

# ELEXION

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**Alternative Credit Assessment Price  
Review  
Credit Committee Meeting CC50**

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50/01

Emma Tribe

29 December 2021

# WC/29 December 2021 CAP proposal

- The last notified value of the Credit Assessment Price (CAP) was **£380/MWh**
- This will go live on Friday 7 January 2022. This value was proposed on 16 December 2021 under the alternative CAP review methodology.

Under the alternative CAP review methodology the Credit Committee will propose a CAP value every two weeks. If the alternative CAP review process continues:

- then the proposed CAP will be live between 18 January 2022 and 27 January 2022.
- Therefore we recommend a higher weighting should be given to current system prices and the latest forecast for what prices will be in two weeks and January 2021.
- The Credit Committee is invited to propose a CAP value for a two working day consultation.
- Timelines:
  - Wednesday 29 December 2021 – new CAP proposed, consultation issued
  - Friday 31 December 2021 – consultation closed
  - Tuesday 4 January 2022 – notification of new CAP value
  - Tuesday 18 January 2022 – new CAP value goes live
  - Tuesday 11 January 2022– CC51 and new CAP value proposed to go live on 28 January

	29/12/2021	30/12/2021	31/12/2021	01/01/2022	02/01/2022	03/01/2022	04/01/2022	05/01/2022	06/01/2022	07/01/2022	08/01/2022	09/01/2022	10/01/2022	11/01/2022	12/01/2022	13/01/2022	14/01/2022	15/01/2022	16/01/2022	17/01/2022	18/01/2022	19/01/2022	20/01/2022	21/01/2022	22/01/2022	23/01/2022	24/01/2022	25/01/2022	26/01/2022	27/01/2022	28/01/2022	29/01/2022	30/01/2022	31/01/2022	01/02/2022	02/02/2022	03/02/2022
CAP	£305/MWh							£380/MWh							Proposed CAP							Future CAP															

# Latest ICIS Power Assessment forecasts

Latest forward market data is from 24 December 2021.

Forecast for first week in January (week+2) is between £526/MWh peak and £330/MWh base.

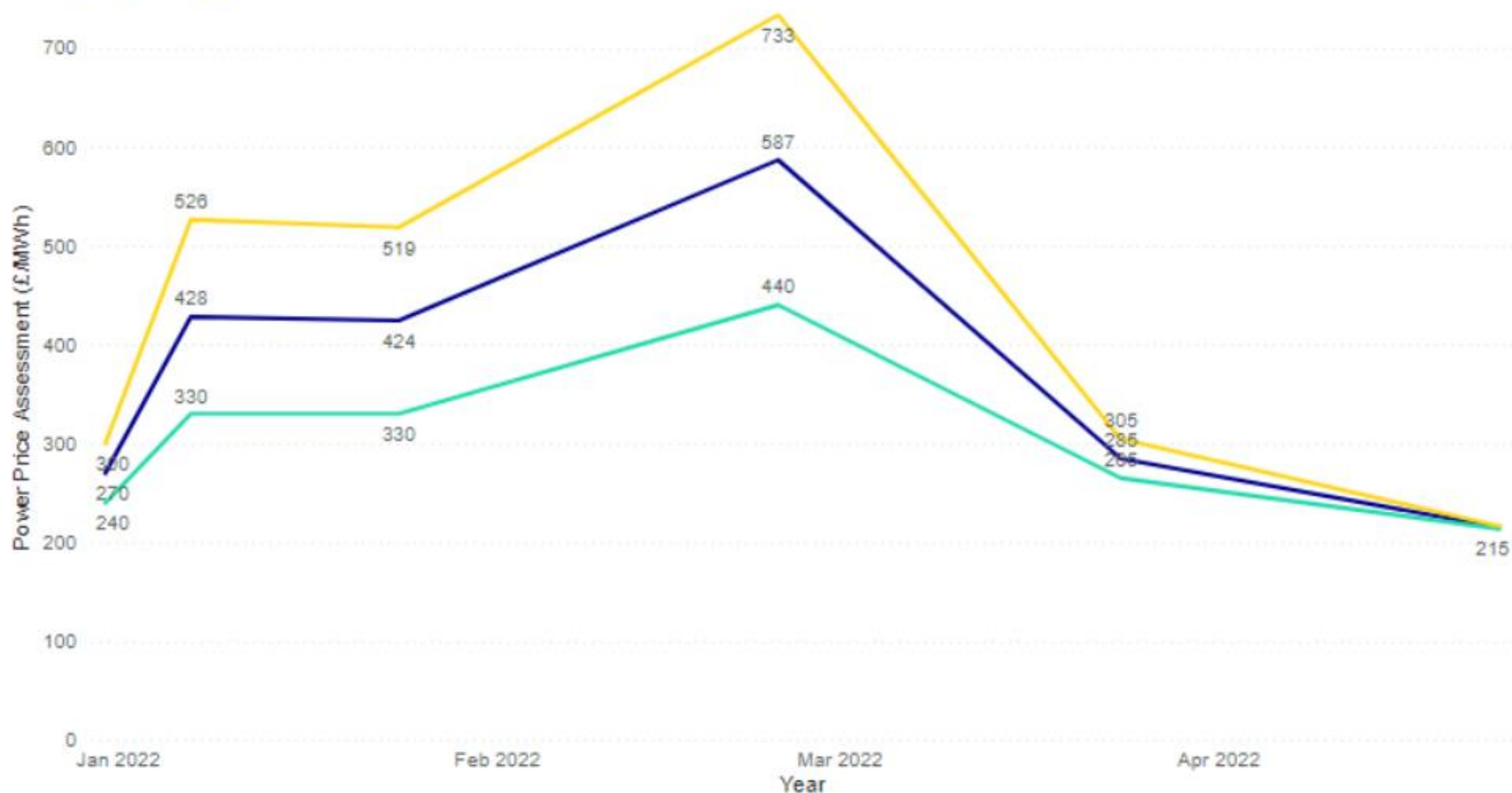
Month+1 (January) is between £519/MWh and £330/MWh.

