

Minutes

Credit Committee 50

Meeting number **CC50**

Venue **Online meeting (MS Teams)**

Date of meeting **29 December 2021**

Classification **Public**

Attendees and apologies

Attending

Michael Gibbons	MG	Chair
Diane Dowdell	DD	Member
Stuart Peel	SP	Member
Stuart Cotton	SC	Member
Oliver Friedrich	OF	Member
Mehdi Jafari	MJ	Elxon
Emma Tribe	ET	Elxon

Apologies

Lisa Waters	LW	Member
Robert Johnson	RJ	Member
Andrew Colley	AC	Member

Summary

The Credit Committee agreed to retain the last notified CAP value of £380/MWh rather than proposing a new value for implementation on 18 January 2021.

Introduction

1. Credit Committee

- 1.1 Introductions were made and all attendees were confirmed.

Credit Committee Decision

2. Methodology for setting Credit Assessment Prices – CC50/01

- 2.1 It was noted that the latest Reference Price, based on a five day rolling average of forward market prices for January and February is £623.45/MWh. Under the normal CAP review process this would breach the upper trigger level (+/- £38/MWh) of the last notified CAP value £380/MWh. Hence it was agreed to retain the alter
- 2.2 As the CAP is reviewed every two weeks, the proposed CAP would be live between 18 January 2022 and 27 January 2022 at a minimum.

- 2.3 The Credit Committee considered the latest forward market prices for January 2022. The latest date with available data was 24 December 2021. For this date average forward market prices were at £424/MWh for January with latest peak Prices at £519/MWh and latest base prices at £330/MWh. The average price had rapidly decreased £315/MWh in three days from a high of £740/MWh on 21 December 2021. In addition, opening prices on 29 December 2021 for January 2022 were showing a further decrease.
- 2.4 The Credit Committee felt there was a large amount of uncertainty in the market as a result of the time of year, weather forecasts, market illiquidity and gas prices. As such, they decided not to consult on changing the most recent notified CAP value of £380/MWh. Instead, they will continue to monitor prices, and if necessary, meet next week before the next scheduled Credit Committee meeting on 11 January 2022.

3. The Credit Committee:

- **NOTED** the information provided;
- **DID NOT RECOMMEND** a new CAP value for implementation on 18 January 2022;