

Headline Report

Meeting number: Meeting 6

Date of meeting: Tuesday 29 September

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 presentation from the meeting which is 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 europaencodes.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)

- The RfG Network Code was approved by the Cross-Border Committee in July 2015. It will now proceed to the formal approval of the Council and Parliament before being published in the OJEU.
- The DCC Network Code is currently in the Comitology phase of the development process. The Code will be considered by the Cross Border Committee on 15 and 16 October 2015 where a vote is expected to be taken.
- The HVDC Network Code was adopted by the Member States on 11 September and will Enter into Force in 6 months.
- Two new workgroups are being established for GB Stakeholders to consider the alignment of the GB Framework with the requirements in the DCC and HVDC Network Codes. GC0090 has been established under the Grid Code Review Panel for HVDC, and GC0091 has been established jointly under the Grid Code Review Panel and Distribution Code Review Panel for DCC.

3 Markets

Capacity Allocation and Congestion Management (CACM)

- The CACM Guideline was published in the Official Journal of the European Union on 25th 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 has supremacy 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 is currently in the Comitology phase of the development process.
- The EB Network Code is currently with the Commission post ACER's qualified recommendation. Following the Energy Union communication and associated market design work, the Commission has indicated that the EB Network Code will be deferred until 2016.

4 System Operation

Operation Security (OS), Operational Planning and Scheduling (OP&S) and Load Frequency Control Reserves (LFCR)

- The Network Codes will be merged to form one guideline. The revised code is expected to enter Comitology before the end of the year.

Emergency and Restoration (ER)

- ACER has recommended the network code to the Commission subject to some amendments. Following the Energy Union communication and associated market design work, the Commission has indicated that the ER Network Code will be deferred until 2016.

5 Stakeholder Engagement – a 6 month forward view

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

- 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.
- Garth Graham (SSE) noted the impact meetings on the Codes can have on the industry's resources. When scheduling work group meetings, NGET are mindful of the impact on the industry and will try to align meetings as efficiently as possible - especially with 9 subgroups expected to start for GC0048 Requirements for Generators implementation. NGET will try to schedule meetings over two days which requires less travel and separate topics can be covered on each day.
- Barbara Vest (Energy UK) and Marta Krajewska (Energy UK) advised that Energy UK held a European Code teach in session with the Scottish Government recently which was gratefully received. Energy UK also spoke to the OFTOS and was well received but believe that additional meetings are still required for stakeholder engagement.
- Barbara also advised the group that Energy UK is setting up a forum for manufacturers and 3rd parties and suggested that maybe the JESG be held elsewhere than London on more than one occasion in a 12 month period. However, it was noted that increasing the engagement with the stakeholders would have a resource implication and the group needs to think how it can be achieved.
- Garth asked whether the Ofgem offices in Glasgow could be used to conduct video conferences which reduces the need to travel and makes the meeting accessible to more stakeholders.
- Barbara advised the group that stakeholders are being turned away from JESG because they haven't registered for the meeting. The group were made aware that meeting registration is mandatory and this will be highlighted in the JESG weekly update.

6 European Stakeholder Committee Issues

- Marta Krajewska (Energy UK) gave an update on the European Codes Stakeholder Committees. There are 3 committees that have been established to cover the three different categories of European Code – Market Codes, Connection Codes and System Operation Codes. They are expected to cover implementation of codes however; the representation is only for pan European associations and Marta has been looking into this.
- These Committees are not decision making forums but potential issues with network codes will be discussed in the meetings. ACER would like to see some sort of filtering of issues nationally and regional discussions should take place outside of meetings. Marta highlighted that the issues should be brought to JESG before taking them to the Committee meeting.
- Marta reported that the Market Stakeholder Committee has 26 seats and 14 of those were TSOs (not NGET) but there is a limit on the number of market participants. Steve Wilkin (Elexon) is on this committee. It was highlighted that the GB synchronous area needs representing at the Committee.
- Detailed minutes from the meetings are expected to be published soon after the meetings.
- David Freed (Ofgem) advised the ESCs are not decision making bodies and will not replace the ACER amendment process.

