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for energy consumers

Steven De Ranter

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Date: 10 January 2025

Dear Mr De Ranter,

Authority's decision on the Access Rules proposed by Interconnector Limited including direction of approval pursuant to Standard Licence Condition 11A of the Gas Interconnector Licence.

Interconnector Limited ("INT", "the Licensee") sent a proposed change to its Access Rules on 17 December 2024 to the Authority¹ for approval. This was submitted pursuant to Standard Licence Condition ("SLC") 11A of the Gas Interconnector Licence ("the Licence").²

This decision letter and attached direction set out our decision to:

- Approve INT's proposed Access Rules change under SLC 11A on the basis that it meets the relevant Access Rules objectives (Annex 1).³

¹ References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day-to-day work. This decision is made by or on behalf of GEMA.

² The current version of the Gas Interconnector Licence can be found at [Licences and licence conditions | Ofgem](#)

³ The "relevant Access Rules objectives" are set out in SLC 11A(5) of the Licence.

Background

INT last proposed changes to its Access Rules to Ofgem on 22 December 2023. On 20 March 2024, Ofgem approved the proposed changes.⁴ Before the proposed Access Rules could come into effect, approval was needed by the Belgian Federal Commission for Electricity and Gas Regulation ("CREG"). CREG did not approve⁵ the following changes proposed by INT:

- **Modifications to Article 3.2(d) of the Interconnector Access Agreement ("IAA")** – addition of the wording "and/or Belgium"
- **Modifications to Article 8.12 (a) of the IAA** - addition of term "termination fee"
- **Modifications to Article 7 of the IAA and Part H of the Interconnector Access Code ("IAC")** - all the proposed changes.

Details of the changes INT proposed in 2023 can be found on INT's website.⁶ INT has informed us that in response to CREG's decision, it is reverting to terms in these sections of the IAA and IAC that were previously approved by both Ofgem and CREG.

In its decision, CREG also required INT to make an amendment to Article 5.10 of the IAA, prior to any revised IAA coming into force. As required by SLC 11A (6)(a) of the Licence, INT proposing the change to Article 5.10 of the IAA was subject to public consultation.

Proposed Change

On 17 December 2024, INT submitted a proposed change to its Access Rules to Ofgem. A copy of the proposed change is available on INT's website.⁷ The proposed change is:

- **Amendment to Article 5.10 of the IAA** – amending sums payable under an invoice by shippers.

⁴ [Proposed modifications to Interconnector Limited's Access Rules and charging methodology - decision | Ofgem](#)

⁵ CREG Decision (B)2738 made in April 2024. This decision was shared with INT and Ofgem in April 2024. CREG intend to publish the full decision in January 2025.

⁶ [2023 - Annual Review of INT Access Rules and Charging Methodology](#)

⁷ [Required Amendment to Article 5.10 of the Interconnector Access Agreement](#)

Industry Consultation

The proposed change was subject to public consultation, as required by SLC 11A (6)(a) of the Licence, opening on 12 November 2024 and closing on 12 December 2024. No shippers responded to the consultation.

The Authority's Decision

SLC 11A (5) of the Licence requires the Access Rules to be "transparent, objective, non-discriminatory, and compliant with Regulation 715/2009/EC ("Gas Regulation") which continues to apply⁸ as Assimilated Law⁹ and any relevant legally binding decision of the European Commission and/or the Agency (collectively the "relevant Access Rule objectives")". Commission Regulation (EU) 2017/460 establishing a network code on harmonised transmission tariff structures for gas¹⁰ ("TAR") and Commission Regulation (EU) 2027/459 establishing a network code on capacity allocation mechanism in gas transmission systems¹¹ ("CAM") also continue to apply as Assimilated Law.

INT's proposed change to Article 5.10 of its IAA amends the sums payable under an invoice by shippers, removing references to a Termination Amount or amounts payable under an indemnity. INT has proposed this change to comply with what CREG has required. We note that no shippers responded to this proposed change in the consultation.

