

ElecLink Splitting Rules Methodology

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GENERAL PROVISIONS

Article 1 Subject matter and scope

- This document (the 'Splitting Rules Methodology') is the proposal of ElecLink Limited ('ElecLink') to fulfil the
 principles of transparency and requirements of the French national regulatory authority with respect to
 Deliberation No 2021-213.
- 2. This Splitting Rules Methodology shall be published by ElecLink on ElecLink's website. The French national regulatory authority may publish parts of this Splitting Rules Methodology as deemed necessary to fulfil their own legal obligations.
- 3. The Capacity Split will be published from time to time by ElecLink in line with Article 7 of this Splitting Rules Methodology.

Article 2 Definitions

- 1. The following definitions shall apply to this Splitting Rules Methodology:
 - a) 'Auction' shall have the meaning detailed in the ElecLink Long Term Allocation Rules.
 - b) 'Capacity Shortage' shall have the meaning detailed in the ElecLink Long Term Allocation Rules.
 - c) 'Capacity Split' shall mean the specific volumes being made available by ElecLink for allocation on the Interconnector in each timeframe.
 - d) 'ElecLink Access Rules' means the rules required under Ofgem's Standard Licence Condition 11A and for RTE under Article 30 III of Decree n° 2006-1731 of 23 December 2006 ("approuvant le cahier des charges type de concession du réseau public de transport d'électricité").
 - e) 'ElecLink Long Term Allocation Rules' means the rules applicable to ElecLink in respect of the allocation of long term transmission rights on the ElecLink Interconnector as detailed in Part 3 of the ElecLink Access Rules.
 - f) 'Interconnector' shall mean the HVDC cross-border assets owned and operated by ElecLink.
 - g) 'JAO' shall mean the Joint Allocation Office, the organisation tasked with running cross-border capacity auctions on behalf of ElecLink.
 - h) 'Long-Term Capacity Calculation Methodology' means a coordinated mechanism to determine the maximum capacity available for allocation at a long-term timeframe, as set out in Article 3.
 - i) 'Long-Term Cross-Zonal Capacity' means the Nominal Capacity less the capacity reserved for daily allocation.
 - j) 'NGESO' shall mean National Grid Electricity System Operator Limited, being the system operator for the electricity transmission system in Great Britain.
 - k) 'Nominal Capacity' shall mean one thousand megawatts (1000MW) plus an adjustment for the losses of the Interconnector. This adjustment shall ensure that the value of Nominal Capacity at mid-point of the Interconnector results in 1000MW at the importing end. The Loss Factor (as defined in Part 5 'ElecLink Nomination Rules' of the ElecLink Access Rules) shall be published in line with the ElecLink Access Rules, on ElecLink's website.
 - I) 'RTE' shall mean Réseau de Transport d'Électricité, being the system operator for the electricity transmission system in France.
 - m) 'Splitting Range' shall mean the range (maximum and minimum) volume of the Interconnector's Nominal Capacity that shall be made available for allocation in each timeframe.
 - n) 'TSO' shall mean Transmission System Operator, an entity certified to own and/or operate electricity transmission assets.

SPLIT OF LONG-TERM CAPACITY

Article 3 Coherence with a long-term capacity calculation

- 1. ElecLink and RTE (and, if required NGESO) may agree on an interim Long-Term Capacity Calculation Methodology. In addition, ElecLink and other relevant TSOs may agree on an enduring Long-Term Capacity Calculation Methodology as required by the UK-EU Trade & Cooperation Agreement.
- The Splitting Rules Methodology shall be compatible with the Long-Term Capacity Calculation Methodology
 applicable to the Interconnector. Consequently, the total volume of Long-Term Cross-Zonal Capacity offered
 for forward capacity allocation in the Capacity Split cannot exceed the net transmission capacity ('NTC') as
 agreed for the respective timeframe.
- 3. Once an NTC has been determined pursuant to the 'Long-Term Capacity Calculation Methodology', any subsequent calculation that results in a lower NTC will result in any allocated capacity above the revised NTC being curtailed by the relevant TSO in accordance with the ElecLink Access Rules. No additional Long-Term Cross-Zonal Capacity will be made available in the relevant timeframe.

