

To:

National Grid Electricity Transmission plc
Company number 02366977
1-3 Strand
London
WC2N 5EH
Great Britain

NOTICE UNDER SECTION 11A(2) OF THE ELECTRICITY ACT 1989

The Gas and Electricity Markets Authority (the Authority) hereby gives Notice pursuant to section 11A(2) of the Electricity Act 1989 (the Act) as follows:

1. The Authority proposes to modify the electricity transmission licence (the licence) held by National Grid Electricity Transmission plc (the Licensee) granted or treated as granted under section 6(1)(b) of the Act by modifying Special Condition 2F (Role in respect of the National Electricity Transmission System Operator area located in offshore waters).
2. The reason why the Authority proposes to make this licence modification is to update the licence to formalise the obligations on the Licensee as System Operator to produce the electricity ten year statement.
3. The effect of the proposed modification is to remove the previous obligation on the Licensee to produce the Offshore Development Information Statement. This obligation will be replaced with an obligation to produce a new, combined, statement of network development information known as the electricity ten year statement, which is set out in the new Standard Condition C11 of the licence.
4. The new Standard Condition C11 sets out the System Operator's obligations to:
 - produce the electricity ten year statement (the statement) each year by 30 November;
 - ensure the statement meets certain objectives specified in the licence, and facilitates the development of an efficient, co-ordinated and economical system of electricity transmission;
 - prepare future scenarios to be included within the statement;
 - consult stakeholders on both the form of the statement and the future scenarios; and
 - submit to Ofgem the proposed form of the statement and the proposed future scenarios, together with details of stakeholder feedback received and an explanation of how this feedback has been taken into account.
5. A copy of the proposed modification and other documents referred to in this Notice have been published alongside this Notice and are available on the Ofgem website (www.ofgem.gov.uk).
6. Any representations with respect to the proposed licence modification must be made on or before 28 August to: Angelita Bradney, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to Angelita.Bradney@ofgem.gov.uk.
7. All responses will normally be published on Ofgem's website. However, if respondents do not wish their response to be made public then they should clearly mark their response as not for publication. Ofgem prefers to receive

responses in an electronic form so they can be placed easily on the Ofgem website.

8. If the Authority decides to make the proposed modification it will take effect not less than 56 days after the decision is published.

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Min Zhu, Associate Director, Offshore Transmission

Duly authorised on behalf of the Gas and Electricity Markets Authority
28 July 2014