

Headline Report

Meeting number: Meeting 14

Date of meeting: Wednesday 24 August

Location: Shepherd & Wedderburn Offices, Edinburgh

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 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)

- The RfG network code was published in the Official Journal of the European Union (OJEU) on 14 April 2016 and is officially referred to as “*Commission Regulation (EU) 2016/631 of 14 April 2016 establishing a network code on requirements for grid connection of generators*”. As an EU regulation it currently 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.
- The DCC Network Code was published in the OJEU on 17 August 2016 and is officially referred to as “*Commission Regulation (EU) 2016/1388 of 17 August 2016 establishing a Network Code on Demand Connection*”. As an EU regulation it currently 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.
- The HVDC Network Code 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 Network Codes will enter into force Q3/4 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) presented an update at the August JESG on the RfG Generator Banding Thresholds, associated consultation and next steps. Please see section 5 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.
- Natasha Smith and David McCrone (Ofgem) provided an update at the August JESG on the Market Coupling Plan, Arrangements for more than one NEMO and GLDPM Mapping Outputs. Please see section 6 of this Headline Report.

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 Q3/4 2016.
- The GB implementation of both CACM and FCA is carried out under the JESG Subgroup ‘CACM/FCA Implementation’.

Electricity Balancing (EB)

- The EB Guideline is currently with the Commission for Comitology preparations with initial discussions at the Cross Border Committee Meetings. It is anticipated the Guideline will enter into force mid-2017.

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

- The discussions and GB implementation of the EB Guideline are carried out under the JESG subgroup BSFG (Balancing Stakeholder Focus Group).
- Chris Fox (NGET) presented an update on the EB Guideline at the August JESG; please see section 8 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).

- At the 4 May 2016 Cross Border Committee Meeting, the TSOG received a positive vote and has therefore been adopted by Member States. The guideline will now be translated and sit 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 guideline will enter in force Q1 2017.
- GB implementation for TSOG (workgroup GC0095) is being carried out under the joint governance of the Grid Code Review Panel (GCRP) and Distribution Code Review Panel (DCRP).
- John Young (NGET) presented an update on the TSOG at the August JESG; please see section 7 of this Headline Report.

Emergency and Restoration (ER)

- The Commission has released an updated draft text of the ER Network Code to Member States and discussions will continue at the Cross Border Committee Meetings.

5 Requirements for Generators Regulation: Banding Thresholds Update

- Richard Woodward (NGET) presented an update on the RfG Banding Thresholds and associated consultation which have been developed by the [GC0048 Workgroup](#). The consultation closed in May 2016.
- Three options had been proposed by the workgroup ('High', 'Medium' and 'Low') two of these options are being taken forward by Ofgem for consideration ('High' and 'Medium').
- 21 consultation responses have been received to which these are currently being analysed and will be visible in the report to authority which is currently being drafted. It is anticipated a draft of this report will be reviewed at the next GC0048 workgroup meeting on the 13 September 2016, with a target date of submission to Ofgem mid-October 2016.
- Further information can be found on the slides presented at today's meeting, through the above GC0048 link or by contacting [Richard Woodward](#) direct.

6 CACM Regulation

- David McCrone and Natasha Smith (Ofgem) presented updates on the following items required under the CACM Regulation:

MCO (Market Coupling Operator) Plan

- The CACM Regulation requires an 'All NEMO' (Nominated Electricity Market Operator) proposal which outlines how they will jointly set up and perform the Market Coupling Operator Functions. Following submission of this proposal and subsequent consultation, it is expected a final decision will be made in October 2016.
- A new forum has been established, the Energy Regulators' Forum (ERF) as a part of this process and will be for the purpose of seeking unanimous agreement on terms, conditions, and methodologies that require agreement among all regulatory authorities under the ENC's. It is anticipated this forum will be used where required for all ENC's (not just the CACM Regulation).

Arrangements for more than 1 NEMO

- Ofgem designated APX and NPS as NEMOs within GB in December 2015 to which the CACM Regulation requires Interconnector TSOs to develop proposals for cross-zonal capacity allocation and other necessary arrangements where more than one NEMO exists in a bidding zone.
- Following submission of this proposal in April 2016, Ofgem will publish a request for amendment in October 2017; Interconnector TSOs will consult and resubmit proposals to Ofgem October to December 2016. This will be followed by a decision from Ofgem in February 2017.

Generation Load and Data Provisions Methodology (GLDPM) Mapping Outputs

- Natasha Smith outlined the 'Indicative All Regulatory Authority Approval Process' timeline which is a 6 month process and highlighted the importance of early engagement in particular for the first 3 months to help support a position during the Comitology discussions.
- Following two mapping sessions looking at the GLDPM and links to the Common Grid Model Methodology (CGMM) it is expected an NRA approval will be made 14 December 2016. Stakeholders are encouraged to provide any final comments by Friday 2 September.

