

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

2018 No. 0000

ELECTRICITY

**The Contracts for Difference (Miscellaneous
Amendments) Regulations 2018**

*Made - - - - 2018
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), 10(3) and 13(1) of the Energy Act 2013, makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Contracts for Difference (Miscellaneous Amendments) Regulations 2018 and come into force on the day after the day on which they are made.

Amendment of the Contracts for Difference (Allocation) Regulations 2014

- 2.—(1) The Contracts for Difference (Allocation) Regulations 2014⁽²⁾ are amended as follows.
- (2) In regulation 2, after the definition of “relevant works”, insert—
““remote island wind CFD unit” means a CFD unit which satisfies the remote island wind conditions in regulation 27A(3);”
 - (3) After regulation 27, insert—

(1) [2013 c.32](#).
(2) [S.I. 2014/2011](#), to which there are amendments not relevant to these Regulations.

“Remote island wind units

27A.—(1) This regulation applies where the relevant CFD unit is to be a remote island wind CFD unit.

(2) The applicant must demonstrate that the relevant CFD unit is expected, by the target commissioning date, to satisfy the remote island wind conditions.

(3) The remote island wind conditions referred to in paragraph (2) are that—

- (a) the CFD unit generates electricity by the use of wind;
- (b) the CFD unit is located on a remote island;
- (c) the CFD unit is connected to the national transmission system for Great Britain or to a distribution system; and
- (d) either—
 - (i) where the CFD unit is connected to the national transmission system for Great Britain, the generation circuit between the CFD unit and the main interconnected transmission system consists of not less than 50 kilometres of cabling, not less than 20 kilometres of which is subsea cabling; or
 - (ii) where the CFD unit is connected to a distribution system, the electrical connection between its grid supply point and the main interconnected transmission system consists of not less than 50 kilometres of cabling, not less than 20 kilometres of which is subsea cabling.

(4) In this regulation—

“cabling” means a conductor used for the carrying of electricity;

“generation circuit” has the meaning given to that term in the NETS SQSS;

“grid supply point” has the meaning given to that term in the NETS SQSS;

“main interconnected transmission system” has the meaning given to that term in the NETS SQSS;

“NETS SQSS” means the means the National Electricity Transmission System Security and Quality of Supply Standard, version 2.3, February 2017 issued by National Grid Electricity Transmission plc (registered company number 2366977)(3);

“remote island” means an island—

- (a) located in offshore waters; and
- (b) the entirety of the coastline (measured from the mean low water mark) of which is situated not less than 10 kilometres from mainland Great Britain; and

“subsea cabling” means cabling which is laid on or under the sea bed.”.

Amendment of the Contracts for Difference (Definition of Eligible Generator) Regulations 2014

3.—(1) Regulation 2(1) of the Contracts for Difference (Definition of Eligible Generator) Regulations 2014(4) is amended as follows.

(2) Omit the definition of “accredited CHP station”.

(3) Omit the definition of “CHPQA”.

(3) Available at <https://www.nationalgrid.com/sites/default/files/documents/NETS%20SQSS%20V2.3.pdf> and from the Department of Business, Energy and Industrial Strategy at 1 Victoria Street, London, SW1H 0ET on request.

(4) S.I. 2014/2010; the relevant amending instrument is S.I. 2016/1108.

(4) In the definition of “dedicated biomass with CHP station”, in sub-paragraph (a), for “is an accredited CHP station” substitute “is a CHP station”.

(5) In the definition of “energy from waste with CHP station”, in sub-paragraph (a), for “is an accredited CHP station” substitute “is a CHP station”.

(6) For the definition of “waste” substitute—

““waste” has the meaning given in Article 3(1) of [Directive 2008/98/EC](#) of the European Parliament and of the Council on waste(5) but does not include—

- (a) landfill gas;
- (b) sewage gas; or
- (c) any substance intentionally modified or contaminated to fall within the meaning given in Article 3(1) of that Directive.”

Date

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

(5) [Directive 2008/98/EC](#) of the European Parliament and of the Council of 19th November 2008 on waste and repealing certain Directives, OJ No L 312, 22.11.2008, p.3. There are amendments but none are relevant to these Regulations.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Contracts for Difference (Allocation) Regulations 2014 ([S.I. 2014/2011](#)) (“the Allocation Regulations”) and the Contracts for Difference (Definition of Eligible Generator) Regulations 2014 ([S.I. 2014/2010](#)) (“the Eligible Generator Regulations”).

Regulation 2 inserts a new definition of “remote island wind CFD unit” and inserts a new regulation 27A into the Allocation Regulations, which sets out the additional qualification requirements which an application in respect of a remote island wind CFD unit must satisfy.

Regulation 2 includes a reference to the National Electricity Transmission System Security and Quality of Supply Standard, version 2.3, February 2017 issued by National Grid Electricity Transmission plc (registered company number 2366977). Copies of that document can be made available on request from the Department of Business, Energy and Industrial Strategy, 1 Victoria Street, London, SW1H 0ET.

Regulation 3 amends the Eligible Generator Regulations. Regulations 3(1)-(5) remove the requirement for a “dedicated biomass with CHP station” or “energy from waste with CHP station” to be “an accredited CHP station”.

Regulation 3(6) amends the definition of the term “waste” to make clear that it does not include any substance intentionally modified or contaminated to fall within the definition of “waste” contained in Article 3(1) of [Directive 2008/98/EC](#) of the European Parliament and of the Council on waste.

Insofar as these Regulations have an impact on the costs of business, the voluntary sector and the public sector an impact assessment has been carried out and is available from the Department of Business, Energy and Industrial Strategy at 1 Victoria Street, London, SW1H 0ET and published with the Explanatory Memorandum alongside this instrument on www.legislation.gov.uk.