nationalgrid

Headline Report

Meeting name	Joint European Standing Group (JESG)
Meeting number	15
Date of meeting	20 February 2013
Location	Elexon, London

This note sets out the headlines of the most recent meeting of the Joint European Standing Group (JESG). The note is provided in addition to the presentations from the meeting which are available on the JESG website[1].

The meeting was chaired by Garth Graham as the Chair of the JESG, Barbara Vest, had sent her apologies.

1. Issues Log Review.

The issues logs were updated, as required, as each Network Code was discussed.
The current version of the issue log for each of the Network Code being drafted by ENTSO-E is attached to this Headline Report.

2. Grid Connection Framework Guideline.

Requirements for Generators (RfG)

- The RfG Network Code was not discussed at this month's JESG but a more detailed update is expected at the next JESG following an information session on proposed changes on 7th March.

Demand Connection Code (DCC)

- The DCC was submitted to ACER on the 4 January 2013. The final version of the Network Code and supporting documents can be found on the ENTSO-E website[2].
- ACER held a workshop on the Stakeholder Workshop on the DCC on 23 January 2013 in Ljubljana to gain further information from Stakeholders on their views of the Network Code. Papers from the Meeting can be found on the ACER website[3]
- A GB Stakeholder workshop was held jointly by DECC and Ofgem on 16 January at which the key stakeholder concerns were summarised as relating to Reactive Power Management, DSR System Frequency Control, NRA approval and the role of the Aggregator. This was followed on 20 February with another stakeholder workshop to identify proposed textual modifications to the Code. Any further GB Stakeholder comments or textual proposals are welcomed and can be submitted to Reuben Aitken (reuben.aitken[at]ofgem.gov.uk) or Steve Davies (steve.davies[at]decc.gsi.gov.uk)

HVDC Network Code

- The HVDC Network Code was not discussed at this month's JESG but is awaiting a formal mandate to commence drafting.

3. Capacity Allocation and Congestion Management Framework Guidelines

CACM Network Code

- The ACER Opinion[4] on the CACM Network Code was published on 19 December 2012.
- Ofgem reported that overall ACER considered ENTSO-E to have done a 'good job' in drafting the Network Code, however, the ACER highlighted 11 areas where the Network Code was in their view not in line with the Framework Guideline requirements. .

1 http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/JointEuroSG/
2 https://www.entsoe.eu/major-projects/network-Network Code-development/demand-connection/
3 http://www.acer.europa.eu/Media/Events/Workshop_DCC/default.aspx
4 http://www.acer.europa.eu/Official_documents/Acts_of_the_Agency/Opinions/Opinions/ACER%20Opinion%2010-2012.pdf

- ACER and ENTSO-E are working together to agree drafting changes to address the 11 points raised by ACER. Agreement has been reached on most areas although capacity calculation is still under discussion.ENTSO-E is likely to decline the option to revise the Network Code; therefore, the expectation is that ACER will submit a qualified recommendation to the Commission, with the original Network Code and the revised text which has been developed by ACER and ENTSO-E. This is expected in early March 2013.

Forward Capacity Allocation Network Code

- The FCA Network Code is currently being drafted by ENTSO-E in advance of the public consultation expected in April / May 2013.
- The Network Code deals with explicit allocation of Interconnector capacity prior to day-ahead. The day-ahead and intraday markets are covered in the CACM Network Code, and the Balancing market in the Balancing Network Code. In common with the CACM Network Code, the FCA allows for a number of methodologies to be determined after the Network Code has been written and these will be subject to NRA approval.
- The FCA envisages a Pan-European single allocation platform with harmonised allocation rules for capacity on interconnectors. Although it is acknowledged that regional specificities will be required to deal with technical differences for example between AC and DC.
- The Network Code proposes that compensation for changes in contracts will either be 'initial price paid' or 'capped market spread' (rather than the cost of replacing the capacity). There is the potential in the Network Code to change the compensation principle at the 'Long Term Firmness Deadline' which is optional but expected to align with the PTR (Physical Transmission Rights) nomination timescales.
- The timescales for the implementation of the single platform envisages a timescale of a maximum of 39 months, and in parallel 18 months for developing the auction rules. Therefore it will be 2017/18 before the platform is operational. ACER may require these timescales to be shortened, but ENTSO-E believe they are realistic as drafted.
- A number of issues for GB stakeholders were noted and these are captured in the FCA Issue log.

4. Electricity Balancing Network Code

- The Electricity Balancing Network Code was not discussed at this month's JESG.

