

ELECTRICITY INTERCONNECTOR LICENCE: STANDARD CONDITIONS

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

TABLE OF CONTENTS – ELECTRICITY INTERCONNECTOR LICENCE

PART II - SECTION A: INTERPRETATION, APPLICATION AND PAYMENTS ..4

Condition 1.	Definitions and interpretation	4
Condition 1A.	Application of Section G	Error! Bookmark not defined.
Condition 1B.	Application of Section H	9
Condition 2.	Not used.....	Error! Bookmark not defined.

PART II – SECTION B: GENERAL**Error! Bookmark not defined.**

Condition 3.	Compliance with codes.....	Error! Bookmark not defined.
Condition 4.	Provision of information to the Authority	Error! Bookmark not defined.
Condition 5.	Information regarding technical rules, operation and co-ordinated development	Error! Bookmark not defined.
Condition 6.	Separation of accounts.....	Error! Bookmark not defined.
Condition 7.	Compulsory acquisition of land etc	Error! Bookmark not defined.
Condition 8.	Other powers etc.....	Error! Bookmark not defined.

PART II – SECTION C: REVENUE**Error! Bookmark not defined.**

Condition 9.	Use of revenues	Error! Bookmark not defined.
--------------	-----------------------	-------------------------------------

PART II – SECTION D: THIRD PARTY ACCESS**Error! Bookmark not defined.**

Condition 10.	Charging methodology to apply to third party access to the licensee’s interconnector	Error! Bookmark not defined.
Condition 11.	Requirement to offer terms for access to the licensee’s interconnector	Error! Bookmark not defined.
Condition 11A.	Approval of terms for access to the licensee’s interconnector initial approval of access rules	Error! Bookmark not defined.
Condition 12.	Application of licence conditions 9, 10 and 11: Exemption orders.....	Error! Bookmark not defined.
Condition 13 -	Not Used.....	Error! Bookmark not defined.
Condition 14.	Dispute resolution.....	Error! Bookmark not defined.

PART II – SECTION E: BRITISH ELECTRICITY TRADING AND TRANSMISSION ARRANGEMENTS.....**10**

Condition 15.	Definitions	10
Condition 16.	BETTA implementation	17
Condition 17.	BETTA run-off arrangements scheme	Error! Bookmark not defined.
Condition 18.	Not used Offers for connection to or use of the GB transmission system in the transition period.....	22

PART II - SECTION F: OTHER PROVISIONS.....**Error! Bookmark not defined.**

Condition 19.	Operation and development of the interconnector	Condition 20. Prohibition of discrimination and cross-subsidies	Error! Bookmark not defined.
---------------	---	---	-------------------------------------

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

Condition 21. General provisions on disclosure of information....**Error! Bookmark not defined.**
 Condition 22. Notification of changes that may affect eligibility for certification**Error! Bookmark not defined.**

Condition 23. Regional Cooperation**Error! Bookmark not defined.**

PART II - SECTION G: CAP AND FLOOR CONDITIONS.....24

Condition 24. Definitions**Error! Bookmark not defined.**

Condition 25. Cap and Floor Regulatory Instructions and Guidance**Error! Bookmark not defined.**

Condition 26. Provision of information to the GB ISOPSystem Operator..... 24

Condition 26A. Delay to Regime Start Date caused by Pre-Operational Force Majeure**Error! Bookmark not defined.**

PART II - SECTION H: PAYMENTS BETWEEN THE LICENSEE AND THE GB ISOPSYSTEM OPERATOR.....26

Condition 27: Determination of the Interconnector Payments term with respect to costs related to the Capacity Allocation and Congestion Management Regulation 26

Condition 28: Provision of payments information to the GB ISOPSystem Operator 30

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
 Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

Part II – THE STANDARD CONDITIONS

PART II - SECTION A: INTERPRETATION, APPLICATION AND PAYMENTS**Condition 1. Definitions and interpretation**

1. In these licence conditions unless the context otherwise requires:

“BSC” means the balancing and settlement code provided for in paragraph ~~24~~ of ~~standard~~ condition ~~E1C3~~ (Balancing and Settlement Code (BSC)) of the electricity system operator transmission licence, as from time to time modified in accordance with that condition

