Making a positive difference
for energy consumers

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Email: mo.rahee@ofgem.gov.uk
Date: 12 August 2026

Dear Ruben,

Approval of the modified Access Rules and Charging Methodology for the North Sea Link interconnector pursuant to Standard Licence Condition 11A and 10 of the Electricity Interconnector Licence.

On 15 May 2026, National Grid North Sea Link Ltd (NGNSL) submitted modified Access Rules and Charging Methodology for the North Sea Link (NSL) interconnector[1] to the Authority[2] for approval.

The modified Access Rules and Charging Methodology were submitted pursuant to Standard Licence Condition (SLC) 11A and 10 of NGNSL's Electricity Interconnector Licence (the Licence)[3], which requires NGNSL to maintain 'Access Rules' that set out the terms and conditions for access to, and including use of, the interconnector, and to offer access to the interconnector on the basis of a charging methodology approved by the Authority.

We have decided to approve the modified Access Rules and Charging Methodology on the basis that we are satisfied the modifications achieve the relevant objectives as required

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[1] North Sea Link is a 1400 MW high voltage direct current (HVDC) interconnector, connecting the transmission systems of Great Britain (GB) and Norway (NO2).

[2] The Gas and Electricity Markets Authority. Ofgem is the Office of the Authority. The terms "Ofgem", "the Authority", "we" and "us" are used interchangeably in this letter.

[3] The "Electricity Interconnector Licence: Standard Conditions" can be found here: [Electricity licensing (from October 2025) - Publications - Ofgem Public Register]

under the Licence[4]. This letter contains Directions (attached as Annex 1 and Annex 2) approving the modified Access Rules and Charging Methodology.

The proposed modifications to the Access Rules and Charging Methodology

The modified Access Rules and Charging Methodology look to further build upon the Access Rules and Charging Methodology approved by Ofgem on 3 August 2021[5] by introducing the following amendments:

1. *Introduction of Intraday Auctions*

   1.1. NGNSL proposes to introduce two implicit Intraday auctions with results on a per half hour basis in Great Britain (GB) and 15 minutes in the Norwegian bidding zone (NO2).

   1.2. The first intraday auction (ID1) will close at 14:30 GMT the day before delivery (D-1), for a period starting at 23:00 GMT on D-1 and ending at 23:00 GMT on the day of delivery (D).

   1.3. The second intraday auction (ID2) will close at 07:30 GMT on Day D, for a period starting at 11:00 GMT on Day D and ending at 23:00 GMT on Day D.

   1.4. This change will therefore introduce access to cross-border capacity in the intraday timeframe, which is not currently available on the North Sea Link interconnector. It is intended to improve the efficient use of interconnector capacity closer to real time and provide market participants with greater flexibility to respond to changing market conditions in enabling intraday trading.

2. *Introduction Financial Transmission Rights (FTRs)*

   2.1. NGNSL proposes to introduce long-term capacity allocation in the form of Financial Transmission Rights (FTRs), which would be allocated via explicit auctions. Under the proposed arrangements, FTR auctions would be conducted

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[4] The relevant objectives are set out in SLC 11A and 10 of the Licence and state that the Access Rules and Charging Methodology shall be transparent, objective, non-discriminatory and compliant with the Regulation (as amended following UK exit from the EU, as detailed below) and any relevant legally binding decision of the European Commission and/or the Agency.

[5] The decision letter on the North Sea Link Access Rules, approved by Ofgem on 3rd August 2021 can be accessed here: [Approval of the Access Rules and Charging Methodology for the North Sea Link interconnector pursuant to Standard Licence Condition 11A and 10 of the Electricity Interconnector Licence | Ofgem]

by the Joint Allocation Office[6] (JAO) and would only apply to NGNSL's share of the interconnector's capacity, representing a maximum of 700MW.

2.2. The proposed Access Rules set out the framework governing participation in FTR auctions, the allocation of FTRs, the remuneration of FTR holders, and the arrangements for the transfer, return and curtailment of FTRs. The associated amendments to the Charging Methodology set out the methodology for determining the charges payable by successful bidders.

2.3. NGNSL notes that, for a transitional period, the proposed FTR product would be offered alongside the bilaterally agreed hedging products that are currently available through NGNSL. As a result, FTRs and bilateral hedging products may exist in parallel over the same delivery periods.

