



Implementation of network codes

Agenda

- **Electricity**
- **Gas**

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Starting points

- **All network codes**

1. Connection codes: demand connection $_{DC}$ | requirements for generators $_{RfG}$ | high-voltage direct current $_{HVDC}$ [pending on EU level: emergency and restoration]
2. Market Codes: capacity allocation and congestion management $_{CACM}$ | forward capacity allocation $_{FCA}$
3. [System operation: pending on EU level]

- **Entire provisions**

- No omission of Articles
- *But*: step-wise implementation of Articles possible
 - For discussion with TSOs / NRAs

- **No new obligations on EU Member States**

Key questions

- **Standard adaptations only?**
 - EC → ECS | ACER → ECRB | MS → CP
- **Or are also additional ad-hoc adaptations needed?**
 - E.g. monitoring competences of ACER to remain with ACER for reporting efficiency reasons
 - no duplication of tasks that ACER / ENTSO-E already has based on the EU version of the relevant network code / guideline (e.g. data delivery requirements from ENTSO-E to ACER)
 - no provisions that relate to ACER / ENTSO-E obligations towards the EC
- **Implementation in one or more steps?**
- **Feasible implementation deadlines?**
 - For discussion with TSOs / NRAs
- **Is reciprocity an issue?**
 - Does meaningful implementation require involvement of CP-MS interfaces or is implementation of pure national / CP relevance?

NC / GL	Standard adaptations	Reciprocity required?	Timeline
RfG	✓	✗	in one go
DC	✓	✗	in one go
HVDC	✓	✗	in one go
CACM	✓	✓ ✗ <i>See separate slide</i>	in one go

- **Standard adaptations**
 - MS - CP | EC – ECS | ACER – ECRB [*] | ENTSO-E, ACER subject to agreement of ACER
- **Title II version**
 - Obligation on CPs only
 - for existing EU deliverables adopt on CP level but align with EU – respecting Art 20.4 boundaries
 - Voting rights: CP only
 - If deviating ??
 - Except
 - NEMO designation [MS right]
 - [ideally] reporting ACER [*] | ENTSO-E incl CPs – alternative: ECRB | TSOs/ECS (but: less efficient geographic scope!)
 - *Problem*: Title II lacks legal certainty on CP-MS interface
- **Title III**
 - *Pro*: can be tabled by ECS | creates legal certainty on CP-MS interface
 - *Con*: still requires positive vote of the Union | voting problem

What's next?

- **Discussion with working group**
 - TSOs | NRAs
- **Presentation of results to PHLG**

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- **Gas**

- Signed NRA declaration to apply gas NCs on MS-CP IPs (all per country)



What has been declared exactly?

Declaring

by signature of the present Declaration the commitment, to apply network codes and guidelines adopted based on Article 6(11) or Article 23 of Regulation (EC) 715/2009 including any amendments thereof on the points interconnecting the gas transmission system of [MS] with the gas transmission system of [CP] equally to points interconnecting the gas transmission system of [MS] with the gas transmission system of other Member States of the European Union, provided the Secretariat of the Energy Community has been notified by [relevant CP] of its transposition of the relevant network code(s) or guideline(s). More specifically this commitment relates to the interconnection point[s]: [list IPs].

In executing this commitment, national regulatory authorities or, where applicable, national authorities should coordinate and inform each other in taking their respective decisions.

For [NRA]

.....

Reservation

The full implementation of network codes and guidelines at the interconnection points, necessitates the resolution of challenges stemming from existing legacy agreements (i.e. contracts, technical operation conditions).

In executing this commitment, national regulatory authorities or, where applicable, national authorities should coordinate and inform each other in taking their respective decisions.

What's next?



- **Building on “voluntary” reciprocity**
 - Adoption of IO NC and CMP NC by PHLG (06/2017?)
 - WG discussion on other NCs → timeline: Gas 2020
- **Ensure binding reciprocity**
 - Treaty reforms (MC 10/2017)

The background is a satellite-style image of the Earth at night, showing city lights. Overlaid on this is a complex network of glowing blue lines that connect various points across the globe, representing a global energy or communication network.

Thank you
for your attention!