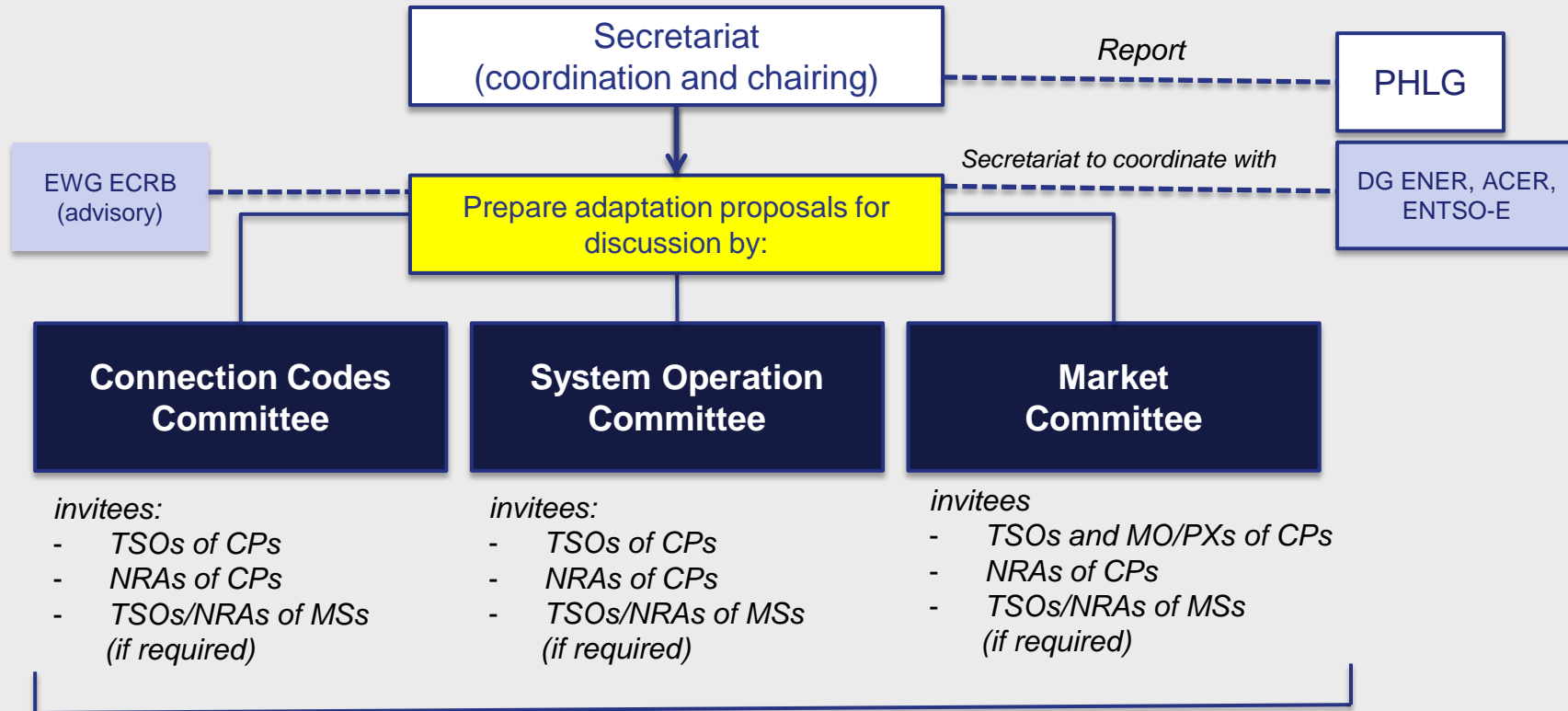
The background is a dark blue globe showing the continents of Europe and Africa. Overlaid on the globe are numerous glowing blue lines that represent an electricity network, with some lines forming loops and others connecting different points across the map.

