

The Company Secretary  
National Grid Electricity  
Transmission plc  
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*Promoting choice and value for  
all gas and electricity customers*

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Our Ref:  
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Date: 20 April 2012

Dear Colleague

**Notice under section 11A of the Electricity Act 1989 in respect of proposed modification to Part E of Special Condition C4: Role in respect of the national electricity transmission system operator area located in offshore waters**

On 27 February 2012, we published our proposal<sup>1</sup> to modify Part E of Special Licence Condition (SLC) C4 of National Grid Electricity Transmission plc's (NGET) transmission licence to extend beyond 31 March 2012 NGET's reporting obligations in relation to NGET's performance in respect of the part of the national electricity transmission system (NETS) located in offshore waters.

Our consultation of 27 February 2012 stated the reasons why the Authority proposed to make the modifications; and specified 23 March 2012 as the date by which representations with respect to the proposed modifications could be made. The Authority did not receive any representations to the consultation.

The Authority has decided to make the proposed modifications for the reasons set out in this letter and in the manner set out in the modification notice accompanying this letter.

Part E of SLC C4 obliges NGET to deliver an offshore transmission report, which relates to NGET's activities in respect of that part of the NETS located in offshore waters.

We consider that it will be useful for NGET to continue to report to the Authority on certain aspects of its role as system operator in respect of that part of the NETS located in offshore waters. The report demonstrates how NGET facilitates the development of an efficient, coordinated and economical transmission system and generation development in offshore waters.

The effect of the proposed modifications is: to oblige NGET to continue to provide the offshore transmission report beyond 31 March 2012; to remove redundant reporting obligations and to clarify that the frequency, form and content of the report may be altered as necessary.

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<sup>1</sup>

<http://www.ofgem.gov.uk/Networks/offtrans/pdc/cdr/2012/Documents1/Modification%20to%20special%20conditi on%20C4%20-%20%2027Feb2012.pdf>

## **Next steps**

We will amend the direction dated 29 September 2009 issued under paragraph 22 of SLC C4 of NGET's transmission licence, which sets out the form, content and frequency within which NGET are required to deliver the offshore transmission report to the Authority, to take account of any changes to the reporting requirements currently placed upon NGET as a consequence of this licence modification. We will publish any changes to that direction on our website.

## **Licence modification**

We have attached to this letter the relevant licence modification. This document also constitutes a notice under section 49A of the Electricity Act 1989 of the reasons for the decisions of the Authority to issue the relevant licence modification.

Yours faithfully

Paul O'Donovan

**Head of Regulatory and Support Services, Offshore Transmission**