

Joint European Stakeholder Group



Tuesday 10 October 2023
Meeting 76

1. Welcome & Introductions

Garth Graham – Independent Chair

Agenda

	Title	Lead	Time
1.	Welcome & Introductions	Chair	10:00 - 10:05
2.	C28 Ofgem decision	Alice Beddow, ESO	10:05 - 10:10
3.	GC0154 - Ramping update	Louise Trodden, ESO	10:10 - 10:15
4.	Interconnector Framework update	Ruby Pelling, ESO	10:15 - 10:20
5.	Cross Border Balancing Webinar	Alice Beddow, ESO	10:20 - 10:25
6.	TCA Working arrangements – Visibility of work and formal agreements	Tom Ireland, ESO	10:25 - 10:40
7.	Review of Actions log	Andrew Hemus, Tech Secretary	
8.	Future Meeting Dates & Agenda Items	Andrew Hemus, Tech Secretary	10:40 - 10:45
9.	Stakeholder Representation	Chair	
10.	Any Other Business	All	10:45 - 10:50

2. C28 Ofgem decision

Alice Beddow, ESO

Ofgem's C28 derogation decision for NTCs

- The control room (and other European TSOs) uses NTCs (Net Transfer Capacity) when needed to restrict the import and/or export capacity of interconnectors to maintain security of supply. ESO submitted a derogation request to Ofgem against Standard Licence Condition (SLC) C28 to use NTCs, as the previous derogation request expired on 30th September 2023.
- On 28th September 2023 Ofgem published their decision letter on a request from the ESO for a derogation against Licence Condition C28 to use Net Transfer Capacities (NTCs) via a non-market based method. In their decision letter, **Ofgem granted the ESO an extension to our derogation request, which is valid until 30th September 2026.**
- Ofgem also **approved our revised NTC Commercial Compensation Methodology, which applies from 1st October 2023.** The Methodology was revised following a consultation earlier this year.
- We will continue to monitor the use of NTCs, and ways to minimise them and improve transparency. This will include monitoring progress against a number of items Ofgem identified in their decision letter for further work:
 - Ofgem expects the ESO to re-evaluate the continued need for NTCs ahead of this derogation expiry date, especially in the context of any revised obligations following the expiry of the current TCA arrangements.
 - If an alternative to NTCs is established before the derogation expires, e.g. through the implementation of a Capacity Calculation Methodology under the TCA, the derogation would cease to have effect.
 - The ESO is expected to continue to review the commercial and operational principles with the appropriate stakeholders. This should be conducted at suitable frequency throughout the period of the derogation to ensure that the use of NTC remains appropriate and fair.
 - The ESO should continue to take steps to improve transparency around NTC application.

Relevant links

Ofgem decision letter:

[Decision to grant National Grid Electricity System Operator extension to derogation from Standard Licence Condition C28 for Net Transfer Capacity - September 2023 | Ofgem](#)

Revised NTC Commercial Compensation Methodology (see “Terms and Conditions or Methodologies”):

[Other ENC Documents | ESO \(nationalgrideso.com\)](#)

