

Leigh Greer  
Group Regulation  
SONI Limited  
Castlereagh House  
12 Manse Road  
Belfast  
BT6 9RT

Ref: NET/E/TH/85

12 April 2019

Dear Leigh,

**Re: ENTSO-E ITC Costs – Final Dt Approval**

Thank you for the opex Dt submission of the 27 March 2019 regarding Inter-Transmission Compensation (ITC) costs from ENTSO-E.

Given the relatively stable nature of these costs and the comprehensive review of invoices in previous years, we are content to provide approval for the sum requested for tariff year 2019-20. Amount approved is detailed below [in April 2014 prices<sup>1</sup>].

Tariff Year	SONI Request (April 2014 prices)	UR Allowance (April 2014 prices)
2019-20	£350k	£350k

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.

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

Yours sincerely,



**Tanya Hedley**  
**Director of Network Operations**

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<sup>1</sup> Approval in nominal terms (2019-20 prices) has not been provided. Such detail would depend upon forecast RPI figures which are subject to change based on actual inflation.