

Appendix 3

To: **National Grid IFA 2 Limited**

Electricity Act 1989 Section 11A(2)

Notice of statutory consultation on proposed modification to special conditions of the electricity interconnector licence held by National Grid IFA 2 Limited

1. The Gas and Electricity Markets Authority (the Authority)¹ proposes to modify the electricity interconnector licence held by National Grid IFA 2 Limited (NGIFA2) granted or treated as granted under section 6(1)(e) of the Electricity Act 1989 by amending the following special conditions:
 - Special condition 1: Definitions and Interpretation
 - Amend the definition of “Force Majeure” to include three additional events (strike, lockout, and other industrial disturbance) in line with our May 2020 decision² on changes to our electricity interconnector cap and floor regime to enable project finance solutions; and
 - Amend the definition of “Regime Start Date” to include a reference to proposed new standard condition 26A in sub-paragraph (b) of that definition

as specified in Schedule 3 of this notice.
2. Specific details on the reasons for, and effects of, the proposed modifications can be found in Part C of Schedule 5 of this notice.
3. A copy of the proposed modifications and other documents referred to in this notice are available on the Ofgem website (www.ofgem.gov.uk). Alternatively, they are available from foi@ofgem.gov.uk.
4. Any representations on the proposed licence modifications may be made on or before 26 April 2021 by email to: Cap.Floor@ofgem.gov.uk

¹ The terms “the Authority”, “we” and “us” are used interchangeably in this document.

² Decision on proposed changes to our electricity interconnector cap and floor regime to enable project finance solutions: https://www.ofgem.gov.uk/system/files/docs/2020/05/regime_variations_decision.pdf

5. We normally publish all responses on our website. However, if you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.
6. If we decide to make the proposed modifications, they will take effect not less than 56 days after the decision is published.

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Rebecca Barnett
Deputy Director, Offshore Networks and Low Carbon RAB
Duly authorised on behalf of the
Gas and Electricity Markets Authority

24 March 2021