

EIRGRID INTERCONNECTOR DAC

Natasha Zoe Smith
Head of European Markets
Ofgem
10 South Colonnade
Canary Wharf
London
E14 4PU
United Kingdom

The Oval
160 Shelbourne
Ballsbridge
Dublin
D04 FW28
Ireland

160 Bóthar Shíol
Bhroin Droichead na
Dothra Baile Átha
Cliath
D04 FW28
Éire

T: +353 (0)1 677 1700
F: +353 (0)1 661 5375
E: eastwestinterconnector
@eirgrid.com

www.interconnector.ie

18th December, 2020

RE: Statutory consultation on consequential licence modifications due to the end of the transition period

Dear Natasha,

Thank you for the opportunity to provide a response to your consultation on the proposed licence modifications, which would apply following the UK leaving the EU at the end of the transition period. Acknowledging Ofgem's position that an interregnum period will be "unavoidable", EIDAC makes itself available to work with Ofgem to ensure that the necessary changes effectively deliver the certainty and clarity that will be required by all affected parties in the coming months.

The focus of this response is the proposed modifications to the Electricity Interconnector Licence, along with Ofgem's 16th December letter addressing interconnector access rules¹.

EIDAC considers the licence modifications set out by Ofgem in its consultation to be a necessary consequence of the impact of the UK exit from the EU. Looking forward, EIDAC notes the need to ensure that the regulatory regimes in the UK and Ireland are appropriately aligned; therefore there may be a need for future amendments to the licence to ensure that it remains fit for purpose in that context.

Ofgem's 16th December letter states that "*it is expected that the EWIC and Moyle interconnectors will continue to allocate implicit cross border capacity via intraday trading*". EIDAC notes that this assumption has also been clearly set out in the most recent SEM Committee *Information Note on the Operation of the SEM after the End of the Brexit Transition Period*².

EIDAC considers this response to be non-confidential and is happy to discuss its contents further, should this be helpful in supporting Ofgem during its considerations of interconnector operation in 2021 and beyond. For further details, please contact me directly via email at fergal.mcparland@eirgrid.com.

Yours faithfully,

[sent by email and accordingly bears no signature]

Fergal McParland
EIDAC Commercial Manager

c.c. Margaret McCarthy, Group Regulation, EirGrid

¹ https://www.ofgem.gov.uk/system/files/docs/2020/12/preparing_for_the_end_of_the_transition_period_-_confirmation_of_the_applicable_electricity_interconnector_access_rules.pdf

² <https://www.semcommittee.com/publications/sem-committee-statement-operation-sem-after-end-brex-it-transition-period>