# Joint European Stakeholder Group







Monday 12 February 2018 Meeting 29

# **Agenda**

| ID | Title  | Lead                                       | Time          |
|----|--|--|---------------|
| 1. | Welcome & Introductions  | Chair                                      | 10:00 - 10:05 |
| 2. | <ul> <li>National Grid Update:</li> <li>Countertrading and redispatch methodology</li> <li>Coordinated Security Analysis and Relevant Assets for Outage Coordination</li> <li>E and R – Emergency and Restoration</li> </ul> | Rob Selbie<br>(National Grid)              | 10:05 - 10:25 |
| 3. | Ofgem Update:  Regional Capacity Calculation  Nomination Rules  LTTRs  Scheduled Exchanges   | Thomas Jones<br>(Ofgem)                    | 10:25 - 10:45 |
| 4. | Clean Energy Package (CEP)   | Nuno Pedro<br>(National Grid)              | 10:45 – 11:05 |
| 5. | Review of Actions log  | Andrew Hemus (JESG<br>Technical Secretary) | 11:05 – 11:15 |
| 6. | Future Meeting Dates & Agenda Items  | Andrew Hemus (JESG Technical Secretary)    | 11:15 - 11:25 |
| 7. | Stakeholder Representation   | Chair                                      | 11:25 – 11:35 |
| 8. | Any Other Business   | All  | 11:35 – 11:45 |

## 1. Welcome & Introductions

Barbara Vest Independent Chair

## 2. National Grid Update

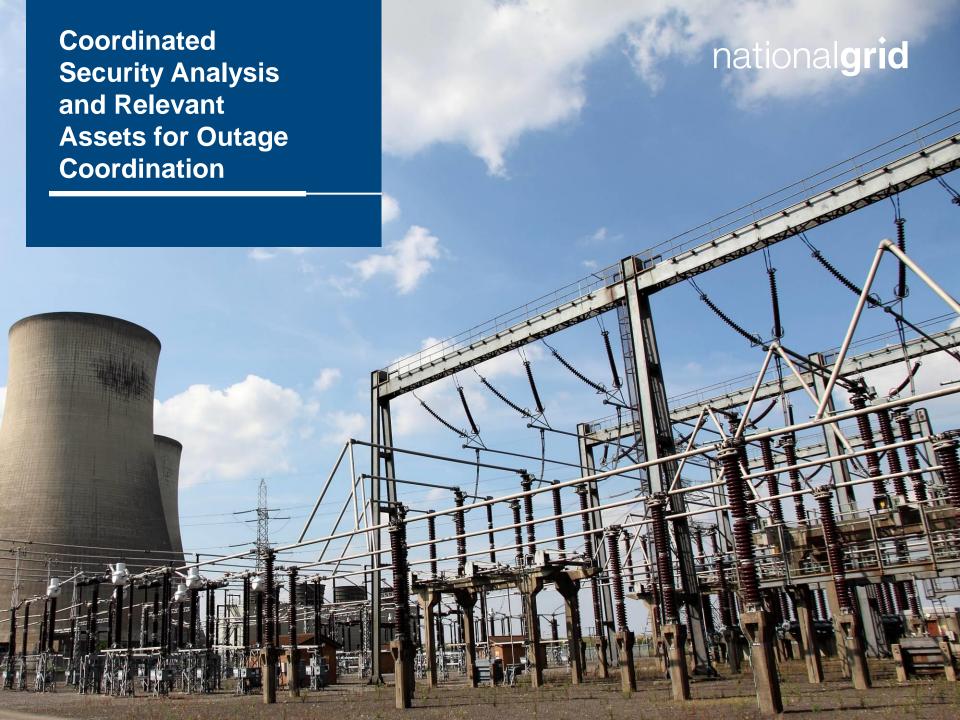
Rob Selbie National Grid

# CACM Countertrading and Redispatching Consultation Responses

- Public consultation launched via ENTSOE 1<sup>st</sup> December 2017 12<sup>th</sup> January 2018
- One response was received from EDF SA (the full response will be published via the NG website)

#### High level comments:

- EDF recognise that the development of this methodology is a crucial step towards optimising and relieving physical congestions
- They have requested TSOs to provide more details on the methodology and parameters used to calculate the price of resources available for CT
- EDF believes that, as far as congestions can be scheduled, it is more relevant to address them as soon as possible, e.g. shortly after the DA auction or during the ID continuous trading market, as this broadens the range of available resources
- ICRTU should be consistent with the Imbalance Settlement Period (ISP) in force in the relevant electricity markets. Future evolutions towards a 15 minute ISP as foreseen by Electricity Balancing Guideline should be reflected by shorter ICRTU on interconnectors GB-FR and NL-GB, once the new ISP will be in force.