2.4. To accommodate this arrangement, NGNSL proposes amendments to the FTR curtailment process to take account of volumes allocated under the existing bilateral hedging arrangements when determining whether allocated rights exceed the capacity available on the interconnector. NGNSL also proposes to publish the agreed volumes associated with these bilateral hedging products so to provide transparency to market participants regarding the treatment of capacity and any curtailments.

3. *Changes to Day Ahead Market Time Unit (MTU)*

3.1. NGNSL proposes to amend the Day Ahead (DA) implicit auction arrangements to adopt the use of MTUs within the coupling and allocation process. The proposed changes would enable the DA market coupling algorithm to produce results on an MTU basis rather than solely on a fixed hourly basis.

3.2. Upon the Access Rules coming into force, the applicable MTU for the DA implicit auction would remain 60 minutes and auction results would therefore continue to be produced and published on an hourly basis at first. However, NGNSL also proposes that the MTU granularity may transition to 30-minutes in GB and 15-minutes in NO2 at a later date.

3.3. NGNSL proposes that such changes to the MTU granularity of the DA implicit auction are made with no less than 7 days' notice to the market as outlined in paragraph 3.4 in part 1 of the revised Access Rules.

3.4. NGNSL states that this change would provide flexibility to accommodate future developments in market arrangements and support greater alignment between GB and neighbouring electricity markets.

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[6] The Joint Allocation Office (JAO) acts at the central auction and allocation platform for cross-border transmission rights and associated financial hedging products, like FTRs, across numerous European interconnectors.

4. *Introduction of a CBAM Flow Tariff*

4.1. NGNSL proposes to introduce a flow tariff[7] to account for the potential application of costs arising from the EU Carbon Border Adjustment Mechanism (CBAM)[8] that will apply to electricity exports from GB to Norway from January 2027.

4.2. In the event that by this date the UK and EU Emission Trading Schemes are not linked, as envisaged in the Common Understanding[9] agreed between the UK and the EU on 19 May 2025, the flow tariff will be used within the market coupling process on the North Sea Link interconnector to account for any CBAM associated costs resulting from cross-border flows. The proposed flow tariff would act as an input into the market coupling algorithm and be set such that interconnector capacity would not be allocated from GB to Norway where the cross-border price spread is insufficient to cover the applicable CBAM costs. Similar to interconnector loss factors, the proposed flow tariff would be reflected in the market coupling algorithm's economic assessment. It is intended to ensure that cross-border capacity is not allocated where the underlying price differential is insufficient to offset the additional costs associated with CBAM compliance, thereby intended to help avoid economically inefficient flows.

4.3. NGNSL further states that the flow tariff value would be based on a separate methodology being developed and consulted on by Statnett[10] and would be published and applied through the market coupling arrangements. Should a UK-EU ETS linking agreement be reached prior to January 2027, the flow tariff would be set to zero and would therefore not apply.

5. *Housekeeping changes to the Charging Methodology*

5.1. NGNSL proposes make a number of amendments to the Charging Methodology to align it with the proposed Access Rules changes.

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[7] The CBAM flow tariff on North Sea Link would factor in the cost of CBAM compliance in the market coupling and capacity allocation process for the interconnector. It is intended to ensure that the capacity allocation on North Sea Link takes into account additional compliance costs associated with the EU's Carbon Border Adjustment Mechanism.

[8] On October 1, 2023, Regulation 2023/956 introduced the EU's Carbon Border Adjustment Mechanism (CBAM) with the objective to expose goods imported to the EU to the same level of carbon taxation as if they were produced in the EU.

[9] The Common Understanding between the United Kingdom and the European Union sets out the conclusions of the exploratory talks to strengthen bilateral cooperation that took place during the UK-EU Summit on 19 May 2025. The UK's potential participation in the EU's internal electricity market was a key outcome as part of the agreement.

[10] Statnett have planned to conduct a consultation on the calculation methodology in Q3 of 2026.

5.2. One of these proposed changes is to replace references to 'hourly' and 'per-hour' with MTU terminology, allowing for future flexibility to changes in the MTU granularity of the DA implicit auctions.

5.3. NGNSL also proposes to update the wording in the Charging Methodology to include Intraday capacity allocation and reference to Intraday auctions.

