

## Headline Report

<b>Meeting name</b>	Joint European Standing Group (JESG)
<b>Meeting number</b>	20
<b>Date of meeting</b>	16 July 2013
<b>Location</b>	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<sup>1</sup>.

### 1. Issues Log Review

The current version of the issue log for each of the Network Codes being drafted by ENTSO-E is attached to this Headline Report.

Issue logs for cross-code issues for drafting and application are also attached.

### 2. Grid Connection Network Codes

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

- The RfG Network Code is in the pre-Comitology phase and was not discussed further at this month's JESG.

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

- The DCC Network Code is in the pre-Comitology phase and was not discussed further at this month's JESG.

#### **HVDC Network Code**

- The HVDC Network Code continues to be drafted by ENTSO-E. It was not discussed further at this month's JESG.

### 3. Market Network Codes (CACM and Balancing Framework Guidelines)

#### **Forward Capacity Allocation Network Code**

- The FCA Network Code is being revised by ENTSO-E following the public consultation. A revised version of the Network Code was published<sup>2</sup> by ENTSO-E on 3 July 2013.
- The FCA Network Code was not discussed further at this month's JESG.

#### **CACM Network Code**

- The CACM Network Code is in the pre-Comitology phase. There are ongoing trilateral discussion between NGET, DECC and Ofgem on the CACM Network Code.
- Once a Commission version of the CACM Network Code is released, it is anticipated that a DECC/Ofgem Stakeholder Workshop will be held to discuss GB Issues arising from the revisions. This workshop is expected to be in September or October 2013.
- The CACM Network Code was not discussed further at this month's JESG.

#### **Electricity Balancing Network Code**

- The Balancing Network code has been issued for Public Consultation and the deadline for comments is 17 August 2013. A JESG technical workshop will be held on 6 and 7 August 2013. An ENTSO-E workshop is scheduled for 17 July 2013 in Brussels.
- The Balancing Network Code was not discussed further at this month's JESG.

<sup>1</sup>

<http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/JointEuroSG/>

<sup>2</sup>

[https://www.entsoe.eu/fileadmin/user\\_upload/library/resources/FCA\\_NC/130703\\_draft\\_NC\\_FCA.pdf](https://www.entsoe.eu/fileadmin/user_upload/library/resources/FCA_NC/130703_draft_NC_FCA.pdf)

#### 4. System Operation Network Codes

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

- Following receipt of the ACER opinion, ENTSO-E is currently revising aspects of the Network Code. The expectation is to resubmit the code around October 2013, to allow the timescales to align with the LFCR Network Code.
- The OS Network Code was not discussed further at this month's JESG.

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

- On 19 June 2013, ACER issued their opinion on Operational Security Network Code calling for improvements. The expectation is to resubmit the code around October 2013, to allow the timescales to align with the LFCR Network Code.
- There are six areas where ACER has requested further improvements
  - National scrutiny;
  - Scope of application;
  - Drafting quality;
  - Coherence and compatibility with other Network Codes;
  - Performance indicators and forecasting obligations;
  - Transparency.

##### **Load-Frequency Control and Reserves (LFCR) Network Code**

- The LFCR Network Code was submitted to ACER on 28 June 2013. ACER now has three months to complete their review of the Network Code against the Framework Guidelines.
- The LFCR Network Code was not discussed further at this month's JESG.

#### 5. Proposal for a Joint Standing Group to Coordinate Application of European Network Codes across GB Codes

- Following the presentation at May 2013 JESG and subsequent feedback, a proposal for a Joint Standing Group to Coordinate Application of European Network Codes across GB Codes has been formulated. This body is proposed to be known as the *European Code Coordination Application Forum* (ECCAF).
- The proposal and draft Terms of Reference have been submitted to each of the seven code panels (Grid Code, CUSC, BSC, SQSS, STC, D-Code, DCUSA) during July for agreement in principle and comments on the draft Terms of Reference. The proposal was also discussed at JESG.
- The body is proposed to consist of representatives of the seven panels, plus Consumer Futures, DECC, Ofgem and National Grid. It will be administered by National Grid and chaired by either DECC or Ofgem or an individual appointed by DECC and Ofgem.
- A number of points were noted by JESG members and these will be considered for the final version of the Terms of Reference for the body.
  - The need for industry parties to be able to observe ECCAF meetings;
  - The need for ECCAF to consider 'efficient and effective' solutions rather than 'gold plated ones';
  - The interaction with the Ofgem Future Trading Arrangements and other forums;
  - The Chair needs to be able to launch a review of the membership if the panels do not provide a broad cross-section of the industry or if the requirements of ECCAF evolve with time;
  - Note explicitly that membership of the subgroups can include industry parties who are not members of ECCAF;
  - The role of the Code Administrators should be that of Technical Advisor not just observer.

