



To: electricity generators,
interconnector owners and
operators, suppliers, customer
representatives and other
interested parties

*Promoting choice and value for
all gas and electricity customers*

Direct Dial: 020 7901 7255
Email: martin.crouch@ofgem.gov.uk

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Dear Colleague

EirGrid Plc consultation on access rules for the East-West Interconnector

The purpose of this letter is to draw your attention to EirGrid's consultation and to encourage interested parties to respond. We have published a copy of the draft access rules alongside this letter for information. However, full details of the consultation are available on EirGrid's website¹.

We also explain the process that the Authority intends to follow and the basis on which the Authority will assess and approve the proposed access rules for the East-West Interconnector².

On 20 November 2007 the Authority granted EirGrid an electricity interconnector licence³ (the "licence") to operate the East West Interconnector. Under the Third Package, we expect licence conditions to change.

The Authority will liaise closely with CER on process and substance for access rules approval. We will assess the access rules against the requirements set out in the licence and relevant domestic and European legislation, in particular, the Third Package Electricity regulation⁴ and the annexed congestion management guidelines (CMGs).

Any consultation responses should be submitted to EirGrid. We understand that EirGrid intend to provide all consultation responses to the regulators when submitting its access rules. We will take responses to EirGrid's consultation into consideration in our approval process. We welcome copies being sent to Ofgem and comments on compliance with the Electricity regulation and CMGs in particular.

¹ <http://www.eirgrid.com/>

² The term "East West Interconnector" in this letter refers to the 500MW high voltage direct current electricity cable between Woodland in the Republic of Ireland and Deeside in Great Britain, which EirGrid Plc ("EirGrid") is constructing. The cable is expected to commence operation in September 2012. The interconnector connects the Single Electricity Market in Ireland and Northern Ireland and BETTA market in Great Britain.

³ The licence: http://epr.ofgem.gov.uk/document_fetch.php?documentid=13298

⁴ Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity and repealing Regulation (EC) No 1228/2003

If you require additional information regarding Ofgem's role in regulating electricity interconnectors please contact my colleague Olaf Islei (email olaf.islei@ofgem.gov.uk; tel 0207 901 7114)

Yours Sincerely,

Martin Crouch
Partner, European Strategy Team