

CACM Issues Log

Last updated: 22 May 2012

Issue No	Issue	NGET View
1.	CACM – different interpretation of significant may lead to different treatment of generators in GB	There is coherence between the Grid Code obligations placed on Generators to provide data according to their significance (to the planning and operation of the transmission system) and those in the RfG Network Code. However in order to model the GB system in the Capacity Calculation it may not be necessary for all Generators of a particular Type (as defined in the RfG Network Code) to provide data.
2.	CACM- potential risk of generators switching in and out of 'significance' depending on the SO view during different system conditions	It will be unlikely that a generator will switch in and out of significance but in any case, the change process would be set out through standard industry governance
3.	Will there be penalties for errors in the data taken at D-2? For example wind may require a larger margin of error	The code puts a best endeavours requirement on industry participants.
4.	Who can instigate the process for changing bidding zones?	This can be instigated by ACER, the NRA or the TSO
5.	Bidding zones decided by NRAs and TSOs not just National Grid as they cross boundaries so it will have to involve several parties. How will this process work?	
6.	What is the Regional process for changing bidding zones	Ofgem view- this has not been decided yet
Issues captured at CACM Workshop 14/15 May 2012		
7.	Implementation timescales: There were concerns over the various timescales in the network code, and how these interacted with the "it shall apply" date of 1 September 2014 in Article 101. ENTSO-E acknowledged that Article 101 and the timescales in the code need to be improved in the next version.	NG agree and will seek to get this text removed from the final network code.
8.	Consultation: In various places the code requires consultation, but does not say between whom. This is an oversight and the code should say market participants. This either needs to be addressed explicitly through wording in each article, or covered in the definitions by turning consultation into a defined term that includes consultation with appropriate market participants.	NG agree and will seek to get the final network code modded appropriately.
9.	Publication / Transparency: In various places the code does not state that information passed between SOs and NRAs, and certain information generated by SOs needs to be published. It was suggested that a general caveat be included that all such information be published unless explicitly noted.	NG agree and will seek to get the final network code modded appropriately.

10.	<p>Third parties. In various places the TSOs are permitted to appoint third parties. It was noted that this should be subject to NRA approval, and subject to usual procurement law.</p>	NG agree and will seek to get the final network code modded appropriately.
11.	<p>Definitions: The definitions of a number of key terms were discussed. Examples include <i>Force Majeure</i>, <i>Emergency Situation</i> and <i>Social Welfare</i> and <i>Market Time Period</i>. As these are key to particular aspects of the code, it is essential that these terms are defined consistently and appropriately in this network code and across the codes.</p>	NG agree and will seek to get the final network code modded appropriately.
12.	<p>Harmonisation. It was suggested that there harmonisation of the timings of the publication of results should be considered. This might avoid perverse market behaviour if results from some regions were published before others.</p>	NG agree and will seek to get the final network code modded appropriately.
13.	<p>Governance. The Governance process for the network code is covered by the Commission in their Governance Guideline. There were a number of comments:</p> <ul style="list-style-type: none"> • National Regulatory Authorities (NRA) agreement: The question of what happens if two or more NRA do not agree was raised. The solution is found in Regulation (EC) 713/2009 which gives ACER dispute resolution powers if NRAs do not agree on cross-border issues. This could have the consequence that a regional issue affecting a small number of TSOs is decided upon by ACER through an appropriate voting mechanism. • TSO agreement: The question of what happens if two or more TSOs do not agree was raised. This is not yet defined, although ENTSO-E are likely to play a role. 	This is to be covered in the Governance Guidelines which is specifically out of scope of the CACM network code.
14.	<p>Criteria / objectives. Many processes in the code have their own separate set of criteria or objectives. It was suggested a reference could be made to a central set of criteria or objectives, which are vested in the objectives states in Regulation (EC) 713/2009.</p>	NG agree and will seek to get the final network code modded appropriately.
15.	<p>Carve Outs. In the code there are a number of 'carve outs' designed for specific countries, e.g. Article 38, allows Norway to redistribute its bidding zone more quickly than the standard process. However, the necessity of drafting law is that Article cannot be defined to apply to only some countries, so there were concerns that the carve outs might have unintended consequences.</p>	NG agree and will seek to tighten the network code where possible. However carve outs are likely to remain to cater for the differences between countries.

16.	Interaction with Balancing: There was some concern over the interaction of the Intraday market and the Balancing regime. In particular, different bidding zones could have different market time periods. Market time periods do not necessarily have to align with settlement periods. This shall need verifying and considering with the team writing the Balancing Code.	NG agree and have notified the relevant NG members on the drafting teams.
17.	Implementation: There was a concern that the existing timelines may not allow market players sufficient time to adapt to the requirements of the code (e.g. data provision).	NG agree and will seek to get the final network code modded appropriately.
18.	D-2 Data Requirements: The impact on market participants of having to supply (as yet unspecified) data at D-2, rather than the current regime of D-1 data. New IT systems may be required and these have a lead time.	
19.	Non-Costly Actions: There was a question as to whether the term 'non-costly' actions is the correct wording. As defined these actions are 'non-costly' to the TSO, but there may be costs on market participants.	
20.	Flow-based: Globally there is little experience of using flow based analysis, therefore experience of the full implications of the model is still being gained through the current trials.	Agreed
21.	Bidding zone amendments: the amendment of bidding zones articles needs to be tightened as currently TSOs can launch reviews in areas outside their control area, i.e. it should be clear where the jurisdiction of individual TSOs extends.	NG agree and will seek to get the final network code modded appropriately.