

SCHEDULE 1

Settlement calculations

Over-delivery payments

7.—(1) The Settlement Body must, after the end of each delivery year (“year X”), determine for each relevant CMU (“CMU i”)—

- (a) the over-delivery rate in £/MWh applying to CMU i in respect of relevant settlement periods in year X (“ ODR_{ix} ”);
- (b) the amount in pounds of the over-delivery payment applying to CMU i in respect of each such settlement period in which CMU i over-delivered (“ ODP_{ij} ”); and
- (c) the amount in pounds of the total over-delivery payment applying to CMU i in respect of year X (“ $TODP_{ix}$ ”).

(2) ODR_{ix} must be calculated in accordance with the formula—

$$ODR_{ix} = \min \left(PR_{ix}, \frac{TPR_x}{TODV_x} \right).$$

(3) ODP_{ij} must be calculated in accordance with the formula—

$$ODP_{ij} = ODR_{ix} \times (AE_{ij} - ALFCO_{ij}).$$

(4) $TODP_{ix}$ must be calculated as the sum of ODP_{ij} for all the relevant settlement periods in year X in which CMU i over-delivered.

(5) For the purposes of this paragraph—

“over-delivered” is to be interpreted in accordance with regulation 42(2);

“ PR_{ix} ” means the penalty rate in pounds per MWh applying to CMU i in respect of year X, as calculated in accordance with paragraph 5;

a “relevant CMU” means a capacity committed CMU in respect of which AE_{ij} is greater than $ALFCO_{ij}$ in one or more relevant settlement periods in year X;

“ $TODV_x$ ” means the aggregate in MWh of the total amounts over-delivered in year X by all relevant CMUs;

“ TPR_x ” means the total amount of capacity market penalty charge payments received by the Settlement Body in respect of year X.