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DRAFT STATUTORY INSTRUMENTS

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**2014 No.**

**The Contracts for Difference (Allocation) Regulations 2014**

**PART 3**

**Budgets applicable to allocation rounds**

**Budget notices**

- 11.**—(1) The Secretary of State must by notice (“a budget notice”) specify—
- (a) the overall budget which is available for each delivery year applicable to an allocation round; and
  - (b) the administrative strike prices applicable to applications in an allocation round.
- (2) The Secretary of State may in a budget notice specify any of the following—
- (a) budgets which are reserved for the descriptions of applications specified in the notice (“minima”);
  - (b) maximum budgets which apply to the descriptions of applications specified in the notice (“maxima”);
  - (c) a division of the overall budget such that a different part (“pot”) of the overall budget applies to the description of applications specified in the notice.
- (3) Where maxima or minima are specified, they may be expressed as—
- (a) a sum of money;
  - (b) an amount of capacity of electricity generation; or
  - (c) a combination of (a) and (b).
- (4) Where—
- (a) the overall budget is expressed as a sum of money; and
  - (b) that sum is stated by reference to a price which is not current at the date of the budget notice,

the budget notice must include a factor which, when applied to that sum, converts that sum into a price which is current at that date.

- (5) A budget notice must—
- (a) be given to the delivery body;
  - (b) identify the allocation round to which the budget notice applies; and
  - (c) be given no later than 10 working days before the commencement date of the allocation round.