From: Sharp, Tony [mailto:Tony.Sharp@northernpowergrid.com]

Sent: 15 January 2013 15:36

To: Licensing

Cc: John.France@northernpowergrid.com

Subject: Consultation on further proposed licence changes following the implementation of the Third

Package and other miscellaneous changes

Set out below are the comments of Northern Powergrid on the above consultation document. Please note that these comments relate solely to the three proposed modifications to the electricity distribution licence.

- We are content with the proposed inclusion of 'Agency for the Cooperation of Energy Regulators' as a defined term in standard condition 1.
- The proposed additional words for paragraph 22.5(e) of standard condition 22 are, we believe, completely unnecessary, as the clarification that they purport to deliver is already present in the licence. This modification is said to be necessary to clarify that only those modification proposals that the Authority considers are reasonably necessary to comply with or implement the Electricity Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators cannot be withdrawn without the Authority's prior consent. However, the constraint that they attempt to introduce, to limit the scope of amendment proposals to which the paragraph relates to those that the Authority considers are necessary to comply with the cited instruments/decisions, is already present, because the paragraph is already stated to apply only to amendment proposals made by the Authority or the licensee under paragraphs 22.5(a) and 22.5(f)(i) respectively. The only amendment proposals that the Authority is allowed to raise under paragraph 22.5(a) are stated in that paragraph to be those that it considers necessary to comply with the same cited instruments/decisions, whilst amendment proposals raised by a licensee under paragraph 22.5(f)(i) would be in response to a direction given by the Authority relating to an amendment proposal that it likewise considers necessary to comply with these same cited instruments/decisions. The proposed additional words appear, therefore, to offer nothing more than unnecessary duplication.
- We believe that the proposed additional words for paragraph 23.5(b) of standard condition 23 are similarly unnecessary, as the clarification that they purport to deliver is also already present in the licence. This modification is said to be necessary to clarify that only those variation proposals that the Authority considers are reasonably necessary to comply with or implement the Electricity Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators cannot be withdrawn without the Authority's prior consent. However, the constraint that they attempt to introduce, to limit the scope of variation proposals to which the paragraph relates to those that the Authority considers are necessary to comply with the cited instruments/decisions, is already present, because the paragraph is already stated to apply only to variation proposals made by the Authority or the licensee under paragraphs 23.5(a) and 23.5(c)(i) respectively. The only variation proposals that the Authority is allowed to raise under paragraph 23.5(a) are stated in that paragraph to be those that it considers necessary to comply with the same cited instruments/decisions, whilst amendment proposals raised by a licensee under paragraph 23.5(c)(i) would be in response to a direction given by the Authority relating to a variation proposal that it likewise considers necessary to comply with these same cited instruments/decisions. The proposed additional words appear, therefore, to offer nothing more than unnecessary duplication.

I hope that you will find these comments helpful, and shall be grateful if you will acknowledge receipt.

Regards,

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