3. GC0154 - Ramping update

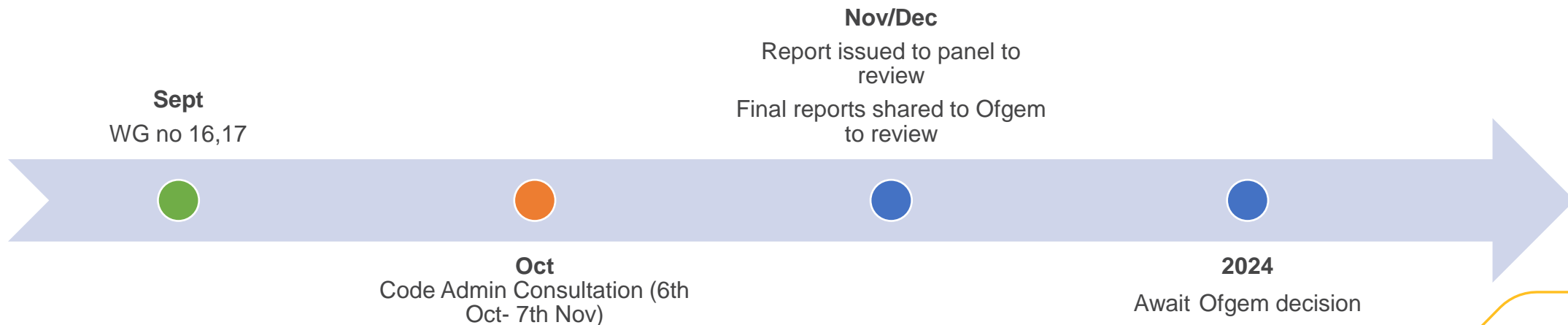
Louise Trodden, ESO

Interconnector ramping update

- Workgroup consultation had 8 responses – 7 from the interconnectors and 1 ESO
- Interconnector favour 100MW/min WACGM (status quo) and ESO favours 50MW/min ramping as the original

High level timeline

- Orange dot represents where we are now. Blue is the next steps – those who would like to respond to the consultation can do so when it opens in October
- Consultation will be advertised to the Grid Code mailing list and can be accessed from the [ESO website](#)
- We will update again after the consultation phase has concluded



4. Interconnector Framework update

Ruby Pelling, ESO

Interconnector Framework – ESO Request for Input

Activity 2C (Ref 270 Role in Europe) within BP2 (Business Plan 2) seeks to create an Interconnector Framework. The aim of this being to not only ensure administration of retained European legislation, but to enable consistency for interconnectors operating in GB markets and aid transparency of the ways in which the interconnectors operate and work with the ESO.

We are keen to work with industry on the creation of an Interconnector Framework and welcome industry to respond to our first call for input.

The questions aim to seek views and prompt feedback on the following:

- If industry believes an Interconnector Framework is required and if so, what this should include.
- How industry considers the Interconnect Framework could be structured and what it could look like.
- Suggestions of ways to overcome any barriers in developing a solution.

The consultation has been shared via the JESG [emailing list](#) and uploaded to the ENC website.

Open from **5th October to the 16th November 2023**.

[Request for Input Document](#)
[Proforma](#)

If you have any queries, please contact ruby.pelling@nationalgrideso.com

5. Cross Border Balancing Webinar

Alice Beddow, ESO

Cross Border Balancing Webinar – 19th October

Following Brexit, National Grid ESO have been working with a market expert, Compass Lexecon, on the market options for Cross Border Balancing

National Grid ESO and Compass Lexecon are inviting you to the Cross Border Balancing webinar on **19th October 2023**.

In this webinar we will be sharing with you the results of the modelling of market options on cross border balancing and you will have an opportunity to ask questions to both NGENSO and Compass Lexecon.

You can register for this event [here](#):

