

NOTICE UNDER SECTION 11(2) OF THE ELECTRICITY ACT 1989

The Gas and Electricity Markets Authority (the "Authority") hereby gives notice pursuant to section 11(2) of the Electricity Act (the "Act") as follows:

1. The Authority proposes to modify the electricity transmission licence treated as granted to SP Transmission plc (company number SC189126) (the "Licensee") under section 6(1)(b) of the Act by amending Schedule C (Supplementary Provisions to Special Condition J3 (Restriction of transmission charges: Transmission Investment for Renewable Generation)) ("Schedule C") in the manner set out in Appendix 1 of this Notice.
2. The purpose and effect of these licence modifications is to implement changes to Schedule C to amend the Output Measures for the B5 Boundary contained in that schedule.
3. The reasons why the Authority proposes to modify Schedule C are set out in the Explanatory Notes in Appendix 2 of this Notice.
4. Any representations or objections to the proposed modifications must be made in writing on or before 6th January 2008 to David Hunt at the Office of Gas and Electricity Markets (Ofgem), 9 Millbank, London SW1P 3GE, or via e-mail to david.hunt@ofgem.gov.uk.

Robert Hull

Director, Transmission

Authorised on behalf of the Authority

Date

22nd November 2007

Annex 1

Licence modification

Schedule C (Supplementary Provisions to Special Condition J3 (Restriction of transmission charges: Transmission Investment for Renewable Generation))

Beaulieu-Denny (currently)

Project scope	Capability as at 31 March 2005			Forecast capability prior to construction start date			Forecast capability post construction		
	Circuit voltage (kV)	Winter rating (MVA)	Summer rating (MVA)	Circuit voltage (kV)	Winter rating (MVA)	Summer rating (MVA)	Circuit voltage (kV)	Winter rating (MVA)	Summer rating (MVA)
Upgrade from 275 kV to 400 kV									
Denny - Fort Augustus	Circuit does not presently exist.			Circuit does not presently exist.			400	2770	2510
Denny 400/275kV SGT	Circuit does not presently exist.			Circuit does not presently exist.			400/275	1000	1000
Denny – Braco	Circuit does not presently exist.			Circuit does not presently exist.			275	1500	1500
Denny - Lambhill	Circuit does not presently exist.			Circuit does not presently exist.			275	955	760
Denny - Longannet	Circuit does not presently exist.			Circuit does not presently exist.			275	1500	1500
Windyhill - Lambhill - Longannet	275	820	650	275	820	650	275	820	650

Project scope	Capability as at 31 March 2005			Forecast capability prior to construction start date			Forecast capability post construction		
	Circuit does not presently exist.			Circuit does not presently exist.					
Denny - Bonnybridge No.1	Circuit does not presently exist.			Circuit does not presently exist.			275	955	760
Denny - Bonnybridge No.2	Circuit does not presently exist.			Circuit does not presently exist.			275	955	760
Denny 275/132kV SGT	Circuit does not presently exist.			Circuit does not presently exist.			275/132	240	240
Denny - Bonnybridge	Circuit does not presently exist.			Circuit does not presently exist.			132	240	240
Windyhill – Neilston	275	955	760	275	955	760	275	955	760
Longannet - Easterhouse	275	953	953	275	953	953	275	1500	1500
Longannet - Clyde's Mill	275	953	953	275	953	953	275	1500	1500
Easterhouse - Clyde's Mill	275	953	953	275	953	953	275	1500	1500

Beaully Denny (proposed)

Project Scope	Capability as at 31 March 2005			Forecast capability one year prior to construction			Forecast capability post construction		
	Circuit voltage (kV)	Winter rating (MVA)	Summer rating (MVA)	Circuit voltage (kV)	Winter rating (MVA)	Summer rating (MVA)	Circuit voltage (kV)	Winter rating (MVA)	Summer rating (MVA)
Upgrade from 275kV to 400kV	Circuit does not presently exist			Circuit does not presently exist			400	2770	2510
Denny – Fort Augustus	Circuit does not presently exist			Circuit does not presently exist			400/275	1000	1000
Denny 400/275kV SGT	Circuit does not presently exist			Circuit does not presently exist			275	1500	1500
Denny – Braco	Circuit does not			Circuit does not					

	presently exist			presently exist					
Denny – Lambhill	Circuit does not presently exist			Circuit does not presently exist			275	955	760
Denny – Longannet	Circuit does not presently exist			Circuit does not presently exist			275	1500	1500
Windyhill – Lambhill – Longannet	275	820	650	275	820	650	275	820	650
Denny – Bonnybridge No. 1	Circuit does not presently exist			Circuit does not presently exist			275	955	760
Denny – Bonnybridge No. 2	Circuit does not presently exist			Circuit does not presently exist			275	955	760
Denny 275/132kV SGT	Circuit does not presently exist			Circuit does not presently exist			275/132	240	240
Denny – Bonnybridge	Circuit does not presently exist			Circuit does not presently exist			132	240	240

B5 Boundary (proposed, does not currently exist)

Project Scope	Capability as at 31 March 2005			Forecast capability prior to construction start date			Forecast capability post construction		
	Circuit voltage (kV)	Winter rating (MVA)	Summer rating (MVA)	Circuit voltage (kV)	Winter rating (MVA)	Summer rating (MVA)	Circuit voltage (kV)	Winter rating (MVA)	Summer rating (MVA)
Windyhill – Neilston	275	955	760	275	955	760	275	955	760
Longannet – Easterhouse	275	953	953	275	953	953	275	1500	1500
Longannet – Clyde’s Mill	275	953	953	275	953	953	275	1500	1500
Easterhouse – Clyde’s Mill	275	953	953	275	953	953	275	1500	1500

Appendix 2

Explanatory Notes

1. Earlier this year, the Licensee requested that costs associated with the B5 Boundary works be advanced independently of the Beauly-Denny project so that additional capacity could be made available on a congested part of the network. For more information on this process please see our [B5 Boundary Section 11 Consultation](#) which was carried out in August 2007. The Authority modified Special Condition J3 (Restriction on Transmission Charges: Transmission Investment for Renewable Generation) ("SC J3") of SPTL's transmission licence in September 2007 to reflect the separation of the B5 boundary works from the Beauly-Denny project for the purposes of reflecting revised costs and revenues. It is now necessary to revise the output measures to reflect this separation. This licence consultation proposes to separate out the output measures in Schedule 3 to SC J3 relating to the B5 Boundary circuits from the Beauly-Denny table and insert them into a new table. The Beauly-Denny output measures table will consequently also need amending.
2. The output measures amendment relate to the following projects as set out in Schedule C:
 - a. Windyhill – Lambhill - Longannet
 - b. Longannet - Easterhouse
 - c. Longannet - Clyde's Mill
 - d. Easterhouse - Clyde's Mill
3. Although paragraph 12 of SC J3 sets out the process for amending the output measures in Schedule C, the Authority considers that the provisions of paragraph 12 do not apply in this case. This is not an instance where an output measures adjusting event has occurred. The proposed modification is simply to ensure that Schedule C accurately reflects the position following the separation of the B5 Boundary works from the Beauly-Denny project.
4. The Authority has considered all the information available to it in accordance with the provisions of SC J3 and considers that it is appropriate to make the changes to Schedule C, as set out by the Licensee in its notice of the proposed output measures adjusting event.