



Contracts for Difference: Stakeholder Bulletin

25 April 2022

Ofgem final decision on changes to BSUoS charges

Ofgem has announced today that from 1 April 2023 generators will no longer pay Balancing Services Use of System (BSUoS) charges.

The announcement follows the outcome of a consultation that sought views on proposed changes to the way the charges are collected from electricity network users.

Ofgem will implement the decision by modifying the Connection and Use of System Code (code modification CMP308).

- [Full details of the announcement](#)

For successful projects in Allocation Round 4 (AR4) that would otherwise have been liable to pay the charges, today's announcement means that their strike prices will be adjusted downwards after contracts are awarded. The adjustment will be applied from 1 April 2023 to coincide with Ofgem's decision taking effect.

In December 2021, the Low Carbon Contracts Company and the Department for Business Energy and Industrial Strategy published an [explanatory note on the treatment of BSUoS charges for AR4](#). Example B from paragraph 19 of the note sets out the arrangements following Ofgem's decision today.

UK General Data Protection Regulation

This stakeholder bulletin is being circulated to people who have opted in to the Contracts for Difference stakeholder contact list. We issue these stakeholder bulletins as a convenience to interested parties, however it is not in any way essential to be on this list to participate in major consultations or allocation rounds.

Purpose & scope of this list: This list is managed by the Department for Business, Energy and Industrial Strategy (BEIS) (and any successor departments) and will be used to inform interested parties of policy developments relevant to the Contracts for Difference scheme for renewable energy projects (and any direct successor schemes). It is not used for any other purposes.

To be removed from the circulation list: Please send a blank e-mail with the subject 'opt out' (if the receiving e-mail you use is different to the one you send the e-mail from, include that e-mail address in the subject of the e-mail) to BEISContractsForDifference@beis.gov.uk.

If you have received this indirectly and want to be added to this list: Send a blank e-mail with the subject line 'opt in' to BEISContractsForDifference@beis.gov.uk. You can withdraw your consent to opt in at any time. We will normally keep your address on this list until you: a) withdraw your consent to opt in, b) the scheme closes without any successor, c) we receive reports your email address is no longer operational, or d) you do not respond to a periodic request from us to reconfirm your desire to opt in.