Article 4 Splitting Ranges

- 1. The Splitting Ranges are set out in Annex 1 of this Splitting Rules Methodology.
- 2. The same Splitting Range shall apply to both directions of capacity.
- 3. ElecLink can offer for allocation less than the minimum volume specified in the Splitting Range for a given timeframe identified in Annex 1 in the following situations:
 - a) where capacity cannot be offered for allocation due to the long-term capacity calculation result for a given timeframe being less than the minimum value of the range for that timeframe;
 - b) where capacity is not offered for allocation due to an outage that lasts the majority of the timeframe concerned;
 - c) where the Interconnector has been unavailable for an extended period during the calendar year.

Article 5 Capacity Split principles

- 1. The Capacity Split shall contain volumes determined for each timeframe, related to the Interconnector, for a period of a whole calendar year (or part thereof).
- 2. The Capacity Split for the Interconnector shall:
 - a) be determined independently for each direction;
 - b) will respect the Splitting Ranges in Annex 1 except in the situations detailed in Article 4.3;
 - c) will comply with the requirements set out in Article 3; and
 - d) be based on dialogue and analysis to identify the needs of the market.

Article 6 Capacity Split assessment process

- 1. Provisional version of the Capacity Split:
 - a) ElecLink shall determine a provisional version of the Capacity Split, at least each year, in accordance with the terms of Article 5, based on the Nominal Capacity and subject to the conditions in Article 4.3.

- b) ElecLink shall publish the provisional version of the Capacity Split in accordance with Article 7.
- 2. Following any long-term capacity calculation:
 - a) ElecLink may amend the Capacity Split to ensure that future allocations can fulfil this Splitting Rules Methodology and meet the requirements of market parties, in accordance with the terms of Article 5, based on the result of the long-term capacity calculation and subject to the conditions in Article 4.3;
 - b) ElecLink shall then publish a Capacity Split in accordance with Article 7.
- 3. Following any unplanned event on the Interconnector, ElecLink may amend the Capacity Split where such unplanned event may result in a Capacity Shortage during the Auction delivery period, or reduces capacity such that no capacity is available for allocation above that which has already been allocated, at any point up to the end of the bidding period of the Auction.

Article 7 Reporting

- 1. The provisional version of the Capacity Split for each delivery year and the Nominal Capacity shall be published by ElecLink on JAO's website, and/or on ElecLink's website, at the same time as the provisional Auction calendar pursuant to the ElecLink Access Rules.
- 2. The Capacity Split, and in the case of any changes to the Capacity Split, the reason(s) for such changes shall be published by ElecLink on JAO's website, and/or on ElecLink's website:
 - a) before the first allocation of capacity relating to that delivery year, following a long-term capacity calculation:
 - b) following each revision of the Capacity Split in accordance with Article 6 of this Splitting Rules Methodology.
- 3. In January each year, a report may be published by ElecLink on ElecLink's website detailing any changes to the Capacity Split resulting from reductions to the Nominal Capacity either imposed by the results of the long-term capacity calculation over the previous calendar year and/or due to an unplanned event on the Interconnector.
- 4. This Article is designed to meet the objectives of transparency to support market participants to anticipate the effect of the Capacity Split on product allocation.

FINAL PROVISIONS

Article 8 Implementation

- 1. Implementation of this Splitting Rules Methodology shall take effect on the date and time notified to market participants on ElecLink's website following the approval of this Splitting Rules Methodology by the French national regulatory authority.
- For each calendar year, ElecLink shall follow the capacity split assessment process set out in Article 6 to determine the most appropriate Capacity Split, while remaining within the Splitting Ranges set out in Annex

ANNEX 1 Splitting Range

The volumes detailed in each Capacity Split shall be determined by the 'MW' for each timeframe and within the 'Range' given in the table below, for both directions independently:

Timeframe	MW	Range (MW)
Annual	500MW	+/- 200MW
Seasonal	100MW	+/- 100MW
Quarterly	150MW	+/- 100MW
Monthly	150MW	+/- 100MW
Weekly	OMW	+ 100MW
Weekend	OMW	+ 100MW
Reserved for Day Ahead allocation (*)	50MW	-

For the avoidance of doubt, any unused capacity following day ahead allocation shall be offered for the intraday allocation process. No capacity is reserved for the intraday allocation process.

(*) Day ahead capacity during weekends is subject to be reduced by the capacity offered in the weekend Auctions.