Headline Report

Meeting number:	Meeting 10
Date of meeting:	Tuesday 23 February
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 3 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.

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 Imbalance Settlement Period Cost Benefit Analysis (ISP CBA) conclusions will be communicated in April 2016. It is then expected in July 2016 the Commission will finalise the Impact Assessment and Network Code will enter inter-service consultation followed by Comitology after the Summer 2016.
- Chris Fox (NGET) presented a detailed update and roundup of the Balancing Network Code progress to date at today's JESG meeting. More information can be found in section 5 of this Headline Report.

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 Transmission System Operation Guideline.
- Discussions at the Cross Border Committee continue, the next meeting is due to take place on 8/9 March 2016 where it is anticipated the TSOG will be voted on by Member States.
- An update version of the TSOG was released to Member states today (23 February) this has been communicated to JESG Stakeholders and is **available on the JESG Website**. In addition a **Stakeholder**

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

Workshop has been arranged on the 1 March to discuss the latest draft. This will be followed by a **Mapping TSOG to the GB Framework Exercise** which will take place on 11 March.

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 Balancing Network Code: Round up and Update

- Chris Fox (NGET) presented an update and general round up for the Balancing Network Code (BAL), this included the associated Trilateral Meetings, ENTSO-E's Early Implementation Deliverables, Imbalance Settlement Period Cost Benefit Analysis and Project TERRE. **For full details please see JESG Meeting Slides 13-25** detailed below are the headlines from this presentation.

Trilateral Meetings – Key areas of discussion

- Discussions on Slide 16 in relation to the 'key areas of discussion' in the recent BAL Trilaterals touched on the requirement for TSOs to publish without delay the data required by Market Participants including the proportion of standard vs specific products used and volumes of cross border capacity reserved. It was agreed that the usage of cross border capacity should be on a level playing field between TSOs and other Market Participants. The discussion also touched on the timings and dependencies required in implementing the BAL, Chris informed the group that this is currently being looked into as part of the Trilateral meetings, with the aim being to ensure an efficient and realistic process of implementation to avoid unnecessary or multiple changes.
- Stakeholders raised concerns that where a 1 year implementation timescale is required, currently the GB processes can take up to 18 months. The need to start working at risk was highlighted and it was agreed that this could undermine the stakeholder consultation and NRA approval process. However Stakeholders noted there could be potential to look at methods to drive efficiencies within the existing GB modification process. Chris highlighted in general NRAs are aware of and have been involved in this process and therefore it isn't expected there will be major changes at the NRA approval stage. In addition to this GB Stakeholders are involved and engaged through the Balancing Stakeholder Focus Group (BSFG).
- Stakeholders also queried what is in place for other Member States with regards to implementation and modification timescales and whether a 1 year timeline is challenging for them also. Garth Graham (SSE) and Steven Wilkin (Elexon) offered to discuss at the meetings they attend to obtain feedback from other Member States. Sue Harrison (DECC) also offered to discuss this at the next Comitology meeting. Chris added he would highlight to Sue if this may also be an issue for the Transmission System Operator Guideline (TSOG).

Early Implementation – Meetings

- Chris highlighted for April there is a clash with regards to the usual run of BAL related meetings (BSFG, BSG, Eurelectric's Shadow Meeting and then Market Committee) and therefore a date has not yet been confirmed for the BSFG. The dates currently are;
    - 6 April - Eurelectric Shadow Meeting
    - 7 April Market Committee Meeting
    - 13 April Balancing Stakeholder Group (ACER/ENTSO-E Chaired)
- Stakeholders suggested the Eurelectric Shadow Meeting is moved and followed by the BSFG being planned in accordingly. Chris took an action to liaise with Simon Reed (the GB Eurelectric Rep) on this and report back to the JESG.

Early Implementation - Coordinated Balancing Area (CoBA)

- DECC advised regional cooperation will form a large part of the Energy Market Design (end of this year) and therefore it is advantageous to begin discussions on this now.

Early Implementation – Standard Products

- In relation to Slide 20, Chris highlighted the work on Standard Products to date and the ongoing efforts of ENTSO-E to further reduce the number of standard products at ACER's request. Chris explained that there will be a trade-off between having a small number of standard products (and hence high liquidity) and the standard products meeting a high volume of TSO needs. Stakeholders expressed a preference for the TSO to use a higher number of standard products as possible, even if this required having a greater number of standard products.

Imbalance Settlement Period Cost Benefit Analysis (ISP CBA)

- In relation to Slide 21 and 22, Chris highlighted the associated questionnaire closed on 14 January and the updates/conclusions of the CBA are now expected end of April 2016 (a month later than planned due to a slip in Comitology dates) and outlined the assumed likely impacts and arguments for GB and associated thoughts on GB strategy. Chris invited Stakeholders comments for any items they believe may have been missed from this.

Project Trans-European Replacement Reserves Exchange (TERRE)

- Chris outlined on the background and objectives of this project (Slide 24) and highlighted that a public consultation on the high level design will be launched in March. Stakeholders will be informed of the launch of this consultation through the JESG mailing list.
- Chris also highlighted (Slide 25) the High Level Plan for Project TERRE. Stakeholders again queried the timescales detailed for delivery and the dependencies as to how realistic these are. Chris added discussions are ongoing in relation to this.