Increasing into February and decreasing after that.

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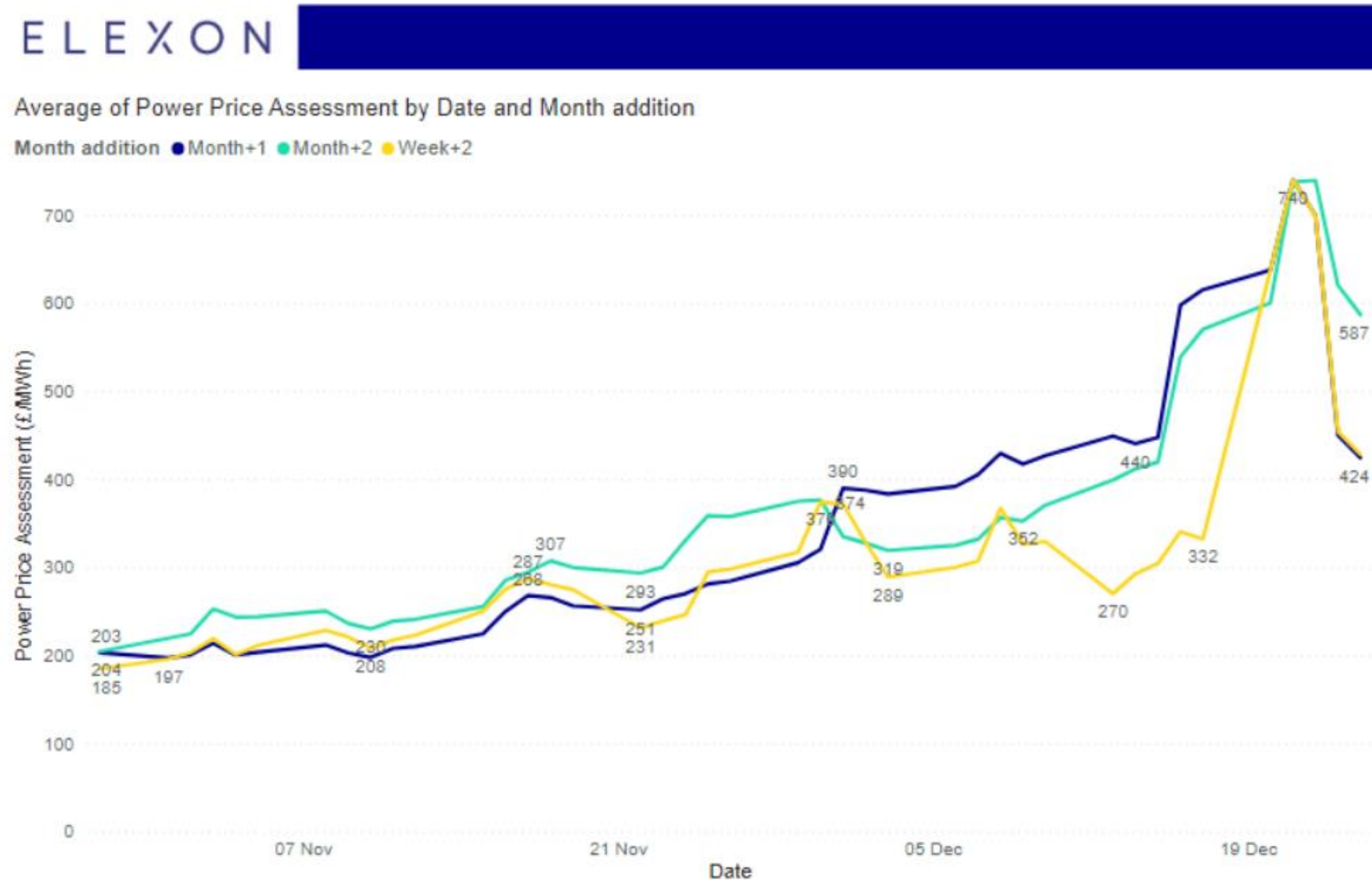
Latest Week+1 to Month+4 forecasts

