



**LOW CARBON
CONTRACTS COMPANY**

POWERING NET ZERO

Forecast Data Guidance

June 2022

Version 2



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Disclaimer: This guidance does not and is not intended to supersede or replace the provisions of the CfD. This guidance does not constitute legal or investment advice and should not be relied upon as such. Generators should consult their professional advisors where they require advice whether legal or otherwise. CfD Counterparty further reserves the right to amend this guidance and any associated guidance from time to time.

<i>Version updates</i>	
Version 1 Updates	Forecasting Email address added
Version 2 Updates	Reporting requirement simplification



2. Introduction

- 2.1 This document provides Contracts for Difference (CfD) Generators with guidance on the Forecast Data process. The intention is not to supersede or replace the provisions of the CfD but rather to provide greater clarity by applying a simplified and consistent approach to the collection of uniform Forecast Data across the portfolio of Investment Contracts (ICs); Allocation Round 1 (AR1), Allocation Round 2 (AR2), Allocation Round 3 (AR3) and Allocation Round 4 (AR4) contracts (collectively the 'Contracts').
- 2.2 This guidance may in some instances differ slightly from the terms and conditions of each Contract; however, its content is not intended to be a waiver of any of our rights to receive Forecast Data in the manner or form set out under the CfD at any point during the Term of the Agreement or in any later amendments to the Agreement communicated in the form of a letter unless specified as such in writing.
- 2.3 It is a contractual requirement under the Contracts for all Generators to provide Forecast Data to Low Carbon Contracts Company (CfD Counterparty). Due dates for the Forecast Data and other requirements may differ depending on the Contract type and allocation round.
- 2.4 This guidance document (Forecast Data Guidance) sets out practices that will streamline the provision of Forecast Data from Generators. The intention is to assist Generators by establishing best working practices, making it easier for all parties to administer.
- 2.5 Whilst the approach to receive Forecast Data from Generators may evolve over time, this current Forecast Data Guidance, and any future amendments, will continue to apply one consistent approach to the process and the level of granularity required across all Contracts.
- 2.6 The new process described in Section 4 of this document aims to simplify the overall data provision requirements. By introducing this simplification of the Generator reporting requirements, the administrative burden on Generators will be reduced and this will ensure that only meaningful data is requested in a clear format.
- 2.7 In case of doubt, we encourage Generators providing Forecast Data to discuss any queries with their Contract Manager at their earliest opportunity.



3. Context

- 3.1 Under the Contracts, Generators are obliged to provide CfD Counterparty with Forecast Data.
- 3.2 This requirement is set out in the IC and in Part 7, Conditions 32.1 (C) and (D), 32.2, and 32.3 of the Standard Terms and Conditions for AR1, AR2, AR3, and AR4 Generators. These Conditions set out the dates by which Generators are contractually required to provide the CfD Counterparty with this information. The number references in this document are aligned to the number references of the Contracts apart from the ICs (Part 7). IC Generators may refer to AR4 standard terms to cross reference numbering as necessary.
- 3.3 The process outlined in section 4 of this document refers to the current revised reporting requirement for Generators. In the unlikely event we need you to revert to the requirements as stipulated in the Contracts, we will provide you with no less than 3 months' notice in writing.



4. New Reporting Process

Generator Expected Start Date Estimates

- 4.1 Condition 32.1(A) of the Agreement requires the Generator to provide the CfD Counterparty with the Generator's estimate of (i) the expected Start Date; (ii) the Installed Capacity as at the Start Date; and (iii) the commissioning profile of the Facility on the Agreement Date and at monthly intervals thereafter.
- 4.2 The CfD Counterparty no longer requires the provision of this information on a monthly basis. Instead, we will consider Condition 32.1(A) complied with if Generators provide the CfD Counterparty with estimates of the expected Start Date and the Installed Capacity as at the Start Date on the following basis:
- a) on the Agreement Date;
 - b) as soon as reasonably practicable, and no later than five (5) Business Days upon request in writing by the CfD Counterparty;
 - c) as soon as reasonably practicable where the Generator becomes aware there is a change to the expected Start Date or Installed Capacity, and no later than five (5) Business Days after the Generator has become aware of such change (which is a modification from the requirement to provide the information at monthly intervals); and
 - d) on a monthly basis for the 6 months prior to the expected Start Date (which is the existing obligation but only for the period just preceding Start Date).
- 4.3 We no longer require Generators to provide estimates of the commissioning profile of the Facility as required under 32.1(A)(iii). The above applies for all Contracts and technology types.

Forecast Data

- 4.4 Condition 32.1(C) of the Agreement requires Generators to provide the CfD Counterparty with Forecast Data at annual and monthly intervals. Please note the definition as per the Agreement in italics below.

