

John Greasley
Regulation & Stakeholder Manager
National Grid Interconnectors

<http://www.nationalgrid.com/>

2nd August 2019

IFA and IFA2 Charging Methodology Consultation for non-IEM operation

Dear Market Parties

National Grid Interconnectors Ltd (NGIC) is proposing an amendment to its Charging Methodology for the IFA Interconnector; the existing 2000MW HVDC I/C which connects the British and French electricity transmission systems. This amendment will apply to the scenario where GB ceases to participate in Europe's Internal Energy Market (IEM) following the UK's withdrawal from the European Union (the so-called No-Deal scenario).

Depending on whether/when GB ceases to participate in the IEM, this proposed Charging Methodology may be used both before and after the NGIC's and RTE's implementation of new capacity allocation platforms, currently planned to take place on 1st December 2019. Specifically, these new platforms are for explicit capacity allocation in all timescales (long-term, day-ahead, intra-day) by JAO, and the Regional Nomination Platform, both replacing the existing DAMAS-based Capacity Management System (CMS).

In addition, National Grid IFA2 Limited (NGIFA2) is proposing a Charging Methodology Statement for the forthcoming IFA2 1000MW HVDC Interconnector, to be used from the start of its commercial operation planned for Q2 2020. IFA2 will use the same customer interface platforms as IFA, namely JAO for capacity allocation in all timescales and RNP.

It is proposed that the Charging Methodology Statements for IFA and IFA2 are a shared document, and hence this is a joint consultation by NGIC and NGIFA2. This consultation opens on the date of this letter, and will be open for 28 days until 30th August 2019.

The Charging Methodology proposal can be obtained on NGIC's website, as follows:

<http://ifa1interconnector.com/notices/consultation/>

Related documents are the corresponding Non-IEM Access Rules proposals:

- For IFA's DAMAS-based CMS operation the non-IEM Access Rules which were approved in March 2019; and
- The non-IEM Access Rules applicable to the new platforms, for use on IFA and IFA2, are being consulted on in parallel to this Charging Methodology consultation, and which can also be accessed via the above link.

NGIC and NGIFA2 would like to invite feedback from Customers and Market Parties on the above Charging Methodology Statement proposal.

The latest date for responses to this consultation is 17.00 BST on 30th August 2019. Please title responses "Response to IFA/IFA2 Non-IEM Charging Methodology consultation" and submit via email to ifa.customerenquiries@nationalgrid.com.

When responding please state your contact details and whether you are responding as an individual company or representing the views of an association.

If all or part of your response is in relation to one or other of IFA or IFA2 then please indicate. Otherwise we will treat your response as applying to both IFA and IFA2.

If you have any questions in relation to any of the above, please contact ifa.customerenquiries@nationalgrid.com.

Yours faithfully

**John Greasley
Regulation and Stakeholder Manager**