

Substantive Financial Commitment Milestones

Generation Technology	Financial Criteria	Construction contracts	Additional information: rights to land	Additional information: Consent or other conditions	Target Date for SFC (from signature of C/D)
All technologies	<p>Financial Investment Decision (FID) being: an adopted Resolution by the Board of Directors to support the particular project;</p> <p><i>or</i></p> <p>formal minutes of a management meeting of the project developer recording a binding decision to invest in a particular project;</p> <p><u>and</u></p> <p>Evidence that financing secured by signed loan agreement or equivalent financial instrument.</p> <p><u>and</u></p> <p>Front End Engineering Design (FEED) Contract signed.</p> <p><u>and</u></p> <p>any technology-specific criteria as set out below.</p>	<p>Binding commitment for supply of major equipment, particularly any technology-specific criteria as set out below.</p>	<p>Evidence of land holding and rights to access for construction and operation e.g. certification of title deeds or leasing agreement with landowner(s), including any Necessary Wayleaves;</p> <p>Agreement of any CPOs required for construction and operation.</p> <p><u>and</u></p> <p>any technology-specific criteria as set out below.</p>	<p>Declaration by the authorised person that:</p> <p>any development/planning consent conditions for construction of the project are included in the project design and implementation plan;</p> <p><u>and</u></p> <p>there are no consent conditions for which the means of implementation are not yet known.</p>	1 year
Advanced Conversion Technology (ACT)		Signed EPC contract covering the supply and installation of gasifier or pyrolyser; <i>or</i> signed supply agreement for the gasifier or pyrolyser; <i>or</i> signed framework agreement for gasifier <i>or</i> pyrolyser supply and binding purchase order referencing the particular project.			
Advanced Conversion Technology (ACT) (with CHP)	<p>Framework contract to supply heat</p> <p><i>or</i></p> <p>Detailed feasibility study with energy consumption profile (if using heat on-site)</p>	Signed EPC contract covering the supply and installation of gasifier or pyrolyser; <i>or</i> signed supply agreement for the gasifier or pyrolyser; <i>or</i> signed framework agreement for gasifier or pyrolyser supply and binding purchase order referencing the particular project.			
Anaerobic Digestion		Signed EPC contract covering the supply and installation of digester; <i>or</i> signed supply agreement for the digester; <i>or</i> signed framework agreement for digester supply and binding purchase order referencing the particular project.)			
Anaerobic Digestion (with CHP)	<p>Framework contract to supply heat</p> <p><i>or</i></p> <p>Detailed feasibility study with energy consumption profile (if using heat on-site)</p>	<p>Signed EPC contract covering the supply and installation of digester; <i>or</i> signed supply agreement for the digester; <i>or</i> signed framework agreement for digester supply and binding purchase order referencing the particular project.)</p> <p>Framework contract to supply heat.</p>			
Biomass Conversion	Framework contract for supply of sustainable biomass feedstock for intended capacity.	Signed EPC contract covering the existing plant conversion contract; <i>or</i> signed supply agreement for the existing plant conversion; <i>or</i> signed framework agreement for plant conversion and binding purchase order referencing the particular project.)			

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Dedicated Biomass (with CHP)	Framework contract to supply heat. or Detailed feasibility study with energy consumption profile (if using heat on-site) <i>and</i> Framework contract for supply of sustainable biomass feedstock for intended capacity.	Signed EPC contract covering: the supply and installation of furnace and boiler island; <i>or</i> signed supply agreement for the furnace and boiler island; <i>or</i> signed framework agreement for furnace and boiler island supply; and binding purchase order referencing the particular project			
Energy from Waste with CHP	Framework contract to supply heat <i>or</i> Detailed feasibility study with energy consumption profile (if using heat on-site)	Signed EPC contract covering the supply and installation of furnace and boiler island; <i>or</i> signed supply agreement for the furnace and boiler island; <i>or</i> signed framework agreement for furnace and boiler island supply; and binding purchase order referencing the particular project <i>and</i> Contract/s with local/district authority for waste disposal <i>or</i> contract/s with commercial bodies for waste disposal <i>or</i> contracts for provision of SRF or MSW.			
Geothermal	Financial Investment Decision (FID); <i>or</i> Evidence that financing secured by signed loan agreement or equivalent financial instrument supporting the drilling of a project's first well	Signed contract with a drilling contractor to drill the first well			
Geothermal (with CHP)	FID <i>or</i> equivalent financial instrument supporting the drilling of a project's first well <i>and</i> Framework contract to supply heat <i>or</i> Detailed feasibility study with energy consumption profile (if using heat on-site)	Signed contract with a drilling contractor to drill the first well			
Hydroelectricity		Signed EPC contract covering the civil works for the major scheme components; <i>or</i> signed civil works contract for the major scheme components; <i>or</i> signed framework agreement for civil works and purchase order referencing the major scheme components for the particular project.			
Landfill Gas		Signed EPC contract covering the supply and installation of engines; <i>or</i> signed supply agreement for the engines; <i>or</i> signed framework agreement for engine supply and binding purchase order referencing the particular project)			
Offshore Wind	The FEED contract to be for the procurement of the turbines	Signed EPC contract covering the supply and installation of the wind turbine groups; <i>or</i> signed supply agreement for the wind turbine groups; <i>or</i> signed framework agreement for wind turbine group supply and binding purchase order referencing the particular project	Crown Estate lease signed		
Onshore Wind		Signed EPC contract covering supply and Installation of the wind turbine groups; <i>or</i> signed framework agreement for wind turbine group supply and binding purchase order referencing the particular project.			

