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1. Introduction

1.1 Background

Interconnexion France-Angleterre (IFA) and Interconnexion France-Angleterre 2 (IFA2) are joint ventures between the French Transmission Operator, RTE and National Grid. Together, operating high voltage direct current (HVDC) subsea electricity links between Great Britain (GB) and France. IFA was commissioned in 1986 and has the capability to offer 2000MW. IFA2 was commissioned in 2020 and has the capability to offer 1000MW.

IFA & IFA2 are governed by the Access Rules and the Charging Methodology, these can be found on the <u>IFA website</u>.

1.2 Purpose

The purpose of this guide is to set out the registration process for customers who wish to trade on IFA & IFA2. You will see several parties detailed that are all involved in this process including other National Grid businesses, however, business separation applies between National Grid Interconnectors Limited and the other National Grid businesses. The Customer Portfolio team will be your main point of contact throughout the registration process.

1.3 Products

Capacity is offered for sale to registered users, separately in the direction Great Britain to France and France to Great Britain. The capacity we offer falls into the following products:



Further information on these products can be found on the IFA website.

2. The Registration Process

There are two processes to choose from depending upon whether you wish to buy capacity only (non – nominating) or buy and nominate capacity (nominating). The following table identifies the steps to be completed. These will be covered in further detail in this document.

Interface with	Steps	Non- Nominating	Nominating
JAO	1. Complete Registration with the Joint Allocation Office (JAO)	~	✓
IFA & IFA2	2. Complete Registration with the Regional Nomination Platform (RNP)	N/A	✓
Elexon &	3. Register with Elexon	N/A	✓
NESO A	4. Register with National Energy System Operator (NESO)	N/A	~
	5. Register Balancing & Mechanism Units (BMUs) for IFA with NESO and Elexon	N/A	✓
	6. Register as Balancing Responsible Party (BRP) with RTE	N/A	✓
RTE	7. Adhere to the Import-Export Rules by signing an Import-Export Participation Agreement with RTE	N/A	✓

2.1 Complete Registration with the Joint Allocation Office (JAO)

For Existing JAO customers

To bid for capacity on IFA & IFA2's auctions, customers are required to register with JAO to gain access to the Allocation Tool (eCAT). Please note that if you are already registered with JAO, you will only need to sign an amendment. Please contact JAO to start this process.

Email: contact@jao.eu Phone: +352 27 62 38 01

For New JAO Customers

If you are not already on JAO then you will be required to sign a Participant Agreement with JAO to participate in IFA & IFA2 auctions. You will also need to complete the following steps:

Collateral

Complete the collateral process with JAO.

Access to the Allocation Tool (eCAT)

Once registered with JAO, you will have access to eCAT and can participate in IFA & IFA2 long term and intraday auctions. The auction schedule is available on the IFA website.

Further information

Please refer to the <u>JAO website</u> for documents and further detail on the registration process. Please click on the Registration button on the webpage.

2.2. Complete Registration with the Regional Nomination Platform (RNP)

This step needs to be completed by customers who wish to nominate their capacity.

Participation Agreement

Please contact the Customer Portfolio team (<u>interconnectors.customerenquiries@nationalgrid.com</u>) to register your interest to nominate your capacity on IFA & IFA2. You will then be sent the RNP Participation Agreement. RNP is the platform where you will be able to nominate the capacity bought on JAO. The agreement will then be countersigned by National Grid Interconnectors and RTE and you will receive a copy once a go live date has been agreed. By completing the Participation Agreement, you will registered to nominate capacity for both IFA & IFA2.

Access to RNP

You will receive a user access form to complete, this form will need to be returned to the RNP Helpdesk (rnp.helpdesk@unicorn.com). The RNP Helpdesk will then provide you with access to the test environment. This will move to the live environment on your go live date.

Training

As part of your registration you will receive a user guide for RNP. If you require further training, please contact the RNP Helpdesk (rnp.helpdesk@unicorn.com)

2.2 Register with Elexon

Please refer to the <u>Elexon website</u> which will take you through the necessary steps required to register as an Interconnector User.

2.3 Register with National Energy System Operator (NESO)

As an Interconnector User, you are deemed to be using the National Electricity Transmission System (NETS) due to the onward transmission from the interconnector to the NETS, therefore Interconnector Users should sign a bilateral agreement (Use of System Offer) to use the system and accede to the Connection and Use of System Code (CUSC). Admission as a CUSC Party is a requirement to ensure compliance with Grid Code obligations.