Type ● All ● Base ● Peak



# Last two months of power price assessments

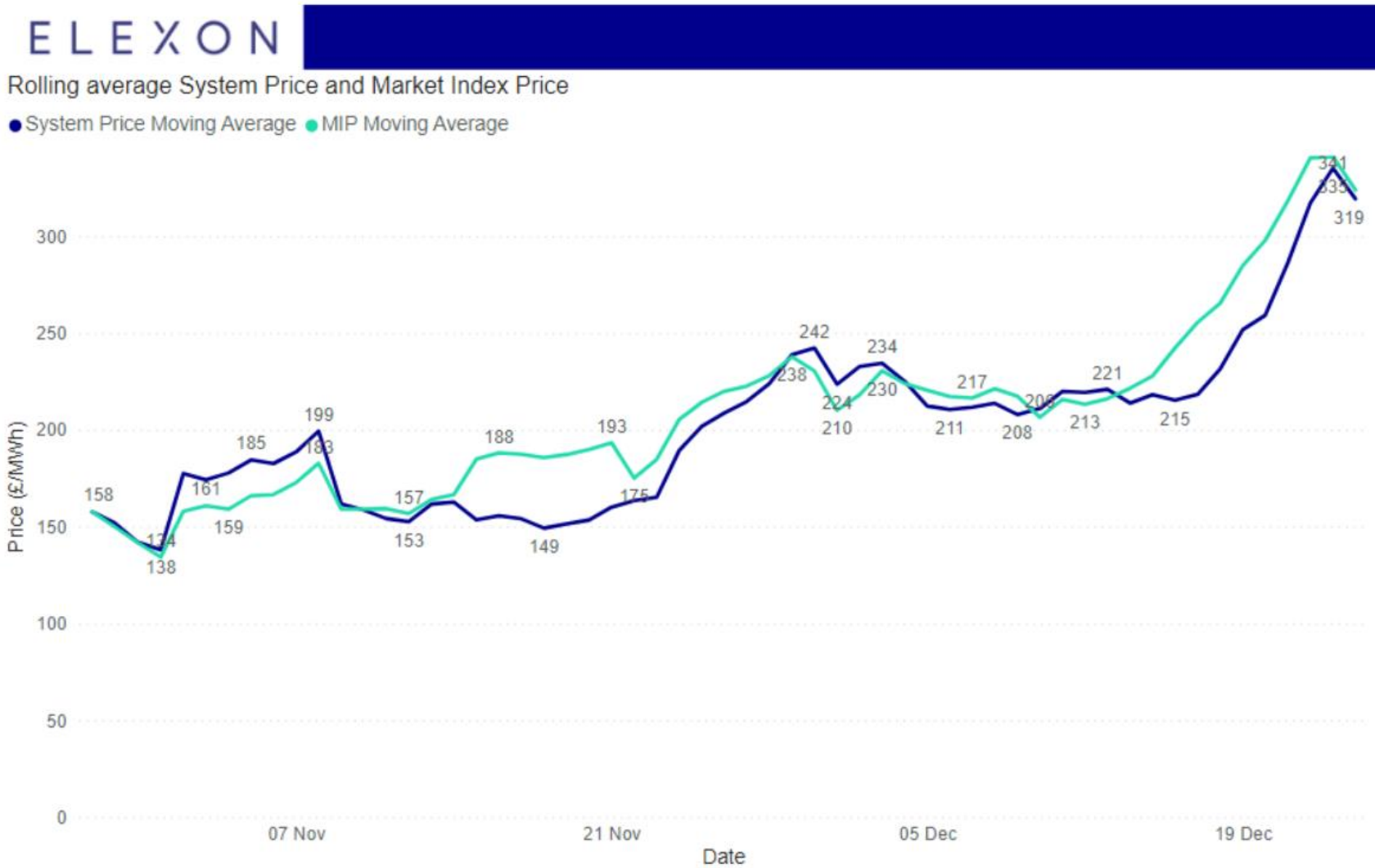
Average forward market prices for week+2 and month+1 have decreased by £315/MWh between 21 December and 24 December.