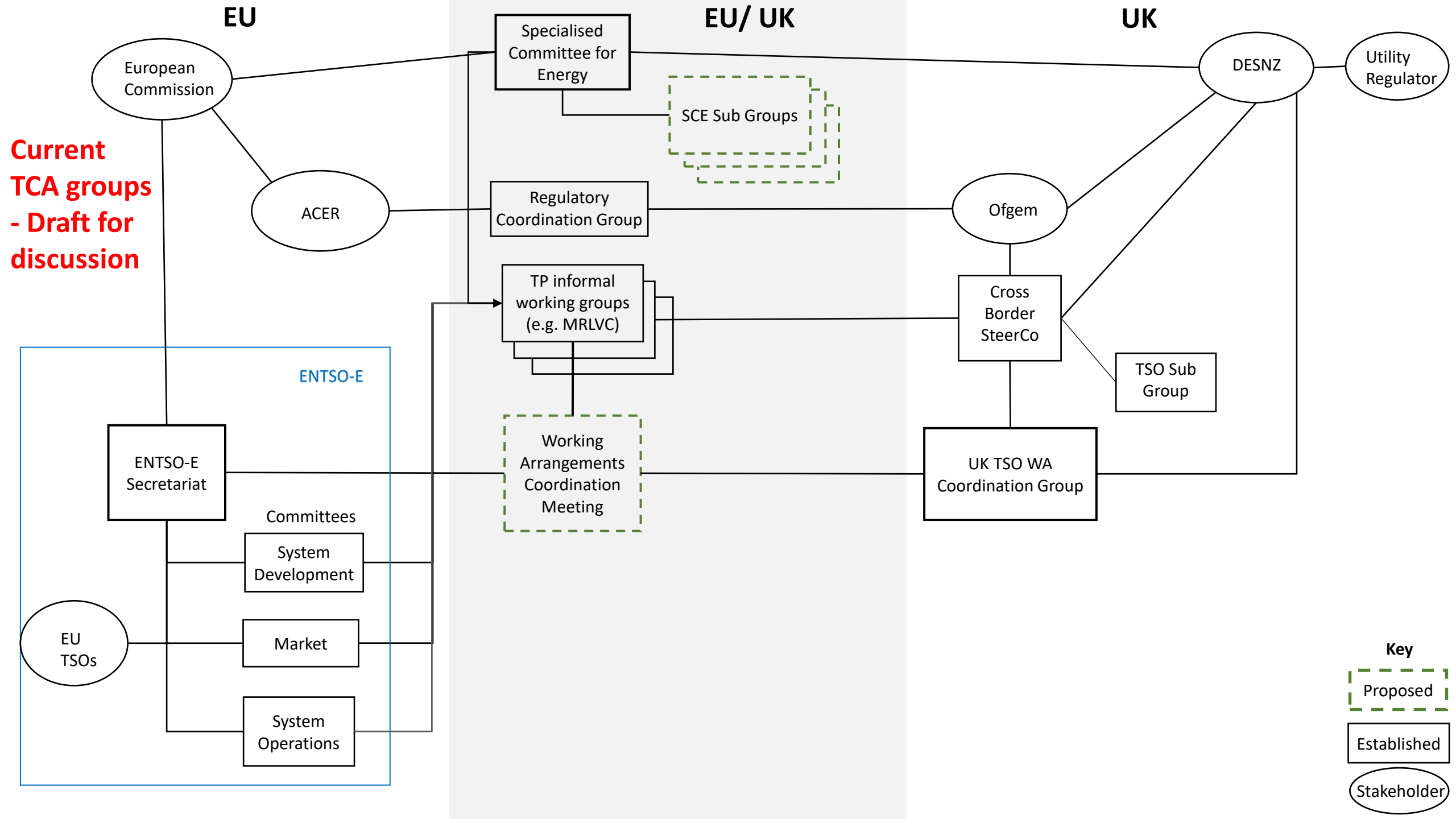
We look forward to welcoming you at this webinar.

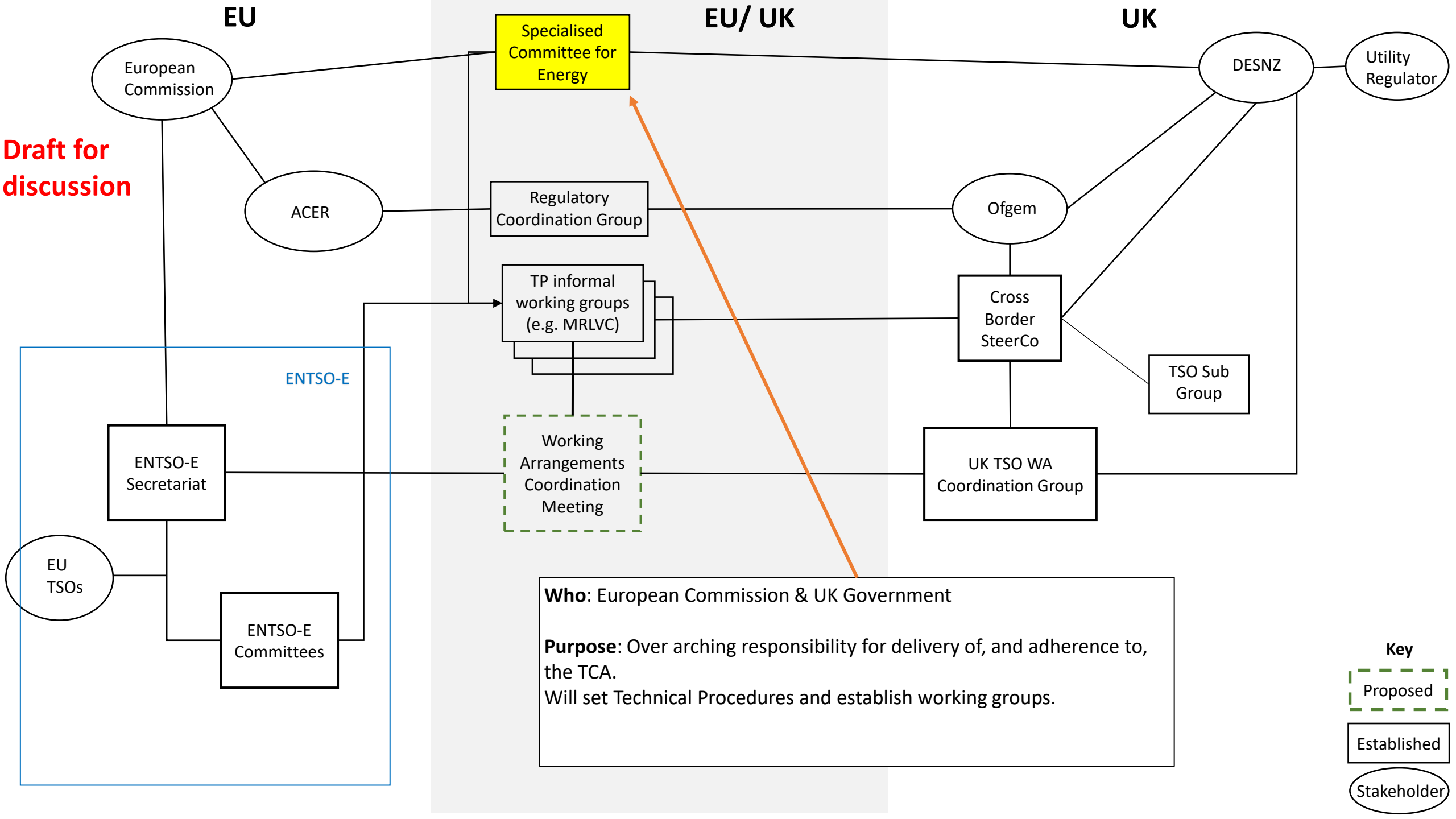
6. TCA Working arrangements – Visibility of work and formal agreements

