

DATED [●]

[●]
as Generator

and

CFD COUNTERPARTY COMPANY LIMITED
as CfD Counterparty

CFD AGREEMENT
RELATING TO [*name of Project*]

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THIS CFD AGREEMENT is dated [●] (the “**Agreement Date**”) and made between:

- (1) [●] (the “**Generator**”); and
- (2) **CFD COUNTERPARTY COMPANY LIMITED**, a company incorporated under the laws of England and Wales whose registered office is [●] and whose company number is 08818711 (the “**CfD Counterparty**”).

BACKGROUND

- (A) This CfD Agreement is entered into following the applicable contract allocation or negotiation process established under or by virtue of the EA 2013.
- (B) The Generator has satisfied the Eligibility Criteria.
- (C) The CfD Counterparty is a company wholly owned by the UK Government and is entering into this CfD Agreement solely for the purpose of implementing the provisions of the EA 2013.
- (D) This CfD Agreement, together with the terms and conditions set out in version [●] of the document entitled “FiT Contract for Difference Standard Terms and Conditions” as at [date], constitute the “standard terms” (as defined in section 11(1) of the EA 2013).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this CfD Agreement:

“**Conditions**” means the terms and conditions set out in version 1 of the document entitled “FiT Contract for Difference Standard Terms and Conditions” as at [date] (as amended, modified, supplemented or replaced by this CfD Agreement and as may be amended, modified, supplemented or replaced from time to time in accordance with the Conditions); and

“**Facility**” means *[the generating facility comprising all assets (including all Generating Units):*

- (A) *which are used (or intended to be used) to generate or deliver electricity;*
- (B) *which were taken into account by the Generator in determining the Initial Installed Capacity Estimate; and*
- (C) *which are (except as otherwise agreed in writing by the CfD Counterparty) situated within the area shaded on the map contained in Annex 1 (Description of the Facility) and which has the geographical coordinates specified in Annex 1 (Description of the Facility),*

adjusted where the context requires to take due account of any changes to the composition of such assets arising as a result of, or giving rise to:

- (i) any reduction to the Installed Capacity Estimate pursuant to Condition 5 (Adjustment to Installed Capacity Estimate: Relevant Construction Event);*
- (ii) any adjustment to the Installed Capacity Estimate pursuant to Condition 6 (Adjustment to Installed Capacity Estimate: Permitted reduction); and*
- (iii) the agreement or determination of the Final Installed Capacity pursuant to Condition 7 (Final Installed Capacity; Maximum Contract Capacity),*

and otherwise excluding all assets forming part of the Transmission System or a Distribution System] ¹/ [the generating facility comprising:

- (A) all assets (including all Generating Units):*
 - (i) which are used (or intended to be used) to generate or deliver electricity;*
 - (ii) which were taken into account by the Generator in determining the Initial Installed Capacity Estimate; and*
 - (iii) which are (except as otherwise agreed in writing by the CfD Counterparty) situated within the area shaded on the map contained in Annex 1 (Description of the Facility) and which has the geographical coordinates specified in Annex 1 (Description of the Facility),*

adjusted where the context requires to take due account of any changes to the composition of such assets arising as a result of, or giving rise to:

- (a) any reduction to the Installed Capacity Estimate pursuant to Condition 5 (Adjustment to Installed Capacity Estimate: Relevant Construction Event);*
 - (b) any adjustment to the Installed Capacity Estimate pursuant to Condition 6 (Adjustment to Installed Capacity Estimate: Permitted reduction); and*
 - (c) the agreement or determination of the Final Installed Capacity pursuant to Condition 7 (Final Installed Capacity; Maximum Contract Capacity);*
- (B) all assets owned by the Generator and comprised within the Offshore Transmission System of such generating facility except for the purposes of:*

¹ Drafting note: To be retained only if the Facility Generation Technology applicable to the Contract for Difference is not Offshore Wind.

- (i) *in Condition 1.1 (Definitions), the definitions of “Competent Authority”, “Curtailement”, “Defined Curtailement Compensation”, “Defined Partial Curtailement Compensation”, “Discriminatory Change in Law”, “Eligibility Criteria”, “Foreseeable Change in Law”, “Generation Tax Liability”, “Partial Curtailement”, “QCiL Capital Costs”, “QCiL Capital Saving”, “QCiL Construction Event”, “QCiL Construction Event Costs”, “QCiL Operations Cessation Event”, “Qualifying Curtailement”, “Qualifying Partial Curtailement”, “Qualifying Shutdown Event”, “Required Authorisation” and “Specific Change in Law”;*
- (ii) *Conditions 28.2(A), 30.1(E), 31.11, 36.1, 47.2 and 49.1; and*
- (iii) *paragraph 9.3 of Annex 3 (Form of Direct Agreement) to the Conditions, and otherwise excluding all other assets forming part of the Transmission System or a Distribution System]².*

1.2 Words and expressions defined in the Conditions shall have the same meanings when used in this CfD Agreement.

2. AGREEMENT

The Generator

2.1 The Generator shall, as from the Agreement Date, comply with this CfD Agreement (including the Conditions) as the “**Generator**” and agrees that the Conditions are hereby incorporated into this CfD Agreement as if they were clauses of this CfD Agreement.

