

Joint European Standing Group *Meeting 31*



3 December 2014
Elexon, London

Elexon Wifi Details:



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 (natasha.z.smith@ofgem.gov.uk) and DECC (elena.mylona@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

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
157	<p>What are the arrangements for stakeholder engagement in TERRE and/or the Balancing Network Code:</p> <ul style="list-style-type: none"> • Will stakeholders be consulted on Balancing Code amendments? • Will there be a GB TERRE group? <p>Will CBAs be published to stakeholders?</p>	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.
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.

JESG Actions (continued 1)

Action No	Action	Lead Party	Status	Update
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.
170	Stakeholder request of 'who's who' table for ENCs at NGET following Project TERRE/Balancing movements of reps	NGET (BT)	Open	An updated list will be provided when information has settled. Stakeholders are invited to contact europencodes.electricity@nationalgrid.com in the first instance, and we can direct your enquiry.
174	Agree date for August 2015 JESG, to be held in Edinburgh and fit in with Energy UK meetings	NGET/ Energy UK	Open	Wednesday 26 August

NGET European Network Code (ENC) Structure

Primary Contacts:

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Secondary Contacts:

Requirements for Generators
Tony Johnson and Graham Stein

CACM
Rob Selbie

Operational Security
James Bradley

Balancing
Chris Fox

Demand Connection
Tony Johnson and Graham Stein

Forward Capacity Allocation
James Harris

Operational Planning and Scheduling
Greg Heavens (from January 2015)

Load-Frequency Control and Reserves
John Young

HVDC
Darren Chan

Load-Frequency Control and Reserves
John Young

Transparency
Alex Haffner

Emergency and Restoration
Peter Chandler

ENC
Project Management and Coordination

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Prepared by:

nationalgrid

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*JESG: Joint European Standing Group

ECCAF: European Code Coordination Application Forum

JESG Actions (continued 2)

Action No	Action	Lead Party	Status	Update
176	Identify small generators who may benefit from the Energy UK Seminar on EU Network Codes in New Year 2015	Energy UK/ NGET/ DECC/ Ofgem	Open	
177	Establish the legal status of the ENTSO-E Operational Handbook	NGET	Open	

Action 177:

ENTSO-E Operational Handbook Legal Status

- Developed by the EU; handed over to ENTSO-E
- Collection of '*operation principles and standards for transmission system operators in Europe*'
- Designed to support '*technical operation of interconnected grids, special measures & data exchanges*'
- Handbook is not a legally binding document; does not stem from Third Package
- All definitions used in Network Codes to be defined in Third Package and regulations arising from it
- Link to [ENTSO-E Operational Handbook](#)

3. Update on EU Network Codes



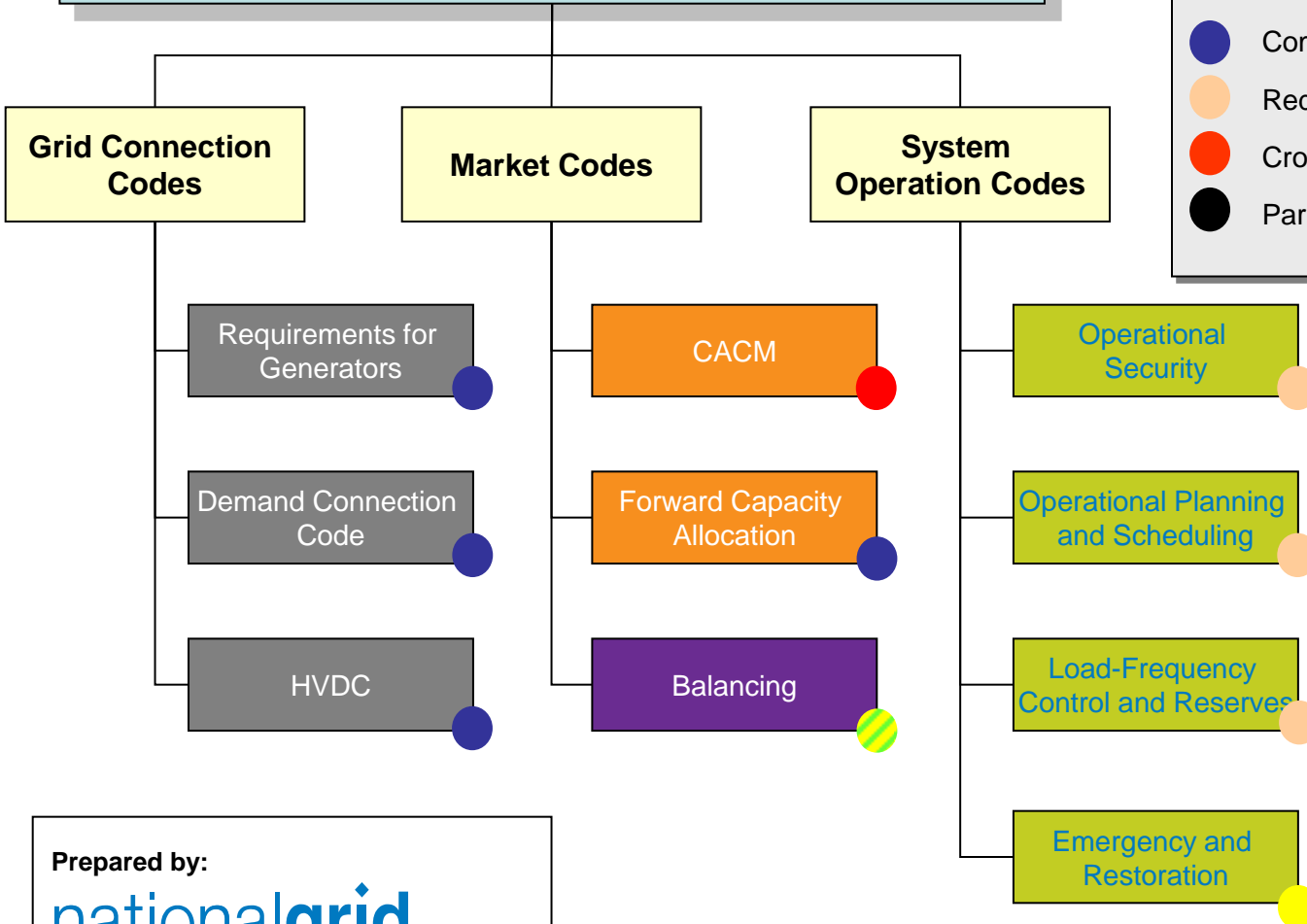
Tom Selby
JESG Technical Secretary



European Electricity Codes Development Status

2 December 2014

Third Energy Package: Areas for Network Codes and Guidelines detailed in Articles 8(6) & 18(3) of Regulation 714/2009 (EC)



Drafting / Revisions

- Yellow circle: ENTSO-E Drafting
- Green circle: ACER Review
- Yellow and green striped circle: Revisions following ACER Review

Comitology / Approval

- Blue circle: Comitology preparations & informal discussions
- Orange circle: Redrafting as required by Commission
- Red circle: Cross-Border Committee
- Black circle: Parliament/Council Approval

Published in OJEU

Reg (EU) No 543/2013
Transparency Reg.