#### **Overview of Methodology**

 Operational security analysis and outage coordination establishes a coordinated process for identifying relevant assets for outage coordination and identifying any external contingencies which might affect operational security of the transmission network across Europe

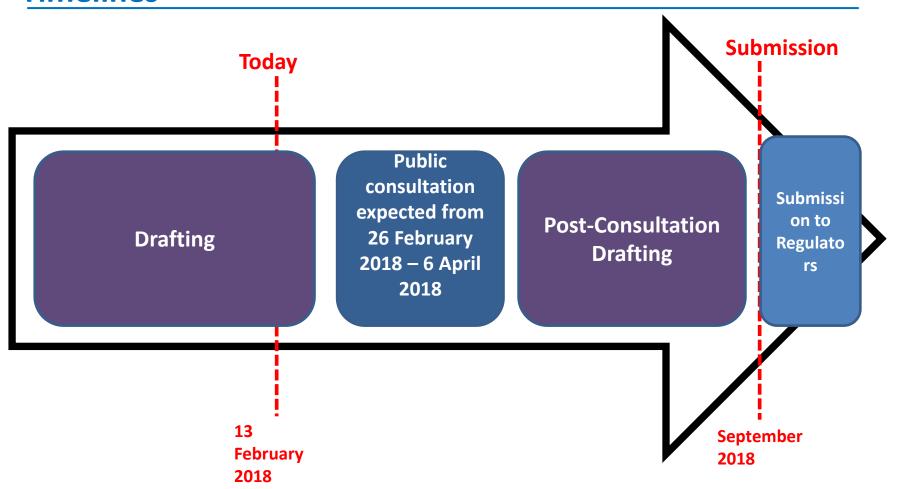


#### **Main Principles**

- This methodology will aim to develop a Pan-European influence computation method which will be used to identify observability area. Relevant assets for outage coordination and contingencies that are external to a TSOs control area (but within the same synchronous area) that might have an influence on operational security.
- The application of this influence computation method will aim to initially rely on qualitative means and where no agreement is reached between TSO-TSO/TSO-DSO, a quantitative method of assessment will be relied upon.
- Regional methodologies shall jointly be developed by all TSOs of a capacity calculation region = outage coordination region for operational security coordination (Article 76 SOGL) and a list of relevant assets for outage coordination (Article 85 SOGL) as soon as the Pan European methodology has been delivered to the NRAs



#### **Timelines**





#### NGET interpretation and preferred application in GB

- The power flows on HVDC interconnectors can be controlled to a far greater extent than those on meshed AC networks.
- The GB synchronous area is connected to the continent and to the island of Ireland through HVDC interconnectors only. This means there is limited interdependence in the power flows on GB borders. This is in contrast to the sensitivities and interdependence associated with AC networks in continental EU.
- This difference is reflected in the current draft methodology which should ensure that GB does not end up with an observability area wider than GB; "The influence factor of an element connected in a given synchronous area on another element connected to a different synchronous area shall be equal to zero"\*
- The methodology will rely on the initial use of a qualitative method of assessment when identifying relevant assets outage, observability area and contingencies and our preferred approach is to retain existing GB processes.

<sup>\*</sup> Quotation from draft TSO methodology for Coordinated Security Analysis and Relevant Assets for Outage Coordination.



