

APPENDIX 4

To: All holders of an electricity interconnector licence in whose licence standard condition 25 of the electricity interconnector licence has effect

Electricity Act 1989 Section 11A(1)(b)

Modification of the standard conditions of all electricity interconnector licences

1. Each of the licensees to whom this document is addressed has an electricity interconnector licence which has been granted or treated as granted under 6(1)(e) of the Electricity Act 1989 (the Act).
2. Under section 11A(2) of the Act the Gas and Electricity Markets Authority ('the Authority')¹ gave notice on 12 September 2019 ('the Notice') that we propose to modify:
 - (a) Standard condition 25: Cap and Floor Regulatory Instructions and Guidanceof the electricity interconnector licence in the manner specified in the schedule accompanying the Notice.² We stated that any representations to the modification proposal must be made on or before 11 October 2019.
3. A copy of the Notice was sent to the Secretary of State in accordance with section 11A(4)(b) of the Act, and we have not received a direction that the change should not be made.
4. We received four responses to the Notice and carefully considered comments made with respect to the proposed modifications. Our response to these comments is set out in the summary of consultation responses attached at Appendix 1 of our Decision on the Post Construction Review of the Nemo Link interconnector to Belgium. We have placed all non-confidential responses on our website.
5. We are making these licence changes in order to allow bilaterally agreed minor variations from the base RIGs Excel template in order to account for interconnector specific circumstances.
6. Further details on the reasons and effect of the modifications can be found in the schedule accompanying the Notice.³
7. Where an application for permission to appeal our decision is made to the Competition and Markets Authority (CMA) under section 11C of the Act, Rule 5.7 of the CMA's Energy Licence Modification Appeals Rules requires that the

¹ The terms "the Authority" and "we" are used interchangeably in this document.

² Proposed modifications to the electricity interconnector licence standard conditions: https://www.ofgem.gov.uk/system/files/docs/2019/09/appendix_4_-_notice_slc_25_-_final.pdf

³ Reasons and effects of proposed modifications to the electricity interconnector licence standard conditions: https://www.ofgem.gov.uk/system/files/docs/2019/09/schedule_4b_-_reasons_slc_25_-_final.docx.pdf

appellant must send to any relevant licence holders who are not parties to the appeal a non-confidential notice setting out the matters required in Rule 5.2. The relevant licence holders in relation to this modification are:

- i. Nemo Link Limited; and
- ii. National Grid NSN Link Limited

Section 11A(10) of the Act sets out the meaning of 'relevant licence holder'.

Under the powers set out in section 11A(1)(b) of the Act, we hereby modify the standard licence conditions for all relevant electricity interconnector licences in the manner specified in attached Schedule 4. This decision will take effect from 17 February 2020.

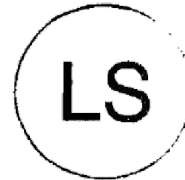
This document is notice of the reasons for the decision to modify the electricity interconnector licences as required by section 49A of the Act.

**The Official Seal of the Gas and Electricity Markets Authority
here affixed is authenticated by the signature of**



.....
Tom Corcut
Deputy Director, Wholesale Markets

**Duly authorised on behalf of the
Gas and Electricity Markets Authority**



17 December 2019