

# CIRCULAR

**TYPE & NUMBER** EMR Circular 183

**Date** 12 July 2019

**Purpose** For information

## Suppliers to receive refund of excess Operational Costs and Settlement Costs Levy for Financial Year 2018/19

EMRS, on behalf of the [Low Carbon Contracts Company](#) (LCCC) and the [Electricity Settlements Company](#) (ESC), confirms for the Financial Year 2018/19 (1 April 2018 to 31 March 2019):

- A **repayment of excess CFD Operational Costs** will be issued to **Suppliers** based on the Total Repayment of Excess Operational Costs: **£4,189,307.23**. On **10 July 2019**, Suppliers received a credit note for repayment of excess CFD Operational Costs with a payment date of **17 July 2019**.
- A **CM Settlement Costs Levy refund** will be issued to **Suppliers** based on the Total Settlement Costs Levy Refund: **£399,733.77**. On **10 July 2019** Suppliers received a credit note for CM Settlement Costs Levy refund with a payment date of **17 July 2019**.

Please be advised that there will be no associated backing data for the repayment of the excess for the CFD 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 2018/19.

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

If an invoice is due on the same date, 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?

A **repayment of excess CFD Operational Costs** to **Suppliers** 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).

A **CM Settlement Costs Levy refund** to Supplier's 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.