

To: The Company Secretary
SP Transmission Ltd
1 Atlantic Quay
Glasgow
G2 8SP

SECTION 11 AND SECTION 49A(1)(B) OF THE ELECTRICITY ACT 1989

MODIFICATION OF SCHEDULE C TO SPECIAL CONDITION J3 OF THE ELECTRICITY TRANSMISSION LICENCE OF SP TRANSMISSION LIMITED PURSUANT TO SECTION 11 OF THE ELECTRICITY ACT 1989; AND

NOTICE OF THE REASONS FOR THE DECISION TO MODIFY THE LICENCE

Whereas:

1. SP Transmission Limited ("the Licensee") is the holder of an electricity transmission licence ("the Licence") granted or treated as granted under section 6(1)(b) of the Electricity Act 1989 ("the Act").
2. On 22 November 2007, the Gas and Electricity Markets Authority ("the Authority") gave notice ("the Notice") in accordance with section 11(2) and 11(3) of the Act that it proposed to modify 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 the Schedule to this Document.
3. The reasons for modifying the Licence in the manner prescribed in the Schedule to this Document are set out in Annex 2 of the Notice. In summary, the reason for the proposed licence modifications is to separate the B5 boundary works from the Beaully-Denny project so that they can proceed independently.
4. The Authority published the Notice in the manner it considered appropriate and required any objections or representations to the modifications to be made in writing on or before 6 January 2008.
5. Prior to the close of the consultation period in respect of the Notice, the Authority did not receive any responses.
6. The Authority gave notice to the Secretary of State of its intention to make the modifications and did not receive from him a direction not to make the modification.
7. On 5 December 2007, the Licensee gave its consent to the proposed modification of the special conditions of the Licence in the manner set out in the Schedule to this Document.

NOW in accordance with the powers contained in section 11 (1) of the Act, the Authority HEREBY MODIFIES the special conditions of the Licence in the manner specified in the schedule to this Document WITH EFFECT on and from 16th January 2008.

This Document also constitutes under section 49A(1)(b) of the Act notice of the reasons for the decision to modify the Licence.

The Official Seal of the Gas and Electricity Markets Authority here affixed is authenticated by the signature of

A handwritten signature in black ink, appearing to read 'Robert Hull', with a horizontal line underneath.

Robert Hull

Director – Transmission, Networks

Authorised on behalf of the Authority

15th January 2008

SCHEDULE

**MODIFICATION OF SCHEDULE C TO SPECIAL CONDITION J3 OF THE ELECTRICITY TRANSMISSION LICENCE OF SP
TRANSMISSION LIMITED
PURSUANT TO SECTION 11(1) OF THE ELECTRICITY ACT 1989**

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

Beaully Denny

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									
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
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

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