



**Electricity transmission
companies and other
interested parties**

*Promoting choice and
value for all customers*

Your Ref:
Our Ref:
Direct Dial: 020 7901 7361
Email: john.benson@ofgem.gov.uk

14 February 2006

Dear Colleagues,

**Consultation on the proposed statement to satisfy amended
standard condition C17 of the transmission licence**

Revised arrangements for transmission system performance reporting have been the subject of discussion and industry consultation for several months. Modifications to transmission standard licence conditions C17 and D3 came into effect yesterday. National Grid Electricity Transmission have now submitted a draft of the statement required under amended standard licence condition C17(2), setting out criteria by which system availability, security and quality of service may be measured and specifying information to be provided by the transmission owners to the system operator. Appended to that statement is a draft "specimen report" that shows the intended format of their annual reports. Copies of the drafts are attached herewith.

The proposed statement no longer contains an undertaking to indicate whether interruptions are within or outside Security and Quality of Supply Standards. In the case of some interruptions this had proved to be a complex issue in the past and was not explicitly addressed in previous annual reports. Ofgem now considers that the annual report should contain only factual information. Where appropriate the question of whether standards have been satisfied can be investigated and answered separately from issues relating to the production of the report. The specimen report shows that, wherever possible, data will be made available that is broadly comparable with information provided in the reports previously submitted by the three transmission companies. The report will only be published after Ofgem is satisfied that it conforms to the C17 (2) statement.

There are less than two months to the end of the financial year and Scottish Power transmission and Scottish Hydro Electric Transmission as well as other interested parties are requested to send any written comments on the proposed NGET statement, on or preferably before 7 March 2006, to John Benson, Ofgem, 9 Millbank, London SW1P 3GE or by e-mail to john.benson@ofgem.gov.uk.

Yours sincerely

Robert Hull
Director – Transmission Networks