#### **Consultation Hub**

- Public/Stakeholder consultation is expected to run between 26 February 2018 6 April
   2018
- Please follow the link below to view live consultations on the ENTSOE website;
- https://consultations.entsoe.eu/

#### Questions

If you require any further clarifications, please contact me directly;

Contact Name: Francis Dike

Contact Email: <a href="mailto:francis.dike@nationalgrid.com">francis.dike@nationalgrid.com</a>



# E&R-EMERGENCY AND RESTORATION

#### **Context**

The E&R required that a system operator produce a system defence plan, to be enacted in the event of significant issues affecting the system. It also required a restoration plan detailing the actions to be taken to restore supply in event that the system enters a Blackout state as defined by SOGL. Finally, it also details how the defence and restoration capabilities should be tested for compliance.

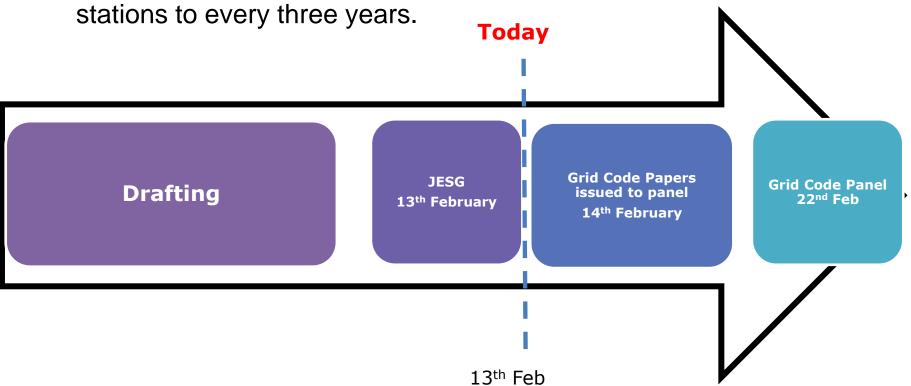
#### **Notification of Grid Code Modification**

- Following a code review undertaken via the Black Start Task Group it has been concluded that changes to the Grid Code are required to ensure we are compliant in GB.
- E&R states that each restoration service provider shall execute a black start capability test at least once every three years. The Grid Code currently states this should be tested no more than once every two years. Our position is that this change is necessary



## **Approach**

Our approach is to raise a modification changing the wording OC5 of the Grid Code allowing the frequency of testing black start stations to every three years.



NGET Contact: Raveena.Virk@nationalgrid.com

# 3. OFGEM Update

Thomas Jones Ofgem



#### **CACM Guideline Update**

Presentation to JESG





27/08/2017

13/10/2017

13/11/2017

18/12/2017

15/

N/A

**Deadline for** 

27/04/2018

N/A

N/A

N/A

N/A

N/A

N/A

27/10/2017

13/04/2018

01/02/2018

18/02/2018

15/03/2018

N/A

(Deadline)

(Deadline)

(Deadline)

**ACER** decision

Comments

Regulatory position due shortly.

Regulatory position due shortly.

Decision published on 31/01/2018:

Regulatory position due shortly.

Currently under regulatory assessment

Proposal expected to be received in February.

ACER public consultation closed in February 2018.

https://www.ofgem.gov.uk/publications-and-updates/decision-amended-all-

day-ahead-products-intraday-products-and-back-methodology

nemos-proposals-price-coupling-and-continuous-trading-matching-algorithms-

| Tot energy consumers               |  |                          |
|------------------------------------|--|--------------------------|
| Proposal                           | Received by<br>Regulatory<br>Authorities | Regulatory<br>Decision   |
| All TSO: Intraday capacity pricing | 14/08/2017                               | 14/02/2018<br>(Deadline) |

methodology (CZIDCP)

All TSO: Amended

Regional: Channel

**Region Long Term** 

**Transmission Rights** nomination rules (Nomination Rules)

All NEMO: Amended

(Algorithms, Products,

**NEMO** proposals

Regional: Channel

**Region Long Term** 

**Transmission Rights** proposal (Channel

Regional: Channel and

**IU** Coordinated **Capacity Calculation** Methodologies (CCMs)

All TSO: Scheduled

Evchanges)

**Exchanges Calculator** proposal (Scheduled

Backup)

LTTRs)

Intraday cross zonal gate times (IDCZGT)

# 4. Clean Energy Package

Nuno Pedro National Grid

## Clean Energy Package – State of Play



JESG Meeting 12<sup>th</sup> February 2018

#### Clean Energy Package State of Play

- Agenda
  - Intro
  - Timeline
  - Clean Energy Package: key topics
- Goals of the session
  - Your queries
  - Your views

#### Why a Clean Energy Package?

"These measures will equip all European citizens and businesses with the means to make the most of the clean energy transition."

