

## Headline Report

<b>Meeting name</b>	Joint European Standing Group (JESG)
<b>Meeting number</b>	11
<b>Date of meeting</b>	18 September 2012
<b>Location</b>	Elxon, London

This note sets out the headlines of the most recent meeting of the Joint European Standing Group (JESG).

### 1. Issues Log Review.

The issues logs were reviewed, as required, as each Network Code was discussed. The current issue logs are attached to this Headline Report.

### 2. Grid Connection Framework Guideline.

#### ***Requirements for Generators (RfG)***

- The final RfG Network Code and supporting documentation was submitted to ACER on 13 July<sup>1</sup>. From this date, ACER has three months to consider its opinion of how the Network Code fulfils the Framework Guidelines. After this review Comitology is expected.
- Ofgem updated the group that the ACER Stakeholder Workshop took place in Ljubljana on 3 September. ACER is finalising their opinion prior to the 12 October.
- A paper<sup>2</sup> "GB determination of the detail of the European Network Codes" (pp12/422) has been submitted to the Grid Network Code Review Panel by Campbell McDonald and Garth Graham, and also to the September CUSC Panel. The paper relates to possible change to the existing principle of Network Code modification within GB, through the impact of European law specifically Article 4(3) in the RfG Network Code.
- William Webster noted that the European Commission will review the Network Code received by ACER/ENTSO-E before commencing Comitology and may make changes to the drafting during this time.

#### ***Demand Connection Network Code (DCC)***

- The formal consultation on the DCC closed on 13 September. In total 1497 consultation comments were received from 38 organisations. The ENTSO-E drafting team is considering how to deal with and respond to the comments, and revise the Network Code.
- The Network Code is due to be completed by the end of December 2012, after which it will be submitted to ACER.
- GB Stakeholder particularly noted that the quality of the draft issued for consultation was poor, which had made the consultation process difficult.
- The process for stakeholder engagement going forward will be partly driven by the consultation responses. It is expected to include User Group and DSO Expert Group Meetings. Stakeholders expressed a desire for an open approach to the redrafting.

### 3. Capacity Allocation and Congestion Management (CACM) Network Code

- The CACM Network Code is currently undergoing final ENTSO-E approval, prior to being completed by the end of September 2012, and submitted to ACER.
- ACER will have three months to provide reasoned opinion as to whether the Network Code is in line with the Framework Guideline. After this stage Comitology is expected.
- It was reported that the following areas of change have been made to the Network Code since the Consultation version:
  - Significant changes to the text to provide clarity, tighten wording and align with Governance Guidelines, however, the NGET Code Drafter does not believe high-level principles have changed,

<sup>1</sup> <https://www.entsoe.eu/resources/network-codes/requirements-for-generators/>

<sup>2</sup> <http://www.nationalgrid.com/uk/Electricity/Codes/gridcode/reviewpanelinfo/2012/19th+September/>

- New section on sharing of costs between TSOs for cross-border redispatch has been introduced; however, the methodology is to be defined after the Network Code is complete,
- Changes in the requirement to provide data at D-2, to requiring data at a time to be determined after the Network Code is implemented.
- William Webster reported that RWE had highlighted six areas to ENTSO-E, that were their outstanding issues with the CACM Network Code:
  - The regulatory approvals procedures does not appear well defined,
  - Allocation Constraints – concerns regarding delays in firm capacity commitment from TSOs,
  - Bidding zones,
  - Day-ahead timetable,
  - Relationship between redispatch, countertrading and remedial actions
  - Need for explicit access for intraday as pilot projects have failed to deliver shared order book functionality

#### 4. **Balancing Framework Guidelines**

- The Balancing Framework Guidelines have been given final sign-off by ACER, and are due to be published in the next few weeks.
- Ofgem reported that there have been no radical changes to the Framework Guidelines following the consultation. Amendments have tended to focus on: (1) providing greater clarity and explanation to sections previously questioned by stakeholders; and (2) finding compromises between different views – in places this has led to a reduction in the level of ambition, or a relaxing of the requirements. However, some of the timescales for implementation have been tightened.
- Ofgem clarified that in light of stakeholder comments the requirement for BRPs to provide a balanced program at day-ahead has been relaxed and that the Framework Guidelines require harmonisation for imbalance settlement, but do not necessarily require commonality.
- ENTSO-E is still expected to commence drafting the Balancing Network Code in Q4 2012.

#### 5. **System Operation Framework Guidelines**

##### ***Operational Security (OS) Network Code***

The OS Network Code was not discussed at this month's JESG.

