

Appendix 1

To: All holders of an electricity interconnector licence in whose licence Section G: Cap and Floor Conditions has effect

Electricity Act 1989 Section 11A(1)(b)

Modification of the standard conditions of all electricity interconnector licences

1. Each of the licensees to whom this document is addressed holds an electricity interconnector licence which has been granted or treated as granted under 6(1)(e) of the Electricity Act 1989 (the Act).
2. Under section 11A(2) of the Act the Gas and Electricity Markets Authority ('the Authority')¹ gave notice on 24 March 2021 ('the Notice') that we proposed to insert the following new standard condition into existing Section G: Cap and Floor Conditions:
 - Standard Condition 26A: Delay to Regime Start Date caused by Pre-Operational Force Majeure

of the electricity interconnector licence in the manner specified in the schedule accompanying the Notice.² We stated that any representations to the modification proposal must be made on or before 26 April 2021.
3. A copy of the Notice was sent to the Secretary of State in accordance with section 11A(4)(b) of the Act, and we have not received a direction that the changes should not be made.
4. We received six responses to the Notice and carefully considered comments made with respect to the proposed modifications. Our response to these comments is set out in the summary of consultation responses attached at Appendix 5. We have placed all non-confidential responses on our website.
5. We are making these licence changes in order to implement provisions that may apply in circumstances where the licensee considers that the Regime Start Date for the licensee's Interconnector has been delayed due to Pre-operational Force Majeure.
6. Further details on the reasons and effect of the modifications can be found in Part A of the schedule accompanying the Notice.

¹ The terms "the Authority" and "we" are used interchangeably in this document.

² Proposed modifications to the electricity interconnector licence standard conditions:
[https://www.ofgem.gov.uk/system/files/docs/2021/03/schedule_1- proposed_mods_to_ic_slcs.pdf](https://www.ofgem.gov.uk/system/files/docs/2021/03/schedule_1-_proposed_mods_to_ic_slcs.pdf)

7. Where an application for permission to appeal our decision is made to the Competition and Markets Authority (CMA) under section 11C of the Act, Rule 5.7 of the CMA's Energy Licence Modification Appeals Rules requires that the appellant must send to any relevant licence holders who are not parties to the appeal a non-confidential notice setting out the matters required in Rule 5.2. The relevant licence holders in relation to this modification are all holders of an electricity interconnector licence in whose licence Section G: Cap and Floor Conditions has effect, a list of which is given in Annex 1. Section 11A(10) of the Act sets out the meaning of 'relevant licence holder'.

Under the powers set out in section 11A(1)(b) of the Act, we hereby modify the standard licence conditions for all relevant electricity interconnector licences in the manner specified in attached Schedule 1. This decision will take effect from 3 August 2021.

This document is notice of the reasons for the decision to modify the electricity interconnector licences as required by section 49A of the Act.

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Stuart Borland
Head of Interconnectors

Duly authorised on behalf of the
Gas and Electricity Markets Authority

8 June 2021

Annex 1: relevant licence holders³

³ Electricity licence holders are listed at: <https://www.ofgem.gov.uk/publications-and-updates/all-electricity-licensees-registered-addresses>