Joint European Standing Group *Meeting 28*







20 August 2014 Shepherd and Wedderburn, Edinburgh

1. Introductions







Barbara Vest JESG Independent Chair

2. Review of the Action Log







Tom Selby JESG Technical Secretary

JESG Standing Actions

Action No	Action	Lead Party
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
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
S3	Continue to review the membership of the JESG and engage additional industry parties where appropriate.	JESG Chair
S4	Provide update on future Network Codes and incentives being developed as and when appropriate.	NGET/Ofgem/DECC
S5	If required by the Commission, facilitate an industry-wide read-through of the Network Codes once they are released by the Commission. (formerly Open Action 135)	JESG Chair/Ofgem/DECC
S6	Stakeholders are requested to provide specific example of inconsistent or problematic definitions in the Network Codes to Ofgem (reuben.aitken@ofgem.gov.uk) and DECC (will.francis@decc.gsi.gov.uk).	All
	(formerly Open Action 140)	
S7	Consider the need for how to best capture stakeholders' most recent priority issues before and during the Comitology process, in particular for the RFG, DCC and CACM Network Codes as the codes develop in the pre-comitology phase.	DECC

JESG Actions

Action No	Action	Lead Party	Status	Update
152	Arrange another stakeholder group workshop on RfG Network Code following publication of the next draft.	NGET/DECC /Ofgem	Open	Awaiting new RfG draft
156	Report to JESG who from GB is on the ENTSO-E Balancing Pilot Project Stakeholder Group	NGET/BV	Closed	Steven Peter Reid (Scottish Power)
157	 What are the arrangements for stakeholder engagement in TERRE and/or the Balancing Network Code: Will stakeholders be consulted on Balancing Code amendments? Will there be a GB TERRE group? Will CBAs be published to stakeholders? 	NGET	Open	
158	 What products and what gate closure time will Project Terre use? 	NGET	Open	
159	Report to JESG on ACER's opinion on having both firm and no- firm transmission rights on the same TSO border	Ofgem	Open	
160	Circulate details of the ACER Public Workshop on REMIT in the JESG weekly update	NGET	Closed	Circulated 20 June 2014
161	Review the issues logs for the Network Codes that are published on the JESG website	DECC/Ofge m/NGET	Open	
162	Consider creating a single issues log with all the issues from every code in one place	DECC/Ofge m/NGET	Open	

3. Update on the Emergency and Restoration Network Code







Rob Wilson National Grid

ACER's Framework Guidelines

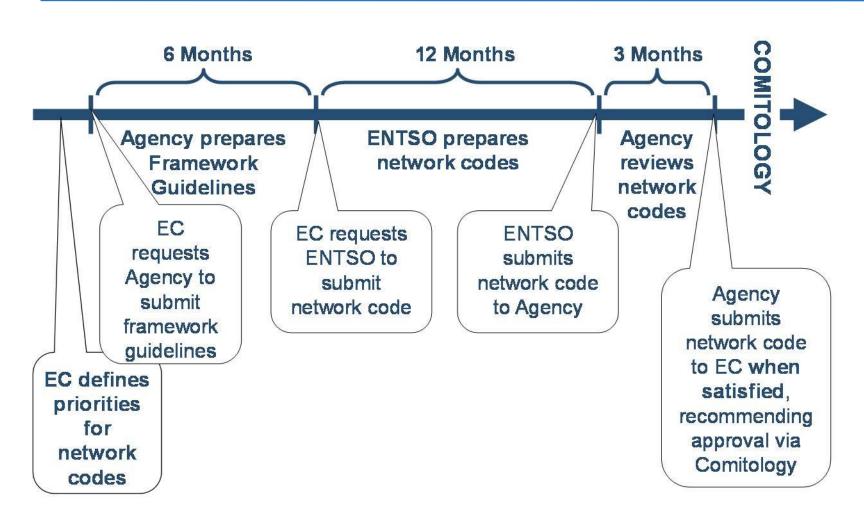
- Objective of the Framework Guidelines on Electricity System Operation is to develop a harmonised system operation regime considering past experiences and future challenges
- Emergency and Restoration is the 4th of the Operational codes to be developed from the Framework Guidelines
- "Emergency and Restoration includes awareness of the system operating states, Defence Plans and restoration of the system after a major disturbance or a blackout, but also the analyses of events afterwards. Applicability of NC ER is from well in advance to real time and it applies also after any major event."

ENTSO-E Website Summary

"The Network Code on Emergency and Restoration (NC ER) is a key factor for ensuring security and continuity of electricity supply across Europe, as it deals with the procedures and remedial actions to be applied in the Emergency, Blackout and Restoration states. This involves preparation of system defence, system restoration and re-synchronisation plans in advance, dealing with information exchange, procedures for operating when a system enters into one of these states and ad-hoc analysis of the incidents."



Code Development Process



Indicative Timeline

- ENTSO-E Preparatory Team created & work started: October 2013
- Mandate to commence drafting: 1st April 2014
- Stakeholder meetings/workshops: 17th April, 9th July, 22nd October 2014, January 2015
- Public consultation: September November 2014
 - 2 day GB stakeholder workshop will be arranged through JESG
 - Submission of stakeholder comments through ENTSO-E tool
- Submission to ACER: 1st April 2015
- ACER opinion 1st July 2015
- DECC/Ofgem stakeholder workshop to inform DECC position during comitology

Drafting Team Progress

- Current practices document produced
 - Gives an overview of existing Emergency & Restoration practices, focusing on information at regional/synchronous area level
 - Identifies common/similar practices
 - Identifies significantly different practices & areas with a major lack of harmonisation
- Agreed scope of code
- Completed first draft
- Held first public stakeholder workshop 9 July
 - System defence plan principles initial thoughts
 - System restoration plan principles initial thoughts
 - Information exchange, communication tools and protocols



Scope of Network Code

The NC ER will define requirements in the following System States:

- Emergency
- Blackout
- Restoration

The code will apply in the following timeframes:

- Long & mid term planning, testing & training
- Close to real-time & real-time when:
 - At least 1 TSO is in defined System State
 - At least 1 TSO faces a situation that leads to the activation of Defence Plan actions (e.g. power shortage situation)
- Post-event analysis and recommendations

Plans will be produced as follows:

- System defence plan
- System restoration plan

System Defence Plan: Objective



System Defence Plan = summary of measures to be undertaken to prevent the propagation or deterioration of an incident in the Transmission System, in order to avoid a widespread disturbance and Blackout State

Technical measures: System Protection Schemes such as Automatic Low Frequency Demand Disconnection Scheme

Organisational measures: procedures to be followed in different situations

- → System Defence Plan requires coordination between
 - TSOs
 - TSO and the DSOs and SGUs in its Responsibility Area



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System Defence Plan

Key sections:

- Activation criteria
- TSO coordination
- Frequency deviation management
 - Demand side response
 - Frequency sensitive more operaion
 - Low frequency demand disconnetion
- Voltage management
- Power flow management
- Assistance for Active Power
- Manual Demand Disconnection

System Defence Plan Principles



Each TSO designs a System Defence Plan that meets the EU objective to avoid widespread disturbance

Covering at least

- System Frequency
- Transmission System steady-state Voltage
- Power flows exceeding Operational Security Limits
- Absence of Adequacy

Taking into account

- Consequences of Exceptional Contingencies
- Stability Limits
- Short-circuit current limits
- Technical behaviour of SGUs and type A PGM

Ensuring

- Minimal impact for grid users
- Specific grid users needs are fulfilled
- Economical efficiency
- Not to introduce additional risks



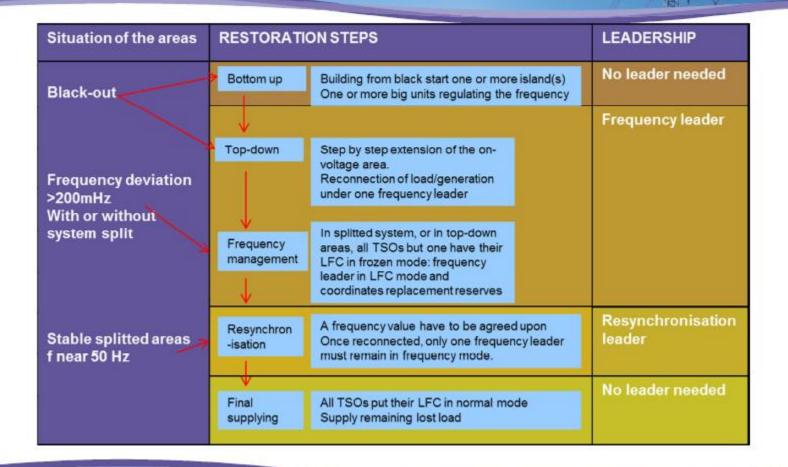
System Restoration Plan

- Objective is to bring the system back from Emergency or Blackout to Normal State as quickly and efficiently as possible
- Starting point could be:
 - Blackout (no voltage)
 - Lengthy frequency Deviation (>200 mHz for more than 1 minute)
 - System split
- Re-energising can follow two distinct paths:
 - Bottom-up: individual control area re-energises its own area to be ready for resynchronisation with another area
 - Top-down: individual control area uses external voltage sources to start re-energisation

System Restoration Plan

- Restoration plan contains all the measures to reenergise the system.
- Restarting/synchronisation of:
 - Generator units
 - Load units
 - Other areas
 - Market processes
- Use of the following:
 - Black-start units
 - Manual/automatic activation of reserves
 - Help from TSO (including via HVDClinks)
 - Help from DSO and Significant Grid Users
- Coordination:
 - Between TSOs
 - Between a TSO and the DSOs and SGUs in its Responsibility Area

Framework Restoration Process: One Example





Next steps

- Drafting continues taking account of workshop feedback
- Public consultation September November 2014
- 2 day GB stakeholder workshop will be arranged through JESG

Key GB Objectives

- Maintain existing black start services and plans
- Where opportunities arise for sharing of services across interconnectors, consider merits
- Maintain existing levels of system security

Useful Links:

ACER Framework Guidelines

http://www.acer.europa.eu/Electricity/FG_and_network_codes/Pages/System-operation.aspx

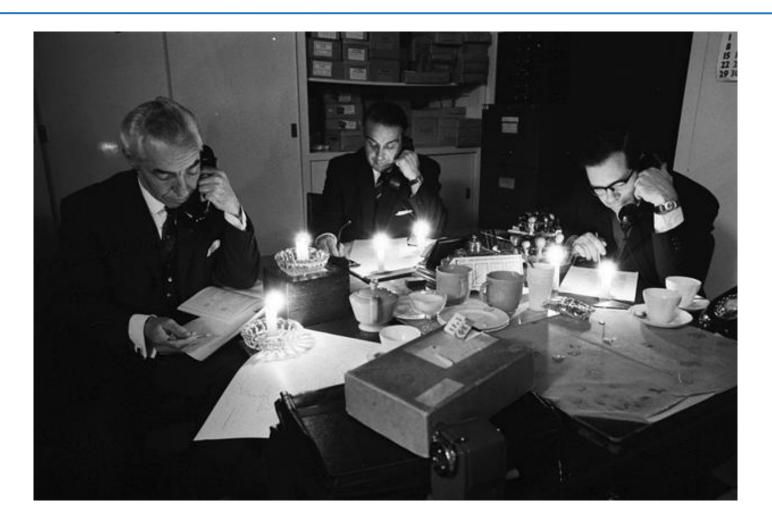
ENTSO-E code development site

https://www.entsoe.eu/major-projects/network-code-development/emergency-and-restoration/Pages/default.aspx

Latest draft of code (16 June 2014)

https://www.entsoe.eu/Documents/Network%20codes%20documents/NC%20ER/140614_ENTSOE_Working_Draft_Network_Codeon_Emergency_and_Restoration.pdf

Emergency Restoration – early days



4. Update on Electricity Balancing Network Code

5. Update on Project TERRE







Eleanor Brogden



By way of introduction...

