



TO transmission licensees,  
generators, suppliers and any  
other interested party

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value for all customers*

Our Ref:  
Direct Dial: 020 7901 7159  
Email: andy.burgess@ofgem.gov.uk

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## **Consultation on modifications to Statements of the Basis for Transmission Owner Charges**

This letter invites views from interested parties on updated versions of the Statements of the Basis for Transmission Owner Charges which have been submitted to the Authority for approval by Scottish Hydro-Electric Transmission Ltd ("SHETL") and SP Transmission Ltd ("SPTL"). We seek views on the modifications to these statements proposed by SHETL and SPTL.

SHETL and SPTL are the Transmission Owners of the high-voltage transmission networks in the north and south of Scotland, respectively. In this capacity, they provide services to National Grid Electricity Transmission plc ("NGET"), the system operator for the National Electricity Transmission System, which in turn provides transmission services to users of the electricity transmission network.

Under their Electricity Transmission Licences, SHETL and SPTL are required to have a statement, approved by the Authority, setting out the basis upon which they will charge NGET for the services provided. The services comprise:

- Transmission Owner services;
- connections to the licensees' transmission system; and
- outage charges.

Pursuant to Special Condition J10 (5) of SHETL's and SPTL's Electricity Transmission Licences, SHETL and SPTL shall, at least once in every year, make any necessary revisions to these statements to ensure that the information set out in the statements continues to be accurate in all material respects.

We recently received for approval updated versions of the Statement of the Basis for Transmission Owner Charges from both SHETL and SPTL. These are attached to this letter as appendices. We are seeking views in particular on whether:

- the statements provide sufficient clarity on the basis for Transmission Owner charges to NGET;
- the format of the statements is consistent and coherent; and
- the statements continue to be accurate in all material respects.

We recently published guidance<sup>1</sup> on our approach to consultations and this took effect from 1 February 2012. We do not consider the proposed changes to the statements to be significantly material or extensive, and therefore, in accordance with this guidance, we consider a four week consultation period to be appropriate.

Views are invited by **5pm on Friday, 18 May 2012**. Responses should be sent electronically to [scott.hamilton@ofgem.gov.uk](mailto:scott.hamilton@ofgem.gov.uk) and should be marked "Response on TO charging statement consultation".

All correspondence will be held electronically by Ofgem and will normally be published on our website unless clearly marked confidential.

If you wish to discuss the consultation or any issue raised in this letter further, please contact Anthony Mungall on 0141 331 6010.

Yours faithfully



**Andrew Burgess**  
**Associate Partner, Transmission and Distribution Policy**

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<sup>1</sup>

<http://www.ofgem.gov.uk/About%20us/BetterReg/Documents1/guidance%20on%20ofgems%20approach%20to%20consultation.pdf>