
STATUTORY INSTRUMENTS

2016 No. 784

**The Contracts for Difference (Miscellaneous
Amendments) Regulations 2016**

PART 5

Amendments to the Electricity Market Reform (General) Regulations 2014

New regulation 17

26. After regulation 17 (investment contracts) insert—

“PART 6

Secretary of State directing a CFD counterparty

Power to direct a CFD counterparty

18.—(1) Paragraph (2) applies where the Secretary of State issues and publishes revised standard terms in accordance with section 11 of the Act that include revisions to any sustainability obligations in the standard terms.

(2) The Secretary of State may give a notice (“a direction notice”) to a CFD counterparty that requires the CFD counterparty to implement amendments to the sustainability obligations.

(3) A direction notice may only be given for the purpose of the “Sustainability Objective” (as that term was defined in any CFD to which the direction applies).

(4) A direction notice must specify what amendments a CFD counterparty must effect in relation to which CFDs.

(5) A direction notice may only specify an amendment to a CFD that ensures the sustainability obligations in that CFD have the same effect as the sustainability obligations in the revised standard terms.

(6) A direction notice may specify the date from which any amendment to a CFD must take effect.

(7) The Secretary of State must publish a direction notice.”.