EIRGRID INTERCONNECTOR LIMITED

Sheenagh Rooney, Commission for Energy Regulation, The Exchange, Belgard Square North, Tallaght, Dublin 24.

22nd August 2012

East West Interconnector Access Rules and Charging Methodology approval

Dear Sheenagh,

Please find a "marked-up" and a "clean" revised version of the East West Interconnector Access Rules and Charging Methodology Statement.

Following our previous submission of the Access Rules and Charging Methodology Statement on 9th July 2012 both documents have been amended to reflect feedback from the Regulatory Authorities received on 7th and 17th August 2012 and subsequent discussions.

These changes have been made in cooperation with Moyle to align with the Moyle Interconnector Access Rules and Charging Methodology Statement.

The changes to the East West Interconnector Access Rules and Charging Methodology Statement are as follows:

East West Interconnector Access Rules

- C.3.3.2 Credit Cover bank requirements in the Access Rules will be amended in a subsequent review of the Access Rules to align with requirements in the SEM Trading and Settlement Code that will change on 1st May 2013.
- D1.0 New: insertion of a new rule stating that the capacity made available on the interconnector will be the total technically available interconnector capacity. This is now fully in compliance with our Licence obligations and aligned with a similar provision in the access rules for BritNed and Moyle.
- D2.2 Amendment: to clarify that this Rule only applies to Long Term and Daily Units.

Directors Dermot Byrne (Chairperson), Andrew Cooke, Aidan Skelly

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- D2.5.5 Removed: as concept of Preliminary Auction Results does not exist for implicit auctions.
- D2.6.1 Amendment: to clarify that this Rule only applies to Long Term and Daily Units.
- D2.6.5 New: insertion of a new rule to clarify that queries relating to Intraday Auctions should be submitted to SEM under the appropriate Trading and Settlement Code provisions.
- D2.7.5 New: insertion of a new rule to clarify that publications relating to Intraday Auctions are covered in the SEM Trading and Settlement Code.
- D2.10.7 New: insertion of a new rule to clarify that rules relating to cancellation, suspension and deferral of Intraday Auctions are covered in the SEM Trading and Settlement Code.
- D5.1 Amendment: to clarify that this Rule only applies to Long Term and Daily Units.
- D5.8.1 Amendment: to clarify that the record of bids will be made available for review by the Regulatory Authorities on request.
- D7.1.1 Amendment: to clarify that Intraday Auctions will be conducted solely in line with the SEM Trading and Settlement code.
- D7.4.3 Amendment: to clarify terminology used to describe offered capacity.
- E1.2(g) Amendment: insertion of "and" in line with Moyle's access rules.
- E2 Amendment: to clarify that this Rule only applies to Long Term and Daily Units.
- E5.2 Amendment/New: an amendment and new rules to set out separately and more clearly how UIOSI provisions will be applied in the Daily and Intraday timescales.
- E5.2.1 Amendment: clarification that this rule refers to EA1 MSP Software Run.
- E7 Amendment: updated definition of NTC reduction to include reference to capacity calculation as suggested.
- E8.4 Amendment: to clarify that no compensation is due in the event of curtailment of capacity acquired in the intraday timeframe.

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E9 Removed: as agreed that it does not belong in the Access Rules.

Schedule 1 – updated definition of "Intraday" to clarify that it starts after EA1 gate closure.

Schedule 10 – updated to clarify that publications relating to Intraday Auctions are covered in the SEM Trading and Settlement Code.

East West Interconnector Charging Methodology Statement

- 2.6 Amended to state that implicit auction arrangements are set out in SEM Trading and Settlement Code.
- 2.9 Amended to clarify meaning of "in-merit" when determining congestion. Also footnote inserted explaining the purpose of 50% factor being applied in the congestion charge calculation.
- 2.14 Amended to clarify that no compensation is due in the event of curtailment of capacity acquired in the intraday timeframe.
- 3.4 Footnote inserted to clarify that BSUOS charges will not apply to interconnector BMUs in future.

We look forward to receiving your approval but in the meantime please do not hesitate to contact me should you wish to discuss.

Yours sincerely

Mark Lane, EirGrid plc

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Solution 1 — updated definitions of "Intendity" to chelly that it exarts offer EA1 gate closures.

Schedule 10 - updated to clarify that publications relating to Intraday Auctions one covered to the SEM Trading and Sentement Code.

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Mark Lane,

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