

All electricity transmission licensees

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Dear Colleague

Decision to modify Standard Condition A4 of the electricity transmission licence (Payments by Licensee to the Authority)

Please find attached a modification decision under section 11A(1)(b) of the Electricity Act 1989 in respect of Standard Condition A4 of the electricity transmission licence.

On 21 January 2013 the Gas and Electricity Markets Authority ("the Authority") gave notice ("the Notice") that it proposed to modify Standard Condition A4 (Payments by Licensee to the Authority) of the electricity transmission licence.

Prior to the close of the consultation, we received one representation to the proposed modifications. This response was carefully considered and our response to it is set out in Schedule 2 to the modification decision.

Having carefully considered the representation received, the Authority has decided to proceed with the modifications to Standard Condition A4 of the electricity transmission licence. The attached modification decision states:

- i. the effect of the modifications;
- ii. how the Authority has taken account of any representations duly made; and iii. the reasons for any differences between the modifications and those set out in the Notice that was published on 21 January 2013.

The modification decision has been placed on the Ofgem website. Copies of this letter and the modification decision have been sent to:

- the Secretary of State
- the Welsh Government
- the Scottish Government
- Consumer Focus

This decision will take effect on 22 May 2013.

Yours faithfully,

Paul Heseltine Associate Director Finance and Risk Management