Future ENCs:

indicated as future ENCs, no timescales advised to date

Connection Procedures

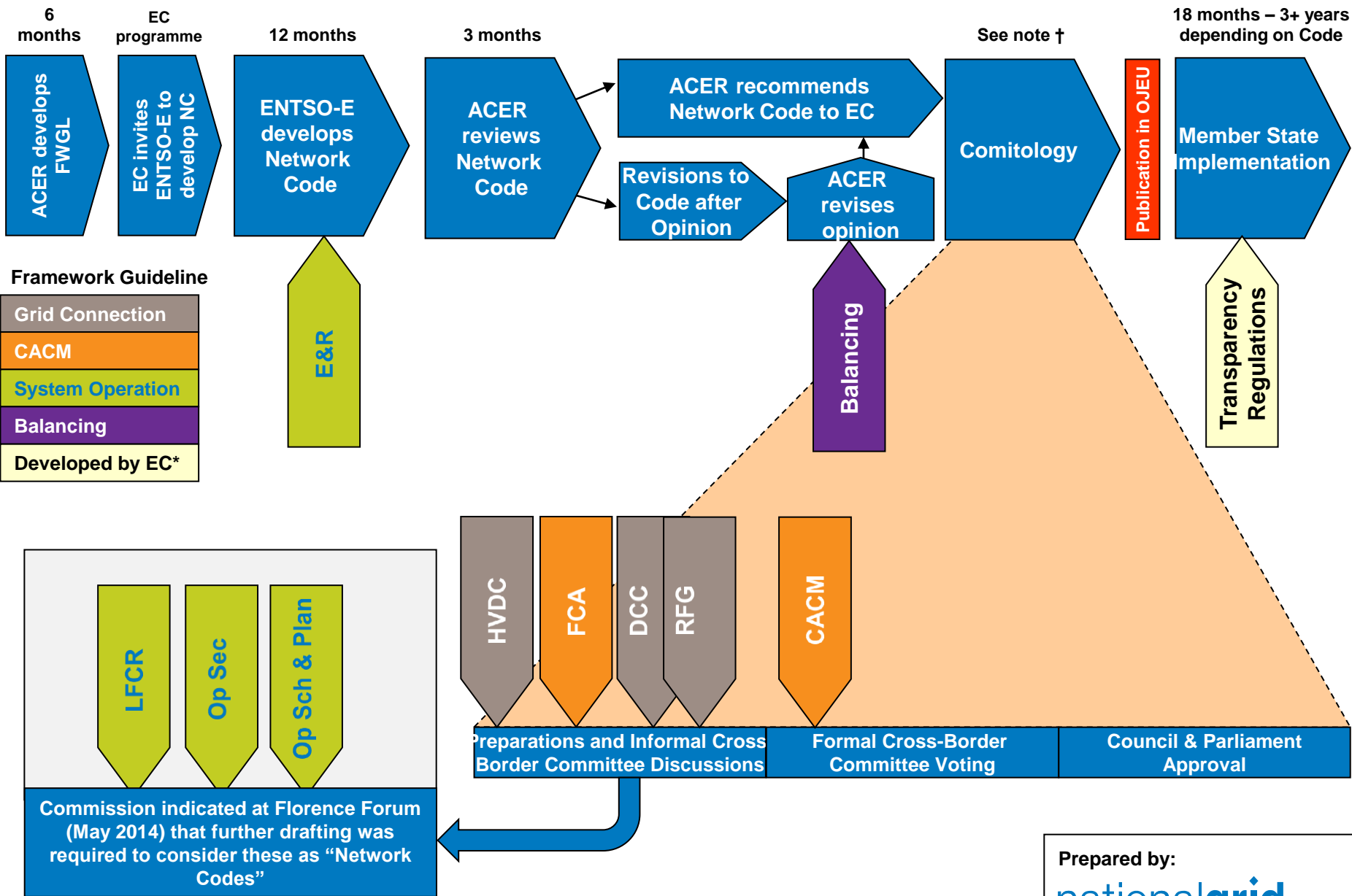
Staff Training and Certification

Prepared by:

nationalgrid

europencodes.electricity@nationalgrid.com

European Electricity Codes Development Status: 2 December 2014



Prepared by:
nationalgrid
europencodes.electricity@nationalgrid.com

* Areas developed by EC follow a different development process and there are no Framework Guidelines.

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

4. ENTSO-E Balancing Pilot Project Stakeholder Group & Project TERRE Update



Chris Fox
NGET



Balancing Stakeholder Engagement



Chris Fox
NGET



Postponement of Project TERRE Workshop

- Recent management change aiming to align Project TERRE with wider work on NC EB implementation
- Decision to postpone taken to:
 - Avoid clash with DECC / Ofgem stakeholder session in the afternoon
 - Allow time to develop a robust and enduring stakeholder engagement approach rather than ad-hoc workshops
- National Grid's proposal..

Balancing Stakeholder Engagement Strategy

- Formation of a Balancing Stakeholder Focus Group
- Purpose:
 - To ensure that NG can take GB stakeholders views into consideration at a WG level in Europe
 - To effectively represent GB stakeholder views at ENTSO-E stakeholder meetings
- To be held on a quarterly basis (in line with ENTSO-E stakeholder meetings) & more frequently if required
 - Standing slot at monthly JESG meetings for brief updates on WG progress

Balancing Stakeholder Focus Group

Aim:

