



Making a positive difference
for energy consumers

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20th April 2015

Dear Alison Kay,

Methodology Statements for the Determination of System-to-System Flows in relation to the Interconnectors between England and France, between Northern Ireland and Scotland, between England and the Netherlands and between Ireland and Wales.

As required by Section R7.5.3 of the Balancing and Settlement Code, National Grid Electricity Transmission ("NGET") has written to the Gas and Electricity Markets Authority (the "Authority") seeking approval of the methodology statements for the determination of system-to-system flows in relation to the interconnectors between England and France, between Northern Ireland and Scotland, between England and the Netherlands and between Ireland and Wales (the "Methodology Statements").¹

We understand that NGET has reviewed the Methodology Statements and is proposing to maintain the arrangements set out in the Methodology Statements approved on 17 March 2014 subject to:

- (a) corrections of certain minor typographical errors;
- (b) a change to the Methodology Statement relating to the Interconnector between England and the Netherlands (Britned) regarding the intervals for submission of intraday revisions to the Reference Programme.

In relation to the second of these, we note that this proposal takes account of changes to the nomination gate under revisions to the Britned Access Rules previously approved by Ofgem.² As a consequence of these changes, maintaining the arrangements previously set out in the 2014/15 Methodology Statement would result in incorrect spacing of intraday revisions. The revisions to the intervals ensures the Methodology Statement Determining the System to System flows for Britned is consistent with the most recent Britned Access Rules.

¹ See proposed methodologies on National Grid's website at <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Balancing-and-Settlement-code/>

² See approval of changes to the Britned Access Rules on the 17th December 2014 at <https://www.ofgem.gov.uk/publications-and-updates/approval-britned-access-rules>

The Authority has reviewed and considered the Methodology Statements and agrees with the proposals NGET has submitted for the period from 1 April 2015 until 31 March 2016. Please find attached copies of the Authority's written approval for the four Methodology Statements.

Yours sincerely

Mark Copley

**Associate Partner
Wholesale Electricity Markets and EU Co-ordination**

APPROVAL OF METHODOLOGY STATEMENT FOR DETERMINATION OF SYSTEM-TO-SYSTEM FLOWS IN RELATION TO THE INTERCONNECTOR BETWEEN FRANCE AND ENGLAND

Whereas:

- (a) National Grid Electricity Transmission ("NGET") holds a licence to transmit electricity treated as granted under section 6(1) of the Electricity Act 1989 as amended;
- (b) Standard Licence Condition C3.1 of that licence requires NGET to have a balancing and settlement code ("BSC") in force at all times, and NGET has such a code in force;
- (c) the BSC has been modified with effect from 21 March 2001 to incorporate, among other things, Section R7.5 which relates to system-to-system flows (as defined in the BSC);
- (d) Section R7.5.3 of the BSC requires NGET to determine system-to-system flows on a basis for the time being approved in writing by the Gas and Electricity Markets Authority (the "Authority");
- (e) NGET has prepared a methodology as the basis for its determination of system-to-system flows in relation to the Interconnector (as defined in the BSC) with France; and
- (f) NGET has submitted the methodology annexed hereto as the basis for its determination of such flows in relation to the Interconnector with France to the Authority for its approval pursuant to Section R7.5.3 of the BSC,

NOW the AUTHORITY, for the purposes of Section R7.5 of the BSC, hereby approves the methodology prepared by NGET as annexed hereto as the basis for NGET's determination of system-to-system flows in relation to the Interconnector with France. This approval shall be in force in relation to the period from 1 April 2015 until 31 March 2016 and shall lapse on the earlier of 1 April 2016 and the date of approval of a revised Methodology Statement.

Dated: 20th April 2015

Mark Copley, Associate Partner Wholesale Electricity Markets and EU Co-ordination

SIGNED on behalf of the Authority and authorised for that purpose by the Authority

APPROVAL OF METHODOLOGY STATEMENT FOR DETERMINATION OF SYSTEM-TO-SYSTEM FLOWS IN RELATION TO THE INTERCONNECTOR BETWEEN NORTHERN IRELAND AND SCOTLAND.

Whereas:

- (a) National Grid Electricity Transmission ("NGET") holds a licence to transmit electricity treated as granted under section 6(1) of the Electricity Act 1989 as amended;
- (b) Standard Licence Condition C3.1 of that licence requires NGET to have a balancing and settlement code ("BSC") in force at all times, and NGET has such a code in force;
- (c) the BSC has been modified with effect from 21 March 2001 to incorporate, among other things, Section R7.5 which relates to system-to-system flows (as defined in the BSC);
- (d) Section R7.5.3 of the BSC requires NGET to determine system-to-system flows on a basis for the time being approved in writing by the Gas and Electricity Markets Authority (the "Authority");
- (e) NGET has prepared a methodology as the basis for its determination of system-to-system flows in relation to the Interconnector (as defined in the BSC) with Northern Ireland; and
- (f) NGET has submitted the methodology annexed hereto as the basis for its determination of such flows in relation to the Interconnector with Northern Ireland to the Authority for its approval pursuant to Section R7.5.3 of the BSC.