5. System Operation Framework Guidelines

Operational Security (OS) Network Code

- The OS Network Code is due to be submitted to ACER by 1 March 2013. Final approval of the Network Code is ongoing within ENTSO-E prior to this deadline.
- There was significant feedback after the ENTSO-E public workshop on the Network Code held on 20 December, which in addition to comments from ACER has led to multiple changes to the Network Code.
- Potential hot spots for Stakeholders have been identified as follows:
  - The NRA approvals process now applies to only a specified list of 4 areas – this is a significant reduction to the previous draft.
  - Frequency criteria have been moved to the LFCR Network Code, with appropriate cross-references.
  - Type A generations [as defined in RFG] are not significant in the OS Network Code.
  - A Significant Grid User for OS is defined as:
    - Demand or generation connected to the Transmission Network,
    - Type B,C and D generators based on the RFG thresholds,
    - Demand sites undertaking Demand Side Management or re-dispatching aggregators.
  - The TSOs are to define criteria for re-synchronisation of embedded generations without first needing DSO / TSO approval.
- A number of issues for GB stakeholders were noted and these are captured in the OS Issue log.
- A DECC-Ofgem prioritisation workshop on the OS Network Code is planned for 18 March.

Operational Planning and Scheduling (OP&S) Network Code

- The public consultation on the OP&S Network Code closed on 7 January 2013. The Network Code is being revised by ENTSO-E in advance of submission to ACER by 1 April 2013.
- A discussion was held on proposed changes to Outage Coordination Process based on the presentation given at the 14 February ENTSO-E public workshop.
- It was noted that the process is not a major change for GB and mirrors the OC2 process, however, there were concerns raised as to what happens if two TSOs deem a plant as relevant, and how the relationship between the two TSOs and the relevant grid user.
- Interaction with Transparency Regulation and REMIT was also discussed and this shall require further drafting within the Network Code to ensure consistency.
- As drafted Article 39 allows current compensation arrangement to be maintained according to national regulatory frameworks. There was a concern expressed by the Drafting Team representative that this may not lead to harmonisation across Europe.
- A number of issues for GB stakeholders were noted and these are captured in the OP&S Issue log.
- A DECC-Ofgem prioritisation workshop on the OPS Network Code is planned for 9 April.

Load-Frequency Control and Reserves (LFCR) Network Code

- A JESG technical workshop is planned for the LFCR Network Code on 19 and 20 March.
- The LFCR Network Code was not discussed further at this month's JESG.

6. Transparency Regulations

- As part of the Third Energy Package[5], the European Commission has developed the Transparency Regulations[6]. The Transparency Regulations specify a minimum common set of data that needs to be available to market participants across all member states to cover Network availability, Generation capacity, cross-border interconnector capacity, load and unavailability (planned and unplanned).
- The regulation is expected to come into force in May / June 2013 following Comitology, and data will need to be available 18 months after the Regulation comes into force (i.e. c. Dec 2014).
- Implementation issues raised were:
  - The regulation provides an opportunity to test implementation process ahead of the Network Codes;
  - Overlap with definitions and data requirements from other Network Codes and REMIT shall need to be managed;
  - Data flows need to be agreed, and a data provider identified;
  - Existing data flows need to be mapped and identify gaps;
  - GB Network Code changes may be required;
  - IT system changes will be required.
- The Transparency Regulations will be further discussed at the Imbalance Settlement Group on 26 February, at which John Lucas, Elexon, will present a paper 'for information' on 'potential BSC Impacts of the European Transparency Regulation'. A copy of the paper can be found here[7]
- John would welcome comments on his paper to john.lucas[at]elexon.co.uk, 020 7380 4345.

7. Feedback from DECC-Ofgem Stakeholder Workshop (28 January)

- The 6th DECC-Ofgem Electricity EU Network Codes Stakeholder Workshop was held on 28 January.
- The following topics were discussed: ACER Workplan for 2013/14, the anticipated ENTSO-E 'grand design' paper, RfG, DCC, CACM, Data Transparency regulations and consumer representation.
- The slides from the meeting can be found online at: http://www.ofgem.gov.uk/Europe/stakeholder-group/Pages/index.aspx
- For further information on this forum please contact Reuben Aitken at Ofgem Reuben.Aitken[at]ofgem.gov.uk.