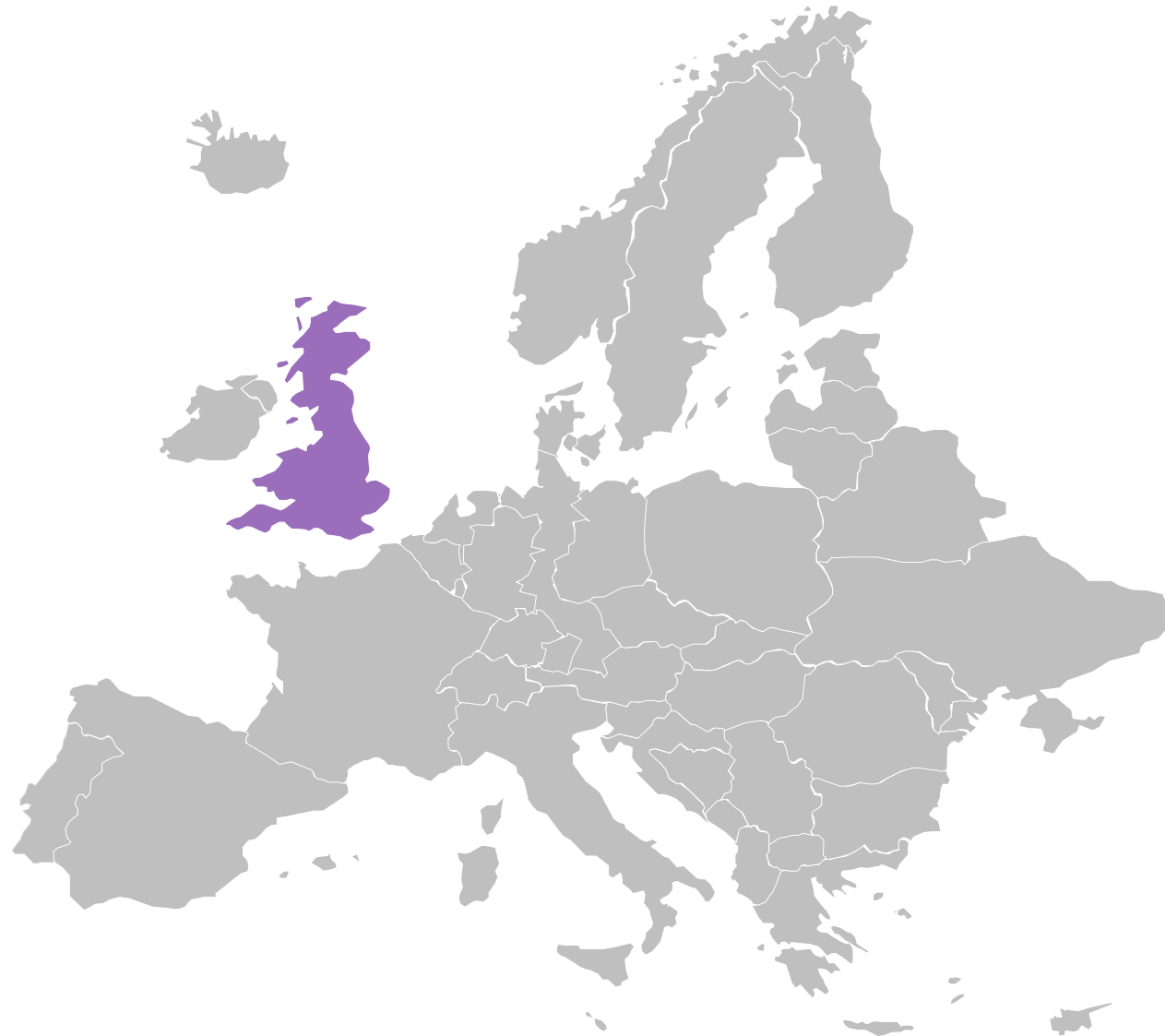
- A 2-way forum at which GB stakeholders can be updated on the issues being discussed at the WG level and be able to provide input
- Chance for the GB representative at the ENTSO-E stakeholder group to capture GB stakeholder views on the agenda of the next meeting and provide updates on wider EU stakeholder views