##### ***Operational Planning and Scheduling (OP&S) Network Code***

The OP&S Network Code was not discussed at this month's JESG.

##### ***Load-Frequency Control and Reserves (LFR&C) Network Code***

- The LFC&R Network Code is currently under development by ENTSO-E. Drafting started in July 2012. The first draft of the legal text version of the Network Code was issued on 14 September, in advance of the ENTSO-E public workshop scheduled for 25 September.
- The Network Code considers the real-time balance between generation and demand to control system frequency; to achieve and maintain satisfactory frequency quality in terms of the frequency deviations from the nominal value and how often these deviations occur within a defined time period (standard deviation of frequency). The Network Code is largely a technical Network Code placing obligations on TSOs to maintain system frequency.
- The Network Code is drafted on a 'Synchronous Area' basis, and the requirements for the GB Synchronous Area are expected to be consistent with the existing GB operations. The Network Code is not expected to use the concept of 'significant grid user' although in the present draft it appears in the later articles (e.g. Chapter 10 – compliance).
- The Network Code is not expected to represent a big change for GB although the current draft of the Network Code is incomplete and does not yet specify a threshold to the parties to which it is applicable – NGET's indication is that it will be 3MW or larger.
- At present there are requirements in the Network Code which are blank for the GB Synchronous Area and will be added in the next draft.
- Different terminology is used by European countries for the types of reserves considered in this Network Code. The terms used in the Network Code are:
  - Frequency Containment Reserves (FCR) - equivalent to GB's primary reserves,
  - Frequency Response reserves (FRR) - equivalent to GB's secondary reserves,
  - Replacement Reserves (RR) - equivalent to GB's spinning regulating reserves and non-synchronous providers.

- There is also a difference in how providers are contracted to provide reserves across Europe which shall need to be considered.

## 6. Feedback on the JESG

- A discussion was held on 'feedback on the JESG', now that that meetings have been running for twelve months.
- Various areas of the JESG Meetings and the JESG Technical Workshops were evaluated on a scale from 1 (poor) to 5 (very good) the final average scores ranged from 3.3 to 4.6, so in general, there was positive feedback for the function, structure and organisation of the JESG. Full details are provided in the slide pack which accompanies this Headline Report.
- Particular actions which will be taken to further improve the JESG include:
  - Continue to focus on article-by-article review at the Technical Workshops
  - Seek improvements to the JESG website
  - Aim to circulate all meeting material a minimum of one 1 in advance of meetings
  - Circulate draft agendas with meeting invitations
  - Ongoing review of headline report to ensure clarity and relevance
  - Provide a weekly email update to the industry on European issues, rather than ad-hoc emails, where possible.

## 7. JESG Terms of Reference

- It was proposed that the JESG Terms of Reference be updated to reflect the evolution of the forum over the twelve months it has been operating.
- A draft set of changes were circulated (available on the JESG website). A number of amendments were noted, and further comments are sought from members.
- The updated Terms of Reference will be tabled at a future Grid Code Review Panel, CUSC Panel and BSC Panel, where they will need to be approved.

## 8. Forthcoming events/workshops

Details of forthcoming JESG events and workshops are maintained on the website:

<http://www.nationalgrid.com/uk/Electricity/NetworkCodes/systemNetworkCode/workingstandinggroups/JointEuroSG/>

Details of forthcoming relevant public events for ENTSO-E, ACER and Ofgem are recorded in the Agenda for this meeting, and on their respective websites:

- ENTSO-E: [https://www.entsoe.eu./resources/network-Network Codes/](https://www.entsoe.eu./resources/network-Network%20Codes/)
- ACER: <http://acer.europa.net>
- Ofgem: <http://www.ofgem.gov.uk/Europe/stakeholder-group/Pages/index.aspx>

## 9. Next meeting

The next scheduled meeting for the JESG is 7 November 2012 at Elexon, London.

The actions log and issues logs follow this report.

## Generic Issues Log

New items are marked in grey.

