

To:

National Grid Electricity Transmission Plc

Scottish Hydro Electric Transmission Plc

Scottish Power Transmission Plc

Electricity Act 1989

Section 11A(2)

Notice of statutory consultation on a proposal to modify the Special Conditions of the electricity transmission licence held by each of the above licensees

1. The Gas and Electricity Markets Authority ('the Authority')¹ proposes to modify the electricity transmission licence held by each of the above licensees ("the licensees"), granted or treated as granted under 6(1)(b) of the Electricity Act 1989 by:
 - a. modifying the following existing special conditions:
 - i. special condition 1.1 Interpretation and definitions;
 - ii. special condition 3.14 Medium Sized Investment Projects Re-opener and Price Control Deliverable;
 - iii. special condition 3.15 Pre-Construction Funding Re-opener and Price Control Deliverable; and
 - b. inserting the following new special conditions:
 - i. special condition 3.40 Accelerated Strategic Transmission Investment Pre-Construction Funding Re-opener, Price Control Deliverable and Use It Or Lose It Adjustment;
 - ii. special condition 3.41 Accelerated Strategic Transmission Investment Re-opener and Price Control Deliverable; and
 - iii. special condition 4.8 Accelerated Strategic Transmission Investment Output Delivery Incentive
2. We are proposing these modifications to implement our Accelerated Strategic Transmission Investment decision² to introduce a new framework to assess, fund and

¹ The terms "the Authority", "we" and "us" are used interchangeably in this document

² [Decision on Accelerating Onshore Electricity Transmission Investment | Ofgem](#)

incentivise the accelerated delivery of strategic onshore electricity transmission projects.

3. The reasons and effects of the proposed modifications, together with the full text of the proposed modifications, are published alongside this notice at www.ofgem.gov.uk. The documents are also available from foi@ofgem.gov.uk.
4. In addition, further details and background on these proposed changes are set out in the following documents:
 - a. Accelerated Strategic Transmission Investment decision;³ and
 - b. Accelerated Strategic Transmission Investment informal licence drafting consultation.⁴
5. Any representations with respect to the proposed licence modifications must be made on or before 23 June 2023 to: Jon Sharvill, Office of Gas and Electricity Markets, 10 South Colonnade, Canary Wharf, London, E14 4PU or by email to jon.sharvill@ofgem.gov.uk.
6. We normally publish all responses on our website. However, if you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.
7. If we decide to make the proposed modifications they will take effect not less than 56 days after the decision is published.

.....
Rebecca Barnett

Director, Networks

Duly Authorised on behalf of the Gas and Electricity Markets Authority

24/05/2023

³ [Decision on accelerating onshore electricity transmission investment | Ofgem](#)

⁴ [Accelerated Strategic Transmission Investment Informal Licence Drafting Consultation | Ofgem](#)