#### 6. Transparency Regulation

- The Transparency Regulation has been published in the Official Journal of the European Union<sup>3</sup> on 15 June 2013. The full title of the regulation is:  
*Commission Regulation (EU) No 543/2013 of 14 June 2013 on submission and publication of data in electricity markets and amending Annex I to Regulation (EC) No 714/2009 of the European Parliament and of the Council*
- The regulation will come into force with an implementation date of 4 January 2015

<sup>3</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:163:0001:0012:EN:PDF>

- The regulation sets out a number of data items that TSOs have to submit for publication on Electricity Market Fundamental Information Platform (EMFIP). National Grid as TSO will be required to submit data on behalf of primary data owners (i.e. generators).
- There are a number of strands of related industry discussion, with the BSC Code:
  - Proposal P291 – REMIT publication platform on Elexon's BMRS website has been sent to Ofgem for a decision;
  - National Grid raised BSC Issue 47 to discuss route for data transfer to EMFIP under Transparency, several options discussed by group
  - National Grid has raised modification P295 (1st Meeting, 22 July 2013) to propose Elexon as the conduit for GB data with some data being published on the BMRS. Outage data publication under P291 and P295 linked.
- The accompanying presentation highlights which aspects of the regulation apply to which industry parties, and in particular where additional data may be required from industry parties – or where data already collated by National Grid needs to be presented in a different way to the central platform.
- The assessment of impact is based on a number of assumptions, a key one being that the Total Load required under Article 6 will include an estimate of small generation. A number of points were raised in response to this assumption:
  - Will NGET publish the methodology used to determine the estimate?
  - How are other member states preparing the total load figure in the absence of metered data for small generation?
  - The total amount of embedded generation connected is not definitely known (and evidence from WPD suggests it may be around 50% in error);
  - The links to various policy areas including data from small embedded generators and smart metering need to be explored.
- NGET noted that they would continue to discuss issues with the industry throughout the implementation phases at JESG and other forums as appropriate.

## 7. Forthcoming events/workshops

Please refer to the calendar on the JESG website:

<http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/JointEuroSG/>

Details of forthcoming JESG events and relevant public events for ENTSO-E, ACER and Ofgem are listed in the calendar and available on individual 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>

## 8. Next meeting

The next scheduled meeting for the JESG is 20 August 2013 at Shepherd and Wedderburn, Edinburgh. Further details will be included in the draft agenda for the meeting.

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.	There are various different terminologies for geographic areas used in the Network Codes. It is not obvious what each definition refers to and this leads to confusion. Examples are bidding zone, control area, responsibility areas, observability area, LFC control area, member state etc.
18.	The Cost Benefit Analysis methodology considers socio-economic often on a pan-European basis. There is a concern this will lead to one member states constantly subsidising another member state, or one market party being unduly affected (such as GB merchant Interconnectors).
19.	<b>Common definitions.</b> A working group has been established by ENTSO-E to look at definitions across the Network Codes. It is understood that while common definitions are desirable the same term could be defined differently in different Network Codes. Consideration is be to be given to the establishment of a separate cross-codes definitions document.
20.	<b>Alignment of requirements and payment.</b> There is a need to ensure that requirements specified in one Network Code, and the payment mechanisms outline in the Balancing Network Code are aligned so that services are delivered recompensed on the same timescales.

## GB Application / Implementation Issue Log

New items are marked in grey.

