

Interpretations and Definitions

We are modifying the licence to insert the following definitions at the relevant place in the table of definitions in Special Condition 1.1 of the licensee's licence.

Changes since the Statutory Consultation are shown in strikethrough or underline and yellow highlight.

Licensee	Cadent Gas Limited Northern Gas Networks Limited Scotland Gas Networks plc Southern Gas Networks plc Wales & West Utilities Limited	National Grid Gas Plc (NTS)	National Grid Electricity Transmission Plc SP Transmission Limited Scottish Hydro Electric Transmission Plc	National Grid Electricity System Operator Limited
<i>New terms :</i>				
SIF	means the strategic innovation fund established by Special Condition <u>5.5 9.13</u> (The strategic innovation fund).	means the strategic innovation fund established by Special Condition 5.7 (The strategic innovation fund).	means the strategic innovation fund established by Special Condition <u>5.8 9.19</u> (The strategic innovation fund).	means the strategic innovation fund established by Special Condition 3.4 (The strategic innovation fund).
SIF Directly Attributable Costs	means costs relating to the maintenance and management of intellectual property generated through Eligible SIF Projects undertaken by the licensee that have not been otherwise remunerated by Network Charges, Directly Remunerated Services or the SIF Funding Mechanism.	means costs relating to the maintenance and management of intellectual property generated through Eligible SIF Projects, whether undertaken by the licensee or any other Gas Transporter Licensee, that have not been otherwise remunerated by NTS Transportation Owner Charges, Directly Remunerated Services or	means costs relating to the maintenance and management of intellectual property generated through Eligible SIF Projects undertaken by the licensee that have not been otherwise remunerated through Network Charges, Directly Remunerated Services or the SIF Funding Mechanism.	means costs relating to the maintenance and management of intellectual property generated through Eligible SIF Projects, whether undertaken by the licensee or any other Transmission Licensee that have not been otherwise remunerated through Transmission Network Charges, Directly Remunerated Services or the SIF Funding Mechanism.

		the SIF Funding Mechanism.		
SIF Disallowed Expenditure	means any revenue received by the licensee from the NTS Operator under the SIF Funding Mechanism that the Authority determines has not been spent in accordance with the applicable provisions of the SIF Governance Document or the terms of the relevant SIF Project Direction.	means revenue received, whether by the licensee or any other Gas Transporter Licensee, under the SIF Funding Mechanism that the Authority determines has not been spent in accordance with the applicable provisions of the SIF Governance Document or the terms of the relevant SIF Project Direction.	means any revenue received by the licensee from NGESO under the SIF Funding Mechanism that the Authority determines has not been spent in accordance with the applicable provisions of the SIF Governance Document or the terms of the relevant SIF Project Direction.	means revenue received, whether by the licensee or any other Transmission Licensee, under the SIF Funding Mechanism that the Authority determines has not been spent in accordance with the applicable provisions of the SIF Governance Document or the terms of the relevant Project Direction.
Eligible SIF Project	means a project undertaken by the licensee or any other Gas Transporter Licensee that the Authority assess as satisfying such requirements of the SIF Governance Document as are necessary to enable the project to be funded under the SIF Funding Mechanism.	means a project undertaken by the licensee or any other Gas Transporter Licensee that the Authority assess as satisfying such requirements of the SIF Governance Document as are necessary to enable the project to be funded under the SIF Funding Mechanism.	means a project undertaken by the licensee or any other Transmission Licensee that the Authority assess as satisfying such requirements of the SIF Governance Document as are necessary to enable the project to be funded under the SIF Funding Mechanism.	means a project undertaken by the licensee or any other Transmission Licensee that the Authority assess as satisfying such requirements of the SIF Governance Document as are necessary to enable the project to be funded under the SIF Funding Mechanism.
SIF Funding	means the proportion (if any) of the total amount of funding raised by the NTS Operator in accordance with the SIF Funding Mechanism that the Authority determines is to be allocated to the licensee in respect of its Eligible SIF	means the total amount of funding authorised by the Authority for the licensee, and other Gas Transporter Licensees and any body administering the SIF, in accordance with the provisions of the SIF Governance Document, for	means the proportion (if any) of the total amount of funding raised by NGESO in accordance with the SIF Funding Mechanism that the Authority determines is to be allocated to the licensee in respect of its Eligible SIF Projects, as adjusted by the	means the total amount of funding authorised by the Authority for the licensee, and other Transmission Licensees and any body administering the SIF, in accordance with the provisions of the SIF Governance Document, for the purpose of funding the

