Headline Report

Meeting number:	Meeting 9
Date of meeting:	Thursday 28 January
Location:	Elexon, London

This note sets out the headlines from the latest meeting of the Joint European Stakeholder Group (JESG) and is provided in addition to the presentations from the meeting which are available on the JESG website[1]. The material in the presentation is not duplicated in this report.

If you have any queries in relation to the content of this report, please email the JESG Technical Secretary Sara-Lee Kenney europeancodes.electricity@nationalgrid.com

1 JESG Actions Review

- The Technical Secretary noted the JESG Standing Actions and updates on current actions. The current version of the JESG action log, including any additions from this meeting, is attached to this Headline Report.

2 Grid Connection

Requirements for Generators (RfG), Demand Connection Code (DCC), High Voltage Direct Current (HVDC)

- All three Network Codes are currently with the European Parliament and Council for final approval ahead of being published in the Official Journal of the European Union (OJEU). Subject to this approval, it is anticipated the Network Codes will enter into force Q1/Q2 2016.
- GB implementation for RfG GC0048 and DCC GC0091 is being carried out under the joint governance of the Grid Code Review Panel (GCRP) and Distribution Code Review Panel (DCRP). The implementation for HVDC GC0090 is being carried out under the governance of the GCRP.
- Richard Woodward (NGET) provided an update on GB Implementation of the Connection Codes at January's JESG meeting, the details of which can be found in sections 8 and 9 of this Headline Report.

3 Markets

Capacity Allocation and Congestion Management (CACM)

- The CACM Guideline was published in the OJEU on 25 July, and is officially referred to as "*Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management*". As an EU regulation it takes precedence over any Member State laws or requirements, where there is conflict between the Regulation and the law of Member States, the Regulation prevails.

Forward Capacity Allocation (FCA)

- The FCA Guideline is currently with the European Parliament and Council for final approval ahead of being published in the Official Journal of the European Union (OJEU). Subject to this approval, it is anticipated the FCA Guideline will enter into force Q2/Q3 2016.

Electricity Balancing (EB)

- The EB Network Code is currently with the Commission for Comitology preparations post ACER's qualified recommendation. It is anticipated the Network Code will enter inter-service consultation in April 2016, Comitology in May with potential voting in June. It is also expected these timescales align with and are subject to the ISP Consultation and associated outcomes ahead of progression through the next stages.

4 System Operation

Transmission System Operation Guideline (TSOG)

- The *Operation Security (OS), Operational Planning and Scheduling (OP&S)* and *Load Frequency Control Reserves (LFCR)* Network Codes have been merged to form one System Operation Guideline.
- Discussions at the Cross Border Committee continue (latest meeting 28/29 January 2016) and it is anticipated the Guideline will be voted on by Member States in Q1 2016.

[1] http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/European-network-code/Joint-European-Stakeholder-Group/

Emergency and Restoration (ER)

- ACER has recommended the Network Code to the Commission subject to some amendments. Following delays due to the Energy Union package and associated market design work, the Commission has indicated that the ER Network Code Comitology will be deferred until Q2/Q3 2016.

5 Stakeholder Engagement: 6 Month Forward View

- The Technical Secretary provided an update on the timings of the European and GB meetings in relation to the European Network Codes and opportunities for GB stakeholders to become involved.
- The Technical Secretary took an action to develop this slide further to ensure this is viewable within a presentation format for the JESG Meetings.

6 DECC Consultation: Monitoring & Regulating NEMOs under CACM

- Matthew Ramsden (Ofgem) provided an overview of the consultation launched by DECC on 15 January 2016 which sets out the proposals for the monitoring and enforcement of Nominated Electricity Market Operators (NEMOs) under CACM (Commission Regulation (EU) 2015/1222).
- Prior to this consultation and as required by the CACM Regulation, Ofgem conducted a NEMO designation process to which they announced on 10 December 2015 that APX Commodities Limited and Nord Pool Spot AS are designated as NEMOs in Great Britain.
- Ofgem has an obligation under CACM to monitor and enforce the ongoing compliance of NEMOs with the Regulation and the consultation launched by DECC covers their proposal on this and the options considered.
- DECC welcome stakeholder views on this consultation which **runs until Friday 11 March 2016**. Further details can be found here.

