

HEADLINE REPORT

MEETING NAME	Credit Committee
Meeting number	38
Date of meeting	7 September 2018
Purpose of paper	For Information
Classification	Public
Synopsis	This report sets out the headlines and key decisions of the most recent Credit Committee meeting.

EXECUTIVE SUMMARY

1. Credit Committee – CC38

- 1.1 The Credit Committee considered the Decision Paper CC38/01 – Review of the Credit Assessment Price (CAP).
- 1.2 The Credit Committee approved a new CAP value of £75/MWh and confirmed the trigger level of +/- £6/MWh will not change.
- 1.3 The Credit Committee Papers and agenda can be downloaded from the ELEXON website.

COMMITTEE DECISION

2. Review of the Credit Assessment Price (CAP) – CC38/01

- 2.1 The reference price breached the upper trigger level of £65/MWh (£6/MWh above the last notified CAP value of £59/MWh) on 28 August 2018. ELEXON issued a consultation on 28 August 2018 asking Trading Parties if they agreed with the proposed CAP value of £70/MWh. All responses and Credit Committee members were not in agreement with the proposed value and therefore, a Credit Committee meeting was held.
- 2.2 The Credit Committee considered the response to the consultation, as well as the latest forward market prices for October, November and December.
- 2.3 The Credit Committee discussed CAP values between £73/MWh and £77/MWh, noting that they should consider forward market prices for December. December forward prices will be included in the reference price calculation two Working Days after the implementation date of the new CAP value.
- 2.4 After deliberation, a new CAP value of £75/MWh was unanimously agreed. The new CAP will be effective from Friday 28 September 2018.
- 2.5 The Credit Committee also reviewed the current trigger level of +/- £6/MWh and agreed this value remains appropriate.

3. The Credit Committee:

- a) **NOTED** the content of the paper;
- b) **APPROVED** an alternate CAP value, in light of more recent market data, of £75/MWh ;
- c) **AGREED** that the trigger level remain unchanged at +/- £6/MWh; and
- d) **CONFIRMED** that the new value of the CAP will go live on Friday 28 September 2018.