

# **ElecLink Splitting Rules Methodology**

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## GENERAL PROVISIONS

### Article 1

#### Subject matter and scope

1. 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 the ElecLink 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 Split' shall mean the specific volumes being made available by ElecLink for allocation on the Interconnector in each timeframe.
  - c) '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")
  - d) '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.
  - e) 'Interconnector' shall mean the HVDC cross-border assets owned and operated by ElecLink.
  - f) 'Commercial Operations Date' shall mean the date on which ElecLink begins commercial operation with capacity allocated under the ElecLink Access Rules.
  - g) 'JAO' shall mean the Joint Allocation Office, the organisation tasked with running cross-border capacity auctions on behalf of ElecLink.
  - h) 'Commercial Operations Date' shall mean the date on which ElecLink begins commercial operation with capacity allocated under the ElecLink Access Rules.
  - i) '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.
  - j) 'Long-Term Cross-Zonal Capacity' means the Nominal Capacity less the capacity reserved for daily allocation.
  - k) 'NGESO' shall mean National Grid Electricity System Operator Limited, being the system operator for the electricity transmission system in Great Britain.
  - l) '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 the ElecLink website.
  - m) 'RTE' shall mean Réseau de Transport d'Électricité, being the system operator for the electricity transmission system in France.
  - n) '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.

- o) 'Trial Operations' shall mean the period following the Commercial Operations Date, during which the Interconnector is in the process of being handed over from the construction contractors to ElecLink. This period is likely to be approximately 4 months and may include a short planned outage.
- p) '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 an interim Long-Term Capacity Calculation Methodology. In addition, ElecLink and other relevant TSOs may agree an enduring Long-Term Capacity Calculation Methodology as required by the UK-EU Trade & Cooperation Agreement.
2. 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 time frame.
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 time frame.

### **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 lowest value of the range for that timeframe;
  - b) where capacity is not offered for allocation due to an outage that lasts the duration of the timeframe concerned;
  - c) where the Interconnector has been unavailable for an extended period during the calendar year;
  - d) where the Interconnector is yet to conclude Trial Operations, or will not conclude Trial Operations to allow for the efficient allocation of a given timeframe (e.g. if there is insufficient time remaining within year Y-1 to efficiently allocate annual capacity for year Y).
4. If the situation in Article 4.3 (d) arises, then ElecLink will notify the national regulatory authority in accordance with Article 7.

### **Article 5**

#### **Capacity Split Principles**

1. Except in the circumstances set out in Article 4.3 (d) and subject to Article 8.1, the Capacity Split shall contain volumes determined for each timeframe, related to the Interconnector, for a period of a whole calendar year.

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 and subject to Article 8.1;
  - 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 and Article 8.1.
  - 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; and
  - b) ElecLink shall then publish a Capacity Split in accordance with Article 7.

## **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 is published 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; and
  - c) following a revision of the Capacity Split due to the situation set out in Article 4.3 (d) occurring.
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 imposed by the results of the long-term capacity calculation over the previous calendar year.
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 allocations,

## **FINAL PROVISIONS**

### **Article 8 Implementation**

1. For the calendar year of the Trial Operations period, ElecLink shall follow the capacity split assessment process set out in Article 6 to determine the most beneficial Capacity Split for the timescales that are available within that calendar year. This may result in Capacity Splits outside of the Splitting Ranges set out in Annex 1.
2. For each subsequent full calendar year that follows Trial Operations, 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 1.

**ANNEX 1**  
**Splitting Range**

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

<b>Timeframe</b>	<b>MW</b>	<b>Range (MW)</b>
Annual	450MW	+/- 150MW
Seasonal	100MW	+/- 100MW
Quarterly	150MW	+/- 100MW
Monthly	150MW	+/- 100MW
Reserved for Day Ahead allocation	150MW	+ 150MW

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.