7 TSOG Update

- John Young (NGET) presented an update on the TSOG and current state of play.

- The [GC0095](#) has been established to look at GB Implementation for TSOG with the next meeting taking place on 14 September. Stakeholders are welcome to register their attendance through grid.code@nationalgrid.com
- John highlighted the work undertaken so far, key challenges and impacts along with interactions with the other ENCs.
- Further information can be found on the slides presented at today's meeting, through the above GC0095 link or by contacting [John Young](#) directly.

8 EB Guideline Update

- Chris Fox (NGET) and Natasha Smith (Ofgem) presented an update on the EB Guideline and current state of play.
- Natasha provided a view of the anticipated timeline running up to Entry into Force which is anticipated mid-2017 along with a high level summary of the GB comments to date.
- Chris provided a recap on the EB Guideline, Project TERRE, along with the GB Implementation approach and indicative timescales.
- Further information can be found on the slides presented at today's meeting, or by contacting [Chris Fox](#) directly.

9 AOB

• JESG Survey – Explain Market Research

Unless opted out, Stakeholders attending today's meeting, will be contacted by Explain Market Research to gather their views on the August JESG and its effectiveness. This feedback is much appreciated and valuable to help us understand what is important to you and how we can improve for the future.

• Technical Secretary Change

Chrissie Brown will take over the JESG Technical Secretary Role effective from the 31 August 2016 and therefore in place for the September JESG. Sara-Lee Kenney will move to work on National Grid's Future Energy Scenarios Team.

Chrissie can be contacted through europencodes.electricity@nationalgrid.com

10 Next Meeting and Future Agenda Items

The next JESG meeting will be held on the **Wednesday 28 September from 10-12:30 at Elexon Offices in London. Registration and meeting details will be announced through the JESG Weekly Update emails.**

Suggest Agenda Items:

Stakeholders are invited to submit agenda items for this meeting or any future meetings to the Technical Secretary europencodes.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
41	DBEIS have under Stakeholder sessions on the view for the future Energy Market Design and took and action at the April JESG to communicate to the JESG and through the JESG Weekly Updates the next planned sessions and updates so far. Also: How are GB views collated ahead of the Florence Forum meetings and is there a plan to hold a workshop ahead of the June Florence Forum?	DBEIS	Open	DBEIS to provide update to close this action September JESG Meeting
42	Look to hold a Glasgow JESG either side of the Autumn Customer Seminars (October).	Technical Secretary	Open	Open – The structure, format and dates for future NGET Customer Seminars is currently being developed. Further information to follow pending this review.
44	Cross GB Codes ENC Changes Coordination. Step 1 engage Code Administrators, highlight to code leads	Code Administrators and JESG Technical Secretary	Ongoing	
47	Set up GB Stakeholder Meeting ahead of October Comitology meeting (EBGL expected to be discussed)	Chris Fox (NGET)	NEW	
48	Contact Interconnector TSOs to provide visibility of JESG meetings should they wish to use the afternoon to set up stakeholder engagement sessions. Ofgem to provide list of contacts to Technical Secretary.	Technical Secretary & David McCrone (Ofgem)	NEW	

Recently Closed Actions

ID	Topic	Lead Party	Status	Update
27	Possibility to schedule a JESG meeting in late spring Brussels in 2016 Also: to look at forthcoming Eurelectric and any Energy UK Brussels Meetings to link in with a future JESG date	Energy UK	Closed	No longer applicable
45	Email GC0095 website link through JESG Weekly Update	JESG Technical Secretary	Closed	Complete
46	Further details around the ENTSO-E associated groups for TSOG implementation and further details around the impact to GB users to be circulated through the JESG Weekly Update.	NGET	Closed	Provided in JESG Weekly Update

Meeting Attendees

Name	Company
Barbara Vest	Chair
Sara-Lee Kenney	Technical Secretary
Adam Towl	National Grid Electricity Transmission (NGET)
Alan Scott	SSE
Allan Kelly	Mainstream
Chris Fox	NGET (Presenter)
David McCrone	Ofgem (Presenter)
David Spillett	ENA
Esther Sutton	Uniper
Garth Graham	SSE
Helen Stack	Centrica
James Anderson	Scottish Power
Janet Wood	New Power
Joe Underwood	Drax
John Young	NGET (Presenter)
Kate Dooley	Energy UK
Kyla Berry	NGET
Lorcan Murray	Britned
Lynne Bryceland	Scottish Power
Marian McSeveney	Scottish Government
Michael Rieley	Scottish Renewables
Natasha Smith	Ofgem (Presenter)
Olaf Islei	Epex Spot Power Exchange
Paul Neilson	SSE
Ronan Bolton	Edinburgh University
Steve Wilkin	Elexon
On Phone:	
Richard Woodward	NGET (Presenter)