# 7 day rolling average System Price

Latest 7 day rolling average System Price (up to 24 December) is £319/MWh.

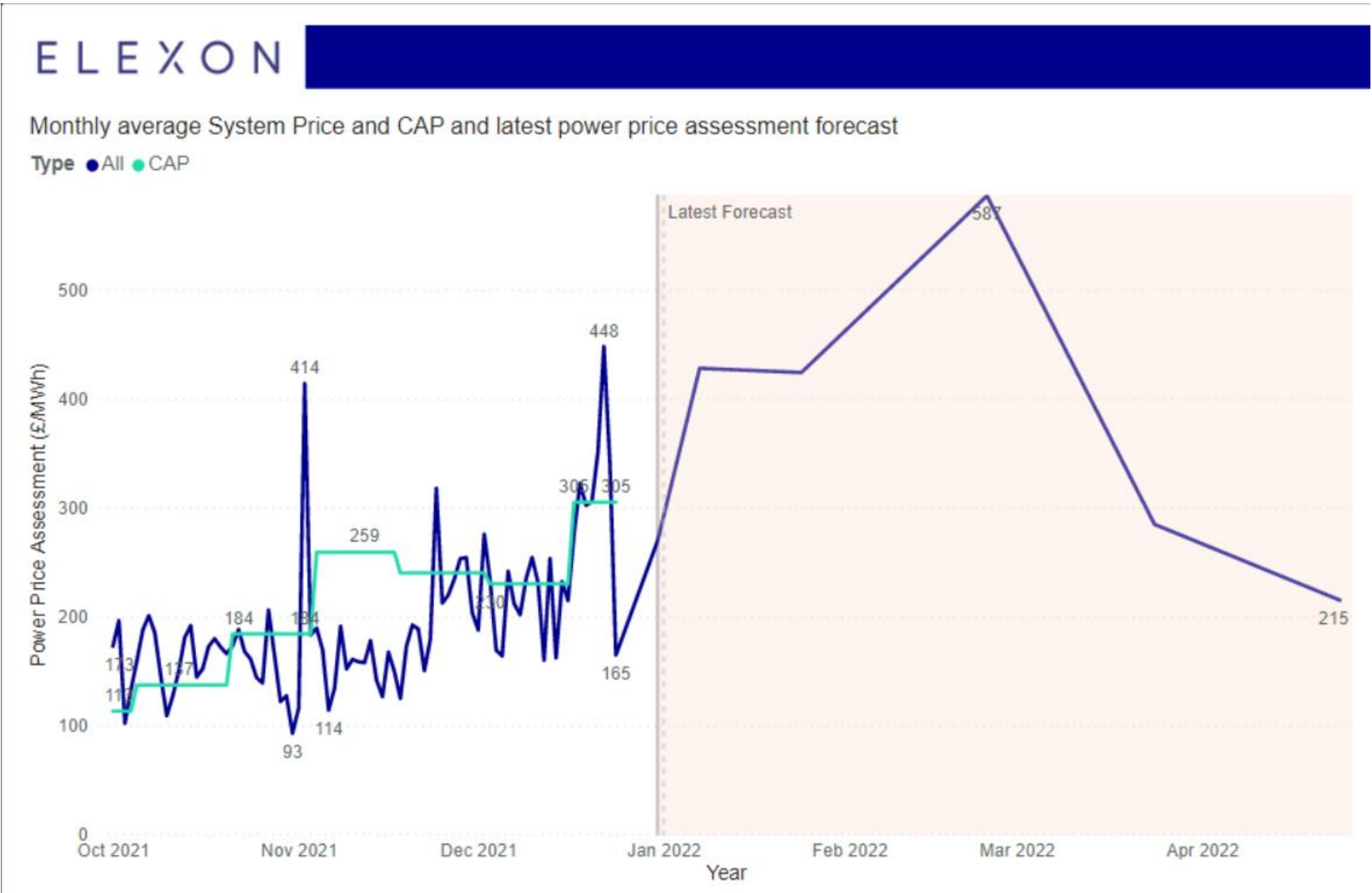
Latest 7 day rolling average MIP is £323/MWh.



# CAP tracking average System Prices

Alternative review process started on 1 November 2021, with the first CAP from this process implemented on 18 November 2021.

Since then CAP has been set on closer to real time information.



# Recommendations

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We invite the Credit Committee to:

- a) **NOTE** the content presented;
- b) **PROPOSE** a new CAP value for consultation