5 Regulation 714/2009, Article 15 – 'Provision of Information'. http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0015:0035:EN:PDF

6 http://ec.europa.eu/energy/gas_electricity/doc/el_cross-border_committee/20121220_transparency_regulation_after_comp_and_informal_committee_meeting_v6_final_voting_cleaned.pdf

7 http://www.elexon.co.uk/wp-content/uploads/2012/11/ISG142_04_Transparency_Regulation_v1.0.pdf

8. Forthcoming events/workshops

Details of forthcoming JESG events and workshops are maintained on the website:
http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/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/
- 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 19 March 2013 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.
16.	If the term 'Transmission Connected' is used within the Network Codes this will led to discrepancies within Europe and within the UK, and there is no single voltage above which Networks are considered Transmission (e.g. within GB, Transmission in Scotland is at or above 132 kV, whilst in England and Wales it is at or above 275 kV)
17.	**Implementation:** Can areas of the GB Network Code changed to comply with the ENCs be modified through the normal GB governance arrangements, provided it does not affect compliance with the ENCs?
18.	How do the definitions in the Transparency Regulation, expected to become law as an Annex to Regulation 714/2009 prior to any Network Code, interact with those in the Network Codes? Do the definitions in the Transparency Regulations have primacy over those in the Network Codes?
19.	How will the changes to the GB Framework be made as a result of the European Network Codes, for example, will existing structures (panels etc.) be used where possible, or will third package powers be used to make changes via the Secretary of State?

JESG Actions

Last Updated: 22 February 2013

Open and ongoing Actions

Action No	Action	Lead Party	Status	Update
42	For each Network Code a comparison document between the Network Code and existing GB Codes will be produced.	NGET	Ongoing	
67	Clarify with Sue Harrison what input DECC expects to need during Comitology for the RFG Network Code Addition 19 Sep: 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. BV/GG met with DECC and said that GB Stakeholders were willing to support DECC through Comitology as required, including providing article-by-article comments on the RFG. 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
95	Arrange a meeting between Barbara Vest, Nick Winser/Mike Calviou, Graham Steele and Ofgem to discuss concerns over Network Code development process, ENTSO-E & ENTSO-G relationship and Stakeholder Engagement.	BV/NGET	Ongoing	In progress
96	Contact large industrial customer regarding the DCC to ensure they are involved, including Chemical Industries Association, Mineral Products Association, Energy Intensive Users Group, Major Energy Users Council, EEF, BEAMA, SEDC. Update (6/12): Continue to engage with contacts at EIUG (Andrew Bainbridge) and MEUC (Jeremy Nicholson)	BV	Ongoing	Initial contact continues to be made with a variety of organisations.
98	JESG to write to European Trade Associations to highlight GB Stakeholder's disappointment at their poor engagement with ENTSO-E on the revisions on the RFG Network Code following ACERs opinion (particularly highlighting 22/11 User Group), and to seek how GB views can better be represented through these forums.	BV	Ongoing	

Action No	Action	Lead Party	Status	Update
99	JESG to write to ENTSO-E to highlight continued issues with the Stakeholder engagement process. It being noted that the GB has a strong history of constructive stakeholder engagement, and GB stakeholders want to be engaged in the development of the European Network Codes. BV is also looking to meet with ENTSO-E to discuss these matters, and feedback on the RFG revisions further.	BV	Ongoing	Update 16/01: Topics to include are problem associated with the ENTSO-E consultation tool (Action 79), and the need to publish material to all stakeholders on an equitable basis.
105	Provide an update on the potential implementation mechanism for the Transparency Regulations including the possible interaction with REMIT	Ofgem (Olaf Islei)	New	
109	Provide input to John Lucas, Elexon on the development of the Manual of Procedures by ENTSO-E under the Transparency Regulations. [john.lucas@elexon.co.uk, 020 7380 4345]	All	New	
Actions captured at February JESG Meeting				
110	Provide at the next JESG an update on the OP&S and specifically the treatment of DC Interconnectors.	NGET	**New**	
111	Arrange a JESG Technical Workshop for the FCA Network Code to coincide with the planned ENTSO-E consultation. Proposed to be 16/17 May, following the JESG.	NGET	**New**	
112	Arrange a JESG Technical Workshop for Balancing Network Code to coincide with the planned ENTSO-E Consultation.	NGET	**New**	
113	Investigate the potential options for GB Stakeholder engagement with DMV KEMA Consultant who are preparing Impact Assessment of the Network Codes prior to Comitology.	NGET	**New**	
114	Depending on the Outcome of Action 113, Chair to offer that JESG can either meet with DNV KEMA Consultant and or provide written comments to feed in to the Impact Assessment Process.	Chair	**New** **Hold: pending Action 113.**	

