



Energy Act 2013

2013 CHAPTER 32

PART 2

ELECTRICITY MARKET REFORM

CHAPTER 2

CONTRACTS FOR DIFFERENCE

13 Allocation of CFDs

- (1) Provision that may be included in regulations by virtue of section 12 includes in particular provision about how CFDs are to be allocated to eligible generators (and for this purpose a CFD is “allocated” to a generator if the generator is specified in a CFD notification).
- (2) Provision made by virtue of subsection (1) may include provision—
 - (a) conferring power on the Secretary of State to make rules (an “allocation framework”) about how CFDs are to be allocated;
 - (b) for different periods within which CFDs are to be allocated (“allocation rounds”);
 - (c) for different allocation frameworks to apply in respect of different allocation rounds;
 - (d) for the publication of allocation frameworks;
 - (e) about matters in relation to which provision may or must be made in an allocation framework.
- (3) Provision made by regulations by virtue of subsection (2) may impose requirements on the Secretary of State, including in particular—
 - (a) requirements as to the giving of notice before an allocation round is commenced;
 - (b) restrictions on the circumstances in which amendments may be made during an allocation round to an allocation framework or to any other matter relevant

Changes to legislation: Energy Act 2013, Section 13 is up to date with all changes known to be in force on or before 21 March 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

to an allocation round (including any amount by reference to which a limit on the CFDs allocated during the round is to be determined).

- (4) An allocation framework may—
- (a) confer functions on the national system operator with respect to the allocation of CFDs;
 - (b) specify targets to be met or taken into account by the national system operator in giving CFD notifications by virtue of section 12, including targets relating to—
 - (i) the means by which electricity is generated;
 - (ii) the generating capacity of electricity generating stations;
 - (iii) the geographical location of electricity generating stations;
 - (c) make any provision that may be made by regulations by virtue of subsection (3).
- (5) An allocation framework may include provision for—
- (a) the determination of a matter on a competitive basis;
 - (b) calculations or determinations to be made under the framework, including by such persons, in accordance with such procedure and by reference to such matters and to the opinion of such persons, as may be specified in the framework.
- (6) An allocation framework may—
- (a) include incidental, supplementary and consequential provision;
 - (b) make transitory or transitional provision and savings;
 - (c) make different provision for different cases or circumstances or for different purposes;
 - (d) make provision subject to exceptions.
- (7) Any power conferred by virtue of subsection (2) to make an allocation framework includes a power to amend, add to or remove an allocation framework.
- (8) Subsections (4) to (7) are subject to any provision contained in regulations.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 68(4) inserted by [2023 c. 52 s. 302\(4\)](#)