

To electricity transmission companies, distribution companies, generators, suppliers, offshore transmission companies, independent network operators, customer groups and other interested parties

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Date: 20 October 2014

Dear colleague,

Decision to modify the electricity transmission licence to implement the electricity ten-year statement

This letter notifies stakeholders of the decision by the Gas and Electricity Markets Authority (the Authority)¹ to remove the previous obligation on National Grid Electricity Transmission plc (NGET) (the licensee) to produce the Seven Year Statement (contained in Standard Condition C11 of its electricity transmission licence (the licence)) and the offshore development information statement (contained in Special Condition 2F of the licence).

These obligations will be replaced with a requirement to produce a new, combined statement of network development information known as the electricity ten-year statement (ETYS). This is set out in the modified Standard Condition C11 of the licence. Consequential amendments are also being made to Special Condition 2F.

On 28 July 2014, the Authority issued a statutory consultation on the proposed licence modifications. The full details and rationale for these licence modifications are set out in our consultation document.²

The Authority received two responses to the statutory consultation and these are available on the Ofgem website.³ Both responses were broadly supportive of our proposals. In its response, NGET stated that, should the Authority direct further work on the future energy scenarios, NGET may request direction from the Authority for the publication of the ETYS to be delayed. Whilst we note that the licence does allow us to direct a different date of publication, we will consider any request made by NGET as and when it is made. Given the supportive nature of the responses, we consider that no further amendment is needed to the licence drafting.

The licence modification will come into effect on 16 December 2014.

Yours sincerely,

Kersti Berge

Partner – Electricity Transmission

³ See footnote 2.

References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document.
Ofgem, Statutory consultation on modifying NGET's electricity transmission licence to implement the electricity ten-year statement, 28 July 2014.