	Projects, as adjusted by the amount of any SIF Funding Return	the purpose of funding the administration of the SIF and Eligible SIF Projects.	amount of any SIF Funding Return.	administration of the SIF and Eligible SIF Projects.
SIF Funding Mechanism	means the mechanism by which the licensee receives the amount of authorised SIF Funding in any Regulatory Year from the NTS Operator, less any SIF Funding Return.	means the mechanism by which the licensee recovers the amount of authorised SIF Funding in any Regulatory Year and apports that amount between the licensee, and other Gas Transporter Licensees and any body administering the SIF as appropriate in accordance with the SIF Governance Document.	means the mechanism by which the licensee receives the amount of authorised SIF Funding in any Relevant Year from NGESO, less any SIF Funding Return	means the mechanism by which the licensee recovers the amount of authorised SIF Funding in any Regulatory Year and apports that amount between the licensee, and other Transmission Licensees and any body administering the SIF as appropriate in accordance with the SIF Governance Document.
SIF Funding Return	means the total amount, in respect of the licensee, of any amounts arising under the SIF Funding Return Mechanism.	means the total amount, in respect of the licensee, and other Gas Transporter Licensees and any body administering the SIF , of any amounts arising under the SIF Funding Return Mechanism.	means the total amount, in respect of the licensee, of any amounts arising under the SIF Funding Return Mechanism.	means the total amount, in respect of the licensee, and other Transmission Licensees and any body administering the SIF , of any amounts arising under the SIF Funding Return Mechanism.
SIF Funding Return Mechanism	means a mechanism which provides for payments to be made by the licensee to the NTS Operator, in each case to such extent (if any) as may be relevant, of: a) SIF Halted Project Revenues; b) SIF Disallowed Expenditure;	means the mechanism which provides for the recovery from the licensee, and from other Gas Transporter Licensees and any body administering the SIF , in each case to such extent (if any) as may be relevant, of: a) SIF Halted Project Revenues;	means the mechanism which provides for payments to be made by the licensee to NGESO, as may be relevant in each of the following cases to such extent (if any) as may be relevant, of: a) SIF Halted Project Revenues; b) SIF Disallowed Expenditure;	means the mechanism which provides for the recovery from the licensee, and from other Transmission Licensees and any body administering the SIF , in each case to such extent (if any) as may be relevant, of: a) SIF Halted Project Revenues; b) SIF Disallowed Expenditure; c) SIF Returned Royalty Income; and

	c) SIF Returned Royalty Income; and d) SIF Returned Project Revenues.	b) SIF Disallowed Expenditure; c) SIF Returned Royalty Income; and d) SIF Returned Project Revenues; and e) funds for administrating the SIF.	c) SIF Returned Royalty Income; and d) SIF Returned Project Revenues.	d) SIF Returned Project Revenues; and e) funds for administrating the SIF.
SIF Governance Document	means the document issued by the Authority under Part C of Special Condition 5.5 9.13 (The strategic innovation fund)	means the document issued by the Authority under Part C of Special Condition 5.7 (The Strategic Innovation Fund)	means the document issued by the Authority under Part C of Special Condition 9.19 [XX] (The strategic innovation fund)	means the document issued by the Authority under Part C of Special Condition 3.4 [XX] (The strategic innovation fund)
SIF Halted Project Revenues	means any revenues received by the licensee from the NTS Operator under the SIF Funding Mechanism in respect of an Eligible SIF Project which have not yet been spent, or otherwise committed, at the time that the Authority requires that project to be halted in accordance with the applicable provisions of the SIF Governance Document or the terms of the relevant SIF Project Direction.	means revenues received, whether by the licensee or any other Gas Transporter Licensee, under the SIF Funding Mechanism in respect of an Eligible SIF Project which have not yet been spent, or otherwise committed, at the time that the Authority requires that project to be halted in accordance with the applicable provisions of the SIF Governance Document or the terms of the relevant SIF Project Direction.	means any revenues received by the licensee from NGESO under the SIF Funding Mechanism in respect of an Eligible SIF Project which have not yet been spent, or otherwise committed, at the time that the Authority requires that project to be halted in accordance with the applicable provisions of the SIF Governance Document or the terms of the relevant SIF Project Direction	means revenues received, whether by the licensee or any other Transmission Licensee under the SIF Funding Mechanism in respect of an Eligible SIF Project which have not yet been spent, or otherwise committed, at the time that the Authority requires that project to be halted in accordance with the applicable provisions of the SIF Governance Document or the terms of the relevant Project Direction.
SIF Project Direction	means a direction issued by the Authority pursuant to the SIF Governance Document setting out the terms to be followed in relation to an Eligible SIF Project as a condition of its	means a direction issued by the Authority pursuant to the SIF Governance Document setting out the terms to be followed in relation to an Eligible SIF Project as a condition of its	means a direction issued by the Authority pursuant to the SIF Governance Document setting out the terms to be followed in relation to an Eligible SIF Project as a	means a direction issued by the Authority pursuant to the SIF Governance Document setting out the terms to be followed in relation to an Eligible SIF Project as a condition of its funding under the SIF Funding Mechanism.