Balancing Stakeholder Focus Group

Balancing Stakeholder
Focus Group

nationalgrid

Energy
UK



Balancing Stakeholder Focus Group

Balancing Stakeholder Focus Group

nationalgrid

Energy UK



Project TERRE WG

nationalgrid

swissgrid

Terna Rete Elettrica Nazionale

RED ELÉCTRICA DE ESPAÑA

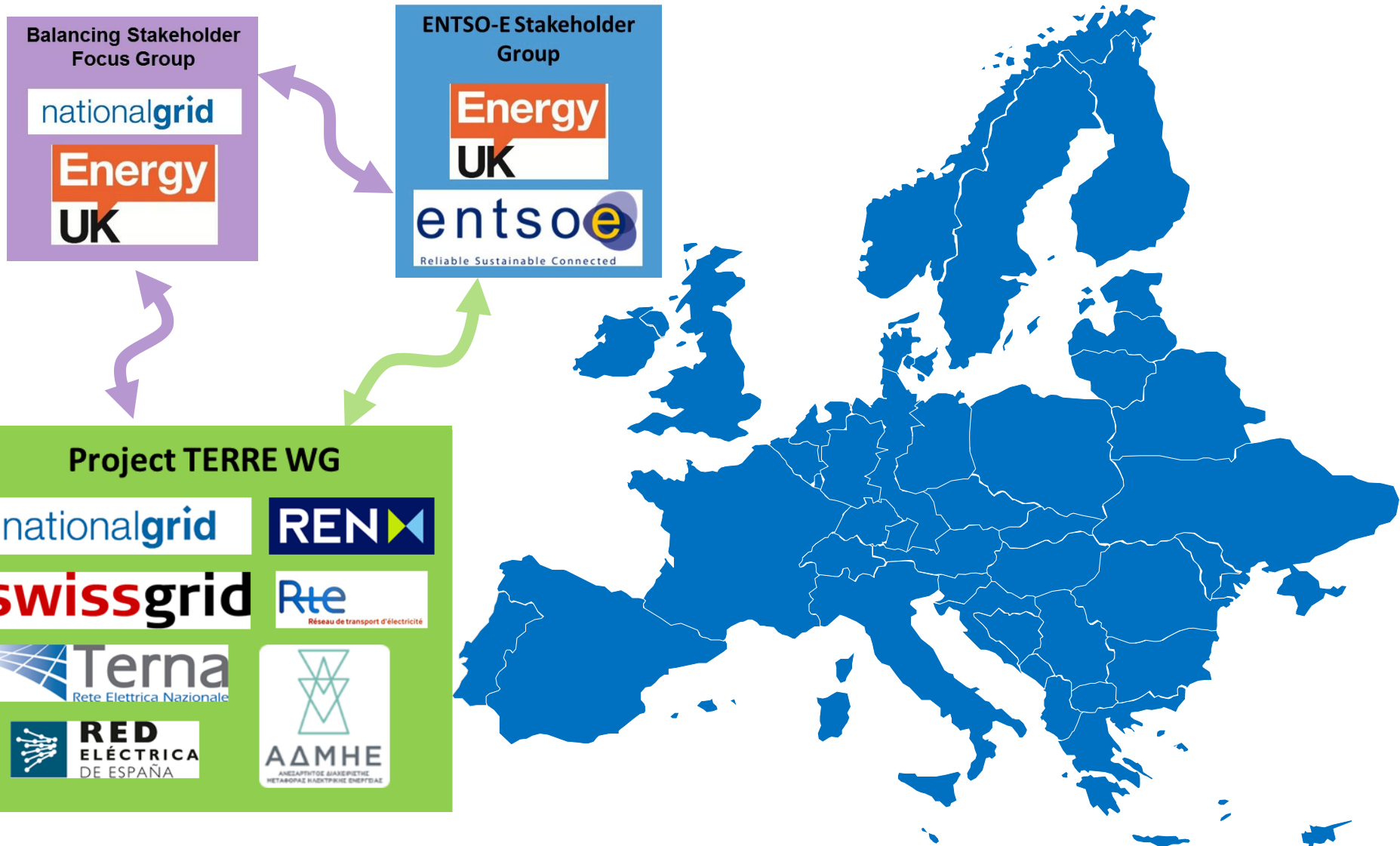
REN

Rte Réseau de transport d'électricité

ADMHE ΑΝΕΛΑΦΗΤΟΣ ΔΙΑΚΕΙΡΙΣΤΗΣ ΗΛΕΚΤΡΙΚΗΣ ΜΕΤΑΦΟΡΑΣ ΜΑΚΡΟΧΩΣΗΣ ΕΝΕΡΓΕΙΑΣ



Balancing Stakeholder Focus Group



Balancing Stakeholder Focus Group

- Meetings to include...

- Energy UK Rep:

- Feedback from the previous ENTSO-E stakeholder meeting & wider stakeholder views
 - Update & discussion on next ENTSO-E stakeholder meeting agenda

- National Grid:

- Workshop on key WG topics (which may be wider than Project TERRE):
 - Products
 - CMO Matching
 - Timing & Scheduling
 - Settlement

Balancing Stakeholder Focus Group

- First meeting to be held after the next JESG
- Terms of Reference for group to be drawn up ready for first meeting



- Your views on this proposal would be welcome...

Project TERRE



Chris Fox
NGET



Project TERRE

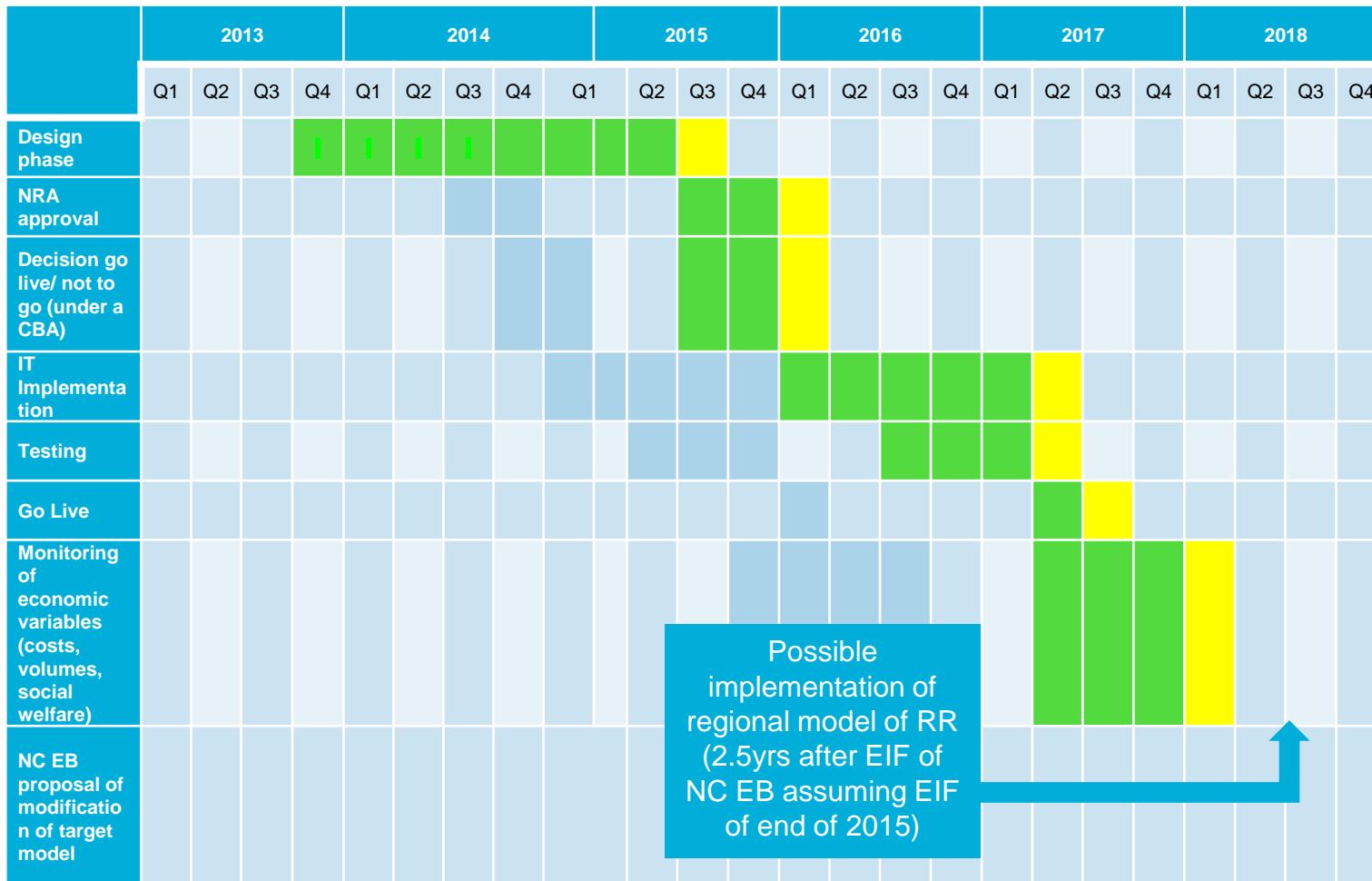
- RTE have undertaken PMO role for the length of the design phase
- Redistribution of work packages now Swissgrid & REE have joined:
 - WP1: TERRE Product – TERNA
 - WP2: CMO Matching Process – Swissgrid / RTE
 - WP3: Economic Analysis – National Grid
 - WP4: Timing & Scheduling – REN
 - WP5: Settlement – REE
 - WP6: ATC – RTE / NGIC
- Greek TSO (ADMIE) are in the process of joining

Project TERRE

- Legal documents all signed by founding TSOs (NG, RTE, TERNA & REN)
- Still being finalised for REE & Swissgrid
- ADMIE will have to go through same process
- However this should not delay the progression of design discussions
- Along with the formation of the GB Balancing Stakeholder Focus Group, the TERRE Project is looking at organising a specific pan-regional meeting with all stakeholders around April 2015 – yet to be confirmed..

