



Electricity Network Codes in the Energy Community

Electricity Network Codes Families

3rd Package Network Codes

Connection Codes

- Requirements for Generators
- Demand Connection Code
- HVDC Connections

(RFG)
(DCC)
(HVDC)

Market Codes

- Capacity Allocation & Congestion Management
- Forward Capacity Allocation
- Electricity Balancing

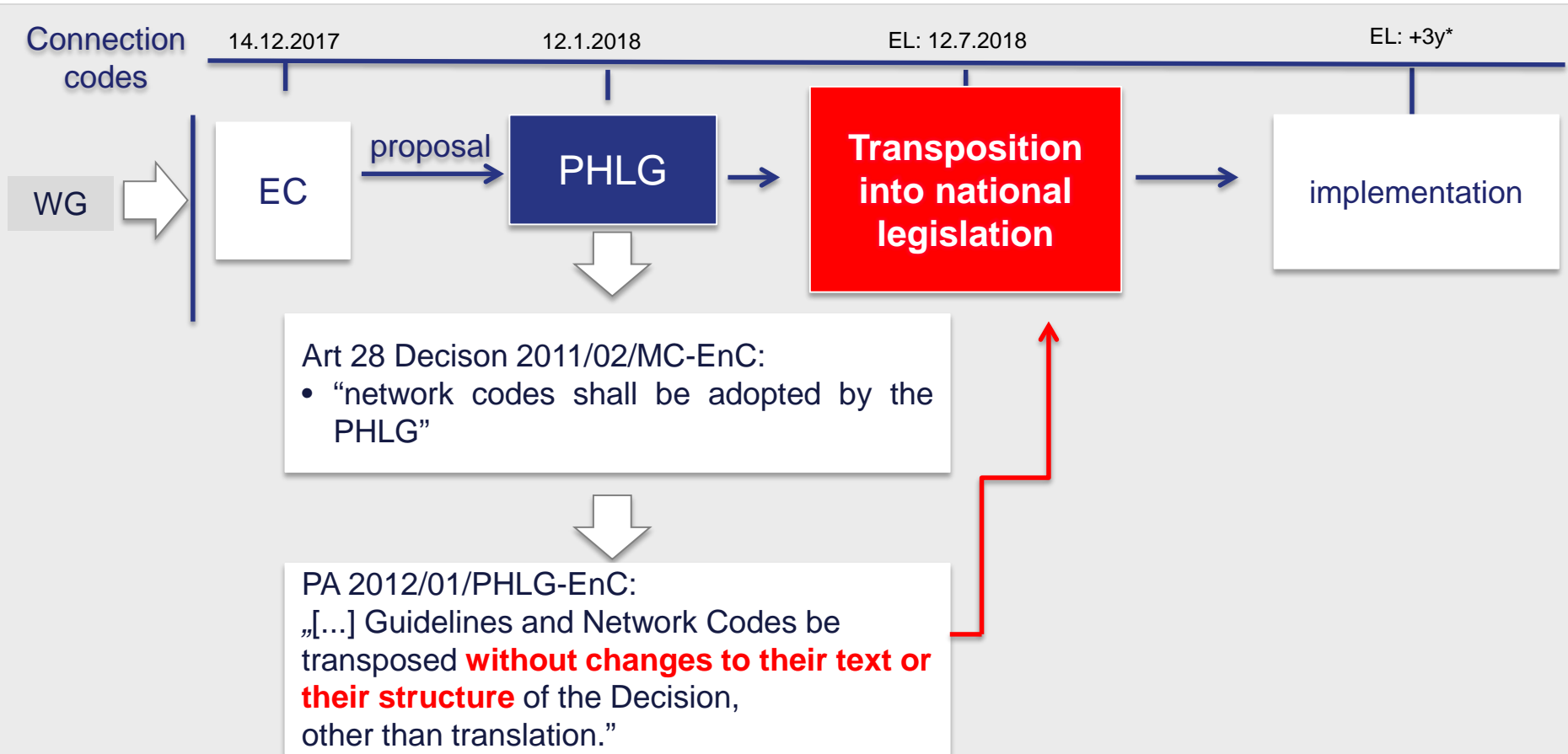
(CACM)
(FCA)
(EB)