5.4. Additionally, NGNSL proposes amendments relating to the introduction of Financial Transmission Rights (FTRs), including provisions relating to the allocation, remuneration and secondary trading of long-term transmission rights.

5.5. NGNSL further proposes to include provisions relating to the curtailment of FTRs in circumstances where the volume of allocated capacity rights exceeds the capacity available on the interconnector, including the associated compensation arrangements.

5.6. NGNSL states that these changes would improve transparency and consistency by ensuring that the Charging Methodology clearly outlines the charges, processes and broader arrangements applicable to market participants.

Consultation responses to the proposed modifications of the Access Rules and Charging Methodology

In accordance with the applicable legal and regulatory framework, NGNSL conducted a public consultation[11] on the Access Rules and Charging Methodology from 27th March to 24th April 2026.

NGNSL received six written responses on the modified Access Rules. The respondents largely supported the changes to the access rules, alongside a few points of concern as detailed below.

1. *Introduction of Intraday Auctions*

1.1. All six respondents expressed support for this proposal.

1.2. One respondent welcomed the change, stating it provides additional opportunities for cross border trade.

1.3. Three respondents raised concerns regarding the timings of the intraday auctions and requested transparent publication of auction results by the market operator in all timeframes.

[11] NSL's public consultation on the 2026 modified North Sea Link Interconnector Access Rules can be found at: https://www.northsealink.com/en/trade-with-us/documents

1.4. NGNSL did not make further changes in response to the consultation feedback but stated that they will inform the Market Coupling Operator to encourage granular publication of auction results in all timeframes. They also note that the seven days' notice period is standard according to North Sea Link's licence agreement.

2. *Introduction of Financial Transmission Rights (FTRs)*

2.1. Four respondents supported the decision to introduce FTRs as an additional hedging and trading opportunity. One respondent expressed uncertainty on the decision but did not object.

2.2. Five respondents requested more information regarding the timing of the first auction and the frequency of the auctions, as well as clarity on the bilateral hedging products that would continue to be offered at the same time.

2.3. One respondent did not comment on the proposal to introduce FTRs.

2.4. NGNSL did not make further changes in response to consultation feedback but noted that following regulatory approval, market participants will receive as much information as possible before the product goes live.

3. *Changes to Day Ahead MTU*

3.1. Five respondents supported this proposal and reiterated that finer MTU granularity helps ensure that the market timings align between the GB and European electricity markets.

3.2. One respondent raised concern that the potential shift in the DA MTU to 30 minutes for the UK and 15 minutes for NO2 would no longer align with the market.

3.3. Two other respondents expressed support for shifting the MTU to 15 minutes in both UK and NO2 at a later date, should an agreement for GB's re-entry into the Internal Electricity Market[12] be reached.

3.4. NGNSL did not make further changes in response to the consultation feedback.

4. *Introduction of a CBAM Flow Tariff*

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[12] As part of the UK-EU Common Understanding, preliminary discussions on the topic of the UK's participation in the EU Internal Electricity Market have begun.

4.1. Two respondents opposed this proposal, three remained uncertain as the calculation methodology for a flow tariff has not yet been clarified and one respondent did not comment on the change.

4.2. All respondents were concerned that the interconnector would be exposed to additional costs and ineffective cross-border flows. Some proposed that NGNSL and Statnett should work with the TSO's and governments on both sides of the interconnector to find an alternative approach to managing the CBAM obligations in a pragmatic way. The respondents suggest that this could help interconnector owners to avoid being exposed to additional costs or inefficient flows.

4.3. Some respondents noted that application of a flow tariff would create undue uncertainty for the market, particularly if the tariff is set based on the previous week's differential. This is because CBAM certificates will be calculated on a weekly basis ex post onwards from January 2027. Questions arose in regard to the regularity with which the flow tariff would be calculated given the ex-post publication of CBAM certificates. This could lead to an overestimation of the applicable CBAM related compliance costs which participants are worried would distort cross-border flows.

4.4. One respondent noted that compensation for FTRs should remain anchored to the market spread, without influence of a flow tariff.

4.5. All respondents requested more information on the means to calculate the flow tariff value, the implementation process and a timeline for introducing the flow tariff.

