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Dear Vanja

**Notice under Section 11A(2) of the Electricity Act 1989 of proposed modifications to the Special Conditions of National Grid Electricity Transmission plc's Electricity Transmission Licence issued 27 January 2012, Ref 08/12 ("Notice")**

National Grid welcomes the opportunity to comment on the above Notice relating to the licence conditions to apply for the TPCR4 roll-over. This response is on behalf of National Grid Electricity Transmission plc (NGET) and is non-confidential.

We have identified minor anomalies with the proposed licence drafting presented in the Notice that is proposed to enact the policies stated in Final Proposals and, for completeness, we have included these within the Appendix to this letter. We believe that these corrections need to be reflected in any modifications that accompany an Authority decision published in accordance with Section 11A(7) Electricity Act 1989.

Yours sincerely

*[by e-mail]*

**Paul Whittaker**  
**UK Director of Regulation**

## Appendix

Page	Condition	Term	NG Proposed amendments	Rationale for the proposed change
16-27	Sp C D3	Paragraph numbering	<p>The existing paragraph numbering in the Licence should be retained.</p> <ul style="list-style-type: none"> <li>• The error starts at TIRGIncAd which should be paragraph 4;</li> <li>• FTIRG should be paragraph 5;</li> <li>• The paragraph after AFFTIRGDepn should be paragraph 6;</li> <li>• ETIRG should be paragraph 7;</li> <li>• The paragraph after the “Dep” term in paragraph 7 should be 8;</li> <li>• ATIRG should be paragraph 9;</li> <li>• In Part 2, paragraph numbered 7 should be 10, 8 should be 11 and the paragraph under that beginning “the output measures” should be 12(a).</li> </ul>	This is to retain Special Condition D3 as per the existing Licence
55	Sp C D9	$CxInc_{R_0}$	$CxInc_{R_0} = (REAdj + SFAdj) \times RIORet \times RPIF_t$	The drafting appears to have excluded the proposed formula for the calculation of $CxInc_{R_0}$
55	Sp C D9	REAdj	$AC_{x2012}$ should be divided by $RPIF_t$ before subtracting the remaining terms	The value for $AC_{x2012}$ as defined in paragraph 4 will be in 2012/13 price base and will need to be converted to 2009/10 prices to ensure the correct calculation of the revenue adjustment
69	Sp C D9	Paragraph numbering	Paragraph 13 (c) should not be adjusted from the current Licence	The drafting appears to have split paragraph 13(c)