How do **Contracts for Difference (CFD) work?**

€/MWh

- Strike price
- Electricity price
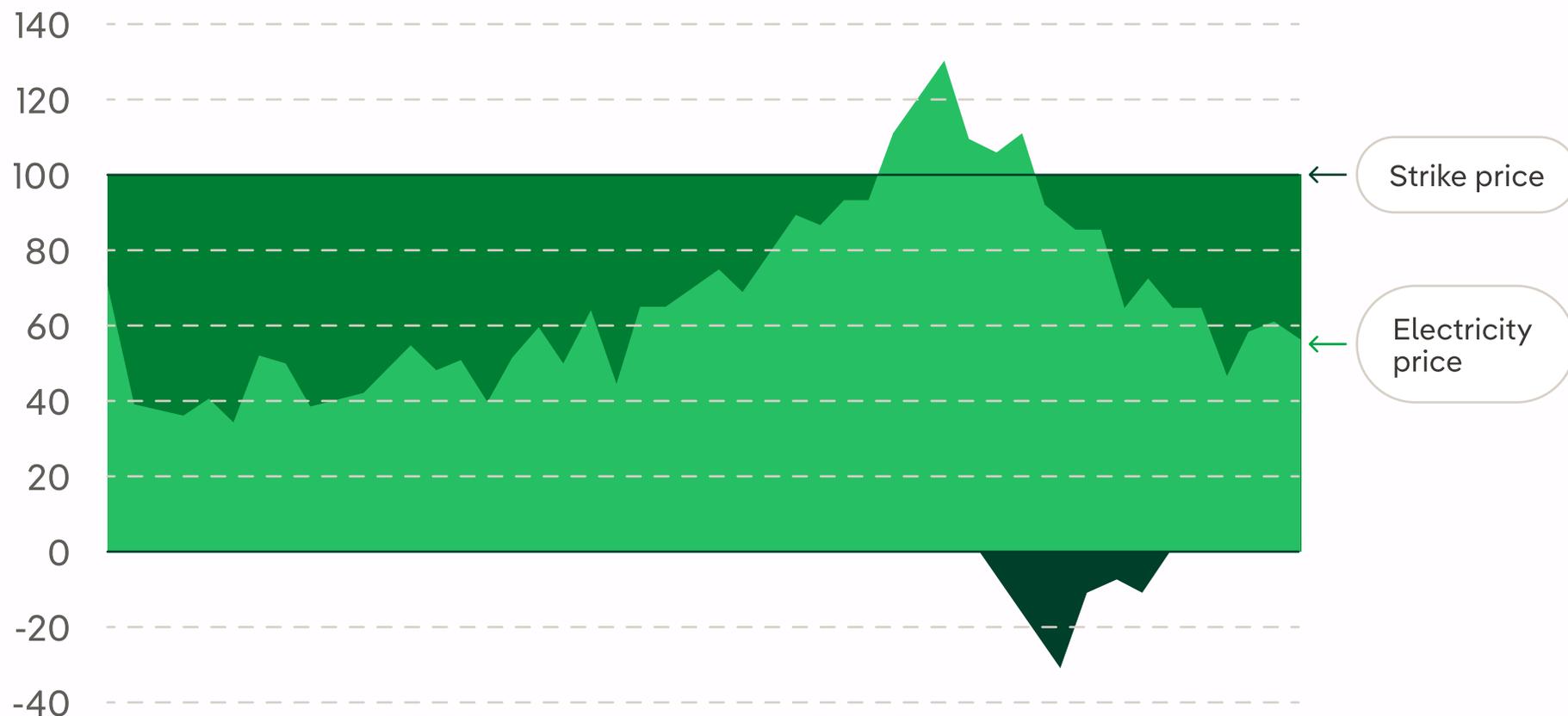
●	**The generator is paid** when wholesale price is below strike price to bring revenue up to strike price
●	**Market revenue** price of electricity
●	**Generator pays back** when wholesale price is above strike price to return revenue to strike price

Source: House of Commons Library