
DRAFT STATUTORY INSTRUMENTS

2014 No.

The Contracts for Difference (Allocation) Regulations 2014

PART 3

Budgets applicable to allocation rounds

Application

10.—(1) This Part applies to an allocation round which has been established further to an allocation round notice.

(2) A notice given by the Secretary of State under this Part must be made publicly available by the Secretary of State as soon as practicable after it is given.

Budget notices

11.—(1) The Secretary of State must by notice (“a budget notice”) specify—

- (a) the overall budget which is available for each delivery year applicable to an allocation round; and
- (b) the administrative strike prices applicable to applications in an allocation round.

(2) The Secretary of State may in a budget notice specify any of the following—

- (a) budgets which are reserved for the descriptions of applications specified in the notice (“minima”);
- (b) maximum budgets which apply to the descriptions of applications specified in the notice (“maxima”);
- (c) a division of the overall budget such that a different part (“pot”) of the overall budget applies to the description of applications specified in the notice.

(3) Where maxima or minima are specified, they may be expressed as—

- (a) a sum of money;
- (b) an amount of capacity of electricity generation; or
- (c) a combination of (a) and (b).

(4) Where—

- (a) the overall budget is expressed as a sum of money; and
- (b) that sum is stated by reference to a price which is not current at the date of the budget notice,

the budget notice must include a factor which, when applied to that sum, converts that sum into a price which is current at that date.

(5) A budget notice must—

- (a) be given to the delivery body;
- (b) identify the allocation round to which the budget notice applies; and

- (c) be given no later than 10 working days before the commencement date of the allocation round.

Budget revision

12.—(1) This regulation applies where the Secretary of State has given a budget notice in respect of an allocation round.

(2) Subject to the application of paragraph (5), the Secretary of State—

- (a) may amend, add to or remove any of the matters listed in regulation 11(2) for the allocation round (“a budget revision”); but
- (b) must only effect a budget revision by a notice (“a budget revision notice”) which complies with regulation 13.

(3) The Secretary of State may make any budget revision where that revision has effect more than 10 working days before the commencement date of the allocation round.

(4) Paragraph (5) applies where the Secretary of State intends to make a budget revision which is to have effect—

- (a) 10 or fewer working days before the commencement date of the allocation round; or
- (b) on or after the commencement date of the allocation round.

(5) Where this paragraph applies, the Secretary of State may increase the overall budget but must not—

- (a) decrease—
 - (i) the overall budget;
 - (ii) any maxima; or
 - (iii) any minima; or
- (b) increase any maxima or minima, unless the overall budget is increased by at least the same amount.

Budget revision notices

13. A budget revision notice must—

- (a) be given to the delivery body;
- (b) identify the allocation round to which the budget revision notice applies;
- (c) describe the budget revision; and
- (d) be given at least one working day before the date on which the revision set out in the notice is to have effect.