

CMP398 WACM1 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 are assessed as being payable shall be paid out as described in paragraph 6.37.7.

6.37.2 Generators that first sign a new Bilateral Agreement with The Company after the date of implementation of Grid Code 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, efficiently-incurred, 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 has been denied, or has not been granted by 1st December 2026, then a claim can be submitted before 31st December 2026 for assessment by The Company as per this section 6.37.