

Interconnector (UK) Limited



Stakeholder Responses to IUK's consultation on the IUK Charging Methodology

11 September 2019

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Earlier this year, IUK held a stakeholder consultation on proposed modifications to the IUK Charging Methodology ("CM").

The key changes proposed were as follows:

- Section 1.2 of the CM, concerning the format in which unit prices and charges are expressed, was amended to allow IUK to offer capacity as pence per kWh/h per day in addition to pence per kWh/h per hour.
- The initial registration and monthly administration fee are non-transmission services. This was made clear by adding a footnote under Section 4 and 5 of the CM stating this.
- The IUK publication timetable in Annex 1 of the CM was amended to include Conditional Firm ("CF") products.
 - It obliges IUK to publish prices for the CF products at the same time as the equivalent duration standard firm product if the CF product is offered via the PRISMA auctions.
 - It also commits IUK to publish prices at the same time as the equivalent duration product if the capacity is offered via implicit allocation.

The consultation ran from 23 May 2019 until 20 June 2019 and IUK received two non-confidential responses, both of which were supportive of the proposed changes. These responses are quoted in full below:

1. Shell Energy Europe Ltd Response:

"Changes to Charging Methodology to allow IUK to offer capacity as pence per kWh/h per day in addition to pence per kWh/h per hour

SEEL supports this proposal to enable better alignment with gas trades."

2. Centrica Plc Response:

"Proposed amendments to the charging methodology – we are in support of the amendments as proposed."

IUK Response

IUK would like to thank the stakeholders who responded to this consultation.

Based on the positive responses received, no further modifications were made to the consultation version of the CM before submission to IUK's National Regulatory Authorities, Ofgem and CREG.