

# Joint European Stakeholder Group



Tuesday 11 February 2020  
Meeting 46

# Agenda

	Title	Lead	Time
1.	Welcome & Introductions	Chair	10:00 - 10:05
2.	Clean Energy Package update and discussion	Mike Oxenham and Haarith Dhorat (National Grid ESO)	10:05 - 10:50
3.	MARI & SOGL Articles 118 and 119 updates	Louise Trodden (National Grid ESO)	10:50 - 11:00
4.	FCA Channel long-term capacity calculation	Neil Dewar (National Grid ESO)	11:00 - 11:10
5.	EBGL TERRE implementation update <ul style="list-style-type: none"><li>Parallel run phase</li></ul>	Pradeep Ninan (National Grid ESO)	11:10 - 11:20
6.	Report from December Market European Stakeholder Committee (MESC) meeting	Steve Wilkin (ELEXON)	11:20 - 11:30
7.	FTA negotiation update	Kahla Niemann (BEIS)	11:30 - 11:35
8.	Review of Actions log	Andrew Hemus (Tech Secretary)	11:35 - 11:40
9.	Future Meeting Dates & Agenda Items	Andrew Hemus (Tech Secretary)	11:40 - 11:45
10.	Stakeholder Representation	Chair	11:45 - 11:50
11.	Any Other Business	All	11:50 - 12:00
12.	Lunch		

# 1. Welcome & Introductions

Garth Graham (Alternate to Barbara Vest)  
Independent Chair

## **2. Clean Energy Package update and discussion**

Mike Oxenham and Haarith Dhorat  
National Grid ESO

JESG

February 2020



# CEP Implementation Update

- Many provisions are now in effect as from 1<sup>st</sup> January 2020.
- Others remain in development in respect of being applicable from EIF.
- **Three ACER consultations closed in January 2020.**
  - ENTSOE proposal for System Operation Regions
  - ENTSOE proposal on a regional electricity crisis identification methodology
  - ENTSOE proposal on short-term and seasonal adequacy assessments
- **ACER now have further time to amend or approve the above proposals.**
- **Once approved further development work will be required for the RPR and RCCs.**
- **An ENTSOE consultation has been recently launched on 31<sup>st</sup> January 2020.**
- **It covers methodologies and common rules for cross-border participation in CMs.**
- **We continue to await feedback from ACER and NRAs on the Bidding Zone Review.**
- **EU Exit developments to remain under consideration throughout a transition period.**

# Electricity Regulation - Article 6 Update



# Requirements of Article 6 and derogation requests

## Article 6.2 – removal of pre-determined energy prices

This has now been incorporated for STOR and Fast Reserve following Ofgem's decision in October 2019 in respect of our previous derogation request for a similar obligation in EBGL.

## Article 6.4 – balancing energy for specific balancing products based on pay-as-cleared

We have submitted a derogation request to allow the BM and STOR to continue as pay as bid and we are currently in discussion with Ofgem.

## Article 6.9 – separate procurement of upward and downward balancing capacity

STOR and Fast Reserve are upward products only and as such are compliant.

## Article 6.9 – day ahead procurement

We have submitted a derogation request to allow us to procure balancing capacity up to one month ahead (noting the 30% requirement) and we are currently in discussion with Ofgem.



# Suspension of STOR and Fast Reserve tenders

- On 19 December 2019 and 14 January 2020 we informed the market of our decision to suspend the January tenders for both STOR and Fast Reserve.
- We provided a further update on 29 January 2020 that for both of these services we will not be procuring any further contracts until discussions conclude with Ofgem.
- Our discussions with Ofgem centre around the requirements of Article 6 and associated derogation requests that we have submitted to Ofgem.
- We will continue to update the market on the status of the above.
- Existing contracts in place are expected to continue and providers will be able to offer their capacity via the optional route for both services.