4.6. NGNSL responded to the comments made in the consultation warning that not including a flow tariff would likely result in uneconomic flows and potentially lead to a negative outcome for GB consumers via North Sea Link's cap and floor regime. They further stated that the tariff would avoid scheduling a flow in the GB to NO2 direction where the price spread is lower than the value of the flow tariff and therefore would prevent a situation where there is insufficient congestion revenue to cover the costs of complying with the CBAM regulation. Some respondents have requested to be involved in discussions for the development of a calculation methodology.

4.7. NGNSL further stated that they would work closely with Statnett to design a calculation methodology based on the CBAM charging mechanism which is currently in development. They also shared that Statnett were planning to open a consultation on this methodology with the market in June or July 2026, who will seek approval from its regulator, RME, before implementation. Ofgem understands that this will now take place around September 2026. NGNSL invite market participants to engage in the public consultation that Statnett is conducted, as requested by some respondents.

4.8. NGNSL did not make any changes in response to the feedback but rather reaffirmed its close collaboration with Statnett to design a calculation methodology for the flow tariff. They also reaffirmed that the flow tariff would only be implemented in the GB to NO2 direction on intraday and day-ahead implicit auctions, meaning that FTR renumeration would not be subject to charges.

4.9. NGNSL incorporated minor amendments as a result of discussions that took place with Statnett since the opening of the consultation on the modified Access Rules in March 2026. They divided paragraph 3.8 of the Access Rules into two new paragraphs. They state that this amendment did not change the intention or method of transparently applying a flow tariff should the ETS linkage not be agreed upon but simply updated the terminology and included specific reference to EU regulation on CBAM.

5. *Housekeeping changes to the Charging Methodology*

5.1. There were no objections to the housekeeping changes proposed by NGNSL in the Charging Methodology proposed.

5.2. One respondent supported the proposal to apply the curtailment process where more capacity rights have been sold than can be fulfilled.

Regulatory framework

SLC 11A and 10 of the Licence[13] introduces relevant objectives for the Access Rules and Charging Methodology, against which the Authority assesses the Access Rules and Charging Methodology and any proposed modifications. The relevant objectives are that the Access Rules shall be transparent, objective, non-discriminatory and compliant with Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast following the UK's exit from the EU) (the Electricity Regulation) and any relevant legally binding decision of the European Commission and/or the Agency for the Cooperation of Energy Regulators retained following the UK's exit from the EU.

The Authority's Decision

We have reviewed the modified Access Rules and Charging Methodology submitted to Ofgem on 15 May 2026 and have considered the responses to North Sea Link's consultation.

[13] The "Electricity Interconnector Licence: Standard Conditions" can be found here: [Electricity licensing (from October 2025) - Publications - Ofgem Public Register]()

We have concluded that the proposed changes meet the relevant objectives of the Access Rules and Charging Methodology for the following reasons:

1. *Introduction of Intraday Auctions*

1.1. We consider this modification complies with the objectives of the Access Rules.

1.2. We view the introduction of the two intraday auctions to be in the interest of market participants as it supports more efficient allocation of capacity, optimises power transactions close to delivery and offers more opportunities for cross-border trade which were not previously available on the North Sea Link interconnector.

1.3. We note that the first intraday auction (ID1) will be held over a 24-hour period, whereas the second intraday auction (ID2) will be held over a 12-hour period. The proposed structure and spacing of the auctions is expected to improve flexibility for market participants, allowing them to respond to changing market conditions closer to real-time. The interaction between the two auctions may also enhance competitive access to capacity by enabling participants with different risk profiles to act effectively in the allocation process.

1.4. As NGNSL has ensured close coordination with NordPool and Statnett to find the appropriate auction timings, we find this modification to be transparent and objective.

2. *Introduction of Financial Transmission Rights (FTRs)*

2.1. We consider this modification complies with the objectives of the Access Rules.

2.2. We note that the introduction of FTRs would provide market participants with an additional mechanism to hedge against cross-border market spreads, FTR revenues derived from auction allocation can also provide transparent market signals regarding the expected value of cross-border transmission capacity.

2.3. We note that FTRs provide market participants with an additional tool to manage and hedge exposure to cross-border price differentials. We also consider that the introduction of openly auctioned FTRs may improve transparency in the long-term trading arrangements available on North Sea Link by providing a competitive and market-based process for determining the value of transmission rights, in contrast to the current bilateral hedging product available.

