

NB all references below link to the numbering in the statutory consultation and are not updated where that numbering is incorrect. Typographical errors are included in the tables below, except for the Special Conditions where they have been marked up in the copy of the licence.

[SP Transmission] Standard Conditions - statutory consultation – Comments by SP Transmission Ltd 22/1/13 (new comments after 18/1/13 highlighted in yellow)		
Standard Conditions - comments		
Comment number	Para Ref in the statutory consultation	Comment
Standard Condition A1: Definitions and Interpretation		
		“Relevant Year” definition is too narrow in scope as it is used in numerous other conditions, Please replace by “means a 12 month period commencing on 1 April.” (licence has not been marked up). See also comment on Relevant Year definition in Special Conditions.

[SP Transmission] Special Conditions - statutory consultation – new comments after 18 January 2013 highlighted in yellow.		
Comment number	Para Ref in the statutory consultation	Comment
Special Condition 1A Definitions and interpretation		
	1A .5	Definition of Relevant Year t seems to be defined for use of this term in Condition 3A. Surely, it is used more widely?
	1A.5	Capex rolling incentive - please insert reference to rollover final proposals of November 2011, as per previous comments.
	1A.5	Please refer to Special Condition 5A in relation to modification of Price Control Financial Instruments
	1A.5	ET1 Price Control Financial Handbook - incorrectly refers to December 21 version which is still in draft. “As modified from time to time” should make reference to Special Condition 5A.
	1A,5	Totex definitions – Capitalisation Rate and Incentive Mechanism Adjustment definitions refer to “meanings”
	1A.5	Several cross-references require correction (See Mark-up text)
	1A.5	Baseline Wider Works Outputs – replace reference to condition C17 with condition D3 (applicable to TOs)
Special Condition 2M: Specification of Network Replacement Outputs		
	Table 3 after 2M.10	Although table 1 (outputs) takes into account non-load trigger projects (see FP table 6.3) table 3 (allowed expenditure) does not. Please take into account SPTL’s amended table to exclude trigger projects to be sent separately.

[SP Transmission] Special Conditions - statutory consultation – new comments after 18 January 2013 highlighted in yellow.

Comment number	Para Ref in the statutory consultation	Comment
Special Condition 3A Restriction of Transmission Network Revenue		
	3A.1	Replace "best endeavours" by existing requirement for licensee to use "all appropriate steps within its power". We have not seen a satisfactory justification for this change.
	3A.12	CONADJt should have minus sign as it is negative adjustment to revenue but is positive number in condition 3G formula
	3A.13	Definition of SF6 Gas Emission Incentive Scheme. Term should start with the words "Sulphur Hexafluoride" preceding SF6
	3A.7	RPIFt is defined for the purposes of paragraph 3A.6 but is also used in other conditions
	3A.9	PVft is defined for the above formula for TRUt but is also used in other conditions
	3A.10	Formatting of numerator in equation of the formula for REVt-2 is ambiguous. Which terms are divided by RPIFt-2
	3A.10	"TIRGIncAdt-2" needs to be included in REVt-2 calculation as it is part of formula for TIRG.
	3A.11	Formatting of the equation of the formula for REVt-2 is ambiguous. Also, take out RVt-2 and put RBt-2 into numerator (see treatment in 3A.10). Include TIRGIncAdt-2, as for 3A.10.
	3A.14	" +2 " penalty rate should not apply in year t-2 in addition to PRt term in year t-2.
	3A.17	
	3A.17 (c)	No deadband for over-recovery up to 104%. We commented on this point in the second informal consultation. Please review as the current drafting is not consistent with the decision document on charging volatility (paras. 2.44-2.45).
	Appendix 1 after 3A.22	Table of PU values overruns margin of page.
Special Condition 3C Energy Not Supplied		

[SP Transmission] Special Conditions - statutory consultation – new comments after 18 January 2013 highlighted in yellow.		
Comment number	Para Ref in the statutory consultation	Comment
	3C.4	3C.4 In definition of ENSAt-2 the defined term “incentivised loss of supply events” does not have initial capital letters
	3C.4	In definition of PTIS-2 reference to 3E.5 should be 3E.6.
	3C.4	PVF adjustment should not apply to cap - PVF should apply to left hand side only of maximum comparison.
Special Condition 3D - Stakeholder Satisfaction Output		
	3D.3	Definition of SSSt-2 - please amend to take account of measures other than just the survey. Also, "means the" repeated
	3D.6	“Maximum” in relation to BRt does not make sense.
	3D.11	Reference to paragraph 24.15 should be reference to paragraph 3D.15
Special Condition 3E - Incentive in respect of SF6 emissions		
	3E.4	In definition of CTEt-2 reference to 3E.4 should be 3E.5
	3E.5	Reference to 3E.3 should be 3E.4?
	3E.6	Please change “For the Relevant Year beginning on 1 April 2015” to “For Relevant Years beginning on or after 1 April 2015”. (so that PTIS-2 has a value after 2015/16).
	3E.6	Reference to 3E.3 should be 3E.4. Also, correct cross reference for value of TIS.
		What does (1-0.22) represent? If it is a corporation tax adjustment the value will be (1-0.21) but this may well change from year to year.
	3E.12	Correct cross reference, should be 3E.11 not 3E.10
	3E.18	Scope of Exceptional Event definition too narrow (applies to more than just para, E.13).
Special Condition 3F - Adjustment in Respect of the Environmental Discretionary Reward Scheme		
	3F.6	Wording is ambiguous as regards revenue entitlement for relevant year t . For consistency with the formulas for OIPt in condition 3A we prefer determination of entitlement in current prices for the relevant year t.