7 TSO Capacity Calculation Region Proposal

- Matthew Ramsden (Ofgem) provided a brief recap and update on the Transmission System Operator (TSO) Capacity Calculation Regions (CCR) Proposals required under the CACM Regulation which is currently with NRAs (National Regulatory Authority) for approval.
- This is the first decision under CACM which decides the regions on which TSOs will work to develop methodologies to calculate cross border capacity.
- There are 11 regions within the proposal, 2 regions of interest to GB, the 'Irish UK Region' and the 'Channel Region'.
- NRAs (and therefore Ofgem as GB NRA) have until mid-May 2016 to approve the CCR Proposal.
- More information on the proposal can be found on ENTSO-Es website.

Practical Aspects Discussion

- Marta Krajewska (Energy UK) discussed issues identified with the practicalities of such methodologies (rather than the regions specifically) noting the CCR methodology is one of 20 to be developed as part of implementing the CACM Regulation and the potential for this to cause issues later on in the process.
- Questions were raised in relation to once these methodologies have been developed, which included; who owns and maintains them? Who is responsible for them? Who enforces them? How will the governance streams work? What will the amendment process look like?
- Julian Rudd (DECC) took an action to raise these concerns with the Commission following an email from Marta outlining in further detail.
- Stakeholders discussed the possibility of holding workshops on the methodologies as and when applicable. This is a topic already included on the agenda of the JESG and the relevant JESG Subgroups (for example the CACM/FCA Implementation JESG Subgroup) however, as this is an open agenda if stakeholders would like to discuss sooner, they are invited to submit agenda item suggestions to the JESG Technical Secretary.
- Barbara Vest also highlighted the ENTSO-E Stakeholder Satisfaction Survey as an opportunity to provide feedback to ENTSO-E where engagement on such matters could be actioned sooner.
- Stakeholders also discussed the legal status for projects/consultations such as HAR (Harmonised Allocation Rules). Ofgem advised in this example this feeds into the existing Access Rules for Interconnectors whereas CACM is a law.

8 Connection Codes Implementation Approach for 2016

- Richard Woodward (NGET) provided an overview of the Connection Codes (RfG, HVDC and DCC) Implementation approach for GB in 2016.

- A Coordination group (GC0048-C) has been formed to look at the consistent requirements and the overall implementation approach across the 3 Connection Codes.
- Richard presented the proposed workgroup reporting structure for these meetings along with the future meeting dates and potential agenda up to April 2016.
- Richard took an action to communicate these meetings wider than the existing workgroup distribution lists. It was suggested to utilise the JESG Weekly Updates, Elexon Newscast and Energy UK communications.
- Stakeholders are invited to suggest further communication methods or request their interest in these meetings by emailing **grid.code@nationalgrid.com**

9 RfG Generation Banding Update

- Richard Woodward (NGET) presented an update on the RfG Generator Banding Setting which is a requirement under the RfG Network Code and an output of the GC0048 RfG Implementation workgroup.
- Richard advised 3 options were considered by the GC0048 workgroup for determining the GB thresholds, High, Medium and Low (as outlined in slide 36 in the JESG presentation) and the workgroup agreed to focus on the 'High' option.
- The next steps are to engage further with the Scottish Transmission Owners to ensure the 'high' option will not cause any unforeseen issues. The GC0048 banding workgroup report will summarise the outcomes on this topic which will be finalised in March. This will then be sent onto GB Code Panels for approval and opened to the industry for comment (anticipated end of March 2016).
- Richard will return to the April JESG to present on this consultation paper, subject to Code panel approval.

10 AOB

All TSO UK Voting Results Visibility

- The results of the All TSO UK votes (currently under the CACM Regulation) will be published on the JESG Website. We are currently creating a new tab for this section so anticipate this will be live within the next week.

JESG Meeting Registration

- As previously mentioned through JESG communications, meetings and materials, registration is mandatory for this meeting. We kindly ask for those Stakeholders wishing to attend future JESG meetings to ensure they register in order for us to remain in line with our host's building/health and safety policy. Many Thanks.

11 Next Meeting and Future Agenda Items

The next JESG meeting will be held on the **23 February 2016 at Elexon in London**. Stakeholders are invited to submit agenda items for this meeting or any future meetings to the Technical Secretary europeancodes.electricity@nationalgrid.com. Registration will be opened through the JESG Weekly Updates.

