

CfD and CM Bulletin

29 March 2021

ILR and TRA determinations for Q3 2021

Low Carbon Contracts Company (LCCC) has determined the Interim Levy Rate (ILR) and Total Reserve Amount (TRA) for the Quarterly Obligation Period 1 July 2021 to 30 September 2021. The amounts are:

- **ILR = £8.608/MWh**
- **TRA = £103,253,186.38**

In making this determination, LCCC has assumed the period in question will not be

subject to any prolonged period of national lockdown and that reductions in demand due to Covid-19 will be 2% compared with the demand we would otherwise have expected.

EMRS will follow up with formal notices to confirm the ILR and TRA to Suppliers. They have published supporting information on key dates, Credit Cover requirements and useful links, available in their [News section](#).

Before Period Adjustment for Q2 2021

Since the start of Q1 2021, LCCC has been building a surplus of income over payments, caused by a combination of lower-than-expected generator payments and higher power prices.

As a result, LCCC has decided to reduce the Interim Levy Rate (ILR) and Total Reserve Amount (TRA) for the Quarterly Obligation Period 1 April 2021 to 30 June 2021. The adjusted amounts are:

- **ILR = £9.954/MWh**
- **TRA = £94,244,590.77**

In making this determination, LCCC has assumed the period in question will not be subject to any prolonged period of national

lockdown and that reductions in demand due to Covid-19 will be 3% compared with the demand we would otherwise have expected.

The ILR for this period includes the repayment of the BEIS loan used for covering part of the shortfall incurred in Q2 2020 due to the Covid-19 pandemic.

EMRS will follow up with formal notices to Suppliers confirming the adjusted ILR and TRA. EMRS has also published essential information to remind Suppliers to ensure they have sufficient Credit Cover lodged by **5pm** on **31 March 2021**. EMRS' update provides key dates and helpful information for Suppliers and is available in their [News section](#).

For further detail on the calculations performed to set the ILR and the TRA for Q2

and Q3 2021, please see our online [CfD Levy Dashboards](#).

New 24-month CfD and CM forecasts and data

LCCC has extended its 15-month CfD forecasts to cover a period of 24 months. LCCC has today also published a new Capacity Market (CM) Forecast Dashboard, which shows the 24-month forecast for monthly CM payments.

The new CM forecast and the inclusion of three further Quarterly Obligation Periods in the ILR and TRA forecasts will support data-users throughout the energy sector to understand the

expected CM and CfD costs over upcoming two-year periods.

The forecasts and data are available via LCCC's website and Data Portal:

- [CfD Advanced Forecast Dashboard](#)
- [CM Forecast Dashboard](#)
- [LCCC's Data Portal](#)

Upcoming Events

CfD ILR and TRA: Q3 2021 **10-11am, Thursday 29th April**

Our Forecasting team will discuss the Q3 forecasts and the out-turn of Q1 2021. Register for this event [here](#).

Quarterly Generator webinar **10-11am, Wednesday 12th May**

The third of our regular webinars focused on Generators will provide updates on LCCC's work and other issues specific to Generators. Register for this event [here](#).

A Guide to FMS + SC: Obligations for Fuelled Generators **10-11am, Thursday 20th May**

This webinar will explore the requirements for generators delivering CfD projects at fuelled stations, as well as explaining this complex area within the context of Electricity Market Reform. Register for this event [here](#).

Details of all upcoming events, as well as how to sign up to LCCC's Events mailing list, are available via LCCC's online [Events](#) page.

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