

**To: National Grid Electricity Transmission plc, and other interested parties**

**Notice under Part C of Special Condition 6G (Mitigating the impact of Pre-existing Transmission Infrastructure on the visual amenity of Designated Areas) of the Electricity Transmission Licence to make modifications to specify EPI outputs and Allowed Expenditure**

1. National Grid Electricity Transmission plc ('the licensee') is the holder of an Electricity Transmission Licence granted or treated as granted under section 6(1)(b) of the Electricity Act 1989.
2. Special Condition (SC) 6G (Mitigating the impact of Pre-existing Transmission Infrastructure on the visual amenity of Designated Areas) of the Electricity Transmission Licence specifies the circumstances in which the Gas and Electricity Markets Authority (the 'Authority')<sup>1</sup>, can direct modifications to the Enhancing Pre-existing Infrastructure (EPI) Outputs and associated Allowed Expenditure (EPIE values).
3. Part B of SC 6G sets out the process that the Authority will follow in considering a request from the licensee for an adjustment to the EPIE values in its price control to deliver an EPI Output.
4. In accordance with SC 6G.18, the Authority hereby gives notice to interested parties that it proposes to modify Table 1: EPI Outputs in Part B of SC 6G and Table 2: EPIE Values after modifications in Part C of this Condition in Part D of that same condition, in the manner indicated in Schedule 1 to this Notice.
5. The reason why we propose to make these modifications is explained in our determination letter dated 28 June 2019 which is published alongside this Notice.<sup>2</sup> In summary, the purpose of the modifications is to specify five new EPI Outputs that the licensee is required to deliver, and to specify the associated EPIE values.<sup>3</sup>
6. The effect of the proposed modifications has been set out in our determination letter which accompanies this Notice. In summary, the effect of these licence modifications is to increase the licensee's Allowed Expenditure under the electricity transmission price control by £0.386m (2009/10 prices).
7. The proposed modifications are set out in Schedule 1 to this Notice. A copy of the proposed modifications and other documents referred to in this Notice are also published on our website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)).
8. The proposed modifications are intended to come into effect on 8 August 2019.

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<sup>1</sup> The "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day to day work.

<sup>2</sup> <https://www.ofgem.gov.uk/network-regulation-riio-model/riio-t1-price-control>

<sup>3</sup> This is the specific licence term used in SC 6G for Allowed Expenditure associated with EPI Outputs.

9. Any representations with respect to the proposed licence modifications must be made on or before 26 July 2019 to: Anna Kulhavy, Office of Gas and Electricity Markets, 32 Albion Street, Glasgow, G1 1LH or by email to [anna.kulhavy@ofgem.gov.uk](mailto:anna.kulhavy@ofgem.gov.uk).
10. All representations will normally be published on our website. However, if you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.

**Min Zhu**

**Duly authorised on behalf of the  
Gas and Electricity Markets Authority**

**28 June 2019**

**Schedule 1: Modifications to Special Condition 6G of National Grid Electricity Transmission plc's electricity transmission licence**

The proposed modification will add five new rows to existing Table 1: EPI outputs in Part B, as follows:

**Part B: Assessment of Allowed Expenditure for EPI Outputs**

**Table 1: EPI Outputs**

EPI Output description			Designated Area	Delivery date						
<b><u>Enhancing the Hills</u></b> Project addresses the impacts of the overhead line by restoring and enhancing key features of the landscape that underpin the AONB’s character.			<b><u>Blackdown Hills Area of Outstanding Natural Beauty</u></b>  <b><u>Combined visual and landscape impact of existing line sections</u></b> <table><tr><td>4YA.1</td><td>3</td></tr><tr><td>4YA.2</td><td>13</td></tr><tr><td>4YA.3</td><td>15</td></tr></table>	4YA.1	3	4YA.2	13	4YA.3	15	<b><u>2020</u></b>
4YA.1	3									
4YA.2	13									
4YA.3	15									
<b><u>EPI output</u></b>	<b><u>Mitigation activity</u></b>	<b><u>Volume</u></b>								
<u>Landscape enhancement and reduced visual impact</u>	<u>Hedgerow creation and management</u>	<u>865 m</u>								
	<u>Traditional orchard restoration</u>	<u>1.2 ha</u>								
	<u>Meadow creation and improvement</u>	<u>5 ha</u>								
<b><u>Lost Landscapes II</u></b> Project addresses the impacts of the overhead line by restoring and enhancing key features of the landscape that underpin the AONB’s character.			<b><u>Clwydian Range and Dee Valley Area of Outstanding Natural Beauty</u></b>  <b><u>Combined visual and landscape impact of existing line sections</u></b> <table><tr><td>4ZB.1</td><td>18</td></tr><tr><td>ZK.1</td><td>17</td></tr><tr><td>ZK.2</td><td>22</td></tr></table>	4ZB.1	18	ZK.1	17	ZK.2	22	<b><u>2022</u></b>
4ZB.1	18									
ZK.1	17									
ZK.2	22									
<b><u>EPI output</u></b>	<b><u>Mitigation activity</u></b>	<b><u>Volume</u></b>								
<u>Landscape enhancement and reduced visual impact</u>	<u>Hedgerow restoration</u>	<u>8,300 m</u>								
	<u>Drystone wall restoration</u>	<u>60 m</u>								
	<u>Woodland planting</u>	<u>0.8 ha</u>								
	<u>Pond creation and restoration</u>	<u>6</u>								
	<u>Access improvements</u>	<u>0.5 km</u>								
	<u>Wetland enhancement</u>	<u>0.5 ha</u>								
	<u>Wildflower meadow creation</u>	<u>5.9 ha</u>								

