

## **Consultation – Reasons and effects - FSO impacts on other licences**

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### **Reasons and effects for changes to other licences**

We propose to make modifications to the licence conditions of other gas and electricity licences and the Smart Meter Communication Licence required to implement the decision to create a Future System Operator (FSO).

The FSO will have two licences: an Electricity System Operator (ESO) Licence and a Gas System Planner (GSP) Licence. The new responsibilities and creation of the FSO's new licences will have impacts on other licences.

The modifications we are proposing to make are set out in the annexes.

Within this document we set out the reasons why we are proposing these changes and their intended effect.

We anticipate modifications to the following licences would be required:

- Electricity Transmission Standard Licence Conditions
- National Grid Electricity Transmission plc's Special Conditions
- Scottish Power Transmission Special Conditions
- Scottish Hydro Electric Transmission Special Conditions
- Electricity Generation Standard Licence Conditions
- Electricity Interconnector Standard Licence Conditions
- Electricity Supply Standard License Conditions
- Electricity Distribution Standard Licence Conditions
- Electricity Distribution Special Conditions (including additional changes to Scottish Hydro Distribution Special Conditions only)
- Smart Meter Communication Licence
- National Gas Transmission plc's (NGT) Gas Transporter Licence (Part C) Special Conditions
- Gas Transporter Standard Special Conditions (Part A)
- Gas Transporter Standard Licence Conditions

There are three different types of licence conditions to which we propose to change. We have summarised these below.

#### **Standard Licence Conditions (SLCs)**

SLCs set out the duties and obligations applicable to all holders of a particular type of licence. All transmission and gas distribution licences contain SLCs.

The SLCs are grouped into different parts/sections that either apply or do not apply according to the activities carried out by the licence holder.

### **Standard Special Conditions (SSCs)**

SSCs are similar to SLCs but only apply to NGT and the Gas Distribution Network licensees (GDNs). They are grouped into different parts that either apply, or do not apply, to NGT (Parts A and B) or the GDNs (Parts A and D), according to the activities being carried out by that Licensee.

### **Special Conditions (SpCs)**

SpCs are conditions that apply to a particular licensee (e.g. Gas Transporter Licence Part C for NGT). However, the wording is often the same for all licensees of a particular type.

## **Changes to Cross Sector Licence Conditions**

As explained in the Future System Operator – Draft amendments to other impacted licences consultation, we are proposing changes throughout the electricity, gas and smart meter communication licences to implement the creation of the FSO and its new ESO and GSP licences.

### **Reason and effect for changes to the innovation strategy conditions**

<b>Change</b>	<b><i>Amendment of the Electricity and Gas Network Innovation Strategies</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	Electricity Transmission SLCs: B16 (Electricity Network Innovation Strategy) Electricity Distribution SLCs: 48A (Electricity Network Innovation Strategy) Gas Standard Special Condition A28 (Gas Network Innovation Strategy)
<b>Relevant licensees/relevant sectors</b>	Electricity Transmission and Distribution Gas Transporters (NGT & GDNs)

The reason for amending these conditions is to include the FSO as one of the parties that electricity transmission and distribution licensees must coordinate with to produce the electricity network innovation strategy and coordinate with gas distribution networks and NGT to produce the gas network innovation strategy.

The effect of the amendments is to obligate relevant parties to coordinate with the FSO to produce the electricity network innovation strategy and gas network innovation strategy.

Note that for the electricity transmission and distribution licences, we expect further changes to these conditions as part of the financial conditions to update the cross references to the relevant innovation conditions of the FSO’s ESO licence.

## Changes to impacted electricity licences and the Smart Meter Communication Licence

NGESO’s role in the electricity system has led to many connections between the provisions of its licence and the provisions of other licences in the electricity sector. As part of the creation of the FSO we propose to update the impacted licences to reflect the FSO taking on all of the roles of NGESO.

While this section mostly focuses on changes to other electricity licences, we have also included the smart meter communication licence, which contains references to NGESO as the licensee obligated to establish and maintain the Balancing and Settlement Code (BSC), since these are very similar to references in the electricity licences.

### Reason and effect for changes related to cross references

<b>Change theme</b>	<b><i>Cross references to NGESO’s licence that have been moved to the FSO’s ESO licence</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	<p>Electricity Transmission SLCs:</p> <ul style="list-style-type: none"> <li>• A1 (Definitions and interpretation)</li> <li>• B12 (System Operator – Transmission Owner Code)</li> <li>• D3 (Transmission system security standard and quality of service)</li> <li>• D4A (Obligations in relation to offers for connection etc)</li> <li>• D4B (Functions of the Authority)</li> <li>• D16 (Requirements of a connect and manage connection)</li> <li>• E16 (Transmission system security standard and quality of service)</li> <li>• E17 (Obligations in relation to offers for connection etc.)</li> <li>• E18 (Functions of the Authority)</li> </ul> <p>Electricity Transmission SpCs:</p> <ul style="list-style-type: none"> <li>• 1.1 (Interpretation and definitions)</li> <li>• 9.19 (The strategic innovation fund (SIFt))</li> </ul> <p>Electricity Distribution SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions for the standard conditions)</li> <li>• 31F (Requirements relating to Electric Vehicle Recharging Points)</li> </ul>

	<p>Electricity Distribution SpCs:</p> <ul style="list-style-type: none"> <li>• 1.2 (Definitions and references to the Electricity Distributors)</li> <li>• 9.9 (The strategic innovation fund (SIFt))</li> </ul> <p>Electricity Generation SLCs:</p> <ul style="list-style-type: none"> <li>• 9 (Balancing and Settlement Code and NETA Implementation)</li> <li>• 19 (Compliance with CUSC)</li> <li>• 20A (Transmission Constraint Licence Condition)</li> </ul> <p>Electricity Supply SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions for standard conditions)</li> <li>• 15 (Assistance for areas with high distribution costs scheme, Energy Administration Orders, ESC Administration Orders and SMCL Administration Orders: payments to the ISOP)</li> <li>• 47 (Smart Metering – Matters Relating To Obtaining and Using Consumption Data)</li> </ul> <p>Electricity Interconnector SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and interpretation)</li> <li>• 16 (BETTA implementation)</li> </ul> <p>Smart Meter Communication Licence:</p> <ul style="list-style-type: none"> <li>• 21 (Roles in relation to Core Industry Documents)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	All electricity licensees and the Smart Meter Communication licence holder

The reason for these modifications is to reflect that the conditions in NGENSO’s licence will be removed from the ET licence and moved to the FSO’s ESO licence as set out in the Future System Operator (FSO) draft licences consultation.<sup>1</sup>

The effect of these modifications is to update the conditions to reflect the establishment of the FSO and retain the existing links between the licences.