The CfD Counterparty

2.2 The CfD Counterparty shall, as from the Agreement Date, comply with this CfD Agreement (including the Conditions) as the “**CfD Counterparty**” and agrees that the Conditions are hereby incorporated into this CfD Agreement as if they were clauses of this CfD Agreement.

Specific terms

2.3 [*The Parties have agreed to amend the Conditions as set out in Annex 2 (Modification Agreement).*³]

² Drafting note: To be retained only if the Facility Generation Technology applicable to the Contract for Difference is Offshore Wind.

³ Drafting note: To be retained only if specific amendments to any given Contract for Difference are agreed to be made.

- 2.4 The Parties agree that, for the purposes of this CfD Agreement, the Conditions shall be amended, modified, supplemented or replaced in accordance with the terms of this CfD Agreement.

3. TERM

The “**Specified Expiry Date**” applicable to this CfD Agreement is: *[the 15th anniversary of the earlier of the Start Date and the last day of the Target Commissioning Window]/[31 March, 2027].*⁴

4. GENERATION TECHNOLOGY TYPE

Facility Generation Technology

- 4.1 The Facility Generation Technology applicable to this CfD Agreement is *[●]*⁵, *provided that for the purposes of paragraph (A) of the definition of Specific Change in Law or paragraphs (B) or (C) of the definition of Other Change in Law, Offshore Wind and Onshore Wind [may]/[shall] be deemed to be one Facility Generation Technology.*⁶
- 4.2 The Facility Generation Technology is a *[Baseload]/[Intermittent]*⁷ Technology.

Renewable Qualifying Multiplier

- 4.3 The Renewable Qualifying Multiplier *[does not apply]/[applies]*⁸ to this CfD Agreement.
- 4.4 *[The “Assumed RQM” applicable to this CfD Agreement is [to be specified]*^{9, 10}

CHP Qualifying Multiplier

- 4.5 The CHP Qualifying Multiplier *[does not apply]/[applies]*¹¹ to this CfD Agreement.

⁴ Drafting note: 31 March, 2027 will apply as the expiry date for Biomass Conversion.

⁵ Drafting note: This is to be one of the Technology Types listed in column 1 of the Target Commissioning Window and Longstop Date Table in the Notes to this CfD Agreement.

⁶ Drafting note: This clause to be retained if the Facility Generation Technology is Offshore Wind or Onshore Wind.

⁷ Drafting note: Delete as applicable.

⁸ Drafting note: Delete as applicable.

⁹ Drafting note: To be completed by DECC by reference to the Delivery Plan.

¹⁰ Drafting note: Retain and complete if the Renewable Qualifying Multiplier applies to the Contract for Difference.

¹¹ Drafting note: Delete as applicable.

[Baseload Technology]/[Intermittent Technology]¹²

- 4.6 The Parts and Annexes to the Conditions referenced in Part [A]/[B]¹³ of Annex 3 (*Facility Generation Type*) shall apply to this CfD Agreement.

Fuelling Criteria

- 4.7 For the purposes of this CfD Agreement, the “**Fuelling Criteria**” means the criteria specified in Annex 4 (*Fuelling Criteria*) in relation to the Facility Generation Technology. If Annex 4 (*Fuelling Criteria*) does not specify any Fuelling Criteria in relation to the Facility Generation Technology, such definition shall be deemed to be inapplicable to the Contract for Difference.

- 4.8 [Paragraph 5 (*Failure to comply with Fuelling Criteria*) of Part B of Annex 7 (*FMS arrangements and RQM Calculation Methodology*) to the Conditions shall, for the purposes of this CfD Agreement, be substituted with the following Condition:

“Subject to paragraph 3 (Deemed RQM: Strike Price below Market Reference Price), if the Generator fails to comply with paragraph (A) of the Fuelling Criteria in any RQM Calculation Month, then the CfD Counterparty may elect to calculate or recalculate the Renewable Qualifying Multiplier for that RQM Calculation Month on the basis that the Renewable Qualifying Multiplier may be deemed to be zero (0).”¹⁴

Sustainability Criteria

- 4.9 The Sustainability Criteria [do]/[do not]¹⁵ apply to this CfD Agreement.

