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Dear Martin

Statutory licence consultation on providing National Grid Electricity Transmission plc (NGET) with provisional allowances in respect of its costs during the first 20 months of operation of Electricity Market Reform

I am writing on behalf of NGET in relation to the Notice given by the Authority on 7 July 2014 under section 11A (2) of the Electricity Act 1989 in relation to the above issue.

We have no substantive comments to make in relation to the Notice but have a few minor observations in relation to the proposed licence drafting that was published alongside the Notice that we wish to draw to your attention:

In Special Condition 7D.13 the “,” after “may” in line 2 can be deleted;

In Special Condition 7D.13 (a), we question whether the reference to “30 October” should perhaps be to “31 October”;

In Special Condition 7D.17, the reference to “7D.11” should be to “7D.13”; and

Special Condition 7D.24 (a) should refer to “SOEMRES values”.

Whilst we appreciate that this consultation is not formally seeking views on the proposed changes to the Price Control Financial Handbook since they will be the subject of a separate consultation under Special Condition 5A, we believe that the Handbook would be clearer if Chapter 7 was drafted with separate sections dealing with EMR and other uncertain costs respectively. Perhaps this can be considered ahead of the Special Condition 5A consultation.

Please do not hesitate to contact me if you wish to discuss these points further.

Yours sincerely

Jonathan Munsey
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