

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

Notice of proposal to issue direction under paragraph 6G.16 of Special Condition 6G (Mitigating the impact of Pre-existing Transmission Infrastructure on the visual amenity of Designated Areas) of National Grid Electricity Transmission plc's Electricity Transmission Licence

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')¹, 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 a Licensee for an adjustment to EPIE Values for an EPI Output.
4. In accordance with SC 6G.18(a), 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, in the manner indicated in Schedule 1 to this notice.
5. We propose to make these modifications for the reasons set out in our determination letter dated 15 January 2021, which is published alongside this notice.² In summary, the proposed modifications would specify 12 new EPI Outputs that the Licensee would be required to deliver, and the associated EPIE Values.³
6. The effect of the proposed modifications has also been set out in our determination letter which accompanies this notice. In summary, the effect of these proposed licence modifications would be to increase the Licensee's Allowed Expenditure under the electricity transmission price control by £0.645m (2009/10 prices).

¹ 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.

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

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

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).
8. The proposed modifications are intended to come into effect on 31 March 2020.
9. Any representations with respect to the proposed licence modifications must be made on or before 15 February 2021 to: Anna Kulhavy, Office of Gas and Electricity Markets, 32 Albion Street, Glasgow, G1 1LH or by email to 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**

15 January 2021

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

The proposed modifications would add new rows to the 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
<u>Hillforts of the Hills</u> Project mitigates the impacts of the overhead line by restoring and enhancing features of the landscape that underpin the AONB’s character.			<u>Blackdown Hills AONB</u> <u>Combined visual and landscape impact of existing line sections</u>		<u>2024</u>
<u>EPI output</u>	<u>Mitigation activity</u>	<u>Volume</u>			
<u>Landscape enhancement and reduced visual impact</u>	<u>Hedgerow laying</u>	<u>159 m</u>			
	<u>Hedgerow fencing</u>	<u>2.5 ha</u>	<u>4YA.1</u>	<u>3</u>	
	<u>Scrub clearance</u>	<u>2.5 ha</u>	<u>4YA.2</u>	<u>13</u>	
	<u>Tree surgery</u>	<u>70 trees</u>	<u>4YA.3</u>	<u>15</u>	
	<u>Stock proof fencing and gates</u>	<u>1500 m and 2 gates</u>			
	<u>Historic earth bank restoration</u>	<u>150m</u>			
<u>West of Winchcombe Landscape</u> Project addresses the impacts of the overhead line through dry stone wall restoration.			<u>Cotswolds AONB</u> <u>Combined visual and landscape impact of existing line sections</u>		<u>2024</u>
<u>EPI output</u>	<u>Mitigation activity</u>	<u>Volume</u>			
<u>Landscape enhancement and reduced visual impact</u>	<u>Dry stone wall restoration</u>	<u>1860 m</u>			
			<u>ZF.2</u>	<u>24</u>	

EPI Output description			Designated Area		Delivery date		
<u>Restoring Cheltenham’s Escarpment</u> <u>Grasslands</u> <u>Project mitigates the impacts of the overhead line by restoring and enhancing features of the landscape that underpin the AONB’s character.</u>			<u>Cotswolds AONB</u> <div><u>Combined visual and landscape impact of existing line sections</u><table><tr><td><u>ZF.2</u></td><td><u>24</u></td></tr></table></div>		<u>ZF.2</u>	<u>24</u>	<u>2027</u>
<u>ZF.2</u>	<u>24</u>						
<u>EPI output</u>	<u>Mitigation activity</u>	<u>Volume</u>					
<u>Landscape enhancement and reduced visual impact</u>	<u>Dry stone wall restoration</u>	<u>120 m</u>					
	<u>Grassland restoration through gorse management</u>	<u>14 ha</u>					
	<u>Grassland restoration through scrub clearance</u>	<u>2400 sq. m</u>					
	<u>Selective tree felling</u>	<u>1.5 ha</u>					
	<u>Larch removal</u>	<u>1800 sq. m</u>					
	<u>Veteran tree preservation</u>	<u>10 trees</u>					
	<u>Fencing</u>	<u>1000 m</u>					
	<u>Footpath restoration</u>	<u>1000 m</u>					
	<u>Monument restoration (lime kiln)</u>	<u>1</u>					

EPI Output description			Designated Area		Delivery date	
<u>Hampnett to Chedworth Boundary Restoration</u> Project mitigates the impacts of the overhead line by restoring and enhancing features of the landscape that underpin the AONB’s character.			<u>Cotswold AONB</u> <div><u>Combined visual and landscape impact of existing line sections</u></div> <div><u>4TE.1</u><u>19</u></div>		<u>2025</u>	
<u>EPI output</u>	<u>Mitigation activity</u>	<u>Volume</u>				
<u>Landscape enhancement and reduced visual impact</u>	<u>Dry stone wall restoration</u>	<u>1712 m</u>				

<u>Quernmore and the Condor Valley Landscape Enhancement Initiative</u> Project mitigates the impacts of the overhead line by restoring and enhancing features of the landscape that underpin the AONB’s character.			<u>Forest of Bowland AONB</u> <div><u>Combined visual and landscape impact of existing line sections</u></div> <div><u>4TC</u><u>13</u> <u>ZX</u><u>13</u></div>		<u>2025</u>	
<u>EPI output</u>	<u>Mitigation activity</u>	<u>Volume</u>				
<u>Landscape enhancement and reduced visual impact</u>	<u>Hedge creation</u>	<u>4137 m</u>				
	<u>Hedge restoration</u>	<u>1345 m</u>				
	<u>Hedge laying</u>	<u>2608 m</u>				
	<u>Tree cages</u>	<u>18</u>				
	<u>Woodland creation</u>	<u>1.08 ha</u>				
	<u>Drystone walling</u>	<u>304 m</u>				