32.2 *For the purposes of Condition 32.1(C), the "Forecast Data" means:*

(A) *the availability of the Facility;*

- (B) *the Loss Adjusted Metered Output;*
- (C) *the Renewable Qualifying Multiplier (provided that this paragraph (C) shall apply only if the Renewable Qualifying Multiplier is expressed to apply to the Contract for Difference in the CfD Agreement); and*
- (D) *the CHP Qualifying Multiplier (provided that this paragraph (D) shall apply only if the CHP Qualifying Multiplier is expressed to apply to the Contract for Difference in the CfD Agreement),*

in each case in relation to the period referred to in Condition 32.1(C)

4.5 We no longer require Generators to provide the Forecast Data as specified under 32.2(A) or 32.2(B) above, being the availability of the Facility and the Loss Adjusted Metered Output respectively, in accordance with the timings outlined in 32.1(C). Instead, this requirement will be considered complied with by all technology types if, (a) these components of the Forecast Data are provided to the CfD Counterparty upon request in writing by the CfD Counterparty and (b) Generators comply with the reporting requirements under 32.1 (D) as outlined in 4.12 – 4.15 below.

4.6 Therefore, **intermittent technology type Generators are no longer required** to provide Forecast Data unless it is specifically requested by LCCC.

4.7 For **baseload technology type Generators**, the CfD Counterparty requires Generators to provide the remaining components (see *C* and *D* above) of the Forecast Data (provided that this paragraph shall apply only if the Renewable Qualifying Multiplier or CHP Qualifying Multiplier are expressed to apply in the relevant Contract):

- a) once at 6 months prior to the expected Start Date (in the circumstance that the Contract is awarded within six (6) months of the expected Start Date, the Generator should submit the Forecast Data within ten (10) business days of the date of the Agreement);
- b) where the Generator becomes aware of an event or circumstance which will, or is reasonably likely to affect significantly (>5% change) the Renewable Qualifying Multiplier;
- c) where the Generator becomes aware of an event or circumstance which will, or is reasonably likely to affect significantly (>5% change) the CHP Qualifying Multiplier; and
- d) upon request in writing by the CfD Counterparty.

4.8 For the purposes of reporting (b) or (c) above such Forecast Data is to be provided as soon as reasonably practicable, and in any event no later than five (5) Business Days after the Generator has become aware of such an event or circumstance or, received a written request from the CfD Counterparty.

- 4.9 If the Start Date has occurred, the period under consideration should be 15 months from the day of assessment. Where the Forecast Data has been provided as per 4.7 (a) above but the Start Date has yet to occur, the period under consideration should be 15 months from the Start Date. The CfD Counterparty expects the Renewable Qualifying Multiplier or CHP Qualifying Multiplier to be each a singular value, and at the current time can be reported directly to your Contract Manager. Where reporting either (b), (c) or (d) above, please provide a description of the cause of the change, the new value, and the period for which it will apply.

Reporting under 32.1 (D)

- 4.10 Under 32.1(D) Generators have a continuing obligation to notify the CfD Counterparty *“of the occurrence of any event or circumstance which will or is reasonably likely to affect significantly the Metered Output of the Facility, such notification to be provided as soon as reasonably practicable, and no later than five (5) Business Days after the Generator has become aware of such an event or circumstance;”*
- 4.11 There has always been a relationship between this requirement and the reporting of the Forecast Data. Given the changes to the reporting requirements above, we draw your attention to the continuing requirements of this reporting obligation.
- 4.12 The CfD Counterparty does not require revised output generation forecasts but requests, for example, the details of planned or unplanned unavailability of generation capacity, including details of estimated start and end date (day, hour) of such outage. This data can be reported directly to your Contract Manager preferably by email, unless an alternative means is specified.
- 4.13 There is no limit to the time horizon over which this applies but for practical purposes the CfD Counterparty will apply the following; if the Start Date has occurred, the period under consideration should be 15 months from the day of assessment and where the Start Date has yet to occur but is expected to be within 6 months, the period under consideration should be 15 months from the Start Date. In addition, any major longer-term event or circumstance which will or is reasonably likely to significantly affect the Metered Output of the Facility, for example an imposed connection restriction, should also continue to be notified as required by Condition 32.1(D).

Requirements for AR3 and AR4 Generators only – Expected Generation Output Data

- 4.14 Condition 32.1 (J) of CfD Standard Terms and Conditions for AR3 and AR4 has a requirement for Generators to provide Expected Generation Output Data (in annual granularity from April to March) for the entire Contract period.



- 4.15 The CfD Counterparty **no longer requires Generators to provide the Expected Generation Output Data** as required by Condition 32.1 (J).
- 4.16 In addition, the **Operational Condition Precedent set out in paragraph 2.1(F) of Part B of Schedule 1** to provide Expected Generation Output Data has been **waived** for AR3 Generators (or is anticipated to be waived for AR4 Generators) by notice from the CfD Counterparty in accordance with Condition 3.26(A).



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