

France – England (Electricity) Interconnector Auctions (IFA) Access Rules

Please find below a summary of aspects of the Interconnector agreement that are of interest to RG221 Entry Capacity User commitments.

A User needs to establish a Credit Limit for each of the different types of auction (Annual, Periodic and Daily) that they may wish to participate in. A User may increase the amount of the Credit Cover it provides at any time. The following data concentrates on the requirement for the annual auction, as this is more in line with the RG221 work/timeframes.

Credit Cover must be the amount calculated and it must be in the form of:

- (a) a Letter of Credit or an on Demand Bond;
- (b) a cash deposit in a Deposit Account established and notified by the Operators; or
- (c) such other type of cover as the Operators may agree, in a form acceptable to the Operators.

The amount of Credit Cover required for an annual auction is an amount equal to one twelfth of the value of their Units. A User will exceed its Agreed Credit Limit in an Annual Auction if at any time during the Annual Auction its Agreed Credit Limit for that Auction is less than one twelfth of the total price of all Current Winning Bids of the User in that Annual Auction. (For example, unless Credit Cover of €100 or greater has been provided by a User, a Bid of €1,200 for 1 Unit may be rejected.) The same principles apply to the other auctions.

The Operators are entitled to call on the Credit Cover of a User if they have failed to pay an amount due.

A User and operator may agree at any time to terminate the User Agreement. If an “Event of Default” occurs, the Operator may terminate the agreement, suspend the Users’ rights to participate in the auctions, suspend the Users rights to use the Interconnector capacity or recall of any unsecured capacity.

Events of default include:

- User fails to pay any amount due/owing
- An Insolvency Event
- User fails to provide and maintain Credit cover