“CUSC” means the Connection and Use of System Code provided for in paragraph ~~25~~ of ~~standard~~ condition ~~E2C10~~ (Connection and Use of System Code (CUSC)) of the electricity system operator transmission licence, as from time to time modified in accordance with that condition

Electricity System Operator Licence means a licence granted or treated as granted under section 6(1)(da) of the Act;

“GB ISOP system operator” means the holder for the time being of a ~~transmission licence in relation to which~~ licence the Authority or the Secretary of State, where appropriate, has issued a

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

~~Section C (system operator standard conditions) Direction and where Section C remains in effect (whether or not subject to any terms included in a Section C (system operator standard conditions) Direction or to any subsequent variation of its terms to which the transmission licensee may be subject)~~ means the person for the time being designated as the Independent System Operator and Planner under section 162 of the Energy Act 2023 who holds an electricity system operator licence and gas system planner.

“Grid Code”

means the grid code required to be drawn up by the GB ISOP~~system operator~~ pursuant to standard condition E3C14 (Grid Code) of the electricity system operator~~transmission~~ licence, as from time to time revised with the approval of the Authority

“Scottish grid code”

means any grid code which any transmission licensee ~~other than the GB system operator~~ is obliged to maintain pursuant to its licence

2. Any words or expressions used in Part I of the Act, the Utilities Act 2000 or the Energy Act 2004 shall, unless the contrary intention appears, have the same meaning when used in these conditions.
3. Except where the context otherwise requires, any reference to a numbered condition (with or without a letter) or Schedule is a reference to the condition or Schedule (with or without a letter) bearing that number in this licence, and any reference to a numbered paragraph (with or without a letter) is a reference to the

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

paragraph bearing that number in the condition or Schedule in which the reference occurs, and reference to a Section is a reference to that Section in these conditions.

4. These conditions shall have effect as if, in relation to a licensee who is a natural person, for the words “it”, “its” and “which” there were substituted the words “he”, “him”, “his”, and “whom”, and similar expressions shall be construed accordingly.
5. Except where the context otherwise requires, a reference in a condition to a paragraph is a reference to a paragraph of that condition and a reference in a paragraph to a sub-paragraph is a reference to a sub-paragraph of that paragraph.
6. Any reference in these conditions to:
 - (a) a provision thereof;
 - (b) a provision of the standard conditions of electricity supply licences;
 - (c) a provision of the standard conditions of electricity distribution licences;
 - (d) a provision of the standard conditions of electricity transmission licences;
 - or
 - (e) a provision of the standard conditions of electricity generation licences,
shall, if these conditions or the standard conditions in question come to be modified, be construed, so far as the context permits, as a reference to the corresponding provision of these conditions or the other standard conditions in question as modified;or
 - (f) a provision of the conditions of the electricity system operator licence.
7. In construing these conditions, the heading or title of any condition or paragraph shall be disregarded.
8. Any reference in a condition to the purposes of that condition generally is a reference to the purposes of that condition as incorporated in this licence and as incorporated in each other licence under section 6(1)(e) of the Act (whenever granted) which incorporates it.
9. Where any obligation placed on the licensee under this licence is required to be performed by a specified date or time, or within a specified period, and where the licensee has failed so to perform by such date or time, or within such period, such

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

obligation shall continue to be binding and enforceable after the specified date or time, or after the expiry of the specified period (but without prejudice to all rights and remedies available against the licensee by reason of the licensee's failure to perform by that date or time, or within that period).

10. Anything required by or under these conditions to be done in writing may be done by facsimile transmission of the instrument in question or by other electronic means and, in such case:

- (a) the original instrument or other confirmation in writing shall be delivered or sent by pre-paid post as soon as is reasonably practicable, and
- (b) where the means of transmission had been agreed in advance between the parties concerned, in the absence of and pending such confirmation, there shall be a rebuttable presumption that what was received duly represented the original instrument.

11. The definitions referred to in this condition may include some definitions which are not used or not used exclusively in Sections A, B, C, D, E, F, or G (which sections are incorporated in all electricity interconnector licences). Where:

- (a) any definition is not used in Sections A, B, C, D, E, F, or G that definition shall, for the purposes of this licence, be treated:
 - (i) as part of the condition or conditions (and the Section) in which it is used; and
 - (ii) as not having effect in the licence until such time as the condition in which the definition is used has effect within the licence in pursuance of that condition;
- (b) any definition which is used in Sections A, B, C, D, E, F, or G and is also used in one or more other Sections:
 - (i) that definition shall only be modifiable in accordance with the modification process applicable to each of the conditions in which it is used; and

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

- (ii) if any such condition is modified so as to omit that definition, then the reference to that definition in the condition shall automatically cease to have effect.