The Balancing Code

An update as to where matters are, and what is anticipated next.



The ENTSO-E Pilot – Project TERRE

A brief overview, and what can be expected in the next few months.

Network Code for Electricity Balancing

- Opinions of ACER & the European Commission were received...
- The ENTSO-E drafting team have reviewed...
- **8**
- The Balancing Code is heading into Pre-Comitology this Autumn.

Expectations are that it will be returned for further revision.

Network Code for Electricity Balancing

ENTSO-E work for regional integration is now underway, commencing with:

i. Standard Products

Noting especially, the ability for and facility of their cross border exchange.

ii. Synchronous Areas

A larger degree of standardization & a higher degree of integration.



Project TERRE

Imperatives:

- No net impact on GB and European System Security
- No unnecessary change, cost or impact to GB SO activities or GB industry;
- Align with Balancing, LFCR and other target models;

Goals:

- Develop one or more strategic balancing / reserve products in the RR and beyond timescales;
- Improve flexibility and reduce costs of Balancing;

Electricity Balancing & Project TERRE

- TERRE timescales merging with the Network Codes for Balancing
 - June ENTSO-E internal discussions (SOC)
 - July WG AS improvements including isolated networks.
 - Sept Market Committee approval
 - Oct Stakeholder workshops
 - Nov Public consultation
 - Jan 2015 Market Committee approval
 - Feb Assembly approval
 - March Proposal to ACER



Communications

SPOC Meetings with leads from each Pilot Project

With the intention of sharing of information & expertize; & Considering the possible merging of pilot projects.

&

ENTSO-E Stakeholder Group

Discussing progress on balancing pilot projects;

Monitoring for regulatory issues or other potential threats to the projects;

Proposing co-ordination; &

Delivers recommendations for the future implementation of the Balancing Code.

Project TERRE Expectations

- Jan 14 to Dec 14: MOU, design of the solution, selection and negotiation of policy options, functional and non functional specs.
- 2015: Approval (NGET, ENTSO-E, ACER, EU), tech specs, call for tenders, appointment of IT provider, PMO)
- 2016: Build TERRE IT solution, integration with TSOs Operational Systems
- 2017 onwards: TERRE Go-Live

6. ACER Opinion on the HVDC Network Code







Natasha Smith Ofgem



European Network Code on High Voltage Direct Current Connections and DC-connected Power Park Modules

JESG up-date

Natasha Smith 20/08/14





Summary:

HVDC Network Code, third and final Grid Connection Code (GCC)

Timeline:

- 20/07/11: ACER Framework Guidelines on GCC
- 29/04/13: Commission invite ENTSO-E to begin drafting
- 30/04/14: ENTSO-E submit <u>HVDC NC and Supporting Documents</u> to ACER
- 19/05/14: ACER workshop
- 24/07/14: <u>ACER Opinion</u> sent to ENTSO-E and <u>recommendation</u> for adoption sent to the Commission subject to some minor drafting amendments

Next Steps:

Expect comitology to start 2015



How has the code changed?

Key amendments since November 2013 draft:

Clarity of the text:

- Reference to significant grid users removed, instead scope is clearly outlined in Article 3
- Clear separation between requirements for HVDC Systems (Chapter 2) and requirements for DCconnected PPMs (Chapter 3)

Supporting documents:

- Rationale for scope and requirements of the code
- Consideration of the cost implications including the use of a manufacturers survey

National Scrutiny

Provisions allowing TSOs to fix terms and conditions / methodologies are subject to Article 4(3)

Flexibility

- Between LCC and VSC technology e.g. black start, synthetic inertia, short-circuit contributions no longer mandatory /subject to regulatory oversight allowing flexibility to omit requirements where uneconomic / unnecessary
- Ranges other than 50Hz for DC-connected PPMs permitted given this is an emerging sector



ACER Opinion explained

- HVDC NC is in line with FG
- Acknowledges NC is forward-looking and believes its requirements will help facilitate a secure, competitive and low carbon European electricity market
- Acknowledges ENTSO-E's engagement with stakeholders and NRAs as well as its use of a manufacturers survey to improve the drafting of the NC
- Recommends adoption with some minor drafting amendments......



ACER Opinion explained

Key points in the Opinion in addition to some more minor recommended amendments:

1. Scope:

 Amendments to Article 3.2: The Network Code should exclude small islands with local demand that do not operate as part of a synchronous area, not all DC-connected PPMs

2. Replacement / addition of cross-code provisions with those from RfG and DCC:

 Provisions include: national scrutiny, cost recovery, confidentiality obligations, derogations, the stakeholder committee and implementation monitoring

3. Compliance with other national and European legal requirements across all GCCs:

- Article 3.7 and 3.8 may require NRAs to assess contracts in their dispute settlement role
- ACER recommends a review of these provisions across all GCCs

4. Improvements to the legal drafting and enforceability of some provisions:

E.G the words "can obtain bilateral agreement" (Article 38.2.a) may be misleading



Any questions?

natasha.z.smith@ofgem.gov.uk



Annex – ACER Opinion on HVDC NC

Additional drafting amendments in the ACER Opinion / Recommendation:

- Removal of a redundant term: The term "Grid User" is no longer needed since "System User" as defined in Directive 2009/72/EC effectively covers its requirements
- Ensure consistency: The definition of new HVDC Systems and new DC-connected PPMs refers to a
 contract to purchase the main plant while Articles 3.7(a) and 3.8(a) refer to construction, assembly
 or purchase of the main plant. It is recommended Article 3 is aligned to the definitions chapter in line
 with the RfG network code
- Completion of the alignment of the supporting documents: The supporting documents should reflect the evolution of the code in all instances



Ofgem is the Office of Gas and Electricity Markets.

