

National Grid Electricity Transmission plc

Email: electricitySOreform@ofgem.gov.uk

01 April 2019

Dear Company Secretary,

Authority's decision to grant or transfer relevant consents and to issue a direction to National Grid Electricity Transmission plc (NGET)

As of today, the partial transfer of National Grid Electricity Transmission plc's (NGET) electricity transmission licence to NGESO will take effect. As a consequence, NGESO is now the holder of its own, distinct electricity transmission licence.

NGET's existing relevant consents, granted by the Authority under the existing NGET Licence are, where relevant, to be appropriately granted in favour of NGESO. In addition, where these consents are solely in respect of the system operator functions these will cease to have affect in respect of NGET. The form and content of the NGESO and NGET consents and the NGET revocation direction has been agreed between NGET and Ofgem on 29th January 2019 via email correspondence.

The NGET consents and revocation direction will be granted by the Authority with effect from 1 April 2019, at which point the condition in paragraph 9(c) of the 7A consent decision¹ will be satisfied. The consents and revocation direction are listed below:

- NGET B9 Cross Default Contracts Consent
- NGET B9 VAT Consent
- NGET Consent Revocation
- NGET B6 and B9 Coreso Consent

In addition to the consents listed above, the Authority is also issuing a Direction to NGET. This Direction will require certain aspects of the standard conditions in the transmission licence to be switched on or off and will also come in to effect on 1 April 2019.

Next Steps

Published alongside this letter is a copy of each of the Consents and the Direction detailed above, all of which will have effect from 1 April 2019.

If you have any queries regarding the information contained within this letter, please contact us at the email address listed above.

Yours faithfully,

Grendon Thompson Head of Electricity System Operator Regulation Signed on behalf of the Authority and authorised for that purpose

¹ https://www.ofgem.gov.uk/publications-and-updates/consent-partially-transfer-electricity-transmission-licence-held-national-grid-electricity-transmission-plc-national-grid-electricity-system-operator-limited