Issue No	Issue
1.	How do the Network Codes align with the individual Framework Guidelines?
2.	Concerns over the mechanism for the publication of data under REMIT
3.	The potential for different definitions of significant across Network Codes
4.	The implementation of the RfG could conflict with CACM as they are at different stages in the Network Codes process
5.	What is contribution of each Network Code to resolve issues? Need a strategic view of the Network Codes but not sure which is the best place to do this.
6.	How is consistency and interoperability being ensured across the Network Codes?
7.	Can the final Network Code to be produced be used to correct errors / inconsistencies in earlier Network Codes?
8.	What is the expected frequency for changes to the Network Codes once implemented? The minutes of the Operational Security Network Code Public Workshop (20/4/12) indicate that a 'frequency of 4-5 years' 'might be needed'.
9.	There should be a general clause in each of the Network Codes to require consultation and NRA approval for elements which are to be defined after the Network Code has entered in to force. Such a condition has been included in the CACM Network Code.
10.	The definition of TSOs in the Network Code may lead to ambiguity due to the certification of additional companies in GB as TSOs (e.g. Interconnectors and OFTOs)
11.	There are various data and information flows defined in various Network Codes which are not obviously consistent. This remains a major concern for the Industry due to changes to processes and infrastructure that will be required to provide this data.
12.	What happens when notifications are provided to the TSO / Relevant Network Operator. Does the TSO have a duty to act upon the notifications? What if they do not comply?
13.	The contractual / market impact of demand side response for domestic customers has not been considered. The DCC and LFR&C Network Codes both deal with capability without outlining how the market will work in practice. Who is the most appropriate part in the UK to have a relationship with the customer for demand side response.
14.	Supplier may be moved to an 'out of balance' position by demand actions taken by the Aggregator / DSO / TSO. This impact on the balancing arrangements will need to be considered.
15.	There are different definitions for 'Significant Grid User' in a number of the Network Codes, so the applicability of the Network Codes to individual users is not clear.

## **JESG Actions**

Last Updated: 19 September 2012

### **Open and New Actions captured at September JESG Meeting.**

Action No	Action	Lead Party	Status	Update
<b>Ongoing Actions</b>				
5	Determine the priority issues within the issues log	Barbara Vest & All	Ongoing	
42	For each Network Code a comparison document between the Network Code and existing GB Codes will be produced.	NGET	Ongoing	
46	Provide a steer to the Stakeholder community on how implementation of the Network Codes, such as CACM, is to be timed (i.e. work required in advance of Comitology completing)	Ofgem	Ongoing	Ofgem are working to define a process, and will report to a future meeting.
49	Ofgem to consider if a GB Stakeholders meeting on the Transparency Guidelines is required, and what the best process is for arranging such a meeting.	Ofgem	Ongoing	Ofgem are considering this and will report to a future meeting
67	Clarify with Sue Harrison what input DECC expects to need during Comitology for the RFG Network Code  <u>Addition 19 Sep:</u> Discuss with DECC how the pre-comitology stage might be taken forward	BV	Ongoing	BV is having an open dialogue with DECC to determine the process. There is likely to be some subgroup of the DECC/Ofgem Stakeholder Meeting to consider issues for Comitology Future update will be provided to JESG
69	Provide an update on GB TSO Certification and the interaction with European Codes	Ofgem	Ongoing	Ofgem are considering this and will report to a future meeting
<b>New Items captured at September JESG.</b>				
79	JESG to write to ENTSO-E to highlight the difficulties stakeholders have in the use of the web tool for capturing Consultation comments	Chair / Mike Kay	Open	
80	Where are the SQSS-type requirements being captured in the European Network Code Project? In particular what is the driver for the frequency quality issues stated in the LFR&C.	NGET	Open	
81	Schedule a two-day technical workshop for the LFR&C Network Code during the public consultation	NGET	Open	

Action No	Action	Lead Party	Status	Update
82	Review DCC Issues Log from a retail perspective	Rosie McGlynn	Open	
83	Which NRA is taking the lead within ACER for the ACER review of the CACM Network Code?	Ofgem	Open	
84	Provide feedback on if a view can currently be given as to who might be required to provide what information under the CACM requirements.	NGET	Open	
85	Discuss with DECC/Ofgem how the 23/24 October dates can be used for the DECC/Ofgem led Stakeholder review of the CACM Network Code.	NGET/ Ofgem	Open	
86	Send link to Mike Kay on the "Role of JESG letter"	NGET	Open	
87	Provide comments on the revised Terms of Reference for the JESG to the Technical Secretary by 1 October Terms of Reference to be updated with comments from Garth Graham and Barbara Vest	All  NGET	Open	
88	Provide feedback to the Grid Code, CUSC and BSC Panels on the JESG (using the slides from the September JESG meeting) and seek approval for the updated JESG Terms of Reference.	Chair (GC and BSC) Garth Graham (CUSC) NGET	Open	
89	Find and update colour coded diagram of Network Code status as referred to by Garth Graham	PW	Open	
90	An update on the outcome of the ACER opinion on RFG to be circulated in advance of the next meeting.	Ofgem	Open	

