

Headline Report

Meeting name	Joint European Standing Group (JESG)
Meeting number	29
Date of meeting	15 October 2014
Location	Elexon Offices, 350 Euston Road, London, NW1 3AW

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 website¹ and material in the presentations is not duplicated in the report.

1. JESG Action Log Review

The current version of the [JESG Action Log](#), including any additions from this meeting, follows this Headline Report.

2. Grid Connection Network Codes:

Requirements for Generators (RfG)

- No further information has been issued by the European Commission on the progress of RfG through the Comitology process.
- Sara-Lee Kenney (NGET) provided an update on behalf of the RfG Workgroup who met on 24 September. This covered the main discussions of the group, progress and actions to date.
- The workgroup has taken actions from ECCAF related to the RfG implementation and GB code alignment and will report progress on these back to ECCAF. JESG Stakeholders advised of the potential change of banding thresholds to align with that of continental Europe. DECC commented that the alignment of the banding has yet to be confirmed by the Commission.
- The labelling of 'New' and 'Existing' users is being review by the RfG workgroup.
- Stakeholders asked for visibility of the RfG workgroup (GC0048) details and discussions, these can be found on the National Grid website².
- This follows the next RfG workgroup meeting on Monday 20 October. A further more detailed update on the progress of the RfG workgroup to be provided at the November JESG.

Demand Connection Code (DCC)

- The DCC Network Code is currently with the European Commission, pending commencement of Comitology.
- No further information has been issued by the European Commission on the progress of DCC through the Comitology process.
- No further update on DCC was provided at the meeting.

HVDC Network Code

- The HVDC Network Code is currently with the European Commission, pending commencement of Comitology.
- No further information has been issued by the European Commission on the progress of HVDC through the Comitology process.
- No further update on HVDC was provided at the meeting.

¹ <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Standing-groups/Joint-European-standing-group/>

² <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Grid-code/Modifications/GC0048/>

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

Capacity Allocation and Congestion Management Network Code (CACM)

- No further update on CACM was provided at the meeting, however this was detailed as an agenda item at the afternoon Stakeholder session led by Ofgem.
- For further information on the afternoon session discussions, please contact [Jack Robinson](#) (Technical Secretary – Ofgem).

Forward Capacity Allocation Network Code (FCA)

- The FCA Network Code is currently with the European Commission, pending commencement of Comitology.
- No further information has been issued by the European Commission on the progress of FCA through the Comitology process.
- No further update on FCA was provided at the meeting.

Electricity Balancing Network Code

- The Electricity Balancing Network Code revisions by ENTSO-E are complete and the code currently sits with ACER to review these revisions.
- Steve Miller provided a brief update of the key changes in the September submission which included regulatory approval, public consultation and TSO obligations.
- Ofgem invited Stakeholders to provide any comments related to the Electricity Balancing Network Code to [Grendon Thompson](#) (Ofgem lead) or [Natasha Smith](#).

4. System Operation Network Codes

Operational Security (OS), Operational Planning & Scheduling (OP&S) and Load Frequency Control and Reserves (LFCR) Network Codes

- No further information has been issued by the European Commission on the progress of the System Operation Network Codes.
- No further update was provided on the System Operation Network Codes at the meeting.

Emergency and Restoration Network Code (ER)

- Peter Chandler (NGET) provided an update on the ER Network Code which following Assembly approval is at Public Consultation phase.
- Following the completion of the Public Consultation phase, a GB workshop has been pencilled in for January 2015.
- Stakeholder feedback from the 9 July Stakeholder workshop has been taken into account and a consistency check with other ENC's has been completed.
- New chapter on 'Market Interactions' is being developed and a dedicated Working Group is looking at what constitutes market suspension along with the rules associated. Stakeholders requested a need for clarity on when the market will be suspended.
- Potential for coordination across ENTSO-E, ENTSO-G and NGET in the future however currently this would add another layer of complexity.
- Following Stakeholder discussions of the timing of the ER Network Code Stakeholder workshop (1-2 December) and the ability for Stakeholders to consider the text ahead of the ENTSO-E workshop (12 November) it was agreed to move the 1-2 December workshop forward. This was with a view for this workshop to be held either on or close after the November JESG. **Post Meeting Update: The E&R workshop has been rescheduled to 3 November (all day) & 4 November (PM following the AM November JESG), further details on times and registration have been provided in the JESG Weekly Update (sent 16.10.14)**

5. Project TERRE Update

- Steve Miller (NGET) provided an update on Project TERRE which included the objectives, road map, timing and stakeholder engagements.
- Standard characteristics for Project TERRE currently under negotiation.
- Road map advised of the anticipated 'Go Live' date as August 2017.
- NGET lead change from Steve Miller to Chris Fox, highlighting a request from Stakeholders as a 'who's who' for NGET.
- Stakeholders raised concerns around public consultations and how this isn't present for all articles and methodologies.
- Currently too early to confirm if there will be impacts to existing systems and settlements.

- Stakeholders discussed the potential for a workshop following the December JESG. Further information to follow.

6. Ten Year Network Development Plan (TYNDP) Update

- Bec Thornton (NGET) provided an update on the TYNDP 2014 consultation feedback.
- Consultation period has closed with the 2014 TYNDP and is due for publication in November 2014.
- Work has commenced on the 2016 TYNDP and includes both ENTSO-E member and non-member projects (all self-nominated).
- Projects of Common Interest (PCIs) high-level walk through and the next PCIs nominations will be in February 2015.

7. ECCAF Update

- There was no ECCAF meeting held in September and therefore no update was given at the October JESG.