Note that some cross references in the electricity transmission and electricity distribution licences (both SLCs and SpCs) have not been updated in the licence drafting annexes because these are reliant on the financial provisions of the FSO’s licence conditions, which have not been drafted at this time.

<b>Change theme</b>	<b><i>Cross references to conditions of NGENSO’s licence that have been removed</i></b>
<b>Type of change</b>	Amendment to existing licence conditions

<sup>1</sup> Annex E of this consultation sets out the proposed new condition names and numbers of conditions moving from NGENSO’s licence to the FSO’s electricity system operator licence.

<b>Impacted condition name and number</b>	Electricity Transmission SLCs: <ul style="list-style-type: none"> <li>• A1 (Definitions and interpretation)</li> <li>• E3 (Change of Financial Year)</li> <li>• D5 (Prohibition on engaging in preferential or discriminatory behaviour)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	All electricity transmission licensees

The reason for these modifications is to remove references to the conditions that are currently part of the electricity transmission SLCs that we have decided should be removed from the electricity transmission licences, where either the condition has not been moved to the FSO’s ESO licence, or the cross-reference is no longer needed. These conditions include:

- A2 (Application of Section C)
- C18 (Requirement to offer terms for connection or use of the GB transmission system during the transition period)
- D15 (Obligations relating to the preparation of TO offers during the transition period)
- A4 (Payments to the Authority)

The effect of these modifications is to update conditions to reflect the establishment of the FSO and remove references to defunct licence conditions.

Note that dependent on the outcome of the consultation on the proposed policy direction for the FSO’s regulatory framework, further conditions may be assessed as not required for the FSO, and therefore cross references may need to be removed. We anticipate this should only impact electricity transmission and distribution licences.

<b>Change</b>	<b><i>Addition of ‘Electricity System Operator Licence’ as a defined term</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	Electricity Transmission SLCs: <ul style="list-style-type: none"> <li>• A1 (Definitions and interpretation)</li> </ul> Electricity Transmission SpCs: <ul style="list-style-type: none"> <li>• 1.1 (Interpretation and definitions)</li> </ul> Electricity Distribution SLCs: <ul style="list-style-type: none"> <li>• 1 (Definitions for the standard conditions)</li> </ul> Electricity Distribution SpCs: <ul style="list-style-type: none"> <li>• 1.2 (Definitions and references to the Electricity Distributors)</li> </ul> Electricity Generation SLCs: <ul style="list-style-type: none"> <li>• 1 (Definitions and Interpretation)</li> </ul> Electricity Supply SLCs: <ul style="list-style-type: none"> <li>• 1 (Definitions for standard conditions),</li> </ul>

	<ul style="list-style-type: none"> <li>• 15 (Assistance for areas with high distribution costs scheme, Energy Administration Orders, ESC Administration Orders and SMCL Administration Orders: payments to the ISOP)</li> </ul> <p>Electricity Interconnector SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and interpretation)</li> <li>• 15 (Definitions)</li> </ul> <p>Smart Meter Communication Licence:</p> <ul style="list-style-type: none"> <li>• 21 (Roles in relation to Core Industry Documents)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	All electricity licensees and the Smart Meter Communication Licence holder

It is customary in Ofgem’s licences that the names of other licences are defined terms, to clarify the meaning when they are used as part of any relevant cross-references. The reason for these modifications is to add the FSO’s ESO licence as a defined term where it is referenced in other licences.

The effect of these modifications is to clarify the cross references to the FSO’s ESO licence.

Throughout all of these modifications we have used the following definition: “Electricity System Operator Licence: *means a licence granted or treated as granted under section 6(1)(da) of the Act.*” Except where the style of that licence is to cross refer to the definition in another licence (for example the Electricity Transmission SpCs refer to the definition in the Electricity Transmission SLCs) then we have followed that same convention.

<b>Change</b>	<b><i>Addition of Electricity System Operator licence to interpretations</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	<p>Electricity Transmission SLCs:</p> <ul style="list-style-type: none"> <li>• A1 Definitions and interpretation</li> </ul> <p>Electricity Transmission SpCs:</p> <ul style="list-style-type: none"> <li>• 1.1 Interpretation and definitions</li> </ul> <p>Electricity Distribution SLCs:</p> <ul style="list-style-type: none"> <li>• A2 (Interpretation of this licence)</li> </ul> <p>Electricity Generation SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and Interpretation)</li> </ul> <p>Electricity Supply SLCs:</p> <ul style="list-style-type: none"> <li>• 2 (Interpretation of standard conditions)</li> </ul> <p>Electricity Interconnector SLCs:</p> <ul style="list-style-type: none"> <li>• A1 Definitions and interpretation</li> </ul>
<b>Relevant licensees/relevant sectors</b>	All electricity licensees

In the interpretation section of most licences there is a paragraph setting out that any cross references to other licences should be taken to be a reference to that licence as modified. The reason for these modifications is to add the FSO’s ESO licence to the list of licences this applies to in the licences that cross reference the FSO’s ESO licence. In the case of the Electricity Supply licence, the transmission licence has also been removed from this list as no references to the transmission licence remain in the electricity supply SCLs.

The effect of these modifications is to improve the clarity of the cross references to the FSO’s ESO licence in other licences.

<b>Change</b>	<b><i>Removal of references to Section C and Section C direction</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	<p>Electricity Transmission SLCs:</p> <ul style="list-style-type: none"> <li>• A1 Definitions and interpretation</li> </ul> <p>Electricity Transmission SpCs:</p> <ul style="list-style-type: none"> <li>• 1.1 (Interpretations and definitions)</li> <li>• 9.17 (Prohibited activities and conduct of the Transmission Business)</li> </ul> <p>Electricity Generation SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and interpretation)</li> </ul> <p>Electricity Supply SLCs:</p> <ul style="list-style-type: none"> <li>• 15 (Assistance for areas with high distribution costs scheme, Energy Administration Orders, ESC Administration Orders and SMCL Administration Orders: payments to ISOP)</li> </ul> <p>Electricity Interconnector SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and interpretation)</li> <li>• 15 (Definitions)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	Electricity Transmission, Interconnector, Generation and Supply licensees.

The reason for these modifications is to remove redundant references to Section C of the Electricity Transmission SLCs, which is a section we propose to remove. This includes:

- Removing cross-references to the section of the Electricity Transmission SCLs
- Some of the definitions in standard condition A1 (Definitions and interpretation) of the Electricity Transmission SLCs set out specific meanings that only apply in specific conditions or in all of Section C of the licence. Where the condition being referred to has been removed or moved to the FSO's ESO licence, these references have been deleted, but the rest of the definition has been retained unless this amendment meant the whole definition should be deleted
- Removing the related defined term "section C (system operator standard conditions) Direction"
- Removing references to a "Section C (system operator standard conditions) Direction"

The effect of these modifications is to improve the clarity of the licence.



