



**Single Electricity Market  
(SEM)**

**Capacity Market Code Working Group 25**

**Consultation Paper**

**Appendix C –**

**Approved Modification Text Drafting CMC\_05\_22**

**SEM-22-XXX(c)**

**1 July 2022**

**Modify J.4.3 Verification:**

**J.4.3 Verification**

J.4.3.1 A Participant shall provide verification in accordance with this section J.4.3 in respect of:

- (a) achieving the Substantial Financial Completion Milestone, any other Major Milestone or Minimum Completion in relation to Awarded New Capacity; and
- (b) the “T-1 Implementation Progress Report”, being the last Implementation Progress Report scheduled for delivery prior to the date 13 Months prior to the start of the first Capacity Year in which the Awarded New Capacity is scheduled to be provided under the Implementation Plan.

J.4.3.2 For the purposes of paragraph J.4.3, verification comprises:

- (a) in respect of the Substantial Financial Completion Milestone:
  - (i) for Awarded New Capacity other than a Demand Side Unit or an Aggregated Generator Unit, a certificate addressed to the System Operators and signed on behalf of the Participant by a Participant Director certifying that, having made all due and careful enquiry and to the best of the knowledge, information and belief of the Participant Director, the Substantial Financial Completion Milestone has been achieved, and in particular that each of the statements in paragraphs J.2.1.1(a)(i) to J.2.1.1(a)(v) is true and correct in relation to the Milestone; and
  - (ii) for Awarded New Capacity other than a Demand Side Unit or an Aggregated Generator Unit, a copy of the resolution, agreement or approval referred to in paragraph J.2.1.1(a)(iv);
  - (iii) for Awarded New Capacity that is a Demand Side Unit or an Aggregated Generator Unit, either
    - (A) evidence that a contract is in full force and effect between the Participant and the provider of the physical capacity; or
    - (B) where a Participant has elected to increase the Termination Charge and associated Performance Security under paragraph J.2.1.3(a)(ii), notification to the System Operators confirming the Participant has posted Performance Security equal to or in excess of the revised Required Level.
- (b) in respect of the Commencement of Construction Works Milestone, a certificate addressed to the System Operators and signed on behalf of the Participant by a Participant Director certifying that, having made all due and careful enquiry and to the best of the knowledge, information and belief of the Participant Director, the Commencement of Construction Works Milestone has been achieved, and in particular that each of the statements in paragraphs J.2.1.1(b)(i) and J.2.1.1(b)(ii) is true and correct in relation to the Milestone; and

~~(c)~~ in respect of all other Milestones, ~~or Minimum Completion or the T-1 Implementation Progress Report~~, a certificate addressed to the System Operators ~~and signed on behalf of the Participant by a Participant Director from an independent Certified Engineer, with experience and expertise in the construction and operation of the relevant type of equipment or technology, approved by the System Operators (such approval not to be unreasonably delayed or withheld)~~ certifying that, having made all due and careful enquiry and to the best of their knowledge, information and belief, the relevant Milestone or Minimum Completion (as applicable) has been achieved.

~~(c)~~(d) any additional information or evidence in relation to the achievement of any Milestone or Minimum Completion requested by the System Operators for the purposes of J.4.3 including a certificate addressed to the System Operators from an independent Certified Engineer, with experience and expertise in the construction and operation of the relevant type of equipment or technology, approved by the System Operators (such approval not to be unreasonably delayed or withheld) certifying that, having made all due and careful enquiry and to the best of their knowledge, information and belief, the relevant Milestone or Minimum Completion (as applicable) has been achieved.

J.4.3.3 For the purposes of paragraph J.4.3.2(~~de~~), a person is regarded as independent if:

- (a) the person is not an Affiliate of the relevant Participant;
- (b) the person is not a current employee of the relevant Participant or an Affiliate of the relevant Participant;
- (c) the person has not been an employee of the relevant Participant or an Affiliate of the relevant Participant with the previous two years; and
- (d) the person is not engaged on terms, nor party to any other arrangements, which could allow the Participant or any Affiliate of the Participant to exercise undue influence on any report, assessment, certificate or commentary prepared by that person or otherwise compromise the objectivity of such report, assessment, certificate or commentary.

J.4.3.4 A certificate under this section J.4.3 shall be in the form published from time to time by the System Operators.

J.4.3.5 In a certificate given under paragraph J.4.3.2(~~de~~), the Certified Engineer giving the certificate shall confirm that they are independent within the meaning of paragraph J.4.3.3 and shall certify each of the matters referred to in paragraph J.4.3.3.

~~J.4.3.6 The System Operators may request that a Participant provide additional information or evidence in relation to the achievement of any Milestone or Minimum Completion, and the Participant shall comply with the request.~~