

EU Stakeholder Forum

10th March 2015



Comitology Update



Comitology Update I

- European Commission – push to get Network Codes through Comitology in 2015/16
- **CACM:**
 - with EP, entry into force Jun/Jul
- **RfG:**
 - ISC finished, voting May
- **DCC:**
 - DG EN revising text, trilateral talks to follow, voting July
- **HVDC:**
 - ISC before summer, voting July
- **FCA:**
 - DG EN revising text, meeting May, Comitology 2016



Comitology Update II

- **LFCR,OS,OPS:**

- Trilateral discussions until June 2016 (review text & strengthen TSO coordination)
- Option of merging SO Codes into one GL is under consideration by EC
- Preliminary plan to start Comitology in September 2015.

- **EB:**

- ACER revising text (May 2015)
- Expected Comitology will start in 2016

- **ER:**

- Draft sent to ACER in April 2015
- Comitology start subject to ACER opinion & progress with other SO GLs



CACM - All TSOs

- Determination of CCRs **C** (Oct '15) ✓
- Requirements for Price Coupling & Continuous Matching Algorithm (Mar '16) ✓
- Generation & Load Data **C** (May '16) ✓
- Common Grid Model **C** (May '16) ✓
- Congestion Income Distribution (Jul '16)
- Scheduled Exchanges **C** (Nov '16)
- Day Ahead Firmness Deadline **C** (Nov '16) ✓
- Intraday XZ Gate Opening & Closure Time **C** (Nov '16) ✓
- Merging Individual Grid Models (Jun '17) ✓
- Intraday Capacity Pricing **C** (Aug '17)



NEMOs in cooperation with TSOs

- Common requirements for Price Coupling & Continuous Matching Algorithm **C** (Aug '16)
- Backup procedures **C** (Jan '17)
- Maximum & Minimum Prices **C** (Jan '17)
- Complementary Regional Auctions **C** (Jan '17)



Capacity Calculation Region (CCR)

- Determined by October 2015
 - SEM-GB
 - GB-Continent
- Methodologies under CCR
 - Fallback **C** (Nov '16)
 - Capacity Calculation **C** (Feb '17)
 - Redispatching & Countertrading **C** (Sep '17)
 - Redispatching Cost Sharing (Sep '17)
 - Coordinated Capacity Calculator (Jan '18)



Electricity Balancing, Standard Products & Project TERRE



Electricity Balancing - Overview

- System Balancing requires TSOs to take actions to ensure that electricity demand and supply are equal in real-time in order to preserve the Operational Security of the system.
- Guiding principles of the NC EB are for integration, coordination and harmonisation of the Balancing regimes in order to facilitate electricity trade within the EU
- Main goal of the NC EB is to achieve a harmonised and coordinated set of procurement, capacity reservation and settlement rules.

Electricity Balancing Status

- Significant new text proposals from ACER based on 6 Aug 2014 published version.
- Areas under discussion:
 - Implementation schedule
 - Voting arrangements for decision making
 - Procurement of balancing capacity
 - ACER/Commission/ENTSO-E interaction
 - Stakeholder involvement
 - Delegation of tasks
 - Establishment of Coordinated Balancing Areas.
 - Operational scheduling arrangements
 - Baseline for Imbalance calc
 - Requirements for specific products
 - Monitoring of the implementation of European Balancing Market
- ENTSO-E drafting team active again after dormant 6 months.