Action No	Action	Lead Party	Status	Update
115	Arrange DECC-Ofgem Workshop on OS Network Code for March 2013. Proposed for 18 March. It is noted that this meeting clashes with a CMP213 Workgroup.	Ofgem	**New**	
116	Arrange DECC-Ofgem Workshop on OP&S Network Code for August 2013. Proposed for 9 April.	Ofgem	**New**	
117	Flag the issue of European Network Codes to colleagues in the Isle of Man to ensure they are aware and are not inadvertently being caught by the requirements	Mike Kay	**New**	
118	Circulate link to the Elexon paper on 'BSC Impacts of the European Transparency Regulation'.	NGET	**New**	Included in Headline Report, and repeated below: http://www.elexon.co.uk/wp-content/uploads/2012/11/ISG142_04_Transparency_Regulation_v1.0.pdf
119	Invite John Lucas to present on the Data Transparency Regulations, and specifically the ENTSO-E Expert Group at a future JESG	NGET	**New**	
120	Provide an update to JESG on a future Network Code on Tariffs	Reuben Aitkin	**New**	

Actions closed at February JESG Meeting

Action No	Action	Lead Party	Status	Update
103	Revise the "Status of Development of European Electricity Network Codes" timelines, to include relevant other material such as the Transparency Regulations.	NGET	**Closed**	The timeline has been updated to include the Data Transparency Regulations and the Governance Guidelines.
104	Provide an update on the impact of the Transparency Regulations to GB	NGET	**Closed**	Alison Wedgwood is providing an update at the February JESG, on NGET's view of the impact of the Transparency Regulations.
106	Forward the GB Stakeholder comments on the RFG revisions collated under Action 100 to ENTSO-E ASAP	GG / Chair	**Closed**	Forwarded by Chair to ENTSO-E in January.
107	Confirm the date of the ENTSO-E public workshop on the LFR&C	NGET	**Closed**	Confirmed by ENTSO-E as 12 March 2013.
108	Consider revising the date of the LFC&R Workshop to 19 March (pm) and 20 March (all day), so that is occurs after the rescheduled ENTSO-E public workshop	NGET	**Closed**	Date of workshop rescheduled to 19 March (pm) and 20 March (all day). JESG calendar of events updated.

Operational Security Issues Log

Updated: 22 February 2012

Issues numbered 8 to 33 were captured at the JESG OS Technical Workshop on 3 & 4 October.
New items are highlighted in Grey.

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 Network 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 Network 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 Network Codes, before they are finalised.

Issue No	Issue	NGET View
8.	**Article 3(3) – NRA approval process:** Article 3(3) does not provide an appropriate process for public consultation, NRA approval or appeal. Appropriate NRA oversight and public consultation should be the default whenever items in the Network Code are left to be determined at a later stage. Article 3(3) in this Network Code is a watered-down version of Article 4(3) in the final NC RFG and draft NC DCC, and is different to the regulatory approval process in NC CACM.	The NRA approval in the NC OS was changed prior to the consultation during legal drafting, and it is acknowledged that it does not align with those in other Network Codes. Please respond to the consultation with specific comments on how you would like the article revised.
9.	**Nature of requirements:** The Network Code makes repeated use of the term '*endeavour*' for requirements placed on TSOs. In contrast, the NC DCC and NC RFG place specific and binding obligations on Users. Why is there this difference in the nature of the requirements for demand/generation Grid Users vs TSOs?	The NC OS is an operational Network Code therefore it is not always possible to define definitive parameters and obligations when specifying how the system should be operated. The NC DCC and NC RFG deal primarily with design capability of demand and generation facilities to be connected to the system, and therefore more specific design parameters are appropriate. Areas where the requirement in the NC OS can either be strengthened for the TSOs or relaxed for industry parties should be raised through the ENTSO-E consultation.
10.	**Justification for requirements:** Where there is a deviation from current practice, ENTSO-E is required to provide a cost benefit analysis demonstrating why the requirement has been chosen to ensure they are proportionate. These have not been provided. Specific areas where the requirements are considering disproportionate or potentially prohibitive are in Issues 0-0, 28 and 30.	Justification is provided in part in the supporting paper; further justification is expected to be provided as the Code is finalised. Specific areas where obligations are felt disproportionate should be fed back through the Consultation.
11.	**Requirements on small generators.** The provision of real-time and forecast data from Type B and C generators with embedded DSO connections at 1MW and above. Clarification that according to the RfG code any generator connected at 110kV or above is type D.	See Issue 10 Believe the intent is obligation is on Significant Grid Users and which are type B or C. RfG code definition of type D being all transmission connected irrespective of size hinges on whether any European system includes transmission facilities at <110kV. Please feedback concerns in Consultation document.
12.	**Domestic Demand Side Response.** As the NC DCC provides a capability for demand side response to be provided by domestic customers, the impact of placing obligations on Demand Facilities in this Network Code need to be verified to ensure it is proportionate.	See Issue 10
13.	**Data Requirements.** The TSOs may require various elements of data from DSOs and grid users; these requirements are not justified.	See Issue 10
14.	**Proportionality of Requirements on DSOs.** There are a number of requirements placed on DSOs by the Network Code; however, these are felt to be disproportionate and unfunded. It is not clear if DSOs could meet with requirements in the Network Code without large investment.	See Issue 10

