

**DIRECTION ISSUED TO NEMO LINK LIMITED PURSUANT TO PARAGRAPH 12 OF
SPECIAL CONDITION 6 (WITHIN PERIOD ADJUSTMENT) OF ITS ELECTRICITY
INTERCONNECTOR LICENCE**

AND

NOTICE OF REASONS UNDER SECTION 49A OF THE ELECTRICITY ACT 1989

WHEREAS:

1. Nemo Link Limited ("NLL") holds an Electricity Interconnector Licence (the "Licence") in respect of Nemo Link Interconnector ("Nemo Link") granted by the Gas and Electricity Markets Authority (the "Authority") under section 6(1)(e) of the Electricity Act 1989 (the "Act").
2. Special Condition 6 (Within Period Adjustment) of the Licence sets out the process for determining the value of the Within Period Adjustment term (WPA_{pap}) for each Relevant Partial Assessment Period.¹
3. The WPA_{pap} term is a revenue adjustment component that provides for the adjustment (whether upwards or downwards) of the Licensee's Interconnector Revenue outside of the five-yearly assessment of the Licensee's Assessed Revenue against the Cap Level and Floor Level set out in Special Condition 3 (Cap and Floor Assessment) of the Licence.
4. Paragraph 5 of Special Condition 6 of the Licence sets out the circumstances under which the Licensee may submit a request to the Authority setting out the Licensee's proposed values for the WPA_{pap} term.
5. Pursuant to paragraph 11 of Special Condition 6, the Authority has concluded that the Within Period Adjustment request had been submitted by NLL in accordance with Part A of Special Condition 6.
6. Paragraph 12 of Special Condition 6 of the Licence requires the Authority to determine after consultation with the licensee, the Belgian National Regulatory Authority and such other persons as it considers desirable) whether it:
 - considers the Licensee to have sufficiently demonstrated that a WPA is required on the grounds specified in paragraph 5 of that condition; and

¹ means a period that:

(a) commences on the first day of the first Relevant Year of the Relevant Assessment Period;

(b) is comprised of whole Relevant Year(s) only; and

runs for whole consecutive years up to and including, but not exceeding, the fourth Relevant Year of a Relevant Assessment Period.

- accepts the Licensee's proposed value for the WPA_{pap} term and if not, to specify the value of the WPA_{pap} term.

NOW THEREFORE:

The Authority hereby directs that it does consider that the Licensee has sufficiently demonstrated that a WPA is required on the grounds specified in paragraph 5 of Special Condition 6 and it accepts the proposed WPA_{pap} term of **-£35.088m**, where the negative value indicates a downwards adjustment to NLL's Interconnector Revenue.

Yours sincerely,



Stuart Borland
Deputy Director, Offshore Network Regulation

Signed on behalf of the Authority and authorised for that purpose by the Authority on 13th January 2026