

Sarah Friedel
Group Regulation
SONI Limited
Castlereagh House
12 Manse Road
Belfast
BT6 9RT

Ref: NET/E/TH/370

14 May 2021

Dear Sarah,

Re: Interconnector Administrator TY 2019-20

Thank you for the opex D₁ submission of the 18 January 2021 regarding updated Interconnector Administrator (IA) costs for tariff year 2019-20.

Having reviewed the submitted detail and analysed the impact of the market defect, we are now content to provide approval for the full sum requested. The amount approved is detailed below for confirmation:

Tariff Year	SONI Request (April 2014 prices)	UR Allowance (April 2014 prices)	UR Allowance (April 2020 prices)
2019-20	£766.7k	£766.7k	£877.4k

The approved allowance sets the cap for costs in relation to this project. These costs can be recovered via the K-factor in 2021-22 tariffs.

Responses to queries have however indicated that the TSO interconnector administrator costs for operating both Moyle and EWIC are combined and split on a 25:75 basis between SONI and EirGrid. We would welcome further engagement with SONI regarding justification why this cost approach has been adopted as opposed to the alternative whereby only Moyle costs are allocated to NI customers.

Should you have any comments, queries or issues regarding this letter, feel free to contact Jody O'Boyle.

Yours sincerely,



Tanya Hedley
Director of Network Operations