[Baseload Dual Scheme Facility

- 4.10 *The Facility is a Baseload Dual Scheme Facility.*¹⁶¹⁷

¹² Drafting note: Delete as applicable.

¹³ Drafting note: Delete as applicable.

¹⁴ Drafting note: This clause to be retained if the Facility Generation Technology is Advanced Conversion Technology, Anaerobic Digestion, Landfill Gas or Sewage Gas.

¹⁵ Drafting note: Delete as applicable.

¹⁶ Drafting note: The Facility is a Baseload Dual Scheme Facility if:

- (A) it forms part of a Generating Station which includes one (1) or more other Generating Units which are not part of the Facility;
- (B) the Facility Metering Equipment does not determine the Imported Input Electricity consumed exclusively by the Facility; and
- (C) Part A of Annex 3 (*Facility Generation Type*) applies.

[Intermittent Dual Scheme Facility

4.11 *The Facility is an Intermittent Dual Scheme Facility.*¹⁸¹⁹

5. CONDITIONS PRECEDENT AND MILESTONE

Interpretation

5.1 The “**Initial Target Commissioning Window**” applicable to this CfD Agreement shall be [●]²⁰, such period commencing on [●]²¹.

5.2 The “**Target Commissioning Date**” applicable to this CfD Agreement shall be [●]²².

5.3 The “**Longstop Period**” applicable to this CfD Agreement shall be [●]²³.

Further Conditions Precedent

5.4 The following shall be additional Further Conditions Precedent applicable to this CfD Agreement.

(A) Delivery to the CfD Counterparty of *[a certified copy of the Interim Operational Notification issued by the Transmission System Operator under the Grid*

¹⁷ Drafting Note: Delete if not applicable.

¹⁸ Drafting note: The Facility is an Intermittent Dual Scheme Facility if:

(A) it forms part of a Generating Station which includes one (1) or more other Generating Units which are not part of the Facility;

(B) the Facility Metering Equipment does not determine the Imported Input Electricity consumed exclusively by the Facility; and

(C) Part B of Annex 3 (*Facility Generation Type*) applies.

¹⁹ Drafting Note: Delete if not applicable.

²⁰ Drafting note: This shall be the period notified to the Delivery Body in the Generator’s FIT CfD Application as its “Target Commissioning Window” and will be equal to the period specified in respect of the Facility Generation Technology in column 2 of the Target Commissioning Window and Longstop Date Table in the Notes to this CfD Agreement.

²¹ Drafting note: Insert commencement date of the Initial Target Commissioning Window, which shall be on or before the Target Commissioning Date.

²² Drafting note: This shall be the date notified to the Delivery Body in the Generator’s FIT CfD Application as its “Target Commissioning Date” and will be a date falling within the Initial Target Commissioning Window.

²³ Drafting note: This shall be the duration set out in respect of the Facility Generation Technology in column 3 of the Target Commissioning Window and Longstop Date Table in the Notes to this CfD Agreement.

Code]²⁴ / [written confirmation from the relevant Licensed Distributor or, if no such confirmation is applicable, evidence (in form and content reasonably satisfactory to the CfD Counterparty) that the Distribution Code compliance process for connection to and export to the Distribution System has been satisfied; and (ii) if applicable, the Interim Operational Notification issued by the Transmission System Operator under the Grid Code.]²⁵

(B) [CP in respect of additional metering requirements, if the Facility is an Existing Scheme Facility, to ensure that the electricity generated by the Facility is appropriately apportioned between the RO and this CfD Agreement.²⁶]

5.5 [For the purpose of Clause 5.4(A), if by the time at which the Further Condition Precedent referred to in that Clause is to be fulfilled the relevant Interim Operational Notification shall have been split between an ION A and an ION B as contemplated in paragraphs 2.13 to 2.18 of Ofgem's "Consultation on Implementation of the Generator Commissioning Clause in the Energy Bill 2012/13" then the reference in Clause 5.4(A) to the Interim Operational Notification shall be to whichever of ION A or ION B most closely signifies, in the reasonable opinion of the CfD Counterparty, the time at which the offshore transmission network is ready to export energy from the Facility onto the national electricity transmission system.]²⁷

Milestone

5.6 The "**Initial Milestone Delivery Date**" applicable to this CfD Agreement shall be [●]²⁸.

5.7 The "**Total Project Pre-Commissioning Costs**" applicable to this CfD Agreement shall be £[●]²⁹ per MW of Installed Capacity.