8. AOB

- Stakeholder request for the 'ENC Overview Document' produced by NGET to include which code is which development stage in the organogram. NGET will look to include this.
- Stakeholder request for the current issues for each code and for the document to be published on a quarterly basis. There are currently other documents that provide this under the 'Useful Documents' section of the JESG website.

9. Forthcoming events/workshops

Please refer to the calendar on the JESG website:

<http://www2.nationalgrid.com/WorkArea/DownloadAsset.aspx?id=28966>

Please note: a provisional set of 2015 JESG dates has been produced and was discussed with Stakeholders at the October JESG, once finalised this will be published on the JESG website and communicated through the JESG weekly update.

Details of forthcoming Stakeholder events 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>

10. Next meeting

The next scheduled meeting for the JESG is 4 November 2014 at Elexon Offices in London.
Registration details will be provided in the JESG Weekly Updates.

The actions log and issues log follow this report.

Generic Issues Log

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.	Common definitions. 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.	Alignment of requirements and payment. 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.
21.	Consideration by Ofgem to be made on whether to reconvene the former FUI (France-UK-Ireland) regulatory group, or potentially set up a new GB regulatory balancing group, as a means to engage with stakeholders.

GB Application / Implementation Issues Log

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 Action Log

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 examples of inconsistent or problematic definitions in the Network Codes to Ofgem (reuben.aitken@ofgem.gov.uk) and DECC (will.francis@decc.gsi.gov.uk). (formerly Open Action 140)	All
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

New and Open 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
157	What are the arrangements for stakeholder engagement in TERRE and/or the Balancing Network Code: <ul style="list-style-type: none"> Will stakeholders be consulted on Balancing Code amendments? Will there be a GB TERRE group? Will CBAs be published to stakeholders?	NGET	Open	Update provided at JESG 15 October /slides.
158	What products and what gate closure time will Project Terre use?	NGET	Open	Update provided at JESG 15 October /slides.
161	Review the issues logs for the Network Codes that are published on the JESG website	JESG Technical Secretary	Open	Material published on the JESG website with regards to the ENC priorities, needs to be reviewed in terms of timings and accuracy.
163	Invite Simon Reid (GB ENTSO-E Balancing Pilot Project Stakeholder Representative) to a future JESG meeting to provide an update on the Balancing Pilot Projects.	NGET	Open	Simon has been invited to JESG, we will look to organise an update at the November meeting.

164	Consider if there should be an obligation to publish the volumes of standard/non-standard balancing products used by the SO.	DECC/Ofgem	Ongoing	Ofgem and DECC will provide update at November JESG.
167	Schedule a stakeholder workshop on the ER Network Code	NGET	Open	Workshop rescheduled (from 1-2 Dec) to 3-4 November.
168	Update required on when the Tariff Code will enter the development process	Ofgem/DECC	Open	
169	Update on RfG workgroup progress (following 20 October Meeting) to be provided at the November JESG	NGET (RW)	Open	
170	Stakeholder request of 'who's who' table for ENC's at NGET following Project TERRE/Balancing movements of reps	NGET (BT)	Open	
171	Stakeholder request for a tracked change version or comparison between version 1 and 2 of the ER Network code.	NGET (PC)	Open	
172	Review of Stakeholder representation, information of representation to be collated and discussed at November JESG	JESG Technical Secretary	Open	
173	JESG guide ' <i>Overview of European Network Codes - A guide for GB Industries Parties</i> ' held on the National Grid website to be reviewed. - Look at the possibility for the development organogram to be updated with ENC's at each stage of the development process.	NGET (SLK)	Open	

Recently Closed Actions

Action No	Action	Lead Party	Status	Update
156	Report to JESG who from GB is on the ENTSO-E Balancing Pilot Project Stakeholder Group	NGET/BV	Closed	Simon Peter Reid (Scottish Power)
160	Circulate details of the ACER Public Workshop on REMIT in the JESG weekly update	NGET	Closed	Circulated 20 June 2014
162	Consider creating a single issues log with all the issues from every code in one place	DECC/Ofgem/NGET	Closed	New issues log presented at August JESG, to be updated and published on the JESG website shortly.
166	Advise JESG of the deadline for responses to the ENTSO-E TYNDP 2014 consultation	NGET	Closed	20 September 2014
159	Report to JESG on ACER's opinion on having both firm and non-firm transmission rights on the same TSO border	Ofgem	Closed	The current FCA draft states that rights should be firm.
165	Consider how to capture stakeholder concerns ahead of the 17-18 September ENTSO-E Project TERRE workshop.	NGET	Closed	Steve Miller covered SH engagements at October JESG.

List of JESG Attendees on 15 October 2014

First Name	Surname	Organisation
Barbara	Vest	Energy UK (Chair)
Sara-Lee	Kenney	NGET (Covering Technical Secretary)
Peter	Bolitho	Waters Wye Associates
Eleanor	Brodgen	NGET
Peter	Chandler	NGET
John	Costa	EDF Energy
Steve	Davies	DECC
Garth	Graham	SSE
Connar	Hawkins	NGIC
Marta	Krajewska	Energy UK
Rupika	Madhura	Ofgem
Steve	Miller	NGET
Martin	Moran	NGIC
Lorcán	Murray	NGIC
Stephen	Powell	CER, Dublin
Julian	Rudd	DECC
Natasha	Smith	Ofgem
Neil	Smith	GDF Suez
David	Spillett	Energy Networks Association
Helen	Stack	Centrica
Cem	Suleyman	Drax
Esther	Sutton	E.ON
Bec	Thornton	NGET
Steve	Wilkin	Elxon
Chuan	Zhang	The Crown Estate