

Mr. Paddy Larkin
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5th October 2011

Approval of the Publication of Capacity Statement for the Moyle Interconnector

Dear Paddy,

This letter addresses the publication of the Capacity Statement Moyle Interconnector Limited submitted to OFGEM and The Utility Regulator for consideration. This states the methods used to calculate the engineering capacity of Moyle and the maximum capacity available to interconnector users, as required by Article 15(2) and with reference to Article 16(3) of the Third Package Electricity Regulation^{1,2,3}, setting out:

- The engineering capacity of the line (500MW in each direction).
- The reasons as to why the available capacity of the Interconnector is less than the engineering capacity.
- The current capacity available to Interconnector users as shown in the following table:

¹ Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity and repealing Regulation (EC) No 1228/2003. The term "Third Package" in this letter is used to refer to the Third Package Electricity Regulation.

² Article 15(2) of the Third Package Electricity Regulation relating to provision of information states that the safety, operational and planning standards used by transmission system operators (TSOs) are to be made public. An equivalent provision was set out in Article 5(2) of Regulation 1228/2003. Moyle falls within the definition of a TSO and is therefore under an obligation to publish the relevant information pursuant to Article 15(2) of the Third Package Electricity Regulation. The information published is required include a general scheme for the calculation of the total transfer capacity and the transmission reliability margin based upon the electrical and physical features of the network. Such schemes are required to be approved by the regulatory authorities.

³ Article 16(3) of the Third Package Electricity Regulation relates to principles of congestion management, it provides that the maximum capacity of the interconnections and/or the transmission networks affecting cross-border flows shall be made available to market participants, complying with safety standards of secure network operation.

Direction	Month	Capacity available to interconnector users	Capacity limit set by:
West to East	May - August	287 MW	NG/ GB System
	September - April	295 MW	SONI/ NI System
East to West	April - October	410 MW	SONI/ NI System
	November - March	450 MW	NG/ GB System

The SEM Committee⁴ hereby approves Mutual Energy's publication of the Capacity Statement⁵.

Yours sincerely,



**Tanya Wishart, Director of Electricity, Utility Regulator
on behalf of SEM Committee**

⁴ SEM Committee (25 January 2011) decided that Interconnector Access Arrangements are a SEM Matter and as such are therefore responsible for approving changes to the Relevant Access Arrangements of IC in SEM.

⁵ A copy of this statement is attached to the document. Filename: **110930 MIL SONI NG Capacity Calc combined Sept 2011.pdf**