5.8 The "**Project Commitments**" applicable to this CfD Agreement shall be the requirements provided for in:

(A) Part A of Annex 6 (*Project Commitments*); and

²⁴ Drafting note: This will apply to Contracts for Difference in respect of which the relevant Facility is connected directly to the Transmission System.

²⁵ Drafting note: This will apply to CfD Agreements in respect of which the relevant Facility is not connected directly to the Transmission System.

²⁶ Drafting note: This will apply to an Existing Scheme Facility.

²⁷ Drafting note: This will apply to a CfD Agreement only if the Facility Generation Technology is Offshore Wind.

²⁸ Drafting note: This will be a specified date which will be before the Target Commissioning Window and which may differ depending on the technology type. The date to be included here shall be no later than 12 months after the Agreement Date.

²⁹ Drafting note: This will be the number set out in respect of the Facility Generation Technology in the relevant column of the Total Project Pre-Commissioning Costs Table in the Notes to this CfD Agreement.

(B) [the section of] Part B of Annex 6 (*Project Commitments*) which is expressed to apply to the Facility Generation Technology.

6. INSTALLED CAPACITY ESTIMATE AND REQUIRED INSTALLED CAPACITY

6.1 The “**Initial Installed Capacity Estimate**” applicable to this CfD Agreement is: [●]³⁰ MW.

6.2 The “**Required Installed Capacity**” applicable to this CfD Agreement is: [eighty-five per cent. (85%) of the Installed Capacity Estimate]³¹ / [ninety-five per cent. (95%) of the Installed Capacity Estimate]³².

7. CHANGES IN LAW

7.1 The “**Assumed Load Factor**” applicable to this CfD Agreement is [●]³³.

7.2 The “**Post-Tax Real Discount Rate**” applicable to this CfD Agreement is [●]³⁴.

8. PAYMENT CALCULATIONS: STRIKE PRICE

8.1 The “**Base Year**” applicable to this CfD Agreement is [●]³⁵.

8.2 The “**Initial Strike Price**” applicable to this CfD Agreement is £[●] per MWh³⁶.

9. BSUOS AND TLM(D)

9.1 The “**Initial Balancing System Charge**” at the Agreement Date are: [●]³⁷.

9.2 The “**Initial Balancing System Charge Window**” is [●]³⁸.

³⁰ Drafting note: This number will be populated from information in the Generator’s FIT CfD Application.

³¹ Drafting note: To be retained only if the Facility Generation Technology applicable to the Contract for Difference is Offshore Wind.

³² Drafting note: To be retained only if the Facility Generation Technology applicable to the Contract for Difference is not Offshore Wind.

³³ Drafting note: The Assumed Load Factor will be provided by DECC by reference to the Delivery Plan.

³⁴ Drafting note: The Post-Tax Real Discount Rate will be a figure published by DECC.

³⁵ Drafting note: The Base Year will be provided by DECC by reference to the Delivery Plan.

³⁶ Drafting note: The Initial Strike Price will be provided by DECC by reference to the Delivery Plan.

³⁷ Drafting note: The Initial Balancing Systems Charge figure will be provided by the CfD Counterparty.

³⁸ Drafting note: The Initial Balancing System Charge Window will be provided by DECC.

9.3 The “**Initial TLM(D) Charge**” for each calendar year from (and including) the Agreement Date to the end of the Term is that included opposite the relevant year in Annex 7 (*Initial TLM(D) Charge*).

10. NOTICES

10.1 The address and (where such communication is expressly permitted by email) email address of each Party for any notice to be given under this CfD Agreement, and the department or officer (if any) for whose attention the notice is to be made, is:

(A) in the case of the Generator:

Address:	
Email address:	
For the attention of:	

(B) in the case of the CfD Counterparty:

Address:	
Email address:	
For the attention of:	

11. AGENT FOR SERVICE OF PROCESS

11.1 [*Condition 86 (Agent for service of process) shall not apply to this CfD Agreement and there shall be no Service Agent.*][*Condition 86 (Agent for service of process) shall apply to this CfD Agreement and the Service Agent shall be [●] of [●].*]³⁹

³⁹ Drafting note: Delete as applicable. If retained, Service Agent information to be taken from FiT CfD Application.

