](#), (as amended), Part 3, Chapter 8, Regulation 24(3).

Supplier's **CM Settlement Costs Levy Refund** is calculated using a **payment share** based on the amount of Settlement Costs Levy Payments paid in the Financial Year. This is in accordance the [Electricity Capacity \(Supplier Payment etc.\) Regulations 2014](#), (as amended) Part 3, Regulation 10(3)(a).

### More information

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