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Sewage Gas		Signed EPC contract covering the supply and installation of engines; <i>or</i> signed supply agreement for the engines; <i>or</i> signed framework agreement for engine supply and binding purchase order referencing the particular project.			
Solar PV		Signed EPC contract covering supply and installation of PV panels; <i>or</i> signed framework agreement for PV panel supply and binding purchase order referencing the particular project.			
Tidal Range		Signed EPC contract covering the civil works for the major scheme components; <i>or</i> signed civil works contract for the major scheme components; <i>or</i> signed framework agreement for civil works and purchase order referencing the major scheme components for the particular project.	Crown Estate Lease signed		
Tidal Stream		Signed EPC contract covering the supply and installation of turbines; <i>or</i> signed supply agreement for the turbines; <i>or</i> signed framework agreement for turbine supply and binding purchase order referencing the particular project.	Crown Estate Lease signed		
Wave		Signed EPC contract covering the supply and installation of generation engines; <i>or</i> signed supply agreement for the wave energy converter; <i>or</i> signed framework agreement for wave energy converter supply and binding purchase order referencing the particular project.	Crown Estate Lease signed		

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Purpose of Milestones					
Financial	Financial Investment Decision (FID)	The FID, as described, or a signed Loan Agreement with investors will provide evidence that there is an overall commitment to invest in the project by the developer.			
	Front End Engineering Design (FEED)	Signed contract for engineering design will commit the project developer to significant expenditure and is likely to be done <i>before</i> a final investment decision is taken. Although not an indicator of investment on its own, the FEED is a good indicator that the project is in progress.			
	Framework contract to supply heat.	For CHP generating stations on-selling heat, one of the critical elements is the contract to supply customers. It is therefore a good indicator that the project is progressing and is viable. Moreover, without such a contract, it is unlikely that a proposed CHP plant would be able to attract investment.			
Contract	Binding commitment for supply of major equipment	Contracts for supply of major equipment taken with financial evidence indicate a commitment to construct and operate the proposed generating station.			
Rights to Land	Evidence of title, rights of access, CPOs and, for offshore, Crown Estates Leases	Until rights of access, title to land and where necessary Crown Estates leases have been completed, developers cannot guarantee that the project can be built on the intended site. These issues should therefore be completed before an investment decision is made and absence of appropriate rights would indicate that - whatever statements on investment - the project is not sufficiently advanced to be considered financially committed.			
Consent or other conditions	Declaration that any conditions for construction or operation are included in appropriate plans or that the means to implement conditions are known.	Most development consent conditions require agreement of various management plans with the relevant local authority/ies before construction can commence. There may also be operating conditions attached e.g. environmental permitting - particularly for "nuisance" or noise which cannot be "discharged" because they are ongoing obligations to which the operator must adhere, but for which plans can be drawn up. Agreement of plans to meet conditions for construction and operation are a necessary precursor to construction and therefore provide a useful indicator that the developer is committed to construction of the project.			
In each column, the "standard criteria" are required - so for a project to achieve the SFC "milestone" it must demonstrate all that all the conditions have been met. There are, however, some alternatives within each column. For example an offshore project might meet the milestones by presenting the Board Resolution, FEED contract for the turbines, a framework contract with a turbine supplier and a Crown Estate Lease, with evidence of rights of access to land for onshore installations and the implementation plans for the safety zone around the turbines and mitigation of adverse impacts on migrating birds; whereas an EfW generating station might demonstrate a signed Loan Agreements with investors for 75% - 100% of the project costs, a FEED for the fuel handling facilities and combustion unit, the framework contract to supply heat to an industrial unit or district heating scheme, a supply contract for the generating set, title to the Land and transport, waste management and environmental plans agreed with the LPA and EA.					