[SP Transmission] Special Conditions - statutory consultation – new comments after 18 January 2013 highlighted in yellow.		
Comment number	Para Ref in the statutory consultation	Comment
Special Condition 3G - Financial Incentive for Timely Connections		
	3G.13	Definition of "Total offers" is of timely offers. Please amend definition.
Special Condition 3H - Network Innovation Allowance		
	3H.6	As commented previously, placing of 0.9 pass through factor limit has effect of reducing overall cap. Please put PTRa inside brackets to avoid this unintended consequence. Also "allowed revenue" reference in FP implies that TIRGt should be included alongside BRt in base.
	3H.12	Delete "gas transporter"
Special Condition 3I - Network Innovation Competition		
	3I.19	"licence" not "license"
Special Condition 3J - Transmission Investment for Renewable Investment		
	3J.2	Typographical errors (TIRGINCAD and FTIRG).
	Schedule C	Please insert TIRGINCADt figures for Beaulieu Denny as per the decision letter of 17/6/11 and the values for AFFTIRGt and AFFTIRGDEPNt for Sloy set out in the decision letter of 25/11/10.

Company Name]		
[Insert Name of Associated Document e.g. ET1 Price Control Financial Handbook]		
Comment number	Para Ref in the statutory consultation	Comment
Special Condition 5A - Governance of price control financial instruments		
	5A.7	As previously commented, please insert statement that changes impacting on PUt values will be done via licence mod process in the interests of a transparent process. This would add assurance for licensees and other parties to supplement para. 7.58 of the NGET Final Proposals
Special Condition 5B - Governance of price control financial instruments		

Company Name]		
[Insert Name of Associated Document e.g. ET1 Price Control Financial Handbook]		
Comment number	Para Ref in the statutory consultation	Comment
	5B.6(h)	Delete reference to Special Condition 7A (legacy price control adjustment for SO)
	5B.9	Change 'values for the term MODt' to 'value for the term MODt'.
Special Condition 6B: Supplementary provisions in relation to transmission asset owner incentives scheme activity in the legacy period		
	6B.10(a)	When is "the time of setting the allowed revenue for that same TII year n?" Time of, for example, Final Proposals, Licence Modification or relevant determination or direction or annual iteration for year n ?
	6B.15(c)	How can any increase or decrease for TII year 2012/13 still be 'expected' to occur after 1 April 2014? Any increase or decrease in 2012/13 would have already occurred.
	6B.17	Insert space between Authority and 'will; and between 'relevant' and 'information'.
	6B.18 (18)(ii?)	Part E (modifications) should read part F
	6B.26(b)(i)	Part E (modifications) should read part F
Special Condition 6D Specified Financial Adjustments - Transmission Owner		
	6D.29	Reference to section A and B should include section C
Special Condition 6E Innovation Rollout Mechanism		
	6E1,6E3	Insert space between out and allowed
	6E.9b	Current wording would disallow any expenditure before time of adjustment. As previously commented, please qualify by inserting cut off date of 1/4/13.
	Appendix 2	Is the value in this table meant to be in nominal terms?
Special Condition 6F Baseline Generation Connection Outputs and Generation Connection volume driver		
	Table 1 following para. 6F.5	Change heading Relevant Years to "Relevant Years ending 31 March"
	6F.11	<i>Suggested simplification of formula for COMt</i>
	6F.13	<i>Changes to definitions for components of "SHRDc,k" formula to ensure consistency.</i>
	Table 6	No units in table for GCE modified values.
Special Condition 6G Mitigating the impact of Pre-Existing Transmission Infrastructure on the visual amenity of Designated Areas		

Company Name]		
[Insert Name of Associated Document e.g. ET1 Price Control Financial Handbook]		
Comment number	Para Ref in the statutory consultation	Comment
	Second Part	Re-label second part as Part B (There are two parts labelled C but none B)
Special condition 6I: Specification of Baseline Wider Works outputs and Strategic Wider Works Outputs		
	6I.3(e)(ii)	Change 'Part Br' to 'Part B'
	Table 1 after para. 6I.7	Series Compensation Figures for SPTL. Please update in line with agreed position and Model. Profile should be £m 17.2, 46.7, 20.4 for years 2013/14 to 2015/16 respectively
	Table "2" after para. 6I.10	Should be renumbered table 3.
	6I.13	Both sub-paragraphs are numbered (a).