

# CIRCULAR

**TYPE & NUMBER** EMR Circular 164

**Date** 24 August 2018

**Purpose** For information

## Adjusted Interim Levy Rate Notice issued to Suppliers

[Low Carbon Contracts Company](#) (LCCC) has adjusted the Interim Levy Rate (ILR) to **£2.532/MWh** from **£3.899/MWh**. This is effective from **28 August 2018** until **30 September 2018**, the end of the current quarterly obligation period. On behalf of LCCC, EMRS has issued an Adjusted Interim Levy Rate Notice to **Suppliers**.

This circular gives information on why the rate has been reduced, how this affects Interim Rate payments and Credit Cover requirements.

### Who does this impact?

This impacts **all Suppliers**.

### Why has the Interim Levy Rate been adjusted?

The reason for the reduction of ILR is due to low wind experienced in the earlier part of the quarter. Also, combined with higher than expected market prices and higher forecast spot prices for the remainder of the quarterly obligation period. The [Transparency Tool](#) has been updated to reflect this adjustment.

### How does this affect my Interim Rate payments?

The first invoice using the reduced adjusted ILR will be sent out on **6 September 2018**. Previous Settlement Dates will continue to be reconciled at the original Interim Levy Rate and through the Quarterly Reconciliations.

### How does this affect my Credit Cover requirement?

From **28 August 2018** Suppliers will be required to maintain Credit Cover using the adjusted ILR of **£2.532/MWh**. Suppliers will be able to request any excess lodged cash Credit Cover or reduce the value of the Letter of Credit if applicable.

Further information on the process for returning Credit Cover is available in [WP42 – Supplier CFD Credit Cover](#).

### Who do I contact if I have a query?

Contact	Query Topic	Telephone	Email
LCCC	Adjusted Interim Levy Rate	020 7211 8881	<a href="mailto:forecasting@lowcarboncontracts.uk">forecasting@lowcarboncontracts.uk</a>
EMRS	Adjusted Interim Levy Rate Notice and Credit Cover	020 7380 4333	<a href="mailto:contact@emrsettlement.co.uk">contact@emrsettlement.co.uk</a>