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Direct Dial: 020 7901 7491

The National Grid Company

03 November 2004

Our Ref: Cascade GC Mod

Dear Colleague,

Modification to the Grid Code - Direction in relation to Ofgem/DTI conclusions “Non Standard BM Unit Configurations associated with Cascade Hydro Schemes”

On 15 October 2004 Ofgem/DTI published their conclusions on their consultation on non standard BM Units for cascade hydro schemes.¹ Ofgem/DTI’s conclusion document includes legal drafting for changes to the Grid Code and to the BSC to give effect to their conclusions and Ofgem/DTI recommend that the Authority directs NGC to make these changes to the Grid Code and to the BSC. The Authority has given consideration to Ofgem/DTI’s conclusions and the resulting changes to the Grid Code and to the BSC and has decided that (for reasons laid out in the conclusions document) such changes to the Grid Code should be made. This letter provides formal notice of that Decision in accordance with Condition C14 (7) (d) of the Transmission Licence.

The Authority’s decision

The Authority directs that the proposed modifications to the Grid Code, specified by Ofgem/DTI in their conclusions document on cascade hydro BM Units,² should be made and implemented.

Having regard to the above, the Authority, in accordance with Condition C14 (7) (d) of the licence to transmit electricity granted to NGC under Section 6 of the Electricity Act 1989 (the “Transmission Licence”), hereby directs NGC to modify the Grid Code as set out in Ofgem/DTI’s conclusions document.

The Implementation Date for this proposed modification is 29 November 2004.

In accordance with Condition C14 (8) of NGC’s Transmission Licence, NGC shall modify the Grid Code in accordance with this direction of the Authority.

If you have any questions, please contact me on the above number.

¹ “BETTA consultation on Non Standard BMU configurations associated with Cascade Hydro Schemes and associated Grid Code and BSC drafting, Ofgem/DTI conclusions”, October 2004.

² “BETTA consultation on Non Standard BMU configurations associated with Cascade Hydro Schemes and associated Grid Code and BSC drafting, Ofgem/DTI conclusions”, October 2004.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'N. Simpson', written over a horizontal line.

Nick Simpson
Director, Modifications

Signed on behalf of the Authority and authorised for that purpose by the Authority