6 JESG Communication Changes

- Sara-Lee Kenney (JESG Technical Secretary) presented a 'new look' JESG Weekly Update Communication and invited Stakeholder feedback on this.
- The 'new look' JESG Weekly Update is aimed at providing a clearer distinction between European and GB developments and events in order for stakeholders to easily navigate to what is relevant to them. There will also be a helpful information section with links to guidance documents along with a 'did you miss' section. It was noted that on the weeks where there may not have been any new developments, this will be advised in the Weekly Update so Stakeholders are clear this is the case rather than an assuming this may be an error.
- Stakeholders suggested the option to include a link to the previous JESG Weekly Updates that could be stored on the JESG Website. Sara-Lee took and action to investigate this.
- Stakeholders welcomed the new look update and it is expected this will be implemented mid-March.

7 JESG Meeting Date Changes

- In light of the JESG taking place in Glasgow, Edinburgh and potentially Brussels this year, Stakeholders discussed and agreed the following dates and changes. This has been reflected on the **JESG 2016 Meeting Dates** on the JESG Website also.
    - **30 March – Cancel**
    - **8 April - (Glasgow)**
    - **27 April – Cancel**
    - **25 May – Date *TBC based on Brussels venue availability***
    - **June** – Elexon London
    - **20 July** – Elexon London
    - **24 August (Edinburgh) – Venue now confirmed (same as previous years)**
    - **Sept – Dec** – Elexon London

8 AOB

JESG Annual Review

- Sara-Lee Kenney (JESG Technical Secretary) advised each year a review of the JESG takes place to gather Stakeholder views on overall effectiveness but to also understand what is working well and where there is room for improvement.
- Sara-Lee invited initial thoughts from Stakeholders but also advised a short survey would be featured in the JESG Weekly Update to gather more detailed views.
- Stakeholders provided very positive feedback on the JESG adding areas to improve on are around pulling out in the content of presentations the impact or anticipated impact to GB Stakeholders, and for slides where possible to be available in advance of the meetings.

9 Next Meeting and Future Agenda Items

The next JESG meeting will be held on the **Friday 8 April from 9:30 to 12:30 at the Radisson Blu, Glasgow, details on agenda and registration will be provided in the JESG Weekly Updates**. Stakeholders are invited to submit agenda items for this meeting or any future meetings to the Technical Secretary europeancodes.electricity@nationalgrid.com.

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
27	Possibility to schedule a JESG meeting in late spring Brussels in 2016	Energy UK	Open	Energy UK looking into possibility of a May date (based on June EU Referendum expected). Eurelectric preferred venue based on location however option to use ENTSO-E or NG meeting room will be considered.
33	Practical Aspects Concerns: CACM/ENC Methodologies raised by Energy UK to be taken forward to the Commission by DECC	Energy UK/JESG Chair	Open	DECC have discussed issues and suggested to develop further the JESG Chair writes to the European Commission on this issue.
35	Richard Woodward to return to the April JESG (Glasgow) to present on the RfG generator banding consultation paper.	NGET	Open	On Track.
36	Transmission System Operation Guideline (TSOG) update at future JESG	NGET	Open	(New action added post Jan Meeting)
38	Garth Graham and Steven Wilkin offered to discuss at the European meetings they attend how other Member States are approaching implementation and modifications (i.e. 1 year timescale discussed in the BAL agenda item in Feb) Sue Harrison to also raise at the next Comitology meeting.	Garth Graham, Steve Wilkin & DECC	New	
39	Investigate possibility of uploading previous JESG Weekly Updates to the JESG Website	JESG Technical Secretary	New	

ID	Topic	Lead Party	Status	Update
40	Chris Fox (NGET) to liaise with Simon Reed (the GB Eureletric Rep) re: April Balancing Meeting and arrange BSFG accordingly.	NGET	New	

Recently Closed 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	Close	Glasgow NGET Customer Seminar scheduled Thursday 7 April. JESG will take place the day after Friday 8 April at the same venue (Radisson Blu) 9:30 to 12:30. Further details to follow in the JESG Weekly Updates.
32	Develop Stakeholder slide further for viewable format.	JESG Technical Secretary	Closed	Complete. Live document so ongoing changes will be necessary.
34	Communicate Connection Code meetings wider than the existing workgroup distribution list.	NGET	Closed	Complete. (However this will be an ongoing requirement).
37	Update JESG website 2016 Meeting Dates to reflect date changes	Technical Secretary	Closed	(New action added post Jan Meeting) Action Complete

Meeting Attendees

Name	Company
Barbara Vest	**Chair**
Sara-Lee Kenney	**Technical Secretary**
Rob Wilson	National Grid Electricity Transmission (NGET)
Chris Fox	National Grid Electricity Transmission (NGET)
Alice Barrs	RWE
Peter Bolitho	Water Wye Associates
Sue Harrison	DECC
Garth Graham	SSE
Helen Stack	Centrica
Joe Underwood	Drax
John Costa	EDF Energy
Kamila Nugumanova	ESB
Lin Gao	EON/Uniper
Lorcán Murray	BritNed
Grendon Thompson	Ofgem
Neil Smith	Engie
Vincent Hammond	National Grid Interconnectors
Simon White	Smartest Energy
Steve Wilkin	Elexon
Michela Beltracchi	Nord Pool Spot