Project TERRE – High level Project Plan

■ No change since October update



Project TERRE – Detailed WP Timelines

- Detailed timelines for design phase as they stand:
 - WP1: TERRE Product – Approval by Feb 2015
 - WP2: CMO Matching Process – Approval by June 2015
 - WP3: Economic Analysis – Approval by June 2015
 - WP4: Timing & Scheduling – Approval by April 2015
 - WP5: Settlement – Approval by March 2015
 - WP6: ATC – Approval by May 2015
- Therefore there should be at least 2 GB Balancing Stakeholder Focus Group meetings and a ‘pan-regional’ stakeholder workshop by the end of the design phase

TERRE Product

- Scheduled product that can be activated at the start of 15 min scheduling periods
- Linking consecutive bids within a balancing period under discussion

1- Preparation period = 0-30 min

2- Ramping period = 0-30 min

1+2 – Full Activation Time = 15> & <30 min

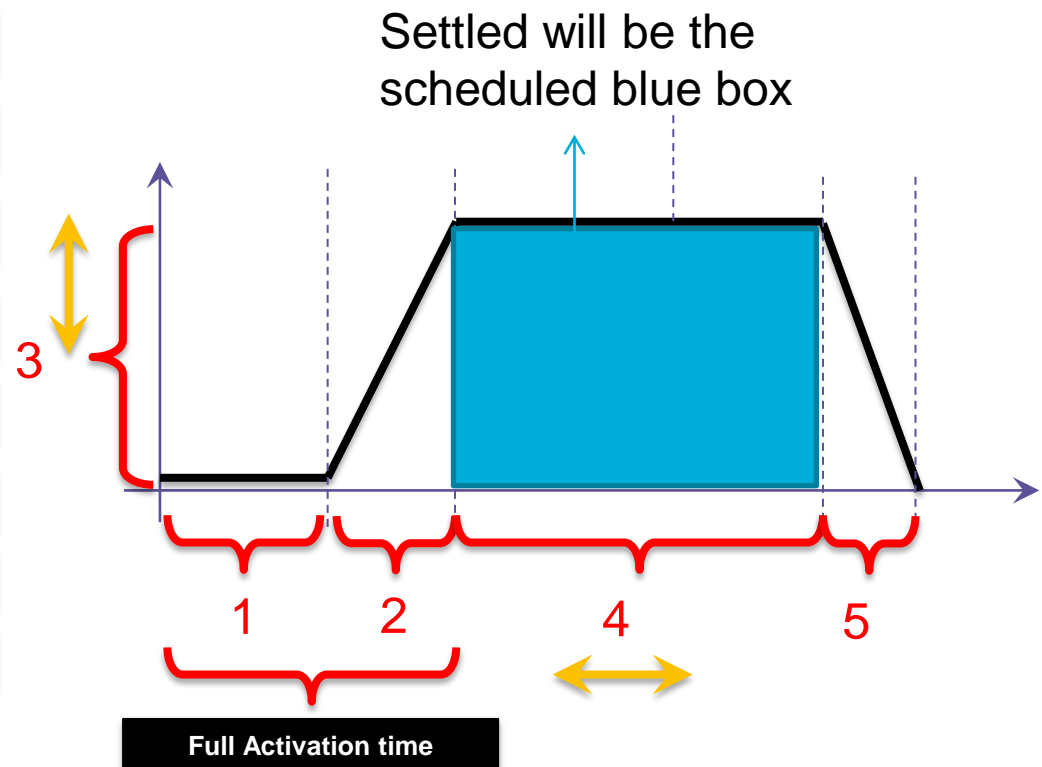
3- Min & max quantity = 1 MW min / No Max

