Department for Energy Security & Net Zero

5 December 2024

THE CONTRACTS FOR DIFFERENCE (ALLOCATION) REGULATIONS 2014 CLEAN INDUSTRY BONUS FRAMEWORK NOTICE

This notice is made further to regulation 8 of the Contract for Difference (Allocation) Regulation 2014 and is given to:

- (a) National Energy System Operator, EMR Delivery Body; and
- (b) The Low Carbon Contracts Company Limited ("The CfD Counterparty").
- 1. This notice updates and revises the notice dated 12 November 2024: "The Contracts for Difference Clean Industry Bonus¹ Allocation Framework".
- 2. This notice (and the amendments to the Contract for Difference Clean Industry Bonus (CIB) Allocation Framework noted within it) has effect from 5 December 2024.
- 3. By this notice, the CIB allocation process will commence on the following dates: -
 - (a) the application opening date is 13 February 2025; and (b) the application closing date is 14 Mach 2024;
- 4. The Contract for Difference CIB Allocation Framework referred to in paragraph 1
- 4. The Contract for Difference CIB Allocation Framework referred to in paragraph 1 is available at: www.gov.uk/government/publications/contracts-for-difference-cfd-allocation-round-7-clean-industry-bonus-framework-and-guidance
- 5. The Contract for Difference CIB Allocation Framework has been updated in the following ways:
 - At paragraph 4.4, the CIB application window has been extended so that it will now be open for 22 working days rather than 5 working days.
 - At paragraph 5.12, the Framework now specifies that investments no longer have to relate to the allocation round the application is being prepared for, nor to the generator's project and CfD units therein.
 - At paragraph 6.1, the relevant information that eligible generators must provide when preparing their CIB applications has been clarified. How and when the relevant information is provided at parts 6, 12, 15, 17 and 20 of the table at paragraph 6.1 has also been clarified.

¹ "Clean Industry Bonus" refers to the scheme set out in the Contracts for Difference (Sustainable Industry Rewards) Regulations 2024, known in the regulations as 'Sustainable Industry Rewards' (SIRs). For the avoidance of doubt, Sustainable Industry Rewards as referred to in the regulations have evolved and have become the Clean Industry Bonus. The name SIRs is being superseded though the regulations and other legal documents may still refer to them.



- At paragraphs 13.9 and 13.12-13.16, an error has been corrected to confirm that the "cost" of eligible generators' CIB proposals that meet criterion 2 will be measured in millions of pounds ("£m") rather than in pounds.
- At paragraph 15.3, the second tiebreaker has been changed so that it is now based on "amount of extra CfD revenue support required by the eligible generator through the Clean Industry Bonus to make the investment/s proposed", rather than "value of investment". This is because we are no longer requiring eligible generators submitting CIB extra proposals that meet criterion 2 to provide a value of investment.
- The third tiebreaker will now be based on a "random electronic assignment process" rather than the "delivery date for the investment", which will help to ensure the allocation process is fair if the third tiebreaker is required.

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Sarah Redwood, Director Renewable Electricity, Department for Energy Security and Net Zero For and on behalf of the Secretary of State

DATED: 5 December 2024