Issue No	Issue	NGET View
15.	**Applicability – Significant Grid Users.** As the Network Code is written to apply to 'significant grid users' and what constitutes a significant grid user is for TSOs to determine after the entry into force of the Network Code (Article 6(11)), it is very difficult to ascertain who is impacted by this Network Code.	Who is a 'Significant Grid User' may change over time as system conditions change, and will be defined in accordance with the process established in the Network Code. NGET initially expects 'Significant Grid Users' to be those currently affected by the Grid Code for data provision; however, this may change in light of current workgroups eg. on providing information from embedded generation.
16.	**Applicability - All Grid Users.** The drafting needs to be tightened to ensure that it does not place undue obligations on parties by using terms such as 'Demand Facilities', 'Power Generating Facilities' and 'All Grid Users', which covers everyone rather than those deemed significant.	It is not believed that this term should be used in this Network Code; the drafting needs to be improved.
17.	**Lack of technical detail/parameters.** The Network Code is lacking in specific technical parameters and specifies that these will be determined later by the TSOs. In general the requirements in the Network Code are somewhat vague compared to GB Network Codes.	The intent of the NC OS was to provide an 'umbrella' code for harmonisation of principles, NGET would see parameters such as those for voltage and frequency, if defined in the Network Code, to be the same as those currently in GB frameworks such as the SQSS and Grid Code. Certain parameters such as the thermal ratings and short circuit ratings may not be appropriate to be codified in this manner due to their being circuit and asset specific.
18.	**ACER requirement for further detail.** ACER wrote to ENTSO-E on 30 August stating that the Network Code as currently drafted did not meet the Framework Guidelines, due to an absence of Performance Indicators. These will need to be added post-consultation and hence the public will not have the opportunity to comment upon them.	The letter was too late to be considered prior to the consultation period drafting. Future development of the Network Code will be subject to the process specified in the regulations and as agreed between ACER, ENTSO-E and the Commission. It does not presently allow for a second consultation.
19.	**Terminology:** In specifying requirements, the Network Code uses it a unique definition of 'Significant Grid User', but also refers to the generator types from the RFG, and units which are 'relevant for Operational Security". It is not clear how all of these definitions interact and whether they are consistent.	The definition of Significant Grid User is unique to this code. The applicability of the Network Code shall need to be clarified to ensure that that intent is reflected in the final drafting.
20.	**Terminology.** The use of various terms such as Control Area, Responsibility Area and Observability Area need to be checked to ensure the obligations are being placed on the parties who can actually deliver the requirement.	The applicability of the Network Code shall need to be revised to ensure that that intent is reflected in the drafting. It is believed that Control Area = Responsibility area, this needs to be considered in the final drafting.
21.	**Consistency / duplication.** Each Network Code will have the same legal status; therefore there can not be duplication of requirements between Network Codes. Various terms and processes are used in various Network Codes with different meanings e.g. Common Grid Model and Remedial Actions are both defined in NC CACM; data exchange is also defined in CACM, Remit and Transparency regulations.	There is a need to improve the referencing and interactions between Network Codes.
22.	**Interaction with Future Network Codes:** If market aspects are not defined in the NC OS, but are expected to be covered in the future NC Balancing, then this needs to be referenced in the NC OS.	There is a need to improve the referencing and interactions between Network Codes.