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

Condition 1B. Application of Section H

1. The standard conditions in Section H (in whole or in part) shall not have effect in this licence; and the licensee shall not be obliged to comply with the requirements of Section H (in whole or in part) of this licence until the Authority has issued to the licensee a direction in accordance with paragraph 2 of this condition.
2. The Authority may issue a direction (a "Section H (Payments Between the Licensee and the GB ~~System Operator~~ ISOP) Direction") to the licensee specifying that the standard conditions in Section H (in whole or in part) shall have effect within this licence from the date and to the extent specified in the direction.
3. The Authority may issue a direction to the licensee to vary the terms (as set out in the Section H (Payments Between the Licensee and the GB ~~System Operator~~ ISOP) Direction) under which Section G has (or its parts have) effect in this licence or to provide for Section H (or its parts) to cease to have effect in this licence.
4. The variation or cessation provided for in paragraph 3 of this condition shall take effect from the date specified in the variation or cessation direction issued to the licensee by the Authority.
5. With effect from the cessation referred to in paragraph 4 of this condition, paragraphs 2 to 4 of this condition shall be suspended and shall cease to have effect in this licence, in respect of Section H, to the extent specified in the cessation direction, but the Authority may at any time thereafter give to the licensee a notice ending the suspension and providing for those paragraphs again to have effect in the licence from the date specified in the notice.
6. Before issuing a direction under paragraphs 2 and 3 of this condition, the Authority will:
 - (a) give notice to the licensee that it proposes to issue a direction specifying:
 - (i) the date on which it proposes the direction to take effect;
 - (ii) the text of the direction and the Authority's reasons for proposing to issue the direction; and

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

- (iii) the time (which will not be less than a period of 28 days from the date of the notice) within which representations in response to the Authority’s proposal may be made; and
- (b) consider any representations in response to the notice that are duly made and not withdrawn.

PART II – SECTION E: BRITISH ELECTRICITY TRADING AND TRANSMISSION ARRANGEMENTS

Condition 15. Definitions

In this section:

“BETTA”	means the British electricity trading and transmission arrangements which are provided for in Chapter 1 of Part 3 of the Energy Act 2004
“BETTA go-live date”	means the date which the Secretary of State indicates in a direction shall be the BETTA go-live date
“British Grid Systems Agreement”	means the agreement known as the British Grid Systems agreement and made between The National Grid Company plc, Scottish Hydro-Electric Plc and Scottish Power Plc and dated 30 March 1990, as amended or modified from time to time
“Code”	means any or all of the CUSC, BSC, Grid Code, STC and any Scottish grid code as the context requires

<u>Electricity System Operator Licence</u>	<u>means a licence granted or treated as granted under section 6(1)(da) of the Act;</u>
--	---

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

“GB transmission system” means the system consisting (wholly or mainly) of high voltage electric lines owned or operated by transmission licensees within Great Britain and used for the transmission of electricity from one generating station to a sub-station or to another generating station or between sub-stations or to or from any interconnector and includes any electrical plant or meters owned or operated by any transmission licensee within Great Britain in connection with the transmission of electricity

“interconnection” means:

the 275kV and 400kV circuits between and including the associated switchgear at Harker sub-station in Cumbria and the associated switchgear at Strathaven sub-station in Lanarkshire;

the 275kV transmission circuit between and including the associated switchgear at Cockenzie in East Lothian and the associated switchgear at Stella in Tyne and Wear; and

the 400kV transmission circuit between and including the associated switchgear at Torness in East Lothian and the associated switchgear at Stella in Tyne and Wear

all as existing at the date on which the transmission licence of each existing

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

Scottish licensee comes into force as from time to time maintained, repaired or renewed, together with any alteration, modification or addition (other than maintenance, repair or renewal) which is primarily designed to effect a permanent increase in one or more particular interconnection capacities as they exist immediately prior to such alteration, modification or addition and as from time to time maintained, repaired or renewed; and

the 132kV transmission circuit between and including (and directly connecting) the associated switchgear at Chapelcross and the associated switchgear at Harker sub-station in Cumbria, and

the 132kV transmission circuit between and including (and connecting, via Junction V) the associated switchgear at Chapelcross and the associated switchgear at Harker sub-station in Cumbria,

all as existing at the date on which the transmission licence of each existing Scottish licensee comes into force and as from time to time maintained, repaired or renewed

