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

### 2022 No.

## **ELECTRICITY**

# The Contracts for Difference (Miscellaneous Amendments) Regulations 2022

Made - - - - \*\*\*

Coming into force - - \*\*\*

Before making these Regulations the Secretary of State—

- (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 has been laid before, 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), 10(3), 12(3), and 13 of that Act, makes the following Regulations.

#### Citation, commencement and extent

- 1.—(1) These Regulations may be cited as the Contracts for Difference (Miscellaneous Amendments) Regulations 2022 and come into force on the day after the day on which they are made.
- (2) These Regulations, apart from regulation 3(2), extend to England and Wales, Scotland and Northern Ireland.
  - (3) Regulation 3(2) extends to England and Wales and Scotland only.

# Amendments to the Contracts for Difference (Definition of Eligible Generator) Regulations 2014

**2.**—(1) The Contracts for Difference (Definition of Eligible Generator) Regulations 2014(**2**) are amended as follows.

<sup>(1) 2013</sup> c. 32

<sup>(2)</sup> S.I. 2014/2010; relevant amending instruments are S.I. 2016/784, S.I. 2021/758.

- (2) In regulation 2(1) in the definition of "complete CCS system" in sub-paragraph (b) after "transporting" insert "(including by way of non-pipeline transport methods)".
  - (3) In regulation 3(5) in the definition of "carry out a generating activity"—
    - (a) in paragraph (a) after "eligible generating station;" omit "or";
    - (b) in paragraph (b) after "by 5 megawatts or more;" insert "or";
    - (c) after paragraph (b) insert—
      - "(c) to alter an existing generating station in order that it becomes a generating station connected to a complete CCS system;".

#### Amendments to the Contracts for Difference (Allocation) Regulations 2014

- **3.**—(1) The Contracts for Difference (Allocation) Regulations 2014(3) are amended as follows.
- (2) In regulation 14(2)(a) after "a complete CCS system" insert "or is to be altered to be a generating station connected to a complete CCS system".
  - (3) In regulation 60—
    - (a) for paragraph (5) substitute—
      - "(5) Paragraph (4) does not apply to any strike price or reference price which may be included in the contract.";
    - (b) in paragraph (6)—
      - (i) in the definition of "reference price" for "the sum that is" substitute "the sum that may be";
      - (ii) in the definition of "strike price" for "the sum that is" substitute "the sum that may be".

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

Date

#### **EXPLANATORY NOTE**

(This note is not part of the Regulations)

These Regulations amend the Contracts for Difference (Definition of Eligible Generator) Regulations 2014 (S.I. 2014/2010) ("Eligible Generator Regulations") and the Contracts for Difference (Allocation) Regulations 2014 (S.I. 2014/2011) ("Allocation Regulations").

Regulation 2(2) amends the definition of a "complete CCS system" in the Eligible Generator Regulations to refer to non-pipeline transport methods.

Regulation 2(3) amends the definition of "carrying out a generating activity" in the Eligible Generator Regulations to include altering an existing generating station into a generating station connected to a complete CCS system.

Regulation 3(2) amends the regulation in the Allocation Regulations which pertains to excluded applications by including additional language after a "complete CCS system" to cover other forms of generating stations which are altered to become a generating station connected to a complete CCS system.

Regulation 3(3) amends the definitions of strike price and reference price in the regulation of the Allocation Regulations which pertains to the publication of contracts.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.