Issue No	Issue	NGET View
23.	**NC RFG – Retrospectively.** Various elements of the NC OS refer to generators being obliged to meet the obligation of the NC RFG. The NC RFG does not be default apply to existing generators, whereas the NC OS does. It is not clear how this interaction works for existing generators not covered by the NC RFG.	The drafting needs to be tightened to reflect the intent. It is not intended to require parties to comply with the NC RFG unless they are already required to do so.
24.	**Different definition of Significant Grid User.** The term is used repeatedly across the Network Codes although the definition and hence who is captured as a Significant Grid User varies between the codes. Common definitions are required to ensure common obligations.	It is likely that what constitutes a Significant User for Operational Security (eg provision of data) will be different from that for the other Codes which deal with design capability. Therefore, different thresholds may need to be applied. It is acknowledged that this can lead to confusion amongst parties. Specific comments on how this issue could be addressed should be fed back through the consultation tool.
25.	**Capabilities.** The NC OS specifies requirements based on capabilities defined in other Network Codes (for example the NC DCC). It needs to be assured that requirements for system operation are compatible with the capability of plant provided under the other Network Codes.	The requirements in the OS Network Code shall need to be compared for consistency against the other Network Codes when they are finalised. Specific comments should be fed back through the Consultation tool.
26.	**Redispatch (Article 10(6-9)).** From the drafting it is not clear how the TSO redispatch allowed in Article 10 interacts with the NC Balancing and how this redispatch will be used. Redispatch is a defined term in the NC while Dispatch is not.	There is a need to improve the referencing and interactions between Network Codes and in particular the Balancing Code once it enters drafting.
27.	**Dispute Resolution.** No mechanism is provided in the Network Code for resolving disputes between two or more parties that are required to agree or cooperate.	Please feed back any specific suggestions you might have on this issue.
28.	**Resynchronisation (Article 11(20)).** The process defined in this article is unworkable, and places unachievable obligations on generators and DSOs.	The article is we consider intended to apply in an emergency situation, however, we acknowledge this is not clear. The drafting needs to be improved to match the intent and how this would actually work in practice including process and timing.
29.	**Minimum % of synchronous generation (Article 13(4))** A percentage of synchronous generation may be too simplistic as it does not recognise the range of inertia provided by different synchronous plant.	It is agreed that this Article needs some refinement to make it more generic. Please make specific suggestions via the Consultation tool.
30.	**Testing obligations.** Article 14(11) does not specify how often such testing may be requested, whether this constitutes an obligation upon Users and who should pay for it. If mandatory there needs to be an appeal regime where testing becomes too onerous.	Please make specific suggestions via the Consultation tool.
31.	**Alert Status.** Article 6(7) requires the TSO to communicate entry into an Emergency state to Users; consideration to be given to communicating 'Alert' status too as this would mean suspension of testing as under article 14(12).	'Alert' status is usually triggered by a secured event and is very rarely followed by any further system degradation since this would usually be triggered by a specific further contingent event. However, please advise via the Consultation tool.
32.	**Data Aggregation.** Under article 10(12), who aggregates data submitted to the TSO?	Not clear in drafting; but unlikely to be possible by any party other than DSO.

Issue No	Issue	NGET View
33.	**Expansive Actions.** Under article 11(2) for contingency handling & analysis – no definition of what an expansive action would be.	Intent of drafting is to clarify TSO duties. Please make specific suggestions via the Consultation tool for improvements to wording.
34.	**NRA Approval.** The latest version of the Network Code has a significantly fewer references to items being subject to NRA approval. This must be the default.	It is likely to be too late to influence ENTSO-E drafting of the Network Code, and representation should be made through other channels such as DECC and Ofgem
35.	**Domestic Consumers.** As written in the OS Network Code, and due to the ambiguity in the DCC Network Code, the Code may apply to domestic consumers as they are significant demand users for DCC. Could a capacity threshold be introduced in the OS NC?	What demand is deemed significant is inherited from the DCC, so there is potentially a problem for the clarity of information provided in the DCC. It is likely to be too late to influence ENTSO-E drafting of the Network Code, and presentation should be made through other channels such as DECC and Ofgem. The intent is not to capture domestic consumers directly, but their aggregator.
36.	**Resync of embedded generators after trip requiring TSO/DSO approval.** The clause is still retained although likely to be largely impractical burden on DNOs (and NG) . It is also lacking a reference to NRA approval.	It is likely to be too late to influence ENTSO-E drafting of the Network Code, and representation should be made through other channels such as DECC and Ofgem. The Code allows TSO to define the precise requirement, so any GB implementation will have to recognise the practical limitations, plus would probably be under emergency conditions only.

nationalgrid

Operational Planning and Scheduling Issues Log

Last updated: 22 February 2013

Issues 4 – 12 were captured at the Technical Workshop on 17 December.
New items are highlighted in grey.