“interconnector”

means the electric lines and electrical plant and meters used solely for the transfer of electricity to or from the GB transmission system into or out of Great Britain

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

“licensee’s transmission system”	means those parts of the GB transmission system which are owned or operated by a transmission licensee within its transmission area
“non-GB trading and transmission arrangements”	means those arrangements for, amongst other things, the separate trading or transmission of electricity in Scotland, the separate trading or transmission of electricity in England and Wales and the trading or transmission of electricity between England and Wales (taken as a whole) and Scotland which are defined and governed by, amongst other things, the relevant documents
“relevant documents”	<p>means the documents which relate to the non-GB trading and transmission arrangements, including, without limitation:</p> <ul style="list-style-type: none"> (a) the Settlement Agreement for Scotland; (b) the British Grid System Agreement; (c) the System Operation Agreement; and (d) any agreement relating to: <ul style="list-style-type: none"> (i) the establishment of, operation of, or trading of electricity across the Scottish interconnection; (ii) the use of or connection to the Scottish interconnection; and

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

	(iii) the use of, or connection to, a distribution or a licensee's transmission system in Scotland
“running-off”	means bringing to an end
“Scottish interconnection”	means such part of the interconnection as is situated in Scotland
“Scottish licensee”	means the holder of a transmission licence at the date that this condition takes effect in this licence but shall not include the GB system operator
“ Section C (system operator standard conditions) Direction ”	means a direction issued by the Authority or the Secretary of State, where appropriate, in accordance with standard condition A2 (Application of Section C) of the transmission licence granted to electricity transmission licensees, as from time to time modified
“Settlement Agreement for Scotland”	means the agreement of that title, as nominated by the Authority for the purposes of this condition, to be prepared in accordance with and comprise such matters as are set out in special condition I (The Settlement Agreement for Scotland) in each of the electricity distribution licences of SP Distribution Limited, and Scottish Hydro-Electric Power Distribution Limited (and any other name by which any of these companies come to be known)

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

“STC”	means the system operator – transmission owner code required to be in place pursuant to the transmission licence granted to the transmission licensees, as from time to time modified
“System Operation Agreement”	means the agreement known as the System Operation agreement and made between Scottish Hydro-Electric Plc and Scottish Power Plc and dated 1 June 1990, as amended or modified from time to time
“GB system operator <u>ISOP</u> ”	<p>means the holder for the time being of a transmission licence in relation to which licence the Authority or the Secretary of State, where appropriate, has issued a Section C (system operator standard conditions) Direction and where Section C of that transmission licence remains in effect (whether or not subject to any terms included in a Section C (system operator standard conditions) Direction or to any subsequent variation of its terms to which the licensee may be subject) <u>means the person for the time being designated as the Independent System Operator and Planner under section 162 of the Energy Act 2023 who holds an electricity system operator licence and gas system planner licence.</u></p>
“transition period”	means the period commencing on 1 September 2004 and ending on the BETTA go-live date

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

| Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

Condition 16. BETTA implementation

1. The objective of this licence condition is to require the licensee to take certain steps and do certain things which are within its power and which are or may be necessary or expedient in order that BETTA can take effect on or around 1 April 2005 or such later date as the Secretary of State may designate as the BETTA go-live date.
2. Without prejudice to paragraph 1, the licensee shall take such steps and do such things as are within its power and as are or may be necessary or expedient in order to give full and timely effect:
 - (a) to the modifications to this licence made by the Secretary of State pursuant to the powers vested in her under Chapter 1 of Part 3 of the Energy Act 2004 (Electricity trading and transmission) and which have effect in this licence;
 - (b) to the extent that the licensee is obliged to comply with the same by virtue of being a party to such code or otherwise and to the extent that such changes have full effect in such code, to the modifications or amendments to:
 - (i) the BSC, CUSC and the Grid Code which were designated by the Secretary of State on 1 September 2004 pursuant to the powers vested in her under Chapter 1 of Part 3 of the Energy Act 2004 (Electricity trading and transmission) or pursuant to any power under this or any other licence; and
 - (ii) the BSC, CUSC, or Grid Code ~~or any Scottish grid code~~ which are directed by the Authority pursuant to the provisions of the following paragraphs of the ~~standard~~ licence conditions of the for electricity system operator transmission licences: paragraph 146 of standard condition E1C3 (Balancing and Settlement Code (BSC)), paragraph 248 of standard condition E2C10 (Connection and Use of System Code (CUSC)), paragraph 217 of standard condition E3C14 (Grid Code), respectively. Or

