
DRAFT STATUTORY INSTRUMENTS

2014 No.

The Electricity Capacity Regulations 2014

PART 4

Capacity auctions

CHAPTER 2

Auction parameters

Determination of auction parameters by the Secretary of State

12.—(1) For each capacity auction, the Secretary of State must determine each of the auction parameters referred to in sub-paragraphs (a) to (d) of regulation 11(1).

(2) For each T-4 auction, the Secretary of State must also—

- (a) determine the auction parameters referred to in sub-paragraphs (e) and (f) of regulation 11(1); and
- (b) determine whether price duration equivalences are to apply in that capacity auction and, if so, determine those price duration equivalences.

(3) The determinations under paragraphs (1) and (2) are subject to any adjustments which may be made under regulations 13 and 28.

(4) The Secretary of State must—

- (a) make the determinations under paragraph (1) and, if applicable, paragraph (2), and give notice of them to the Delivery Body as soon as reasonably practicable after publishing a decision to hold a capacity auction; and
- (b) publish the determinations.

(5) In making the determinations under paragraphs (1) and (2), the Secretary of State must take into account—

- (a) the electricity capacity report;
- (b) the reliability standard; and
- (c) the matters specified in section 5(2) of the Act.

(6) If the target capacity determined by the Secretary of State is different from a recommendation in the electricity capacity report, the determination must include an explanation of—

- (a) the Secretary of State's reasons for not following that recommendation; and
- (b) the basis upon which the Secretary of State has made the determination.