

Issued Wednesday 06 October 2004

Dear industry colleague,

In addition to our Conclusion Report to the Authority for the GB Transmission Charging: Final Methodologies Consultation, National Grid also published on 30 September 2004 the covering letter sent to the Authority. The covering letter made reference to the draft charging statements, and our request for comments on these statements by 29 October 2004.

These documents have been published on our industry information website and can be viewed using the following link:

[http://www.nationalgridinfo.co.uk/betta/gb\\_consultations.html](http://www.nationalgridinfo.co.uk/betta/gb_consultations.html)

It has become apparent from comments received since the publication of our conclusions that the status of the draft charging statements may not be clear and we would therefore like to take this opportunity to clarify the situation.

National Grid has separate licence obligations to determine connection and use of system charging methodologies approved by the Authority, and to prepare statements of connection and use of system charging methodology approved by the Authority. The statements being the legal drafting enacting the agreed methodology.

The Conclusion Report sets out our proposals for a GB charging methodology, however once a methodology has been approved it will also be necessary for the Authority to approve the statements of the charging methodology.

Clearly the statements ultimately approved by the Authority will be dependent on the approved methodology, and therefore a statement cannot be approved prior to a decision being taken on the methodology itself. Rather than wait until such time as the methodology has been approved before we develop the corresponding statement, and in light of comments received during the consultation process, we have prepared draft charging statements for each of the proposed methodologies, and sought industry comment on their consistency with the proposed methodologies set out in the Conclusions Report.

For the avoidance of doubt we are only seeking comments and queries on the drafting in the statements and their consistency and application with regard to the proposed methodologies. We are not seeking comments on the methodology itself.

National Grid will consider what, if any, changes are required to these charging methodology statements following industry review and before requesting approval by the Authority of these statements in conjunction with a decision on the proposed charging methodologies.

We have asked for comments on the draft statements to be submitted by e-mail to Jamil Ahmed at [jamil.ahmed@ngtuk.com](mailto:jamil.ahmed@ngtuk.com) by the 29 October 2004,

Regards

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