7 Cross Border Committee meeting update

- Sue Harrison (DECC) gave an update from the September Cross Border Committee meeting. Member States spotted and resolved discrepancies between RfG and HVDC.
- And all GB issues were addressed. The Code was adopted unanimously.
- The DCC and FCA proposals have been completed and are being translated. It is expected that DCC will be voted at the meeting on 15-16 Oct and FCA on 29 – 30 October. The dates for the meeting on FCA have not yet been confirmed. Sue advised that the Operational Code will be discussed at the Cross Border Committee meeting in mid-November but it would not be voted on. There has been no discussion on the Emergency Restoration Code so far. David Freed explained that the discussion will be held after any progress is made on Energy Market Design.
- Marta Krajewska said that it would be helpful if the Commission could provide bullet points on a slide on the changes for the Operational Code. Sue said that she expected the Commission to do this at the meetings.

8 CACM Voting and NRA Submission for Capacity Calculation Regions

- Rob Selbie (NGET) gave an update on the process on Capacity Calculation Regions (CCR). It was highlighted that the deadline for All TSO proposal for CCRs is 3 months after Entry into Force (mid Nov). ENTSO-E published a consultation and it closed last week. ENSO-E had a workshop 14 September and the topics of discussion were –
 - Roles of capacity Calculators
 - Timeline for multiple regions to merge – what are steps along the way, which regions first
 - ENTSO-e looking at these issues in next 4 weeks
 - All TSOs vote at MC meeting on 29 October and we need to use GB mechanisms
 - Give votes to NRAs mid-November and then NRAs have 6 months to approve
- Then next deliverable will be triggered and Implementation Plan by TSOs will need to be submitted to NRA for methodologies.
- Garth questioned the stage in the process when these methodologies need to go through Comitology. Sue said that it was not expected that these methodologies would go through Comitology. Marta felt that if these methodologies don't go through Comitology then they are not legally binding i.e. NRA approval is not sufficient. Sue undertook to seek legal advice on this and report back to the group.

9 Connection Codes and System Operation Codes update

- David Freed (Ofgem) gave an update on progress of the Connection Codes and the System Operation Codes. He advised that the translations are going on for Connection Codes and there will be a 2 year period to implement them in GB.
 - David explained the proposed approach to allocating TSO responsibilities in GB
 - Process DF suggested:
 - End Oct - Identify articles that need to be assigned
 - End Oct - SO to do the first cut allocation
 - November - Discussions in WGs and JESG update
 - Q1 2016 - Resolve differences
 - Q1 2016 - Consult
 - Q1 2016 – Decision
- Garth Graham (SSE) raised concerns about using the process prematurely for DCC when code not approved. It was agreed in the meeting that Ofgem will have to make the decision whether to include DCC or not.
- Operational Codes – EC reviewing trilateral version of guideline and then to be translated and to be published beginning of November for Stakeholders to look at 3/ 4 November.
 - David Freed suggested that s version of text for the Operational Codes was expected in the next few weeks.

