

To:

1. **The Company Secretary
TC Robin Rigg OFTO Ltd**
Two London Bridge
London
United Kingdom
SE1 9RA
2. **The Company Secretary
TC Gunfleet Sands OFTO Ltd**
Two London Bridge
London
United Kingdom
SE1 9RA
3. **The Company Secretary
TC Barrow OFTO Ltd**
Two London Bridge
London
United Kingdom
SE1 9RA
4. **The Company Secretary
Blue Transmission Walney 1 Limited**
Cannon Place
78 Cannon Street
London
EC4N 6AF
5. **The Company Secretary
TC Ormonde OFTO Ltd**
Two London Bridge
London
United Kingdom
SE1 9RA
6. **The Company Secretary
Blue Transmission Walney 2 Limited**
Cannon Place
78 Cannon Street
London
EC4N 6AF
7. **The Company Secretary
Blue Transmission Sheringham Shoal Limited**
Cannon Place
78 Cannon Street
London
EC4N 6AF
8. **The Company Secretary
Greater Gabbard OFTO Plc**
350 Euston Road
London
United Kingdom
NW1 3AX
9. **The Company Secretary
Thanet OFTO Ltd**
6th Floor - 350 Euston Road
Regent's Place
London
NW1 3AX

DIRECTION UNDER AMENDED STANDARD CONDITION E12 – D1 (OFFSHORE REGULATORY REPORTING) OF THE OFFSHORE TRANSMISSION LICENCES OF TC ROBIN RIGG OFTO LTD, TC GUNFLEET SANDS OFTO LTD, TC BARROW OFTO LTD, BLUE TRANSMISSION WALNEY 1 LTD, TC ORMONDE OFTO LTD, BLUE TRANSMISSION WALNEY 2 LTD, BLUE TRANSMISSION SHERINGHAM SHOAL LTD, GREATER GABBARD OFTO PLC AND THANET OFTO LTD

AND

NOTICE OF REASONS UNDER SECTION 49A OF THE ELECTRICITY ACT 1989

1. Robin Rigg OFTO Ltd, TC Gunfleet Sands OFTO Ltd, TC Barrow OFTO Ltd, Blue Transmission Walney 1 Ltd, TC Ormonde OFTO Ltd, Blue Transmission Walney 2 Ltd, Blue Transmission Sheringham Shoal Ltd, Greater Gabbard OFTO Plc and Thanet OFTO Plc (the 'Licensees') are each the holders of an offshore electricity transmission Licence (the 'Licences') granted by the Gas and Electricity Markets Authority (the 'Authority') under section 6(1)(b) of the Electricity Act 1989 (the 'Act') to participate in the transmission of electricity offshore, subject to the conditions contained in those Licences.
2. The purpose of amended standard condition E12–D1 (Offshore Regulatory Reporting) (the 'Condition') of the Licences is to secure the collection of specified information by the Licensees to an appropriate degree of accuracy so as to enable the Authority to effectively monitor the revenue and costs of the Licensees' consolidated transmission business.
3. In accordance with the Condition, the Authority issues Offshore Transmission Owner Regulatory instructions and guidance (RIGs) relating to licences granted in transitional tender round 1. The latest of which was published on 28 March 2014.
4. Following the consultation process, the Authority published a decision to introduce amended standard condition E12 – D2: Equity Transaction Reporting on 15 October 2014¹. Paragraph 12 of licence condition E12 – D1 allows the Authority by this direction to issue modified RIGs accordingly.
5. The reasons for the decision of the Authority to modify the RIGs are set out in full in the Consultation of E12 – D2. In summary, the modifications are made to enhance the clarity of the existing reporting requirements, provide the Licensees with the information they need in order to comply with the Condition and to ensure the RIGs reflect the Licences.
6. The Authority by this direction issues the modified RIGs comprising:
 - a) Offshore transmission revenue and incentive reporting – regulatory instructions and guidance. Section 1: Revenue Reporting; and
 - b) Offshore transmission cost reporting – regulatory instructions and guidance. Section 2: Cost Reporting.

¹ Available on the Ofgem website at <https://www.ofgem.gov.uk/publications-and-updates/decision-under-section-11a-1-b-electricity-act-1989-modify-offshore-electricity-transmission-licences-so-introduce-amended-standard-condition-e12-d2-equity-transaction-reporting-requirement>

7. We have published these two sections of the modified RIGs alongside this Direction. Licensees are obliged to comply with these modified RIGs which will be applicable for regulatory reporting periods beginning on or after 1 April 2015. They replace the RIGs issued on 28 March 2014.
8. The documents mentioned in this Direction are available from the Ofgem Research and Information Centre and on the Ofgem website (www.ofgem.gov.uk).
9. This document also constitutes the notice under section 49A of the Act of the reasons for the Authority's decision to give a direction pursuant to the Condition.



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Stephen Beel
Partner, Competitive Networks

Duly authorised on behalf of the
Gas and Electricity Markets Authority

29 March 2016