Implementation of electricity network codes / guidelines in the Contracting Parties

47th PHLG - 30 June 2017

Nina Grall
Overview

- Connection codes
- Market guidelines
Governance process

Energy Community Secretariat

Secretariat (coordination and chairing)

Connection Codes Committee
- TSOs of CPs
- NRAs of CPs
- TSOs/NRAs of MSs (if required)

System Operation Committee
- TSOs of CPs
- NRAs of CPs
- TSOs/NRAs of MSs (if required)

Market Committee
- TSOs and MO/PXs of CPs
- NRAs of CPs
- TSOs/NRAs of MSs (if required)

EWG ECRB (advisory)

Report

Secretariat to coordinate with
DG ENER, ACER, ENTSO-E

PHLG

invitees:
- TSOs of CPs
- NRAs of CPs
- TSOs/NRAs of MSs (if required)

All: open for participation by DG ENER, ACER, ENTSO-E
Procedural aspects

Scope of committees’ work
→ Agree on adapted NC / GL versions ready for proposal for PHLG adoption

Procedures defined by acts of the PHLG and ECRB
Out of scope of the committees’ work

EC → proposal → PHLG → ECRB → PHLG Decision → Transposition into national legislation

- EC: proposal
- PHLG: Opinion, consulting 30 days, majority of the votes cast, one vote per CP
- ECRB: Scope of committees’ work
- PHLG Decision: Transposition into national legislation
(1) Connection codes

- demand connection (DC) [Commission Regulation 2016/1388]
- requirements for generators (RfG) [Commission Regulation 2016/631]
- high-voltage direct current (HVDC) [Commission Regulation 2016/1447]

**HDVC adapted versions agreed**

**DC | RfG adapted versions agreed**

**Preparation of PHLG decisions EC – EU position**

**EC proposal to PHLG**

**PHLG: ECRB consultation**

2-3 weeks WG [7+4 days] + Board

Dec PHLG
1. Each Contracting Party shall transpose this Regulation by no later than 6 months after the adoption by the PHLG.

2. Transposition shall be made without changes to the structure and text of Regulation 2016/631 other than translation and the adaptations made by the present [PHLG] Decision.

3. Each Contracting Party shall notify the Energy Community Secretariat of completed transposition within two weeks following the adoption of such measures.

4. Articles [4(2)(b), 61 and Title VI] of this Regulation shall apply as of the date of transposition of this Regulation.

5. Without prejudice to paragraph 4, the requirements of this Regulation shall be implemented from three years after the expiry of deadline for its transposition.
(2) Market guidelines

- **CACM** [Commission Regulation 2015/1222]
- **FCA** [Commission Regulation 2016/631]

- 26.6.: first discussion of options
- Way forward → reciprocity
### 1) Geographic scope of implementation [options 1 and 2 are alternatives!]

<table>
<thead>
<tr>
<th>Option 1</th>
<th>Option 2</th>
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<tbody>
<tr>
<td>“CP only”</td>
<td>“CP-MS voluntary”</td>
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#### From CP perspective

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#### From MS perspective

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**Option 1**

Binding application of the CACM and FCA Regulations in the CPs only is **not** sufficient – a solution for ensuring applicability on interfaces between CPs and MSs is **not** needed.

**Option 2**

Binding application of the CACM and FCA Regulations in the CPs is **not** sufficient – a solution for ensuring applicability on interfaces between CPs and MSs is **needed**.

**Option 2.1**

Ensuring applicability on interfaces between CPs and MSs on **voluntary** basis is sufficient.

- e.g. MSs declare their readiness to apply the CACM and FCA Regulation on the interfaces to CPs based on a legally non-binding statement / declaration / letter.

**Option 2.2**

Option 2.1. is not acceptable: ensuring applicability on interfaces between CPs and MSs on **legally binding** basis is needed.

### Other solution?

- Other solution? (Blank)

### Other solution?

- Other solution? (Blank)
## (2) Transfer of methodologies to the CPs

<table>
<thead>
<tr>
<th>Option</th>
<th>From CP perspective</th>
<th>From MS perspective</th>
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<tbody>
<tr>
<td><strong>Option 1</strong> &quot;existing rules&quot;</td>
<td>Any methodologies adopted on EU level based on the CACM / FCA Regulation at the time of adoption of these Regulations in the CPs should be 1:1 transferred:</td>
<td>Provided involved ex ante</td>
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<tr>
<td>Option 2.1</td>
<td>Without any additional voting procedure (e.g. because the EU version are assumed to well cover the CPs’ requirements as CP stakeholders are fully involved in the relevant EU committees)</td>
<td></td>
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<tr>
<td>Option 2.2</td>
<td>Upon voting by the relevant CP stakeholders only</td>
<td></td>
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<tr>
<td><strong>Option 2</strong> &quot;new rules&quot;</td>
<td>Also any methodologies that are not yet adopted on EU level based on the CACM / FCA Regulation at the time of adoption of these Regulations in the CPs can be 1:1 transferred without any additional voting procedure (e.g. because the EU version are assumed to well cover the CPs’ requirements as CP stakeholders are fully involved in the relevant EU committees)</td>
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### (3) Regulatory governance

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<tr>
<td>“ACER”</td>
<td>ACER should take the same responsibilities for the CP as for EU MSs</td>
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<thead>
<tr>
<th>Option 2</th>
<th>From CP perspective</th>
<th>From MS perspective</th>
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<tbody>
<tr>
<td>“ECRB”</td>
<td>ECRB should take the responsibilities for the CP that ACER has on EU level</td>
<td></td>
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<th>Option 3</th>
<th>From CP perspective</th>
<th>From MS perspective</th>
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<tr>
<td>“ACER interface”</td>
<td>ACER should have competences for CP-MS interfaces only and ECRB shall be in charge of the CP-CP interface</td>
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<th>Option 4</th>
<th>From CP perspective</th>
<th>From MS perspective</th>
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<tr>
<td>“ECRB interface”</td>
<td>ECRB should also have competences for CP-MS interfaces</td>
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Background
Starting points

- **All network codes**
  1. **Connection codes**: demand connection $DC_\text{hvdc}$ | requirements for generators $\text{RfG}_\text{hvdc}$
  2. **Market Codes**: capacity allocation and congestion management $\text{CACM}_FCA$ | forward capacity allocation $\text{FCA}_\text{EB}$
  3. **System Operation Codes**: [pending on EU level: system operations $\text{SO}_\text{EB}$ | emergency restoration $\text{ER}_\text{EB}$]

- **Entire provisions**
  - No omission of Articles
  - *But*: step-wise implementation of Articles possible
    - For discussion with TSOs / NRAs

- **No new obligations on EU Member States**
Key questions

• **Standard adaptations only?**
  - EC → ECS | ACER → ECRB | MS → CP

• **Or are also additional ad-hoc adaptations needed?**
  - E.g. monitoring competences of ACER to remain with ACER for reporting efficiency reasons
  - no duplication of tasks that ACER / ENTSO-E already has based on the EU version of the relevant network code / guideline (e.g. data delivery requirements from ENTSO-E to ACER)
  - no provisions that relate to ACER / ENTSO-E obligations towards the EC

• **Implementation in one or more steps?**

• **Feasible implementation deadlines?**
  - For discussion with TSOs / NRAs

• **Is reciprocity an issue?**
  - Does meaningful implementation require involvement of CP-MS interfaces or is implementation of pure national / CP relevance?