



Making a positive difference  
for energy consumers

The Company Secretary  
Humber Gateway OFTO Limited  
6<sup>th</sup> Floor, Balfour Beatty Investments Limited  
350 Euston Road  
London  
NW1 3AX

Direct Dial: 0207 901 1850  
Email: [lucy.edmonds@ofgem.gov.uk](mailto:lucy.edmonds@ofgem.gov.uk)

Date: 7 September 2016

Dear Company Secretary

**Approval of statement pursuant to amended standard condition E12-J9 (Basis of Transmission Owner Charges)**

**Background**

Humber Gateway OFTO Limited (the 'Licensee') holds a transmission licence (the 'Licence') granted by the Gas and Electricity Markets Authority (the 'Authority') under section 6(1)(b) of the Electricity Act 1989. Amended standard condition E12-J9 of the Licence requires the Licensee to provide a statement (the 'Statement'), approved by the Authority, setting out the basis upon which it will charge National Grid Electricity Transmission plc for the services it provides. The services comprise:

- transmission owner services;
- connections to the Licensee's transmission system; and
- outage changes.

The Licensee submitted its Statement to the Authority on 8 February 2016. The Authority sent the Statement to parties to the System Operator-Transmission Owner Code on 26 April 2016, inviting them to comment. No comments were received.

The Licensee is required to revise the Statement, at least once in every year that the Licence is in force, making any necessary revisions to the Statement to ensure that the information set out in the Statement continues to be accurate in all material respects.

**Authority's decision**

Pursuant to paragraph 2 of amended standard condition E12-J9 of the Licence, the Authority hereby approves the Statement that was submitted to it by the Licensee and is set out in a separate Annex to this letter. In this regard, the Authority's approval extends only to the basis upon which the charges are made as provided for in amended standard condition E12-J2 (Restriction of Transmission Revenue: Revenue from Transmission Owner Services).

The Authority does not warrant the accuracy of or approve any values provided in the Statement. It is the Licensee's responsibility to ensure that the charges derived from the

application of the methodology are correct. Please note such values will be monitored through the audited revenue return required to be submitted to the Authority by 31 July each year. The audited revenue return is a Licence requirement under amended standard condition E12-D1 (Offshore Regulatory Reporting).

Yours sincerely

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**Stephen Beel**  
**Partner, Competitive Networks**

**Duly authorised on behalf of the**  
**Gas and Electricity Markets Authority**  
**7 September 2016**