

**DECISION No 2018/04/PHLG-EnC OF THE PERMANENT HIGH LEVEL GROUP OF THE ENERGY
COMMUNITY of 12 January 2018**

**on incorporating Commission Regulation (EU) 2016/1447 of 26 August 2016 establishing a network
code on requirements for grid connection of high voltage direct current systems and direct current-
connected power park modules in the Energy Community**

THE PERMANENT HIGH LEVEL GROUP OF THE ENERGY COMMUNITY,

Having regard to the Treaty establishing the Energy Community ('the Treaty'), and in particular Articles 24, 25, and 79 thereof,

Having regard to Energy Community Ministerial Council Decision 2011/02/MC-EnC on the implementation of Directive 2009/72/EC, Directive 2009/73/EC, Regulation (EC) No 714/2009 and Regulation (EC) No 715/2009 and amending Articles 11 and 59 of the Energy Community Treaty;

Having regard to Regulation (EC) No 714/2009 as adapted by Decision 2011/02/MC-EnC and in particular Article 6 thereof;

Having regard to Procedural Act 2012/01/PHLG-EnC of the Energy Community Permanent High Level Group and Procedural Act 2012/02/ECRB-EnC of the Energy Community Regulatory Board laying down the rules governing the adoption of Guidelines and Network Codes in the Energy Community;

Recognising the importance of applying the same principles, legal requirements and methodologies for the establishment and operation of a single Energy Community electricity market;

Acknowledging that the Energy Community should adapt its *acquis communautaire* on energy to the continuous evolution of European Union law, taking into account its own institutional framework and the specific situation of each of its Contracting Parties;

Having regard to the proposal from the Commission;

Having consulted the Energy Community Regulatory Board;

Having discussed the present Decision at its meeting of 14 December 2017;

HAS ADOPTED THIS DECISION:

Article 1
Implementation

1. Each Contracting Party shall transpose Regulation (EU) 2016/1447 by no later than 6 months after the adoption of this Decision.
2. Transposition shall be made without changes to the structure and text of Regulation (EU) 2016/1447 other than translation and the adaptations made by the present Decision. For clarification, within one month after adoption of this Decision the Secretariat shall compile a correlation table in English with the adaptations made by the present Decision.
3. Each Contracting Party shall notify the Energy Community Secretariat of completed transposition and of any subsequent changes made to the act transposing Regulation (EU) 2016/1447 within two weeks following the adoption of such measures.
4. Articles 4(2) points (a) and (b), 5(4), 75, 76 and 78(1) of Regulation (EU) 2016/1447 shall apply as of the expiry of the transposition deadline.
5. Without prejudice to paragraph 4, Regulation (EU) 2016/1447 shall be implemented no later than three years after the expiry of the transposition deadline.
6. In transposing this Decision, Contracting Parties shall task national regulatory authorities with the monitoring of and enforcing compliance with this Decision.

Article 2
General adaptations under Article 24 of the Energy Community Treaty

1. In this Decision, references made to Directive 2009/72/EC and Regulation (EC) No 714/2009 shall be understood as references made to those acts as adapted by Ministerial Council Decision 2011/02/MC-EnC.
2. Save where otherwise stated in this Decision, for the purposes of the incorporation in the Energy Community, Regulation (EU) 2016/1447 is adapted as follows:
 - a) the term 'Member State(s)' shall be replaced by 'Contracting Party(-ies) to the Energy Community' or 'Contracting Party(-ies)';
 - b) the term '(European) Union' shall be replaced by 'Energy Community';
 - c) the term 'Commission' shall be replaced by 'Secretariat';
 - d) the term 'the Agency' shall be replaced by 'the Energy Community Regulatory Board'.
3. The Energy Community Regulatory Board shall perform the duties under Regulation (EU) 2016/1447 in close coordination with the Agency for the Cooperation of Energy Regulators ('Agency'). ECRB shall take utmost account of relevant documents and acts developed by the Agency and may consult the Agency before taking a decision or issue opinions.

Article 3

Ad hoc adaptations

1. In Article 4(2) points (a) and (b), Article 5(4) and Article 78(1), the four phrases 'entry into force' are replaced by the wording 'expiry of the deadline for transposition'.
2. In Article 18(5), the phrase 'the Baltic synchronous area may' is replaced by 'Moldova and Ukraine shall' and the phrase 'remain connected to the 400 kV network' is replaced by the term 'operate'.
3. In Article 20(2) point (b), the sentence 'The dimensions of the profile envelope applied in Moldova and Ukraine shall correspond to the values that apply in the Continental Europe synchronous area' is added before 'and'.
4. In Article 40(2) point (b) (i) 2nd sub-paragraph, the phrase 'where applicable' shall replace the phrase 'developed in accordance with Article 8 of Regulation (EC) No 714/2009'.
5. In Article 75(3), the phrase 'shall explain' is replaced by 'published by ENTSO for Electricity explains'.
6. In Article 76(1), first sentence, the following sentences are added after the term 'Regulation': 'for the Contracting Parties whose TSOs are members of ENTSO for Electricity. The Secretariat and the Energy Community Regulatory Board shall monitor the implementation of this Regulation for the Contracting Parties whose TSOs are not members of ENTSO for Electricity'.
7. In Article 76(1), second sentence, the following phrase is inserted between the terms 'Monitoring' and 'shall': 'shall take into account the list of relevant information developed by the Agency for the Cooperation of Energy Regulators and it'.
8. In Article 76(1), the following sentences are added at the end of the paragraph: 'ENTSO for Electricity shall report its findings to the Secretariat and the Energy Community Regulatory Board. The Secretariat and the Energy Community Regulatory Board shall make available the findings stemming from the monitoring of the implementation of this Regulation'.
9. In the first sentence of Article 76 (3), 'the Secretariat, the Energy Community Regulatory Board and' is inserted before 'ENTSO for Electricity'.
10. In the second sentence of Article 76 (3):
 - reference to 'paragraph 2' is replaced by reference to 'paragraph 1';
 - 'the Secretariat, the Energy Community Regulatory Board' is inserted before 'or ENTSO-E';
11. In Article 80(9), Article 82(1) and Article 83(1), the term 'the Agency' is replaced by 'the Secretariat and the Energy Community Regulatory Board'.
12. In Annex I, for the frequency range of 47,0 Hz-47,5 Hz the time period for operation applicable in Georgia is inserted with 20 seconds.
13. In Annex III, tables 4 and 5, and Annex IV, table 6, 'Georgia' is inserted after 'Baltic (States)'.

Article 4

Non-applicable provisions

The following provisions of Regulation (EU) 2016/1447 do not apply:

- Reference to 'Article 2 of Commission Regulation (EU) 2015/1222' in Article 2;
- Article 3(7) point (b);
- Article 75 paragraphs (1) and (2);
- Reference to 'Article 8(8) of Commission Regulation (EC) No 714/2009' in Article 76(1);
- Article 76 paragraphs (2) and (4);
- Reference to 'paragraph 2' in the first sentence of Article 76(3);
- Article 86.

Article 5

Entry into force

This Decision enters into force upon its adoption and is addressed to the Contracting Parties.

Done by written correspondence on 12 January 2018,

For the Permanent High Level Group,



The President