<b>Change</b>	<b><i>Removal of the "Transmission Licence" defined term</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	Smart Meter Communication Licence: <ul style="list-style-type: none"> <li>• 21 (Roles in relation to Core Industry Documents)</li> </ul> Electricity Supply SLCs: <ul style="list-style-type: none"> <li>• 1 (Definitions for standard conditions)</li> <li>• 15 (Assistance for areas with high distribution costs scheme, Energy Administration Orders, ESC Administration Orders and SMCL Administration Orders: payments to the ISOP)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	Electricity Supply licensees and the Smart Meter Communication Company

The reason for these modifications is to remove the defined term 'Transmission Licence' where it has been replaced by 'Electricity System Operator Licence' and we propose it is no longer needed in cases where there are no references to the transmission licences remaining.

The effect of these modifications is to improve the clarity of the licence.

### **Reason and effect for changes related to references to the ISOP**

<b>Change theme</b>	<b><i>References to the 'system operator', 'GB system operator' and 'NGESO'</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	Electricity Transmission SLCs: <ul style="list-style-type: none"> <li>• A1 (Definitions and interpretation)</li> <li>• B12 (System Operator – Transmission Owner Code)</li> <li>• B16 (Electricity Network Innovation Strategy)</li> <li>• D1 (Interpretation of Section D)</li> <li>• D2 (Obligation to provide transmission services)</li> <li>• D3 (Transmission system security standard and quality of service)</li> <li>• D4A (Obligations in relation to offers for connection etc)</li> <li>• D4B (Functions of the Authority)</li> <li>• D16 (Requirements of a connect and manage connection)</li> <li>• E15 (Obligation to provide transmission services)</li> <li>• E16 (Transmission system security standard and quality of service)</li> <li>• E17 (Obligations in relation to offers for connection etc.)</li> <li>• E18 (Functions of the Authority)</li> </ul> All Electricity Transmission SpCs: <ul style="list-style-type: none"> <li>• 1.1 (Interpretation and definitions)</li> <li>• 3.14 (Medium Sized Investment Projects Re-opener and Price Control Deliverable (MSIPREt))</li> <li>• 3.16 (Access Reform Change Re-opener (ARRt))</li> </ul>

	<ul style="list-style-type: none"> <li>• 3.41 (Accelerated strategic transmission investment Re-opener and Price Control Deliverable term (ASTIRt))</li> <li>• 4.7 (SO-TO optimisation output delivery incentive (SOTot))</li> <li>• 6.1 (Pass-through items (PTt))</li> <li>• 7.11 (RIIO-ET1 network innovation competition)</li> <li>• 9.7 (Directly Remunerated Services)</li> <li>• 9.10 (Network Access Policy)</li> <li>• 9.11 (Provision of information to the ISOP)</li> <li>• 9.19 (The strategic innovation fund (SIFt))</li> </ul> <p>National Grid Electricity Transmission plc (NGET)'s SpCs only:</p> <ul style="list-style-type: none"> <li>• 3.34 (Tyne Crossing Project Re-opener (TCRt))</li> </ul> <p>Electricity Distribution SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions for the standard conditions)</li> <li>• 22 (Distribution Connection and Use of System Agreement)</li> <li>• 24 (Distribution System planning standard and quality of performance reporting)</li> <li>• 25B (Network Development Plan)</li> <li>• 31E (Procurement and use of Distribution Flexibility Services)</li> <li>• 31F (Requirements relating to Electric Vehicle Recharging Points)</li> <li>• 48A (Electricity Network Innovation Strategy)</li> </ul> <p>Electricity Distribution SpCs:</p> <ul style="list-style-type: none"> <li>• 1.2 (Definitions and references to the Electricity Distributors)</li> <li>• 3.2 (Uncertain Costs Re-openers)</li> <li>• 7.10 (RIIO-ED1 network innovation competition)</li> <li>• 9.7 (Directly Remunerated Services)</li> <li>• 9.9 (The strategic innovation fund (SIFt))</li> </ul> <p>Electricity Generation SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and Interpretation)</li> <li>• 11 (Ancillary Services)</li> <li>• 18 (Generating Unit Availability)</li> <li>• 20A (Transmission Constraint Licence Condition)</li> </ul> <p>Electricity Supply SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions for standard conditions)</li> <li>• 15 (Assistance for areas with high distribution costs scheme, Energy Administration Orders, ESC Administration Orders and SMCL Administration Orders: payments to <del>System Operator</del> <b>the ISOP</b>)</li> </ul> <p>Electricity Interconnector SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and interpretation)</li> <li>• 1B (Application of Section H)</li> <li>• 16 (Provision of information to the GB <del>System Operator</del> <b>ISOP</b>)</li> <li>• 27 (Determination of the Interconnector Payments term with respect to costs related to the Capacity Allocation and Congestion Management Regulation)</li> <li>• 28 (Provision of payments information to the GB <del>System Operator</del> <b>ISOP</b>)</li> </ul>
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<b>Relevant licensees/relevant sectors</b>	All electricity licensees
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The reason for these modifications is to implement the proposal set out in paragraph 3.9 the main document where current references in other licences to NGESO in some form (system operator, GB system operator or NGESO) should be updated to refer to the ISOP.

The effect of these modifications is to ensure that the FSO is referred to by one consistent name throughout the licences.

<b>Change theme</b>	<b><i>References to transmission licensee</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	<p>Electricity Transmission SLCs:</p> <ul style="list-style-type: none"> <li>• A1 (Definitions and interpretation)</li> <li>• B12 (System Operator – Transmission Owner Code)</li> <li>• D17 (Requirements of a connect and manage connection)</li> </ul> <p>Electricity Distribution SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and Interpretation)</li> <li>• 37 (Provision of the Data Transfer Service)</li> </ul> <p>Electricity Distribution SpCs:</p> <ul style="list-style-type: none"> <li>• 1.2 (Definitions and references to the Electricity Distributors)</li> <li>• 5.2 (RIIO-2 network innovation allowance (NIAt))</li> <li>• 5.3 (Carry-over Network Innovation Allowance)</li> <li>• 7.10 (RIIO-ED1 network innovation competition)</li> <li>• 9.9 (The strategic innovation fund (SIFt))</li> </ul> <p>Electricity Generation SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and Interpretation)</li> <li>• 5 (Compliance with Grid Code)</li> <li>• 19B (BETTA run-off arrangements scheme)</li> </ul> <p>Electricity Interconnector SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and interpretation)</li> <li>• 15 (Definitions)</li> <li>• 16 (BETTA implementation)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	Electricity Transmission, Distribution, Generation and Interconnector licensees

The reason for these modifications is to update references to “transmission licensee” in light of the FSO not being a transmission licensee but taking on all activities currently carried out by NGESO who is a transmission licensee.

