

Joint European Stakeholder Group



Tuesday 8 October 2019
Meeting 44

Agenda

	Title	Lead	Time
1.	Welcome & Introductions	Chair	10:30 - 10:35
2.	Report from 17 September Market European Stakeholder Committee (MESC) meeting	Steve Wilkin	10:35 - 10:50
3.	Clean Energy Package Update (NGESO)	Mike Oxenham	10:50 - 11:20
4.	GB Interconnector Capacity Restrictions and Payments (NGESO)	Susan Mwape	11:20 - 11:50
5.	EU Exit (BEIS)	Kahla Niemann	11:50 - 12:00
6.	Review of Actions log	Andrew Hemus (JESG Technical Secretary)	12:00 - 12:05
7.	Future Meeting Dates & Agenda Items	Andrew Hemus (JESG Technical Secretary)	12:05 - 12:10
8.	Stakeholder Representation	Chair	12:10 - 12:15
9.	Any Other Business	All	12:15 - 12:30
10.	Lunch		12:30 - 13:00

1. Welcome & Introductions

Garth Graham (Alternate to Barbara Vest)
Independent Chair

2. Report from 17 September Market European Stakeholder Committee (MESOC) meeting

Steve Wilkin
ELEXON

Public

Report from 17 September MESC meeting

(MESC = Market European Stakeholder
Committee)

8 October 2019
Steve Wilkin

ELEXON

Background to MESC

- MESC is the Market European Stakeholder Committee
- It is one of the EU's three electricity industry stakeholder committees based around the European Network Codes & Guidelines, between them covering
 - Electricity markets (MESC)
 - System Operations
 - Grid Connections
- Each meets quarterly in Brussels or Ljubljana
- They have no decision-making powers but are arguably the most senior/influential committees that are open to all affected stakeholders and have representatives of the Commission, regulators, ACER, TSOs, DSOs, market participants, etc.
- Committee members represent Europe-wide bodies, such as Eurelectric, EFET, ENTSO-E and Europex.
- I represent Europex with a particular mandate for balancing and imbalance issues.

17 September MESC (1)

- Presentation slides are published here: https://www.entsoe.eu/network_codes/esc/

- This MESC meeting covered (first part):
 - Recent developments
 - Integration of Switzerland
 - Market Suspension
 - Forward markets
 - Splitting rules – splitting interconnector capacity to be sold in different timeframes
 - Implementing the Clean Energy Package 70% interconnector capacity available for trading rule
 - Update on implementation of regional Capacity Calculation Methodologies

17 September MESC (2)

- Presentation slides are published here: https://www.entsoe.eu/network_codes/esc/
- This MESC meeting covered (second part):
 - Update on the Bidding Zone Review process
 - Commission study on Intraday market design
 - Update on Single Day-Ahead Coupling
 - Update on lessons learnt from decoupling
 - Updates from NEMOs and on XBID (intraday market coupling)
 - AOB – active library of balancing terms and conditions
 - Next meeting – 18 December 2019



3. Clean Energy Package Update

Mike Oxenham
National Grid ESO

4. GB Interconnector Capacity Restrictions and Payments

Susan Mwape
National Grid ESO

GB Interconnector capacity restrictions and payments

Overview:

- CACM requires the development of regional Capacity Calculation Methodologies (CCM) which allows System Operators to reduce interconnector (IC) capacities.
- The Day Ahead (DA) and Intraday (ID) methodologies were approved by Regulators in 2018 while the Long Term (LT) methodology is yet to be approved.
- Due to the delay in the central CGM platform, implementation of the methodologies is delayed to at least Q4 2021.

Rationale:

- The CCM does not include payment details.
- The EU codes Capacity Allocation and Congestion Management (CACM) and the Forward Capacity Allocation (FCA) describes principles.
- Discussions with interconnectors have been guided by the following principles:
 - Polluter pays
 - Single non-discriminatory GB payment
 - Revenue neutral
 - Maintains economic investment signals

GB Solution:

- Under current GB mechanism, NGENSO uses system trades and Intraday Transfer Limits to manage IC flows.
- Initial view is that NTC restrictions should be treated as a Balancing service on the basis that BSUoS would be the correct mechanism to recover costs.
- If treated as a balancing service, changes to BSUoS methodology may be needed hence NGENSO is requesting industry participation through C16 consultation. First wider industry meeting on 5 Nov 2019 with further details to follow.

5. EU Exit

Kahla Niemann
BEIS

6. Review of 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
113	Confirmation around delegation on Article 18 to Elexon or the BSC Panel	National Grid, Ofgem, BEIS	Open	NGESO and Elexon have been working on the possible delegation required in BSC that will ensure compliance against EBGL requirements, whilst also providing clarity and a minimum change approach for industry in the existing GB modification process. The current intention is for the ESO to raise a supporting BSC modification and issue the necessary delegation in October.
115	To hold a meeting with stakeholders in September to undertake a code mapping exercise against the Clean Energy Package	NGESO	Open	NGESO considering appropriate timing and format of an exercise relating to the Clean Energy Package as not undertaken in September 2019.
116.	Academic report links to be added to slide 9 of Meeting 43 Presentation and republished	NGESO	Open	
117.	JESG to be updated on SQSS and Grid Code Modifications	NGESO	Open	

7. Future Meeting Dates & Agenda Items

Andrew Hemus
JESG Technical Secretary

Future JESG Meetings

- 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 12 November	
Tuesday 10 December	

8. Stakeholder Representation

All

9. AOB

10. Lunch