

CIRCULAR

TYPE & NUMBER EMR Circular 135

Date 5 October 2017

Purpose For information

Information for Capacity Providers for the Delivery Year 2017-18

Delivery Year 2017/18 has started and [EMR Delivery Body](#) (DB), [Electricity Settlements Company](#) (ESC) and [EMR Settlement Limited](#) (EMRS), would like to inform Capacity Providers of the following:

- Registering with EMRS
- Amending registration details with EMRS
- Secondary Trading with Delivery Body
- Register for Volume Reallocation with the Delivery Body
- Volume Reallocation process with EMRS
- Submission of Metered Volumes to EMRS
- Completing Satisfactory Performance Days (SPD) with Delivery Body
- Receiving Capacity Provider Payments from ESC
- Stress Event - Capacity Market Warnings

Registering with EMRS

If you are not registered with EMRS, please complete the [WP22-Capacity Market Registration Form](#) and send to the [Service Desk](#). **Failure to complete the registration form may result in Capacity Payments not being made on time.**

The registration form asks for company details, settlement information, bank account details and contact details. Each EMR Party must have one primary party authority and at least two finance authorities¹. Once authorised contacts are registered, they will also receive access to the EMR Settlement Portal. Please note, that EMRS requires **both a signed (by authorised contact) PDF version** and the **Excel version** to be sent back to us.

For more information, please see [WP22 – Capacity Provider Registration](#). Upon receipt of your forms, EMRS will validate and confirm your EMR Party ID within five working days.

Amending registration details with EMRS

If you need to amend any of the details EMRS holds, you will need to return a completed [WP31-EMR Party Details Amendment Form](#) to the [Service Desk](#). Please note that EMRS require both a signed (by authorised contact) PDF version and the Excel version to be sent back. We also require an authorised contact to be copied into the email before any changes can be updated. For further information, please refer to [WP31 - Amending EMR Party Details](#).

¹ For more information, please see G4 – EMR Settlement Authorisations available on the [Guidance](#) webpage on the EMRS website.

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Secondary Trading with Delivery Body

Secondary Trading gives the ability to transfer Capacity Obligations, in part or full, between CMU's to cater for unavailability such as outages. Once transferred, the Capacity Obligation to deliver during a System Stress Event is held by the transferee.

There are conditions that have to be met in order to be able to trade these Acceptable Transferee requirements and covered in Chapter 9 of the Capacity Market Rules². Only Capacity Obligation obtained from the Early Auction can be transferred, the Delivery Body (DB) has more detail on the EMR Delivery Portal and guidance available on the [EMR Delivery website](#)³.

Register for Volume Reallocation with the Delivery Body

The window for CMUs to register to become a Capacity Market Volume Reallocation (CMVR) Registered Participants (Early Auction) is now open. Volume Reallocation takes place after a System Stress Event. This allows those wishing to be available to volume reallocate following a System Stress Event. DB published guidance in [Latest News](#) dated 4 August 2017 that details the pre-requisites to become a CMVR Registered Participant. The requirements are covered in Chapter 9 and 10 of the Capacity Market Rules⁴.

If your CMU or CMUs already hold Early Auction agreements there is no action for you as you are automatically included as a CMVR Registered Participants.

Volume Reallocation process with EMRS

After a System Stress Event has occurred, Capacity Providers may use Volume Reallocation if they have under or over-delivered compared to their Capacity Obligation. The process involves each participating CMUs to submit Capacity Market Volume Reallocation Notification (CMVRN) to EMRS who validate the CMVRN and volume reallocate. EMRS published [WP48 – Volume Reallocation](#) which details the process and timescales associated to this process.

Submission of Metered Volumes to EMRS

We encouraged Capacity Providers to regularly submit metered volumes to EMRS. How this is submitted will depend on the metering configurations and their associated metering pathways. EMRS can receive metered volumes from a number of sources:

- **Balancing and Settlement Code Company (BSCCo) Balancing Mechanism Units (BMU)**
- **Half Hourly Data Aggregators (HHDA)**
 - Capacity Provider must contact the Supplier to establish the data flows.
- **Self-submission by the Capacity Provider or their appointed Data Collector (DC)**
 - Uses a defined CSV format to uploaded data into the EMR Settlement System via Secure File Transfer Protocol (SFTP) account with EMRS. Contact [EMRS](#) to setup an SFTP account

BMU and HHDA data is submitted in accordance with the BSC Settlement Calendar and this calendar is available on the [ELEXON Portal](#). For more information, please see [WP195 - Capacity Market and CFD Metered Data](#).

