# European Network Codes: Status Update

ENTSO-E Website: http://networkcodes.entsoe.eu/

## 06 June 2014

| Network Code | What is it about? | Status | Status Update | Milestones to Completion |
|---|---|---|---|---|
| **Connection Codes** | | | | |
| **Requirements for Generators** | Sets functional requirements which new generators connecting to the network (both distribution and transmission) will need to meet, as well as responsibilities on TSOs and DSOs . | Comitology preparations | Draft text was released by the Commission in January 2014, ahead of the Cross-Border Committee. The French Government has issued a paper querying a number of the technical requirements. An updated draft is anticipated. | Informal discussions by the Cross-Border Committee are expected to continue shortly, with voting to follow. |
| **Demand Connection Code** | Sets functional requirements for new demand users and distribution network connections to the transmission system, basic Demand Side Response capabilities, as well as responsibilities on TSOs and DSOs. | Comitology preparations | Draft text was released by the Commission in March 2014 ahead of the Cross-Border Committee. Mandatory Demand Side Response provisions have been removed from the Network Code. | Informal discussions by the Cross-Border Committee are expected to continue shortly, with voting to follow. ACER have been asked to redraft the derogations section. |
| **HVDC Network Code** | Sets functional requirements for HVDC connections and offshore DC connected generation. | ACER Review | ENTSO-E has finalised the Network Code and submitted to ACER for Review. | ACER to review the Network Code by end of July 2014. |
| **Market Codes** | | | | |
| **Capacity Allocation and Congestion Management** | Creates the rules for operating pan-European Day Ahead and Intraday markets, explains how capacity is calculated and explains how bidding zones will be defined. Includes the Governance Guidelines which provide a robust, reliable and non-discriminatory European Union governance framework for the operation of market coupling across Europe. | Comitology preparations | Commission has indicated that in its current format CACM can not proceed as a Network Code. The text is now expected to proceed through Comitology as a Guidelines (as defined in Regulation (EU) 714/2009). | Redrafting is expected by the Commission followed by voting of the Cross-Border Committee |
| **Forward Capacity Allocation** | Sets out rules for buying capacity in timescales before Day Ahead and for hedging risks. | Comitology preparations | ACER had requested that amendments be made to the Network Code on the areas of firmness and timescales for Terms and Conditions. ENTSO-E has made amendments and returned FCA to ACER for review. ACER has submitted the Code with a qualified recommendation to the Commission. | Commission is expected to redraft as a Guideline (see CACM), and proceed through Comitology later in 2014. |
| **Electricity Balancing** | Sets out the rules to allow TSOs to balance the system close to real time and to allow parties to participate in those markets. | ENTSO-E Review after ACER Opinion | ACER has requested that amendments be made to the Network Code on the areas of<br>● Incentives on balance responsible parties to be balanced or help the electricity system to be balanced.<br>● A consistent framework to foster competition between balance service providers.<br>● Efficiency of balancing actions performed by TSOs. | ENTSO-E is expected to revise aspects of the Network Code. ACER will then re-review the changes ahead of Comitology |
| **System Operation Codes** | | | | |
| **Operational Security** | Sets common rules for ensuring the operational security of the pan European power system. | Comitology preparations | The text was received by the Commission from ACER after a qualified Recommendation in November 2013. | At the Florence Forum, the Commission indicated that further drafting is likely to be required to allow the Network Code to enter in to force as a 'Network Code'. Further details of process and responsible parties to be determined. |
| **Operational Planning and Scheduling** | Explains how TSOs will work with generators to plan the transmission system in everything from the year ahead to real time. | Comitology preparations | The text was received by the Commission from ACER after a qualified Recommendation in November 2013. | At the Florence Forum, the Commission indicated that further drafting is likely to be required to allow the Network Code to enter in to force as a 'Network Code'. Further details of process and responsible parties to be determined. |
| **Load Frequency Control and Reserves** | Provides for the coordination and technical specification of load frequency control processes and specifies the levels of reserves (back-up) which TSOs need to hold and specifies where they need to be held. | Comitology preparations | In pre-Comitology stage. The text was received by the Commission from ACER after a qualified Recommendation in October 2013. | At the Florence Forum, the Commission indicated that further drafting is likely to be required to allow the Network Code to enter in to force as a 'Network Code'. Further details of process and responsible parties to be determined. |
| **Emergency and Restoration** | Ensures that efforts of restoration after a major disturbance or blackout are well coordinated at led by TSOs within a synchronous areas, and no individual action or attempts adversely affect the re-establishment of system operation as soon as possible | ENTSO-E Drafting | Mandate to commence drafting received by ENTSO-E on April 1 2014. | ENTSO-E has 12 months to draft the Network Code in line with the System Operation Framework Guidelines |
| **Transparency Regulation** | | | | |
| **Transparency Regulation** | Establishes a minimum common set of data relating to generation, balancing, transmission and consumption of electricity which need to be made available to market participants. It also provides for a central collection and publication of the data. | GB Implementation | GB Implementation is ongoing. BSC Modification P295 has been approved. | GB Compliance required by January 2015. ENTSO-E is developing the central EMFIP platform for transparency data. |