Action Log

Standing Actions

ID	Topic	Lead Party	Status	Source
S1	Continue to review the membership of the JESG and engage additional industry parties where appropriate.	JESG Chair	Standing Item	JESG S3
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/ DECC	Standing Item	JESG S1
S3	Share any intelligence about how other member states are approaching demonstrating compliance through information gained from other government departments, regulators or parent companies	DECC / Ofgem / Industry parties with European parent companies	Standing Item	ECCAF 3/2
S4	Stakeholders are requested to provide specific examples 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).	All Stakeholders	Standing Item	JESG S6

Open Actions

ID	Topic	Lead Party	Status	Update
26	Investigate if the Glasgow NGET Customer Seminar can be used as a date for JESG in March.	NGET	Open	Glasgow NGET Customer Seminar scheduled Thursday 7 April. Stakeholders have requested to hold a JESG either side of this meeting. JESG Chair and Technical Secretary looking into the possibility of Friday AM on 8 April. Further information will follow in the JESG Weekly Updates.
27	Possibility to schedule a JESG meeting in late spring Brussels in 2016	Energy UK	Open	Energy UK looking into possibility of 21 June for a JESG ahead of the 22 June Energy UK event.
32	Develop Stakeholder slide further for viewable format.	JESG Technical Secretary	New	
33	Practical Aspects Concerns: CACM/ENC Methodologies raised by Energy UK to be taken forward to the Commission by DECC	DECC	New	
34	Communicate Connection Code meetings wider than the existing workgroup distribution list.	NGET	New	
35	Richard Woodward to return to the April JESG to present on the RfG generator banding consultation paper.	NGET	New	

Recently Closed Actions

ID	Topic	Lead Party	Status	Update
18	Check whether CACM methodologies once approved by NRAs will be required to go through Comitology to give them legal effect.	DECC	Closed	DECC have discussed this with the European Commission, who advise that such methodologies (and terms and conditions) will become legally binding by merit of receiving approval by regulatory authorities under Art.9 of the CACM regulation. Once they have received regulatory approval, TSOs and NEMOs will be bound to follow them and regulatory authorities can enforce them under existing provisions in the third package. The Commission consider the intention of CACM is for these methodologies and terms and conditions to be implemented, and regulatory authorities (as well as the Member States) have a duty to ensure compliance. They do not consider further procedural steps to be necessary in respect of the binding nature of the methodologies and they do not plan for any either.
19	Put Stakeholder committees onto slide for 6 month plan to see when JESGs need to discuss issues to take to those Stakeholder Committee meetings. Circulate the documents when available in the weekly update.	NGET	Closed	Complete.
22	Liaise with Barbara Vest for dates and meetings before next JESG (in relation to JESG Scotland Meetings)	NGET	Closed	See Action 26.
23	Publish UK votes on CCR's following Market Committee meeting on 29 October via JESG weekly update	NGET	Closed	Published in weekly update Nov 2015 and available on the **JESG Website** within next week.
28	Send comments regarding Stakeholder Engagement letter to ENTSO-E to Barbara Vest before week ending 20 November 2015	All	Closed	Complete.
29	Add ISP CBA consultation date to stakeholder engagement plan	NGET	Closed	Complete.
30	Open JESG registration a week before the meeting	NGET	Closed	Complete.
31	Think about whether all TSO responsibility consultations bundled together or not	All	Closed	Ofgem advised based on practicality, consultations will be bundled together.

Meeting Attendees

Name	Company
Barbara Vest	**Chair**
Sara-Lee Kenney	**Technical Secretary**
Bec Thornton	National Grid Electricity Transmission (NGET)
Bill Reed	RWE
David Spillet	ENA
Garth Graham	SSE
Helen Stack	Centrica
James Anderson	Scottish Power
Joe Underwood	Drax
John Costa	EDF Energy
John Parsons	BEAMA
Julian Rudd	DECC
Kamila Nugumanova	ESB
Lin Gao	EON/Uniper
Lorcán Murray	BritNed
Marta Krajewska	Energy UK
Matthew Ramsden	Ofgem
Natasha Smith	Ofgem
Neil Smith	Engie
Peter Campbell	SONI/EIRGRID
Rajni Gogna	National Grid Interconnectors (NGIC)
Richard Woodward	NGET
Ryan McLaughlin	Ofgem
Simon White	Smartest Energy
Steve Wilkin	Elexon