Issue No	Issue	NGET View
1.	Implementation: Can areas of the GB Network Code be changed to comply with the ENC's be modified through the normal GB governance arrangements, provided it does not affect compliance with the ENC's?	Governance arrangements of GB Codes are not expected to change by implementing the ENC's. However, GB must demonstrate compliance to the ENC's or risks being found in breach and fined.
2.	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?	Once published in the OJEU, the definitions became law. The Transparency Regulation have been published are Regulation 543/2009 amending Annex I of Regulation 714/2009.  The interaction of future definitions is not yet fully understood.
3.	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?	It is expected that existing standard Code Governance will be used where possible, however, Ofgem have powers to make changes to the GB Codes to ensure compliance with European legislation.
4.	Further details of the modification process for GB Codes as a result of the ENC's need to be defined, for example, how will raise modifications, can alternatives be proposed etc.	Noted.

## JESG Actions

Last Updated: 19 July 2013

### Standing, Open and New Actions

Action No	Action	Lead Party	Status	Update
S1	Prepare a commentary / comparison document between the Network Code and the existing GB arrangements at appropriate stages in the Code development for each Network Code.	NGET	Standing Agenda Item	
S2	Engage with DECC and Ofgem to ensure appropriate and timely input can be provided from GB Stakeholders in to the Comitology process.	JESG Chair	Standing Agenda Item	
S3	Continue to review the membership of the JESG and engage additional industry parties where appropriate.	JESG Chair	Standing Agenda Item	
S4	Provide update on future Network Codes and incentives being developed as and when appropriate.	NGET/Ofgem/DECC	Standing Agenda Item	
124	Report to a future JESG on the work being undertaken by the ENTSO-E 'taskforce' on addressing the TO/SO vs TSO concept in Network Codes.	Mark Copley / NGET	Open	
134	Continue to engage with ENTSO-E/ACER on the need for a common and consistent set of definitions across the Network Codes	NGET/Ofgem	<b>New</b>	
135	If required by the Commission, facilitate an industry-wide read-through of the Network Codes once they are released by the Commission	BV/DECC/Ofgem	<b>New</b>	
136	<b>Transparency Regulations:</b> Provide further granularity on the data required from market parties under the Transparency Regulations and indicate whether it is new or existing data.	NGET	<b>New</b>	

### Actions closed at July JESG

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	<b>Replaced</b>	This ongoing action has been revised and replaced by Action S1.
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	<b>Replaced</b>	BV continues to have an ongoing dialogue with DECC to determine the process.  This ongoing action has been revised and replaced by Action S2.

Action No	Action	Lead Party	Status	Update
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. <u>Update (6/12):</u> Continue to engage with contacts at EIUG (Andrew Bainbridge) and MEUC (Jeremy Nicholson)	BV	<b>Replaced</b>	Ongoing contact is made with a variety of organisations.  This ongoing action has been revised and replaced by Action S3, and a standing agenda item.
120	Provide an update to JESG on a future Network Code on Tariffs	Reuben Aitkin	<b>Replaced</b>	The issue of tariffs and incentives is included in the EC Priority list for 2014 which is currently being consulted upon. An update will be provided to a future JESG once information is available from the Commission. This ongoing action has been revised and replaced by Action S4.
133	Provide information and evidence to DNV KEMA for the impact assessment on RFG. This can be passed via Barbara Vest at Energy UK ( <a href="mailto:Barbara.vest@energy-uk.org.uk">Barbara.vest@energy-uk.org.uk</a> )	All	<b>Closed</b>	This action has time expired.
137	Circulate the Commission's slides from the Florence Forum	NGET	<b>Closed</b>	All the material presented at the 24 <sup>th</sup> Florence Forum can be found on the Commission's website at: <a href="http://ec.europa.eu/energy/gas_electricity/electricity/forum_electricity_florence_en.htm">http://ec.europa.eu/energy/gas_electricity/electricity/forum_electricity_florence_en.htm</a>
138	Modify the timescales of the next JESG to run from 10-1pm, then allow the DECC-Ofgem workshop on the LFCR to run from 1-4pm. This will allow individuals planning to travel to Brussels for the Balancing Workshop the following day to travel on the 5pm Eurostar.	NGET	<b>Closed</b>	Meeting times have been changed, and the agendas will be adjusted accordingly.