### Actions closed at September JESG

Action No	Action	Lead Party	Status	Update
20	Chair of JESG to write to ENTSO-E to: <ul style="list-style-type: none"> <li>request that meetings are not held on Mondays and Fridays, or very near Christmas as it will discourage attendance.</li> <li>request that a sufficient length of time is provided for consideration of papers prior to meetings (suggested at least 10 days)</li> </ul> Peter Bolitho to provide BV with some words on the ENTSG process	Barbara Vest  Peter Bolitho	Closed	The current ENTSO-E meetings are all scheduled on Tuesday, Wednesday or Thursday. The JESG will keep the dates of the ENTSO-E meetings under review, and will re-open this action in future if required.
57	Chair and NGET to discuss feedback on the JESG in advance of September Meeting	BV/CH	Closed	Feedback on the JESG will be discussed on the September Agenda
58	Chair and NGET to discuss and agree dates for JESG meetings in 2013	BV/PW	Closed	New Dates circulated

Action No	Action	Lead Party	Status	Update
59	<p>Feedback/Queries to ENTSO-E:</p> <ol style="list-style-type: none"> <li>1. Does the consultation tool allow respondents to make comments on the 'Whereas' section of the Network Code?</li> <li>2. Has the consultation tool been improved to make it more user friendly?</li> <li>3. Highlight the JESG's concerns over the lack of representation from some countries in the Network Code development process</li> <li>4. Will ENTSO-E and ACER capture and act upon any 'lessons learnt' as a result of the RFG process</li> </ol>	NGET	Closed	<ol style="list-style-type: none"> <li>1. Mark Norton (Drafting Team Convenor for DCC) indicated at the JESG DCC Workshop, that the tool had been adjusted to account for the Whereas section. [18/9 Feedback at the JESG suggests it has not – see Action 79]</li> <li>2. Mark Norton (Drafting Team Convenor for DCC) indicated at the JESG DCC Workshop that the tool is continually being improved; however, ENTSO-E is constrained by needing the comments which are captured to be in a format where they can be easily used.</li> <li>3. This has been discussed with ENTSO-E, and they are seeking ways to increase engagement across Europe.</li> <li>4. This has been discussed with ENTSO-E, and they intend to capture lessons learnt from the RFG process, and continue to improve the drafting process, within the constraints of the timescales specified in the regulations.</li> </ol>
60	<p>JESG DCC Workshop: Update the Agenda to include:</p> <ul style="list-style-type: none"> <li>• A summary of the ENTSO-E public workshop slides on the three technical areas of the code.</li> <li>• Applicability of the DCC Code</li> </ul>	NGET	Closed	Workshop agenda updated and workshop held.
61	Contact BEAMA contacts regarding the forthcoming DCC Workshop	BV	Closed	Email sent 16/8



Action No	Action	Lead Party	Status	Update
62	Circulate the Europe-wide industry DCC letter and ENTSO-E response	NGET	Closed	<p>The letter and response are provided as an attached to this document.</p> <p><u>Attachments</u></p> <ul style="list-style-type: none"> <li>• 62a. Industry letter to ENTSOE regarding DCC</li> <li>• 62b. ENTSOE response to Industry letter regarding DCC</li> </ul>
63	Provide confirmation of the applicability of the RfG and/or DCC to a generator running in power consumption mode	NGET	Closed	A generator running in a power consumption mode or as a motor, for example Pump Storage, is dealt with under RfG and is not covered in DCC. In summary, any Generation that has the capability to operate in both power modes (absorbing real and reactive power & injecting real and reactive power) are classified as a Generator.
64	Provide feedback to JESG on the ENTSO-E process for the DCC post-consultation	NGET	Closed	<ul style="list-style-type: none"> <li>• The exact process will be subject to review following the close of the consultation.</li> <li>• A comprehensive response will be published to all feedback received during the public consultation.</li> <li>• It is envisaged that the drafting team will continue working closely with the DSO expert and user group during the finalisation of the Newtork Code.</li> <li>• The Network Code will be subject to internal governance in ENTSOE prior to its submission to ACER for review</li> </ul>
65	Circulate a link to the slides on GB implementation provided at the JESG RfG Workshop	NGET	Closed	Included in August Headline Report. Files are published on JESG Website.
66	Provide feedback on the comparison tables between the RfG and the GB Grid Code	All	Closed	The opportunity for feedback has now passed.
68	Responsibility for the RfG GB Stakeholders' key issues document now resides with Barbara Vest. NGET to provide latest version to BV.	NGET	Closed	Document forwarded to BV. BV is now responsible for liasing with DECC for this action (See Action 67).
70	Circulate a link to the meeting note from the DECC / Ofgem Stakeholder Meetings	Ofgem	Closed	<p>Details of the DECC/Ofgem Stakeholder Group, and all meeting papers can be found at:</p> <p><a href="http://www.ofgem.gov.uk/Europe/stakeholder-group/Pages/index.aspx">http://www.ofgem.gov.uk/Europe/stakeholder-group/Pages/index.aspx</a></p>
71	Extend the JESG Operational Security Workshop (October) to two days	NGET	Closed	Updated and new dates circulated

