Appendix 3

To: Greenlink Interconnector Limited

Electricity Act 1989

Section 11A(2)

Notice of statutory consultation on a proposal to modify the special conditions of the electricity interconnector licence held by Greenlink Interconnector Limited

1. The Gas and Electricity Markets Authority ('the Authority')[1] proposes to modify the electricity interconnector licence held by Greenlink Interconnector Limited ('GIL') granted or treated as granted under 6(1)(e) of the Electricity Act 1989 by amending the following existing special conditions:

    a. Special Condition 1: Definitions and Interpretation
    b. Special Condition 2: Cap Level and Floor Level
    c. Special Condition 3: Cap and Floor Assessment
    d. Special Condition 4: Interconnector Availability Incentive
    e. Special Condition 5: Assessed Revenue
    f. Special Condition 7: Non-Controllable Costs
    g. Special Condition 8: Process for determining the value of the Post Construction Adjustment terms; and
    h. Special Condition 9: Process for determining the value of the Opex Reassessment Adjustment terms
    i. Special Condition 11: Greenlink Cap And Floor Financial Model Governance.

    as specified in Schedule 3B of this notice.

2. We are proposing these modifications to:
    a. reflect the amendments to the definition of 11 existing defined terms, add one new defined term and remove one existing defined term;

[1] The terms "Ofgem", "the Authority", "we", "our", and "us" are used interchangeably in this document.

b. reflect the changes made to the time period for a "Relevant Year" as well as the changes made to the price base;
c. reflect the changes to GIL's "Availability Target";
d. reflect the changes made to the "Gross Revenue" (**GR**) and "Market Related Costs" (**MRC**) formulas;
e. reflect consequential changes to update references to the "Greenlink Cap and Floor Financial Model 2 (**GCFFM1**)" and "Greenlink Cap and Floor Financial Model 2 (**GCFFM2**)", where appropriate;
f. reflect changes to the process in determining the value of the Post Construction Adjustment terms in relation to the Actual Floor Level;
g. reflect the amendments made to improve the clarity in the license by referencing the "Opex Reassessment Adjustment (**ORA**)" terms in place of "Operating Costs", where appropriate; and
h. reflect the changes in the governance of, and updates made to, the GCFFM1 and GCFFM2.

3. The effect of the proposed modifications is to:
   a. implement the amendments made to the 11 defined terms;
   b. implement the removal of the term "Financial Year" and the addition of the term "GB ISOP";
   c. implement the changes to the bounds of a "Relevant Year" and the consequential change to the price base;
   d. implement the amendments made to the "Availability Target";
   e. implement the amendments made to the GR and MRC formulas
   f. implement the changes to the process in determining the value of the Post Construction Adjustment terms in relation to the Actual Floor Level;
   g. implement the updated GCFFM1 and GCFFM2 for the licensee and update specific references to both models;
   h. implement the amendments made to replacing "Operating Costs" with the ORA terms

   in the special conditions of electricity interconnector licence held by the licensee.

4. Specific details on the reasons and effects of the proposed modifications can be found in Schedule 3B of this notice.

5. A copy of the proposed modifications and other documents referred to in this Notice have been published on our website (www.ofgem.gov.uk). Alternatively, they are available from foi@ofgem.gov.uk.

6. Any representations with respect to the proposed licence modifications must be made on or before 16th October 2026 to: Miriam Haywood, Office of Gas and

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Electricity Markets, Tŷ William Morgan, 6-7 Central Square, Cardiff, CF10 1EP or by email to cap.floor@ofgem.gov.uk

7. We normally publish all responses on our website. However, if you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.

8. If we decide to make the proposed modifications, they will take effect not less than 56 days after the decision is published

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Stuart Borland

Deputy Director, Offshore Network Regulation

Duly authorised on behalf of the Gas and Electricity Markets Authority
18 September 2026