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Ikbal Hussain
Ofgem
10, South Colonnade
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E14 4PU

24 July 2020

Dear Ikbal,

Re: Statutory consultation on proposed modifications to the standard conditions of the electricity interconnector licence and to the special conditions of the electricity interconnector licence held by NGIL and the electricity transmission licence held by NGENSO

Thank you for the opportunity to respond to the above consultation that was issued by Ofgem on 3 July 2020. This response is on behalf of NGIL, the holder on an interconnector licence. Our other interconnector licensees, NGIFA2, NGNSL and NGVL also share the same views expressed herein. This response is not confidential.

We are pleased that Ofgem is proposing changes to implement its decision on cost sharing and cost recovery under the CACM regulation. We recognise that these provisions are only expected to be used once, but nevertheless agree that the proposed changes are required and are appropriate. We look forward to this issue being brought to a speedy conclusion.

We also recognise that changes are required to the Use of Revenue reporting arrangements to bring them into line with the Clean Energy Package Electricity Regulation. In discussions with Ofgem we agreed to submit the 19/20 Use of Revenues report in July 2020 as per the existing Interconnector Licence provisions, and then submit the next Use of Revenue report (assuming these changes are adopted) in January 2020.

In undertaking a detailed review of the drafting we have noted a minor referencing issue which we have described in the attached appendix. NGIL has no further comments on the drafting.

Please contact me if you have any further queries

John Greasley

Regulation and Stakeholder Manager

Appendix - Licence consultation response template

Respondent details		John Greasley – on behalf of NGIL		
Licence/Document name	Condition number	Page/Paragraph Ref	Comments	Suggested alternative drafting (please use tracked changes wherever possible)
Interconnector Standard Conditions	9	2	The text on Article 19(2) should be expanded to Articles 19(2) and (3) as Article 19(3) covers the separate internal account line that was covered within the 2009 Regulation Article 16(6)	Article 19(2) and (3)
Interconnector Standard Conditions	9	5 (b)	The text on Article 19(2) should be expanded to Articles 19(2) and (3) as Article 19(3) covers the separate internal account line that was covered within the 2009 Regulation Article 16(6)	Article 19(2) and (3)