## Forward Capacity Allocation

Last updated: 24 June 2013

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).
5.	<b>Consultations / NRA Approvals.</b> As a principal everything that is to be defined after the Code has been implemented should be subject to public consultation and NRA approval. From Articles 4 and 7 it is not clear precisely what is subject to consultation and approval.	It is the intention that consultation and approval should be the default. If items appear to be missing it may be because consultation /approval is nested in another item, or through an oversight.
6.	<b>Market distortion.</b> If a review is launched of bidding zones (Article 36), or a review is launched of the types of Long Term Rights (Article 47) offered on an interconnector this may cause the market for existing products to be distorted, potentially detrimentally to a market party.	Please provide specific examples of how the drafting could be improved to limit this effect.
7.	<b>Methodology for splitting cross zonal capacity</b> (Article 40). The Network Code harmonises splitting of cross zonal capacity by Capacity Calculation Region. For reasons of competition, technical differences, and the markets in neighbouring countries it may be more appropriate not to harmonise and allow individual Interconnectors more flexibility to split their capacity into products.	Agree. Please feed this comment back to ENTSO-E through the consultation tool

Issue No	Issue	NGET View
8.	<b>Good Governance.</b> Market Parties should be able to request reviews of issues that affect them (for example Article 41).	Please feed this comment back to ENTSO-E through the consultation tool
9.	<b>PTRs or FTRs.</b> Article 46(4) permits only PTRS or FTRs to be traded on a boundary .There appears to be no good reason for not allowing both.	Agree. Please feed this comment back to ENTSO-E through the consultation tool
10.	<b>Revenue Adequacy.</b> Article 51, defines revenue adequacy but it is not clear that the TSOs are revenue natural in this. TSOs should be revenue neutral as they carry not risk, and therefore an independent review may be necessary to ensure this.	This article is subject to NRA approval, so believe this assurance is already built in.
11.	<b>Transmission losses.</b> Losses on DC interconnectors need to be recognised. It is not appropriate to use European model of socialisation of losses.	DC losses are recognised in the Network Code (as allocation constraints).
12.	<b>Relationship with MiFID.</b> A smarter mechanism needs to found to make the relationship with MiFID clearer, specifically around the resale/return of capacity. As MiFID and the Network Code will have the same status as primary European legislation, exemptions from the requirements of MiFID should be clear rather than covert.	If you have a 'smarter' form of words, please feed these back during the Consultation.
13.	<b>Contractual relationship.</b> It is not clear with which body the market parties have a contractual relationship. It is the allocation platform or the TSO/Interconnector.	Agree. The drafting can be tightened.
14.	<b>Secondary Trading</b> (Article 61). The Code intends secondary trading to mean entire sale of right and liability of Long Term Transmission Rights. This is a new and additional method beyond that currently used.	If this is a particular issue for your business, please make it clear through the consultation tool. Note that this does not preclude existing trading whereby the rights are transferred but not the obligations.
15.	<b>Secondary Trading.</b> A list of 'authorised' market parties needs to be published to facilitate this (as you may only trade with a authorised party)	Agree, please feedback through consultation tool.
16.	<b>Firmness.</b> There is a difference of opinion between stakeholders as to who should carry the risk associated with firmness. <ul style="list-style-type: none"> <li>○ ENTSO-E/TSOs would like Initial Price Paid for curtailment of capacity;</li> <li>○ Market Parties /ACER want financial firmness based on capped day-ahead market spread.</li> </ul>	Based on ACER's indication, the position of the Network Code is likely to move to the ACER position, and the Network code (Articles 73-38) will be substantially rewritten. Please feedback your comments via the consultation tool.
17.	<b>Stakeholder Implementation.</b> Stakeholders need involvement / time to adapt their systems / process to comply with the Network Code; e.g. the single allocation platform (65) and the Capacity Calculation approach (Article 22(2)c)	Particular areas where you would like this considered, please feedback

