

Annex 7 – CMP331 Legal Text
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CUSC - SECTION 14

CHARGING METHODOLOGIES

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Derivation of Generic ALFs

14.15.111 The generic ALF is derived from the average annual output of the ten most recently commissioned GB generation of a particular generation plant type that have at least five **Financial Years'** data, using an identical methodology to that used for the Power Station specific calculation described above. Where less than ten GB generators of a particular generation plant type exist, then data from all existing generators of that particular generation plant type will be used. Example generation plant type categories are listed below;

Fuel Type
Biomass
Coal
Gas
Hydro
Nuclear (by reactor type)
Oil & OCGTs
Pumped Storage
Onshore Wind
Offshore Wind
CHP

14.15.112 **The Company** will keep these categories under review and update as necessary. Where within a category there is a significant locational difference consideration will be given to zonal generic factors. The factors used will be published in the Statement of Use of System Charges and will be reviewed annually.

14.15.113 If a User can demonstrate that the generation plant type of a Power Station has changed, consideration will be given to the use of relevant generic ALF information in the calculation of their charges until sufficient specific data is available.

14.15.114 For new and emerging generation plant types, where insufficient data is available to allow a generic ALF to be developed, **The Company** will use the best information available e.g. from manufacturers and data from use of similar technologies outside GB. The factor will be agreed with the relevant Generator. In the event of a disagreement the standard provisions for dispute in the CUSC will apply.

14.15.114 a A User can submit a user-provided ALF to be used instead of the generic ALF. The user-provided ALF must be submitted to **The Company** no later than 30 September of the **Financial Year** (t-1) for the **Financial Year** (t) except for the **Financial Year** commencing 1 April 2024, when the user-provided ALF must be submitted by 31 October 2023. The submission of a user-provided ALF should be accompanied by evidence why the user-provided ALF would be a more accurate representation of the operating regime of the **Power Station** than the generic value that would otherwise apply. **The Company** will assess the evidence and if it deems it to be sufficient it will use the ALF provided by the **User** in substitution of the generic ALF.

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14.15.114 b When assessing whether the generic ALF can be substituted with a user-provided ALF, **The Company** will examine the evidence provided to determine whether:

- The ALF has been determined from a report that has been produced independently from the **User**
- The report provides a fair assessment of the expected output of the power station that takes account of the variables that are likely to impact the annual output and load factor

The **User** will notify **The Company**, at the earliest opportunity and providing accompanying evidence, as soon as it becomes aware of any issues that could impact the value of the user-provided ALF or **The Company's** assessment of it.

14.15.114 c Where **The Company** rejects the submission of a user-provided ALF by a **User** and the **User** believes that **The Company** has not given sufficient reason to reject the evidence provided, the **User** can dispute the decision via the disputes process set out in CUSC.