# **3. MARI & SOGL Articles 118 and 119 update**

Louise Trodden  
National Grid ESO

# 4. FCA Channel long-term capacity calculation

Neil Dewar

National Grid ESO

# **5. EBGL TERRE implementation update / Parallel run phase**

Pradeep Ninan  
National Grid ESO

# **6. Report from December Market European Stakeholder Committee (MESOC) meeting**

Steve Wilkin  
ELEXON

Public

# Report from 18 December 2019 MESOC meeting

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(MESOC = Market European Stakeholder  
Committee)

11 February 2020  
Steve Wilkin

**ELEXON**

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# Background to MESC

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- MESC is the Market European Stakeholder Committee
- It is one of the EU's three electricity industry stakeholder committees based around the European Network Codes & Guidelines, between them covering
  - Electricity markets (MESC)
  - System Operations
  - Grid Connections
- Each meets quarterly in Brussels (or Ljubljana)
- They have no decision-making powers but are arguably the most senior/influential committees that are open to all affected stakeholders and have representatives of the Commission, regulators, ACER, TSOs, DSOs, market participants, etc.
- Committee members represent Europe-wide bodies, such as Eurelectric, EFET, ENTSO-E and Europex.
- I represent Europex with a particular mandate for balancing and imbalance issues.

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# 18 December 2019 MESC

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- Presentation slides are published here: [https://www.entsoe.eu/network\\_codes/esc/](https://www.entsoe.eu/network_codes/esc/)
- This MESC meeting covered:
  - **Recent developments** (including status of regulatory decisions relating to Electricity Balancing Guideline)
  - **CACM issues** – many items, but including (not exhaustive):
    - 70% cross-border capacity
    - Bidding Zone review update
    - EFET request for day-ahead bid/offer curves
    - Day-ahead and intraday algorithms – possible performance issues as requirements increase
    - Second wave of countries join intraday coupling
    - Bidding and pricing limits
  - **Market Suspension** – ENTSO-E webinar in February/March (date to be confirmed)
  - **Future topics** - next meeting 11 March, which will be my last





# 7. FTA negotiation update

Kahla Niemann

BEIS

# 8. Review of Actions log

Andrew Hemus  
JESG Technical Secretary

# JESG Standing items

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ID	Topic	Lead Party
S1	Continue to review the membership of the JESG and engage additional industry parties where appropriate.	JESG Chair
S2	Prepare a commentary / comparison document between the Network Code and the existing GB arrangements at appropriate stages in the Code development for each Network Code.	NGET / Ofgem / BEIS
S3	Share any intelligence about how other member states are approaching demonstrating compliance through information gained from other government departments, regulators or parent companies	BEIS / Ofgem / Industry parties with European parent companies

# JESG Open Actions

ID	Topic	Lead Party	Status	Update
113.	Confirmation around delegation on Article 18 to Elexon or the BSC Panel.  What tasks are being delegated to ELEXON?	NGESO, Ofgem, BEIS	Open	NGESO and Elexon have been working on the possible delegation required in BSC that will ensure compliance against EBGL requirements, whilst also providing clarity and a minimum change approach for industry in the existing GB modification process. The current intention is for the ESO to raise a supporting BSC modification and issue the necessary delegation in October.
117.	JESG to be updated on SQSS and Grid Code Modifications	NGESO	Open	
120.	Update on 15Mins ISP Derogation – due to recast Electricity Regulation will action be required for it to run to 31 December 2024 and will action be required from 1 January 2025.	Mike Oxenham (NGESO)	Open	
121.	Provide an update on elements of the recast Electricity Regulation:  Article 36 – Scope of TSO's  Article 35 – Scope of engagement requirement	Mike Oxenham (NGESO)	Open	
126.	Provide update for January JESG on the role of the CMA as acting ACER / Commission and how subsequent changes to Network Codes after 21 June 2020 will be put into effect in GB.	BEIS	Open	Network Code Changes – Current legislation uncertainty update expected for March JESG
127.	ENTSO(E) membership update in relation to TSO position regarding EU Exit.	Mike Oxenham (NGESO)	Open	
128.	Provide an update on when the two planned derogation requests under Article 6 of the recast Electricity Regulation (i.e. Article 6.4 & Article 6.9) are to be published.	Mike Oxenham (NGESO)	Open	

# 9. Future Meeting Dates & Agenda Items

Andrew Hemus  
JESG Technical Secretary

# Future JESG Meetings

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- As always registration is required and will be opened through the JESG Weekly updates.
- Stakeholders are invited to put forward agenda items for the forthcoming JESG meetings:

Date	Proposed Agenda Items
Tuesday 10 March	
Tuesday 14 April	
Tuesday 12 May	

# 10. Stakeholder Representation

All



# 11. AOB

# 12. Lunch