Action No	Action	Lead Party	Status	Update
72	Feedback to ENTSO-E that the proposed date for the post-consultation workshop for the OS Network Code is not conducive to encouraging attendance (presently scheduled for 20 December)	NGET	Closed	The information has been feedback to ENTSO-E, although it is unlikely that the date of the Workshop can be changed at this stage.
73	Extend the JESG Operational Planning and Scheduling Workshop (December) to two days	NGET	Closed	Updated and new dates circulated
74	Feedback to ENTSO-E that the proposed deadline for the end of the OP&S Consultation should be extended to avoid the Christmas Holidays (presently scheduled for 3 January)	NGET	Closed	The information has been feedback to ENTSO-E, who are reviewing the dates of the close of the consultation. [17/9] ENTSO-E has indicated the consultation will now close on 7 Jan 2013
75	Report to the JESG on timescales for the information provision detailed in the Network Codes.	Felicity Bush	Closed	<b>Information from Felicity Bush:</b>  What I was looking for was a table, or list of information required from users to TSOs, what this is for, and the timings in which it is needed, for each code – my view is that from a user perspective this could help with compliance when the codes are passed, and inform consultation responses during the drafting process; from an ENTSO-E perspective it could help with consistency during drafting, and could also prevent work being duplicated between different drafting teams  I've been in touch with Mark Copley (ENTSO-E secretariat) and although there isn't yet a 'matrix' in the sense of the above table, work continues around consistency and the compliance monitoring side of things.
76	Provide an update to the JESG on the individuals / groups that have been contacted by NGET regarding the JESG	NGET	Closed	JESG emails are circulated to nearly 450 industry contacts, which are drawn from the CUSC, Grid Code and JESG distribution lists.  Some of these 'contacts' are distribution lists, and hence the actual reach may be greater than this.  A breakdown of recipient by company is provided in Annex A at the end of this document, presented by their distribution list of origin.
77	Add DECC / Ofgem Stakeholder Meetings to the JESG Calendar	NGET	Closed	Meeting dates now included on JESG Agenda

Action No	Action	Lead Party	Status	Update
78	Provide feedback to Ofgem on the 6/8 NGET letter "Role of the Joint European Standing Group"	All	Closed	DECC / OFGEM are now considering the role of the JESG

## DCC Issues Log

Last updated: 19 September 2012

Issues 11 to 29 were captured at the DCC Workshop on 21/22 August 2012.

