

To: **Scottish Hydro Electric Transmission Plc**

**Electricity Act 1989  
Section 11A (2)**

**Notice of proposal to modify Special Condition 6F (Baseline Generation Connection Outputs and Generation Corrections volume driver) ("SpC 6F") of the electricity transmission licence held by the above licensee**

1. The Gas and Electricity Markets Authority ('the Authority')<sup>1</sup> proposes to modify Special Condition 6F of the electricity transmission licence held by Scottish Hydro Electric Transmission plc granted or treated as granted under 6(1)(b) of the Electricity Act 1989 by amending its algebra.
2. We are proposing these modifications to amend logical algebraic errors in SpC 6F and thereby increasing the transparency about the allowance calculations.
3. Our proposals will not change the net present value of revenue allowances. The proposals will change the distribution of allowances across regulatory years.
4. The proposed modifications and other related documents can be found at this link [www.ofgem.gov.uk](http://www.ofgem.gov.uk). Alternatively, they are available from our Research and Information Centre, 9 Millbank, London, SW1P 3GE (020 7901 7003).
5. Any representations with respect to the proposed licence modifications must be made on or before 13<sup>th</sup> September 2017 to:  
RIIO Finance, Networks, Ofgem, 9 Millbank, London, SW1P 3GE or by email to [RegFinance@ofgem.gov.uk](mailto:RegFinance@ofgem.gov.uk)
6. You can ask us to keep your response confidential by clearly marking it confidential and providing reasons and we'll respect this, subject to obligations to disclose information such as the Freedom of Information Act 2000 or the Environmental Information Regulations 2004. However, we would like to publish as much of your response as we can. To help us achieve this goal we would appreciate it if confidential material could be provided in a separate appendix to your main response. This should also be clearly marked as confidential with reasons provided. Unless you mark your response confidential we'll publish it on our website [www.ofgem.gov.uk](http://www.ofgem.gov.uk) and put it in our library.

**Ian Rowson**



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**Associate Partner, RIIO Finance**  
**Duly authorised on behalf of the Gas and Electricity Markets Authority**  
**16th August 2017**

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<sup>1</sup> The terms "the Authority", "we" and "us" are used interchangeably in this document.