Tom Ireland, ESO

Trade and Cooperation Agreement – Groups and agreements

- Following a verbal update at the June JESG, ESO was asked to return with further information on the visibility of TCA groups and any formal cooperation agreements with EU stakeholders.



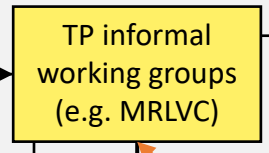
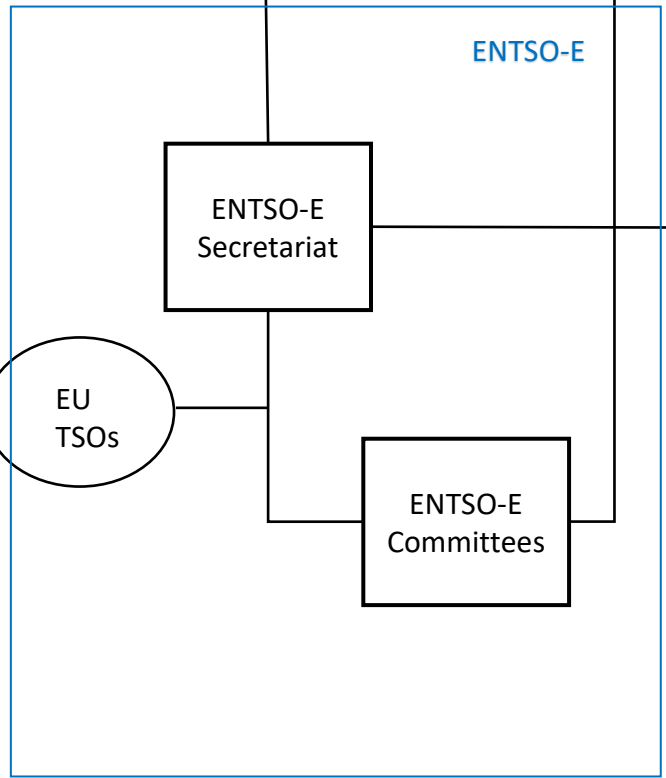


