To: National Grid Electricity Transmission plc

(Company Number: 02366977)

SP Transmission Limited

(Company Number: SC189126)

Scottish Hydro Electric Transmission plc

(Company number SC213461)

(the "Licensees")

Direction under paragraph 8 of Standard Condition B15 (Regulatory Instructions and Guidance) ("SC B15") of the Electricity Transmission Licence granted to the Licensees under section 6(1)(b) of the Electricity Act 1989

Whereas -

- 1. The Licensees have each been granted a Electricity Transmission Licence (the "Licence") under section 6(1)(b) of the Electricity Act 1986 (the "Act") and are subject to the conditions contained in the Licence.
- 2. In accordance with paragraph 10 of SC B15 of the Licence the Gas and Electricity Markets Authority (the "Authority") gave notice on 1 August 2013 that it proposed to issue Regulatory Instructions and Guidance (the "RIGs").
- 3. The reason for issuing the RIGs is to enable the Authority to collect the information to enable it to administer the Special Conditions of the Licence and, where not referenced in the Licence, the RIIO-T1 Final Proposals.
- 4. SC B15 came into effect on 1 April 2013, the start of RIIO-T1 price control period and the Authority proposed to issue the RIGs with effect from 1 April 2013.
- 5. A copy of the RIIO-T1 Electricity Transmission Price Control Regulatory Instructions and Guidance: Version 1 is included in the Schedule to this Direction.
- 6. The Authority requested that any representations on the proposed RIGS be made on or before 4 September 2013. The Authority did not receive any representations.

Now therefore -

In accordance with the powers contained in paragraph 8 of SC B15 of the Licence, the Authority hereby issues the RIGs in the manner specified in the attached Schedule. The RIGs will have effect on and from 1 April 2013.

This document constitutes notice of the reasons for the Direction as required by section 49A of the Act.

.....

Paul Branston Associate Partner, Costs and Outputs Duly authorised on behalf of the Authority 26 September 2013

Schedule to the Authority's Direction dated 26 September 2013

Regulatory Instructions and Guidance

RIIO-T1 Electricity Transmission Price Control – Regulatory Instructions and Guidance: Version 1