

Mr Bill Thompson
Group Regulation Manager
EirGrid plc
The Oval
160 Shelbourne Rd.
Ballsbridge
Dublin 4

Re: Approval of the Access Rules for the East-West Interconnector

Dear Bill

This letter is to give notice of the approval by the Commission for Energy Regulation (CER) of the access rules submitted by EirGrid Interconnector Limited (EIL) on 20th September 2011¹.

The CER has the power to approve access rules for cross border interconnector operators under Article 34A(1) of the Electricity Regulation Act (1999) (as amended), which states that:

Subject to subsection (3), the holder of a licence under section 14(1)(i) [in this section referred to as the interconnector operator] shall offer access to the interconnector concerned on the basis of published non-discriminatory terms which shall be subject to the approval of and directions given by the Commission.

The CER has granted an Interconnector Operator licence to EIL and the access rules submitted to the CER on 20th September 2011 satisfy the requirement under Condition 20 of this licence. This approval is forthcoming following consideration by the SEM Committee of the access rules as submitted.

It is considered that the submitted access rules reflect the coordination requirements for capacity allocation set out in Section 3 of the Congestion Management Guidelines (Annex I to Regulation (EC) No. 714/2009) insofar as is possible given the differing market design characteristics of the SEM and BETTA markets.

We understand that EIL access rules will be amended again before the East West Interconnector becomes operational to accommodate the planned introduction of intraday trading in the SEM in July 2012. In addition the SEM Committee requests that EIL submit proposals by end 2011 on the UIOSI/UOILI congestion charging methodology to be applied to intraday allocation of East West capacity in the SEM.

EIL should continue to work with interconnector owner colleagues in the France-UK-Ireland region to coordinate their access rules and move towards the implementation of the Capacity Allocation and Congestion Management Framework Guidelines target model for forward

¹ A copy of the submitted access rules has been published on the CER's website, alongside this letter.

markets by 2013, as committed to in the FUI Region Workplan that has been submitted to ACER and the European Commission.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Sheenagh Rooney'. The signature is fluid and cursive, with the first name 'Sheenagh' written in a larger, more prominent script than the last name 'Rooney'.

Sheenagh Rooney
Manager, Wholesale Electricity Markets
CER