Our priority is to protect and to make a positive difference for all energy consumers. We work to promote value for money, security of supply and sustainability for present and future generations. We do this through the supervision and development of markets, regulation and the delivery of government schemes.

We work effectively with, but independently of, government, the energy industry and other stakeholders. We do so within a legal framework determined by the UK government and the European Union.

7. ECCAF Update





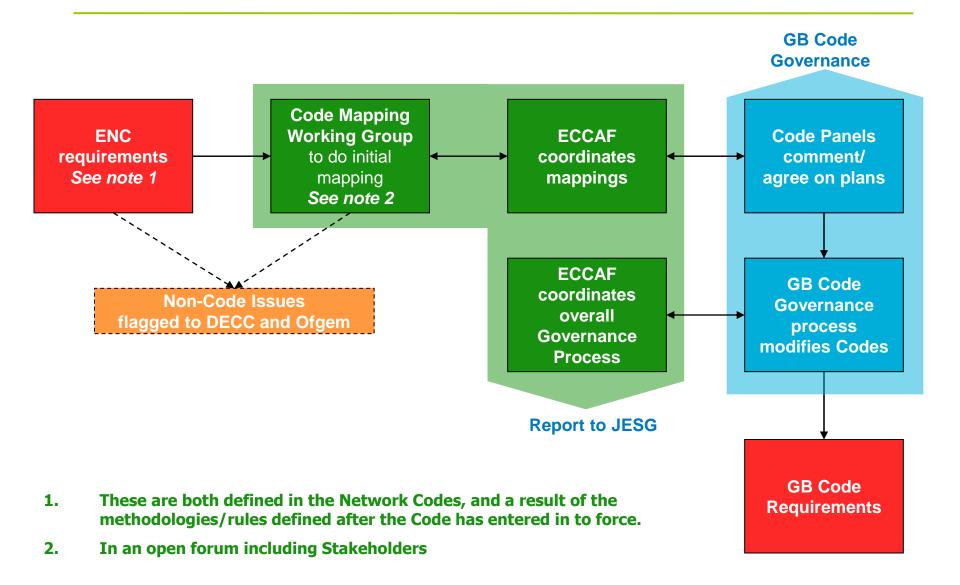


Barbara Vest ECCAF Chair

Role of ECCAF

- Established as standing groups of the 7 GB Code Panels
 - Grid Code, BSC, CUSC, DCUSA, D-Code, SQSS, STC
- Independently Chaired by Barbara Vest
- Tech Sec and Admin support from National Grid
- Two core roles:
 - To map ENC requirements to GB Codes (the Code Panels then make the necessary modifications)
 - To monitor implementation progress

ECCAF Work Process



Membership

Panel / Role	Name	Company
Chair	Barbara Vest	EnergyUK
Technical Sec	TBC (Paul Wakeley in interim)	National Grid
BSC	Peter Bolitho	Waters Wye
CUSC	Garth Graham	SSE
D-Code	Mike Kay	ENWL
DCUSA	Peter Waymont Chris Allanson	UK Power Networks Northern Powergrid
Grid Code	Jim Barrett	Centrica
SQSS	Vacant	
STC	Deborah MacPherson	Scottish Power
National Grid	Paul Wakeley	National Grid
Citizens Advice	Ed Reed	Cornwall Energy
DECC	Vacant	
Ofgem	Abid Sheikh	

26 June 2014

- A short meeting was held by Teleconference
- There has been a continued slowdown in the progress of ENCs through Comitology
- Therefore, the opportunity was taken to reassess the work schedule for ECCAF
- A paper was circulated before the meeting *Proposed Revised ECCAF Workplan* and is available on the website

ECCAF Approved the following:

Abridged version of text in summary of headline report

- To **postpone** ECCAF meetings until September 2014.
- The ECCAF Chair and Technical Secretary are to maintain a watching brief on developments in Comitology and if there is a significant change to the timescales reconvene ECCAF sooner.
- Continue to **map the ENCs** according to the principles of the revised ECCAF workplan
- As further intelligence on timings becomes available then the Technical Secretary will develop a new work schedule for Code Mapping for consideration by ECCAF.

Next ECCAF Meeting

- Scheduled for 25 September, at Elexon, London.
- Details are circulated in JESG weekly update before the meeting

- Any queries, please contact
 - <u>europeancodes.electricity@nationalgrid.com</u>
- For more information, please see the ECCAF website:
 - <u>http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Standing-groups/ECCAF/</u>

8. European Electricity Codes: A State of Play







Paul Wakeley
EU Code Development Manager
National Grid

Agenda

- Process quick reminder
- Status Overview
- Network Code vs Guideline
- Where are we now
- Status of each Network Code

