

## Contracts for Difference and Supplier Bulletin

Issued on 30 April 2020

Dear Stakeholder,

Welcome to the Contracts for Difference and Electricity Supplier Bulletin from the Low Carbon Contracts Company (LCCC) and the Electricity Settlements Company (ESC).

<b>This bulletin covers</b>	
<b>CfD projects pass key milestones</b>	Two offshore wind project phases start CfD payments, other projects complete all milestones.
<b>AR3 projects given extension</b>	All projects in CfD Allocation Round Three have been given a six month extension to each of their MDD, TCW and LSD
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### CfD projects pass key milestones

LCCC is pleased to announce that two offshore wind projects phases, the second phases of both East Anglia 1 and Hornsea 1, have passed their Operational Conditions Precedent (OCPs) and have thus started receiving payments under their Contracts for Difference (CfDs). The 685MW of additional capacity (285MW at East Anglia 1 and 400MW at Hornsea 1) bring the CfD live portfolio to a total of 4.87GW of operational capacity, of which 3.16GW is from offshore wind.

Additionally, a number of operational projects have now reached the final contractual hurdle in the development process, the Final Installed Capacity (FIC) milestone. These are Dudgeon, Walney Extension Phase 1, Burbo Extension, Brenig and Mynydd Y Gwair – the first three of these are offshore wind, while the latter two are onshore wind projects. This brings the total capacity of projects that have passed FIC, and hence are fully in the CfD operational phase, to 2.46GW.



The entries for all these projects in the LCCC's CfD Register have been fully updated to reflect these milestone achievements. The CfD register can be found [here](#).

**AR3 projects given extensions to Milestone Delivery Date, Target Commissioning Window and Longstop Date**

In April 2020, the judicial review brought by Banks Group against the third CfD Allocation Round was withdrawn, removing the uncertainty over the AR3 CfDs signed in October 2019, and allowing AR3 developers to proceed with their projects. Following on from this, LCCC has now determined that the Milestone Delivery Date, the end of the Target Commissioning Window and the Longstop Date will all be extended by 6 months for each AR3 project. If a developer can provide evidence that delay to their project due to the judicial review is longer than six months, then LCCC may grant a further extension for that project, but all projects can now proceed in the knowledge that the key dates in their contracts have been extended by six months.

All the entries for AR3 projects have been updated to show this FM extension. The CfD register can be found [here](#).

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Kind regards,

**Low Carbon Contracts Company and Electricity Settlements Company**