ID	Issues	NGET View
1.	Can NGET provide an indicative list of Power Stations in GB which may be impacted by this code?	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 TSOs to take action(s) if necessary to balance the system in real time
3.	How can 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 for GB from how it is carried out at the moment.
4.	**Data Provision/harmonisation of dates.** Relevant Users may need to provide additional data to support the planning and scheduling requirements of this Network Code. Moreover, as the European planning year-ahead is based on a calendar year, data submission may be required at a different time from that currently required for GB purposes (where the year starts in April) and covering a different period.	The GB calendar for scheduling is a minority in Europe, so it is almost certain we must align with the European calendar. The provisions of the code only apply to users and elements defined as relevant for cross-border system operation issues.
5.	**Timescales for determining methodologies.** Various methodologies, platforms and processes need to be determined once the Network Code has entered into force. Each of these requirements has a timescale, which varies between 3 and 24 months and is often contingent, without any clear rationale for this timing. For example, Article 21 must be completed within 3 months, but is based on the methodology determined in Article 18 which has a 24 month period for completion.	Acknowledged. The timescales in the document can be improved.
6.	**Role of ACER & ENTSO-E.** The Network Code places obligations and requirements on ACER and ENTSO-E. This is change to previous Network Codes where obligations have not previously been placed on ACER and ENTSO-E which are beyond their legal competencies established in the Regulations.	This construction is based on the latest legal advice from ENTSO-E
7.	**NRA Approval.** There is no reference to approval of anything by NRAs. Article 3(3) and within the Network Code the term *consult* is used instead.	This construction is based on the latest legal advice from ENTSO-E
8.	**Interaction with CACM.** The CACM Network Code requires Common Grid Models to be determined at specific times for the purposes of operating the market. Although the output of the OP&S Network Code deals with System Security, there is a clear interaction between the models devised under the OP&S (Article 14) and those required for the CACM Network Code.	This is likely to be a matter for individual member states when they implement the OP&S and CACM Network Codes.

ID	Issues	NGET View
9.	**Relevant Users.** Users who are identified as impacting upon cross-border planning and scheduling will face additional obligations under this Network Code. Due to these obligations, their ability to operate in the market may be affected, causing a distortion to the market. An example would be if a generator completed a planned outage early; the user would only be able to reconnect if their 'request' for the adaption of the validated outage plan is approved in line with the change procedure in Article 24. The current arrangements in GB are less stringent.	It is not the intent to distort the market by the Network Code. Please provide specific comments where you feel this may occur.
10.	**Overlap with REMIT**[1]. Market parities have obligations to publish data relating to outages under REMIT. It is not clear how these REMIT obligations match with the requirements in the OP&S, or how changes to the outage plan due to the requirements of the OP&S need to be reported under REMIT obligations.	This has now been considered.
11.	**Forced Outages.** The definition of Forced Outages currently only covers emergency events rather than any 'unplanned' situation. The wording and requirements need to be expanded to cope with the various types of unplanned outages such as those found in the GB framework.	Please submit appropriate comments to clarify your issues and suggest alternative wordings based on GB examples, e.g. Grid Code and CUSC.
12.	**Actions to Achieve/Restore Operational Security.** For example in article 23 (5). These need to either be broader than load-shedding or clarify that load-shedding is only to occur after all other possibilities have been exhausted. Who arbitrates in the case of disputes should be indicated	There will be a general economic & efficient argument to be followed here as in the current GB NETS SQSS. Please submit comments as appropriate.
13.	**Relevance**. Can a Grid User be identified as relevant by where the Responsibility Area in which it is connected is DC connected to other Responsibility Areas	This is possible but it is second order relevance ie the relevance arises due to the TSO restricting interconnector capacity. NGET to discuss whether this is covered by the Codes methodology for determining relevance.
14.	**Definitions.** Definitions for outage areas need to be tied to a defined term, such as Responsibility Area, rather than a geographic term (cross-border) which is not a defined electrical term.	We shall seek to influence the drafting team to rectify this issue.
15.	**Before Year Ahead Planning.** The Network Code requires data to be submitted from 3 years ahead, although the formal processes do not start until Year Ahead. Further processes needs to be defined for the period before Year Ahead.	We shall seek to influence the drafting to highlight this issue.
16.	**Interaction with REMIT and Data Transparency Regulations.** The Network Code can potentially change outage plans. Outage plans are an aspect to be reported under REMIT. There is a need to ensure that the requirements of the OP&S are compatible with REMIT.	Further consideration needs to be given to the requirements of REMIT and the Transparency Regulations. We shall seek to influence the drafting to highlight this issue.
17.	**DC Interconnectors.** The Network Code does not deal with the specificities of DC links, and treats all interconnectors the same. Further consideration needs to be given to ensure DC Interconnectors are treated appropriately for their technical capability.	We shall seek to influence the drafting to highlight this issue.

