

To:

- 1 Company Secretary
TC Robin Rigg Ltd
Two London Bridge
London
United Kingdom
SE1 9RA
- 2 Company Secretary
TC Barrow OFTO Ltd
Two London Bridge
London
United Kingdom
SE1 9RA
- 3 Company Secretary
TC Gunfleet Sands OFTO Ltd
Two London Bridge
London
United Kingdom
SE1 9RA
- 4 Company Secretary
Blue Transmission Walney 1 Limited
c/o Dundas and Wilson
Northwest Wing Bush House
Aldwych
London
United Kingdom
WC2B 4EZ
- 5 Company Secretary
TC Ormonde OFTO Ltd
Two London Bridge
London
United Kingdom
SE1 9RA
- 6 Company Secretary
Blue Transmission Walney 2 Limited
c/o Dundas and Wilson
Northwest Wing Bush House
Aldwych
London
United Kingdom
WC2B 4EZ

DIRECTION UNDER AMENDED STANDARD CONDITION E12 - D1 (OFFSHORE REGULATORY REPORTING) OF THE OFFSHORE TRANSMISSION LICENCE OF TC ROBIN RIGG OFTO LTD, TC BARROW OFTO LTD, TC GUNFLEET SANDS OFTO LTD, BLUE TRANSMISSION WALNEY 1 LIMITED, TC ORMONDE OFTO LTD AND BLUE TRANSMISSION WALNEY 2 LIMITED

AND

NOTICE OF REASONS UNDER SECTION 49A ELECTRICITY ACT 1989 FOR GIVING THE DIRECTION

1. TC Robin Rigg OFTO Limited, TC Gunfleet Sands OFTO Limited, TC Barrow OFTO Limited, TC Ormonde OFTO Limited, Blue Transmission Walney 1 Limited and Blue Transmission Walney 2 Limited ("the Licensees") are each the holders of an offshore electricity transmission licence ("the Licence") granted under section 6(1)(b) of the Electricity Act 1989 ("the Act") to participate in the transmission of electricity offshore subject to the conditions contained in the Licence.
2. The purpose of amended standard condition E12 – D1 (Offshore Regulatory Reporting) (the 'Condition') of the Licence is to secure the collection of specified information from the Licensee as required by the offshore regulatory reporting – regulatory instructions and guidance (the 'RIGs') issued by the Authority under the Condition to enable the Authority to effectively monitor the revenue and costs of the Licensee's consolidated transmission business.
3. On 22 February 2013, under paragraph 13 of the Condition we consulted on proposed modifications to the RIGs¹ (the 'Consultation'). These are not substantive modifications and instead intend to enhance the clarity of the existing reporting requirements. We noted that the updated RIGs will be applicable to the regulatory reporting for the period from 1 April 2012 to 31 March 2013. We also noted that since the changes that were consulted on were purely intended to enhance the clarity of the existing reporting requirements we do not believe the timing of these changes will cause difficulty in complying with the requirements. We did not receive any representations to the Consultation.
4. We have made the modifications proposed to the RIGs as set out in the Consultation and summarised in Appendix 1 of the letter published alongside this letter.
5. The reasons for the decision of the Authority to modify the RIGs are set out in full in the Consultation. In summary, the modifications are made to enhance the clarity of the existing reporting requirements, provide the Licensee with the information it needs in order to comply with the Condition and to ensure the RIGs reflect the licence.

¹ The consultation open letter can be found here:
<http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=9&refer=NETWORKS/OFFTRANS/PDC/CDR/2013>

6. In accordance with paragraph 12 of the Condition, the Authority by this direction issues the modified RIGs² comprising:
 - a. Offshore transmission revenue and incentive reporting – regulatory instructions and guidance. Section 1: Revenue Reporting; and
 - b. Offshore transmission cost reporting – regulatory instructions and guidance. Section 2: Cost Reporting;
7. These will be applicable for the regulatory reporting for the period from 1 April 2012 to 31 March 2013 which the Licensees are obliged to comply with on and from 29 April 2013.
8. We have published these two sections of the modified RIGs alongside this Direction. These modified RIGs replace the RIGs issued 2 March 2011.
9. The documents mentioned in this Direction are available from the Ofgem Research and Information Centre and on the Ofgem website (www.ofgem.gov.uk).
10. This document also constitutes the notice under section 49A of the Act of the reasons for the Authority's decision to give a direction pursuant to the Condition.

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Min Zhu
Associate Director, Offshore Transmission

Duly authorised on behalf of the
Gas and Electricity Markets Authority

Date: 26 April 2013

² The RIGs are available on the Ofgem website (www.ofgem.gov.uk) alongside this Direction.