EPI Output description			Designated Area		Delivery date
<b><u>Beautiful Boundaries II</u></b> Project addresses the impacts of the overhead line by restoring and enhancing key features of the landscape that underpin the AONB’s character.			<b><u>High Weald Area of Outstanding Natural Beauty</u></b>		<b><u>2020</u></b>
<b><u>EPI output</u></b>	<b><u>Mitigation activity</u></b>	<b><u>Volume</u></b>	<b><u>Combined visual and landscape impact of existing line sections</u></b>		
<u>Landscape enhancement and reduced visual impact</u>	<u>Coppice gap up and fencing</u>	<u>3,776 m</u>	<u>4ZJ.1</u>	<u>28</u>	
	<u>Ancient woodland fencing</u>	<u>1,435 m</u>	<u>4ZJ.2</u>	<u>10</u>	
	<u>New hedge and fencing</u>	<u>2,774 m</u>	<u>4ZJ.3</u>	<u>11</u>	
	<u>Lay hedge and fencing</u>	<u>884 m</u>	<u>4ZJ.4</u>	<u>13</u>	
	<u>Woodland planting</u>	<u>0.4 ha</u>			
	<u>Wetland habitat restoration</u>	<u>0.16 ha</u>			
<b><u>Wonderful Woodlands</u></b> Project addresses the visual and landscape impact of the overhead line by enhancing and creating open spaces within woodland.			<b><u>High Weald Area of Outstanding Natural Beauty</u></b>		<b><u>2023</u></b>
<b><u>EPI output</u></b>	<b><u>Mitigation activity</u></b>	<b><u>Volume</u></b>	<b><u>Combined visual and landscape impact of existing line sections</u></b>		
<u>Landscape enhancement and reduced visual impact</u>	<u>All-weather access improvements</u>	<u>2,056</u>	<u>4ZJ.1</u>	<u>28</u>	
	<u>Woodland habitat restoration</u>	<u>5.5</u>	<u>4ZJ.2</u>	<u>10</u>	
	<u>Ground flora restoration</u>	<u>5.6 ha</u>	<u>4ZJ.3</u>	<u>11</u>	
	<u>Pond habitat restoration</u>	<u>3</u>	<u>4ZJ.4</u>	<u>13</u>	

EPI Output description			Designated Area	Delivery date
<b><u>Landford Bog Nature Reserve</u></b> <u>Project addresses the visual and landscape impacts of overhead lines by enhancing the landscape and habitat and improving access.</u>			<b><u>New Forest National Park</u></b>  <div> <b><u>Combined visual and landscape impact of existing line sections</u></b>  <div> 4YB.3 18 </div> </div>	<b><u>2021</u></b>
<b><u>EPI output</u></b>	<b><u>Mitigation activity</u></b>	<b><u>Volume</u></b>		
<u>Landscape enhancement and reduced visual impact</u>	<u>All-weather access improvements</u>	<u>35 m</u>		
	<u>Boundary improvements</u>	<u>1370 m2</u>		
	<u>Installation of leaky log dams</u>	<u>2</u>		
	<u>Rotational pollarding</u>	<u>0.7 ha</u>		

The proposed modification will also amend the values in the final three columns of existing Table 2: EPIE values after modifications determined in accordance with Part C of this Condition in Part D, as follows:

**Part D: Determination of revisions to EPIE values by the Authority**

**Table 2: EPIE values after modifications determined in accordance with Part C of this condition**

£m (2009/10 prices)	Relevant Year t							
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	0.166	0.556	0.976	1.271	2.003	<del>9.720</del> 9.884	45.085 45.236	22.758 22.829