

# CfD and CM Bulletin

## 22 September 2021

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### LCCC and ESC Annual Reports 2020-2021 published

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Low Carbon Contracts Company (LCCC) and Electricity Settlements Company (ESC) have today published their [annual reports and accounts for 2020-21](#).

The reports cover the period 1 April 2020 to 31 March 2021 – a year of operating during the COVID-19 pandemic. This year has been critical in demonstrating the resilience of the Contracts for Difference (CfD) and Capacity Market (CM) schemes we manage.

“2020/21 was an extraordinary year and I have been delighted with the performance of the business and LCCC’s response to the challenges presented by COVID-19. Our employees worked closely with the sector to continue to deliver progress in decarbonising the GB electricity sector.”

*Neil McDermott, LCCC Chief Executive*

The reports provide a detailed account of the work and achievements of both companies over the previous financial year, with key developments including:

- **Introduction of the Data Portal** – requested by electricity suppliers, our new Data Portal ([lowcarboncontracts.uk/data-portal](https://lowcarboncontracts.uk/data-portal)) enables direct downloads of CfD and CM Data, supporting the aims of the Open Data initiative.
- **CfD portfolio progress** – five CfD projects became operational during 2020/21, increasing the total installed capacity commissioned under the CfD scheme to 5.6GW. Newly operational projects contributed to a combined low carbon electrical output from the CfD portfolio of 22.66TWh between 1 April 2020 and 31 March 2021 – equivalent to that required to power Scotland in 2020. In addition, shortly after the financial year end, six Allocation Round 3 projects (representing 16 CfD contracts and 5.5GW, 95% of the allocated capacity) achieved their Milestone Requirement in April 2021. Progress on the CfD portfolio is demonstrated in the infographic on pages 12-13 of [LCCC’s report](#).
- **Capacity Market** – our focus in 2020/21 has been on streamlining processes and providing increased public data. A [new metered data portal for capacity providers](#) was launched to improve visibility of Stress Events, ‘Satisfactory Performance Day’ and

Demand Side Response tests. In addition, the [Capacity Market forecast dashboard](#)

was introduced in response to feedback received from electricity suppliers.

## Allocation Round 4 – Draft Budget Notice published

The government has published a Draft Budget Notice which sets out that a draft budget of £265 million has been set for the fourth allocation round of the Contracts for Difference scheme.

Alongside the Draft Budget Notice, the government has also published a draft

Allocation Framework, which sets out the rules and eligibility requirements for the round.

For further information on this announcement and the documents, visit the [Allocation Round 4 microsite](#).

## Refund to suppliers – via EMRS

On **1 October 2021**, those Suppliers who made Operational Costs and Settlement Costs Levy Payments during the Financial Year 2020/21 will receive a credit note for both the repayment of excess CfD Operational Costs

and the CM Settlement Costs Levy refund, with a payment date of **8 October 2020**. Further details will be provided by [EMRS](#) to Suppliers regarding these refunds.

## Upcoming LCCC events – Register via our [Events page](#)

### **Capacity Providers Webinar 10-11am, Thursday 14th October**

The second in a series of regular webinars from ESC covering the current operational requirements and upcoming activity for Capacity Providers. Register for this event [here](#).

### **CfD ILR and TRA: Q1 2022 10-11am, Monday 25th October 2021**

Our Forecasting team will discuss the Q1 2022 forecasts and the out-turn of Q3 2021. Register for this event [here](#).

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