Issue No	Issue	NGET View
18.	<p><b>Allocation Rules</b> (Article 69). The allocation rules need to be refined to include a reference to contractual framework (currently part of the rules in 69(2)k) and include standard boiler plate matters such as dispute resolution, right of appeal, credit cover etc.</p>	<p>Noted. Please note which specific items you would like included via the Consultation</p>
19.	<p><b>Transitional arrangements</b> (Article 86). Clarification is required the around the transitional arrangements. As drafted it can be interpreted that a <i>new</i> regional platform is required, whereas the intent is for existing platforms to be used.</p>	<p>The intent is for the 'status quo', the drafting can be revised to reflect this.</p>

## Balancing Issues Log

Last updated: 24 June 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.
3.	<b>Recompense for services in other Network Codes.</b> The Balancing Network Code sets out a high-level mechanism for payment through balancing service providers such as aggregators. Whereas the DCC places obligations on individual domestic consumers. There is a perceived mismatch between the obligations (placed on individuals) and the compensation (placed on aggregators).	DCC sets capability and Balancing provides mechanism for recompense. This does not appear to be a mismatch.
4.	<b>Merchant Interconnectors.</b> The merchant model for GB Interconnectors needs to be represented in the Balancing Network Code. Capacity on a merchant interconnector has a value to the owner and this should be reflected in any decision to curtail or use capacity through this Network Code.	The code has been drafted on the basis that what is not prohibited is allowed. NGET is a member of the drafting team and is representing itself. Opportunity for all stakeholders to engage with the development of the Code will form part of the development process for the Network Code, in particular during the public consultation.
5.	<b>Imbalance calculation.</b> The imbalance calculation in the Network Code may be different to that in the current GB market, which would have implications for GB as it provides different signals to market parties. GB Energy imbalance = Contracted & vs. Metered Volume (physical imbalance) Balancing NC calculates Imbalance Volume from Allocated Volume and notified Position – it's not clear this is consistent with GB practice (e.g. it could be interpreted as something more akin to GB Information Imbalance)	TBC
6.	<b>Coordination Balancing Areas (CBA).</b> What is the timescales for the determining the CBA.	Formally, the Network Code states that they will be determined after entry into force. However, through the ENTSO-E pilot project, we would expect initial views to be formed fairly soon and prior to the code's entry into force.  Coordination Balancing Areas are now referred to as CoBAs to avoid a conflict of acronyms.

## HVDC Issues Log

**Last updated:** 24 June 2013  
New Items are marked in gray.

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. Onshore HVDC connected PPMs are now included
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. The Code is drafted to place technical requirements on HVDC, irrespective of who the owner is. The issue of TSO owned HVDC and obligations, responsibility for ensuring compliance, etc is tied in with the definition of "TSO"; this is still being addressed by the LRG to get a harmonised approach to all Codes. It may be necessary to define "island" and "synchronous area" appropriately so as to capture this issue.
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. All obligations and responsibilities will be fair and transparent irrespective of ownership (see above comment)
4.	The code needs to deal with situations where the configuration of the HVDC changes, e.g. if a link previously connecting different synchronous areas becomes an embedded link if a parallel AC line is added.	Drafting is not expected to preclude changes or new configurations. The Drafting Team is aware of potential configuration changes; this issue will be addressed.
5.	If the Code is written to the technology non-specific, there is a risk that some of the functionality of certain technologies may not be fully utilised.	Being technology non-specific means the Code does not preclude future technologies. The Code is a minimum requirement so additional items, provided they are compatible with the Code, are permitted. Technology neutrality is on the Agenda; it is recognised that capabilities of particular technology should not be ruled out. While there is EU pressure to harmonise requirements, certain requirements may have to be left to the local TSOs to specify.

Issue No	Issue	NGET View
6.	<p>The added services required by the Code could make merchant Interconnectors less viable. The GB merchant model is designed for the transfer of Active Power, the draft specification for HVDC NC goes beyond this.</p>	<p>The Code can apply retrospectively depending on the decision by the NRA according to the provisions on retrospective application. For Interconnectors in development, transitional arrangements will be specified in the Code, similar to RFG and DCC.</p> <p>The code is not tasked with the provision of “added services” – just capabilities. Some of these capabilities, e.g Frequency Response, can be met with little or no extra cost. These capabilities can enable HVDC to offer “added services” for which presumably merchant Interconnectors may agree commercially to provide to the relevant TSOs</p>