

UNIDEN POSITION

ON

EXEMPTION REQUEST OF AQUIND LIMITED FOR A NEW 2000MW ELECTRICITY INTERCONNECTOR BETWEEN FRANCE AND GREAT-BRITAIN

21 February 2018

UNIDEN, the Union des Industries Utilisatrices d'Energie, was founded in 1978 and represents the industrial energy consumers in France. The 49 members of UNIDEN represent 70% of industrial energy consumption in France across various sectors.

Industrials are looking for visibility, competitiveness and security of supply to maintain and develop their electro-intensive activities in Europe.

Interconnection projects can bring benefits to consumers from both sides of a border when the following conditions are fulfilled:

- Global benefits for all consumers minus project costs are positive;
- Costs and benefits are shared between the consumers from both sides according to the expected benefits;
- Security of supply are of a common interest for both markets following the same rules.

In its deliberation of 16 November 2017, the Commission de regulation de l'énergie was not able to assess the social benefits of the project within the Brexit context. The CRE also mentioned that it was premature to further launch interconnection projects especially on a border where two projects are under constructions to double the capacity by 2020 and 3 other projects are under investigation.

UNIDEN shares the position of the CRE and recommends waiting for the final rules of participation of the Great-Britain to the Internal Energy Market before taking any decisions on any new interconnector projects, especially an exempted one, between France and Great-Britain. In particular, if Great-Britain is out of the Internal Energy Market in the future and do not participate as much as the Member States to the security of supply of the Internal Electricity Market, the benefits of any interconnector projects shall be reconsidered only for the consumers of the relevant Member States.