Annex 1
(Description of the Facility)

[Drafting note: Description of the Facility to be populated using information provided in the [FiT CfD Application] and to include:

- (i) the unique geographical coordinates of the Facility; and*
- (ii) an aerial view of the unique geographical location of the Facility, whether an extract from the Ordnance Survey map or equivalent, showing the proposed locations of:*
 - (a) the Facility;*
 - (b) the Facility Metering Equipment; and*
 - (c) the OFTO Transmission System.]*

Annex 2
(Modification Agreement)

Annex 3
(Facility Generation Type)

Part A
(Baseload Technologies)

1. The following definition shall apply to this CfD Agreement:

“**Settlement Unit**” means each half hour period in a day divided into half hour-long periods starting at 00:00 on such day.

2. The following Parts and Annexes of the Conditions shall apply to this CfD Agreement:

(A) Part 5A (*Payment calculations: Baseload Technologies*); and

(B) Annex 4 (*BMRP*).

Part B
(Intermittent Technologies)

1. The following definition shall apply to this CfD Agreement:

“**Settlement Unit**” means each hour period in a day divided into hour-long periods starting at 00:00 on such day.

2. The following Parts and Annexes of the Conditions shall apply to this CfD Agreement:

(A) Part 5B (*Payment calculations: Intermittent Technologies*); and

(B) Annex 5 (*IMRP*).

Annex 4 (Fuelling Criteria)

1. DEFINITIONS AND INTERPRETATION

Definitions

1.1 For the purposes of this Annex 4 (*Fuelling Criteria*):

“Advanced Fuels” means a gaseous or liquid fuel which is produced directly or indirectly from the Gasification or the Pyrolysis of: (i) Waste; or (ii) Biomass, provided that, in the case only of a gaseous fuel, such fuel must have a gross calorific value (when measured at 25 degrees Celsius and 0.1 megapascals at the inlet to the Facility) which is at least 2 megajoules per cubic metre;

“Biomass” means material, other than Fossil Fuel or peat, which is, or is derived directly or indirectly from, plant matter, animal matter, fungi, algae or bacteria (and includes any such material contained in Waste);

“Excluded Biomass” means: (i) sewage; and (ii) material in a landfill;

“Fossil Fuel” means coal, substances produced directly or indirectly from coal, lignite, natural gas, crude liquid petroleum or petrol products;

“Gasification” means the substoichiometric oxidation or steam reformation of a substance to produce a gaseous mixture containing two or more of the following: (i) oxides of carbon; (ii) methane; and (iii) hydrogen;

“Permitted Ancillary Activities” means the cleansing of other fuels from the Facility’s combustion system prior to using Fossil Fuel or Waste to heat the combustion system to its normal temperature, the heating of the Facility’s combustion system to its normal operating temperature or the maintenance of that temperature, the ignition of fuels of low or variable calorific value, emission control, standby generation or the testing of standby generation capacity, corrosion control or fouling reduction;

“Pyrolysis” means the thermal degradation of a substance in the absence of any oxidising agent, which does not form part of the substance itself, to produce char and gas and/or liquid; and

“Waste” has the meaning given to that term in the 2008 Waste Framework Directive 2008/98/EC.

Interpretation

1.2 Where, in this Annex 4 (*Fuelling Criteria*) the **“Permitted Ancillary Activity Exception”** is expressed to apply, the Relevant Fuelling Criterion (or Fuelling Criteria) which apply to the Facility Generation Technology shall not be breached solely by virtue of Fossil Fuels being used for Permitted Ancillary Activities if the Energy Content of all Fossil

Fuels used by the Facility for such Permitted Ancillary Activities does not exceed ten per cent. (10%) of the Energy Content of all fuels used by the Facility whether to generate electricity or for Permitted Ancillary Activities.

- 1.3 Any assessment as to whether the Fuelling Criteria are met by the Facility shall be determined by reference to the entirety of an RQM Calculation Month.

2. Advanced Conversion Technology; Advanced Conversion Technology with CHP

- (A) Subject to paragraph (B), the Facility generates electricity using solely Advanced Fuels.
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities), unless it forms part of Waste from which the fuel is produced.

3. Anaerobic Digestion; Anaerobic Digestion with CHP

- (A) Subject to paragraph (B), the Facility generates electricity solely from gas formed during the anaerobic digestion of Biomass (other than Excluded Biomass).
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities), unless it forms part of Waste from which the fuel is produced.

4. Biomass Conversion

- (A) Subject to paragraph (B), the Facility generates electricity solely from fuel the Energy Content of which is at least 90 per cent. (90%) solid Biomass.
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities).

5. Dedicated Biomass with CHP

- (A) Subject to paragraph (B), the Facility generates electricity solely from fuel the Energy Content of which is at least 90 per cent. (90%) solid Biomass.
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities).

