

NOTICE UNDER SECTION 11 OF THE ELECTRICITY ACT 1989

The Gas and Electricity Markets Authority ("the Authority") pursuant to section 11(3) of the Electricity Act 1989, as amended by the Utilities Act 2000 ("the Act") hereby gives notice as follows:

1. In relation to the standard conditions of the distribution licence ("the licence") granted to Aquila Networks plc ("the licensee") and treated as granted under section 6(1) (c) of the Act, the Authority proposes to modify the definition of 'Relevant supplier or shipper' in paragraph 1 of amended standard condition 39 of the licence in the manner set out in the Schedule annexed to this Notice.
2. The reason why the Authority proposes to make this modification is that with the recent acquisition of the licensee by Powergen UK plc, the licensee is now an indirect subsidiary of a company that holds gas supplier, electricity supply and gas shipper licences which were the subject of licensing schemes made under the Utilities Act 2000, but not of a transfer scheme.
3. In summary the effect of the modification will be to allow information to be passed by the licensee to a company owning a gas supplier, electricity supply or gas shipper licence, but to prevent access to that information by a supply or shipping business.

The modification if made will be further to the modifications to standard condition 39 which took effect on and from 1 April 2002 in all distribution licences.

Any representations or objections to the proposed modification may be made on or before 26 May 2004 and should be addressed to Clover Powell at Ofgem, 9 Millbank London SW1P 3GE (020 7901 7210) or clover.powell@ofgem.gov.uk.



Dated 26 April 2004

Signed on behalf of the Authority by Martin Crouch, Director, Distribution

Duly Authorised in that behalf on behalf of the Gas and Electricity Markets Authority

SCHEDULE

Proposed modification to amended standard condition 39

Condition 39. Restriction on use of certain information and independence of the Distribution Business

[All definitions within the above amended standard condition remain the same save the following amendments]

1. In this Condition:

‘Relevant supplier or shipper’ means:-

- (a). the business of shipping gas of a gas shipper’s licence holder, or
- (b). the business of supplying electricity or gas of an electricity or gas supply licence holder

which is an affiliate or related undertaking of the licensee