

The Company Secretary
National Grid Electricity Transmission plc
1-3 Strand
London
WC2N 5EH

Email: esoperformance@ofgem.gov.uk

Date: 27 July 2018

Dear Company Secretary,

Direction under special condition 4G.19 extending the deadline for determination of any Black Start Cost Adjustment of National Grid Electricity Transmission plc's electricity transmission licence

This letter directs under special condition 4G.19 a change to the deadline for the Gas and Electricity Market Authority's (the "Authority") determination of the need for any adjustment under special condition 4G.21 to **21 August 2018**.

The Authority considers that this extension is necessary to allow it to reach a determination on any potential adjustment.

For the avoidance of doubt, this direction should not be inferred as any particular outcome on the assessment for the need for any adjustment to Black Start costs.

Background

Black Start is the process used to recover from an event which results in the full or partial shutdown of the transmission system. Isolated power stations are started individually without an external power supply, and gradually reconnected in order to re-energise the system.

National Grid Electricity Transmission (NGET) submitted to the Authority on 30 April 2018 the Annual Report for 2017/18 as well as the independent auditors report under Part E of Special Condition 4G (Black Start Allowed Revenue). On 15 June 2018, the Authority issued a direction¹ seeking further information on the costs incurred in 2017/18 for Black Start. We received NGET's response on 29 June 2018.

Direction

The Authority assessed the information received from NGET in regards to the costs incurred in the provision of Black Start in 2017/18 following our previous direction seeking further information and the analysis that needs to be conducted on such information. It believes that having considered the nature of the information provided and the analysis it needs to undertake, it needs more time to reach a determination.

Therefore, pursuant to special condition 4G.19, the Authority hereby directs that the deadline for the Authority decision to reach a determination pursuant to special condition 4G.21 is 21 August 2018.

¹ The direction is available [here](#).

This constitutes notice pursuant to section 49A of the Electricity Act 1989

Next steps

The Authority will continue its analysis of the information received from NGET and will reach a determination by 21 August 2018.

This Direction may be revoked or amended upon notice to NGET.

If you have any questions concerning this Direction, please contact **Ayena Gupta** at ayena.gupta@ofgem.gov.uk.

Yours sincerely,

Louise van Rensburg

Deputy Director, Energy System Transition

Duly authorised on behalf of the Gas and Electricity Markets Authority

27 July 2018