

Draft Regulations laid before Parliament under section 6(8) of the Energy Act 2013, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2016 No. 0000

ELECTRICITY

**The Contracts for Difference (Allocation)
(Amendment) Regulations 2016**

*Made - - - - 2016
Coming into force in accordance with regulation 1*

The Secretary of State has before making these Regulations—

- (a) consulted the persons listed in section 24(1)(a) to (g) of the Energy Act 2013⁽¹⁾, and such other persons as the Secretary of State considered it appropriate to consult; and
- (b) had regard to the matters in section 5(2) of that Act.

In accordance with section 6(8) of that Act, a draft of this instrument was laid before Parliament and approved by a resolution of each House of Parliament.

Accordingly, the Secretary of State, in exercise of the powers conferred by sections 6(1) and (6), 12 (3)(a), 13(1), (2)(b) and (e) and (3)(a), and 16(b) of the Energy Act 2013, makes the following Regulations:

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Contracts for Difference (Allocation) (Amendment) Regulations 2016 and come into force on the day after the date on which they are made.

(2) These Regulations do not extend to Northern Ireland.

Amendment of the Contracts for Difference (Allocation) Regulations 2014

2. In regulation 2(1) (interpretation) of the Contracts for Difference (Allocation) Regulations 2014⁽²⁾, in paragraph (b) of the definition of “delivery year”, for “31st March 2020” substitute “31st March 2026”.

(1) 2013 c. 32.

(2) S.I. 2014/2011, amended by S.I. 2015/981 and S.I. 2016/784.

Draft Legislation: This is a draft item of legislation. This draft has since been made as a UK Statutory
Instrument: *The Contracts for Difference (Allocation) (Amendment) Regulations 2016 No. 1053*

Name
[Secretary] [Minister of State]
Department for Business, Energy and Industrial
Strategy

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made further to the powers contained in Chapter 2 (contracts for difference) of Part 2 (electricity market reform) of the Energy Act 2013 (c. 32).

These Regulations amend the definition of “delivery year” in regulation 2 of the Contracts for Difference (Allocation) Regulations 2014 (S.I. 2014/2011) (“the Allocation Regulations”).

Regulation 2 amends the definition so as to allow for a delivery year to be any 12 month period starting on 1st April in any year from 2015, ending on 31st March 2026. The definition of delivery year is used in provisions dealing with:

- the definition of the overall budget (regulation 2(1) of the Allocation Regulations);
- the issuing of an allocation round notice (regulation 4(2)(b)(iv) of the Allocation Regulations);
- the issuing of a budget notice (regulation 11(1)(a) of the Allocation Regulations);
- the issuing of an exemptions request notice (regulation 14C(5)(d) of the Allocation Regulations, as inserted by the Contracts for Difference (Miscellaneous Amendments) Regulations 2016 (S.I. 2016/784) (“the Miscellaneous Amendment Regulations”));
- the valuation of applications by the delivery body (regulation 29(1) and (6) of the Allocation Regulations; and
- the steps the delivery body must take if it is required to re-run the allocation process (regulation 51(10) of the Allocation Regulations, as amended by the Miscellaneous Amendment Regulations).

While the impact this specific instrument has on the costs of business and the voluntary sector is negligible, a full impact assessment of the effect the CFD regime will have on the costs of business and the voluntary sector is available from the Department for Business, Energy and Industrial Strategy at 3 Whitehall Place, London, SW1A 2AW and is published with the Explanatory Memorandum alongside this instrument on www.legislation.gov.uk.