

Charging Methodology Statement

**Moyle Interconnector
Issue 3.0**

1 INTRODUCTION

1.1 Moyle Interconnector Limited (MIL) is responsible for the transmission of electricity across the Moyle Interconnector. The Moyle Interconnector connects the Single Electricity Market of Northern Ireland and the Republic of Ireland with the BETTA market of Great Britain. MIL is a wholly owned subsidiary of Mutual Energy Ltd and holds a Licence to Participate in Transmission in Northern Ireland and an Interconnector Licence in Great Britain.

1.3 This document sets out a Charging Methodology describing how users access and are charged for long term transmission rights on the Moyle Interconnector.

1.4 An electronic version of this document can be obtained by visiting the Mutual Energy website at: www.mutual-energy.com.

1.5 Further information on MIL's activities and the information contained within this document can be obtained by contacting us by telephone, email or in writing:

Contact Name: Paul McGuckin

Telephone: +44 (0) 2890 437 580

E-mail: info@mutual-energy.com

Post: Mutual Energy Ltd, First Floor, The Arena Building, 85 Ormeau Road, Belfast BT7 1SH

2. INTERCONNECTOR CHARGING METHODOLOGY

2.1. This Charging Methodology will be approved by the relevant Regulatory Authorities before it takes effect. Subsequent modifications to the charging methodology will be submitted to the relevant Regulatory Authorities if such modifications are deemed to better achieve the relevant Charging Methodology objectives.

2.2 MIL shall review its Charging Methodology at least once in each calendar year and, subject to its licences, make modifications to the Charging Methodology for the purpose of ensuring that it better achieves the relevant charging methodology objectives.

2.3 Where modifications are proposed by MIL to this charging methodology these will be consulted upon with the industry. The relevant Regulatory Authorities may amend any proposed changes to the methodology before the changes would otherwise take effect.

2.4 In this Charging Methodology, unless the context requires otherwise, capitalised words and expressions have the meaning ascribed to them in Part 1 of the Schedule to the Access Rules.

2.5 This Charging Methodology applies from I-SEM Go Live.

Objectives of the charging methodology

2.6 The objectives set out in Condition 10(4) of the Ofgem Electricity Interconnector Licence Standard Conditions, with which this methodology seeks to align, require that the Charges and their underlying methodology are:

- (a) Objective;
- (b) Transparent; and
- (c) Non-discriminatory

2.7 In addition to this set of relevant objectives MIL has its own objectives for the charging regime. These are that the use of interconnector charges should:

- (a) Be simple to understand and implement; and
- (b) Promote efficient use of the interconnector within the context of the differing market structures it connects.

Transmission Rights

2.8 Long Term Transmission Rights on the Moyle Interconnector shall be allocated in accordance with the Moyle Interconnector Access Rules.¹

2.9 MIL believes that the charging methodology prescribed under the Moyle Interconnector Access Rules facilitates the relevant objectives described above.

¹ The Access Rules in turn refer to the NRA Approved HAR or for an interim period the TSO Proposed HAR.