6. Energy from Waste with CHP

- (A) The Facility:
 - (i) (subject to paragraph (B)) generates electricity solely from Waste, Biomass or a combination thereof; and
 - (ii) only uses Biomass, Waste or a combination thereof in respect of which the Energy Content constituting Fossil Fuel (excluding any Fossil Fuel used to undertake Permitted Ancillary Activities) as a percentage of all fuels used by the Facility, is more than ten per cent. (10%).
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities), unless it forms part of Waste from which the fuel is produced.

7. Landfill Gas

- (A) Subject to paragraph (B), the Facility generates electricity solely from gas formed by the digestion of material in a landfill.
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities), unless it forms part of Waste from which the gas is produced.

8. Sewage Gas

- (A) Subject to paragraph (B), the Facility generates electricity solely from gas formed by the anaerobic digestion of sewage (including sewage which has been treated or processed).
- (B) The Permitted Ancillary Activity Exception applies.
- (C) No Fossil Fuel is used at the Facility for the express purpose of it being used as a fuel (other than to undertake Permitted Ancillary Activities), unless it forms part of Waste from which the gas is produced.

Annex 5
(Sustainability Criteria)

Annex 6
(Project Commitments)

Part A: General Project Commitments

Delivery to the CfD Counterparty of the following:

- (A) a copy of a resolution of the Generator's board of directors (or an equivalent management committee or body) to:
 - (i) undertake the Project;
 - (ii) approve the total financial commitments required to commission the Project (the "**Total Project Spend**"); and
 - (iii) approve a timetable for undertaking the Project which demonstrates that the Facility can reasonably be expected to be commissioned no later than the Longstop Date;

- (B) a Directors' Certificate certifying that:
 - (i) the Generator has, or will have, sufficient financial resources to meet the Total Project Spend; and
 - (ii) any contract entered into and provided as Supporting Information pursuant to the Milestone Requirements Notice, in the reasonable opinion of the Generator by reference to the facts and circumstances then existing, is:
 - (a) legal, valid and binding; and
 - (b) entered into with one or more counterparties who are each able to perform their obligations under such contract;
 - (iii) the Generator has a leasehold or freehold interest in the site where the Facility is based (the "**Facility Site**") or a contract to obtain the same;
 - (iv) the Facility Site is not subject to any covenants, restrictions, agreements, planning obligations, estate contracts, options, rights of way or other encumbrances which materially inhibit the use of the Facility Site for the purposes of the Project;
 - (v) there are available to the Facility Site such rights, easements and services as are necessary to undertake the Project and operate the Facility;
 - (vi) the Generator has identified all necessary consents and planning permissions to undertake the Project (the "**Necessary Consents**"); and

- (vii) there is a credible strategy in place to obtain the Necessary Consents and the Necessary Consents are not subject to any condition for which there does not exist a plan approved by the Generator's board of directors to satisfy that condition, such that the Generator is not aware of any necessary consents and planning permissions which cannot be obtained or complied with,

((iii) to (vii), together the "**Facility Requirements**");

- (C) Supporting Information evidencing (i) that the Generator has, or will have, sufficient financial resources to meet the Total Project Spend and (ii) the Facility Requirements.

Part B: Technology Specific Project Commitments

1. Advanced Conversion Technology

Delivery to the CfD Counterparty of Supporting Information evidencing any one of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

"Material Equipment" means all equipment necessary for electricity generation at the Facility and includes the gasifier and the pyrolyser.

2. Advanced Conversion Technology with CHP

Delivery to the CfD Counterparty of Supporting Information evidencing paragraph (A) and any one of paragraphs (B), (C) and (D).

- (A) (i) Entry by the Generator into a framework contract for the supply of heat; or (ii) if the Generator proposes to use heat on-site, completion of a detailed feasibility study for the Project, including an energy consumption profile.
- (B) Entry by the Generator into an engineering, procurement and construction contract for the Facility providing for the supply and installation of the Material Equipment.

- (C) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (D) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the gasifier and the pyrolyser.

3. Anaerobic Digestion

Delivery to the CfD Counterparty of Supporting Information evidencing any one of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the anaerobic digester.

4. Anaerobic Digestion with CHP

Delivery to the CfD Counterparty of Supporting Information evidencing paragraph (A) and any one of paragraphs (B), (C) and (D).

- (A) (i) Entry by the Generator into a framework contract for the supply of heat; or (ii) if the Generator proposes to use heat on-site, completion of a detailed feasibility study for the Project, including an energy consumption profile.
- (B) Entry by the Generator into an engineering, procurement and construction contract for the Facility providing for the supply and installation of the Material Equipment.

