



Promoting choice and value
for all gas and electricity customers

Update on European Network Codes

January 2011

European Network Codes

- European Network Codes are not equivalent to National Grid Codes
- This is European Legislation, the “Codes” will appear as annexes to European Regulation (e.g. 714/2009)
- They will be legally binding and take precedence over national rules.
 - This may result in changes to some national arrangements e.g. aspects of the GB Grid Code
- They are designed to cover cross-border issues (i.e. interconnectors, cross border trade, cross border system operation/interaction) and facilitate the development of the internal energy market
 - National arrangements and grid codes may be impacted where they cover these issues

Scope

Under consideration in 2011

Elec grid
connection

Gas balancing
rules

Elec capacity
allocation and
congestion
management

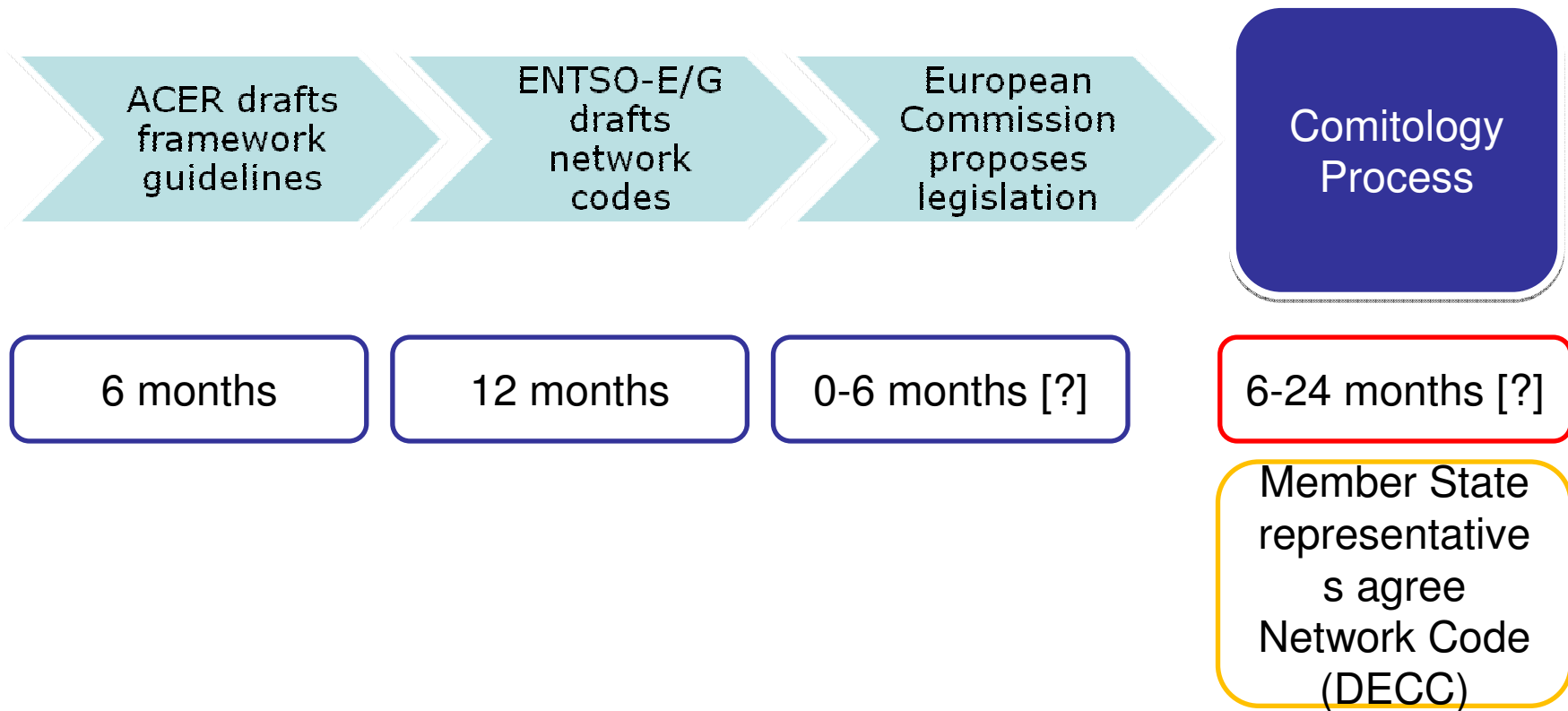
Gas capacity
allocation

Elec
Operational
security

Gas
harmonised
transmission
tariff structures

- Further out, other issues likely to be addressed through the codes
 - Including tariffs, interoperability and Third Party Access.
- Ofgem and TSOs are already contributing to the development of the Codes....

Process



Electricity Grid Connection Network Code

Framework Guideline:

- The Framework Guideline sets out the high level principles that the Network Code should follow.
- ERGEG worked on the FG throughout 2010

Network Code:

- In parallel, ENTSOE has been working on the Code since Q2 2010
- Progress to date
 - 2 drafts of the “unofficial” network code
 - 2 workshops (April and November 2010) to discuss drafts
- Next steps:
 - “unofficial” drafting of Code continues to March 2011
 - ACER to publish final Framework Guideline Q2 2011
 - “Official” work begins on Network Code
 - Official stakeholder consultation on Network Code
 - Completion of code end Q4 2011

How to engage with the process ...

- **ACER Framework Guideline:**
 - The ERGEG FG is now available: http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_FWG/Electricity/Grid_Connection
 - ACER may amend the ERGEG FG will consult on it in Q2 2011
- **ENTSOE Network Code:**
 - Informal comment on “unofficial draft” (up to March 2011)
 - see ENTSOE website (for Grid Connection only)
 - Formal stakeholder consultation
 - likely Q3/4 2011 after ACER consultation on FG
 - Stakeholder engagement in drafting process
 - keep in contact with ENTSOE for more information on how to participate beyond the consultations

Further information

- **Events:**

- ENTSOE workshops, possible event March 2011, check ENTSOE events website
- Workshop on the Network Code drafting process. A general overview of the forthcoming codes and how to get involved – Planned for January 31st if there is sufficient interest. Facilitated by National Grid, supported by Ofgem and DECC

- **Websites**

- ENTSO-E workshop on Grid Connection network code:
https://www.entsoe.eu/index.php?id=42&no_cache=1&tx_ttnews%5btt_news%5d=75

note ENTSOE do not yet have an dedicated part of their website for information on the Network Codes. The link here is to the latest draft and unofficial version of the code, keep an eye on the ENTSOE site for more information...

- Framework Guidelines: http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_FWG

The background of the slide is a composite image. On the left, there are rows of solar panels under a bright sun. On the right, there are wheat stalks. In the center, there is a gas burner with a blue flame. The overall theme is energy and natural resources.

ofgem

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