# Status of Development of European Electricity Network Codes

**06 June 2014**

All future indications for comitology are based on details released by European Commission at Florence Forum in May 2014. All future dates, asociated processes, and implementation periods are 'best guess' and subject to

**KEY**

| | |
|---|---|
| Activities undertaken by ACER | Implementation Period (details TBC) |
| Activities undertaken by European Commission | Entry into Force / Applicability of Requirements |
| Activities undertaken by ENTSO-E | Code Revisions (details TBC) |

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**TODAY**

Timeline columns: 2013 (Jan–Dec), 2014 (Jan–Dec), 2015 (Jan–Dec), 2017 (Jan–Dec)

### Transparency Regulations
- Comitology
- Parliamentary Approval
- Drafts Manual of Procedures
- In Force
- Public Consultation on MOP
- Finalise MOP
- ACER Review
- Implementation period of 18 months as specified in Regulation
- Build and Test EMFIP Platform
- External / 3rd Party Testing of EMFIP
- Applies

### Capacity Allocation and Congestion Management
- Agree revisions / Review
- Commission
- Comitology Preparations
- Merge CACM and Gov. Guide; Impact Assessments, text review and other preparatory tasks
- Informal Cross-Border Committee (XBC) discussions
- Comitology
- Formal XBC Voting
- Approval by EU Council & Parliament
- Phased Implementation over 24 months (TBC)

### Requirements for Generators
- Revision of Code based on
- ACER Review
- Comitology Preparations
- Impact Assessments, text review and other preparatory tasks
- Informal Cross-Border Committee (XBC) discussions
- Comitology
- Formal XBC Voting
- Approval by EU Council & Parliament
- Implementation period of 36 months (TBC)

### Demand Connection Code
- ACER Review
- Comitology Preparations
- Impact Assessments, text review and other preparatory tasks
- Informal XBC discussions
- Comitology
- Formal XBC Voting
- Approval by EU Council & Parliament
- Implementation period of 36 months (TBC)

### Operational Security
- ENTSO-E Finalise drafting
- ACER Review
- ENTSO-E Revisions
- Review
- Network Code with EU Commission
- Redrafting expected by Commission Process & parties TBD
- Preparation
- Comitology
- Formal XBC Voting
- Approval by EU Council & Parliament
- Implementation period 18 months

### Operational Planning & Scheduling
- ENTSO-E Drafting — Finalise drafting
- ACER Review
- ENTSO-E Revisions
- Review
- Network Code with EU Commission
- Redrafting expected by Commission Process & parties TBD
- Preparation
- Comitology
- Formal XBC Voting
- Approval by EU Council & Parliament
- Implementation period 18 months

### Forward Capacity Allocation
- ENTSO-E Drafting
- Initial drafting
- Consultation
- Finalise drafting
- ACER Review
- ENTSO-E Revisions
- Review
- Pre-Comitology
- Network Code with EU Commission
- XBC discussions
- Comitology
- Formal XBC Voting
- Parliament and Council
- Phased Implemetation over 39 months

### Load Frequency Control & Reserves
- ENTSO-E Drafting
- Initial drafting
- Consultation
- Finalise drafting
- ACER Review
- Network Code with EU Commission
- Redrafting expected by Commission Process and parties TBD
- Preparation
- XBC discussions
- Comitology
- Formal XBC Voting
- Parliament and Council
- Implementation period 18 months

### Electricity Balancing
- ENTSO-E Drafting
- Initial Drafting
- Consultation
- Finalise drafting
- ACER Review
- ENTSO-E Revisions
- Review
- Comitology Preparations
- XBC discussions
- Comitology
- Formal XBC Voting
- Parliament and Council
- Phased Introduction over 6 years
- Until c.2021

### HVDC
- Call for Stakeholde
- ENTSO-E Drafting
- Initial Drafting
- Consultation
- Finalise drafting
- ACER Review
- Comitology Preparations
- Impact Assessments, text review and other preparatory tasks
- XBC discussions
- Comitology
- Formal XBC Voting
- Parliament and Council
- Implementation period of 36 months
- Until c.June 2018

### Emergency and Restoration
- ENTSO-E Drafting
- Initial drafting
- Consultation
- Finalise drafting
- ACER Review
- Comitology Preparations
- Impact Assessments, text review and other preparatory tasks
- XBC discussions
- Comitology
- Formal XBC Voting
- Parliament and Council
- Implementation (TBC)