NOW the AUTHORITY, for the purposes of Section R7.5 of the BSC, hereby approves the methodology prepared by NGET as annexed hereto as the basis for NGET's determination of system-to-system flows in relation to the Interconnector with Northern Ireland. This approval shall be in force in relation to the period from 1 April 2015 until 31 March 2016 and shall lapse on the earlier of 1 April 2016 and the date of approval of a revised Methodology Statement.

Dated: 20th April 2015

Mark Copley, Associate Partner Wholesale Electricity Markets and EU Co-ordination

SIGNED on behalf of the Authority and authorised for that purpose by the Authority

APPROVAL OF METHODOLOGY STATEMENT FOR DETERMINATION OF SYSTEM-TO-SYSTEM FLOWS IN RELATION TO THE INTERCONNECTOR BETWEEN THE NETHERLANDS AND ENGLAND

Whereas:

- (a) National Grid Electricity Transmission ("NGET") holds a licence to transmit electricity treated as granted under section 6(1) of the Electricity Act 1989 as amended;
- (b) Standard Licence Condition C3.1 of that licence requires NGET to have a balancing and settlement code ("BSC") in force at all times, and NGET has such a code in force;
- (c) the BSC has been modified with effect from 21 March 2001 to incorporate, among other things, Section R7.5 which relates to system-to-system flows (as defined in the BSC);
- (d) Section R7.5.3 of the BSC requires NGET to determine system-to-system flows on a basis for the time being approved in writing by the Gas and Electricity Markets Authority (the "Authority");
- (e) NGET has prepared a methodology as the basis for its determination of system-to-system flows in relation to the Interconnector (as defined in the BSC) with the Netherlands; and
- (f) NGET has submitted the methodology annexed hereto as the basis for its determination of such flows in relation to the Interconnector with the Netherlands to the Authority for its approval pursuant to Section R7.5.3 of the BSC.

NOW the AUTHORITY, for the purposes of Section R7.5 of the BSC, hereby approves the methodology prepared by NGET as annexed hereto as the basis for NGET's determination of system-to-system flows in relation to the Interconnector with the Netherlands. This approval shall be in force in relation to the period from 1 April 2015 until 31 March 2016 and shall lapse on the earlier of 1 April 2016 and the date of approval of a revised Methodology Statement.

Dated: 20th April 2015

Mark Copley, Associate Partner Wholesale Electricity Markets and EU Co-ordination

SIGNED on behalf of the Authority and authorised for that purpose by the Authority

APPROVAL OF METHODOLOGY STATEMENT FOR DETERMINATION OF SYSTEM-TO-SYSTEM FLOWS IN RELATION TO THE INTERCONNECTOR BETWEEN IRELAND AND WALES

Whereas:

- (a) National Grid Electricity Transmission ("NGET") holds a licence to transmit electricity treated as granted under section 6(1) of the Electricity Act 1989 as amended;
- (b) Standard Licence Condition C3.1 of that licence requires NGET to have a balancing and settlement code ("BSC") in force at all times, and NGET has such a code in force;
- (c) the BSC has been modified with effect from 21 March 2001 to incorporate, among other things, Section R7.5 which relates to system-to-system flows (as defined in the BSC);
- (d) Section R7.5.3 of the BSC requires NGET to determine system-to-system flows on a basis for the time being approved in writing by the Gas and Electricity Markets Authority (the "Authority");
- (e) NGET has prepared a methodology as the basis for its determination of system-to-system flows in relation to the Interconnector (as defined in the BSC) with Ireland; and
- (f) NGET has submitted the methodology annexed hereto as the basis for its determination of such flows in relation to the Interconnector with Ireland to the Authority for its approval pursuant to Section R7.5.3 of the BSC.

NOW the AUTHORITY, for the purposes of Section R7.5 of the BSC, hereby approves the methodology prepared by NGET as annexed hereto as the basis for NGET's determination of system-to-system flows in relation to the Interconnector with Ireland. This approval shall be in force in relation to the period from 1 April 2015 until 31 March 2016 and shall lapse on the earlier of 1 April 2016 and the date of approval of a revised Methodology Statement.

Dated: 20th April 2015

Mark Copley, Associate Partner Wholesale Electricity Markets and EU Co-ordination

SIGNED on behalf of the Authority and authorised for that purpose by the Authority