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

any Scottish grid code which is directed by the Authority pursuant to the provisions of and paragraph 6 of standard condition D9 of the transmission licences (Licensee's grid code), ~~respectively;~~

and shall, in each case, take such reasonable steps and do such things as are reasonable and, in each case, as are within its power and as are or may be necessary or expedient to give full and timely effect to the matters envisaged by such modifications or amendments.

3. Without prejudice to paragraph 1, the licensee shall take all reasonable steps and do such things as are reasonable and, in each case, as are within its power and as are or may be necessary in order to give full and timely effect to:
 - (a) the modifications to this licence which either the Secretary of State has notified to the licensee are to be made to this licence pursuant to the powers vested in her under Chapter 1 of Part 3 of the Energy Act 2004 (Electricity trading and transmission) or which the licensee otherwise knows (or reasonably anticipates) are to be made to this licence, but which, at the relevant time, do not have effect in this licence; and
 - (b) the modifications or amendments:
 - (i) to the BSC, CUSC and the Grid Code which were designated by the Secretary of State on 1 September 2004 pursuant to the powers vested in her under Chapter 1 of Part 3 of the Energy Act 2004 (Electricity trading and transmission) or pursuant to any power under this or any other licence; and
 - (ii) to the BSC, CUSC, Grid Code ~~or any Scottish grid code~~ which are directed by the Authority pursuant to the provisions of the following paragraphs of the ~~standard~~ licence conditions of the for electricity system operator transmission licences: paragraph 146 of ~~standard~~ condition E1~~C3~~ (Balancing and Settlement Code (BSC)), paragraph 248 of ~~standard~~ condition E2~~C10~~ (Connection and Use of System Code (CUSC)), paragraph 217 of ~~standard~~ condition E3~~C14~~ (Grid Code), respectively. ~~and~~ Or any Scottish

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

grid code which is directed by the Authority pursuant to the provisions of paragraph 6 of standard condition D9 (Licensee's grid code) of the electricity transmission licence, respectively or which the licensee otherwise knows (or reasonably anticipates) are to be directed by the Authority pursuant to such provisions, but which, in either case, do not, at the relevant time, have full effect in the relevant code and shall, in each case, take such reasonable steps and do such things as are reasonable and, in each case, as are within its power and as are or may be necessary or expedient to give full and timely effect to the matters envisaged by such modifications or amendments.

4. Without prejudice to the other provisions of this condition, the licensee shall:
- (a) cooperate with other electricity licensees and such other persons as the Authority may determine for these purposes and take such steps and do such things as are reasonable and within its power and as are or may be necessary or expedient to enable such electricity licensees to comply with their licence obligations to give full and timely effect to:
 - (i) the modifications made or to be made to their licence by the Secretary of State pursuant to the powers vested in her under Chapter 1 of Part 3 of the Energy Act 2004 (Electricity trading and transmission);
 - (ii) the modifications or amendments to the BSC, CUSC and the Grid Code designated by the Secretary of State on 1 September 2004 pursuant to the powers vested in her under Chapter 1 of Part 3 of the Energy Act 2004 (Electricity trading and transmission) or pursuant to any power under this or any other licence;
 - (iii) the modifications or amendments to the STC, BSC, CUSC, Grid Code ~~or any Scottish grid code~~ which are directed by the Authority pursuant to the following provisions of the ~~standard~~ conditions of the for electricity system operator transmission licences: paragraph 227 of standard condition E4B12 (System Operator- Transmission

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

Owner Code (STC)), paragraph ~~14~~6 of ~~standard~~ condition ~~E1~~3 (Balancing and Settlement Code (BSC)), paragraph ~~24~~8 of ~~standard~~ condition ~~E2~~10 (Connection and Use of System Code (CUSC)), paragraph ~~21~~7 of ~~standard~~ condition ~~E3~~14 (Grid Code), respectively. Or any Scottish grid code which is directed by the Authority pursuant to the provisions of ~~and~~ paragraph 6 of standard condition D9 (Licensee's grid code) of the transmission licences, ~~respectively;~~ and