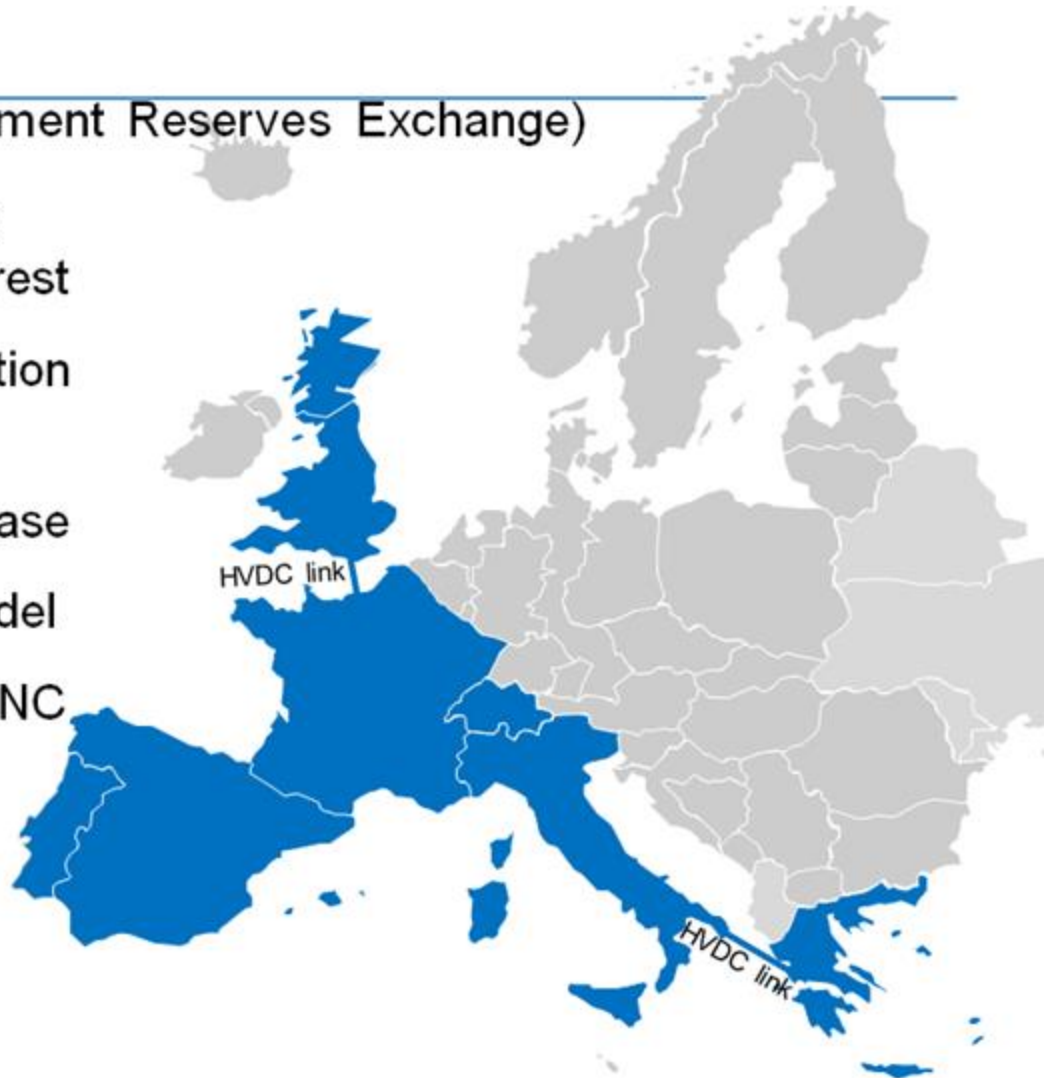
Standard Products

- An early implementation step.
- NC EB introduces the concept of the Coordinated Balancing Area (CoBA)
- Every TSO is obliged to cooperate with two or more TSOs in a CoBA by exchanging one (or more) Standard Product(s)
- CoBA concept is central to the phased approach of reaching the FG EB targets
 - As time passes the level of cooperation within a CoBA and between neighbouring CoBAs will increase, neighbouring CoBAs will merge and finally all CoBAs will merge to reach the FG EB target of a single pan-European Common Merit Order List.
- Products being developed for RR, aFRR and mFRR.
- To be reviewed by ACER and consulted on in ~Q2 2015.



Project TERRE Scope

- TERRE
(Trans-European Replacement Reserves Exchange)
- Currently 7 TSOs involved
with more expressing interest
- Leading early implementation
pilot project for RR
- Currently in the design phase
- Based on TSO – TSO model
- Should be compliant with NC
EB



Project TERRE Schedule

- Q2 2017 Go-Live (to be confirmed)
- Q2 2018 Replacement Reserve implementation obligation (to be confirmed).

HAR & Allocation Platform Options



Harmonised Allocation Rules

- Registration
- Collateral
- Auctions
- Return of Long Term Transmission Rights
- Transfer of Long Term Transmission Rights
- Use and Remuneration of LTRs
- Fallback Procedures
- Curtailment
- Invoicing and Payment



SEM-GB Border Specific Annex

- HAR and Border Specific Annex to apply from I-SEM Go-Live
- LTR remuneration adjusted to reflect ramping constraints
- Curtailment due to 'Capacity Shortage' calculated as per 'System Security' curtailment

HAR Timeline

- ENTSO-E HAR consultation open until March 30th <https://consultations.entsoe.eu/>
- Public Workshop in Brussels March 18th
- ENTSO-E finalise HAR June 30th
- Subject to Regulatory Approvals
- HAR will apply to allocations on some borders from January 2016

Allocation Platform

Current

IFA Registration	BritNed Registration	Moyle Registration	EWIC Registration
Auctions	Auctions	Auctions	Auctions
Secondary Trading	Secondary Trading	Secondary Trading	Secondary Trading
Publications	Publications	Publications	Publications
Rights Tracking	Rights Tracking	Rights Tracking	Rights Tracking
IFA Credit	BritNed Credit	Moyle Credit	EWIC Credit
IFA Settlement	BritNed Settlement	Moyle Settlement	EWIC Settlement
IFA Invoicing	BritNed Invoicing	Moyle Invoicing	EWIC Invoicing