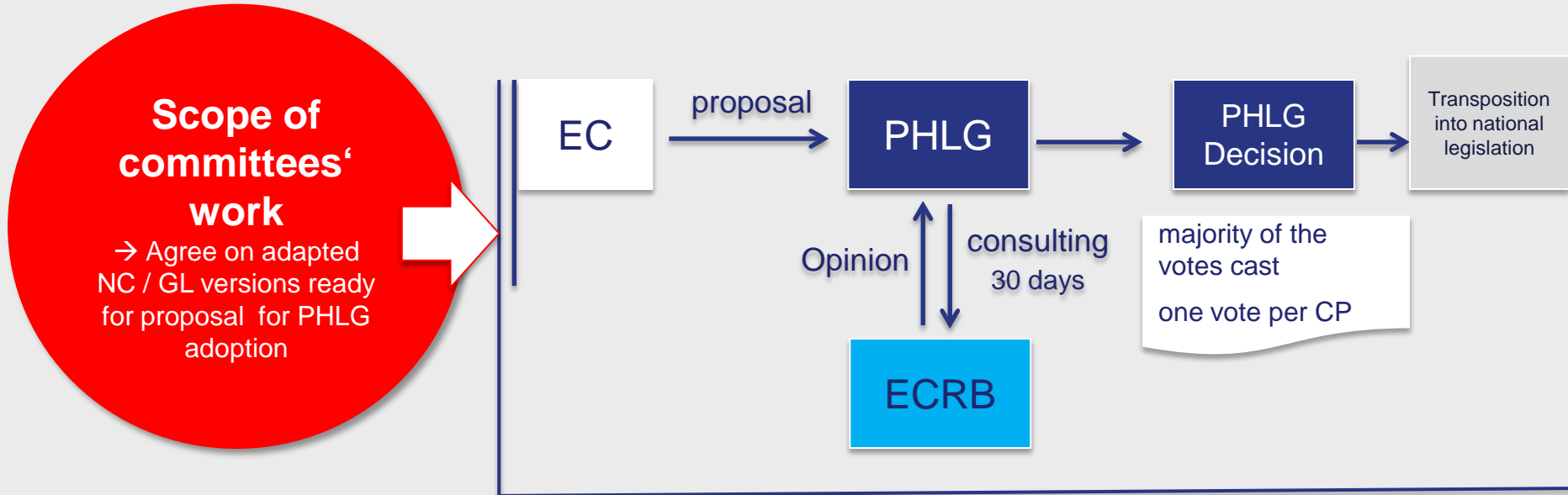
Implementation of electricity network codes / guidelines in the Contracting Parties