4- Max duration of Delivery Period = 60 min

5- Deactivation period = <15 min

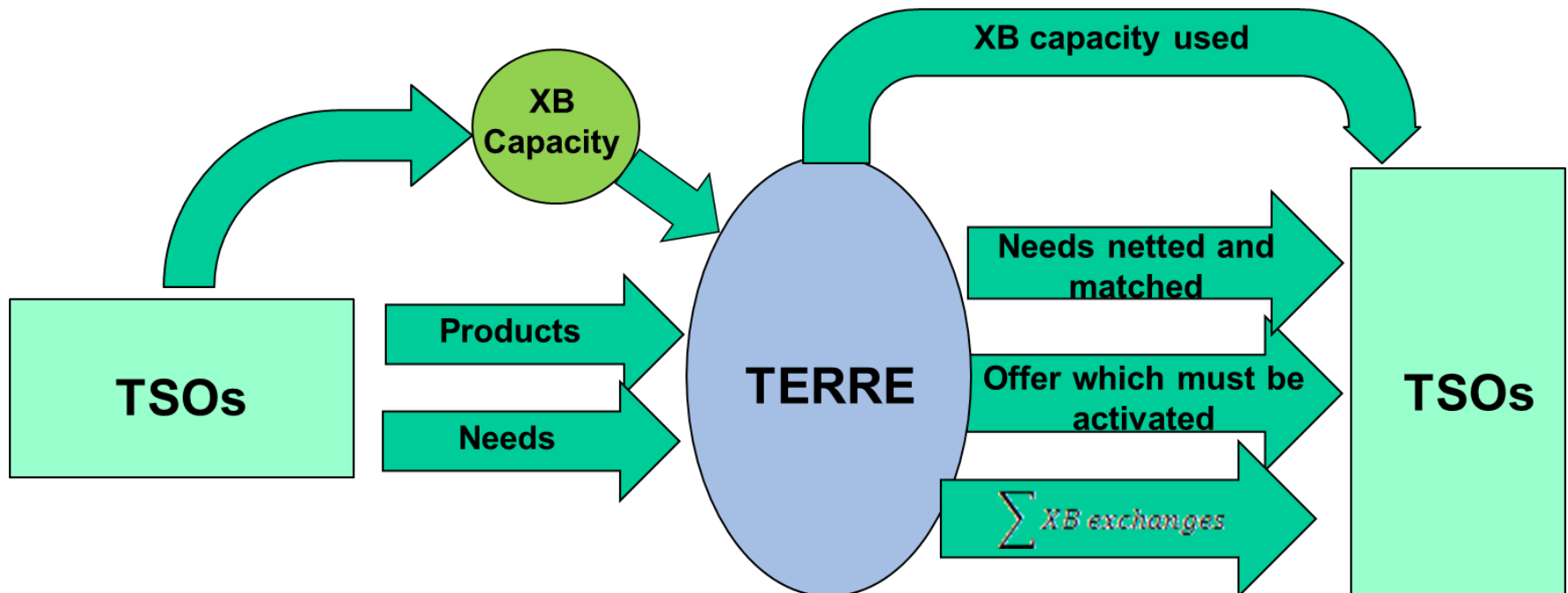
Time Divisibility : NA

Quantity divisibility: 1MW



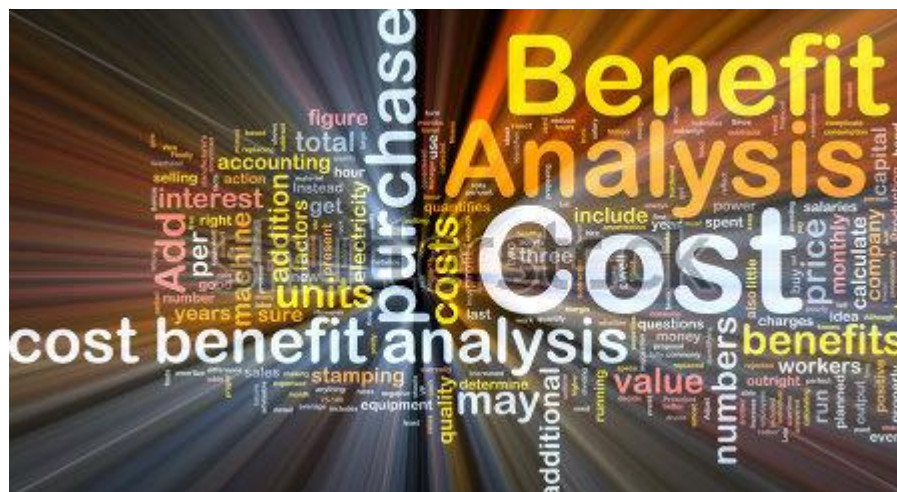
CMO Matching Process

- Algorithmic optimization based on implicit auctions model
- Work is ongoing looking at algorithm in more detail



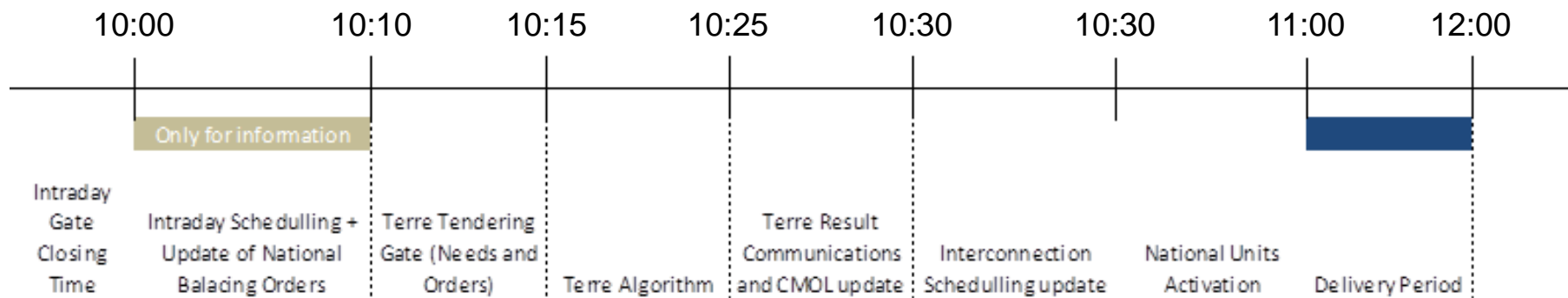
Economic Analysis

- Work is ongoing to prove the methodology which will focus on demonstrating social welfare
- ENTSO-E is also defining a standard approach to CBAs
- Once methodology and simulation tool have been proven, work will progress to do a full simulation to understand the benefits of the TERRE solution



Timing & Scheduling

- Example for delivery period 11:00 to 12:00hrs



- Work is on going to investigate whether this fits with TSOs current market arrangements
- Looking at possibility of TERRE solution automatically scheduling I/Cs

Settlement & ATC

- Work packages still at an early stage due to dependencies with other work packages
- Hope to have more information for January workshop