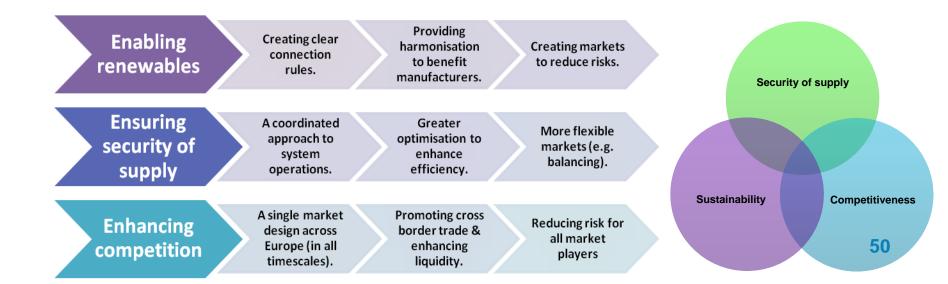


Development Process

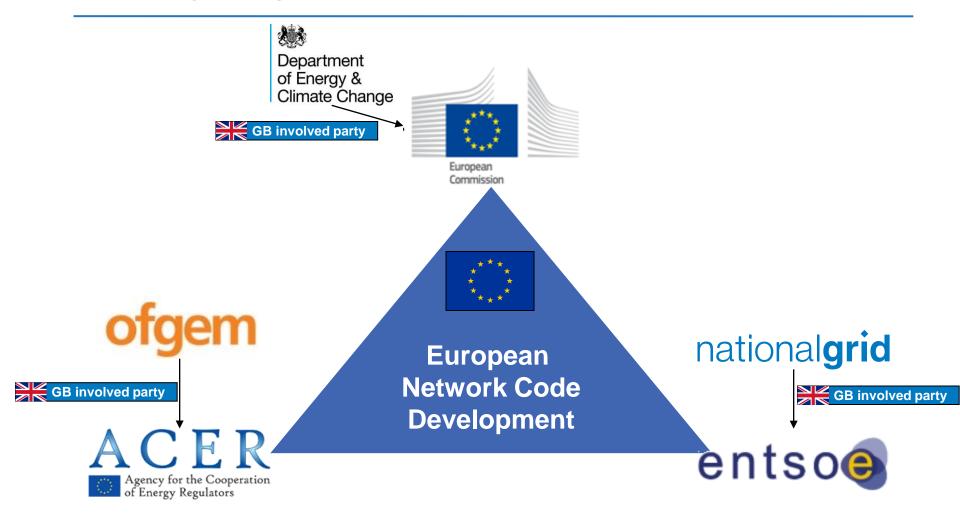


The Third Energy Package

- 3 regulations and 2 directives.
- Adopted July 2009, law since March 2011
 - Key step forward in developing a (more) harmonised European energy market
 - Separation of ownership of monopoly energy transmission activities
 - Formation of European Transmission System bodies, ENTSOG and ENTSO-E
 - Formation of ACER Agency for Cooperation of Energy Regulators

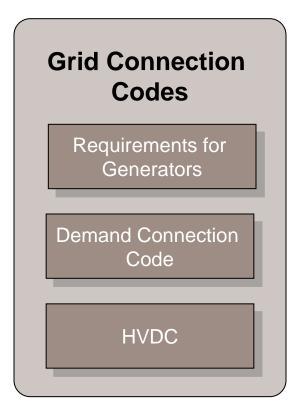


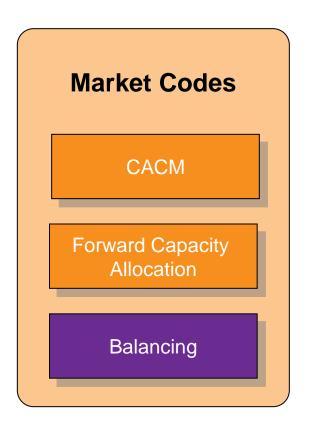
The key players

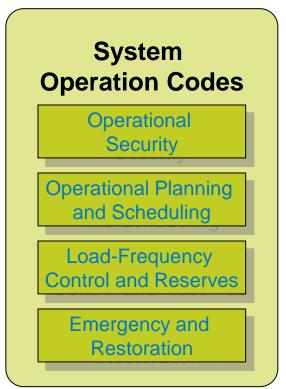




The Priority Network Codes



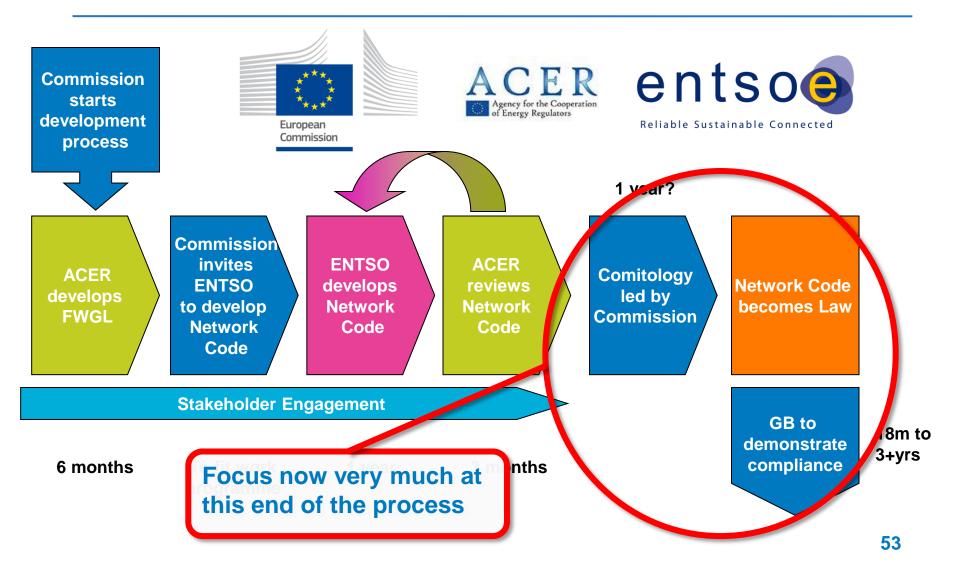




Other Regulations

Transparency

European Network Code Development Process



Network Codes vs Guidelines



Florence Forum

- Particular concern by Commission's Legal Service on CACM:
 - It can not be adopted as a network code due to the number of decisions delegated to TSOs and NRAs after entry in to force.
 - Expected to proceed using its current formulation as a guideline.
- Both *network codes* and *guidelines* will become directly applicable EU Regulations. The end products have exactly the same legal status, but the development and modification routes are different as defined in Regulation (EU) 714/2009.