Draft for discussion

EU

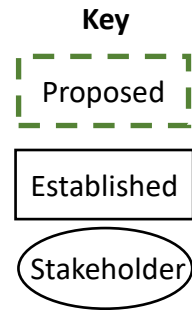
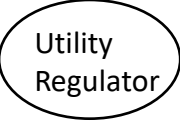
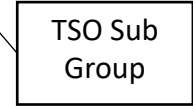
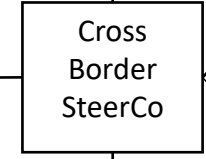
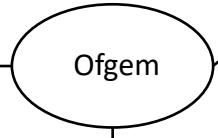
EU/ UK

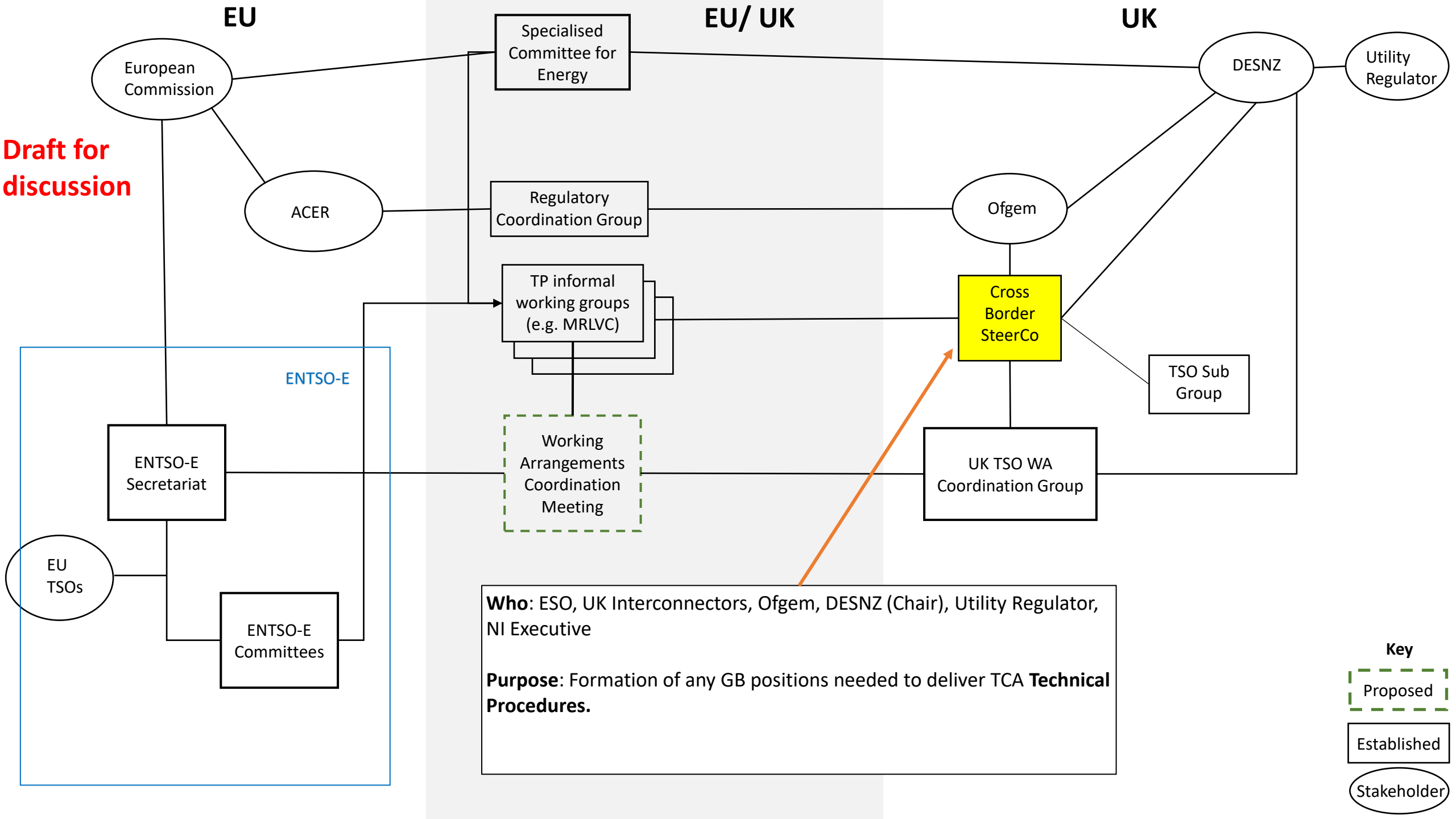
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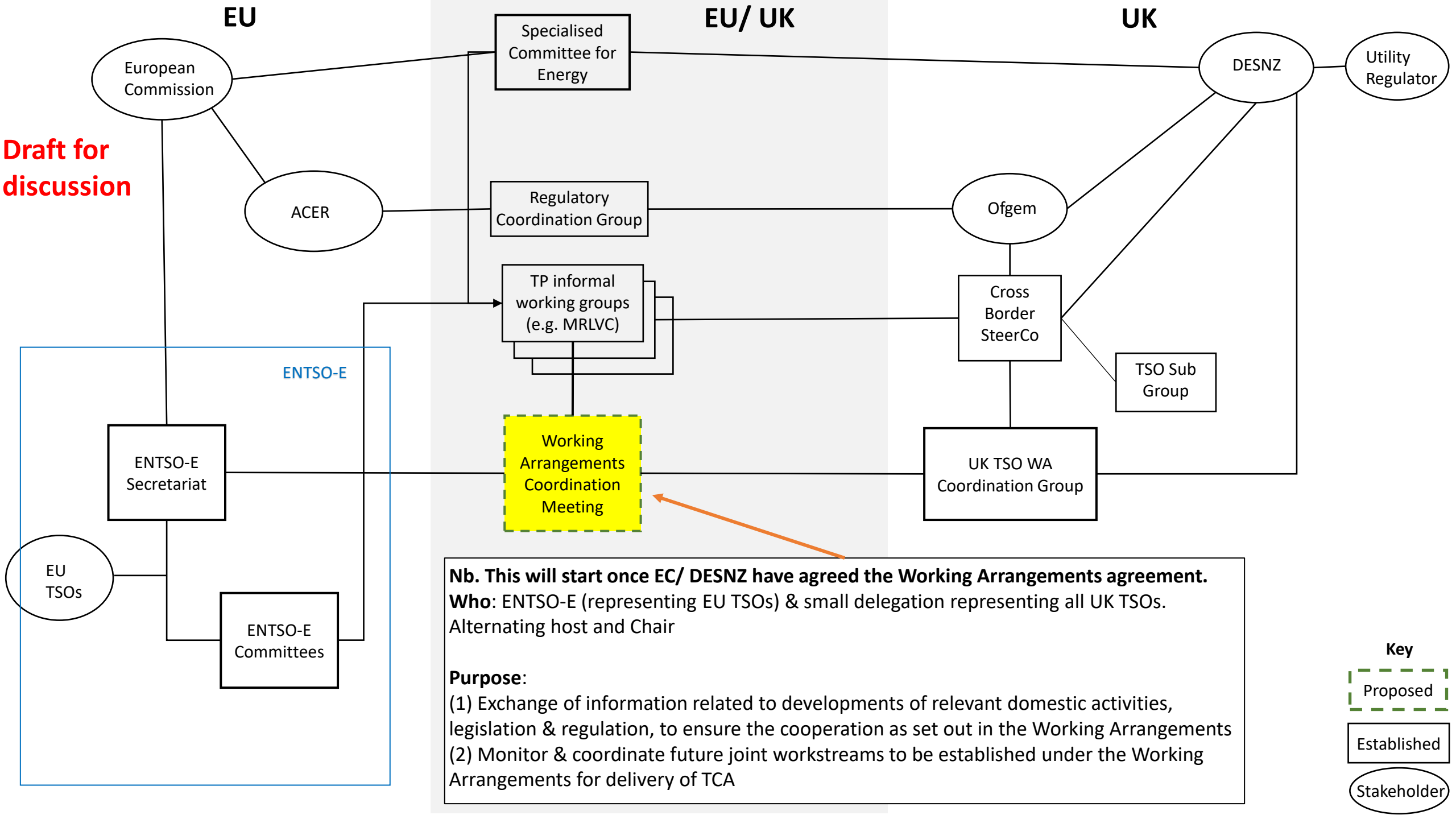


