

Headline Report

Meeting number: Meeting 8
Date of meeting: Tuesday 17 November
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 website¹. 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 Franklin Rodrick europancodes.electricity@nationalgrid.com

1 JESG Actions Review

- Bec Thornton (NGET) 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 have now been approved by the Cross-Border Committee. These will now proceed to the formal approval of the Council and Parliament before being published in the Official Journal of the European Union (OJEU) and are expected to enter into force in 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 work for HVDC GC0090 is being carried out under the governance of the GCRP.
- National Grid and Ofgem have set out the timings for their respective implementation tasks.

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, and also where there is conflict between the Regulation and the law of Member States, the Regulation prevails.
- The FCA code was approved at the Cross-Border Committee meeting in October 2016. This will now proceed to the formal approval of the European Council and Parliament before being published in the OJEU and is expected to enter into force in Q2 2016.
- The EB Network Code is currently with the Commission post ACER's qualified recommendation. Following the delays due to the Energy Union package and associated market design work, the Commission has indicated that the EB Network Code Comitology will be deferred until 2016.

4 System Operation

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. The latest draft of the text is expected imminently in line with the Cross Border Committee meeting planned for 11 December. The Commission is expecting to discuss the Code at the next Cross Border Committee meeting and aims to vote on the text in Q1 of 2016.

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 2016.

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

5 Stakeholder Engagement – a 6 month Forward View

- Bec Thornton (NGET) provided an update on the timings of the European and GB meetings on the Network Codes and opportunities for GB stakeholders to become involved.

6 Balancing Network Code update

- David Bunney (NGET) provided an update on the Balancing Network Code. David highlighted that ENTSO-E are working on some early deliverables for the Balancing Code.
- The Imbalance Settlement Period (ISP) submissions from Member States are due in January 2016. Following that ENTSO-E will do further analysis and then submit the analysis for the Balancing Code Comitology in April 2016.
- David highlighted that there are a lot of competing market and operational models in Europe and there is a need to bring the System Operation Guideline and the Balancing Code together. It is important to determine how system related activities and balancing activities can be brought together.
- Stakeholders questioned whether ENTSO-E will consult on any of the early implementation deliverables for the Balancing Code. It was highlighted that if stakeholders are not engaged with then ENTSO-E may come up with a solution that has no cost implication on the TSO but may have an implication on the industry.
- David explained that ENTSO-E will not open consultations at the beginning of the process as it will be difficult to manage the expectations of all the Member States. They will instead wait until a key concepts and a framework is in place before consulting.
- Stakeholders asked whether they should engage through ACER to flag this issue to ENTSO-E as there is extra time available due to Energy Union work and that time can be used to consult with stakeholders.
- Barbara Vest (Energy UK) highlighted that the issue with implementing new Network Codes is that the intent is not captured. It will be useful to capture the intent of the codes while still at the development phase.
- As a general comment to the Network Code implementation process (not specific to NC EB) Barbara Vest questioned whether there is a formal process to raise issues as there is lack of clarity and stakeholder engagement in the whole process. Barbara also suggested writing a letter on behalf of GB Stakeholders to ENTSO-E may help in highlighting the issue.
- Barbara suggested that a future JESG meeting could be held in Brussels and hosted by Energy UK which would be open to other Member States to come and discuss issues. It was recognised that for this to be successful it should be publicised via European associations and possibly via ENTSO-E and slotted appropriately into the European industry calendar of meetings and events for Brussels.

7 Frontier Economics Methodology update

- David Bunney (NGET) updated on the Frontier Economics Methodology. David advised that ACER's ambition is to have an ISP of 15 minutes. However, due to push back from Member States, ENTSO-E has come up with a proposal to prepare a Cost Benefit Analysis (CBA) as different countries have different settlement periods. The CBA will share a common view of ISP from the Member States.
- David explained the timeline for stakeholder responses for ISP CBA is very tight.
- Garth (standing in as chair) suggested that it would be good to invite Frontier Economics back as they were reaching the end of their data-analysis phase to allow GB stakeholders the chance to understand the results and recommendations better prior to submission into Comitology

8 CACM & FCA JESG Subgroup update

- Bec Thornton (NGET) updated on discussions held at the second meeting of CACM & FCA Implementation Subgroup. Bec advised that the JESG website has a separate section for Subgroups where material from the meeting will be uploaded for the stakeholders to view.

