

To all holders of an electricity generation licence, generation licence applicants and all other interested parties

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Date: 13 June 2014

Dear Colleague,

Statutory consultation on proposed licence modifications to the electricity generation licence standard conditions to reflect offshore developments

Following an informal consultation published on 5 December 2013¹ (the December consultation), the Gas and Electricity Markets Authority² proposes to modify the standard conditions of the electricity generation licence (the Licence) granted or treated as granted under 6(1)(a) of the Electricity Act 1989 (the Act).

We are proposing housekeeping changes to the standard conditions of the Licence in order to enhance clarity and to reflect some of the changes to the Act that have been made by the full commencement of section 89 of the Energy Act 2004³. The statutory consultation Notice accompanying this letter describes the proposed modifications to the Licence.

We have made two minor changes since the December consultation. We have amended the definition of 'customer' to cover persons that are required to be supplied or are supplied with electricity in the specified area set out in the terms of each licensee's licence. As a result, we have removed the proposed change to standard licence condition 20 to move the definition of "renewable energy zone" to standard condition 1. This is because that term is no longer used in the definition of customer and is now only used in standard licence condition 20.

One respondent to the December consultation requested clarification about the proposed change of definition from "GB transmission system" to "national electricity transmission system". We would like to clarify that this proposed change only extends the definition to incorporate the Renewable Energy Zone (REZ) and does not extend it to transmission systems located in any other EU member states.

Responses to this consultation must be received on or before 11 July 2014. All responses should be sent to Yvonne Naughton, Offshore, Ofgem, 3rd Floor, Cornerstone, 107 West Regent Street, Glasgow, G2 2BA, or by email to offshorelicensing@ofgem.gov.uk.

Please note, unless marked confidential, we will publish all responses on our website. Respondents may request that their response is kept confidential. We will respect these

¹ "Modifications to the electricity generation licence standard conditions to reflect offshore developments": <https://www.ofgem.gov.uk/ofgem-publications/84978/generationlicence-openletterconsultation20132.pdf>

² References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document

³ Section 89 of the Energy Act 2004 was fully commenced on 10 June 2014

http://www.legislation.gov.uk/ukxi/2014/1460/pdfs/ukxi_20141460_en.pdf

requests, subject to any obligations to disclose information, for example, under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004.

Yours faithfully,

Min Zhu

Associate Director, Offshore Transmission