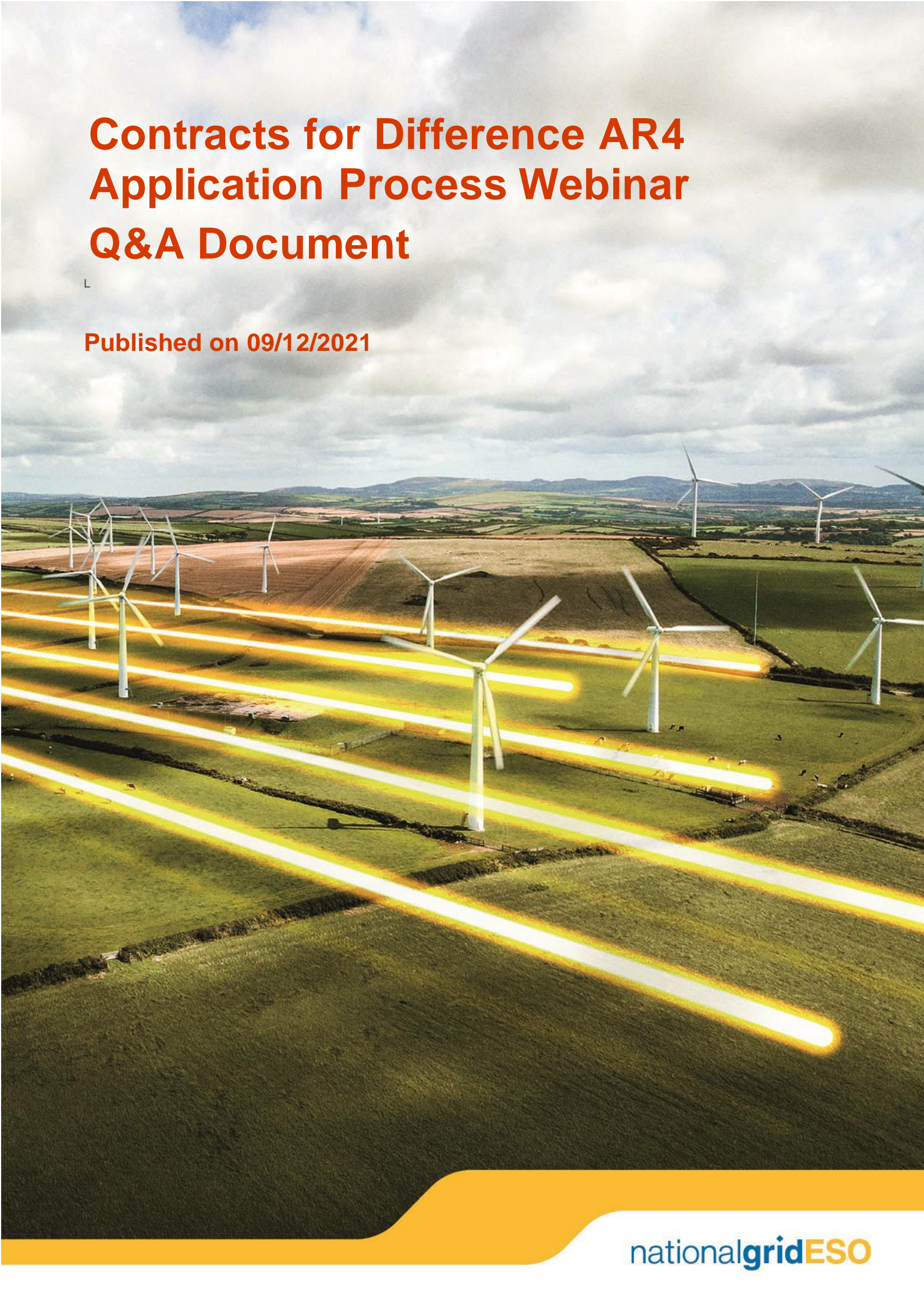


# Contracts for Difference AR4 Application Process Webinar Q&A Document

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## Explanation of Application Form Reference (AFR)

Throughout this document you will see AFR and a number in brackets (). These numbers respond to the below sections of the application form and have been entered into this document to help you associate the question to the applicable section of the application form.

1. General

2. Incorporation

3. CfD Unit details

4. Cross subsidy  
scheme

5. Applicable planning  
consents

6. Connection  
Agreement(s)

7. CfD Contract

8. Supply Chain Plan

9. Declarations

## Applicable Planning Consents

**Question 1:** The Planning Notices will not be in the name of the Generator; what supporting evidence will be required? (AFR5)

**Answer:** Supporting evidence would be in the form of a covering letter explaining the arrangement and so long as the name is verifiable in companies house this should be acceptable.

## Applicant Details

**Question 2:** Will the account holder be able to fill in everything or does the Director have to take any online actions?

