

To:
National Grid Electricity Transmission Plc
SP Transmission Limited
Scottish Hydro Electric Transmission Plc
National Grid Electricity System Operator Limited

Electricity Act 1989
Section 11A(2)

Notice of statutory consultation on a proposal to modify the Special Conditions of the electricity transmission licence held by each of the above licensees

1. The Gas and Electricity Markets Authority ('the Authority')¹ proposes to modify the electricity transmission licence held by each of the above licensees ("the licensees"), granted or treated as granted under 6(1)(b) of the Electricity Act 1989 by:
 - a. removing the existing Special Conditions; and
 - b. inserting new Special Conditions.
2. We are proposing these modifications to give effect to our RIIO-2 Final Determinations for Transmission companies and the System Operator. The proposals also aim to improve the clarity of the licence and its relationship with the Price Control Financial Instruments established by the licence.
3. The reasons and effects of the proposed modifications, together with the full text of the proposed modifications (see also Schedule 1), are published alongside this notice at <https://www.ofgem.gov.uk/publications-and-updates/statutory-consultation-riio-2-transmission-gas-distribution-and-electricity-system-operator-licences>, alternatively they are available from foi@ofgem.gov.uk.
4. In addition, further details and background on these proposed changes are set out in the following documents:
 - a. RIIO-2 informal licence drafting consultation for Transmission, Gas Distribution and Electricity System Operator licences²;
 - b. RIIO-2 Draft determinations for Transmission and Gas Distribution companies and the Electricity System Operator³; and
 - c. RIIO-2 Final Determinations for Transmission and Gas Distribution companies and the Electricity System Operator⁴.
5. Our responses to issues raised by stakeholders as part of the RIIO-2 informal licence drafting consultation for Transmission, Gas Distribution and System Operator licences can be found at <https://www.ofgem.gov.uk/publications-and-updates>

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

² <https://www.ofgem.gov.uk/publications-and-updates/riio-2-informal-licence-drafting-consultation-transmission-gas-distribution-and-electricity-system-operator-licences>

³ <https://www.ofgem.gov.uk/publications-and-updates/riio-2-draft-determinations-transmission-gas-distribution-and-electricity-system-operator>

⁴ <https://www.ofgem.gov.uk/publications-and-updates/riio-2-final-determinations-transmission-and-gas-distribution-network-companies-and-electricity-system-operator>

[updates/statutory-consultation-riio-2-transmission-gas-distribution-and-electricity-system-operator-licences](#).

6. Any representations with respect to the proposed licence modifications must be made on or before 19 January 2021 to: Eilidh Alexander, Office of Gas and Electricity Markets, 10 South Colonnade, Canary Wharf, London, E14 4PU or by email to Eilidh.alexander@ofgem.gov.uk.
7. We normally publish all responses 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.
8. If we decide to make the proposed modifications they will take effect not less than 56 days after the decision is published.

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Min Zhu
Deputy Director
Duly authorised on behalf of the
Gas and Electricity Markets Authority

17/12/2020