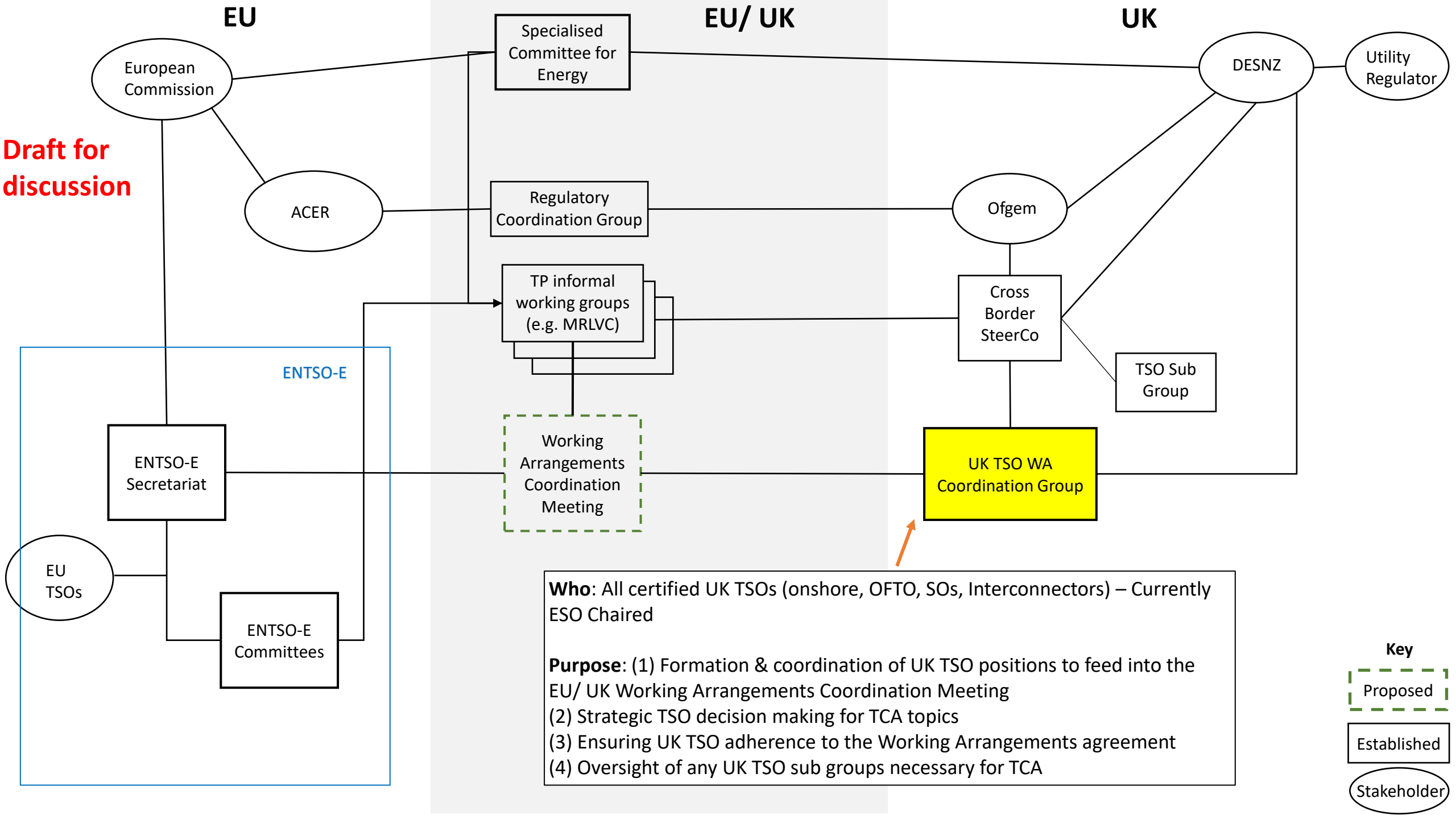
Who: EU and UK TSOs impacted by TCA Technical Procedures plus ENTSO-E

Purpose: To discuss and deliver the output of TCA Technical Procedures that were stipulated in the TCA.









7. Review of Actions log

Andrew Hemus
JESG Technical Secretary

JESG Standing items

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
13/6	TCA Working arrangements – Visibility of work and formal agreements to be shared at future JESG.	Tom Ireland	Open	To be presented at October JESG meeting.

8. Future Meeting Dates & Agenda Items

Andrew Hemus
JESG Technical Secretary

Future JESG Meetings

- 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 14 November	
Tuesday 12 December	

9. Stakeholder Representation

All

10. AOB