	funding under the SIF Funding Mechanism.	funding under the SIF Funding Mechanism.	condition of its funding under the SIF Funding Mechanism.	
Proposed SIF Project	means a project that the licensee or any other Gas Transporter Licensee has proposed to be funded by the SIF.	means a project that the licensee or any other Gas Transporter Licensee has proposed to be funded by the SIF.	means a project that the licensee or any Transmission Licensee has proposed to be funded by the SIF.	means a project that the licensee or any Transmission Licensee has proposed to be funded by the SIF.
SIF Returned Project Revenues	<p>means:</p> <p>a) revenues received by the licensee from the NTS Operator under the SIF Funding Mechanism in respect of an Eligible SIF Project that the Authority determines have not been spent, and where that project has been carried out in accordance with the applicable provisions of the SIF Governance Document and/or the terms of the relevant SIF Project Direction; or</p> <p>b) revenues earned from an Eligible SIF Project by the licensee other than SIF Returned Royalty Income, that the Authority determines are payable to customers.</p>	<p>means:</p> <p>a) revenues received, whether by the licensee or any other Gas Transporter Licensee, under the SIF Funding Mechanism in respect of an Eligible SIF Project that the Authority determines have not been spent, and where that project has been carried out in accordance with the applicable provisions of the SIF Governance Document and/or the terms of the relevant SIF Project Direction; or</p> <p>b) revenues earned from an Eligible SIF Project, whether undertaken by the licensee or any other Gas Transporter Licensee, other than SIF Returned Royalty Income that the</p>	<p>means:</p> <p>a) revenues received by the licensee from NGESO under the SIF Funding Mechanism in respect of an Eligible SIF Project that the Authority determines have not been spent, and where that project has been carried out in accordance with the applicable provisions of the SIF Governance Document and/or the terms of the relevant SIF Project Direction; or</p> <p>b) revenues earned from Eligible SIF Projects by the licensee other than Returned Royalty Income, that the Authority determines are payable to customers.</p>	<p>means:</p> <p>a) revenues received, whether by the licensee or any other Transmission Licensee under the SIF Funding Mechanism in respect of an Eligible SIF Project that the Authority determines have not been spent, and where that project has been carried out in accordance with the applicable provisions of the SIF Governance Document and/or the terms of the relevant SIF Project Direction; or</p> <p>b) revenues earned from Eligible SIF Projects, whether undertaken by the licensee or any other Transmission Licensee other than SIF Returned Royalty Income, that the Authority determines are payable to customers.</p>

		Authority determines are payable to customers.		
SIF Returned Royalty Income	means revenue earned from intellectual property generated through Eligible SIF Projects undertaken by the licensee, less SIF Directly Attributable Costs, and that is payable to customers under the SIF Funding Mechanism, as calculated in accordance with the provisions of the SIF Governance Document.	means revenue earned from intellectual property generated through Eligible SIF Projects, whether undertaken by the licensee or any other Gas Transporter Licensee, less SIF Directly Attributable Costs, and that is payable to customers under the SIF Funding Mechanism, as calculated in accordance with the provisions of the SIF Governance Document.	means revenue earned from intellectual property generated through Eligible SIF Projects undertaken by the licensee, less SIF Directly Attributable Costs, and that is payable to customers under the SIF Funding Mechanism, as calculated in accordance with the provisions of the SIF Governance Document.	means revenue earned from intellectual property generated through Eligible SIF Projects, whether undertaken by the licensee or any other Transmission Licensee less SIF Directly Attributable Costs, and that is payable to customers under the SIF Funding Mechanism, as calculated in accordance with the provisions of the SIF Governance Document.