

Stephen Miller Group Regulation SONI Limited Castlereagh House 12 Manse Road Belfast BT6 9RT

Ref: NET/E/JF/679

13 June 2023

Dear Stephen,

Re: ENTSO-E ITC Costs for 2023-24 - Final Dt Approval

Thank you for the opex D_t submission of the 31 March 2023 regarding *Inter-Transmission Compensation (ITC)* costs from ENTSO-E.

Given the comprehensive review of invoices in previous years, we are content to provide approval for the sum requested for tariff year 2023-24. Amount approved is detailed below [in April 2019 prices].

Tariff Year	SONI Request (April 2019 prices)	UR Allowance (April 2019 prices)
2023-24	£1,292k	£1,292k

The approved allowance sets the cap for costs which can be recovered in relation to this project. For avoidance of doubt, TSO overspend (i.e. under recovery) cannot be automatically adjusted through the K-factor without further approval by the UR.

Given that the full allowance is being provided, we do not see any need for a draft determination on this occasion. I trust this satisfies your requirements at this time. Should you have any comments, queries or issues regarding this letter, feel free to contact Ciara Brennan.

Yours sincerely,

John French

Chief Executive Officer