

## Annex G NGENSO standard licence conditions (SLC) proposed modifications

We have included the sections of the SLCs we have proposed to remove or amend below. Deletions are shown in strike through and new text is double underlined. All of the proposed modifications below, other than the proposed modification of Condition B22 (Requirement for sufficiently independent directors), are reflected in proposed modifications to Special Condition 1C.

### A1. Definitions and interpretation

1. In the standard conditions unless the context otherwise requires:

"distribution system"	means the system consisting (wholly or mainly) of electric lines owned or operated by an authorised distributor and used for the distribution of electricity from grid supply points or generation sets or other entry points to the points of delivery to customers or authorised electricity operators or any transmission licensee in its capacity as operator of the licensee's transmission system or the national electricity transmission system and includes <del>remote transmission assets (owned by the licensee within England and Wales) operated by such distributor and any</del> electrical plant, meters and metering equipment owned or operated by such distributor in connection with the distribution of electricity, but shall not include any part of the national electricity transmission system.
"GB transmission system"	for the purposes of standard conditions C18 and D15 and the special conditions of the system operator's and Scottish licensees' licences, means the system consisting (wholly or mainly) of high voltage electric lines owned or operated by transmission licensees within Great Britain and used for the transmission of electricity from one generating station to a sub-station or to another generating station or between sub-stations or to or from any interconnector and includes any electrical plant or meters owned or operated by any transmission licensee within Great Britain in connection with the transmission

of electricity ~~but shall not include any remote transmission assets.~~

"national electricity transmission system"

means the system consisting (wholly or mainly) of high voltage electric lines owned or operated by transmission licensees within Great Britain, in the territorial sea adjacent to Great Britain and in any Renewable Energy Zone and used for the transmission of electricity from one generating station to a sub-station or to another generating station or between sub-stations or to or from any interconnector and includes any electrical plant or meters owned or operated by any transmission licensee within Great Britain, in the territorial sea adjacent to Great Britain and in any Renewable Energy Zone in connection with the transmission of electricity ~~but shall not include any remote transmission assets.~~

~~"remote transmission assets"~~

~~means any electric lines, electrical plant or meters in England and Wales owned by the licensee which: are embedded in a distribution system of an authorised electricity operator within the transmission area of the licensee and are not directly connected by lines or plant owned by the licensee to a sub-station owned by the licensee and are, by agreement between the licensee and such authorised electricity operator, operated under the direction and control of such authorised electricity operator.~~

"transmission business"

means the authorised business of the licensee or any affiliate or related undertaking in the planning or development or construction or operation or maintenance **or commercial management** of the licensee's transmission system or the national electricity transmission system or the provision of transmission services (whether or not pursuant to directions of the Secretary of State made under section 34 or 35 of the Act) or the co-ordination and direction of the flow of electricity onto and over the national electricity transmission system including ~~the transmission owner activity~~, the balancing services activity, and any business in providing connections to the national electricity transmission system, but shall not include:

- (i) any business of the licensee or any affiliate or related undertaking in the provision of settlement services in connection with the BSC or the Pooling and Settlement Agreement; or
- (ii) any other business of the licensee or any affiliate or related undertaking in the provision of services to or on behalf of any one or more persons.

## **B22. Requirement for sufficiently independent directors**

2. Subject to paragraph 11, except and to the extent that the Authority consents otherwise, the licensee must ensure that at all times after a date which is the later of:

- (a) 1 April 2014; and
- (b) 12 months after this condition comes into effect in respect of the licensee,

it has at least ~~two~~three non-executive directors who meet the criteria set out in paragraphs 2, 3, and 5 below. In this condition such directors are referred to as “sufficiently independent directors”.

## **C1. Interpretation of Section C**

~~“transmission owner activity”~~

**means**

~~the activity of the licensee or any affiliate or related undertaking relating to the medium and to long term planning, development, construction, maintenance and commercial management of the licensee’s transmission system or the national electricity transmission system which is remunerated under special condition 3A (Restriction of Transmission Network Revenue), and excluded services.~~