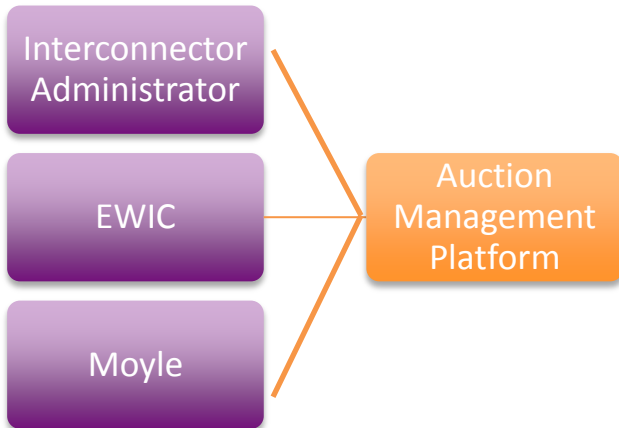
Single Allocation Platform

Registration
Auctions
Secondary Trading
Publications
Rights Tracking
Credit
Settlement
Invoicing

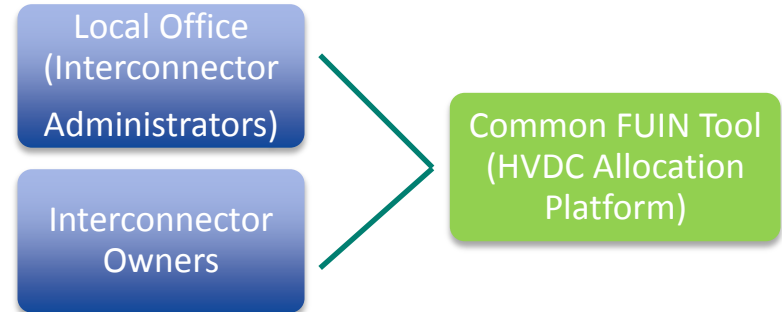
NC Compliance Improves
Implementation complexity increases

Allocation Platform – Options

I-SEM Auction
Management Platform



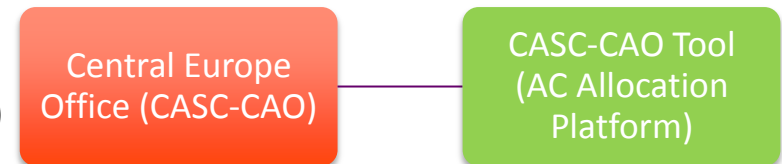
Regional IT Platform
(all FUIN HVDC)



Regional Office
(all FUIN HVDC)



CASC-CAO Office
(I-SEM + CASC-CAO)



Joint Grid Code Working Group on Network Codes



Joint Grid Code Working Group

- JGCWG established to of the NCs on the Grid Codes of Ireland & NI
- Group consists of industry stakeholders from Ireland & NI
- Remit of Group:
 - Impact Assessments of all NCs on GCs
 - Agree and Propose methodology for NC adoption
 - Draft and Propose modifications to GCs to comply with NCs



Impact Assessments

- 3 sub-working groups established to review Network Codes
- 1st round of assessments complete Oct 2014.
- Aim to have all codes reviewed Q3 2015
- Drafting of GC clauses to begin following WG reviews



Draft Working Group Plan

Due By	Sub-WG1	Sub-WG2	Sub-WG3
Complete	LFCR	RfG	HVDC
May 2015	DCC	FCA	CACM
September 2015	BAL	OS	OPS



High Level Issues

- Definitions in GCs will need to be revised
- Technical standards mostly align with GCs but some changes are required
- Criteria for CBA and Derogations will need to be clearly defined for IE and NI
- Requirements for TSOs in GCs but details to appear in other documents



Items to Note – LFCR, RfG, HVDC

- LFCR Code

- Formalisation of monitoring, controlling and reporting frequency
- Control Structures: Ireland = one synchronous, LFC and monitoring area
- GC Operational clauses significantly impacted by LFCR
- Operational security documents will need to be updated

- RfG Code

- Technical standards are broadly in line with GCs but some changes required
- Retrospection, Derogation and CBA processes will need to be specified
- Connection Conditions in GCs are significantly impacted by RfG provisions

- HVDC Code

- Covers HVDC Interconnectors and HVDC connected PPMs
- Some explicit clauses are specified as retrospective
- CC7.5 in IE provides HVDC standards, NI requirements not clearly specified

Items to Note – DCC

- New definitions for different classifications of demand facilities
- Specific technical requirements, connection process and testing requirements for demand facilities, DSUs and DSOs
- Significant amount of TSO-DSO engagement will be required to define new connection processes

Items to Note – CACM & FCA

- Market Codes CACM and FCA outline new market rules which have not been fully defined in I-SEM
- Not clear how proposed new Grid Code structure will adopt market rules and interact with I-SEM
- Data requirements for CGM needs to be clarified and possibly inserted in Grid Codes
- Clarity on whether requirements for TSOs and NEMOs is in GCs or in other documents



Next Steps

- Complete phase 2 of impact assessments
- Report findings of phase 2 to JGCRP May 2015
- Kick off phase 3 June 2015 with view to reporting to JGCRP September 2015
- Following completion of phase 3 consider full implications of WG reviews
- Drafting to commence Q4 2015 or Q1 2016





Questions?

