
STATUTORY INSTRUMENTS

2014 No. 2014

**The Contracts for Difference (Electricity
Supplier Obligations) Regulations 2014**

PART 2

Supplier obligation

CHAPTER 4

Adjustments to interim rate and additional reserve payments

Adjusted interim levy rate

13.—(1) Subject to paragraph (2), an adjusted interim levy rate for a quarterly obligation period (“the rate period”) is to be determined as the amount given by—

$$\frac{EOC - (EOI + SPC)}{EPS}$$

where—

EOC is the estimated quarterly obligation period payment cost in respect of the rate period, estimated in accordance with regulation 7(1) as at the time of the determination of the adjusted interim levy rate;

EOI is the estimated quarterly obligation period income in respect of the rate period, estimated in accordance with regulation 7(3) as at the time of the determination of the adjusted interim levy rate;

SPC is the sum of—

- (i) the total amount of interim rate payments which have been received by the CFD counterparty in [^{F1}respect of electricity supply during] the rate period as at the time of the determination of the adjusted interim levy rate; and
- (ii) the total amount of interim rate payments which the CFD counterparty estimates it will receive in [^{F1}respect of electricity supply during] the rate period, in the period from the time of the determination of the adjusted interim levy rate until the adjusted interim levy rate has effect;

EPS is the amount of electricity which the CFD counterparty estimates will be supplied by all electricity suppliers [^{F2}, less the amount of EII excluded electricity which it estimates will be supplied by all suppliers, in the period] from the time the adjusted interim levy rate has effect until the conclusion of the rate period.

(2) Where the rate determined in accordance with paragraph (1) would be a negative number, the CFD counterparty must determine the adjusted interim levy rate as zero.

[^{F3}(3) Where the CFD counterparty has determined an adjusted interim levy rate it must—

- (a) as soon as reasonably practicable, publish a notice setting out that rate and issue that notice to every electricity supplier who has a BM Unit registered as at the day before the date of publication of the notice;
- (b) issue that notice to every electricity supplier who has a BM unit that becomes registered on or after the date of publication of the notice and by the last day of the quarterly obligation period during which that rate has effect, as soon as reasonably practicable after the BM Unit is registered; and
- (c) where paragraph (5) applies, specify a date on which the rate shall have effect.]
- (4) [^{F4}Where the adjusted interim levy rate is greater than the previous levy rate, it] has effect from the latest of—
- (a) the commencement of the rate period;
- (b) the 30th day after the CFD counterparty has published the notice under paragraph (3);
- (c) any later date in the rate period which the CFD counterparty specifies in the notice under paragraph (3).
- [^{F5}(5) Where the adjusted interim levy rate is less than the previous levy rate, it has effect from the date specified in the notice published under paragraph (3).
- (6) For the purpose of paragraphs (4) and (5), “previous levy rate” means the interim levy rate or the adjusted interim levy rate most recently determined in respect of the rate period.]

- | | |
|-----------|--|
| F1 | Words in reg. 13(1) substituted (1.4.2016) by The Electricity Supplier Payments (Amendment) Regulations 2016 (S.I. 2016/363) , regs. 1(3), 9(2) |
| F2 | Words in reg. 13(1) inserted (1.4.2015) by The Electricity Supplier Obligations (Amendment & Excluded Electricity) Regulations 2015 (S.I. 2015/721) , regs. 1(2), 23(2) |
| F3 | Reg. 13(3) substituted (1.4.2016) by The Electricity Supplier Payments (Amendment) Regulations 2016 (S.I. 2016/363) , regs. 1(3), 9(3) |
| F4 | Words in reg. 13(4) substituted (1.4.2016) by The Electricity Supplier Payments (Amendment) Regulations 2016 (S.I. 2016/363) , regs. 1(3), 9(4) |
| F5 | Reg. 13(5)(6) inserted (1.4.2016) by The Electricity Supplier Payments (Amendment) Regulations 2016 (S.I. 2016/363) , regs. 1(3), 9(5) |

Changes to legislation:

There are currently no known outstanding effects for the The Contracts for Difference (Electricity Supplier Obligations) Regulations 2014, Section 13.