Operational Codes

- Operational Security (OS)
- Operational Planning & Scheduling (OPS)
- Load Frequency Control and Reserves (LFCR)
- System Operation Guideline (SO)
- Emergency and Restoration (ER)

(SO)
(ER)

Network Codes - adoption in the Energy Community



Connection Codes

- RfG: [Decision 2018/03/PHLG-EnC on incorporating Commission Regulation \(EU\) 2016/631 establishing a Network Code on requirements for grid connection of generators](#)
- HDVC: [Decision 2018/04/PHLG-EnC on incorporating Commission Regulation \(EU\) 2016/1447 establishing a network code on requirements for grid connection of high voltage direct current systems and direct current-connected power park modules](#)
- DC: [Decision 2018/05/PHLG-EnC on incorporating Commission Regulation \(EU\) 2016/1388 establishing a Network Code on Demand Connection](#)

Let me re-call that the adopted Regulations need to be transposed without changes to the structure and text other than translation in order to comply with the PHLG Decisions. We assume that the incorporation of the above mentioned Decisions into your country's legal framework can be accomplished by the adoption and/or adaptation of acts by the regulator and do not require approval by Parliament. In this case, we recommend the following approach to comply with the Energy Community requirements:

1. In a first step, the national regulatory authority to adopt a text corresponding to the Network Codes translated into the official languages.
2. In a second step, the national regulatory authority to adapt the existing regulatory acts to bring them in line with the (incorporated) Network Codes.

Both steps must be accomplished within the transposition deadline. The PHLG Decisions oblige the Contracting Parties to notify the Energy Community Secretariat of completed transposition within two weeks following the adoption of such measures.

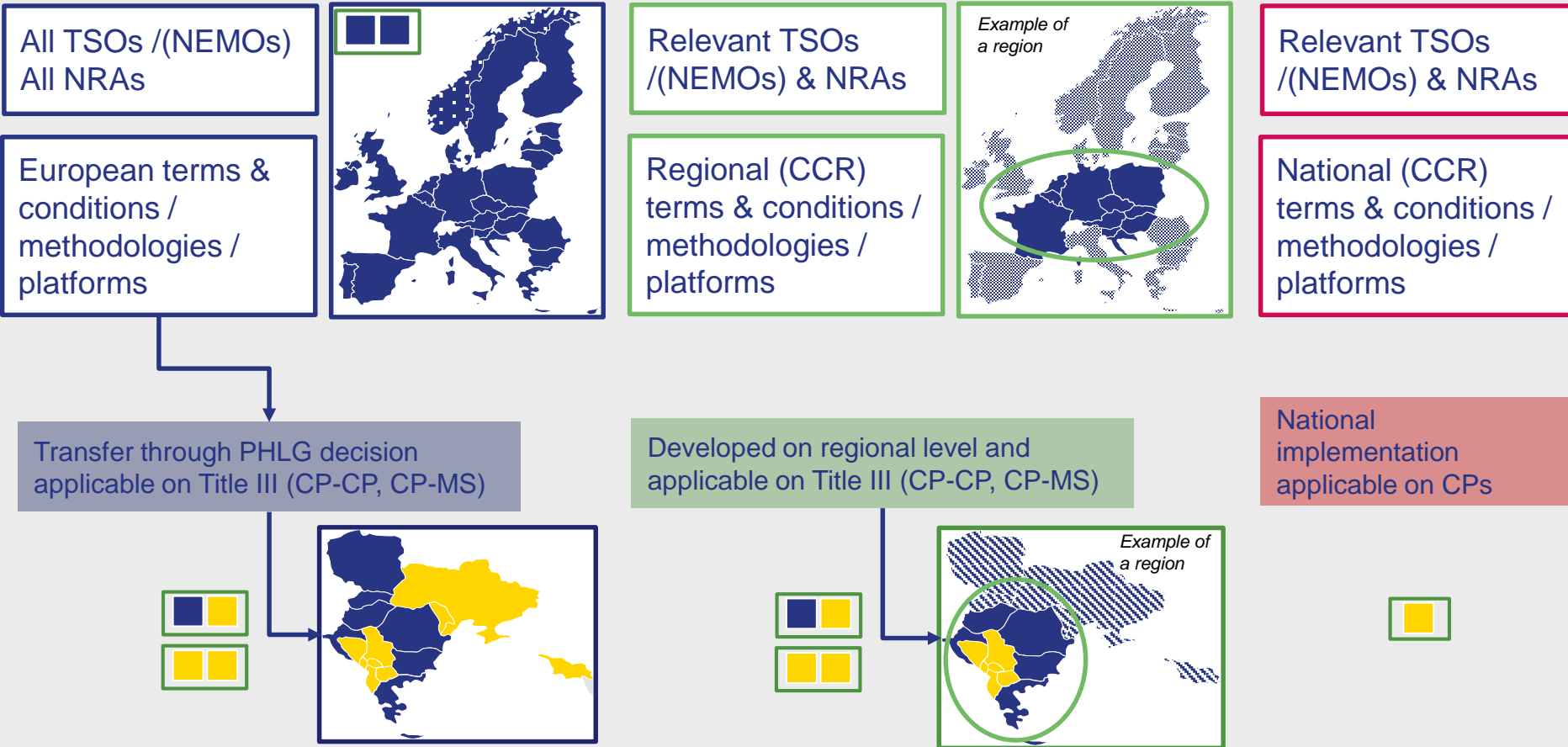
We are ready to support your national regulatory authority (or any other authority competent for transposition) in incorporating the five Network Codes into national law. For this purpose, the national regulatory authority (or any other competent) authority are invited to address the Secretariat (Deputy Director Dirk Buschle, dirk.buschle@energy-community.org, and Head of ECRB Section Nina Grall-Edler, nina.grall@energy-community.org by **23 March 2018** about the envisaged legal modus for transposing the Network Codes and any requests for assistance.

