

ET SECTOR	
<b>REFERENCE NUMBER:</b>	<b>CATEGORY:</b> Amendment
<b>LICENCE CONDITION NUMBER:</b> <i>(if relevant):</i>	<b>SLC B12</b>
<b>TITLE:</b>	<b>System Operator -Transmission Owner Code</b>
<b>RELEVANT LICENCE CONSULTATION QUESTIONS</b> <i>(if any):</i>	<b>None</b>
<b>RELEVANT ISSUES LOG:</b>	
<b>POLICY ISSUES</b>	
	<ul style="list-style-type: none"> <li>We support the proposed change and it is consistent with Ofgem's previous decision to socialise K across the onshore TOs in proportion to their allowed revenue</li> </ul>
<b>DRAFTING ISSUES</b>	
<ul style="list-style-type: none"> <li>Comments on the proposed drafting at B12.1(b)</li> </ul>	<ul style="list-style-type: none"> <li>"transmission network revenue" needs to be defined.</li> <li>"onshore transmission owners" is not defined. Suggest just "transmission owners" as this definition excludes offshore TOs</li> <li>"Onshore transmission owner revenue" is not defined.</li> <li>NGET,SHET,SPT need to be defined or referred to as "transmission owners"</li> <li>"other parties" needs to be defined so (a) it is clear this is not onshore TOs; and (b) that if the list of other parties changes we have to agree to this through a licence change.</li> <li>"under or over recovery' needs to be defined as the difference between the ESO's 'MAR' and its invoiced network charges (excluding any connection charges).</li> <li>Clarify by adding "total" to the following "... shared between NGET, SHET, and SPT based on their proportion of the <u>total</u> onshore transmission owner revenue".</li> </ul>
<b>FINANCE ISSUES</b>	
<b>SUPPORTING INFORMATION</b>	
<b>OFGEM ENGAGEMENT:</b>	