

CAP150 – Capacity Reduction

Period of Applicability

- ◆ Applies from effective date (exercise date)
- ◆ Applies prior to completion of User Works
- ◆ Utilisation not based on fixed times (no limit on number of times utilised)
- ◆ CAP 131 applies upon completion of Users works (depends upon chosen model (if any))

Trigger

We reasonably believe that the User's equipment will not be capable at the completion date of generating up to the Capacity

- ◆ Data supplied under Grid Code
- ◆ Reports provided under Clause 2 of the CONSAG
- ◆ Other information provided or published by the User
- ◆ Progress against backstop milestones (key project events)
- ◆ Other market intelligence

Proposed solution

- ♦ **The Company informs User that it intends to amend agreements to reflect reduced capacity (serve notice saying basis for decision/concern).**
- ♦ **User has period to serve counter notice saying that intent is to use capacity at date. Notice would need to be followed by supporting information relating to concern above (20 days in total).**
- ♦ **User may also submit mod app to request change and/or date slip – would need to be signed within set period (four months).**
- ♦ **If User has not satisfied NGET or has not signed Offer from Mod App then NGET will work out consequential changes required and have the right to amend the agreements**
- ♦ **User has right to refer to Ofgem**
- ♦ **If referred change not effective until determined**

NGET would have its own views on a reasonable development timescales.

Charges

- ◆ NGET able to charge abortive costs (including work required to determine necessary changes) (different to 2.11)
- ◆ Reduction will trigger a payment to The Company on the same basis as the “Capacity Reduction Charge” where a user is on the Interim User Commitment methodology and in other cases a Final Sums payment based on the cost of the Construction works that would not have been required had the User’s application been made on the basis of that reduced TEC