

**To:**  
**National Grid Electricity Transmission Plc**  
**SP Transmission Limited**  
**Scottish Hydro Electric Transmission Plc**  
**National Grid Electricity System Operator Limited**

**Electricity Act 1989**  
**Section 11A(2)**

**Notice of statutory consultation on a proposal to modify the Standard Conditions of all electricity transmission licences**

1. The Gas and Electricity Markets Authority ('the Authority')<sup>1</sup> proposes to modify the Standard Conditions of the electricity transmission licence held by each of the above licensees ('the licensees') granted or treated as granted under 6(1)(b) of the Electricity Act 1989 by:
  - a. amending the Standard Conditions set out in Annex 1;
  - b. inserting new Standard Conditions set out in Annex 2; and
  - c. removing existing Standard Conditions set out in Annex 3.
2. We are proposing these modifications to give effect to our RIIO-2 Final Determinations for Transmission companies and the System Operator. The proposals also aim to improve the clarity of the licence.
3. The reasons and effects of the proposed modifications, together with the full text of the proposed modifications can be found at <https://www.ofgem.gov.uk/publications-and-updates/statutory-consultation-riio-2-transmission-gas-distribution-and-electricity-system-operator-licences> alternatively they are available from [foi@ofgem.gov.uk](mailto:foi@ofgem.gov.uk).
4. In addition, further details and background on these proposed changes are set out in the following documents:
  - a. RIIO-2 informal licence drafting consultation for Transmission, Gas Distribution and Electricity System Operator licences<sup>2</sup>;
  - b. RIIO-2 Draft determinations for Transmission and Gas Distribution companies and the Electricity System Operator<sup>3</sup>; and
  - c. RIIO-2 Final Determinations for Transmission and Gas Distribution companies and the Electricity System Operator<sup>4</sup>.
5. Our responses to issues raised by stakeholders as part of the RIIO-2 informal licence drafting consultation for Transmission, Gas Distribution and Electricity System Operator licences can be found at <https://www.ofgem.gov.uk/publications-and-updates/statutory-consultation-riio-2-transmission-gas-distribution-and-electricity-system-operator-licences>

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<sup>1</sup> The terms "the Authority", "we" and "us" are used interchangeably in this document.

<sup>2</sup> <https://www.ofgem.gov.uk/publications-and-updates/riio-2-informal-licence-drafting-consultation-transmission-gas-distribution-and-electricity-system-operator-licences>

<sup>3</sup> <https://www.ofgem.gov.uk/publications-and-updates/riio-2-draft-determinations-transmission-gas-distribution-and-electricity-system-operator>

<sup>4</sup> <https://www.ofgem.gov.uk/publications-and-updates/riio-2-final-determinations-transmission-and-gas-distribution-network-companies-and-electricity-system-operator>

6. Any representations with respect to the proposed licence modifications must be made on or before 19 January 2021 to: Eilidh Alexander, Office of Gas and Electricity Markets, 10 South Colonnade, Canary Wharf, London, E14 4PU or by email to [Eilidh.alexander@ofgem.gov.uk](mailto:Eilidh.alexander@ofgem.gov.uk).
7. We normally publish all responses on our website. However, if you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.
8. If we decide to make the proposed modifications they will take effect not less than 56 days after the decision is published.

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**Min Zhu**  
**Deputy Director**  
**Duly authorised on behalf of the**  
**Gas and Electricity Markets Authority**

**17/12/2020**

## Annex 1: SLCs we are proposing to amend

Condition	Licensees applicable to
Standard Condition A1: Definitions and Interpretation (Schedule 1 only shows definition we propose to remove or amend below).	All listed above
Standard Condition B10: Credit rating of the licensee and resulting obligations	All listed above
Standard Condition B12: System Operator – Transmission Owner Code	All listed above
Standard Condition B15: Regulatory Instructions and Guidance (RIGs)	All listed above
Standard Condition B16: Electricity Network Innovation Strategy	All listed above
Standard Condition B23: Data Assurance Requirements	All listed above
Standard Condition C16: Procurement and use of balancing services	National Grid Electricity System Operator Limited

## Annex 2: SLCs we are proposing to insert

Condition	Licensees applicable to
Standard Condition B24: Housekeeping	All listed above
Standard Condition C28: Functions for an efficient, co-ordinated and economic system operator	National Grid Electricity System Operator Limited

## Annex 3: SLCs we are proposing to remove

Condition	Licensees applicable to
SLC A7: Offshore Transmission Implementation	All listed above
SLC B13: BETTA implementation	All listed above
SLC B14: BETTA run-off arrangements scheme	All listed above