10 Connection Codes update including feedback from ENTSO-E session on RfG Implementation

- Franklin Rodrick (NGET) gave an update on the GB implementation of the Connection Codes.
- Franklin highlighted that the work has been progressed quite well under GC0048 Requirements for Generators but there are some issues faced by the Workgroup.
 - Industry engagement – particularly from smaller parties
 - Setting banding thresholds:
 - Generator costs vs operational costs
 - but increased generator capabilities facilitate connection of increased volumes of smaller embedded
 - Establishing methodologies and process to agree:
 - Retrospectivity
 - Cost benefit analysis
 - Derogations
- David explained that requirements are not applicable to existing generators but if they undergo substantial modernisation to an extent where the connection agreement is substantially changed then the code may be applicable subject to NRA approval. In addition the codes contain a provision on retrospective application to existing generators subject to a CBA.
- GB Code mapping done for RfG has been done and 9 different Workstreams have come out as a result. These Workstreams will have a resource implication as the same industry experts will be attending more than one meeting. Garth suggested getting a year of meetings in calendars.
- GC0090 HVDC – first Workgroup meeting was held on 18 September but OFTOs didn't attend. Barbara suggested contacting ENA for OFTO engagement. Next meeting is planned for early November 2015 and would be held over two days to perform the code mapping exercise.
- GC0091 DCC – first Workgroup meeting scheduled 12 October but may need to be replaced by DECC/Ofgem Stakeholder Workshop.

11 Discussion on Energy Union ahead of deadline

- Natasha Smith (Ofgem) gave an update on the Energy Market design (discussed in August - JESG) – Commission has published the consultation and the deadline for Energy Market Design consultation is 8th October. The main intention is to highlight the consultation to the stakeholders and await any responses.
- ACER and CEER will be doing a joint response to the Commission and a summary of this may be provided by the Commission.

12 Financial Transmission Rights on the I-SEM/GB Border

- Jean Pierre (Utility Regulator Northern Ireland) gave an update on Financial Transmission Rights on the Single Electricity Market/GB Border. Jean Pierre advised that the consultation has been published on the proposed methodology and invited GB stakeholders to respond. The consultation can be found [here](#). Deadline for responses is **19 October**.

13 AOB

- Franklin Rodrick (NGET) advised the group about Grid Code Development Forum and Open Governance for Grid Code consultation. The consultation has been published and can be accessed [here](#). More information about the Grid Code Development Forum and how to register can be found [here](#).

14 Next Meeting

The next scheduled meeting for the JESG is 20 October 2015 at Elexon Offices in London. Registration details will be provided in the JESG Weekly Updates and stakeholders will be invited to suggest agenda items.

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
16	Options to increase engagement with stakeholders	All	Open	
17	Provide visibility of response sent to ENTSO-E on Stakeholder engagement	NGET	Open	
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	
20	Look at how to avoid turning away people who haven't registered people for JESG and arrive on the day	Elaxon	Open	

Recently Closed Actions

ID	Topic	Lead Party	Status	Update
13	What is the process if there is a translation error in the published version of a regulation? How can an error be corrected, and what is the legal result if there is a discrepancy between different language versions.	Ofgem/D ECC	Closed	Marta Krajewska updated that in case of discrepancy English version takes precedence

14	Circulate the proposed Term of Reference, and likely agenda items for the JESG Subgroup on CACM and FCA	NGET	Closed	Circulated to the meeting attendees and published on the website
15	Consider nominations for the chair of the JESG Subgroup on CACM and FCA from the industry	All	Closed	Covered as part of the Subgroup meeting

Meeting Attendees

Name	Company
Barbara Vest	Chair
Franklin Rodrick	Technical Secretary
Marta Krajewska	Energy UK
Garth Graham	SSE
Bec Thornton	National Grid Electricity Transmission (NGET)
David Freed	Ofgem
Rob Selbie	National Grid
Natasha Smith	Ofgem
James Curtin	Commission for Energy Regulation – Ireland
Rob Barnett	Economic Consulting Associates
Jean Pierre Miurra	Utility Regulator Northern Ireland
Stephen Gannon	EIR Grid
Bill Reed	RWE
Kamila Nugumanova	Electricity Supply Board – Ireland (ESB)
Joe Underwood	Drax
Chris Price	Elexon
Helen Stack	Centrica
Julian Rudd	DECC
Paul M	Mutual Energy
Peter Bolitho	Waters Wye Associates
Vince Hammond	National Grid Interconnectors
James Anderson	Scottish Power
John Kelly	ESB
John Costa	EDF Energy
Sue Harrison	DECC
Hazel Gulliver	Scottish Power