Issue No	Issue	NGET View
1.	What will be the contractual relationships between domestic User and DSO? There may be no direct monetary benefit for the consumer from providing demand side response – it's an overall societal benefit. Will there be an aggregator on behalf of the consumers to link with suppliers?	The full format on how to link Transmission, Distribution and Consumers in order to achieve Demand Side Response is out of scope for the DCC. This will be defined at a European and National levels once the Network Codes are implemented.
2.	Will the smaller scale Frequency Response (DSR SFC) be mandated e.g. for appliances? One of the options in the call for evidence document does include an option for mandatory services (within CBA Appendix 2)	The draft Network Code issued for consultation requires this capability to be mandatory, which is available for frequency management with a deadband and/or without deadband. The appliances which will have the capability installed are to be determined through a cost benefit analysis.
3.	There is a concern that very complicated and interdependent solutions are being rushed through.	DSR has been in place for over ten years. Any learning points from such examples have been identified and considered in the development of the Network Code. The starting points is that no appliance type will have DSR installed, giving further time to consider reaching T and D details.
4.	Demand Side Response is complex and some members have concerns that it is being rushed through without considering other potential options e.g. synchronous compensators have not been mentioned as an alternative in the consultation. Currently NG contracts for STOR with demand but this has not been mentioned in the DCC initial proposals.	As Issue 3. In addition, DSR also attempts to solve the issue with LFDD, which at the moment would disconnect embedded generation (PV) and demand counter-acting against the low frequency defence methodology. Hence, a smarter LFDD is desirable. Having DSR capability can be "called upon" to provide short time operating reserve for system frequency response
5.	The DCC has the potential to introduce many changes which aren't being developed gradually. The problems should be defined precisely first before changes are proposed/ finalised	All requirements in the DCC are derived from the ACER framework guidelines. The big challenge stemming from changes to the generation profile and demand needs to be more flexible. These aspects are changing dramatically, see justification document.
6.	What are the cash flows in the process of DSR?	Unable to comment, as outside the scope of the DCC.
7.	DCC is about TSOs accessing DSR rather than DNOs – is this the correct way forward?	Output in the DCC is based on extensive discussion with the DSO Expert Group.
8.	A Large number of small generators will be captured within the RfG (down to 400W) therefore; will this be the same for the DCC?	DCC deals with demand not generation.
9.	The intention of much of the information in the draft Network Code is not clear. For example <b>Article 4(3)</b> is very unclear, and it is not clear which articles apply to which types of demand (new, existing and sizes)	It is acknowledged that the drafting of the Network Code is not clear in places. There will be an opportunity to discuss the Network Code with the NG Code drafter at the 21/22 August Workshop. Stakeholders should feed their comments to ENTSO-E via the consultation tool.
10.	What consideration has been made of the viability of existing commercial DSR services in light of the requirement to provide mandatory capability in the Network Code?	The Network Code only defines the Capability to provide DSR services. The viability of existing commercial services is out of scope for the Network Code, but the practical experience of the DSR technology is noted.

Issue No	Issue	NGET View
11.	<b>Applicability</b> As presently drafted it is not clear which types of 'Demand Facilities' or 'Distribution Networks' individual articles of the Network Code apply to.	Acknowledged. Drafting can be improved to make applicability clearer.
12.	<b>Significance</b> The concept of a Significant Demand Facility and Significant Distribution Network is not well defined, meaning there is ambiguity in who the Network Code is applicable to.	Acknowledged. Drafting can be improved to make definition of significant clearer, however, there will still be an element on national choice.
13.	<b>Definitions</b> There are various issues with individual definitions and consistency of definitions with other Network Codes.	Acknowledged. Drafting can be improved to make definitions tighter. Please make comments on specific definitions of concern.
14.	<b>Impact on Domestic Consumers</b> Domestic appliances with DSR APC (for example Washing Machines) will be captured as a Demand Facility with DSR under this Network Code. Many requirements placed on domestic appliances seem to be disproportionate or difficult to enforce. Examples include: modernisation, development, replacement [Article 13], notifications [Title 3], compliance [Title 4], disconnection and reconnection [Article 14(6)], and actions under force majeure (Article 16(1)(m)) etc.	Acknowledged. Further work is needed to ensure requirements on domestic DSR are proportionate, and clarify that these either do not apply at all or only in very limited circumstances.
15.	<b>Article 3(5)</b> If a facility is not covered by the Network Code then existing arrangement shall continue to apply. However, it is not clear how these existing arrangements could be amended, given the current wording of Article 3(5).	Noted. The legal drafting at national level need to take on this challenge, as existing requirements only exist at national level.
16.	<b>Language</b> There are various aspects of language used in the document that need to be improved to aid clarity: <ul style="list-style-type: none"> <li>• Actions need to be placed on the correct party – i.e. only owners / operators can notify, whereas a network or facility can comply.</li> <li>• Where an 'agreement' is required, it needs to be clearer which parties are agreeing.</li> <li>• There are some double verbs which can cause confusion e.g. 'to facilitate to require'.</li> </ul>	Acknowledged. Remember the document is drafted by many people for whom English is a second language. However, happy to accept comments on specific areas of improvement.
17.	<b>Privacy Concerns</b> Aspects of Information Exchange may need to be amended to address privacy concerns, particularly relating to the type of information for individual citizen's DSR equipped appliances.	This is partly addressed by Article 5: Confidentiality Obligations; however, further provisions could be included to allay citizen's potential concerns.
18.	<b>Consultations and approvals</b> Various processes and agreements in the Network Code are not explicitly subject to the requirements of 4(3). There should be a general condition that information should be published, consultations held and decisions made by the NRA, unless explicitly stated. There also needs to be a process to broker deadlocks in the such approval process, and allow the appropriate right of appeal.	Noted.
19.	<b>Demand reporting</b> There is a lack of clarity in the drafting in relation to the term "amount of demand disconnected at each setting" [14(1)(e)]. It needs to be clarified. Is the amount based on a forecast, the peak or the capacity.	Noted. Please suggest which mechanism would be preferred.