2.4. We find NGNSL's amendments relating to the coexistence of FTRs and the currently available bilateral hedging products, including the associated curtailment arrangements, are appropriate. We also find that the related amendments to the Charging Methodology improve the transparency and clarity of the arrangements and are consistent with the objectives.

3. *Changes to Day Ahead MTU*

3.1. We consider this modification complies the Access Rules Objectives.

3.2. We approve the decision to adopt the MTU approach for the Day Ahead Implicit auction, which will initially remain on a 60-minute basis upon the Access Rules coming into force. We consider that adopting an MTU-based framework ensures that the Access Rules remain capable of accommodating future developments in market design and trading arrangements. In particular, the proposed modification provides flexibility to align the Day Ahead auction framework with any future changes towards shorter trading periods and more granular market arrangements in amending the duration of MTUs on North Sea Link

3.3. We note that NGNSL proposes to move to shorter MTUs of 30-minutes in GB and 15-minutes in NO2 at a later date. This arrangement would better reflect the operational characteristics of both systems where GB's market operates on a per half-hourly basis and the Nordic markets are transitioning to 15-minute MTUs (aligning with the wider trend in Europe). This would allow cross-border trade to align more closely with real-time system conditions and flexibility needs, as well as other products that are traded on the same MTUs.

3.4. We note that NGNSL will, according to paragraph 3.4 in part 1 of the revised Access Rules, provide market participants with no less than seven days' notice of any change to the applicable MTU. However, we also expect NGNSL to engage with market participants and provide as much advance notice as is reasonably practicable ahead of any implementation of revised MTU arrangements to ensure that participants have sufficient opportunity to prepare for and adapt to any changes.

4. *Introduction of a CBAM Flow Tariff*

4.1. We consider this modification complies with the Access Rules Objectives.

4.2. A CBAM flow tariff is intended to reflect carbon-related compliance costs associated with cross-border electricity flows arising from the EU Carbon Border Adjustment Mechanism (CBAM), which may affect trading on interconnectors. Where such costs apply to exports from GB to Norway, they may reduce the economic value of cross-border trades and affect the efficient allocation of capacity through the market coupling process. We note that the proposal is intended to accommodate a scenario in which no agreement is reached between the EU and UK regarding ETS linkage by January 2027. In that event, we consider that the introduction of a CBAM flow tariff would provide a transparent mechanism for incorporating any applicable CBAM related costs within the market coupling process.

4.3. Ofgem requested further analysis from NGNSL regarding the potential impact of CBAM-related compliance costs on NSL flows and revenues. This analysis considered both the potential benefits and risks associated with a flow tariff, including its role in reducing the risk of exports being scheduled where the expected market spread is insufficient to offset CBAM related compliance costs, as well as the potential risk of forecast errors that could either restrict efficient exports or allow exports that may subsequently prove uneconomic. We welcomed this analysis as it provided further insight into the benefits of producing a flow tariff, however, we continue to be aware that these benefits are contingent on the final design of a calculation methodology.

4.4. We understand that the proposed flow tariff would be implemented within the market coupling algorithm in a manner analogous to existing interconnector loss factors. By ensuring that applicable CBAM costs are taken into account during the allocation process, the modification seeks to ensure that capacity is allocated on the basis of underlying economic value of trades after relevant regulatory costs have been considered.

4.5. We consider that this approach may support the efficient allocation of interconnector capacity by preventing capacity from being allocated in the GB to NO2 direction where the price differential is insufficient to offset any applicable CBAM-related costs. This reduces the risk of cross-border trades being scheduled on the basis of price signals that do not fully reflect other costs associated with those trades.

4.6. We note that the proposed modification does not introduce a specific non-zero flow tariff or establish a methodology for calculating such a tariff at this stage. Rather, the change introduces the framework within the Access Rules through which a flow tariff may be applied should CBAM related cost exposure arise. We recognise stakeholder concerns regarding the methodology by which any future tariff would be calculated. Accordingly, our approval of these Access Rules should not be interpreted as approval of any specific tariff value or calculation methodology. We expect any proposal to implement a non-zero flow tariff to be supported by a robust methodology that is transparent, evidence based, and subject to appropriate industry input. In line with part 1, paragraph 3.8 of the revised Access Rules, the methodology shall be subject to further approval by the Norwegian regulatory authority.