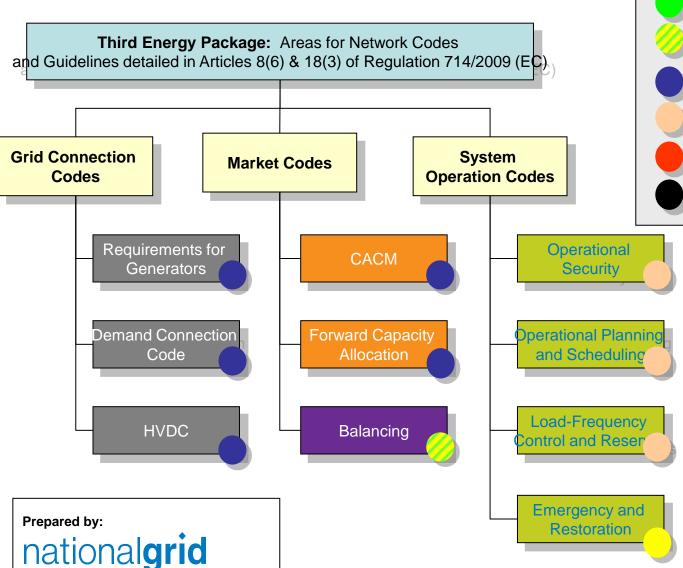
Other Codes...

- Based on the view of the Commission, it is expected;
 - RFG, DCC, HVDC continue as network codes
 - CACM, FCA, BAL become guidelines
 - OS, OPS, LFCR remain as *network codes* but that further drafting is required to provide further detail and 'ambition'. This drafting is expected to include ENTSO-E.

Where are we now



European Electricity Codes Development Status 7 August 2014



europeancodes.electricity@nationalgrid.com

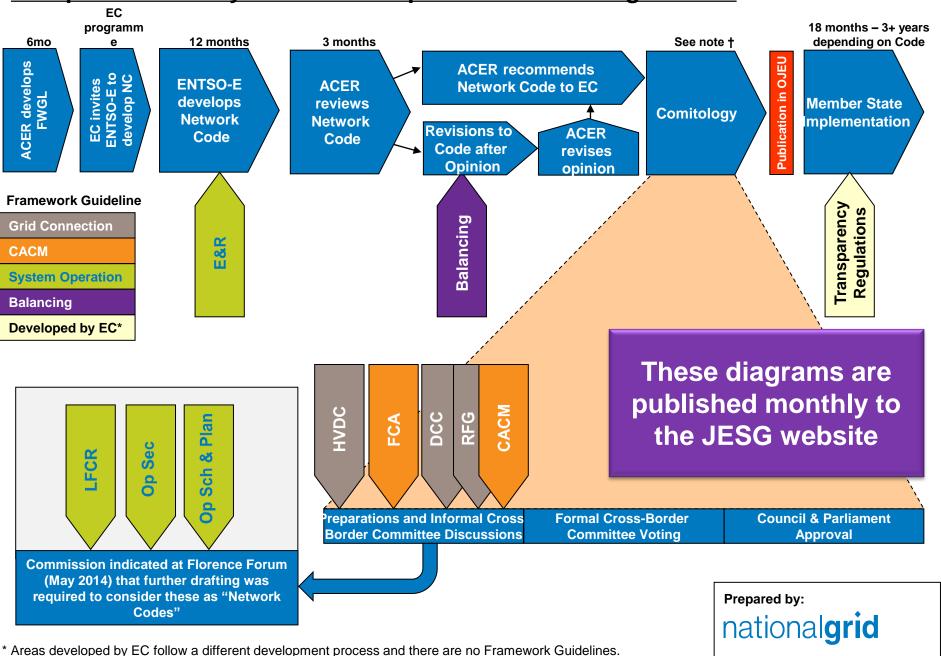


Published in OJEU

Reg (EU) No 543/2013 Transparency Reg.



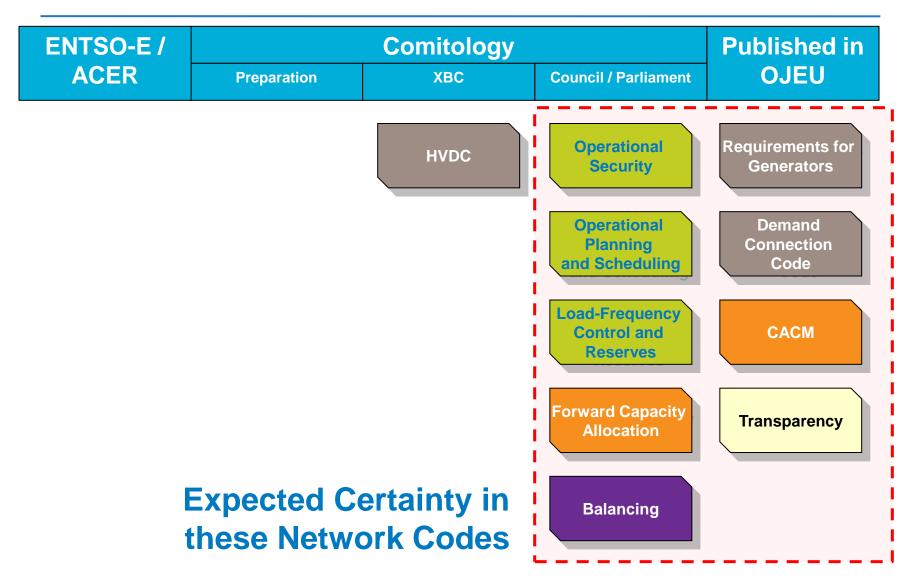
European Electricity Codes Development Status: 7 August 2014



