

**To: National Grid North Sea Link Limited and other interested parties**

**Electricity Act 1989  
Section 11A(2)**

**Notice of statutory consultation on a proposal to insert new special conditions into the electricity interconnector licence held by National Grid North Sea Link Limited**

1. The Gas and Electricity Markets Authority ('the Authority')<sup>1</sup> proposes to modify the electricity interconnector licence held by National Grid North Sea Link Limited ('NGNSL') and granted or treated as granted under section 6(1)(e) of the Electricity Act 1989 by inserting into that licence 11 proposed new special conditions, as specified in Schedule 1A of this notice.
2. We are proposing these modifications in order to give effect to our July 2017 decision<sup>2</sup> on the Final Project Assessment of the NSL interconnector.
3. The effect of the proposed modifications is to implement NGNSL's cap and floor regime and reflect the NGNSL's specific elements of the cap and floor regime that are contained in the July 2017 decision.
4. Specific details on the reasons for, and effects of, the proposed modifications can be found in Schedule 1B of this notice.
5. Further details and background on these proposed licence modifications are set out in the following documents:
  - Decision on the Final Project Assessment of the NSL interconnector to Norway, July 2017; and
  - Our consultation on the Final Project Assessment of the NSL interconnector, published on our website on 18 October 2016.<sup>3</sup>
6. A copy of the proposed modifications and other documents referred to in this notice are available on the Ofgem website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)). Alternatively, they are available from our Research and Information Centre, 9 Millbank, London, SW1P 3GE (020 7901 7003).
7. Any representations on the proposed licence modifications may be made on or before 01 March 2018 to: Okon Enyenihi, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to [cap.floor@ofgem.gov.uk](mailto:cap.floor@ofgem.gov.uk)
8. 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

---

<sup>1</sup> The terms "the Authority", "we" and "us" are used interchangeably in this document.

<sup>2</sup> Our FPA decision on NSL interconnector is available at: <https://www.ofgem.gov.uk/publications-and-updates/decision-final-project-assessment-nsl-interconnector-norway>

<sup>3</sup> Our consultation on the FPA of the NSL interconnector is available at: <https://www.ofgem.gov.uk/publications-and-updates/final-project-assessment-nsl-interconnector-norway>

publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.

9. If we decide to make the proposed modifications, they will take effect not less than 56 days after the decision is published.

.....  
**Akshay Kaul**  
**Partner, Networks**  
**Duly authorised on behalf of the**  
**Gas and Electricity Markets Authority**

**30 January 2018**