> Maros Sefcovic VP for Energy Union

"Our proposals provide a strong market pull for new technologies, set the right conditions for investors, empower consumers, make energy markets work better and help us meet our climate targets."

Miguel Arias Canete Commissioner for Climate Action and Energy

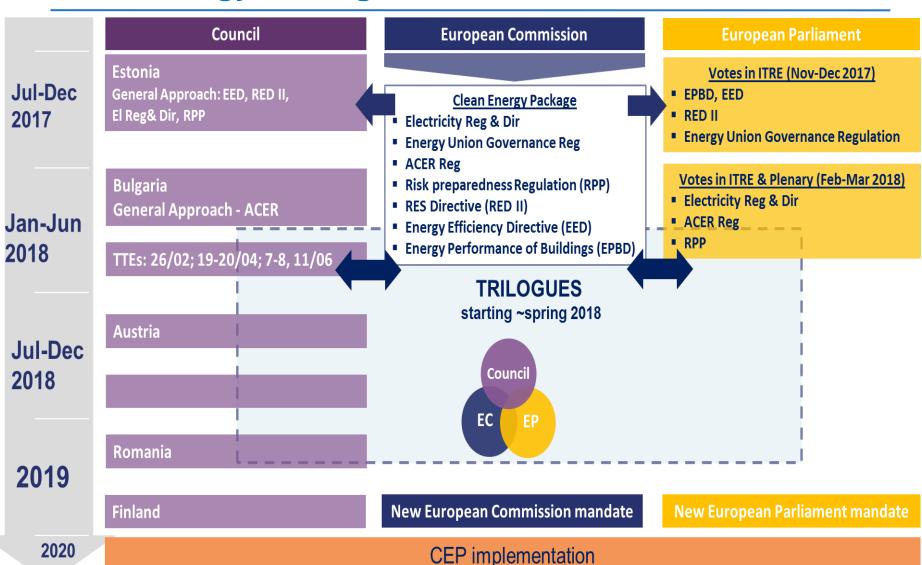




#### What is it?

- The Clean Energy Package has been proposed by the European Commission in November 2016; it updates and amends the Third Energy Package (that entered into force in 2009);
- It contains several pieces of legislation: we will focus on Electricity Regulation and Directive
- 3 main goals:
  - Prioritise energy efficiency
  - Make EU the global leader in renewable energies
  - Fair deals for consumers
- The NGESO welcomes these goals we have identified areas for improvement to meet specific conditions in GB and we are liaising with the advocacy team in ENTSO-E
- The package is currently going through the EU legislative process

#### **Clean Energy Package timeline - 2017-2020**





#### **Key Topics in the Clean Energy Package**

| Topic European Commission           |  | European Parliament  | European Council  |
|-------------------------------------|--|--|---|
| Regional Operational Centres (ROCs) | ROCs: Increased centralisation, multiple services and decision making powers | RCC: still extensive list of services but less binding decisions     | RSC+: No binding decisions and reinforcement of service provider role                           |
| Regional<br>Generation<br>Adequacy  | Single EU wide adequacy assessment influencing Capacity Mechanisms           | Stricter criteria on capacity markets and adequacy assessments rules | European assessments in addition to national assessments. Allowance for IC participation in CRM |
| Regional reserves and balancing     | Exclusively regional platforms for sizing and procurement                    | Regional platforms facilitating sizing and procurement               | Updates to ROCs proposals and removal as a service  |
| TSOs owned<br>Ancillary<br>Assets   | Restriction on TSO ownership and operation of assets.                        | Agreement with Council on  | Suitable compromise proposed by both Parliament and council but still some ambiguity            |