- (iv) where that other licensee is a transmission licensee or the ISOP, the provisions of the STC, and

the matters envisaged by such modifications and the provisions of the STC, as appropriate, and

- (b) if the licensee becomes aware of any conflict between its compliance with the provisions of this condition and its compliance with any other condition of this licence or any Code, document or agreement to which the licensee is obliged to be or become a party pursuant to this licence, the licensee shall forthwith give written notice of such conflict to the Authority and shall comply with any direction of the Authority in relation to the same (which direction may only be made following such consultation with the licensee (and such other persons as the Authority deems appropriate) in such manner as the Authority deems appropriate).

5. The licensee shall provide to the Authority, in such manner and at such times as the Authority may reasonably require, such information and shall procure and furnish to it such reports as the Authority may require or deem necessary or appropriate to enable the Authority to monitor the licensee's compliance with the requirements of this condition.
6. For the purposes of sub-paragraph 2(b) and paragraph 3 above, a modification or amendment shall have full effect in a code where that modification or amendment, as appropriate, has been implemented and is effective in that code and is not

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

prevented from having effect or being implemented in that code, at the relevant time, by another provision of that code.

7. This condition shall cease to have effect on and from the BETTA go-live date.

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

Condition 18. Offers for connection to or use of the GB transmission system in the transition period

1. ~~The licensee shall:~~ **[Not used].**

~~(a) — save where it disputes the terms of the same, accept any offer made to it in its capacity as an existing user:~~

~~(i) to enter into an agreement for connection to or use of the GB transmission system made by the GB system operator in accordance with condition C18 (Requirement to offer terms for connection or use of the GB transmission system during the transition period) of the GB system operator's licence; or~~

~~(ii) to amend any existing agreement between the licensee and the GB system operator for connection or use of system made by the GB system operator in accordance with condition C18 (Requirement to offer terms for connection or use of the GB transmission system during the transition period) of the GB system operator's licence~~

~~in each case, within one month (or such longer period as the Authority may direct for these purposes) of its receipt of the same;~~

~~(b) — where the terms of an agreement between it and the GB system operator are settled pursuant to paragraph 11 of condition C18 (Requirement to offer terms for connection or use of the GB transmission system during the transition period) of the GB system operator's licence, the licensee shall forthwith enter into the agreement with the GB system operator on the basis of the terms so settled; and~~

~~(c) — where the terms of any offer made pursuant to condition C18 (Requirement to offer terms for connection or use of the GB transmission system during the transition period) of the GB system operator's licence are in dispute, and an application has been made to the Authority requesting that it settle the terms of the agreement which are in dispute, and where the terms of such agreement have not been settled by the date which falls two weeks prior to the BETTA go-live date (or such later date as the Authority may direct for these purposes), forthwith enter into an agreement with the GB system operator for connection to or use of the GB transmission system, or amend an existing~~

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

~~agreement, on the basis of the terms offered by the GB system operator pending resolution of the terms of that agreement by the Authority in accordance with paragraph 11 of condition C18 (Requirement to offer terms for connection or use of the GB transmission system during the transition period) of the GB system operator's licence. The Authority's determination of the terms of any such agreement may, where and to the extent appropriate, take account of and make appropriate adjustments to reflect the difference between the terms of that agreement as settled and the terms of that agreement which applied during the period from the BETTA go-live date to the date upon which the agreement as settled takes effect.~~

~~2. This condition shall cease to have effect on and from the BETTA go-live date.~~

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

PART II - SECTION G: CAP AND FLOOR CONDITIONS

Condition 26. Provision of information to the GB ISOP ~~System Operator~~

1. The purpose of this condition is to set out when the licensee shall provide estimates of the value of the Interconnector Cap And Floor Revenue Adjustment term (ICF_t) to the GB ISOP ~~System Operator~~ and the Authority.
2. In the first TNUoS Reporting Relevant Year of the Regime Duration, the licensee shall as soon as reasonably practicable,
 - (a) notify the GB ISOP ~~System Operator~~ of its best estimate for the value of ICF_t in respect of that TNUoS Reporting Relevant Year; and
 - (b) notify the GB ~~System Operator~~ ISOP of its best estimate for the value of ICF_{t+1} ; where:

 ICF_t means the total payment in the TNUoS Reporting Relevant Year t to be made between the licensee and the GB ~~System Operator~~ ISOP, pursuant to and calculated in accordance with, the special conditions of the relevant licensee's electricity interconnector licence.
3. In each Relevant Year subsequent to the first TNUoS Reporting Relevant Year of the Regime Duration, the licensee shall, on or before the date specified in the CUSC:
 - (a) notify the GB ISOP ~~System Operator~~ of its latest best estimate for the value of ICF_t ; and
 - (b) notify the GB ISOP ~~System Operator~~ of its latest best estimate for the value of ICF_{t+1} .
4. The licensee shall, at all times, keep under review the estimates notified to the GB ISOP ~~System Operator~~ pursuant to paragraphs 2 or 3. If at any time, the licensee reasonably considers that the values of ICF_t and/or ICF_{t+1} , notified to the GB ISOP ~~System Operator~~ will be materially different from the estimates previously notified to the GB ISOP ~~System Operator~~, the licensee shall notify the GB

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

~~ISOP System Operator~~ of the revised values for ICF_t and/or ICF_{t+1} as soon as reasonably practicable.

5. In each TNUoS Reporting Relevant Year subsequent to the first TNUoS Reporting Relevant Year of the Regime Duration, the licensee shall on or before the date specified in the CUSC (or such later date as the Authority may direct), provide a statement to the Authority specifying:
 - (a) the values of ICF_t and ICF_{t+1} notified to the GB ~~ISOP System Operator~~ in the TNUoS Reporting Relevant Year $t-1$ in accordance with paragraph 2 or paragraph 3 of this condition; and
 - (b) any revised values of ICF_t and ICF_{t+1} notified to the GB ~~ISOP System Operator~~ in the TNUoS Reporting Relevant Year $t-1$ in accordance with paragraph 4 of this condition.
6. For the purposes of this condition:

“Regime Duration”	has the meaning given to that term in Special Condition 1 (Definitions and Interpretation) of this licence
“TNUoS Reporting Relevant Year”	means a year beginning on 1 April of each calendar year and ending on 31 March of the following calendar year
“TNUoS Reporting Relevant Year t ”	means that TNUoS Reporting Relevant Year for the purposes of which any calculation falls to be made
“TNUoS Reporting Relevant Year $t-1$ ”	means the TNUoS Reporting Relevant Year immediately preceding TNUoS Reporting Relevant Year t and similar expressions shall be construed accordingly.

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

PART II - SECTION H: PAYMENTS BETWEEN THE LICENSEE AND THE GB ISOP SYSTEM OPERATOR

Condition 27: Determination of the Interconnector Payments term with respect to costs related to the Capacity Allocation and Congestion Management Regulation

1. The purpose of this condition is to establish the process for determining the value of the Interconnector Payments (ICP) term as applicable to costs related to the Capacity Allocation and Congestion Management Regulation.
2. The ICP term denotes the total costs determined by the Authority as being:
 - (a) the efficient, reasonable and proportionate costs related to establishing, amending and operating Single Day-Ahead Coupling and Single Intraday Coupling; and
 - (b) eligible for recovery by the licensee (including costs eligible for recovery by the licensee on behalf of a relevant Nominated Electricity Market Operator (NEMO)), in accordance with the Authority's Relevant Decision on the approach to cost sharing and cost recovery under the CACM Regulation.
3. The licensee shall submit a request to the Authority setting out the proposed value for the ICP term for Reporting Period n.
4. The licensee shall ensure that a request submitted pursuant to paragraph 3 of this condition includes:
 - (a) The proposed value for the ICP term for Reporting Period n (ICP_n);
 - (b) details of the of the Reporting Period to which the proposed value for the ICP_n term relates;
 - (c) where relevant, a statement setting out how the proposed value of the ICP_n term is to be shared between the licensee and any relevant Nominated Electricity Market Operator(s); and