The effect of these modifications is to clarify references in the licences to transmission licensees.

These modifications include removing 'other than the system operator' from any references to 'any transmission licensee other than the system operator'.

Change	<b><i>Addition of 'ISOP' as a defined term</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	<p>Electricity Transmission SLCs:</p> <ul style="list-style-type: none"> <li>• A1 (Definitions and interpretation)</li> </ul> <p>Electricity Transmission SpCs:</p> <ul style="list-style-type: none"> <li>• 1.1 (Interpretation and definitions)</li> </ul> <p>Electricity Distribution SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions for the standard conditions)</li> </ul> <p>Electricity Distribution SpCs:</p> <ul style="list-style-type: none"> <li>• 1.2 (Definitions and references to the Electricity Distributors)</li> </ul> <p>Electricity Generation SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and interpretation)</li> </ul> <p>Electricity Supply SLCs:</p> <ul style="list-style-type: none"> <li>• 15 (Assistance for areas with high distribution costs scheme, Energy Administration Orders, ESC Administration Orders and SMCL Administration Orders: payments to <del>System Operator</del> <b>the ISOP</b>)</li> </ul> <p>Electricity Interconnector SLCs:</p> <ul style="list-style-type: none"> <li>• Condition 1 (Definitions and Interpretation)</li> <li>• Condition 15 (Definitions)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	All electricity licensees

The reason for these modifications is to add the ISOP as a defined term where it is referenced in other licences.

The effect of these modifications is to clarify the references to the FSO in other licences.

Throughout all of these modifications we have used the following definition for ISOP: *"means the person for the time being designated as the Independent System Operator and Planner under section 162 of the Energy Act 2023 who holds an electricity system operator licence and gas system planner licence."* Except where the style of that licence is to cross refer to the definition in another licence (for example the Electricity Transmission SpCs refer to the definition in the Electricity Transmission SLCs), where we have followed that same convention.

As noted in the main document, NGESO is currently referred to as 'GB system operator' in the electricity interconnector licence. Because of the international nature of interconnectors, instead of replacing 'system operator' with 'ISOP' in this licence we have

opted to replace 'GB system operator' with 'GB ISOP'. This includes updating the definition of GB ISOP to align with the definition of ISOP across the other licences.

<b>Change</b>	<b><i>Removal of System Operator, GB System Operator and NGESO as defined terms</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	<p>Electricity Transmission SLCs:</p> <ul style="list-style-type: none"> <li>• A1 (Definitions and interpretation)</li> </ul> <p>Electricity Transmission SpCs:</p> <ul style="list-style-type: none"> <li>• 1.1 (Interpretation and definitions)</li> </ul> <p>Electricity Distribution SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions for the standard conditions)</li> </ul> <p>Electricity Distribution SpCs:</p> <ul style="list-style-type: none"> <li>• 1.2 (Definitions and references to the Electricity Distributors)</li> <li>• 3.2 (Uncertain Costs Re-openers)</li> <li>• 7.10 (RIIO-ED1 network innovation competition)</li> <li>• 9.7 (Directly Remunerated Services)</li> <li>• 9.9 (The strategic innovation fund (SIFt))</li> </ul> <p>Electricity Generation SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and Interpretation)</li> </ul> <p>Electricity Supply SLCs:</p> <ul style="list-style-type: none"> <li>• 15 (Assistance for areas with high distribution costs scheme, Energy Administration Orders, ESC Administration Orders and SMCL Administration Orders: payments to the ISOP)</li> </ul> <p>Electricity Interconnector SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions and interpretation)</li> <li>• 15 (Definitions)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	All electricity licensees

The reason for these modifications is to remove redundant terms from the definitions.

The effect of these modifications is to improve the clarity of the licence.

## Reason and effect for changes to impacted definitions

<b>Change</b>	<b><i>Amendment of Authorised Electricity Operator and National Electricity Transmission System definitions</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	<p>Electricity Transmission SLCs:</p> <ul style="list-style-type: none"> <li>• A1 (Definitions and interpretation)</li> </ul> <p>Electricity Transmission SpCs:</p> <ul style="list-style-type: none"> <li>• (Interpretation and definitions)</li> </ul> <p>Electricity Distribution SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions for the standard conditions)</li> </ul> <p>Electricity Distribution SpCs:</p> <ul style="list-style-type: none"> <li>• 1.2 (Definitions and references to the Electricity Distributors)</li> </ul> <p>Electricity Generation SLC:</p> <ul style="list-style-type: none"> <li>• A1 (Definitions and Interpretation)</li> </ul> <p>Electricity Supply SLCs:</p> <ul style="list-style-type: none"> <li>• 1 (Definitions for standard conditions)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	Electricity Transmission, Distribution, Generation and Supply licensees

The reason for these modifications is to clarify the FSO’s responsibilities within the electricity system. This includes updating “Authorised Electricity Operator” to include the FSO. “National Electricity Transmission System” has also been amended to clarify that the FSO will operate the electricity transmission system.

The effect of these modifications is to improve the clarity of the licences.

## Reason and effect for changes to Whole Electricity System Obligations

<b>Change</b>	<b><i>Amendment of the Whole Electricity System Obligations</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	Electricity Transmission SLCs: <ul style="list-style-type: none"> <li>• D17 (Whole Electricity System Obligations)</li> </ul> Electricity Distribution SLCs: <ul style="list-style-type: none"> <li>• 7A (Whole Electricity System Obligations)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	Electricity Transmission and Distribution

The reason for amending these conditions, which obligate the transmission owners and distribution network operators to coordinate with each other, other transmission licensees and the system operator, is to make it explicit that this includes the FSO.

The effect of the amendments is to obligate electricity transmission and distribution licensees to coordinate with the FSO as part of their whole electricity system obligations.

We also plan to amend the Whole Electricity System Guidance in due course to reflect the establishment of the FSO.

## Changes to Electricity Transmission conditions

This section sets out the changes to the electricity transmission licence conditions, both the SCLs and the SpCs.

Note that we expect that further changes to these licences will be required as part of the drafting the FSO's financial and price control conditions. This includes updating references related to the SIF and NIC innovation funds.

We plan to take a similar approach to those changes as we have here. Note that this may include removing references to repealed legislation in B1 (Regulatory Accounts) of the Electricity Transmission SLCs, to align with any changes we've made to the FSO's ESO licence conditions.

