



## Contracts for Difference: Stakeholder Bulletin

25 April 2022

### Ofgem final decision on changes to BSUoS charges

Ofgem has announced today that from 1 April 2023 generators will no longer pay Balancing Services Use of System (BSUoS) charges.

The announcement follows the outcome of a consultation that sought views on proposed changes to the way the charges are collected from electricity network users.

Ofgem will implement the decision by modifying the Connection and Use of System Code (code modification CMP308).

- [Full details of the announcement](#)

For successful projects in Allocation Round 4 (AR4) that would otherwise have been liable to pay the charges, today's announcement means that their strike prices will be adjusted downwards after contracts are awarded. The adjustment will be applied from 1 April 2023 to coincide with Ofgem's decision taking effect.

In December 2021, the Low Carbon Contracts Company and the Department for Business Energy and Industrial Strategy published an [explanatory note on the treatment of BSUoS charges for AR4](#). Example B from paragraph 19 of the note sets out the arrangements following Ofgem's decision today.

### UK General Data Protection Regulation

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**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 Contracts for Difference scheme for renewable energy projects (and any direct successor schemes). It is not used for any other purposes.

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