5. Feedback on JESG Technical Workshop on Emergency and Restoration Network Code



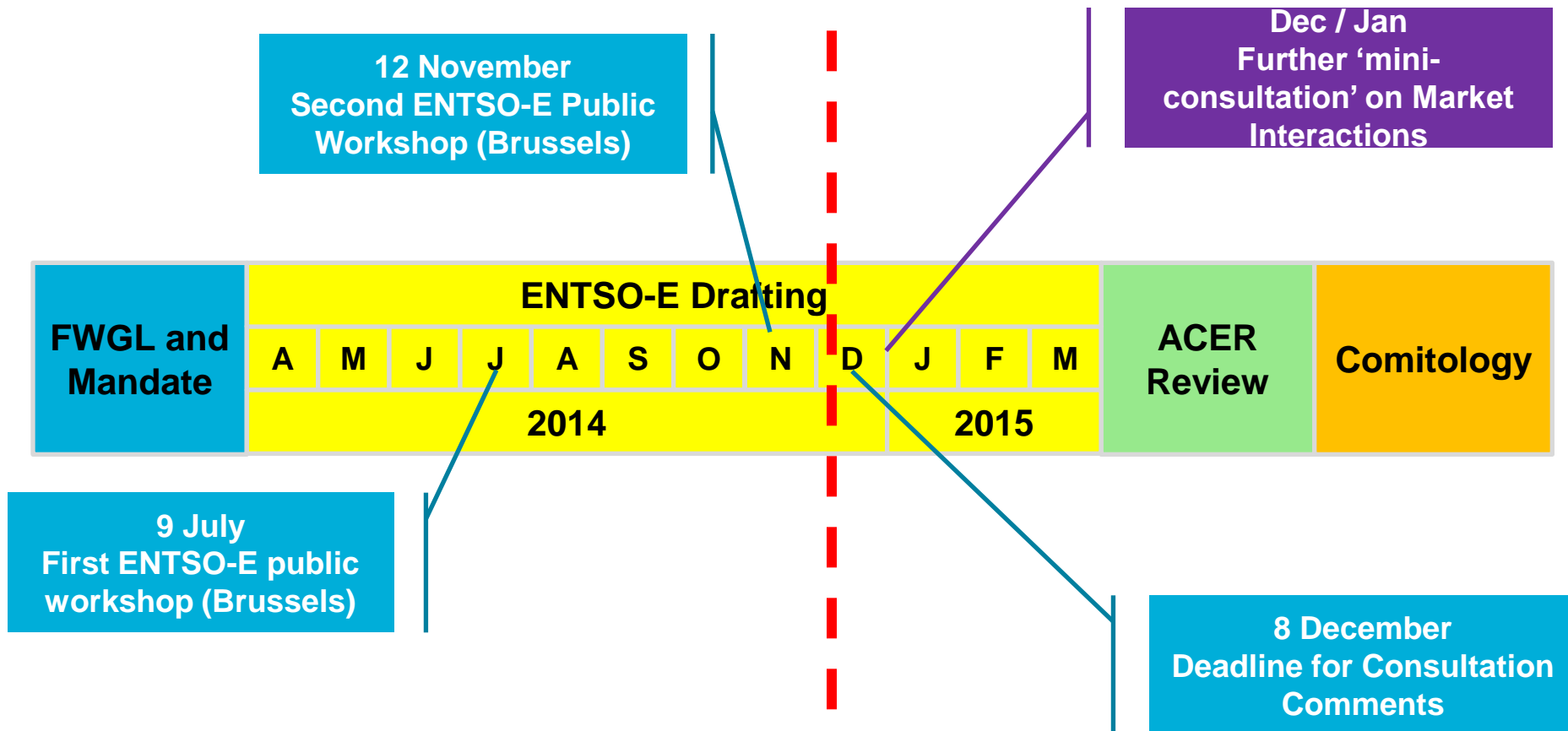
Bec Thornton
JESG



Background

- A two-day Technical Workshop on the ENTSO-E Draft **Emergency and Restoration Network Code** was held on 3 and 4 November, to inform the GB Stakeholder position for the ENTSO-E public consultation.
- A summary of the key issues can be downloaded from the JESG website:
<http://www2.nationalgrid.com/WorkArea/DownloadAsset.aspx?id=37468>

Emergency and Restoration Code Process



Submitting Consultation Responses

- Responses must be submitted via the ENTSO-E Consultation platform to be considered by ENTSO-E
 - <https://www.entsoe.eu/consultations>
- **Closing Time:** “2014-12-08 00:00:00”
 - i.e. 11pm (GMT) 7 December 2014.
- There is an excel template available to download and complete, which you can then upload with your comments.

Clarification of the closing date

Courtesy of Marta Krajewska, Energy UK

- ENTSO-E published a rectification that the ER consultation closes on Monday (8.12) at midnight (so technically on Tuesday at 00:00), which means that all the contributions submitted on Monday will be accepted.
- The consultation tool is not “smart” enough to turn off by itself and requires some “human” assistance to close the consultation. I have been reassured that nobody would switch the off button before the end of Monday.

From: <consultations@entsoe.eu>
Date: Thursday, 27 November 2014
Subject: Clarification on closing date of the consultation
To: consultations@entsoe.eu

Dear respondent to the consultation on NC
Emergency and Restoration,

The closing date for the consultation is set on the evening of December 8 at midnight. This means we will accept all contributions submitted on Monday 8 December. Do not hesitate to contact us directly for further explanations.

Best regards,

The Emergency and Restoration network code
drafting team

Key Themes raised by GB Stakeholders (1)

- **Scope and ambition.** The Code is not a pan-European plan, but rather a loosely linked collection of each TSOs plans. Does this solve the problem?
- **Appeals and derogations.** There is no route to appeal or seek a derogation from a decision under the Code
- **NRA Approval.** All decisions taken after the Code has entered in to force should be subject to NRA approval.
- **Significant Grid User.** As drafted this includes domestic customers providing DSR which seems onerous.

Key Themes raised by GB Stakeholder (2)

- **Type A generators.** Requirements on Type A generators are potentially onerous, unworkable and disproportionate.
- **Practical Issues.** It is not clear how the plans would work with a large quantity of domestic generation and demand which may be in scope.
- **Timescales.** The Code lacks timescales for development and review of plans.
- **Potentially costly areas for GB.** We do not currently have automatic high frequency control, or an automatic scheme against voltage collapse. To provide them will be costly with limited benefit.

Key Themes raised by GB Stakeholder (2)

- **Compliance.** The compliance process and the timescales are not justified and will be potentially onerous and costly to comply with.
- **Market Interaction (see next steps).** The article is incomplete. The following are needed in the framework: triggers for suspension, the NRA approval of parameters for suspension, the process and mechanisms during suspension, and the process for reinstatement of market rules.

Next Steps

- ENTSO-E have indicated a ‘mini-consultation’ will be held on the revised **Market Interaction** Chapter:
 - ENTSO-E Workshop, Brussels, Thursday 8 January
 - JESG Technical Workshop on Market Interaction Chapter
 - Friday 9 January, 10:00 – 14:00
 - Elexon, London

- *Further information will be circulated in the Weekly Update*

6. Update on EU Balancing Network Code



Natasha Smith
Ofgem



Electricity Balancing

Ofgem slides for December JESG meeting

Grendon Thompson
03/12/14

ofgem

Process to finalise the network code



ACER/NRA
concerns re:
current NC text

GB stakeholder
inputs

Milestones

Sept 2014: Code resubmitted to ACER by ENTSO-E

Oct 2014 – Mar 2015: ACER develop and submit recommendation to the Commission

- **Dec 2015:** ACER public call for comments on the code
- **Late Jan/early Feb:** ACER public workshop

Process to finalise
the network code

**Main ACER/NRA
concerns re:
current NC text**

GB stakeholder
inputs



Main concerns

- Missing details of the implementation timings and geographical scope
- Missing details of the balancing model design (eg, products, activation of bids)
- More ambitious framework for imbalance settlement – going beyond the framework guidelines for harmonising imbalance pricing and imbalance settlement period
- Inconsistent/ missing regulatory approvals and stakeholder consultations
- ‘Principles’ being defined later
- Too much flexibility for pricing methodology of balancing energy

Process to finalise
the network code

Main ACER/NRA
concerns re:
current NC text

**GB stakeholder
inputs**



NC text

- Respond direct to ACER call for comments and influence via EU trade bodies (eg, Eurelectric)
- Open invitation to also send comments to Grendon at Ofgem.