<b>Change</b>	<b><i>Removal of redundant defined terms</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	Electricity Transmission SLCs: <ul style="list-style-type: none"> <li>• A1 (Definitions and interpretation)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	Electricity Transmission

The reason for this modification is to remove definitions which will no longer appear in the Electricity Transmission SLCs as part of the proposed changes to implement the FSO. The majority of these terms were used in Section C exclusively which applied only to NGENSO. Where relevant the defined terms, with necessary modifications, will move across to the FSO's ESO licence:

- Affected transmission licensee
- Applicable balancing services
- Applicable balancing services volume data
- Applicable balancing services volume data methodology
- Applicable BSC objective
- Applicable CUSC objectives
- Application regulations
- Associated TO agreement
- Associated TO offer
- Balancing mechanism
- Balancing services
- Balancing services activity
- Balancing services adjustment data methodology
- Bilateral agreement
- Bilateral connection agreement
- Bilateral embedded generation agreement
- BSC Framework Agreement
- BSC party
- Connection charges
- Connection charging methodology
- Construction agreement
- CUSC Framework Agreement
- CUSC Party
- CUSC User
- Designated sum
- Director general of electricity supply
- Distribution code
- Effective time
- Eligible generator
- EMR legislation
- Estimated costs
- GB transmission system
- Imbalance price
- Interconnection



- Licenced distributor
- Offshore transmission go active
- Offshore transmission go live
- Offshore transmission implementation period
- Offshore transmission implementation plan
- Relevant agreement
- Relevant balancing services
- Relevant connect and manage derogation report
- Relevant consumers committees
- Relevant proportion
- Relevant year
- Secretary of state's costs
- Section C (system operator standard conditions) Direction
- System operator
- Total system
- Transmission constraint costs
- Transmission network services
- Use of system charges
- Use of system charging methodology

The effect of these modifications are to improve the clarity of the licence.

<b>Change</b>	<b><i>Removal from NGESO from National Grid Group</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	<p>Electricity Transmission SLCs:</p> <ul style="list-style-type: none"> <li>• A1 (Definitions and interpretation)</li> <li>• B1 (Regulatory Accounts)</li> </ul> <p>Electricity Transmission SpCs:</p> <ul style="list-style-type: none"> <li>• 1.1 (Interpretation and definitions)</li> <li>• 9.7 (Directly Remunerated Services)</li> <li>• 9.17 (Prohibited activities and conduct of the Transmission Business)</li> </ul> <p>NGET SpCs only:</p> <ul style="list-style-type: none"> <li>• 1.2 (Variations to the standard conditions for the purposes of this licence)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	Electricity Transmission

The FSO will be a public corporation, not part of National Grid Group like the NGESO. The reason for these amendments is to reflect these ownership changes and remove obligations related to the legal separation of NGESO which will be redundant upon establishment of the FSO. These changes include:

- removing the system operator activity from the transmission business activities including removing the definitions of "system operator activity", "transmission business activities"

- removing the defined term “transmission business activity” and replace it with the existing defined term “transmission owner activity” to reflect the removal of the system operator activities from the transmission business
- removing references to “System Operator Functions” and the associated defined term
- updating the defined term “Licenced Activity” to refer to the Transmission Owner Activity
- updating the defined term “Transmission Business” to reflect the removal of the system operator activity and settlement provisions (related to ownership of the BSCco) from National Grid group (to reflect the Elexon ownership policy)<sup>2</sup>
- removing the modification of the defined term “transmission business” in SpC 1.2 (Variations to the standard conditions for the purposes of this licence) of NGET’s licence

The effect of these amendments is to improve the clarity of the licence.

<b>Change</b>	<b><i>Aligning drafting with equivalent FSO conditions</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	Electricity Transmission SLCs: <ul style="list-style-type: none"> <li>• B12 (System Operator – Transmission Owner Code)</li> <li>• D3 (Transmission system security standard and quality of service)</li> <li>• E13 (System Operator – Transmission Owner Code)</li> <li>• E16 (Transmission system security standard and quality of service)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	Electricity Transmission

The reason for these amendments is to align the drafting in the System Operator Transmission Owner Code (STC) and Transmission System Security Standard and Quality of Service (SQSS) conditions in the electricity transmission licences with the amended drafting in the FSO’s ESO licence. This includes removing provisions from B12 (System Operator – Transmission Owner Code) where these only apply to the ISOP.

The effect of these amendments is to ensure alignment across licensees who are obligated to comply with the STC and SQSS.

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<sup>2</sup> [The future ownership of Elexon - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

<b>Change</b>	<b><i>Misc definition updates</i></b>
<b>Type of change</b>	Amendment to existing licence conditions
<b>Impacted condition name and number</b>	Electricity Transmission SLCs: <ul style="list-style-type: none"> <li>• A1 (Definitions and interpretation)</li> </ul> Electricity Transmission SpCs: <ul style="list-style-type: none"> <li>• 1.1 (Interpretation and definitions)</li> <li>• 1.2 (Variations to the standard conditions for the purposes of this licence)</li> </ul>
<b>Relevant licensees/relevant sectors</b>	Electricity Transmission

The reason for these amendments is to update definitions because their current definition is impacted by the creation of the FSO.

In the Electricity Transmission SLCs, we propose that the following definitions should be updated because the current definition cross-refers to the definition in Section C that has been removed, but the defined term is still used in the remaining conditions of this licence. For these we propose using the definition from Section C with any cross-references updated:

- ancillary services: has the meaning given in condition A1 (Definitions) of the electricity system operator licence
- Interconnectors(s): has the meaning given to 'electricity interconnector' in section 4(3E) of the Act
- Interim connect and manage offer: means an offer for connection from the ISOP pursuant to the interim connect and management framework in place between May 2009 and the Connect and Manage Implementation Date

In the Electricity Transmission SpC, the definition of STCP 11.4 Enhanced Service Provision contains a reference to NGESO's website; we expect this to change to refer to the FSO's website once this is established. We propose this will need to be updated and have put it in square brackets to indicate that it will change in future.

The following definitions in the Electricity Transmission SpC are no longer referenced in the Electricity Transmission SCLs but are retained in the SpCs. Therefore, we propose adding them, and either retaining the removed definition from the Electricity Transmission SLCs or pointing to the definition in the FSO's ESO licence:

- Balancing Services Activity
- Relevant Year
- Transmission Network Services

The variations of the definitions in the SLCs by the SpCs, as set out in special condition 1.2 (Variations to the standard conditions for the purposes of this licence) of NGET's

licence have been updated to reflect the removal of 'GB transmission system' as a defined term. Special condition 1.2 (Variations to the standard conditions for the purposes of this licence) of both Scottish Hydro Electric Transmission plc's and SP Transmission Ltd's licences have been updated to reflect the removal of 'GB transmission system' as a defined term.

## Changes to the Gas Transporter Licence Conditions

The below changes are proposed to change Gas Transporter Licence Conditions.

