



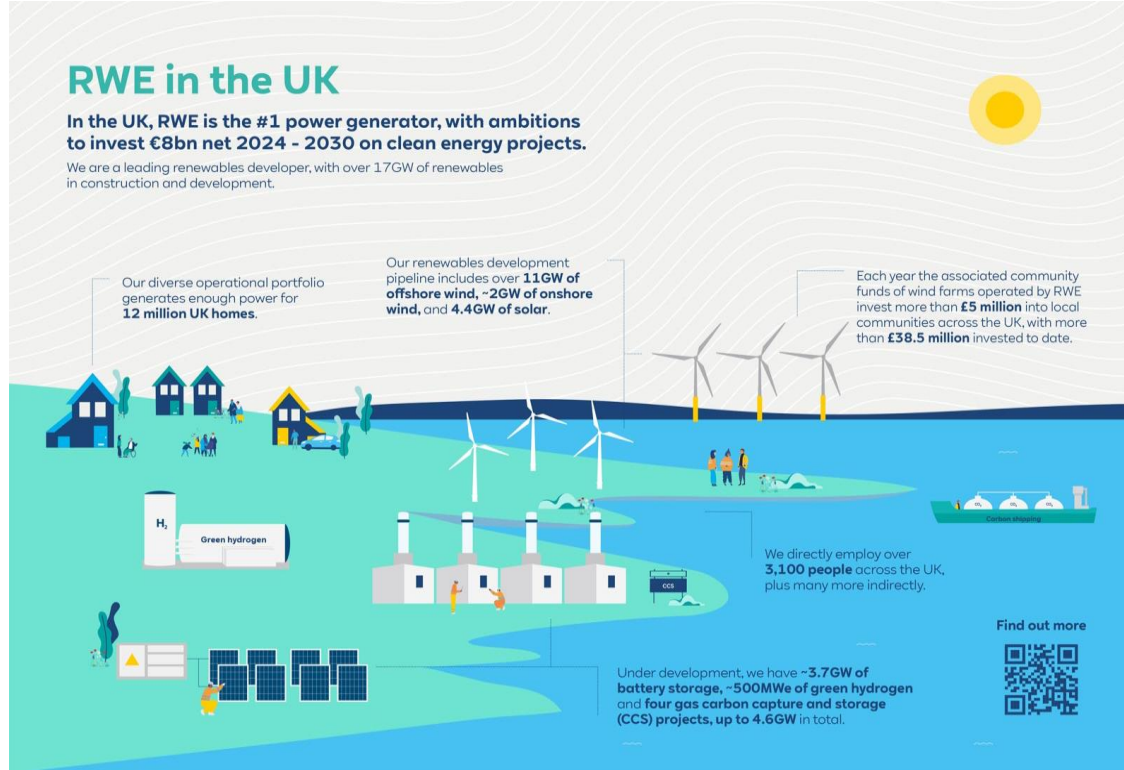
# Next steps for the Contracts for Difference Scheme

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# RWE in the UK
















## RWE and the CfD:

- Deep experience of development, investment and operations of projects and their interactions with the CfD
- RWE already has over **440MW of onshore wind, 660MW of solar PV and 2.3GW<sup>1</sup> of offshore wind** with CfD contracts
- **2GW onshore wind and 4.4GW solar PV** development pipelines
- **11GW<sup>2</sup> leased offshore wind** development pipeline

1. Total capacity of projects RWE is involved in, pro-rata share is 1.9GW  
2. Total capacity of projects RWE is involved in, pro-rata share is ~7.5GW

# Simple changes to CfD allocation could radically increase deployment and ensure 2030 targets are within reach

Key solution	Technology area	What will this do?
1. Capacity targets per pot and per round	  	<ul style="list-style-type: none"> <li>• Directly links the CfD to government targets and the 2030 mission</li> <li>• Auction schedules allow better project planning and supply chain certainty</li> </ul>
2. Market reflective reference prices and load factors	  	<ul style="list-style-type: none"> <li>• Government forecasts remain ~50% below market expectations. CfD budgets therefore over price and under deliver on capacity</li> <li>• Reflective parameters allow budgets to stretch further</li> </ul>
3. Extended CfD tenure (to 25 years or more)	  	<ul style="list-style-type: none"> <li>• New projects are now looking at 30 year+ life spans</li> <li>• Extending the CfD aligns to these lifespans and helps lower strike prices by providing more revenue certainty</li> </ul>
4. Additional later delivery years		<ul style="list-style-type: none"> <li>• More projects can enter auctions and achieve investment decisions. Projects would otherwise be eligible, but grid delays are prohibiting this</li> </ul>
5. Maintain other parameters – ASPs and auction timings	  	<ul style="list-style-type: none"> <li>• Administrative Strike Prices should be maintained to maximise auction entry</li> <li>• AR7 should open for CfD bids in Spring 2025 and not be delayed by other policy initiatives (SIRs)</li> </ul>

Recent RUK paper aligns industry to this message