4.7. We note that in line with SLC 10(17), Ofgem may issue a notice to the licensee to approve the final tariff methodology (following approval from the Norwegian regulator), where it is accordance with the charging methodology objectives set out in Condition 10(4).

4.8. We also expect NGNSL to ensure that both the flow tariff calculation methodology and applicable tariff value are published in a manner that is readily accessible and easy to locate.

4.9. Finally, we note that, should a UK-EU ETS linking agreement be implemented prior to January 2027, NGNSL confirm that the flow tariff would be set to zero. We consider that this approach provides the appropriate degree of flexibility while ensuring that the Access Rules and Charging Methodology remain capable of accommodating future developments in carbon pricing arrangements resulting from CBAM.

5. *Housekeeping changes to the Charging Methodology*

5.1. We consider these modifications comply the Access Rules objectives.

5.2. The expansion of the Charging Methodology provides greater transparency for market participants by clearly setting out how charges apply in scenarios such as secondary trading and curtailment. We find this supports consistent application of the rules.

5.3. We consider that adoption of the MTU approach allows for future flexibility of the Charging Methodology, allowing it to adapt to evolving market conditions.

In making our decision we have also closely cooperated with the Norwegian Energy Regulatory Authority (RME) to ensure we have duly considered the views of the connecting regulator in making our decision.

The Authority approves the modified Access Rules on the basis that it meets the relevant objectives set out in SLC 11A(4) and 10(4) of the Licence.

The direction relating to the approval of the modified Access Rules and Charging Methodology, issued in accordance with SLC 11A(13) and 10(14) of the Licence, can be found in Annex 1 and Annex 2 of this letter.

Next steps

Publication of the modified Access Rules and Charging Methodology

In accordance with SLC 11A(14) and 10(15) of the Licence, NGNSL is required to publish (at least on its website) the approved Access Rules and Charging Methodology for a period of 28 days prior to the Access Rules and Charging Methodology coming into effect (the Publication Period), unless the Authority directs otherwise.

Yours sincerely,

Mo Rahee

Head of Electricity Security & Interconnectors, Energy Systems Management & Security

ANNEX 1

Direction issued to National Grid North Sea Link Ltd pursuant to paragraph 13 of Standard Licence Condition 11A (Approval of terms for access to the licensee's interconnector) of its Electricity Interconnector Licence

1. This Direction is issued by the Gas and Electricity Markets Authority (the "Authority") pursuant to paragraph 13 of Standard Licence Condition 11A of the Electricity Interconnector Licence (the "Licence") granted or treated as granted under section 6(1)(e) of the Electricity Act 1989 (the "Act") to National Grid NSL ("Licensee") in relation to the North Sea Link interconnector.
2. Standard Licence Condition 11A, paragraph 4, requires that the Access Rules must be transparent, objective, non-discriminatory and compliant with the Regulation (Regulation (EU) 2019/943 on conditions for access to the network for cross border exchanges in electricity, as amended following the UK's exit from the EU) and any relevant legally binding decision of the European Commission and/or Agency for the Cooperation of Energy Regulators retained following the UK's exit from the EU (collectively "the relevant Access Rules objectives").
3. Standard Licence Condition 11A, paragraph 8, requires that the Licensee reviews its Access Rules at least once in each calendar year and makes such modifications to the Access Rules as may be requisite for the purpose of ensuring that the Access Rules better achieve the relevant Access Rules objectives.
4. Standard Licence Condition 11A, paragraph 10, requires the Licensee to take all reasonable steps to ensure that all persons, including those in Member States that may have a direct interest in the Access Rules, are consulted and allowed a period of not less than 28 days within which to make written representations. The Licensee must also furnish to the Authority a report setting out certain information, including the terms originally proposed for the modification, the representations, if any, made by interested persons and any change in the terms of the modification intended as a consequence of such representations.
5. In accordance with Standard Licence Condition 11A, paragraph 10, on 15 May 2026, the Licensee furnished the Authority with a report setting out the Licensee's proposed modifications to the Access Rules (the "modified Access Rules").
6. After careful consideration of the report and the responses to the public consultation and after consulting and closely cooperating with the Norwegian regulatory authority, the Authority has decided that the Licensee's proposed modified Access Rules meet the relevant Access Rules objectives for the reasons set out in the letter accompanying this Direction.
7. Standard Licence Condition 11A, paragraph 14 requires that, unless the Authority directs otherwise, the modified Access Rules shall be published 28 days prior to coming into effect. The Authority considers that it is important to ensure that the

modified Access Rules come into effect as soon as possible on the basis of facilitating efficient cross border trade.