EPI Output description			Designated Area	Delivery date
<u>Healing Valley Mires</u> Project mitigates the impacts of the overhead line by restoring and enhancing features of the landscape that underpin the NP's character.			<u>Lake District NP</u> <div> <u>Combined visual and landscape impact of existing line sections</u> <div>ZX18</div> </div>	<u>2023</u>
<u>EPI output</u>	<u>Mitigation activity</u>	<u>Volume</u>		
Landscape enhancement and reduced visual impact	Upland wetland habitat improvements	222 ha		
	Wetland hydrological functioning improvements	222 ha		
<u>Highlighting History at Lowther</u> Project mitigates the impacts of the overhead line by restoring parkland features of the landscape.			<u>Lake District NP</u> <div> <u>Combined visual and landscape impact of existing line sections</u> <div>ZX.124</div> </div>	<u>2025</u>
<u>EPI output</u>	<u>Mitigation activity</u>	<u>Volume</u>		
Landscape enhancement and reduced visual impact	Restoration of parkland features	2 lime kilns 1 bridge 2 dew ponds 1 drinking trough 1 hoggist Gate piers		

EPI Output description			Designated Area		Delivery date
<u>Restoration of Franchises Lodge</u> Project mitigates the impacts of the overhead line by enhancing features of the landscape and increasing public access.			<u>New Forest NP</u> <div><u>Combined visual and landscape impact of existing line sections</u></div> <div><u>4YB.3</u><u>18</u></div>		<u>2025</u>
<u>EPI output</u>	<u>Mitigation activity</u>	<u>Volume</u>			
<u>Landscape enhancement and reduced visual impact</u>	<u>Rhododendron removal</u>	<u>62 ha</u>			
	<u>Land restoration</u>	<u>150 ha</u>			
	<u>Tumuli restoration</u>	<u>1.2 ha</u>			
	<u>New footpaths</u>	<u>2040 m</u>			
	<u>Rubbish removal</u>	<u>120 cubic m</u>			
<u>Hadrian's Wall</u> Project mitigates the impacts of the overhead line through the enhancement of the Hadrian's Wall National Trail and restoration of dry stone walling.			<u>Northumberland NP</u> <div><u>Combined visual and landscape impact of existing line sections</u></div> <div><u>XB.1</u><u>12</u></div> <div><u>XB.2</u><u>15</u></div>		<u>2025</u>
<u>EPI output</u>	<u>Mitigation activity</u>	<u>Volume</u>			
<u>Landscape enhancement and reduced visual impact</u>	<u>Enhancement of National Trail</u>	<u>980 m</u>			
	<u>Dry stone wall restoration</u>	<u>432 m</u>			

EPI Output description			Designated Area		Delivery date
<u>Carneddau Connectivity</u> <u>Project mitigates the impacts of the overhead line by restoring and enhancing features of the landscape that underpin the NP's character.</u>			<u>Snowdonia NP</u> <u>Combined visual and landscape impact of existing line sections</u>		<u>2025</u>
<u>EPI output</u>	<u>Mitigation activity</u>	<u>Volume</u>	<u>4YB.1</u>	<u>19</u>	
<u>Landscape enhancement and reduced visual impact</u>	<u>Hedgerow restoration</u>	<u>9000 m</u>	<u>4YB.2</u>	<u>15</u>	
	<u>Tree planting</u>	<u>5927 trees</u>	<u>4YB.3</u>	<u>9</u>	
	<u>Woodland creation</u>	<u>2 ha</u>			
	<u>Invasive Rhododendron removal</u>	<u>26 ha</u>			
	<u>Meadow creation</u>	<u>3.5 ha</u>			

EPI Output description			Designated Area		Delivery date
<u>Suffolk Scenic Sights and Watery Wilderness</u> Project mitigates the impacts of the overhead line by restoring and enhancing features of the landscape that underpin the AONB's character.			<u>Suffolk Coast and Heaths AONB</u> <u>Combined visual and landscape impact of existing line sections</u>		<u>2025</u>
<u>EPI output</u>	<u>Mitigation activity</u>	<u>Volume</u>	<u>4ZW</u>	<u>21</u>	
Landscape enhancement and reduced visual impact	Hedgerow creation	700 m	<u>4ZX</u>	<u>21</u>	
	New viewpoint clearings	3			
	Native species underplanting	100 whips			
	New wetland scrapes	0.4 ha			
	New grips	353 m			
	New scrape creation	0.34 ha			
	New sluices	15			
	New mobile electric fencing	700 m			
	New livestock access bridge	1			
<u>Views on Minsmere</u> Project mitigates the impacts of the overhead line by restoring and enhancing features of the landscape that underpin the AONB's character.			<u>Suffolk Coast and Heaths AONB</u> <u>Combined visual and landscape impact of existing line sections</u>		<u>2027</u>
<u>EPI output</u>	<u>Mitigation activity</u>	<u>Volume</u>	<u>4ZW</u>	<u>21</u>	
Landscape enhancement and reduced visual impact	New path creation	440 m	<u>4ZX</u>	<u>21</u>	
	Hide extension	4.5 m			
	Additional little tern habitat	485 sq m			
	Improved lagoon habitat	24 ha			
	New viewing platform	1			

The proposed modification would also amend the values in the final three columns of existing Table 2: EPIE values 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	9.884	45.331	22.842 <u>23.487</u>