² <https://www.gov.uk/government/publications/capacity-market-rules>

³ <https://www.emrdeliverybody.com/Capacity%20Markets%20Document%20Library/Secondary%20Trading%20Guidance%20v1.3.0.pdf>

⁴ <https://www.gov.uk/government/publications/capacity-market-rules>

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Completing Satisfactory Performance Days (SPD) with Delivery Body

During the Delivery Year, all Capacity Providers must demonstrate they have met the capacity obligation which they acquired at auction on three separate dates, this is known as Satisfactory Performance Days (SPDs). This capacity must be demonstrated for at least one Settlement Period on each of those dates. This process relies on Capacity Providers having submitted their metered volume data to EMRS. Capacity Providers must submit SPD requests during **1 October 2017 to 30 April 2018** of this Delivery Year.

Delivery Body would like to highlight the prequalification assessment window runs from **2 October 2017 until 10 November 2017**. During this time will be incredibly busy processing the prequalification applications. **The DB request that SPDs requests are made from 13 November 2017 and you'll be able to submit for any periods from the start of this Delivery Year (1 October 2017).**

More detailed information on the SPD process is available on the Delivery Body website, [SPD Guidance](#).

This delay in submission will

- not affect your agreement in anyway
- not affect your payments
- not prevent you from submitting periods of performance for any part of the Delivery Year

Submission must be inputted prior to the end of April 2018 to ensure no disruption to your payments.

Receiving Capacity Provider payments from ESC

EMRS will manage Capacity Provider payments on behalf of ESC. The credit notes and associated settlement files will be emailed to the primary company email addresses (the EMRS Portal is an additional channel for assessing settlement files) and payments are made to the bank account details as specified on the registration form validated by EMRS. The credit notes and payments are in accordance with the schedule in the EMRS Settlement Calendar.

To understand how your Capacity Provider payments will be calculated please refer to **G17-Capacity Provider Payments** available on the [Guidance](#) webpage

Further details on EMRS Settlement Calendar and EMRS Portal are as follows:

- **EMRS Settlement Calendar** provides a schedule of when payments will be invoiced, when payments are due, and if applicable, the Settlement Date and the Settlement Run used in determining the payment. It only extends to payments which will happen on a regular basis and can be scheduled. This is located on the [Settlement Data](#) webpage.
- **EMRS Portal** provides a safe and secure environment for EMR Parties to easily view, download, save and print their settlement files. The Portal holds all issued settlement files produced, i.e. invoices, credit notes, notices, credit cover reports and backing data. **G19 – EMRS Portal User Guide** provides further details and available on the [Guidance](#) webpage.

Stress Event - Capacity Market Warnings

Are you registered to receive Capacity Market Notices? If you aren't please register to receive [GB Electricity Capacity Market Notices](#). The website will display all electricity Capacity Market Notices issued by National Grid. The site also provides [frequently answered questions](#).

The **Capacity Market Coordination Event** on 10 August 2017 National Grid presented on Capacity Market Notices. This provided information sources and likely flow of events in advance of Capacity driven challenge. The slides are available on [DB website](#) and this section starts from page 121.

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Who do I need to contact?

This table provides a summary of the roles and responsibilities of the Delivery Partners and who to contact regarding the topics mentioned within this circular.

Delivery Partner	Responsibilities	Topics	Contact Details
Delivery Body	Delivery of the CM in line with the Rules and Regulations and running the CM auctions	<ul style="list-style-type: none">Satisfactory Performance DaysSecondary TradingRegister for Volume Reallocation	emr@nationalgrid.com 01926 655300
EMR Settlement Limited (EMRS)	Undertakes the payment, settlement functions and metering for Capacity Market. This service is delivered on behalf of ESC who retains overall responsibility for giving effect to the CM Regulations	<ul style="list-style-type: none">Registering and amending registration details with EMRSVolume Reallocation processSubmission of Metered VolumesSettlement CalendarCapacity Provider PaymentsEMRS Portal	contact@emrsettlement.co.uk 020 7380 4333
Electricity Settlement Company (ESC)	ESC is the Settlement Body and provides accountability, governance and control of the monies collected and disbursed under the CM Regulations for both Capacity Providers and Suppliers		info@lowcarboncontracts.uk 0207 211 8881

More information

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