**Answer:** The main correspondent throughout the round will be the nominated main admin, who will create and submit the CfD application. The authorised person is required to sign the digital registration form at the beginning of the process.

**Question 3:** Can there be two nominated correspondents?

**Answer:** Yes, the main admin can add other users and give them the same permissions as the main admin.

## Application Form

**Question 4:** Are the tabs downloadable in an excel format so that we can compile all information before hand?

**Answer:** Currently you can save the application as a pdf during the application stage, however, you can't directly save it in excel form. The questions can also be found in the detailed guidance document, which is available in the [document section](#) of our EMR Delivery Body website.

**Question 5:** Will the account be able to view the application portal and input pages – even if not OPEN until Dec 2021?

**Answer:** The application portal will open on the 13th December 2021. You will only be able to view and edit the application part of the portal once the window opens.

**Question 6:** What I would really like to do is download the questions/ requirements so I can create a tracker of all the information in advance of sitting down to upload - is that possible?

**Answer:** All the questions/requirements can be viewed in our AR4 guidance document on the EMR portal. This includes screen grabs for each of the questions/requirements so this would be the best route to accessing the application information now.

**Question 7:** Question B1 asks for address of CfD Unit. For an offshore wind farm that does not yet have an onshore substation constructed (and hence no address), is it acceptable to give the National Grid substation where project connects to the grid?

To follow up on my question, I would like to understand if question B1 refers to the offshore wind farm substation or the National Grid Substation? (AFR3)

**Answer:** The connection agreement should specify the address of the onshore substation even if it hasn't been built yet; the prospective building works would be detailed in the connection agreement.

## Connection Agreements

**Question 8:** There will be an exempt distribution system between the Generator and the DNO; what supporting evidence will be required? (AFR6)

**Answer:** Where a Direct Connection applies and the CFD Unit is connected only to the Distribution System then the Applicant must indicate whether it intends to be Licence Connected or Licence Exempt Embedded; a statement to this effect should be made with the application, for example in a cover letter, and if appropriate the relevant BELLA connection agreement should be uploaded as part of the application. Further details can be found the Allocation Framework.

**Question 9:** As the grid connection agreement can be 75% of the proposed installed capacity, can the application be more than the consented installed capacity? (AFR3)

**Answer:** Where the applicable planning consent(s) sets out the capacity (in MW) of the proposed CFD Unit permitted under the applicable planning consent(s), that capacity must be equal to or more than the Initial Installed Capacity Estimate of the CFD Unit specified in the Application. See Schedule 5 CfD Allocation Framework for more details.

**Question 10:** You reference connection agreements - is a grid connection offer sufficient, or does the full agreement have to have been entered into? (AFR6)

**Answer:** This must be a full connection agreement (including a countersigned offer) signed by the applicant and the transmission owner/distribution network operator.

**Question 11:** Should a connection agreement have two technology types - can this be applied as one CFD or two if they have different staged connection dates? (AFR6)

**Answer:** The only time that two technology types are able to use the same connection agreement is when there is a generator of a CfD technology and Battery Storage. Battery Storage is not eligible to apply for a CfD.

**Question 12:** Is a signed distribution connection offer suffice or is a bi-lateral agreement with the DNO required? (AFR6)

**Answer:** Allocation Regulation 25(6), as amended in 2016, states that a connection agreement means an agreement (including a countersigned offer) to the national transmission system for GB or the distribution system. In this case, acceptable evidence of a countersigned offer would be the connection offer letter signed by the distribution network operator and the generator's signed offer acceptance.

## Cross Subsidy

**Question 13:** Can I confirm that if you have submitted an application for Capacity Market Auction next year you can't also apply for the CfD, unless you withdraw from the CMU?

**Answer:** If an application is prequalified in the CM and an application is made to the CfD, it will be ineligible (unless or until a determination is made that the CM application is unsuccessful or withdrawn). This is based on Regulation 14(10)(c) and the interpretation offered in Regulation 14(10A) of the Contracts for Difference (Miscellaneous Amendments) Regulations 2016.

## Eligibility

**Question 14:** Can a generation asset that has been energised with a short-term PPA route-to-market arrangement, but has never received a CFD government subsidy, apply for CFD AR4?

**Answer:** Pursuant to Regulation 14(14), no Application may be made in respect of a CFD Unit where the CFD Unit is or is part of a Generating Station which has been Commissioned.

## Evidence

**Question 15:** Do you need to provide evidence of land ownership or signed lease for the CFD site? On the land/site control question, I am asking, separate to planning documentation, is there any site control evidence required to be submitted (e.g. from a landowner)

**Answer:** The only documentation required is the planning documentation.

## Timelines

**Question 16:** Can you publish all the possible auction timelines, not just the shortest and longest?

**Answer:** 23<sup>rd</sup> November Update: Delivery Body has raised this with the delivery partners to see if this is something we can accommodate.