47th PHLG - 30 June 2017

Nina Grall

- ❑ Connection codes
- ❑ Market guidelines



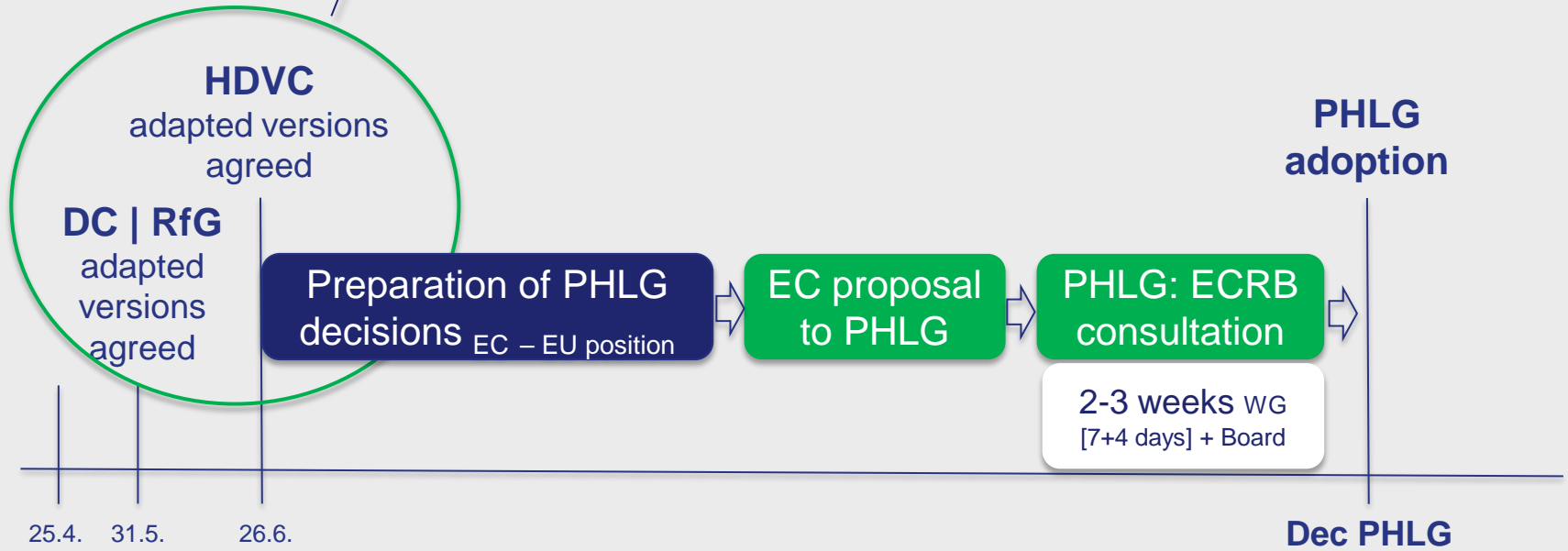


Procedures defined by acts of the PHLG and ECRB
Out of scope of the committees' work

(1) Connection codes

- Standard adaptations
- GE, UA, MD

- demand connection DC [Commission Regulation 2016/1388]
- requirements for generators RfG [Commission Regulation 2016/631]
- high-voltage direct current HVDC [Commission Regulation 2016/1447]



1. Each Contracting Party shall **transpose** this Regulation by **no later than 6 months** after the adoption by the PHLG.
2. Transposition shall be made without changes to the structure and text of Regulation 2016/631 other than translation and the adaptations made by the present [PHLG] Decision.
3. Each Contracting Party shall notify the Energy Community Secretariat of completed transposition within two weeks following the adoption of such measures.
4. Articles [*4(2)(b), 61 and Title VI*] of this Regulation shall apply **as of the date of transposition of this Regulation**.
5. Without prejudice to paragraph 4, the requirements of this Regulation shall be **implemented from three years after the expiry of deadline for its transposition**.

(2) Market guidelines

- CACM [Commission Regulation 2015/1222]
- FCA [Commission Regulation 2016/631]

- 26.6.: first discussion of options
- Way forward → reciprocity

(1) Geographic scope of implementation [options 1 and 2 are alternatives!]		From CP perspective	From MS perspective
Option 1 “CP only”	Binding application of the CACM and FCA Regulations in the CPs only is sufficient – a solution for ensuring applicability on interfaces between CPs and MSs is <u>not</u> needed		
Option 2	Binding application of the CACM and FCA Regulations in the CPs is <u>not</u> sufficient – a solution for ensuring applicability on interfaces between CPs and MSs <u>is</u> needed		
<u>Option 2.1</u> “CP-MS voluntary”	Ensuring applicability on interfaces between CPs and MSs on <u>voluntary</u> basis is sufficient	x	
	e.g. MSs declare their readiness to apply the CACM and FCA Regulation on the interfaces to CPs based on a legally non-binding statement / declaration / letter	x	x
	Other solution?		
<u>Option 2.2</u> “CP-MS binding”	Option 2.1. is not acceptable: ensuring applicability on interfaces between CPs and MSs on <u>legally binding</u> basis is needed	x	

(2) Transfer of methodologies to the CPs		From CP perspective	From MS perspective
Option 1 “existing rules”	Any methodologies adopted on EU level based on the CACM / FCA Regulation at the time of adoption of these Regulations in the CPs should be 1:1 transferred:		
<u>Option 2.1</u>	<u>Without</u> any additional voting procedure <i>(e.g. because the EU version are assumed to well cover the CPs’ requirements as CP stakeholders are fully involved in the relevant EU committees)</i>	Provided involved ex ante	
<u>Option 2.2</u>	Upon voting by the relevant CP stakeholders <u>only</u>		
<u>Option 2.2</u>	Upon voting by the relevant CP <u>and</u> neighbouring MS stakeholders		
Option 2 “new rules”	Also any methodologies that are <u>not</u> yet adopted on EU level based on the CACM / FCA Regulation at the time of adoption of these Regulations in the CPs can be 1:1 transferred <u>without</u> any additional voting procedure <i>(e.g. because the EU version are assumed to well cover the CPs’ requirements as CP stakeholders are fully involved in the relevant EU committees)</i>		

(3) Regulatory governance		From CP perspective	From MS perspective
Option 1 “ACER”	ACER should take the same responsibilities for the CP as for EU MSs		
Option 2 “ECRB”	ECRB should take the responsibilities for the CP that ACER has on EU level		
Option 3 “ACER interface”	ACER should have competences for CP-MS interfaces only and ECRB shall be in charge of the CP-CP interface		
Option 4 “ECRB interface”	ECRB should also have competences for CP-MS interfaces		

□ Background

Starting points

- **All network codes**

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

- **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?