

2015 No. 1974

ELECTRICITY

**The Electricity Capacity (Amendment) (No. 2)
Regulations 2015**

Made - - - - *3rd December 2015*

Coming into force in accordance with regulation 1

The Secretary of State has before making these Regulations—

- (a) consulted the persons listed in section 40(2)(a) and (b) of the Energy Act 2013^(a) and such other persons as the Secretary of State considered it appropriate to consult; and
- (b) had regard to the matters in section 5(2) of that Act.

In accordance with section 40(5) of that Act, a draft of this instrument was laid before Parliament and approved by a resolution of each House of Parliament.

Accordingly, the Secretary of State, in exercise of the powers conferred by sections 27, 28, 30 and 40(1) of the Energy Act 2013, makes the following Regulations:

Citation and commencement

1.—(1) These Regulations may be cited as the Electricity Capacity (Amendment) (No. 2) Regulations 2015.

(2) These Regulations come into force on the day after the date on which they are made.

Amendment of the Electricity Capacity Regulations 2014

2.—(1) The Electricity Capacity Regulations 2014^(b) (“the 2014 Regulations”) are amended in accordance with these Regulations.

(2) Any reference in regulations 3 and 4 to a numbered regulation is to that regulation as so numbered in the 2014 Regulations.

Amendment to regulation 17 (Excluded capacity: NER 300 and CCS grant scheme CMUs)

3. In regulation 17(2)—

(a) before the definition of “relevant grant” insert—

““carbon capture and storage technology” has the meaning given in section 7(3) of the Energy Act 2010^(c)”; and

(a) 2013 c.32.

(b) S.I. 2014/2043; amended by S.I. 2014/3354 and S.I. 2015/875.

(c) 2010 c.27.

- (b) for the definition of “relevant grant” substitute—
 - ““relevant grant” means a grant—
 - (a) under a relevant scheme;
 - (b) the first payment of which is made, or to be made, within the period of 10 years immediately before the commencement of the delivery period; and
 - (c) which is made for purposes other than—
 - (i) carrying out activities of research and development in relation to the design and use of carbon capture and storage technology in respect of CMU i; or
 - (ii) assessing the feasibility of the use of carbon capture and storage technology in respect of CMU i”.

Amendment to regulation 59 (Requirement to provide applicant credit cover)

4. In regulation 59(3), for “5 working days” substitute “15 working days”.

3rd December 2015

Andrea Leadsom
Minister of State
Department of Energy and Climate Change

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made under Part 2, Chapter 3 of the Energy Act 2013 (c. 32) and amend the Electricity Capacity Regulations 2014 (S.I. 2014/2043) (“the 2014 Regulations”) which make provision for the purpose of enabling consumers’ demands for electricity in Great Britain to be met, by establishing a system known as the Capacity Market. The Capacity Market enables those who offer to make electricity capacity available to bid into an auction for the award of capacity agreements, which confer rights (principally the right to receive “capacity payments”) and impose obligations (principally the obligation to provide electricity capacity) on those who are successful in that auction.

The 2014 Regulations have previously been amended by Schedule 2 to the Electricity Capacity (Supplier Payment etc.) Regulations 2014 (S.I. 2014/3354) and the Electricity Capacity (Amendment) Regulations 2015 (S.I. 2015/875).

These Regulations amend the 2014 Regulations to—

- (a) make provision for a new definition of “relevant grant” (amendment to regulation 17); and
- (b) increase the time period in which a conditionally prequalified applicant must provide credit cover to the Capacity Market Settlement Body from 5 working days to 15 working days (amendment to regulation 59).

A full impact assessment has not been produced for this instrument as no impact on business or the voluntary sector is foreseen. However, a full impact assessment of the effect that the 2014 Regulations will have on the costs of business and the voluntary sector is available from the Department of Energy and Climate Change at 3 Whitehall Place, London SW1A 2AW and is published with the Explanatory Memorandum alongside this instrument on www.legislation.gov.uk.

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