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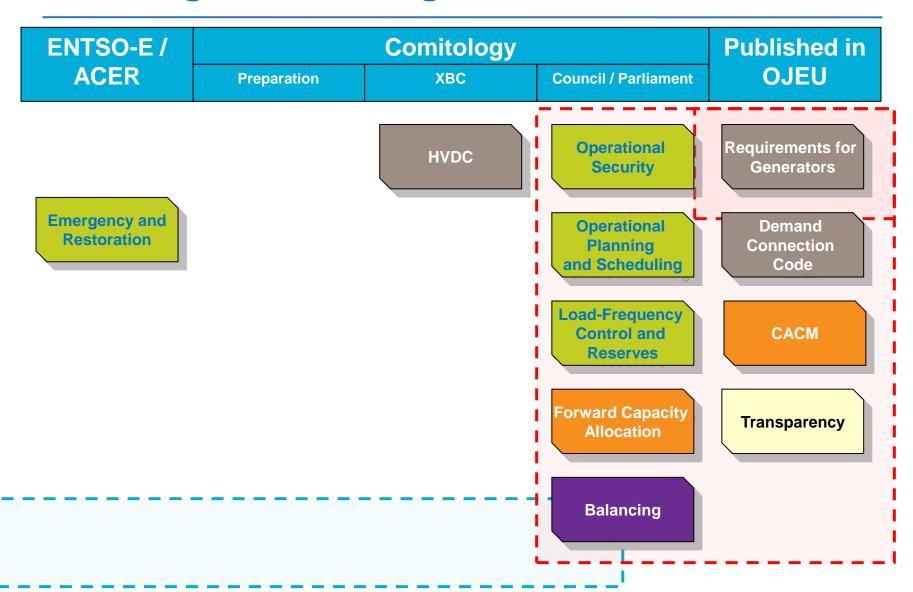
[†] Timescales for the stages of Comitology are not specified and under the Commission control

At JESG Edinburgh 2013, this is where we expected to be NOW

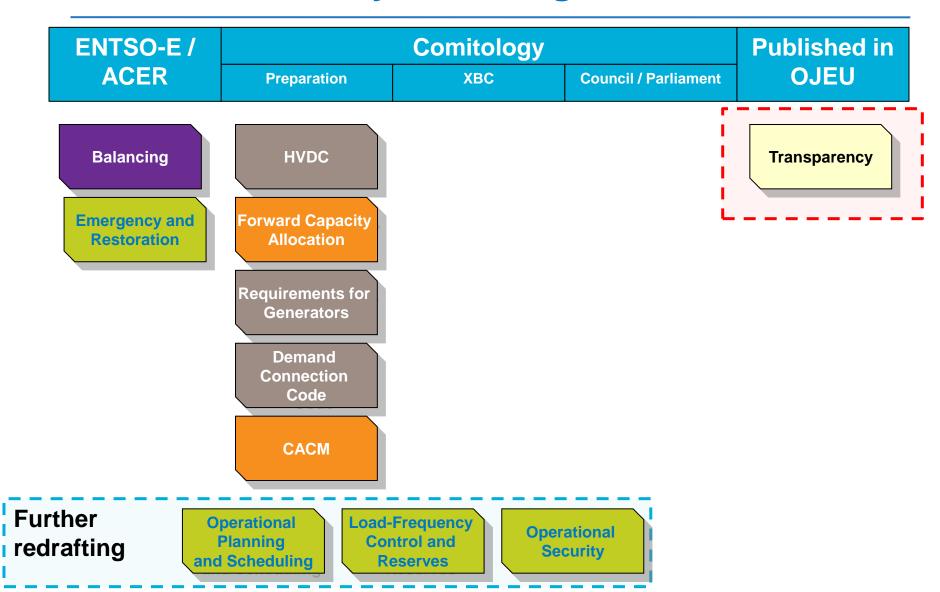




But things have changed



Where we actually are – August 2014



Timescales

Network Code

Emergency and

Restoration

CACM, RFG and DCC have been with the **Commission for over 12** months

> des to go ology in 15

Transparency Regulations	Parliamentary Approval Drafts Mercon MOP OF Bedures ACER Build and Tet Innon MOP Review Platfor			
Capacity Allocation and Congestion Managemen		Cussions VEC Country Reviews Comitology Comitology Conse-Bord Formal Approval SPD OF DELL' D	sed Implementation over 24 months (TBC)	Backlog of Cod through Comito
Demand Connection Code	on oner preparativy tasks Committee (A	Council Appointment Comitology Formal Appointment ABC Occurate Voting Pairment Comitology Formal Appointment XBC Occurate Voting Pairment	Implementation and of 36 months	Q3/2014 Q1/201 How realistic?
Operational Security	ENTSO- E Finalse Review Revisions ACER Revisions ACER Revisions ACER Revisions	h EU price d aftin, percent by mission Pro ass and parties and parties and parties and parties are the percent and	Imply sentation period 18 months	
Operational Planning & Scheduling	ENTS -E Drafting ACER Finalise drafting Review Revis ans	h EU chapted by Contission Proces and parties BD Comitology armal XBC Voting Parliament	Implementation period 18 months	
Forward Capacity Allocation	ENTSO-E Drafting Initial Consult finalise d ting Review Revisions	Pre Comitology Networ Code with J discuss Commits on in Service Servic	Phased Implementation over 39 months	
Load Frequency Control & Reserves	ENTSO-E Drafting Init Lation Finalise drafting ACER Review Network Code with EL Commission Commission	Podraftida (nocted by 5 Comitology	Implementation period 18 months	
Electricity Balancing	ENTSO-E Drafting Consul Lation Finalise drafting ACER Review	ENTSO-E Revie ¹ .s D Informal XBC Approva EU Count on Significant of the Count	Phased Introduction over 6 years	Until c.2021
HVDC	ENTSO-E Drafting	ACER Preparation. Preparation Preparati	Having been	with the Commi

ission since late 2013, OS, OPS, LFCR sent for 'redrafting' in summer 2014

Run through of each Network Code



Grid Connection Codes

	Where is it now?	What happens next?	Key Issues for GB
Requirements for Generators	Preparation ongoing for Cross Border-Committee New Text expected shortly	Cross Border Committee Expected in Autumn 2015 To complete Comitology early 2015?	 Maximum capacity thresholds for type B, C and D power generating modules. Notification requirements. Definition of synchronous area. Fault Right Through (FRT) requirements for Type B generators.
Demand Connection Code	Preparation ongoing for Cross Border-Committee New Text expected shortly	Cross Border Committee Expected in Autumn 2015 To complete Comitology early 2015?	 Scope of application. Reactive power. National Regulatory Authority oversight. Consistency of definitions (including with RfG). Compliance and data.
HVDC	Recently submitted to the European Commission after ACER recommendation	Comitology expected to follow in 2015	Workshop not yet held.

