IFA and IFA2
Splitting Rules Methodology

Consultation Document

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GENERAL PROVISIONS

Article 1
Subject matter and scope

1. This document (the 'Splitting Rules Methodology') is the proposal of Réseau de Transport d'Électricité (RTE), National Grid Interconnectors Limited (NGIC) and National Grid IFA2 Limited (NGIFA2), to fulfil the principles of transparency and the requirements of the French national regulatory authority with respect to Deliberation No 2021-213.

2. This Splitting Rules Methodology shall be published on the IFA/IFA2 and RTE 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 on the Interconnector's website in line with Article 7 of this Splitting Rules Methodology.

4. An amendment made under these Splitting Rules shall be subject to approval by the French national regulatory authority and shall take effect on the date and time notified to market participants on the IFA/IFA2 website.

Article 2
Definitions

1. Unless otherwise defined herein, capitalised terms used in this Splitting Rules Methodology shall have the meaning given to them in the Access Rules:

   'Access Rules' means the rules for the Interconnector 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").

   'Auction Calendar' means for a calendar year period the indicative details of all long-term auctions, including the Product Period, the Bidding Period and the direction on the Interconnector.

   'Available Transfer Capacity' (ATC) is the transfer capacity remaining available on each Interconnector per direction for a specific auction.

   'Capacity Split' shall mean the specific volumes being made available by the Responsible TSOs for allocation on the Interconnector across all timeframes.

   'Interconnector' shall mean the National Grid Interconnector Circuits and the RTE Interconnector Circuits of the IFA or IFA2 assets owned and operated by National Grid and RTE that connect the NGET Transmission System with the RTE Transmission System.

   'Long Term Allocation Rules' means the rules applicable to the Interconnector in respect of the allocation of long-term transmission rights on the Interconnector as detailed in Part 3 of the Access Rules.

‘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.

‘Long-Term Capacity Calculation’ means the coordinated capacity calculation as set out in the Long-Term Capacity Calculation Methodology

‘Long-Term Cross-Zonal Capacity’ means the Nominal Capacity less the capacity reserved for daily allocation.

‘NGESO’ shall mean National Grid Electricity System Operator Limited, being the system operator for the electricity transmission system in Great Britain.

‘Nominal Capacity’ shall mean the maximum HVDC active Power transmission capability at the mid-Channel reference point (2000MW for IFA, 1014MW for IFA2).

‘Responsible Transmission System Operators (TSOs)’ shall mean RTE, NGIC and/or NGIFA2, the TSOs responsible for the allocation of the Cross Zonal Capacity of the IFA and IFA2 Interconnectors.

‘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.

‘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. The Responsible TSOs and RTE, as the system operator for the electricity transmission system in France, (and, if required NGESO) may agree on an interim Long-Term Capacity Calculation Methodology. In addition, the Responsible TSOs and other relevant TSOs may agree on an enduring Long-Term Capacity Calculation Methodology as required by the UK-EU Trade and Cooperation Agreement. Both methodologies shall be submitted to the approval of the relevant authorities.

2. This 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 Access Rules.

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. The Responsible TSOs may 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 level of the splitting 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 the volumes determined across all timeframes in relation to each 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) respect the Splitting Ranges in Annex 1 except in the situations detailed in Article 4.3;
    c) 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. A provisional version of the Capacity Split shall:
    a) be determined at least once a year by the Responsible TSOs for each Interconnector, in accordance with the terms of Article 5, based on the Nominal Capacity and subject to the conditions in Article 4.3.
    b) be published in accordance with Article 7.
2. Following any long term capacity calculation:
    a) the Responsible TSOs may amend the Capacity Split for each Interconnector 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) the Responsible TSOs shall then publish a Capacity Split for each Interconnector in accordance with Article 7.

3. Following any unplanned event on the Interconnector, the Responsible TSOs may amend the Capacity Split for each Interconnector 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.

Article 7
Reporting

1. The provisional version of the Capacity Split (an illustrative example is set out here in Annex 2) and the Nominal Capacity for each delivery year shall be published on the Interconnector's website and the Allocation Platform's website at the same time as the provisional Auction Calendar in accordance with the Access Rules.

2. Any changes to the Capacity Split and the reason(s) for such changes shall be published on the Allocation Platform's website:
    a) before the first allocation of capacity relating to a specific auction, following a long term capacity calculation; and/or
    b) following each revision of the Capacity Split in accordance with Article 6.

3. 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. Implementation of this Splitting Rules Methodology shall take effect on the date and time notified to market participants on the IFA/IFA2 website following the approval of this Splitting Rules Methodology by the French national regulatory authority.

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 Minimum and Maximum values given in the table below, for both directions independently:

IFA

Timeframe	Minimum (MW)	Maximum (MW)
CAL (Y+2)	0	200
CAL (Y+1)	500	1000
Seasonal	0	400
Quarterly	100	450
Monthly	100	500
Weekend	0	200
Daily (*)	100	-

IFA2

Timeframe	Minimum (MW)	Maximum (MW)
CAL (Y+2)	0	100
CAL (Y+1)	300	500
Seasonal	0	200
Quarterly	0	300
Monthly	50	450
Weekend	0	100
Daily (*)	50	-

No capacity is reserved for the intraday allocation process. For the avoidance of doubt, any unused capacity following day ahead allocation, or any residual capacity following a return to service, shall be offered for the intraday allocation process, subject to a further capacity calculation or unplanned outage.

(*) The Capacity Split for Daily Auctions during weekends are subject to be reduced by the capacity offered in the Weekend Auctions.

Annex 2
Provisional Capacity Split Example

Below is an illustrative example of a provisional capacity split for all auctions that take place in 2023, published in December 2022:

Provisional Capacity Split for auctions in 2023 on IFA Interconnector - GB to FR direction

Timeframe	Default (MW)	Minimum (MW)	Maximum (MW)
CAL2025 (Y+2)	200	0	200
CAL2024 (Y+1)	800	500	1000
Seasonal	200	0	400
Quarterly	300	100	450
Monthly	300	100	500
Weekend	100	0	200
Daily (*)	300	100	-

For the avoidance of doubt, this split considers 900 MW that would have been allocated in the CAL2023 auctions that take place in 2022.

(*) The Capacity Split for Daily Auctions during weekends are subject to be reduced by the capacity offered in the Weekend Auctions.