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Our Reference GB ECM-02

Dear Bob,

**CONCLUSIONS REPORT FOR USE OF SYSTEM CHARGING METHODOLOGY  
MODIFICATION GB ECM-02**

Please find attached the conclusion report for the Use of System Charging Methodology Modification proposal GB ECM-02. This concerns condition 1 of the Authority's approval of the GB electricity transmission use of system charging methodology. Condition 1 required National Grid to invite views and to consult on alternative methods of addressing the issue of negative demand charges and to bring forward a proposal to modify the use of system charging methodology in this regard consistent with implementation in April 2006. In accordance with Transmission Licence Condition 5 the report sets out:

- (a) the terms originally proposed for the modification
- (b) the representations made by Users
- (c) any changes made to the terms of the modification intended as a result of such representations
- (d) how the intended modification better achieves the relevant objectives
- (e) a timetable for implementation of the modification

We will be e-mailing the conclusions report to all concerned parties in parallel to this letter and will be posting this report on the Charging Area of our web-site as soon as possible.

If you have any queries please do not hesitate to contact me. I look forward to hearing from you.

Yours sincerely,

Stuart Easterbrook  
Electricity Charging and Access Development Manager