



Contracts for Difference: Stakeholder Bulletin

1 May 2019

Publication of the Statutory Notices to launch CfD Allocation Round 3

On 1 May 2019, the government published a series of Statutory Notices to launch CfD Allocation Round 3.

- The **Allocation Round Notice** confirms the key dates for CfD Allocation Round 3 (AR3), including a commencement date for the round of **29 May 2019**. The application window will close on **18 June 2019**.
- The final **Budget Notice** sets out the parameters that apply to CfD AR3. Eligible projects will compete for an overall budget of **£65 million** for delivery years 2023/2024 and 2024/2025. A total capacity cap of 6GW will apply to the allocation round, and the Department is seeking state aid approval for this. An accompanying note provides a more detailed explanation of the information in the Budget Notice.
- The **Framework Notice** states which Allocation Framework is applicable to CfD Allocation Round 3.
- The **Standard Terms Notice** sets out the information that must be used by the Low Carbon Contracts Company (LCCC) to complete the appropriate Standard Terms (CfD contract), which is individualised for each successful project.
- The **Counterparty Costs Notice** sets out the threshold above which the cost to LCCC of making a Minor and Necessary modification to a CfD contract would not be considered 'minor'. The threshold for Allocation Round 3 is set at £18,000.

The Statutory Notices are published [here on gov.uk](#).

Publication of the final Allocation Framework for CfD Allocation Round 3 and schematic diagrams for Remote Island Wind

The government has also published the final Allocation Framework for CfD Allocation Round 3. The Allocation Framework is a technical document that sets out the rules that will apply to the forthcoming auction. It also states how applications will be assessed against the eligibility criteria and includes checks that will be carried out by National Grid (EMR Delivery Body) when they consider CfD applications.

There have not been any significant changes made to the draft version of the Allocation Framework published in January 2019. Minor changes include an addition to rule 11 on the submission of sealed bids, and rule 12 on phased offshore wind projects.

Alongside the Allocation Framework, we have published three template schematic diagrams for Remote Island Wind (RIW) CfD units. Applicants should annotate the relevant diagram and submit it as part of their application to the Delivery Body (National Grid) to demonstrate that their project meets the condition in Regulation 27A(3)(d) of the Contracts for Difference (Allocation) Regulations 2014 (as amended), as set out in Schedule 4 of the Allocation Framework.

The Allocation Framework and RIW schematic diagrams have been published [here](#).

Publication of the final CfD contract documents for use in Allocation Round 3

Finally, the government has today published the final versions of the CfD contract for Allocation Round 3; the generic Standard Terms and Conditions, the CfD Agreement and all of the contract variants (for example, Agreements for offshore wind sites that deliver in phases).

The final contract documents are published [here](#).

General Data Protection Regulation

This stakeholder bulletin is being circulated to people who have opted in to the Contract for Difference stakeholder contact list. We issue these stakeholder bulletins as a convenience to interested parties, however it is not in any way essential to be on this list to participate in major consultations or allocation rounds.

Purpose & scope of this list: This list is managed by the Department for Business, Energy and Industrial Strategy (BEIS) (and any successor departments) and will be used to inform interested parties of policy developments relevant to the Contract for Difference scheme for renewable energy projects (and any direct successor schemes). It is not used for any other purposes.

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