Issue No	Issue	NGET View
20.	<b>Use of the DSR Service</b> There are potentially at least three parties who may wish to use an individual's DSR service to shape overall demand - Supplier, DSO and TSO. The consumer only has a relationship with the Supplier. How is this expected to work in the future?	The DCC only provides capability and does not define the Market under which DSR service will operate. The drafting team expect the Supplier to continue to interact with the consumer. If the DSO or TSO requires the services, it can be potentially contracted through the Supplier, although this may not be the only way in all countries, e.g. aggregators are already active for Balancing Services.
21.	<b>System Frequency Control - Devices</b> As drafted the Network Code only applies to "Temperature Controlled devices identified as significant". Is this intentional as further devices, such as water pumps, can also be able to provide SFC response.	Temperature Controlled devices are considered more appropriate for DSR APC services, as they lend themselves to proportional control. Other devices may not support proportional control.
22.	<b>Article 16</b> Article 16 contains various requirements for DSR APC, RPC and TCM. The applicability of each service is not clear. The article should be split for clarity.	Agreed.
23.	<b>DSR Reactive Power Control</b> There is a discrepancy over who can provide Reactive Power Control. Is it only Transmission Connected Facilities or it is Transmission and Distribution Connected Facilities?	Noted the drafting team will address.
24.	<b>Force Majeure – Article 16(1)(m)</b> The concept of force majeure is used but not defined. A definition is provided in the CACM.	Further consideration is being given to this issue within ENTSO-E.
25.	<b>System Frequency Control – deadband</b> What is the expected frequency deadband for temperature controlled devices in GB?	The deadband need not be specified until after the Network Code has been implemented nationally and each synchronous zone will define their respective parameters. Present analysis suggests it is most likely to be zero deadband for a GB application, although some appliances may be selected for LFDD replacement and therefore have a deadband.
26.	<b>System Frequency Control – language</b> There is ambiguity in the drafting over achieved temperature, target temperature, set point temperature and temperature ranges.	Agreed. Please feedback specific comments through the consultation.
27.	<b>Article 18 – DSR Very Fast APC</b> Article 16 does not make it clear that if you voluntarily provide a service under article 16, you may be required to provide an additional service under Article 18.	Agreed. A reference in Article 16 could be provided.
28.	<b>Derogation</b> The process needs to be reviewed to ensure there is appropriate information sharing between all the parties involved, and to ensure that CBAs are being undertaken by a party independent of the party applying for the derogation.	Noted. Please feedback specific comments through the consultation.
29.	<b>Timescales</b> There are various timescales in the Network Code, particularly around applying to be considered as 'existing plant', operational notifications and process for derogations. It is not clear that these timescales are all consistent.	Noted. Please feedback specific comments through the consultation.

## CACM Issues Log

Last updated: 19 September 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
7.	<b>Implementation timescales:</b> 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.	<b>Consultation:</b> 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.	<b>Publication / Transparency:</b> 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.



Issue No	Issue	NGET View
10.	<b>Third parties.</b> 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.	NG agree and will seek to get the final network code modded appropriately.
11.	<b>Definitions:</b> 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.	NG agree and will seek to get the final network code modded appropriately.
12.	<b>Harmonisation.</b> 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.	NG agree and will seek to get the final network code modded appropriately.
13.	<p><b>Governance.</b> 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"> <li>• <b>National Regulatory Authorities (NRA) agreement:</b> 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.</li> <li>• <b>TSO agreement:</b> 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.</li> </ul>	This is to be covered in the Governance Guidelines which is specifically out of scope of the CACM network code.
14.	<b>Criteria / objectives.</b> 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.	NG agree and will seek to get the final network code modded appropriately.
15.	<b>Carve Outs.</b> 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.	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.



