

Offshore transmission licensees
Other interested parties

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Dear Colleague

Proposed modifications to the electricity transmission licences held by 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.

We have today published proposals to modify amended standard licence conditions A1 (Definitions and Interpretation), E12 (amended standard conditions) and E13 (System Operator – Transmission Owner Code) of the electricity transmission licences held by:

1. TC Robin Rigg OFTO Limited
2. TC Gunfleet Sands OFTO Limited
3. TC Barrow OFTO Limited
4. TC Ormonde OFTO Limited
5. Blue Transmission Walney 1 Limited
6. Blue Transmission Walney 2 Limited

The modifications we are proposing and the reasoning behind them are set out in more detail in the notices published alongside this letter and in the consultation published on 4 April 2013¹. A summary of the proposed modifications is provided in the table overleaf.

One response was received to the consultation from Transmission Capital Partners (TCP). TCP highlighted that a different alteration to the calculation of the Transmission System Availability Payment (TSAP_t) would be required for TC Barrow OFTO Limited. This amendment has been proposed in notice under section 11A(2) of the Electricity Act 1989 for TC Barrow OFTO Limited which is published alongside this letter.

Representations or objections to the proposed licence modifications must be made in writing to Hannah Evans on or before 19 July 2013.

If you have any queries regarding the information contained within this letter please contact Hannah Evans on 020 7901 7358 or by email Hannah.Evans@ofgem.gov.uk.

Yours faithfully

Min Zhu
Associate Director, Offshore Transmission

¹ [Consultation on proposed modifications to the offshore electricity transmission licences of Offshore Transmission Owners \(OFTOs\)](#)

Amended Standard Licence Condition	Proposed Modification	Licensees Affected
A1 (Definitions and Interpretation)	Remove amended standard condition A1.	Licensees 1-6 listed above.
E12-A1 (Definitions and Interpretation)	Update references to licence conditions (paragraphs 2 and 3).	Licensees 1-6
E12-J1 (Restriction of Transmission Revenue: Definitions)	Correct typographical errors (paragraph 1). Clarify the definitions of 'network rates' and 'transmission service reduction'	Licensees 1-6
E12-J3 (Restriction of Transmission Revenue: Allowed Pass through Items)	Clarify the costs covered by the Crown Estate Cost Adjustment (CEL _t) (paragraph 6).	TC Robin Rigg OFTO Ltd TC Gunfleet Sands OFTO Ltd
E12-J4 (Restriction of Transmission Revenue: Annual Revenue Adjustments)	Amend equation 31 (calculating the Incremental Capacity Revenue Driver (ICRD _t)) so that the Composite Circuit Rating (CCR) is measured in kVA, not kW.	TC Robin Rigg OFTO Ltd TC Gunfleet Sands OFTO Ltd TC Barrow OFTO Ltd Blue Transmission Walney 1 Ltd
E12-J4 (Restriction of Transmission Revenue: Annual Revenue Adjustments)	Correct typographical errors (paragraphs 6, 7 and 17 (all), paragraph 4 (Gunfleet Sands and Barrow) and paragraph 9 (Robin Rigg and Gunfleet Sands). Clarify availability reporting requirements (paragraph 5). Correct the definition of the Five Year Credit Mechanism (5YCM _t) term (equation 26). Correct the numbering of the incentive terms in the Transmission System Availability Payment (TSAP _t) calculation (equation 28). Clarify that the Additional Capacity Investment Adjustment (ACA _t) term equals zero unless otherwise directed (equation 29).	Licensees 1-6
E12-J5 (Restriction of Transmission Charges: Adjustments)	Clarify the reporting requirements for under collection of revenue (Paragraphs 1-3).	Licensees 1-6
E12-J8 (Allowances in respect of Security Costs)	Correct typographical error (paragraph 7).	Licensees 1-6
E13 (System Operator: Transmission Owner Code)	Correct reference to Special Conditions A2, A3 and C2 and include reference to J11	Licensees 1-6