GB specific issues

- Views on 'spectrum' of GB implementation
- What is the best way to explore pros/cons of changes to settlement period?

Project TERRE

- What further engagement (outside of JESG updates) would stakeholder like?

Ofgem contact details:

Grendon Thompson

Grendon.Thompson@Ofgem.gov.uk

0207 901 1899

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. Forthcoming Events



Tom Selby
JESG Technical Secretary



Forthcoming Events – ENTSO-E

- Consultation on the ER Network Code
 - Deadline 8 December
- ER Network Code ‘Mini Consultation’ *expected January 2015*
 - Market Suspension and Market Restoration rules

www.entsoe.eu/news-events/events

Forthcoming Events – ACER

- 9th Public Workshop on REMIT Implementation
 - 10 December via Webstream

- REMIT Consultation on List of Organised Market Places
 - Closes 11:00 GMT, 11 December

<http://www.acer.europa.eu/Events/>

Forthcoming Events - JESG

- Next Scheduled JESG: Tuesday 20 January

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

JESG Dates 2015

Date	Details
Tuesday 20 January	
Thursday 19 February	<i>DECC/Ofgem Stakeholder Group</i>
Tuesday 17 March	
Tuesday 28 April	<i>DECC/Ofgem Stakeholder Group</i>
Thursday 21 May	(Avoiding Energy UK Board meeting on Tuesday 19 th)
Tuesday 16 June	
Wednesday 29 July	<i>DECC/Ofgem Stakeholder Group</i>
Wednesday 26 August	<i>Edinburgh JESG</i>
Tuesday 29 September	
Tuesday 20 October	<i>DECC/Ofgem Stakeholder Group</i>
Tuesday 17 November	
Wednesday 2 December	

8. Review of Stakeholder Representation



Barbara Vest
JESG Independent Chair



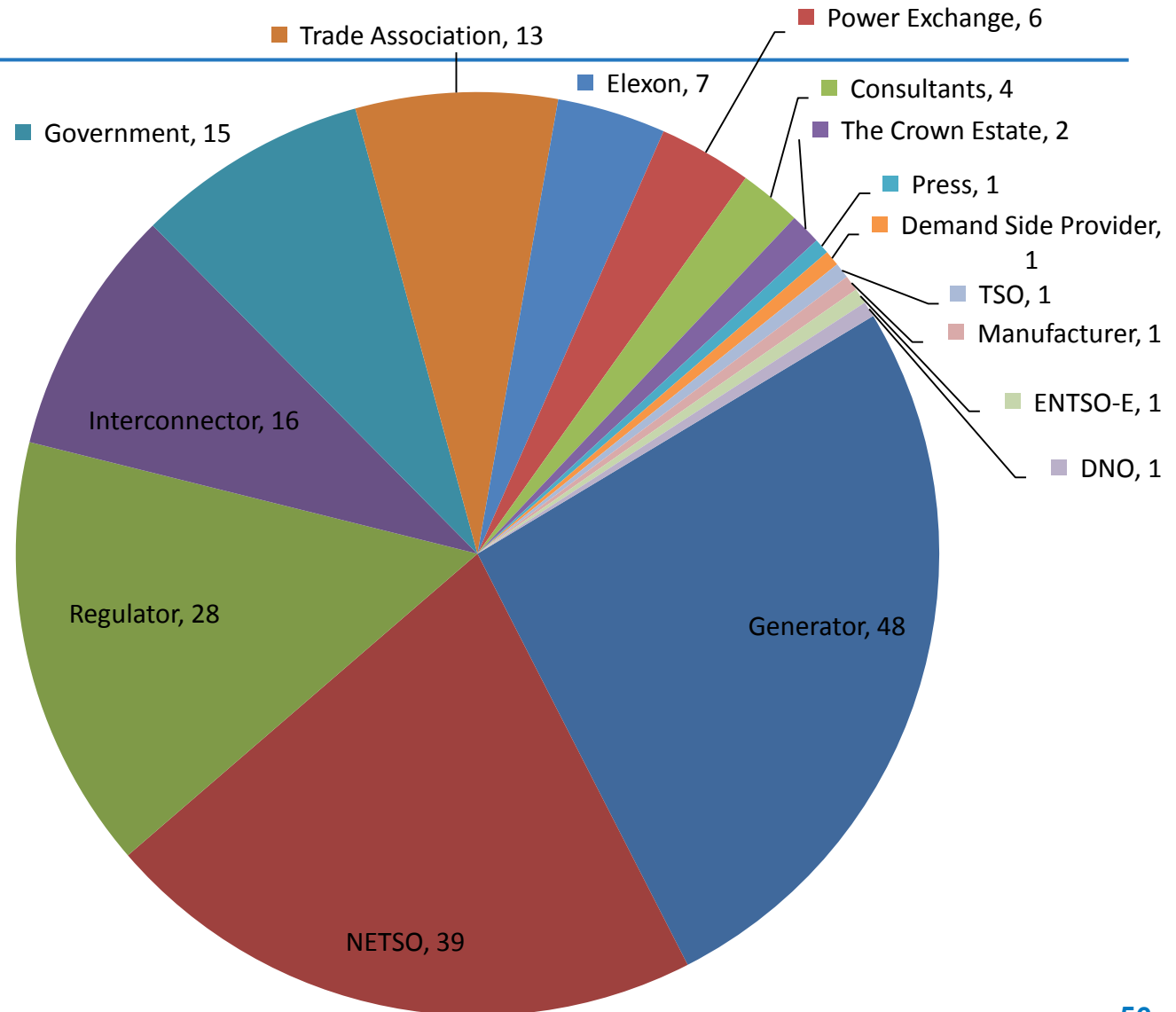
Participation of Small Generators

- Organisations to contact:
 - British Photovoltaic Association (BPVA)
 - Renewable Energy Association (REA)
 - Solar Trade Association (STA)
 - British Hydro Association (BHA)
 - Sustainable Energy Association (SEA)

- Citizens Advice
- Which?

JESG 2013-14 Attendees by Organisation

- 7 meetings held over the past 12 months
- An average of 26 attendees at each meeting
- 184 attendees overall



9. Any Other Business



Barbara Vest
JESG Independent Chair



Lunch



Afternoon Session



DECC – Ofgem European Stakeholder Meeting