9 Grid Connection Codes – Multiple TSO update

- David Freed (Ofgem) updated on the Multiple TSO Responsibilities for the Grid Connection Codes. DECC has requested Ofgem to perform this work on their behalf.

- David explained that NGET, following a request from Ofgem, have developed a first draft of what the TSO responsibilities could look like. This has been circulated through the JESG Weekly Update for stakeholders to provide comments to Ofgem by 2 January 2016.
- Stakeholders raised concerns about the process as it seemed unfair giving NGET the opportunity first to determine the TSO responsibilities. David explained that the process is Ofgem led and NGET was potentially best placed as NETSO to develop the first draft and if there are any stakeholder issues they need to be raised with Ofgem as soon as possible.
- Stakeholders will also have the opportunity to discuss any issues with Ofgem and the members of the Grid Connection Codes implementation workgroups.
- Franklin Rodrick (NGET) explained the assumptions that NGET used while doing the first cut of TSO responsibilities. The first assumption was the BETTA rules that defined the roles of the TSO and the Transmission Owner (TO).
- There were further assumptions made which looked at the responsibilities from only the TSO perspective. The references made in the Connection Codes to "Relevant TSO" was assumed as NGET and "Relevant System Operator" was assumed as any other TSO/TO in GB.

10 Future JESG Agenda items

Opportunity for stakeholders to provide Ofgem with comments on the Capacity Calculation Region Proposal at the January meeting. It was also suggested that stakeholder comments for Frontier Economics ISP CBA be included in a future meeting.

11 AOB

JESG Website

Franklin updated on the changes to the layout of the JESG website which have been made for easier access of documents and Stakeholders gave suggestions to further improve the layout.

12 Next Meeting

The next meeting which was scheduled for 2 December has been cancelled but the date held for a tele-conference to be held if necessary to discuss any major issues. The next JESG meeting will be held on the 28 January 2016.

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
18	Check whether CACM methodologies once approved by NRAs will be required to go through Comitology to give them legal effect.	DECC	Open	
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	Open	
22	Liaise with Barbara Vest for dates and meetings before next JESG	NGET	Open	
23	Publish UK votes on CCR's following Market Committee meeting on 29 October via JESG weekly update	NGET	Open	These will be published on the CACM & FCA Subgroup website
26	Investigate if the Glasgow NGET Customer Seminar can be used as a date for JESG in March.	NGET	Open	Date for the Customer Seminar hasn't been finalised
27	Possibility to schedule a JESG meeting in late spring Brussels in 2016	Energy UK	New	
28	Send comments regarding Stakeholder Engagement letter to ENTSO-E to Barbara Vest before week ending 20 November 2015	All	New	
29	Add ISP CBA consultation date to stakeholder engagement plan	NGET	New	
30	Open JESG registration a week before the meeting	NGET	New	
31	Think about whether all TSO responsibility consultations bundled together or not	All	New	

Recently Closed Actions

ID	Topic	Lead Party	Status	Update
17	Provide visibility of response sent to ENTSO-E on Stakeholder engagement	NGET	Closed	To be circulated through JESG Weekly Update
20	Look at how to avoid turning away people who haven't registered people for JESG and arrive on the day	Elxon	Closed	Steve Wilkin - If the main meeting attendee list is provided before the meeting then a couple of new attendees can be allowed on the day by security
21	Make changes to the Network Code Summary status diagram	NGET	Closed	Updated slides were published on the website
24	Circulate DECC's letter to Ofgem requesting Ofgem to assign TSO responsibilities for Grid Connection Codes	DECC	Closed	Circulated through JESG Weekly Update
25	Update meeting slides with upcoming dates	NGET	Closed	Updated slides were published on the website

Meeting Attendees

Name	Company
Barbara Vest	Chair
Franklin Rodrick	Technical Secretary
Garth Graham	SSE
Bec Thornton	National Grid Electricity Transmission (NGET)
David Freed	Ofgem
Natasha Smith	Ofgem
Peter Bolitho	Waters Wye Associates
Steve Davies	DECC
Lorcan Murray	BritNed
David Bunney	NGET
Paul Troughton	ENERNOC
Lin Gao	EON
Helen Stack	Centrica
Akihiro Matsuta	Smartest Energy
Simon White	Smartest Energy
James Anderson	Scottish Power
Hazel Gulliver	Scottish Power
Rob Selbie	NGET
John Parson	BEAMA
Steve Wilkin	Elexon
Michela Beltrachi	NPS
Joe Parsons	DECC
Osaaf Syed	NGIL