# Draft Allocation Framework Addendum

This addendum contains information about technical changes made to the Draft Allocation Framework after it was published on 08 April 2014.

***Schedule 2 and Appendix 3-*** The valuation formula has been amended as follows:

- The "Valuation Formula" has changed from:

  $Budget\ Impact_{s,yr} = ((Strike\ Price_{t,cy} \times inflation\ index_{yr}) - (Reference\ Price_{yr} \times inflation\ index_{yr}) \times (Capacity\ Deployed_s \times Load\ Factor_t \times RQM_t \times TLM_{yr} \times CHPQM_s))$

  to:

  $Budget\ Impact_{s,yr} = ((Strike\ Price_{t,cy} \times Inflation\ Index_{yr}) - (Reference\ Price_{yr} \times Inflation\ Index_{yr})) \times (Capacity\ Deployed_s \times Hours_{yr} \times Load\ Factor_t \times RQM_t \times (1\text{-}TLM_{yr}) \times CHPQM_s)$

- In line with changes to the formula, we have added a Term "Hours" and a "Definition" on page 35

- Changed Appendix 3 Load Factors page 40 :

    - the number of significant figures shown – increased the number of decimal places shown in the table.
    - reference to "solar 250-5000kw" changed to "Large Solar PV"
    - deleted the load Factors figure for Tidal stream deep
    - deleted the year 2012 and 2013 column

In addition to these changes we have also made non-substantive, typographical, grammatical and formatting amendments to the document.