- ***Most of the EnC CPs started the process (AL, BA, ME), clarity on competences and procedures in some EnC CPs is still missing***
- Who is the competent authority for transposition?
- Can the competent authority transpose within the *existing* legal framework?
 - Do competences need to be specified? Or can general competences be used?
- Can the 2-step concept (ref letter) be followed?
- Timelines – progress status – work approach

Network Codes – timeline for adoption

Electricity				
Legal act	Content	Remarks	adoption	
RfG NC Regulation 631/2016	Requirements for grid connection of generators		Adopted	Decision 2018/03/PHLG-EnC [Title III]
DC NC Regulation 1388/2016	Demand connection	<ul style="list-style-type: none"> Consolidated versions online available Correlation tables available online List of to dos (ECS, ECRB, ENTSO-E, ACER available) <u>Next steps</u>: letter on implementation to Ministries Regulatory School 3.5. 	Adopted	Decision 2018/05/PHLG-EnC [Title III]
HVDC NC Regulation 1447/2016	Grid connection of HDVC and direct current-connected power park modules		Adopted	Decision 2018/04/PHLG-EnC [Title III]
CACM GL Regulation 1222/2015	Capacity allocation and congestion management	<ul style="list-style-type: none"> Requires a EU-CP reciprocity solution: either to be reached by legally binding reciprocity (Treaty reforms) and before by „voluntary reciprocity“ (similar to gas), i.e. via agreements developed under the WB6 Connecta Regional DAMI TA 		MC 2018, [Title III]
FCA NC Regulation 1719/2016	Forward capacity allocation			MC 2018, [Title III]
SO GL Regulation 2017/1485	System Operation	<ul style="list-style-type: none"> However, even with a reciprocity solution: also a solution for voting is needed that can only be reached via Title III 		2019
BAL GL Regulation 2017/2195	Balancing	<ul style="list-style-type: none"> Adaptations are currently prepared 1st meeting: 10.4., VIE 		2019
ER NC Regulation 2017/2196	Emergency & restoration	<ul style="list-style-type: none"> Closely linked to BAL GL 		2019