8. The Authority therefore hereby directs that:

   a) pursuant to paragraph 13 of Standard Licence Condition 11A of the Licence, the Licensee's modified Access Rules are approved; and

   b) pursuant to paragraph 14 of Standard Licence Condition 11A of the Licence, that the modified Access Rules come into effect when the Licensee publishes them on its website.

9. This Direction shall take effect immediately and shall remain in effect until such time as the Authority may revoke or vary the Direction in writing upon reasonable notice.

10. This Direction constitutes notice of the Authority's reasons for the decision pursuant to section 49A of the Act. Copies of the documents mentioned in this Direction can be found on the Ofgem website (www.ofgem.gov.uk).

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Mo Rahee

Head of Head of Electricity Security & Interconnectors, Energy Systems Management & Security

Signed on behalf of the Authority and authorised for that purpose by the Authority on 12 August 2026.

ANNEX 2

Direction issued to National Grid NSL Limited pursuant to paragraph 14 of Standard Licence Condition 10 (Charging Methodology to apply to third party access to the licensee's interconnector) of its Electricity Interconnector Licence

1. This Direction is issued by the Gas and Electricity Markets Authority (the "Authority") pursuant to paragraph 14 of Standard Licence Condition 10 of the Electricity Interconnector Licence (the "Licence") granted or treated as granted under section 6(1)(e) of the Electricity Act 1989 (the "Act") to National Grid NSL Ltd (the "Licensee") in relation to the North Sea Link interconnector.
2. Standard Licence Condition 10, paragraph 4, requires the Charging Methodology to be transparent, objective, non-discriminatory and compliant with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or Agency for the Co-operation of Energy Regulators (the relevant charging methodology criteria).
3. Standard Licence Condition 10, paragraph 11, requires the Licensee to take all reasonable steps to ensure that all persons, including those in other Member States that may have a direct interest in the Charging Methodology are consulted and allow them a period of not less than 28 days within which to make written representations. The Licensee must also furnish to the Authority a report setting out the terms originally proposed in the Charging Methodology, the representations, if any, made by interested persons and any change in the terms of the Charging Methodology intended as a consequence of such representations.
4. In accordance with Standard Licence Condition 10, paragraph 11, on 15 May 2026, the Licensee furnished the Authority with a report setting out the Licensee's proposed modifications to the Charging Methodology (the "modified Charging Methodology").
5. After careful consideration of the report and the responses to the public consultation and after consulting and closely cooperating with the Norwegian regulatory authority, the Authority has decided that the Licensee's proposed modified Charging Methodology meets the relevant objectives for the reasons set out in the letter accompanying this Direction.
6. Standard Licence Condition 10, paragraph 15 requires that, unless the Authority directs otherwise, the modified Charging Methodology shall be published 28 days prior to coming into effect. The Authority considers that it is important to ensure that the modified Charging Methodology comes into effect as soon as possible on the basis of facilitating efficient cross border trade.
7. The Authority therefore hereby directs that:
    a) pursuant to paragraph 14 of Standard Licence Condition 10 of the Licence, the Licensee's modified Charging Methodology is approved; and

b) pursuant to paragraph 15 of Standard Licence Condition 10 of the Licence, that the modified Charging Methodology comes into effect when the Licensee publishes them on its website.

8. This Direction shall take effect immediately and shall remain in effect until such time as the Authority may revoke or vary the Direction in writing upon reasonable notice.

9. This Direction constitutes notice of the Authority's reasons for the decision pursuant to section 49A of the Act. Copies of the documents mentioned in this Direction can be found on the Ofgem website (www.ofgem.gov.uk).

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Mo Rahee

Head of Electricity Security & Interconnectors, Energy Systems Management & Security

Signed on behalf of the Authority and authorised for that purpose by the Authority on 12 August 2026