The licences that we are proposing to change are:

- NGT Gas Transporter Licence: Special Conditions (Part C)
- Gas Transporter Licence: Standard Special Conditions (Part A – NGT and GDNs)
- Gas Transporter Standard Licence Conditions

### National Gas Transmission plc (NGT) Gas Transporter Licence: Special Conditions

#### Changes to specific licence conditions

We are proposing to amend the following licence conditions in NGT's Gas Transporter Licence: Special Conditions:

- Special Condition 9.10: Long term network planning
- Special Condition 9.12: Licensee's Network Model
- Special Condition 1.1: Interpretation and definitions

#### Special Condition 9.10: Licensee's network planning

***(Proposed new title - change from: Long term network planning)***

**The reason for amending this condition** is to enable the FSO's gas strategic planning functions and process on Day 1, including NGT's input into this process, by:

1. Removing Part B of this condition obligating NGT to produce their Annual Network Capability Assessment Report (ANCAR);
2. Providing new obligations (as a new Part B) on NGT to produce a Strategic Planning Options Proposal document for NGT to respond to the needs and assumptions set out in the FSO's Gas Network Capability Needs Report; and
3. Introducing new requirements on what NGT must include in its Long Term Development Statement.

**The effect of these amendments** is that the FSO can coordinate its gas strategic planning process (which will be obligated under its GSP Licence), and NGT is obligated to propose options and respond to the FSO's system needs identified in the FSO's Gas Network Capability Needs Report (GNCNR).

This also includes obligations on NGT to have regard to the assumptions and information employed by the FSO in the gas strategic planning process, and identify where NGT has significant material differences between its views and the FSO's assumptions and information.

The ANCAR obligations will also be removed from this licence as the obligations to produce the ANCAR requirements will form part of the FSO's obligation to produce its GNCNR, which was consulted on as part of Ofgem's non-statutory licence consultation in September 2023.

### **Special Condition 9.12: Licensee's Network Model**

**The reason for amending this condition** is to ensure that NGT provides the necessary inputs for the FSO to conduct gas network capability analysis and its gas strategic planning process, on an annual basis. This amendment adds a new Part E in this condition – 'Part E: Provision of Network Model and associated systems to the ISOP' that:

- Obligates NGT to provide the Network Model, the topology/visualisation of the National Transmission System, ('Master Network Model') and the data, tools and systems associated with the operation of the Network Model, to the FSO on an annual basis; and
- Provides an additional new obligation that NGT must use "reasonable endeavours" to ensure the tools and Network Model are the same in use across NGT and FSO for the gas strategic planning process, and to inform the FSO (and provide necessary updates and support to the FSO) where versions of the Network Model change and misalign between organisations.

**The effect of these amendments** is to enable that the FSO has the necessary data, systems and models to undertake gas network capability analysis, and that these are effectively maintained simultaneously between FSO and NGT.

### **Special Condition 1.1: Interpretation and definitions**

**The reason for amending this condition** is to add new definitions, change one existing definition and remove one definition, in the NGT Gas Transporter Licence: Special Conditions (Part C) because of the proposed amendments to Special Condition 9.10 and Special Condition 9.12.

**The effect of these amendments** is the addition of the following definitions in the NGT Gas Transporter Licence: Special Conditions (Part C):

- ISOP – “means the person for the time being designated as the Independent System Operator and Planner under section 162 of the Energy Act 2023 who holds an Electricity System Operator Licence and Gas System Planner Licence”;
- Electricity System Operator Licence – “means a licence granted or treated as granted under section 6(1)(da) of the Electricity Act 1989”;
- Gas System Planner Licence – “means a licence granted or treated as granted under section 7AA of the Gas Act 1986;”
- Strategic Planning Options Proposal – “means the document prepared by the licensee in accordance with Part B of Special Condition 9.10 (~~Long term~~ **Licensee’s** Network Planning)”;
- Gas Network Capability Needs Report – “means the report prepared by the ISOP in accordance with Part B of condition C8 (Gas strategic network planning) of the Gas System Planner Licence”;
- Gas Options Assessment Document – “means the document of that name prepared by the ISOP under Part C of condition C8 (Gas strategic network planning) of the Gas System Planner Licence”

The effect of these amendments is also the removal of the following definition from the NGT Gas Transporter Licence: Special Conditions (Part C):

- Annual Network Capability Assessment Report – “means a report prepared by the licensee in accordance with Part B of Special Condition 9.10 (Long term network planning)”.

The following definition has also been changed in National Gas Transmission Gas Transporter Licence: Special Conditions (Part C) as part of these amendments:

- Long Term Development Statement – “means a statement prepared by the licensee in accordance with Part A of Special Condition 9.10 (~~Long term~~ **Licensee’s** Network Planning)”.

## **Gas Transporter Licence: Standard Special Conditions (Part A) (GDN’s and NGT)**

### **Changes to specific licence conditions**

We are proposing to amend the following licence conditions in the Gas Transporter Licence: Standard Special Conditions (Part A):

- Standard Special Condition A11: Network Code and Uniform Network Code

- Standard Special Condition A28: Gas Network Innovation Strategy
- Standard Special Condition A3: Definitions and Interpretation

### **SSC A11: Network Code and Uniform Network Code**

**The reason for amending this condition** is to establish and change the necessary obligations to implement the FSO's arrangements with the Uniform Network Code (UNC) and other gas transporters and users<sup>3</sup> by:

- Adding the ISOP as a party able to propose modifications (and make representations on modifications) to the UNC and network codes
- Including reference to "arrangements with the ISOP" in the content of paragraph 6 of this condition
- Introducing text to allow ISOP to provide a representative to the UNC Panel
- Making minor housekeeping changes and changes to cross-references

**The effect of these amendments is** to ensure the ISOP is effectively signed up to the UNC under SSC A11, including being able to raise modifications to the UNC (and respective Network Codes) and provide a representative to the composition of the UNC Panel.

### **SSC A28: Gas Network Innovation Strategy**

**The reason for amending this condition** is to change the definition of "Relevant Network Licensee" within this condition to include the ISOP in this definition, and to make very minor housekeeping changes, text changes and updates to other definitions.

**The effect of this amendment is** to include FSO as a party involved in the production of the Gas Network Innovation (GNI) Strategy.<sup>4</sup>

### **SSC A3: Definitions and Interpretation**

**The reason for amending this condition** is to add new definitions in the Gas Transporter Licence: Standard Special Conditions (Part A) that have been introduced through the proposed amendments to SSC A11 and SSC A28.

**The effect of this amendments** is the addition of the following definitions in the Gas Transporter Licence: Standard Special Conditions (Part A):

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<sup>3</sup> [LINK] second policy consultation

<sup>4</sup> This amendment is proposed in line with the changes proposed to the Electricity Transmission and Electricity Distributions licences, as described under the "Changes to Cross Sector Licence Conditions" section of this document.

