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Addressee

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Dear

Forthcoming changes to the National Grid Safety Authorisation Process

In light of the change to National Grid's National Safety Instruction 30 – "Appointment of Persons", which will become effective on 1st February 2009, I am writing to formally update you on the key changes and the position of National Grid Electricity Transmission with respect to the application of safety passports and associated registration systems.

The desire for electricity network operators to share relevant authorisation information and to adopt a common base standard, means of assessment and open registration, has its origins in the Electricity Association, the Electricity Training Association and the papers of the Safety Management Coordinating Committee. Arising from this initiative, the RESET system was proposed and implementation subsequently agreed.

Notwithstanding the structural and personnel changes that have occurred over recent years with the formation of the Energy Networks Association (ENA), Energy and Utility Skills (EUS) and various mergers and acquisitions within the DNOs, National Grid have worked to implement the revised Basic Electrical Safety Competence (BESC) standard and to apply EUS Registration (EUSR) in good faith with our earlier commitment.

National Grid's progress has been communicated within the ENA at both the Safety and Training and Competence Committees and updates have been provided to the Grid Code Review group.

I am pleased to report that to date over 10,000 ESI contractors and National Grid staff have been assessed to the BESC standard and are included on the EUS Register. Given this level of uptake we now feel confident in fully incorporating BESC and EUSR into our appointment processes.

From 1st February 2009, any employee of National Grid, Contractors or third parties (including DNOs and GENCOs) required to be authorised under NSI 30 to the National Grid Safety Rules will require BESC assessment and EUS Registration.

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The effects of our decision are likely to have an impact at the National Grid – DNO/GENCO interface on such issues as:

- DNO/GENCO staff undertaking work on National Grids Equipment under National Grid's Safety Rules.
- DNO/GENCO staff undertaking work on their equipment under National Grid's Safety Rules.
- DNO/GENCO Contractors undertaking self build projects on assets in transition between DNO and National Grid when coming under National Grid's Safety Rules.
- GENCO staff who hold Authorised Person switching authorisations issued by National Grid.

The requirements under the revised NSI 30 will not vary the previously agreed items such as the mutual recognition of Safety Rules, switching authorisations that facilitate delegations of authority or site access authorisations.

Again in recognition of our close working relationship with the DNOs and GENCOs, current National Grid authorisations will remain valid until their next renewal date.

National Grid remains fully committed to the BESC/EUSR systems as we strongly believe that they will assist in:

- Raising base safety standards
- Meeting the needs of our contractor base in being a significant step towards common industry standards and the sharing of authorisation data
- Supporting the strategic aims of our Sector Skills Council
- The open access to authorisation data that may lead to the avoidance of duplication and open up potential cost savings

It is National Grid's firmly held view that the BESC/EUSR process meets or is working towards the above objectives, we do not therefore support any proposal to duplicate or reinvent an alternative registration or passport system.

Should your representatives wish to discuss any issues raised in this letter, then in the first instance they should contact London Delivery Manager Steve Bath steve.bath@uk.ngrid.com.

Yours sincerely,

Chris J Murray
Director of Asset Management