

## Compliance Annual Report

### National Grid Electricity Transmission plc

Prepared pursuant to paragraph 9 of Special Condition N of the Electricity Transmission Licence granted to National Grid Electricity Transmission plc (registered in England with number 2366977) whose registered office is at 1-3 Strand, London WC2N 5EH under section 6(1)(b) of the Electricity Act 1989

**20<sup>th</sup> April 2007**

## **Introduction**

Paragraph 9 of Special Condition N of the Electricity Transmission Licence (“Licence”) granted to National Grid Electricity Transmission plc (“NGET”) requires NGET to produce an annual report covering its compliance during the relevant year with Special Condition M of the licence and its implementation of the practices, procedures and systems adopted in accordance with the Compliance Statement, as approved by the Gas and Electricity Markets Authority. This is the annual report in respect of the period 1<sup>st</sup> January 2006 to 31<sup>st</sup> December 2006 (“period”).

## **Compliance during the relevant year**

NGET has been compliant with the obligations set out in Special Condition M of its licence throughout the period.

During the period, one application for connection was received and processed which falls within the category described in paragraph 1 of Special Condition M, the latter being the trigger for Special Condition M to apply. NGET treated the information received in respect of all applications for connection as confidential.

Throughout the period, no applications for connection have been processed which fall within the definition of an 'alternative offer' as described in paragraph 3 of Special Condition M.

## **Implementation of the practices, procedures and systems adopted in accordance with the Compliance Statement**

Notwithstanding the absence of any applications for connection that would fall within the definition of an 'alternative offer' as described in paragraph 3 of Special Condition M, NGET has implemented a policy approved by the Authority, and remains prepared to deal with any such applications in a manner compliant with Special Condition M. This policy is described in a statement provided to the Authority and approved by it on 24th March 2005, a copy of which is available at <http://www.nationalgrid.com/uk/Electricity/Compliance>.

To further reinforce this policy, when applying for a connection pursuant to paragraph 1(b) of Standard Condition C8, applicants are required to identify any other application they have submitted which is intended as an alternative. This policy amendment has been reflected in a revised statement which has been provided to the Authority.

## **Activities of the Compliance Officer**

The Compliance Officer has ensured that the above policy is appropriately communicated to be effective during the period. There have been no complaints and no investigations.

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