- ISOP – “means the person for the time being designated as the Independent System Operator and Planner under section 162 of the Energy Act 2023 who holds an Electricity System Operator Licence and Gas System Planner Licence”;
- Electricity System Operator Licence – “means a licence granted or treated as granted under section 6(1)(da) of the Electricity Act 1989”; and
- Gas System Planner Licence – “means a licence granted or treated as granted under section 7AA of the Gas Act 1986”;

## **Gas Transporter Licence: Standard Licence Conditions**

We are proposing to amend the following licence conditions in the Gas Transporter Licence: Standard Licence Conditions:

- Standard Licence condition 9 (Network Code and Uniform Network Code)
- Standard Licence condition 1 (Definitions and Interpretation)

### **SLC 9: Network Code and Uniform Network Code**

**The reason for amending this condition** is to establish and change the necessary obligations to implement the FSO’s arrangements with the UNC and other gas transporters and users by:

- Adding the ISOP as a party able to propose modifications (and make representations on modifications) to the UNC and network codes
- Including reference to “arrangements with the ISOP” in the content of paragraph 6 of this condition
- Making minor housekeeping changes

**The effect of these amendments is** to ensure the ISOP is effectively signed up to the Uniform Network Code (UNC) under SLC 9, including being able to raise modifications to the UNC (and respective Network Codes). The effect is also to correspond with the amendments being proposed to SSC A11 (outlined above).

### **SLC 1: Definitions and Interpretation**

**The reason for amending this condition** is to add new definitions to the Gas Transporter Licence: Standard Licence Conditions that have been introduced through the proposed amendments to SLC 9 (above).

**The effect of this amendment** is the addition of the following definitions in the Gas Transporter Licence: Standard Licence Conditions:

- ISOP – “means the person for the time being designated as the Independent System Operator and Planner under section 162 of the Energy Act 2023 who holds an Electricity System Operator Licence and Gas System Planner Licence”;



- Electricity System Operator Licence – “means a licence granted or treated as granted under section 6(1)(da) of the Electricity Act 1989”; and
  - Gas System Planner Licence – “means a licence granted or treated as granted under section 7AA of the Gas Act 1986”
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### **Appendix – list of impacted licence conditions**

These are the licence conditions in other electricity and gas licences that we believe are impacted by the creation of the FSO’s licences. This is not a final or exhaustive list of all the impacted licence conditions, but our current view as part of this consultation of changes required for the implementation of the FSO. For instance, we expect there will be further impacts as part of the financial and price control provisions for the FSO’s licences, but this is likely to only impact a subset of licences (Electricity Transmission, Electricity Distribution and Gas Transporter).

Text outlined below in **red** with accompanying strikethrough text indicates where we are consulting on a change in the licence condition’s title, where **red** denotes new text replacing that in strikethrough.

<u>Electricity transmission standard licence conditions</u>	<u>Electricity Transmission special conditions</u>	<u>Electricity Distribution standard conditions</u>
<ul style="list-style-type: none"> <li>• Index</li> </ul> <p>Section A:</p> <ul style="list-style-type: none"> <li>• Condition A1: Definitions and interpretation</li> <li>• Condition A2: Application of <del>Section C</del> <b>Not used</b></li> <li>• Condition A4: <del>Payments by the Licensee to the Authority</del> <b>Not used</b></li> </ul> <p>Section B:</p> <ul style="list-style-type: none"> <li>• Condition B1: Regulatory Accounts</li> <li>• Condition B12: System Operator – Transmission Owner Code</li> <li>• B16: Electricity Network Innovation Strategy</li> </ul> <p>Section C:</p> <ul style="list-style-type: none"> <li>• All conditions</li> </ul> <p>Section D:</p> <ul style="list-style-type: none"> <li>• Condition D1: Interpretation of Section D</li> <li>• Condition D2: Obligation to provide transmission services</li> <li>• Condition D3: Transmission system security standard and quality of service</li> <li>• Condition D4A: Obligations in relation to offers for connection etc</li> <li>• Condition D4B: Functions of the Authority</li> <li>• Condition D5: Prohibition on engaging in preferential or</li> </ul>	<ul style="list-style-type: none"> <li>• Index</li> </ul> <p>Chapter 1:</p> <ul style="list-style-type: none"> <li>• 1.1 Interpretation and definitions</li> <li>• 1.2 Variations to the standard conditions for the purposes of this licence</li> </ul> <p>Chapter 3:</p> <ul style="list-style-type: none"> <li>• 3.14 Medium Sized Investment Projects Re-opener and Price Control Deliverable (MSIPREt)</li> <li>• 3.16 Access Reform Change Re-opener (ARRt)</li> <li>• 3.34 Tyne Crossing Project Re-opener (TCRt) *</li> <li>• 3.41 Accelerated strategic transmission investment Re-opener and Price Control Deliverable term (ASTIRt)</li> </ul> <p>Chapter 4:</p> <ul style="list-style-type: none"> <li>• 4.7 SO-TO optimisation output delivery incentive (SOTOt)</li> </ul> <p>Chapter 6:</p> <ul style="list-style-type: none"> <li>• 6.1 Pass-through items (PTt)</li> </ul> <p>Chapter 7:</p> <ul style="list-style-type: none"> <li>• 7.11 RIIO-ET1 network innovation competition</li> </ul> <p>Chapter 9:</p> <ul style="list-style-type: none"> <li>• 9.7 Directly Remunerated Services</li> <li>• 9.10 Network Access Policy</li> <li>• 9.11 Provision of information to the <del>System Operator</del> <b>ISOP</b></li> <li>• 9.17 Prohibited activities and conduct of the Transmission Business *</li> </ul>	<p>Chapter 1:</p> <ul style="list-style-type: none"> <li>• Condition 1. Definitions for the standard conditions</li> <li>• Condition 2. Interpretation of this licence</li> </ul> <p>Chapter 2:</p> <ul style="list-style-type: none"> <li>• Condition 7A. Whole Electricity System Obligations</li> </ul> <p>Chapter 5:</p> <ul style="list-style-type: none"> <li>• Condition 22. Distribution Connection and Use of System Agreement</li> </ul> <p>Chapter 6:</p> <ul style="list-style-type: none"> <li>• Condition 24 Distribution System planning standard and quality of performance reporting</li> <li>• Condition 25B. Network Development Plan</li> </ul> <p>Chapter 7:</p> <ul style="list-style-type: none"> <li>• Condition 31E. Procurement and use of Distribution Flexibility Services</li> <li>• Condition 31F. Requirements relating to Electric Vehicle Recharging Points</li> <li>• Condition 37 Provision of the Data Transfer Service</li> </ul> <p>Chapter 12:</p> <ul style="list-style-type: none"> <li>• Condition 48A. Electricity Network</li> </ul>