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

- (d) any other relevant information as may be specified by the Authority to facilitate its determination of the licensee's proposed value for the ICP_n term.
5. The value of the ICP term shall be determined by the Authority following the completion of a cost assessment exercise as outlined in the CACM Regulation (Title III, Chapter 3 and in particular Article 75, which sets out the guiding provisions on cost recovery).
6. Following the cost assessment process, the Authority shall determine whether the proposed values for the ICP_n term, submitted by the licensee pursuant to paragraph 4 of this condition, is acceptable and, if not, specify the value of the ICP_n term, such value to be not less than zero.
7. As soon as reasonably practicable after completing its determination under paragraph 6 of this condition, the Authority shall direct in writing the value of the ICP_n term.
8. Prior to completing its determination under paragraph 6 of this condition and before issuing the direction pursuant to paragraph 7, the Authority shall consult on this determination with the licensee and any other relevant parties for a period of at least 28 days and consider any representations duly received within that period.
9. The licensee shall ensure that any amounts:
- (a) included in the ICP_n term determined and directed by the Authority; and
 - (b) corresponding to the amounts which the licensee has submitted on behalf of a NEMO,
- are passed to that NEMO as soon as reasonably practicable after being received by the licensee.

10. For the purposes of this condition:

CACM Regulation (Capacity Allocation and Congestion Management Regulation)	means Regulation (EU) 2015/1222 of 24 July 2015 establishing a Guideline on Capacity Allocation and Congestion Management
ICP _n	means the value of the ICP term in Reporting Period n
Interconnector Payments (ICP) term	<p>Unless defined otherwise in the special conditions of the licensee's interconnector licence, means the total amount:</p> <ul style="list-style-type: none"> (e) determined by the Authority, in accordance with paragraph 6 of this condition; and (f) that is due to the licensee (including, where relevant, any amount eligible for recovery by the licensee on behalf of a relevant NEMO) from the GB System Operator System Operator <u>ISOP</u>
NEMO (Nominated Electricity Market Operator)	means an entity designated by the Authority pursuant to the CACM Regulation to perform tasks related to Single Day-Ahead Coupling or Single Intraday Coupling
Relevant Decision	means the Authority's decision on approach to cost sharing and cost recovery

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

	under the CACM Regulation, dated 30 August 2019
Reporting Period	means the time period to which the proposed value of ICP payment term relates, such time period ending no later than 30 August 2019
Reporting Period _n	means the Reporting Period for the purposes of which any calculations fall to be made
Single Day-Ahead Coupling	has the meaning given to this term in the CACM Regulation
Single Intraday Coupling	has the meaning given to this term in the CACM Regulation.

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

Condition 28: Provision of payments information to the GB System

Operator ISOP

1. The purpose of this condition is to set out when the licensee shall provide estimates of the value of the Interconnector Payments (ICP) term in Relevant Year t (ICP_t) to the GB ISOP System Operator and the Authority.
2. In any Relevant Year, the licensee shall, on or before the date specified in the CUSC:
 - (a) notify the GB ISOP System Operator of its best estimate for the value of ICP_n in respect of that Relevant Year; and
 - (b) where relevant, notify the GB ISOP System Operator of its best estimate for the value of ICP_{n+1} .
3. In each subsequent Relevant Year the licensee shall on or before the date specified in the CUSC (or such later date as the Authority may direct), provide a statement to the Authority specifying the value of ICP_n and ICP_{n+1} notified to the GB ISOP System Operator in the Relevant Year $n-1$ in accordance with paragraph 2 of this condition.
4. For the purposes of this condition:

Interconnector Payments (ICP) term has the meaning given to that term in standard condition 27 of this licence

ICP_t means the value of the ICP term in Relevant Year t and shall have the value of the ICP_n term

ICP_{t-1} means the value of the ICP term in Relevant Year $t-1$ and shall have the value of the ICP_{t-1} term

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021

ICP _n	has the meaning given to that term in standard condition 27 of this licence.
ICP _{n-1}	means the value of the ICP term in the Reporting Period immediately preceding Reporting Period _n
Relevant Year	for the purposes of this condition means a year beginning on 1 April of each calendar year and ending on 31 March of the following calendar year
Relevant Year t	for the purposes of this condition means that Relevant Year for the purposes of which any calculation falls to be settled
Relevant Year t-1	for the purposes of this condition means the Relevant Year immediately preceding Relevant Year _{t-1} and similar expressions shall be construed accordingly
Reporting Period	has the meaning given to that term in standard condition 27 of this licence.

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Electricity Interconnector Licence: Standard Conditions - Consolidated to 03 August 2021