

Consultation outcome: Contracts for Difference (CfD): proposed amendments to the scheme

Updated: Part B of government response published, along with follow-up consultation.

We're seeking views on proposed amendments to the Contracts for Difference (CfD) scheme, which provides support for new low carbon electricity generation projects, to enable it to continue to support new generation and provide best value for bill payers in coming years.

Government aims to support the development of onshore wind projects on remote islands, where they benefit local communities. This consultation sets out a proposed definition of remote islands wind, as a new technology that can compete in future auctions for 'less established' technologies. An impact assessment is published regarding this proposal.

The responses to the [Call for Evidence on fuelled technologies in the CfD scheme](#), published in November 2016, have informed the development of a number of policy changes relating to fuelled technologies. This consultation proposes:

- refinements in relation to Advanced Conversion Technologies, to ensure that only more innovative and efficient plants are awarded subsidy
- changes to the overall efficiency requirements for Combined Heat and Power, to ensure that CfD supported plants are of a suitably high overall efficiency; an impact assessment is being published regarding this proposal
- updated greenhouse gas emissions criteria that new projects using solid and gaseous biomass as feedstock will have to comply with

The consultation also makes new proposals to facilitate more accurate forecasting of budget spend, and invites views on various other potential changes to the detailed terms of new CfD contracts.

As part of this consultation, stakeholder engagement events were held in Glasgow, Cardiff and London. The questions raised and points of clarification on the proposed changes are answered in the Stakeholder Q&A.