<p>discriminatory behaviour</p> <ul style="list-style-type: none"> <li>• Condition D15 <del>Obligations relating to the preparation of TO offers during the transition period</del> <b>Not used</b></li> <li>• Condition D16: Requirements of a connect and manage connection</li> <li>• Condition D17: Whole Electricity System Obligations</li> </ul> <p>Section E:</p> <ul style="list-style-type: none"> <li>• Condition E3: Change of Financial Year</li> <li>• Condition E15: Obligation to provide transmission services</li> <li>• Condition E16: Transmission system security standard and quality of service</li> <li>• Condition E17: Obligations in relation to offers for connection etc.</li> <li>• Condition E18: Functions of the Authority</li> </ul>	<ul style="list-style-type: none"> <li>• 9.19 The strategic innovation fund</li> </ul> <p>* indicates a condition that is only impacted in NGET's Special Conditions and not those of the Scottish Transmission Owners</p>	<p>Innovation Strategy</p>
<p><u>Electricity Distribution Special Conditions</u></p> <p>Chapter 1:</p> <ul style="list-style-type: none"> <li>• 1.2 Definitions and references to the Electricity Distributors</li> </ul> <p>Chapter 3:</p> <ul style="list-style-type: none"> <li>• 3.2 Uncertain Costs Re-openers</li> </ul> <p>Chapter 5:</p> <ul style="list-style-type: none"> <li>• 5.2 RIIO-2 network innovation allowance (NIAt)</li> </ul>	<p><u>Electricity Interconnector Standard Conditions</u></p> <ul style="list-style-type: none"> <li>• Index</li> </ul> <p>Section A:</p> <ul style="list-style-type: none"> <li>• Condition 1. Definitions and interpretation</li> <li>• Condition 1B. Application of Section H</li> </ul> <p>Section E:</p> <ul style="list-style-type: none"> <li>• Condition 15. Definitions</li> </ul>	<p><u>Electricity Generation Standard Conditions</u></p> <p>Section A:</p> <ul style="list-style-type: none"> <li>• 1. Definitions and Interpretation</li> </ul> <p>Section B:</p> <ul style="list-style-type: none"> <li>• 5. Compliance with Grid</li> <li>• 9. Balancing and Settlement Code and NETA Implementation</li> <li>• 11. Ancillary Services</li> </ul>

<ul style="list-style-type: none"> <li>• 5.3 Carry-over Network Innovation Allowance (CNIAt)</li> </ul> <p>Chapter 7:</p> <ul style="list-style-type: none"> <li>• 7.10 RIIO-ED1 network innovation competition</li> </ul> <p>Chapter 9:</p> <ul style="list-style-type: none"> <li>• 9.7 Directly Remunerated Services</li> <li>• 9.9 The strategic innovation fund (SIFt)</li> </ul>	<ul style="list-style-type: none"> <li>• Condition 16. BETTA implementation</li> <li>• Condition 18. Offers for connection to or use of the GB transmission system in the transmission period</li> </ul> <p>Section G:</p> <ul style="list-style-type: none"> <li>• Condition 26. Provision of information to the GB System Operator ISOP</li> </ul>	<ul style="list-style-type: none"> <li>• 18. Generating Unit Availability</li> <li>• 19. Compliance with CUSC</li> <li>• 19B . BETTA run-off arrangements scheme</li> <li>• 20A. Transmission Constraint Licence Condition</li> </ul>
<p><u>Electricity Supply Standard Conditions</u></p> <ul style="list-style-type: none"> <li>• Index</li> </ul> <p>General arrangements:</p> <ul style="list-style-type: none"> <li>• 1 Definitions for standard conditions</li> <li>• 2 Interpretation of standard conditions</li> </ul> <p>Industry activities and procedure:</p> <ul style="list-style-type: none"> <li>• 15 Assistance for areas with high distribution costs scheme, Energy Administration Orders, ESC Administration Orders and SMCL Administration Orders: payments to <del>System Operator</del> the <b>ISOP</b></li> <li>• 47 Smart Metering – Matters Relating To Obtaining and Using Consumption Data</li> </ul>	<p><u>Electricity Interconnector Standard Conditions</u></p> <ul style="list-style-type: none"> <li>• index</li> </ul> <p>Section A:</p> <ul style="list-style-type: none"> <li>• 1 Definitions and interpretation</li> <li>• 1B Application of Section H</li> </ul> <p>Section E:</p> <ul style="list-style-type: none"> <li>• 15 Definitions</li> <li>• 16 BETTA implementation</li> <li>• 18 <del>Offers for connection to or use of the GB transmission system in the transition period</del> <b>Not used</b></li> </ul> <p>Section G:</p> <ul style="list-style-type: none"> <li>• 26 Provision of information to the GB <b>ISOP</b> <del>System Operator</del></li> </ul> <p>SECTION H: PAYMENTS BETWEEN THE LICENSEE AND THE GB <b>ISOP</b> <del>SYSTEM OPERATOR</del></p> <ul style="list-style-type: none"> <li>• 27 Determination of the Interconnector Payments term with respect to costs related to the Capacity Allocation and Congestion Management Regulation</li> </ul>	<p><u>The Smart Meter Communication Licence</u></p> <p>Condition 21. Roles in relation to Core Industry Documents</p>

	<ul style="list-style-type: none"> <li>• 28: Provision of payments information to the GB System Operator <b>ISOP</b></li> </ul>	
<p><u>National Gas Transmission (NGT) Gas Transporter Licence: Special Conditions (Part C)</u></p> <p>Chapter 1: Interpretation and definitions</p> <ul style="list-style-type: none"> <li>• Special Condition 1.1 Interpretation and definitions</li> </ul> <p>Chapter 9: General Obligations</p> <ul style="list-style-type: none"> <li>• Special Condition 9.10 <del>Long-term</del> <b>Licensee's</b> Network Planning</li> <li>• Special Condition 9.12 Licensee's Network Model</li> </ul>	<p><u>Gas Transporter Licence: Standard Special Conditions (Part A)</u></p> <ul style="list-style-type: none"> <li>• Standard Special Condition A3: Definitions and Interpretation</li> <li>• Standard Special Condition A11: Network Code and Uniform Network Code</li> <li>• Standard Special Condition A28: Gas Network Innovation Strategy</li> </ul>	<p><u>Gas Transporter Licence: Standard Licence Conditions</u></p> <p>Section A: Interpretation, Application and Payments</p> <ul style="list-style-type: none"> <li>• Condition 1: definitions and Interpretation</li> </ul> <p>Section B: General</p> <ul style="list-style-type: none"> <li>• Condition 9: Network Code and Uniform Network Code</li> </ul>