The Authority considers the proposed change to the Access Rules to be transparent, objective, non-discriminatory, and compliant with Assimilated Law. We expect INT to keep its Access Rules under review.

Direction issued in accordance with SLC 11A (14) of the Licence to this effect can be found in Annex 1.

⁸ EC 715/2009 as amended by Electricity and Gas (Powers to Make Subordinate Legislation) (Amendment) (EU Exit) Regulations 2018 SI no. 1286.

⁹ <https://www.legislation.gov.uk/ukpga/2023/28/section/5>

¹⁰ As amended by Schedule 5 of UKSI 2019/531.

¹¹ As amended by Schedule 4 of UKSI 2019/531.

Publication

SLC 11A (15) of the Licence requires INT to publish (at least on its website) approved Access Rules 28 days prior to them coming into effect (the Publication Period), unless the Authority directs otherwise.

In its 17 December 2024 submission to Ofgem, INT requested an expedited publication notice period of 14 days, on the basis that the decision is limited to one article, and that changes Ofgem approved on 20 March 2024, which have still not come into force, will benefit shippers. The Authority approves this request, and directs that INT is required to publish (at least on its website) the approved Access Rules 14 days prior to them coming into effect.

If you have any questions relating to this decision, please contact:

energy.securityofsupply@ofgem.gov.uk

Yours sincerely,

Helen Seaton

Head of Gas Security and Flexibility

Signed on behalf of **the Authority** and authorised for that purpose

ANNEX 1 - Ofgem Direction

Direction issued to Interconnector Limited pursuant to Standard Licence Condition 11A (Approval of terms for access to the Licensee's interconnector) paragraph 14 of its Gas Interconnector Licence

1. This Direction is issued by the Gas and Electricity Markets Authority (the "Authority") pursuant to Standard Licence Condition 11A ("SLC 11A") paragraph 14 of the Gas Interconnector Licence ("the Licence") granted or treated as granted under section 7ZA of the Gas Act 1986 ("the Act") to Interconnector Limited ("INT" or "the Licensee").
2. SLC 11A paragraph 9 requires the Licensee to review its Access Rules at least once each calendar year and make such modifications to the Access Rules as may be needed for the purpose of ensuring that the Access Rules better achieve the relevant Access Rules objectives.
3. SLC 11A paragraph 5 require that the Access Rules be transparent, objective, non-discriminatory, and compliant with Regulation 715/2009/EC, which continues to apply as Assimilated Law and any relevant legally binding decision of the European Commission and/or the Agency (collectively the "relevant Access Rules objectives").
4. Having regard to the relevant Access Rules objectives set out in SLC 11A paragraph 5, the Authority considers that INT's proposed Access Rules meet the relevant Access Rules objectives.
5. SLC 11A paragraph 11 requires the Licensee to take all reasonable steps to ensure that all persons, including those in any other relevant neighbouring State who shares the interconnection with the United Kingdom and who may have a direct interest in the Access Rules, are consulted and allow them a period of not less than 28 days within which to make written representations. The Licensee must also furnish the Authority with a report setting out the terms originally proposed in the Access Rules, the representations, if any, made by interested persons, any change in the terms of the Access Rules intended as a consequence of such representations, how the intended modification better achieves the relevant Access Rules objectives and a timetable for implementation of the modification and the date with effect from which the modification (if made) is to take effect.
6. In accordance with SLC 11A paragraph 9, on 17 December 2024, the Licensee submitted its Access Rules to the Authority for approval.

7. The Authority hereby directs, pursuant to SLC 11A paragraph 14, that the Licensee's proposed Access Rules are approved.

8. Pursuant to SLC 11A paragraph 15, the Authority directs that the Access Rules be published 14 days prior to coming into effect.

9. This Direction shall remain in effect until the Authority revokes or varies the Direction in writing upon reasonable notice.

10. This direction constitutes notice of the Authority's reasons for the decision pursuant to section 38A of the Act.

Dated: 10 January 2025

Helen Seaton

Head of Gas Security and Flexibility

Signed on behalf of **the Authority** and authorised for that purpose