Issue No	Issue	NGET View
16.	<b>Interaction with Balancing:</b> 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.	<b>Implementation:</b> 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.	<b>D-2 Data Requirements:</b> 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.	<b>Non-Costly Actions:</b> 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.	<b>Flow-based:</b> 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.	<b>Bidding zone amendments:</b> 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.
22.	<b>Force Majeure.</b> A definition has been introduced into the Network Code. It is not clear how this will interact with national codes and contractual relations.	Discussions are still ongoing within ENTSO-E and comments from GB Stakeholder are welcomed.
23.	<b>Transitional Intraday Arrangements.</b> The arrangements for explicit allocation of Intraday Capacity introduced for the France / Germany border may be expanded to other borders, such as France / GB.	This is not yet decided, and we shall continue to work within ENTSO-E to determine whether it is to be permitted.

## Balancing Issues Log

**Last updated:** 19 September 2012

Issue No	Issue	NGET View
1.	There is a need to understand the implication of the Framework Guidelines on the current GB market and ongoing changes.	

## Operational Security Issues Log

Last updated: 19 September 2012

Issue No	Issue	NGET View
1.	Draft 1 of the Op Security NC suggests that embedded generators >1MW need permission of TSO before can reconnect after a trip, and Demand sites need to inform TSO of any changes to their facilities – this is not realistic	The draft is an early version, this cross references to Gen types from RfG NC were a late edit into the draft NC so have not been fully discussed in the drafting team. We would anticipate several areas of the draft NC including these ones will change.
2.	What is the changes for GB, what is the cost benefits	When the Code is further developed we will also have a position paper which should provide justification / cost benefit for new obligations in the OS NC. NGET will produce a summary of existing Grid Code obligations compared to new obligations under this NC.
3.	What is the linkage between this Op Security NC and the other Operational NC	ACER have suggested that the other NCs being drafted under the FWGL for System Operation (Op Planning and Freq Control) should be developed and consulted upon all at the same time.
4.	Relating to the Minutes of the ENTSO-E Workshop with the DSOs Technical Expert Group (20 April 2012), what is meant by 'must-run synchronous generations' in A1 on Page 3.	The issue was raised by a DSO at workshop #1: what is the minimum level of synchronous generation that can be allowed, to ensure minimum system inertia and stability are ensured? The drafting team reflected on this comment and decided that this requirement should have been addressed in the Code. The next draft of the Op Security NC which will be released ahead of workshop #2 on 2/7/12 will contain a clause requiring 'each TSO to specify the minimum % of synchronous generation required at any time to maintain system stability, the methodology to determine the levels shall be defined and agreed by ENTSO-E for each synchronous area.'
5.	Do the requirements of the Network Code apply to AC or DC cross-border interconnections?	The draft OS NC is not specific on AC or DC, so obligations regarding interconnections would therefore apply to both AC or DC.
6.	The methodology to determine the minimum percentage of synchronous generation to enable stability and security required in a synchronous area should be subject to consultation and NRA approval.	No strong views. National Grid already has an obligation under the GB SQSS to ensure the system is operated to ensure angular stability and frequency stability, this methodology would be one of many inputs into ensuring stability of operations.
7.	There could potentially be multiple definitions / criteria of a 'significant user' in the RFG, DCC and OS Network Codes. Can a different terminology be used.	The term significant does require consistency across the Codes, before they are finalised.

## Operational Planning and Scheduling Issues Log

**Last updated:** 19 September 2012

Issue No	Issue	NGET View
1.	Can NGET provide an indicative list of Power Stations in GB which may be impacted by this code?	Article 17 of the code discusses what information will be required and from whom but gives a deadline of 3 months after the code comes into force. Therefore at present it is not possible to provide an indicative list.
2.	What is the definition of 'Scheduling' within the Network Code?	Provides TSO with information on the market position prior to real time to allow TSO's to take action(s) if necessary to balance the system in real time
3.	How can changes in planned outages be changed, after they have been submitted at 'year ahead'?	This is still under discussion but most likely there will be no change in the GB position from how it is carried out at the moment.

## Load-Frequency Control and Reserves Issues Log

**Last updated:** 19 September 2012

Issue No	Issue	NGET View
1.	How will the LFR&C Network Code implement sharing of reserves between Synchronous Areas?	The LFR&C Network Code will specify the exchange capability and limits for exchange between synchronous areas using DC links. The products and market structure will be defined in the Balancing Network Code.
2.	Are criteria for determining a credible loss to be included in the Network Code.	The Code is not expected to contain any methodology for determining credible loss; it will be a TSO decision and subject to NRA approval.
3.	The Code, as currently drafted, uses the term 'Significant Grid User' – without any definitions, or mechanism to determine it.	The Code is intended to be drafted without reference to 'Significant Grid User', but instead place a threshold for parties that need to be covered by the Code – within GB this is expected to be 3MW or greater.