Methodologies



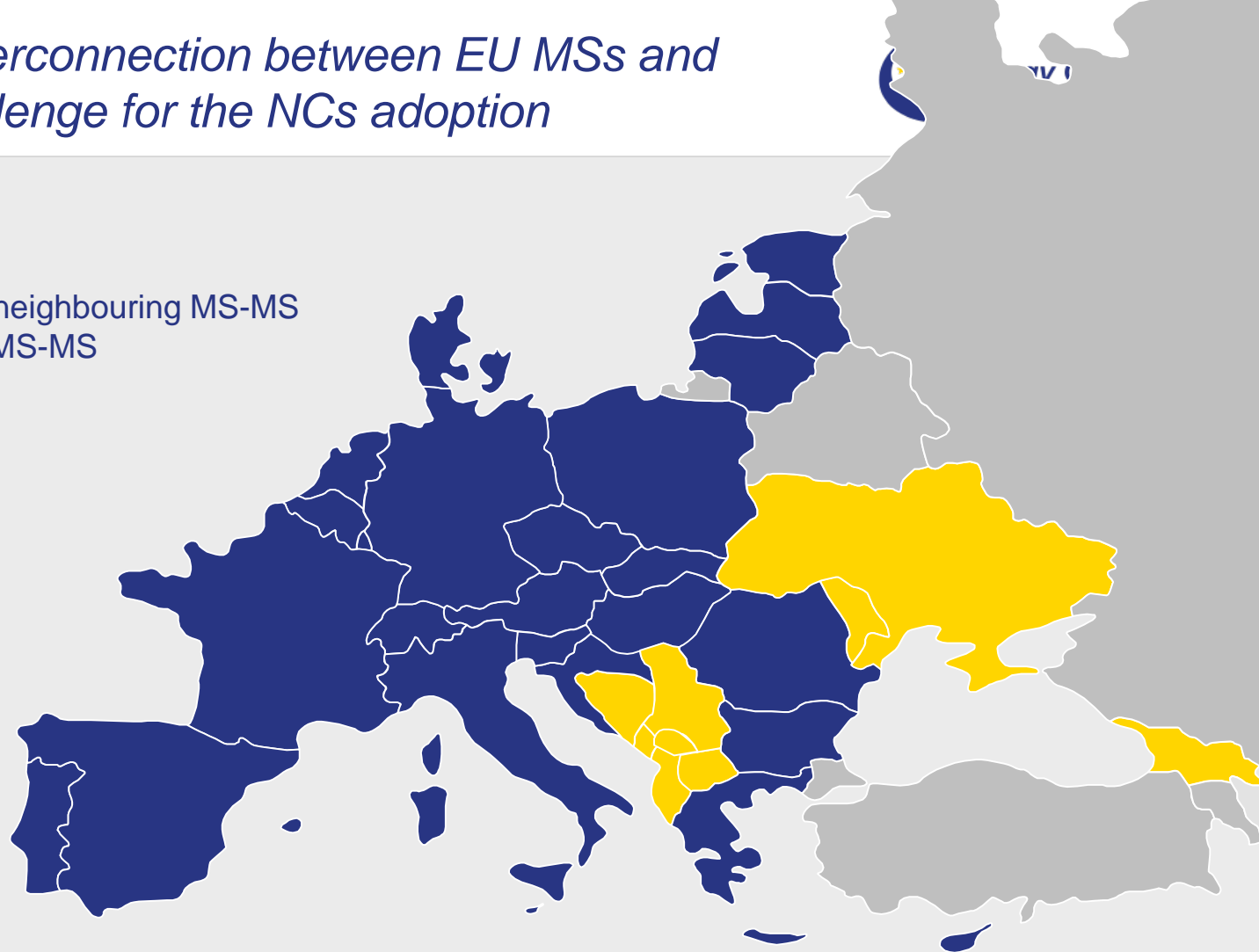
Reciprocity on interconnection between EU MSs and EnC CPs – a challenge for the NCs adoption

Regions concerned:

