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Solihull  
West Midlands  
B91 3QJ

24 June 2016

Mr. M. Torres  
Economist  
Wholesale Markets  
9 Millbank  
London  
SW1P 3GE

Dear Mr. Torres,

**RE: All NEMO Proposal for the MCO Plan**

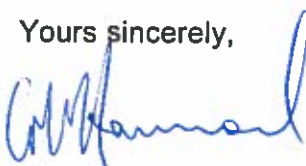
Thank you for the opportunity to respond to the above consultation.

National Grid Interconnectors Limited (NGIC) welcomes the opportunity to respond to the above. NGIC is a part owner and operator of the Interconnexion France-Angleterre (IFA) link between Great Britain and France. By way of comment, please refer to the following:

- (i) In §5.6.1.1. (on page 27) the statement is brought forth that “NEMOs shall not bear any share in costs related to the above-mentioned pre- or post- coupling activities”. Our understanding is that the discussions are still continuing and that therefore, as matters currently stand, this is not a definitive principle.
- (ii) In §6.5.1.2.1. (on page 43) it is stated that “[e]ach NEMO is entitled to fully recover its share of Common Cost related to the organization and operation of the ID MCO Function”. It is not clear how and from where NEMOs will recover this cost. Presumably this would be taken as a reference to incurred cost being allocated towards TSOs through the recovery mechanism in the different member states and this then being reconciled back to TSOs through network tariffs etc. As an interconnector TSO, however, the option of tariff reconciliation would in general terms not be available to National Grid Interconnectors Limited.

We will be happy to discuss our views contained within this letter further should that be helpful. For further details, please contact myself ([vince.hammond@nationalgrid.com](mailto:vince.hammond@nationalgrid.com)) for our operational interconnectors, and we look forward to the consultation outcomes.

Yours sincerely,



**Vincent Hammond**  
NRB - Interconnectors  
National Grid Interconnectors Limited