[1] http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:326:0001:0001:EN:PDF

Load-Frequency Control and Reserves Issues Log

Last updated: 15 January 2013

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 and will apply to all HVDC links. The products, market structure and any financial vehicles 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 places an obligation on the TSO to publish high level methodology statements for determining reserve dimensioning and holding; the current NETSO's operational approach of continual assessment of holding based on risk/cost is expected to continue.
3.	Does this code use the term "Significant Grid User" and what are the obligations on providers in terms of for example categories of generator defined in the RfG?	This Code does not use the term 'Significant Grid User' it uses "Reserve Provider". For some reserve categories there are obligations, for example in terms of detailed information for those units which are reserve providing units greater than 1MW in size. The determination of who qualifies or whether the service is mandatory or optional is not defined in this code. There may be some changes in the data items and frequency of data provision within the code.
4.	Which Grid Users will be captured as being required to comply with the requirements of the LFR&C	The term 'Reserve Provider' is used. There is a prequalification process and items are inferred from the RFG and DCC, but it is acknowledged that it is not explicitly defined. As in Q3 above, the code does not define any obligations and this is left to either the balancing code, local implementation considerations.
5.	Implementation in GB. Appropriate terminology needs to be found in the Network Code to either reflect the single NETSO / multiple TSO arrangement in GB, or to ensure the wording is sufficiently high level to allow the GB model to operate within the constraints of the Network Code.	Noted. National Grid agrees with the position of the JESG. This is a common issue with many Codes it may better to be considered by GB at a higher level.
6.	When will detailed methodology statements for the principles outlined in the code Articles be developed?	There is a requirement from ACER for the code drafting teams to develop high-level methodology statements in parallel to the code drafting and supporting document development. In practice due to the time constraints this will not be done until after the public consultation. It is not clear at this time how detailed or how publicly visible these statements will be. NG expects and hopes that there will be room to develop appropriate local methods in conjunction with industry and regulator.

Forward Capacity Allocation

Last updated: 15 February 2013

New Items are highlighted in grey.

Issue No	Issue	NGET View
1.	Do the data submission requirements for FCA overlap with the OP&S code?	The current ENTSO-E view is that yes they do. This has been highlighted to the lead of the capacity calculation drafting team and will be factored in when writing the data methodology specification.
2.	The 'Capped Market Spread' identified as a potential compensation principle in the firmness regime relates to what market prices; that at D-1, that at the time of curtailment or something else?	Based on market spread of Day Ahead market.
3.	What are the timescales for the market parties to use the common platform being proposed? Market Parties need time to make the necessary changes to their IT systems etc., after the system has been implemented centrally.	The network code will provide the timescales for implementation and include consultation with stakeholders and NRA approvals.
4.	It is fundamental for existing GB Merchant Interconnectors that they are able to calculate and control capacity, or else they do not have a future business model. This Network Code may detrimentally affect how capacity is calculated and controlled.	This issue is closely correlated with generic issue 10 (certification status of TSOs in GB).

Balancing Issues Log

Last updated: 15 December 2013

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.	Now the Framework Guidelines have been finalised, the Network Code is being developed. Once the requirements in the Network Code become clearer, it will be possible to determine further the implications for the GB market.
2.	Which definition of 'Control Area' is the Balancing Network Code expected to be used. Is it the market definition in CACM, or the technical definition in LFR&C, as the Balancing Code interacts with both of these Codes.	Drafting is at an early stage, and consideration will be given by the Drafting Team to ensure the appropriate definitions are used in the Balancing Network Code.

HVDC Issues Log

Last updated: 15 January 2013

Issue No	Issue	NGET View
1.	Why do the requirements for PPMs only extend to those connected Offshore? There is potential for Onshore PPMs to be connected only via HVDC	Drafting is at a very early stage and consideration of this and other issues will be taken by the drafting team.
2.	How will a small island be considered, if it is connected to the Synchronous Area only by HVDC? In the extreme case, GB is an island connected via HVDC to the European Synchronous Area, so a form of words need to be found to ensure requirements are placed on the right parties	Drafting is at a very early stage and consideration of this and other issues will be taken by the drafting team.
3.	Consideration needs to be given to the various configurations of PPMS and HVDC networks, to ensure that obligations are fair and transparent.	Drafting is at a very early stage and consideration of this and other issues will be taken by the drafting team.