

## Voluntary Supplier Arrangement (VSA) Frequently Asked Questions and Answers (FAQs)

No	Question	Answer
1	When will Suppliers be able to start making voluntary payments towards their potential post-standstill Supplier Charge liabilities?	<ul style="list-style-type: none"> <li>The Scheme is now live, please see <a href="#">EMRS Working practice 199</a> and ESC <a href="#">T&amp;Cs</a> for more information.</li> </ul>
2	Will ESC be reporting publicly on what has been paid into the new ESC bank account or which Suppliers have paid in?	<ul style="list-style-type: none"> <li>No, ESC will not be reporting this information publicly.</li> <li>Suppliers may request information on the amount of voluntary payments ESC is holding on account for them at any point in time.</li> <li>ESC will be reporting amounts paid by individual Suppliers to both BEIS and Ofgem.</li> <li>BEIS and Ofgem are exploring whether and how to publish aggregate information on the position of Suppliers.</li> </ul>
3	What happens if I pay into the old account by mistake?	<ul style="list-style-type: none"> <li>You will be contacted by EMRS to inform you that the money will be transferred back to your EMRS registered account.</li> </ul>
4	What rate of interest will I earn on voluntary CM Supplier payments?	<ul style="list-style-type: none"> <li>The rate of interest payable on voluntary CM Supplier payments is determined by HM Treasury. The calculation to determine the daily rate of interest at the time when voluntary CM Supplier payments commence is stated in the T&amp;Cs.</li> </ul>
5	Can I withdraw money that I have deposited with the VSA?	<ul style="list-style-type: none"> <li>Suppliers can request a refund of all or part of any voluntary payments that they have paid in at any point prior to the Secretary of State issuing a trigger that brings the standstill period to an end. Any such requests must be submitted by the Supplier's Primary, Finance or Operating Authority.</li> <li>You will not receive interest for amounts withdrawn prior to the end of the standstill period.</li> <li>Refunds will be paid to your registered EMRS account.</li> </ul>
6	How do I know how much to pay in?	<ul style="list-style-type: none"> <li>EMRS has issued to Suppliers both the provisional and revised annual calculations of Supplier Charges for the 2018/19 Delivery Year. These schedules together form the schedule of post-standstill payments for the 2018/19 Delivery Year.</li> <li>Provisional annual calculations of Supplier Charges for the 2019/20 Delivery Year will be issued once ESC has received the relevant data following the replacement T-1 auction and will form the schedule of post-standstill payments for the 2019/20 Delivery Year should the standstill period extend beyond 1 October 2019.</li> </ul>

11 April 2019

7	What happens to my voluntary payments once the standstill period ends?	<ul style="list-style-type: none"> <li>• In the event of State aid approval and a payment trigger event occurring under the new Regulations, ESC will apply any voluntary payments made by a Supplier together with any interest accrued against that Supplier's post-standstill payment liability.</li> <li>• In the event of no State aid approval and the termination trigger events occurring under the new Regulations, ESC will return any voluntary payments made by Suppliers together with any interest accrued.</li> </ul>
8	How many voluntary payments can I make?	<ul style="list-style-type: none"> <li>• You can pay as frequently as suits your business up to the Delivery Year Total amount as set out in the schedules.</li> <li>• Any amount paid in that exceeds the total amount for a Delivery Year in your Supplier Charge schedule will be refunded as soon as reasonably practicable.</li> </ul>
9	What happens if the standstill period extends into the 2019/20 Delivery Year?	<ul style="list-style-type: none"> <li>• In the event that the standstill period extends into the 2019/20 Delivery Year (i.e. a State aid decision in September 2019 or later) Suppliers will be allowed to pay up to the full Delivery Year total amount as set out in the 2019/20 provisional schedules.</li> <li>• Supplier Charge schedules for the 2019/20 Delivery Year will be made available once ESC has received the relevant data after the replacement T-1 auction.</li> </ul>
10	Can I pay the 2018/19 Delivery Year charges in one go?	<ul style="list-style-type: none"> <li>• Yes, you may make a single payment, up to the total amount for that Delivery Year in your schedule of post-standstill payments.</li> </ul>
11	What happens if by the end of the standstill period I have paid more than my eventual post-standstill payment liability?	<ul style="list-style-type: none"> <li>• Once any voluntary payments have been used to offset a Supplier's post-standstill payment liability, any excess will be refunded back to Suppliers with any interest accrued.</li> </ul>

## Disclaimer

These frequently asked questions and answers ("FAQs") have been prepared by the Electricity Settlements Company Ltd ("ESC") in response to anticipated queries on the Capacity Market Supplier voluntary payment scheme outlined in the Department for Business, Energy & Industrial Strategy (BEIS) consultation response of 28 February 2019. These FAQs are subject to and are provided on the basis of the following:

- The FAQs do not supersede or replace the provisions of the relevant Capacity Market legislation, Working Practices or Terms and Conditions and do not constitute legal, investment, commercial or operational advice and should not be relied upon as such. Users of this website should not place reliance upon these FAQs and should refer to the relevant Capacity Market legislation, Working Practices and Terms and Conditions, and/or consult their professional advisors.
- The FAQs reflect the current thinking and approach of ESC and should not be viewed as in any way as binding on ESC.
- It is our intention to keep the FAQs under review and to publish revised issues from time to time.