## **Key Topics in the Clean Energy Package**

| Topic  | European<br>Commission  | European Parliament   | nent European Council latest<br>Rev.               |  |
|--|---|---|--|--|
| Intraday ISP<br>and Gate<br>Harmonisation              | Harmonisation of ISP at<br>15' and GCT at H-15'   | Stricter amendments on ISP harmonisation, EU-wide GCT H-15' | Aligned with EBGL – possible exemption to 15' ISP  |  |
| 3 <sup>rd</sup> Country<br>Participation to<br>the IEM | Limited provisions  | Various amendments with different positions                 | Limited changes to the initial proposals           |  |
| Interconnector s Congestion Income                     | Removes ability to use congestion income to reduce network tariffs (undermines Cap & Floor) | •   | e Parliament and Council address<br>UK Cap & Floor |  |

#### **Summarising**

#### We went through:

- Reasons and objectives of Clean Energy Package
- Timeline and high level legislative process
- Key topics for improvements of the package

- Further queries are very welcome
- box.europeanstrategy.electricity@nationalgrid.com

# 5. Actions log

Andrew Hemus

JESG Technical Secretary

# **JESG Standing items**

| ID | Topic  | Lead Party   |
|----|--|--|
| S1 | Continue to review the membership of the JESG and engage additional industry parties where appropriate.  | JESG Chair   |
| S2 | 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 / Ofgem / BEIS  |
| S3 | Share any intelligence about how other member states are approaching demonstrating compliance through information gained from other government departments, regulators or parent companies | BEIS / Ofgem / Industry parties with European parent companies |

# **JESG Open Actions**

| ID | Topic   | Lead Party | Status | Update  |
|----|---|------------|--------|---|
| 68 | Andrew Hemus (AH) to facilitate with EirGrid to attend<br>a future meeting to provide an update on ISEM impact<br>on interconnectors. | EirGrid    | Open   | No correspondence from EirGrid received as to when they can bring the update on ISEM to JESG. |
| 81 | CID M (TJ) to send link to ACER website for JESG newsletter publication.  | (AH)       | Closed |   |
| 82 | JESG and JESG Newsletter to be flagged at Terre workshop.   | (SW)       | Closed |   |
| 83 | Provide JESG newsletter link for TERRE industry day slides and point of contact for any questions                                     | (AH)       | Closed |   |
| 84 | Standing Item S4 to be removed (TJ) to send note on reasoning.  | (AH)       | Open   | S4 Removed.   |
| 85 | NGET to check dates for Grid customer forums (London and Glasgow)   | (RS)       | Open   |   |
| 86 | ENC for Emergency and Restoration meeting Slide pack slide12 – check the mechanism for email notification?                            | (RS)       | Open   |   |
| 87 | ENC for Emergency and Restoration meeting Slide pack slide 12 - Query 100% vs 5% partial shutdown                                     | (RS)       | Open   |   |
| 88 | Clean Energy Package (CEP) to ask BEIS to update future JESG meeting  | (TJ)       | Open   |   |

# 6. Future Meeting Dates & Agenda Items

Andrew Hemus

JESG Technical Secretary

## Future JESG Meetings (London)

- As always registration is required and will be opened through the JESG Weekly updates.
- Stakeholders are invited to put forward agenda items for the forthcoming JESG meetings:

| Date                            | Proposed Agenda Items                         |
|---------------------------------|---|
| Tuesday 13 March 2018           | CACM NEMO Proposals and Methodologies         |
|                                 | (NEMO's) Planning, consultation required by   |
|                                 | EBGL on RR (NGET), Brexit scenarios (NGIC)    |
| Tuesday 10 April 2018           | SAP implementation (FCA), Regional nomination |
|                                 | platform (RNP) (NGIC)                         |
| Tuesday 8 May 2018              |   |
| Tuesday 12 June 2018            |   |
| Tuesday 10 July 2018            |   |
| Tuesday 14 August 2018          |   |
| Tuesday 11 September 2018       |   |
| <b>Tuesday 9 October 2018</b>   |   |
| <b>Tuesday 13 November 2018</b> |   |
| <b>Tuesday 11 December 2018</b> |   |

# 7. Stakeholder Representation

All

# **8. AOB**