
DRAFT STATUTORY INSTRUMENTS

2023 No.

The Nuclear Regulated Asset Base Model (Revenue Collection) Regulations 2023

PART 2 Supplier obligation CHAPTER 3 Payments for reserve

Reserve payments

9.—(1) The revenue collection counterparty must determine—

- (a) the total amount of reserve payments (“the total reserve amount”) to be collected from suppliers in respect of each quarterly obligation period, calculated in accordance with paragraph (6); and
- (b) the amount of each electricity supplier’s reserve payment in respect of each quarterly obligation period, calculated in accordance with regulation 10.

(2) The revenue collection counterparty must make and publish its determination of the total reserve amount for a quarterly obligation period before the relevant day.

(3) The revenue collection counterparty must determine the amount of each electricity supplier’s reserve payment for a quarterly obligation period before the end of the period of 8 working days beginning with the relevant day.

(4) The revenue collection counterparty must issue to every relevant supplier a notice which sets out the amount of that supplier’s reserve payment for a quarterly obligation period before the end of the period of 8 working days beginning with the relevant day.

(5) For the purpose of paragraph (4), a “relevant supplier” is an electricity supplier who supplied electricity during the reference period (within the meaning given by regulation 10(4)).

(6) The total reserve amount for a quarterly obligation period is the amount which the revenue collection counterparty determines it would need to be paid for there to be a 19 in 20 probability of it being able to make all the payments it is required to make to RCC parties during the reserve period which commences during that quarterly obligation period having regard to—

- (a) the revenue collection counterparty’s estimate of the payments it expects to receive from the RCC parties during that reserve period;
- (b) the revenue collection counterparty’s estimate of the payments it will be required to make to RCC parties and electricity suppliers during that reserve period;
- (c) the likelihood of any supplier failing to make payments it is required to make under these Regulations during that reserve period; and

- (d) any SoS funds that the Secretary of State has specified will be available in respect of that reserve period and that the Secretary of State has specified should be taken into account when adjusting the total reserve amount.
- (7) In this regulation the “relevant day” means the day which is 30 days before the beginning of the relevant quarterly obligation period.

Individual suppliers’ reserve amounts

10.—(1) An electricity supplier who supplied electricity during the reference period must make a reserve payment to the revenue collection counterparty in respect of a quarterly obligation period (“the relevant period”) by—

- (a) in the case of the first quarterly obligation period, the 5th working day after the first payment period start date;
- (b) in the case of a subsequent quarterly obligation period, the 5th working day after the day on which the revenue collection counterparty has issued a notice to that supplier under regulation 15(3) for the relevant period.

(2) Where a supplier fails to pay all or part of a reserve payment by the date by which it must be paid in accordance with paragraph (1), that supplier must pay the revenue collection counterparty simple interest on any unpaid amount at the rate specified in regulation 36(1) from the day after the date by which that amount should have been paid.

(3) Subject to regulation 14, the amount of a supplier’s reserve payment in respect of the relevant period is the amount given by—

$$TRA \times \left(\frac{SRE - SXE}{RE - XE} \right)$$

where—

TRA is total reserve amount for that period;

SRE is the amount of electricity supplied by that supplier in the reference period as determined on the date on which that total reserve amount is determined;

SXE is the amount of EII excluded electricity supplied by that supplier in the reference period as determined on the date on which that total reserve amount is determined;

RE is the total amount of electricity supplied by all suppliers in the reference period as determined on the date on which that total reserve amount is determined; and

XE is the total amount of EII excluded electricity supplied by all suppliers in the reference period as determined on the date on which that total reserve amount is determined.

(4) The reference period is the most recent period of 30 consecutive days in respect of which the BSCCo has carried out an Initial Volume Allocation Run before the revenue collection counterparty makes its determination under regulation 9(1)(a) in respect of the relevant period.

(5) For the purposes of paragraph (3) the amount of electricity supplied by an electricity supplier in a reference period or adjusted reference period is the amount of all electricity which the BSCCo determines was supplied by that supplier in that period, on the basis of the most recent BSC volume allocation run which the BSCCo has carried out.