

**NOTICE OF REASONS FOR DECISIONS**  
**SECTION 49A ELECTRICITY ACT 1989**

1. The Gas and Electricity Markets Authority (“the Authority”) pursuant to powers under section 11A and under section 11 respectively of the Electricity Act 1989 (“the Act”) modified the standard conditions and other conditions respectively of each and every distribution licence (“the licences”) granted or treated as granted under section 6(1)(c) of the Act with effect on and from 1 April 2005.
2. The reasons for the decisions to modify the licences are in summary to implement those changes to the regulatory framework consulted upon as part of, or in conjunction with, the Electricity Distribution Price Control Review; in particular, those changes required, where appropriate, to:
  - (a) remove and terminate the then extant distribution price controls and introduce and give effect on and from 1 April 2005 to the revised price controls set out in the Authority’s Final Proposals published on 29 November 2004;
  - (b) introduce enhanced reporting obligations in support of the revised price controls;
  - (c) make amendments that are consequential to the implementation of the Electricity (Standards of Performance) Regulations 2005, Statutory Instrument 2005 No. 1019; and
  - (d) strengthen the financial ring fencing provisions of the licences.

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Martin Crouch, Director – Distribution  
Authorised on behalf of the Authority

Dated 13 April 2005