- (C) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (D) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the anaerobic digester.

5. Biomass Conversion

Delivery to the CfD Counterparty of Supporting Information evidencing paragraph (A) and any one of paragraphs (B), (C) and (D).

- (A) Entry by the Generator into a framework contract for supply of sufficient sustainable biomass feedstock for the Facility to operate at the Installed Capacity Estimate.
- (B) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (C) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (D) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all material plant, machinery and equipment necessary for the planned conversion of the existing plant at the Facility.

6. Dedicated Biomass with CHP

Delivery to the CfD Counterparty of Supporting Information evidencing paragraph (A), paragraph (B) and any one of paragraphs (C), (D) and (E).

- (A) (i) Entry by the Generator into a framework contract for the supply of heat; or (ii) if the Generator proposes to use heat on-site, completion of a detailed feasibility study for the Project, including an energy consumption profile.

- (B) Entry by the Generator into a framework contract for the supply of sufficient sustainable biomass feedstock for the Facility to operate at the Installed Capacity Estimate.
- (C) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (D) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (E) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the furnace and boiler island.

7. Energy from Waste with CHP

Delivery to the CfD Counterparty of Supporting Information evidencing paragraph (A), paragraph (B) and any one of paragraphs (C), (D) and (E).

- (A) (i) Entry by the Generator into a framework contract for the supply of heat; or (ii) if the Generator proposes to use heat on-site, completion of a detailed feasibility study of the Project, including an energy consumption profile.
- (B) (i) Entry by the Generator into a contract for the disposal of waste generated by the Facility in the course of its energy generating activities; or (ii) entry by the Generator into contracts for the provision of Solid Recovered Fuel (“**SRF**”) or Municipal Solid Waste (“**MSW**”) to the Facility.
- (C) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (D) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (E) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the furnace and boiler island.

8. Geothermal

Delivery to the CfD Counterparty of Supporting Information evidencing entry by the Generator into a contract to drill the Facility’s first well.

9. Geothermal with CHP

Delivery to the CfD Counterparty of Supporting Information evidencing paragraphs (A) and (B).

(A) (i) Entry by the Generator into a framework contract for the supply of heat; or (ii) if the Generator proposes to use heat on-site, completion of a detailed feasibility study of the Project, including an energy consumption profile.

(B) Entry by the Generator into a contract to drill the Facility’s first well.

10. Hydroelectricity

Delivery to the CfD Counterparty of Supporting Information evidencing any one of the following:

(A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the civil works to be undertaken in respect of the Material Equipment.

(B) Entry by the Generator into a civil works contract to be undertaken in respect of the Material Equipment.

(C) Entry by the Generator into: (i) a framework agreement for the civil works to be undertaken in respect of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the major scheme components.

11. Landfill Gas

Delivery to the CfD Counterparty of Supporting Information evidencing any one of the following:

(A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.

- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the electricity generating engines.

12. Offshore Wind

Delivery to the CfD Counterparty of Supporting Information evidencing any one of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the wind turbine groups.

13. Onshore Wind

Delivery to the CfD Counterparty of Supporting Information evidencing any one of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.

- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the wind turbine groups.

14. Sewage Gas

Delivery to the CfD Counterparty of Supporting Information evidencing any of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the electricity generating engines.

15. Solar Photovoltaic

Delivery to the CfD Counterparty of Supporting Information evidencing any of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the photovoltaic panels.

16. Tidal Range

Delivery to the CfD Counterparty of Supporting Information evidencing any of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the civil works to be undertaken in respect of the Material Equipment.
- (B) Entry by the Generator into a civil works contract to be undertaken in respect of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the civil works to be undertaken in respect of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the major scheme components.

17. Tidal Stream

Delivery to the CfD Counterparty of Supporting Information evidencing any of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the turbines.

18. Wave

Delivery to the CfD Counterparty of Supporting Information evidencing any of the following:

- (A) Entry by the Generator into an engineering, procurement and construction contract for the Facility, providing for the supply and installation of the Material Equipment.
- (B) Entry by the Generator into an agreement for the supply of the Material Equipment.
- (C) Entry by the Generator into: (i) a framework agreement for the supply of the Material Equipment; and (ii) a binding purchase order for the Material Equipment.

For the purpose of this section of Part B, the following definition shall apply to this CfD Agreement:

“Material Equipment” means all equipment necessary for electricity generation at the Facility and includes the wave energy converter or generation engines.

