



All holders of an electricity
distribution licence who are
distribution service providers

*Promoting choice and value for
all gas and electricity customers*

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Dear Colleague

Direction pursuant to charge restriction condition (CRC) 13.2 of the electricity distribution licence to bring into effect that condition for the purpose of incentivising the development of low carbon networks

CRC 13 (Low Carbon Network Fund) establishes the arrangements, known as the Low Carbon Networks Fund, for the purposes of incentivising the development of low carbon networks and also establishes arrangements for addressing the governance surrounding the Fund.

CRC 13.2 states that the condition shall come into effect on the day on which a direction given by the Authority to all Distribution Service Providers (DSPs) confirms either that the CRC 13 Clearance has been received or that the Authority has determined that such clearance is not required. The CRC 13 Clearance is defined as the State Aid clearance granted by the European Commission in relation to this condition.

The Authority has given due consideration to the issue of State Aid and has determined that such clearance from the European Commission is not required in this matter.

Therefore, pursuant to CRC 13.2, the Authority hereby directs that CRC 13 now has effect in the electricity distribution licences of all Distribution Service Providers.

This constitutes notice pursuant to section 49A of the Electricity Act 1989.

Rachel Fletcher

Partner, Distribution

Signed on behalf of the Authority and authorised for that purpose by the Authority