To commence the process, you will need to complete and submit Use of System Application (Exhibit F of the CUSC) which can be found on the <u>NESO website</u>.

Guidance on the process, including costs and timescales, is also available on the <u>NESO</u> <u>website</u>.

Contact: transmissionconnections@uk.nationalenergyso.com

2.4 Register Balancing & Mechanism Units (BMUs) for IFA with NESO and Elexon

BM Units are the units used to represent all energy export and import in Settlement. There are specific BM Units assigned to each Party and we sum up their volumes and contracts, for each Party, when we carry out the Settlement calculations.

If you wish to nominate your capacity on IFA & IFA2, you are required to register two Interconnector BM Units for each interconnector for your production and consumption accounts relating to your physical flows.

Application form

As an Interconnector Use Lead Party, you will firstly need to complete National Grid BM Unit Registration (contact: bmu.registration@uk.nationalenergyso.com) before you complete the BSCP15/4.1 BM Unit registration. This is because National Grid will provide you with the National Grid Interconnector BM Unit ID and agree the Effective From Date, both of which you should then include on your BSCP15/4.1 form. In addition, the BM Unit ID in column 1 of the BSCP15/4.1 form is based on these ID's, by adding an I_ in front, e.g. I_IFD- xxxxx1 & I_IFG-xxxxx1.

You can then register a pair of Interconnector BM Units by completing a <u>BSCP15/4.1 form</u> "Registration of a BM Unit for a CVA Metering System" Form, by 30 working days prior to the Effective From Date, or as agreed with National Grid, to <u>bm.unit@elexon.co.uk</u> and <u>neta@imserv.com</u>. The Interconnector ID is also required on the BSCP15/4.1 Form.

Please note: when completing the NESO Registration Form state the maximum MW figure you wish to register for each unit. One for Generation and one for Demand. You will not be able to submit Physical Notification data submissions above the maximum registered capacity of the unit.

2.5 Register as Balancing Responsible Party (BRP) with RTE

You will be required to register with RTE as a Balancing Responsible Party which involves completing and signing an agreement. Please contact RTE (marketservices@rte-france.com) to start this process. If you already have a BRP with RTE on another border, there is a fast track process available, please mention this when you contact the team.

2.6 Sign an Import-Export Participation Agreement with RTE

In addition to the BRP contract, you will be required to sign an Import-Export Participation Agreement with RTE. Please contact RTE (marketservices@rte-france.com) to start this process.

3 Custom Declarations

When facilitating power transmission between Great Britain and France, a Customs declaration is required for the flow of power. Although no duties are applicable to the declaration, late submissions may incur penalties.

In Great Britain, National Grid manages import and export declarations for both IFA and IFA2 on behalf of customers, alleviating additional requirements from customers.

RTE in France cannot handle customs declarations for our customers. Therefore, customers must initiate their own customs declarations for IFA and IFA2.

To proceed with Customs declaration at the French border, physical customers must first apply for an EU EORI number. Applications should be submitted through the "SOPRANO" service, with slight variations depending on the applicant's location within the EU or non-EU countries.

Once an EORI number is obtained, customers have two options for customs declarations: self-declaration or employing a broker, which incurs fees for the service rendered.

Our customer team is currently assessing the Customs Declarations process for potential enhancements. One service we've introduced is providing monthly flow data to customers. If you are interested and not currently receiving this service, please reach out to us. If you would like more information on Customs Declarations please visit the IFA website.

4 Carbon Border Adjustment Mechanism (CBAM)

CBAM, is designed to price carbon emissions from carbon-intensive goods entering the EU. It aims to mitigate carbon leakage and incentivise greener production practices globally.

Starting from October 1, 2023, importers must report quarterly on embedded emissions in imported goods, including direct and indirect emissions, as well as the carbon price paid abroad. The first report is due by January 31, 2024.

During this transitional period, declarants must submit CBAM reports containing:

- 1. Total quantity of imported goods.
- Total direct emissions (and indirect emissions for non-electricity goods).
- 3. Carbon pricing in the country of origin.

The CBAM Transitional Registry facilitates report submissions, providing a unified platform for data collection, task management, and confidentiality assurance.

For more information on CBAM please visit the IFA website.

5 Communication and Support

You will have access to ongoing support throughout the registration process. Please contact the Customer Portfolio team should you have any enquiries.

Email: interconnectors.customerenquiries@nationalgrid.com