Annex 7
(Initial TLM(D) Charge)

Year	Initial TLM(D) Charge
2010	0.0068
2011	0.0083
2012	0.0083
2013	0.0083
2014	0.0084
2015	0.0085
2016	0.0085
2017	0.0087
2018	0.0088
2019	0.0089
2020	0.0089
2021	0.0090
2022	0.0090
2023	0.0090
2024	0.0090
2025	0.0090
2026	0.0091
2027	0.0091
2028	0.0091
2029	0.0091
2030	0.0092
2031	0.0092
2032	0.0092
2033	0.0093
2034	0.0093
2035 and each calendar year thereafter	0.0093

EXECUTION PAGE

The GENERATOR

SIGNED BY)
[*name of signatory*])
for and on behalf of)
[*name of Generator*]) (Signature of named signatory)

The CfD COUNTERPARTY

SIGNED BY)
[*name of signatory*])
for and on behalf of)
CfD Counterparty Company) (Signature of named signatory)
Limited

*Drafting Notes for this CfD Agreement***Table: Target Commissioning Window and Longstop Date**

In this table, “Advanced Conversion Technology with CHP”, “Advanced Conversion Technology without CHP”, “Anaerobic Digestion with CHP”, “Anaerobic Digestion without CHP”, “Biomass Conversion”, “Dedicated Biomass with CHP”, “Energy From Waste with CHP”, “Fuel with Variable Renewable Content Facility”, “Geothermal with CHP”, “Geothermal without CHP”, “Hydroelectricity”, “Landfill Gas”, “Offshore Wind”, “Onshore Wind”, “Sewage Gas”, “Solar PV”, “Tidal Range”, “Tidal Stream” and “Wave” shall each have the meanings given to such terms in the EA 2013 Regulations.

<u>Technology</u>	<u>Target Commissioning Window</u>	<u>Longstop Date</u>
Advanced Conversion Technology with CHP	1 year	1 year
Advanced Conversion Technology without CHP	1 year	1 year
Anaerobic Digestion with CHP	1 year	1 year
Anaerobic Digestion without CHP	1 year	1 year
Biomass Conversion	1 year	1 year
Dedicated Biomass with CHP	1 year	1 year
Energy from Waste with CHP	1 year	1 year
Geothermal with CHP	1 year	1 year
Geothermal without CHP	1 year	1 year
Hydroelectricity	1 year	1 year
Landfill Gas	6 months	6 months
Offshore Wind	1 year	2 years
Onshore Wind	1 year	1 year
Sewage Gas	1 year	1 year
Solar PV	3 month	1 year

<u>Technology</u>	<u>Target Commissioning Window</u>	<u>Longstop Date</u>
Tidal Range	1 year	2 years
Tidal Stream	1 year	2 years
Wave	1 year	2 years

Table: Total Project Pre-Commissioning Costs⁴⁰

In this table, “Advanced Conversion Technology with CHP”, “Advanced Conversion Technology without CHP”, “Anaerobic Digestion with CHP”, “Anaerobic Digestion without CHP”, “Biomass Conversion”, “Dedicated Biomass with CHP”, “Energy From Waste with CHP”, “Fuel with Variable Renewable Content Facility”, “Geothermal with CHP”, “Geothermal without CHP”, “Hydroelectricity”, “Landfill Gas”, “Offshore Wind”, “Onshore Wind”, “Sewage Gas”, “Solar PV”, “Tidal Range”, “Tidal Stream” and “Wave” shall each have the meanings given to such terms in the EA 2013 Regulations.

<u>Technology</u>	<u>Total Project Pre-Commissioning Costs (£/MW of Installed Capacity)</u>
Advanced Conversion Technology with CHP (>5MW)	1,065,000
Advanced Conversion Technology without CHP (>5MW)	1,065,000
Anaerobic Digestion with CHP	1,750,000
Anaerobic Digestion without CHP	1,750,000
Biomass Conversion	360,000
Dedicated Biomass with CHP	2,700,000
Energy from Waste with CHP	5,500,000
Geothermal with CHP	2,250,000
Geothermal without CHP	2,250,000
Hydroelectricity (>5MW and <50MW)	1,630,000
Landfill Gas	1,030,000
Offshore Wind	2,050,000
Onshore Wind (>5 MW)	1,130,000

⁴⁰ Drafting note: DECC are considering whether this table should be incorporated in an annex to the CfD Agreement and will advise in due course.

<u>Technology</u>	<u>Total Project Pre-Commissioning Costs</u> <u>(£/MW of Installed Capacity)</u>
Sewage Gas	2,300,000
Solar PV (>5 MW)	1,000,000
Tidal Range	2,200,000
Tidal Stream	2,900,000
Wave	6,900,000

