## **EXPLANATORY NOTE**

(This note is not part of the Regulations)

This instrument amends the Contracts for Difference (Electricity Supplier Obligations) Regulations S.I. 2014/2014 (the "2014 Regulations") and the Electricity Supplier Obligations (Amendment & Excluded Electricity) Regulations S.I. 2015/721 (the "2015 Regulations"). Those Regulations make provision about the obligations of electricity suppliers to make payments to fund the Contracts for Difference (CFD) scheme under the Energy Act 2013 (c. 32).

The 2014 Regulations and the 2015 Regulations made provision about green excluded electricity. This is electricity that is imported to Great Britain from an EU member State where that electricity is generated by a renewable generating station, which if located in Great Britain would have been potentially eligible to apply for support under a CFD. Such electricity was excluded from the calculation of electricity suppliers' CFD daily and quarterly contributions under Part 2 of the 2014 Regulations (subject to a cap on the total amount of electricity which could be green excluded electricity in a quarter).

Regulation 2 of this instrument amends regulations 4 and 5 of the 2014 Regulations so that green excluded electricity is no longer excluded from the calculation of electricity suppliers' CFD daily and quarterly contributions. The remaining amendments made by this instrument remove all other provisions in the 2014 Regulations and the 2015 Regulations which relate to green excluded electricity.

An explanatory memorandum is available with this instrument on www.legislation.gov.uk.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.