



6 July 2026

THE CONTRACTS FOR DIFFERENCE (ALLOCATION) REGULATIONS 2014 PRICE AND POT NOTICE

This notice is made under Regulation 10A of the Contracts for Difference (Allocation) Regulations 2014 (as amended) (“the Regulations”) and is given to National Energy System Operator Limited.

A copy of the regulation is available here:

<https://www.legislation.gov.uk/ukxi/2014/2011/regulation/10A>.

This notice applies to the Allocation Round (known as “Allocation Round 8” or “AR8”) established on 23 April 2026.¹

Applications will be grouped by Technology Type² as follows for the purposes of Regulation 11(2)(c) of the Regulations (contract budget notices: pot).

Table 1: CFD AR8 Pot structure

Bids are visible				Bids not visible
Pot 1	Pot 2	Pot 3	Pot 4	Pot 5
<ul style="list-style-type: none"> • Solar PV (>5MW) 	<ul style="list-style-type: none"> • Onshore Wind (>5MW) • Remote Island Wind (>5MW) 	<ul style="list-style-type: none"> • Offshore Wind 	<ul style="list-style-type: none"> • Floating Offshore Wind • Other Deepwater Offshore Wind 	<ul style="list-style-type: none"> • Advanced Conversion Technology • Anaerobic Digestion (>5MW) • Dedicated Biomass with CHP • Energy from Waste with CHP • Geothermal • Hydro (>5MW and <50MW) • Landfill gas • Sewage gas • Tidal stream • Wave

¹ The Contracts for Difference Allocation Round 8 (AR8) notice is available here: [The Contracts for Difference \(Allocation\) Regulations 2015: Allocation Round notice for the eighth Allocation Round](#).

² “Technology Type” means the technology type notified to the Delivery Body in an Application as the CFD Unit’s Facility Generation Technology.

The Government confirmed on 1 June 2026 that it would have visibility of anonymised bids for Solar PV, Onshore Wind (including Remote Island Wind) and Offshore Wind in AR8. This notice confirms that, in addition, the Government will have visibility of Floating Offshore Wind and Other Deepwater Offshore Wind bids in AR8. This takes account of revised internal pipeline assumptions and enhances our ability to shape auction outcomes to achieve better value for money. Bid visibility will therefore apply across Pots 1-4.

The Government will confirm Budgets after Applications have been assessed, with value for money for consumers a key consideration as to whether, and to what extent, Budgets are allocated to Pots. Following the approach taken to Offshore Wind in AR7, the Government will only view bids that are not priced within Budgets for Pots 1-4. The Government will only consider an increase to Budgets for these Pots should any unsuccessful bids represent strong value for money. The Government is committed to lowering consumer bills. The Government has already contracted significant renewables capacity and will only support further capacity at the right price. The Government will consider bids across technologies when deciding final Budgets for Pots 1-4, and any Budget increase in one of these Pots may reduce the likelihood of further support in another. Any final budgetary decisions will be made in conjunction with HM Treasury.

Use of separate clearing prices in Pot 3

In Pot 3, Offshore Wind projects that connect to the Transmission System in tariff zones 1-12 or a Distribution System in licence areas 17-18 will have a separate clearing price to Offshore Wind projects that connect to the Transmission System in tariff zones 13-27 or a Distribution System in licence areas 10-16 or 19-23 (and rules about “Specific Separate Clearing Prices” in the Contract Allocation Framework will apply accordingly).

The Applicant must confirm which one of the two categories its project falls in at the point of Application.

Related requirements and Application checks can be found in Sections 4 and 22 and Schedule 5 of the AR8 Contract Allocation Framework.

Separate clearing prices, Maxima and Minima for other Pots

Full details of any other separate clearing prices, Maxima or Minima applying to AR8 will be provided in the Contract Budget Notice, which will be published after the Delivery Body has valued all Qualifying Applications. However, whilst no final decision has yet been taken, please note that we are minded to not apply the separate clearing price rule that relates to the size of projects in AR8.

Administrative Strike Prices applicable in AR8, in a 2024 price base

The Administrative Strike Prices (ASPs) applicable to technologies in AR8 are presented below as set out in the Contract Allocation Framework.

Table 2: AR8 Administrative Strike Prices in 2024 prices (£/MWh)

Technology Type	ASPs in 2024 prices
	AR8 (as applicable in allocation)
Advanced Conversion Technology	307
Anaerobic Digestion (>5MW)	195
Dedicated Biomass with CHP	238
Energy from Waste with CHP	287
Floating Offshore Wind	271
Geothermal	219
Hydro (>5MW and <50MW)	168
Landfill Gas	94
Offshore Wind	113
Onshore Wind (>5MW)	92
Other Deepwater Offshore Wind	271
Remote Island Wind (>5MW)	92
Sewage Gas	228
Solar PV (>5MW)	75
Tidal Stream	371
Wave	386

The Government has decided to maintain the AR7 ASPs for AR8. This provides stability between Allocation Rounds and reflects Government’s central focus on competitive price outcomes in AR8. As the ASP levels are unchanged, a further ASP methodology note for AR8 will not be published. The AR7 ASP methodology note remains the relevant explanation of how the ASPs were set.

ASPs are a technical construct and do not represent the Government's central view of the cost of each of these technologies. The AR7 outcome demonstrated that competition should deliver clearing prices below ASPs, and support value for money for consumers.

In addition, the visibility of anonymised sealed bids in AR8 means that Government has greater control over the price of Offshore Wind, Floating Offshore Wind, Other Deepwater Offshore Wind, Onshore Wind, Remote Island Wind and Solar PV projects procured.

There was a substantial uplift to the Offshore Wind Budget in AR7. It should not be inferred that there will be increases to Budgets in this or future rounds. Increases to the Budget value in any Pot will only be contemplated should bids be priced highly competitively and be assessed as providing good value for money. Internal metrics will be used to determine good value for the consumer and the Department will work in conjunction with HM Treasury on this matter.

Re-basing Administrative Strike Prices

The ASPs have been presented in real terms on the basis of a 2024 price base.

To convert into a more recently available price base, the following formula can be used.

$$CPI \text{ Adjustor } \pounds_{2024} \rightarrow \pounds_{current} = CPI_{current} / \text{Average}CPI_{2024}$$

To convert the ASPs from 2024 prices into the most recently available price base (May 2026 at time of publication), the following CPI inflator should be used: 1.0635.

Further questions and answers can be found on the Contracts for Difference microsite: <https://www.cfdallocationround.uk/>

SIGNED

A handwritten signature in black ink that reads "Sarah James". The signature is written in a cursive style with a prominent horizontal line at the top.

Sarah James
Director, Renewable Electricity
Department for Energy Security & Net Zero

For and on behalf of the Secretary of State
DATED: 6 July 2026