

## **Electricity Act 1989**

### **Notice pursuant to Section 11A(3) of the Electricity Act 1989**

#### **MODIFICATION UNDER SECTION 11A(3) OF THE STANDARD CONDITIONS OF THE ELECTRICITY TRANSMISSION LICENCE**

The Gas and Electricity Markets Authority (the Authority) hereby gives notice pursuant to section 11A(3) of the Electricity Act 1989 (the Act) as follows

1. The Authority proposes to modify paragraph 4 of Standard Licence Condition (SLC) C5 and paragraph 10 of SLC C6 of the electricity transmission licence.
2. Paragraph 4 of SLC C5 and paragraph 10 of SLC C6 of the electricity transmission licence allows the Authority 28 days to furnish the licensee with a direction not to modify its Use of System Charging Methodology or Connection Charging Methodology. Normally this is sufficient time for the Authority to consider any proposed modification. However, the Authority is required (except in limited specific circumstances) under Section 5A of the Utilities Act to carry out an impact assessment where it is proposing to do anything for the purposes of, or in connection with the carrying out of certain of its functions and such proposals are important<sup>1</sup>. Where it is required to carry out an impact assessment, Ofgem has committed to aim to set a minimum consultation period of 6 weeks and where the period is shorter to explain why. This timetable is currently incompatible with paragraph 4 of SLC C5 and paragraph 10 of SLC C6 of the electricity transmission licence.
3. The Authority proposes to modify paragraph 4 of SLC C5 and paragraph 10 of SLC C6 of the electricity transmission licence to take account of this inconsistency and allow it to extend the 28 day period to a maximum of 3 months where needed. Drafting for the proposed modifications are attached to this notice at Schedules 1 and 2.
4. Further details of the proposed modification, its purpose and effect can be found in the document published by the authority on 31 May 2006 entitled "Proposal to modify Standard Licence Conditions C5 ("Use of system charging methodology") and C6 ("Connection charging methodology) of the electricity transmission licence and Standard Special Condition A5 ("Obligations as regard charging methodology") of the gas transporters licence"<sup>2</sup>.
5. Any representations or objections to the proposed licence modification should be made within 28 days of the publication of this notice, on or before 22 August 2006 and should be sent to Grant McEachran ([grant.mceachran@ofgem.gov.uk](mailto:grant.mceachran@ofgem.gov.uk)). Alternatively, representations or objections may be posted to the following address.

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<sup>1</sup> Section 5A(2) of the Utilities Act 2000 provides detail of the criteria against which importance should be assessed.

<sup>2</sup> A copy of this document is available free of charge from the Ofgem library, 9 Millbank, London, SW1P 3GE or the Ofgem website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)).

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Ofgem  
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6. All responses will be held electronically in Ofgem's Research and Information Centre. They will normally be published on Ofgem's website unless they are clearly marked as confidential.
7. Should any respondent wish to register a statutory objection then we would encourage licence holders to use the pro-forma set out in Schedule 3.



**Robert Hull**  
**Director of Transmission**  
Authorised on behalf of the Authority

## **Schedule 1**

### **Amended paragraph 4 of SLC C5 of the electricity transmission licence**

4. The licensee will not make any modification to the use of system charging methodology where the Authority has, within 28 days (or within 3 months if the Authority intends to undertake an impact assessment) of the report being furnished to it under paragraph 3, given a direction that the modification shall not be made

## **Schedule 2**

### **Amended paragraph 10 of SLC C6 of the electricity transmission licence**

10. (a) The licensee will not make any modification to the connection charging methodology where the Authority has, within 28 days (or within 3 months if the Authority intends to undertake an impact assessment) of the report being furnished to it under paragraph 9, given a direction that the modification shall not be made.

(b) Where the licensee makes a modification to the connection charging methodology, it shall furnish the Authority with a revised statement showing the changed connection charging methodology and such revised statement of the connection charging methodology shall supersede previous statements of the connection charging methodology furnished under paragraph 4 or this paragraph 10 from the date specified therein.

### **Schedule 3**

#### **Proposed Modification of Standard Licence Condition(s) C5(4) and C6(10) of the electricity transmission licence**

In response to the statutory notice dated [ ] in respect of the above proposed modification(s), this notice constitutes a statutory objection to that proposal on behalf of [state full name of each relevant licence holder making the objection]. I confirm that I am duly authorised to give this notice on behalf of each of the above named companies.

[Signed]

Date: [ ]

[Address for acknowledgement, preferably including email address]