Title II – CP-CP

Title III – CP-CP, CP-MS, neighbouring MS-MS

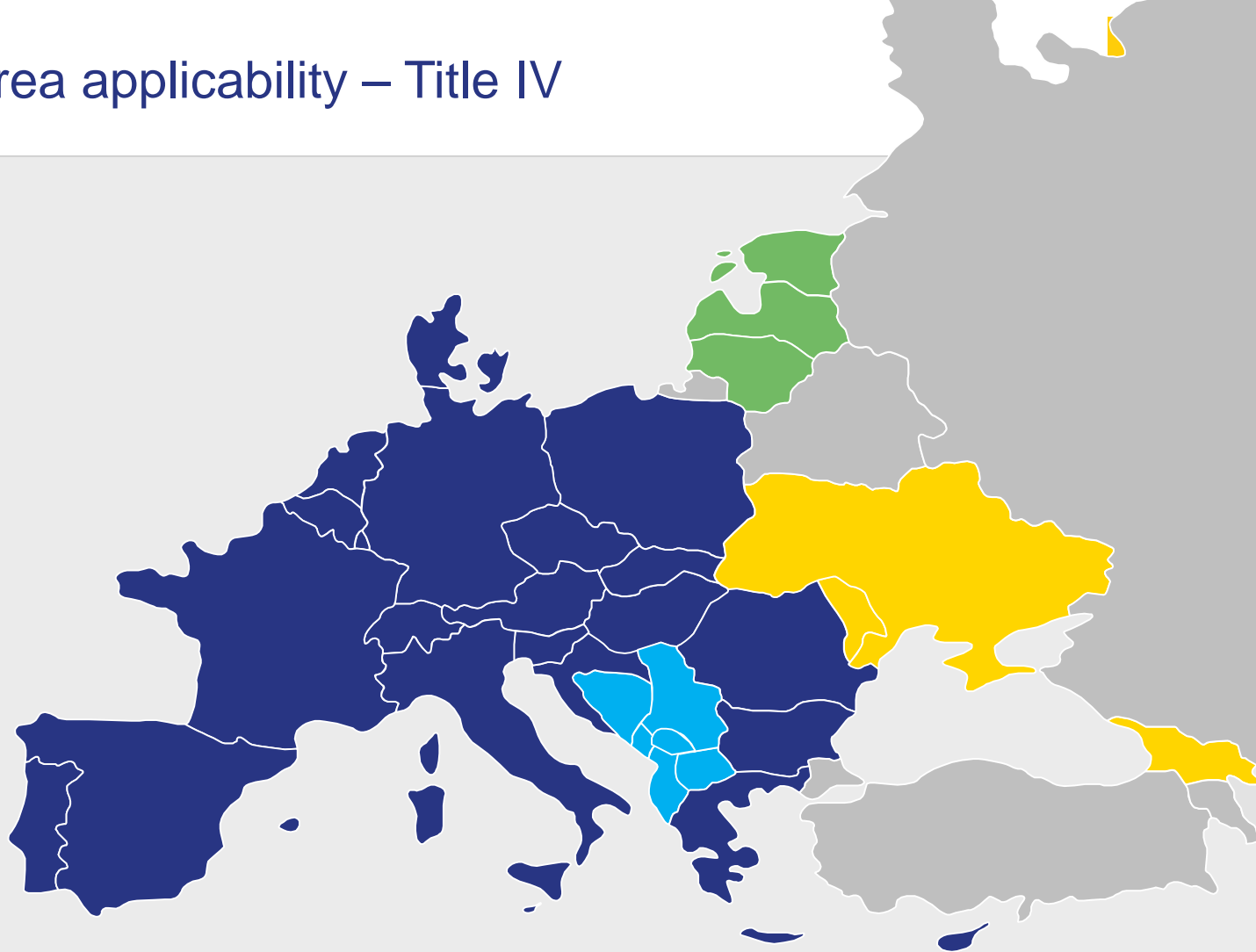
Title IV - CP-CP, CP-MS, MS-MS



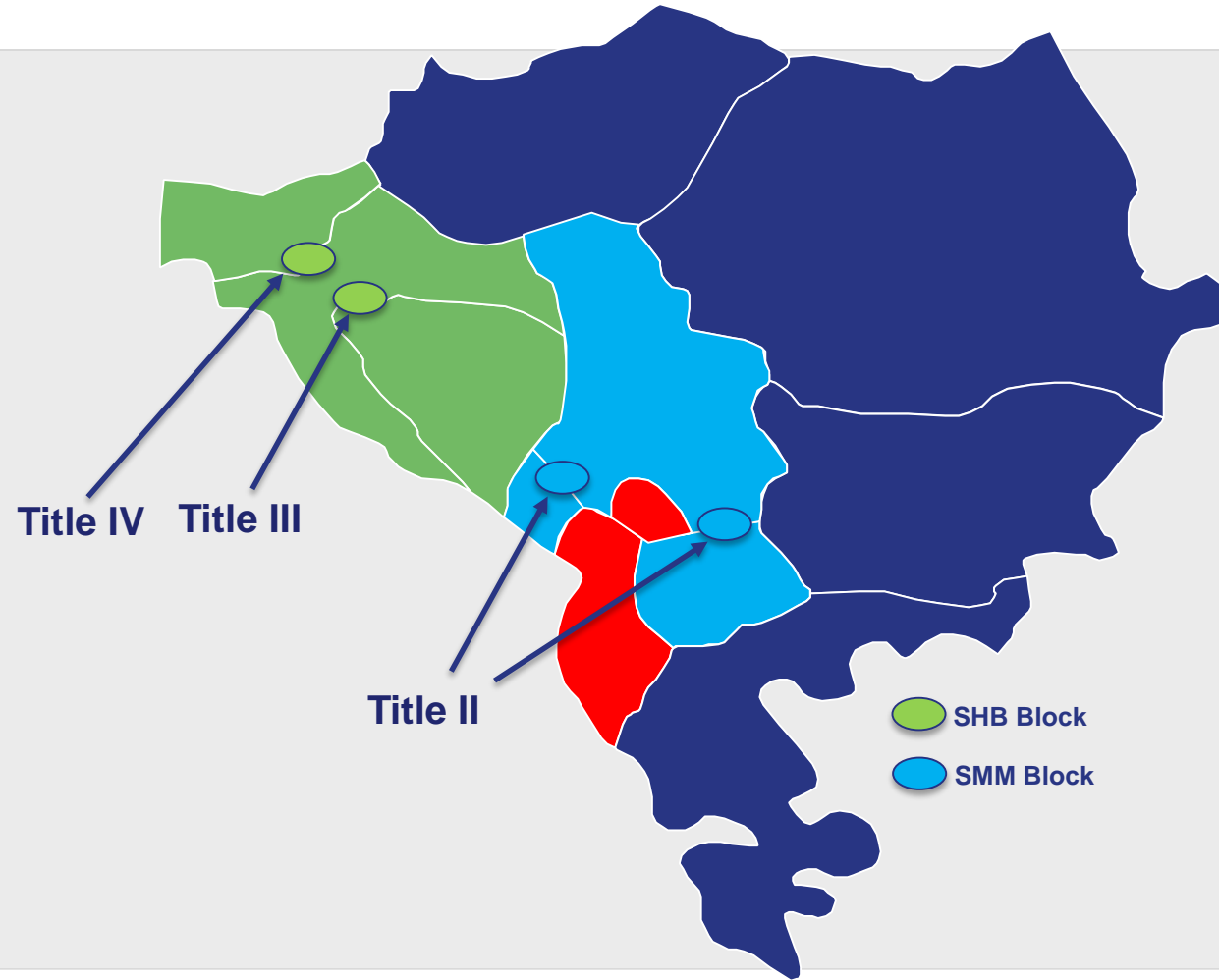
Synchronous area applicability – Title IV

■ ■ Continental Europe SA

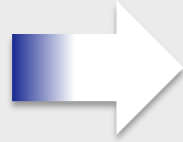
■ ■ IPS/UPS - Baltic SA +UA/MD/GE



LFC block applicability – Title IV /Title III/ Title II



EU CACM
TSOs/NEMOs voting



EnC CACM
TSOs/NEMOs voting

European methodologies:

- Qualified majority

55% of MS + 65% of population of the EU

Regional methodologies:

- Qualified majority of the region

72% of MS + 65% of population of the region

Region <5: consensus

European methodologies:

- Unchanged taken as part of EU acquis, applicable under PHLG decision requiring national transposition in CPs

Regional methodologies:

- Qualified majority of the region

2/3 of the CPs/MSs of the region

Region <3: consensus

Article 13

Agreements with TSOs not bound by this Regulation

Where a synchronous area encompasses both union and third country TSOs, within 18 months after entry into force of this Regulation, all Union TSOs in that synchronous area shall endeavour to conclude with the third country TSOs not bound by this Regulation an agreement setting the basis for their cooperation concerning secure system operation and setting out arrangements for the compliance of the third country TSOs with the obligations set in this Regulation.

The background is a satellite-style image of the Earth at night, showing city lights. Overlaid on this are numerous glowing blue lines that represent energy or data connections, crisscrossing the globe.

*Thank you for your
attention!*

www.energy-community.org