Market Codes

	Where is it now?	What happens next?	Key Issues for GB
CACM	Draft text published 29 July by Commission Being discussed by GB Stakeholders later today	Cross Border committee in September to discuss text	 Governance – decision-making, consultation, approval and review processes around methodologies (across all market codes). Clarity of drafting, description of roles etc. (across all market codes). NEMO designation and competition. Bidding Zone reviews. Capacity calculation methodology. Cost-sharing arrangements (across all market codes).
FCA	Recently submitted to the European Commission after ACER recommendation	Comitology expected to follow in 2015	 Firmness regime. Operation of Physical Transmission Rights (PTRs) and Financial Transmission Rights. Implementation timescales.

Balancing

	Where is it now?	What happens next?	Key Issues for GB
Balancing	ENTSO-E currently revising text after ACER approval	ENTSO-E to resubmit text to ACER	 Delegation of balancing functions. Fit with the BSC panel function. Cost neutrality. Impact within GB and particularly on DSOs. Arrangement of CoBAs – particularly with regard to ICs. Relationship with DSR. Emergency arrangements. Development of standard products and other changes to GB practice.



System Operation Codes

	Where is it now?	What happens next?	Key Issues for GB
Operational Security	Commission requested re- drafting to allow text to proceed as a Network Code	ENTSO-E expected to be involved in redrafting. Comitology to commence afterwards	 Consistency and clarity of definitions. Resynchronisation. Data provision. National Regulatory Authority oversight. Performance indicators.
Operational Planning and Scheduling			 Outage plans and consistency of reporting requirements with REMIT and Transparency Regulation. Definition, roles and responsibilities of TSOs. Definition of 'relevant user.'
Load-Frequency control and Reserves			 National Regulatory Authority oversight. Retrospective application. Imbalance netting. Frequency containment reserve sharing.

System Operation Codes

	Where is it now?	What happens next?	Key Issues for GB
Emergency and Restoration	Being drafted by ENTSO-E	Public Consultation in Autumn	Workshop not yet held.

Questions

- Paul Wakeley
 EU Code Development Manager
- **01926 655582**
- Paul.Wakeley@nationalgrid.com



9. JESG & DECC/Ofgem Stakeholder Workshop Co-ordination







Ofgem / Barbara Vest

10. Forthcoming Events







Tom Selby JESG Technical Secretary



Forthcoming Events – ENTSO-E

- TYNDP 2014: Public Stakeholder Consultation
 - Thursday 4 September, Brussels
 - Consultation closes 20 September
- 5th Annual European Electricity Ancillary Services & Balancing Forum
 - Monday 8 Wednesday 10 September, Frankfurt

- ENTSO-E Conference
 - Wednesday 19 November, Brussels

Forthcoming Events – ACER

- 22nd Stakeholders Advisory Group Meeting
 - Tuesday 2 September, 10:30 17:00 CET, Brussels
- 'Bridge to 2025' Conclusion Paper Publication Presentation
 - Tuesday 23 September, 14:00 17:00 CET, Brussels
 - Webstream will also be available

www.acer.europa.eu/Events/

Forthcoming Events - JESG

First probable 'merged' JESG & DECC/Ofgem Group Meeting: Wednesday 15 October

Subsequent dates to be decided...

http://www2.nationalgrid.com/UK/Industryinformation/Electricity-codes/Standing-groups/Joint-European-standing-group/

11. Review of Stakeholder Representation







12. Any Other Business







13. Lunch











Afternoon Session: DECC/Ofgem Session on the CACM Network Code







DECC-Ofgem Stakeholder Priorities Session

Proposal for a Regulation establishing a Guideline on Capacity Allocation and Congestion Management (CACM)

20th August 2014

Agenda and objective

- 1) CACM update
- 2) Recap of previous stakeholder CACM priorities
- 3) Overview of stakeholder responses
- 4) Implementing CACM

Today's objective: identify a maximum of 5 key stakeholder issues to help inform the UK Government's position on the formal proposal for CACM.

1. CACM update

- Last version of CACM 14th January 2014 informal service-level draft. Discussed at a number of Electricity Cross-Border Committee meetings.
- Commission have now issued a formal proposal for a Regulation.
- Key changes....
- Next ECBC meeting is on 10th September.
- Indicative start of formal comitology 24th September.
- Expected progress...

2. Recap: previous stakeholder priorities

Stakeholder priorities from the two previous CACM prioritisation sessions:

5 November 2012		17 December 2013	
1)	Bidding Zones (Frequency of review and role of Member States)	 Governance / stakeholder engagement 	
2)	Governance / stakeholder engagement (consultation, amendments, data provision)	2) Bidding Zones (Frequency of review and role of Member States)	
3)	Technical constraints on ICs (ID gate closure time, allocation constraints, redispatch)	3) TSO responsibilities (so, scoто, ıc, ofto)	
4)	TSO responsibilities (so, scoto, ıc, ofto)	4) Consistency of definitions (force majeure, firmness, 714/2009)	
5)	Consistency of definitions (force majeure, firmness, 714/2009)		

3. Overview of stakeholder responses

Round table

3 things to change 3 things to keep Any new issues

4. Implementing CACM

- Initial thoughts on implementation processes.
- CACM text not yet agreed.
- Tight timescales.
- All methodologies will be consulted on by TSOs and NEMOs.
- Ofgem will take stakeholder views into account when approving alone or jointly proposed methodologies.
- Already scoping approach to some early tasks:
 - Assignment of TSO responsibilities;
 - NEMO designation.
- Happy to hear any views on implementation.