

## To: All holders of an electricity transmission licence

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Date: 29/03/2021

Dear Network Companies,

## Direction under Part I of Special Condition 3.13 (Large Onshore Transmission Investment Re-opener) to issue the Large Onshore Transmission Investments (LOTI) Guidance and Submissions Requirements Document

- 1. Each of the companies to whom this direction is addressed is the holder of a licence aranted or treated as granted under section 6(1)(b) of the Electricity Act 1989 or section 7 of the Gas Act 1989.
- 2. In accordance with paragraph 3.13.26 of Special Condition 3.13 (Large Onshore Transmission Investment Re-opener), on the 26 January 2021 the Gas and Electricity Markets Authority ("the Authority")<sup>1</sup> published on its website the text of the proposed Large Onshore Transmission Investments (LOTI) Guidance and Submissions Requirements Document and stated that representations must be made on or before the 23 February 2021.
- 3. We received three responses, which we have carefully considered. We have placed all non-confidential responses on our website. Our response to these comments are set out in the issues log, which can be found here.
- 4. We have made a number of changes to the proposed text for the reasons set out in the issues log. The full text of the LOTI Guidance and Submissions Requirements Document, as well as a track change version compared with that published on the 26 January 2021, can be found here.
- 5. The reason for this direction is to give effect to our decision in Final Determinations<sup>2</sup> to have a LOTI Guidance and Submissions Requirements Document which provides further detail on the assessment process and indicative timeline for submissions under the LOTI re-opener, as required by Special Condition 3.13.26.

<sup>&</sup>lt;sup>1</sup> The terms "the Authority", "we" and "us" are used interchangeably in this document. <sup>2</sup> <u>https://www.ofgem.gov.uk/system/files/docs/2021/02/final\_determinations\_et\_annex\_revised.pdf</u>

- 6. This direction is our notice of reasons for the purposes of section 49A of the Electricity Act 1989 and section 38A of the Gas Act 1986.
- Now the Authority, pursuant to the provisions of Special Condition 1.1 (Interpretation and definitions) and Special Condition 3.13, hereby directs that the Large Onshore Transmission Investments Re-opener Guidance is issued and will have effect from 1 April 2021.

For more information regarding this Direction you should contact Joseph Slater (joe.slater@ofgem.gov.uk)

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Min Zhu Deputy Director, ET Sector, Systems & Networks

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