**CMP398 WACM legal text**

New definition to go in section 11 :

**“System Restoration :** (as defined in the **Grid Code**)**”**

New section 6.37 to go in CUSC section 6 “general provisions”

6.37 GC0156 Cost Recovery Claims

6.37.1 All **CUSC Users** that are **Generators** that are not **Restoration Contractors**  (as defined in the **Grid Code**)may submit claims during the annual claims submission month for the recovery of the cost of compliance with the new obligations imposed on them via **Grid Code** modification GC0156. Claims will be assessed by **The Company** as described in paragraph 6.37.5. All costs that result shall be paid out as described in paragraph 6.37.7.

6.37.2 New **Generators** that first sign a bilateral connection agreement with **The Company** after the date of approval of GC0156, are not permitted to submit a claim

6.37.4 The claims submission month will initially be September in each year, save that claims shall not be possible in September 2023. However, in 2026, the claims submission month will be December 2026, and this will be the last ever claims window. From 31st December 2026, no more claims will be accepted.

6.37.5 The claims assessment process will involve a case-by-case assessment of claims for capital expenditure incurred in complying with the new obligations, with accompanying evidence to demonstrate that the costs incurred were necessary**,** reasonable, efficient and proportionate.

6.37.6 **The Company** will recover the costs of successful claims via **Balancing Services Use of System Charges**.

6.37.7 When a claim is approved, **The Company** will pay the claim over the following 12 month period that begins in April the year after the submission of the claim, in 12 equal monthly amounts. If a claim is approved after April in the calendar year after the submission of the claim, payment of the claim will be made in equal monthly amounts over the months remaining to the following March, inclusive.

6.37.8 Each claimant shall use reasonable endeavours, exercising good industry practice, to identify if compliance with the GC0156 **Grid Code** requirements could be achieved at a materially lower cost by meeting a lesser technical requirement (such as by providing resilience at their asset for fewer than 72 hours) and if so, then they shall advise **The Company** accordingly and liaise with **The Company** about possible solutions associated with a request to **The Authority** for a derogation against the **Grid Code** to the lesser level of resilience. If appropriate, **The Company** shall seek a derogation from **The Authority** on that basis. If the derogation request is denied, then a claim can be submitted for assessment by **The Company** as per this section 6.37.