

# Network Code

## Demand connection code

ENTSO-E public stakeholder workshop

Brussels 9 August 2012

Tadhg O'Briain DG Energy

# Completing the EU internal energy market

*Target date 2014*

*Main actions required:*

- Implementing Third energy package
- **Harmonising market rules and network operation rules**
- Enforcing competition and State aid rules
- Enhancing investments in infrastructure
- Empowering consumers
- Promoting regional initiatives

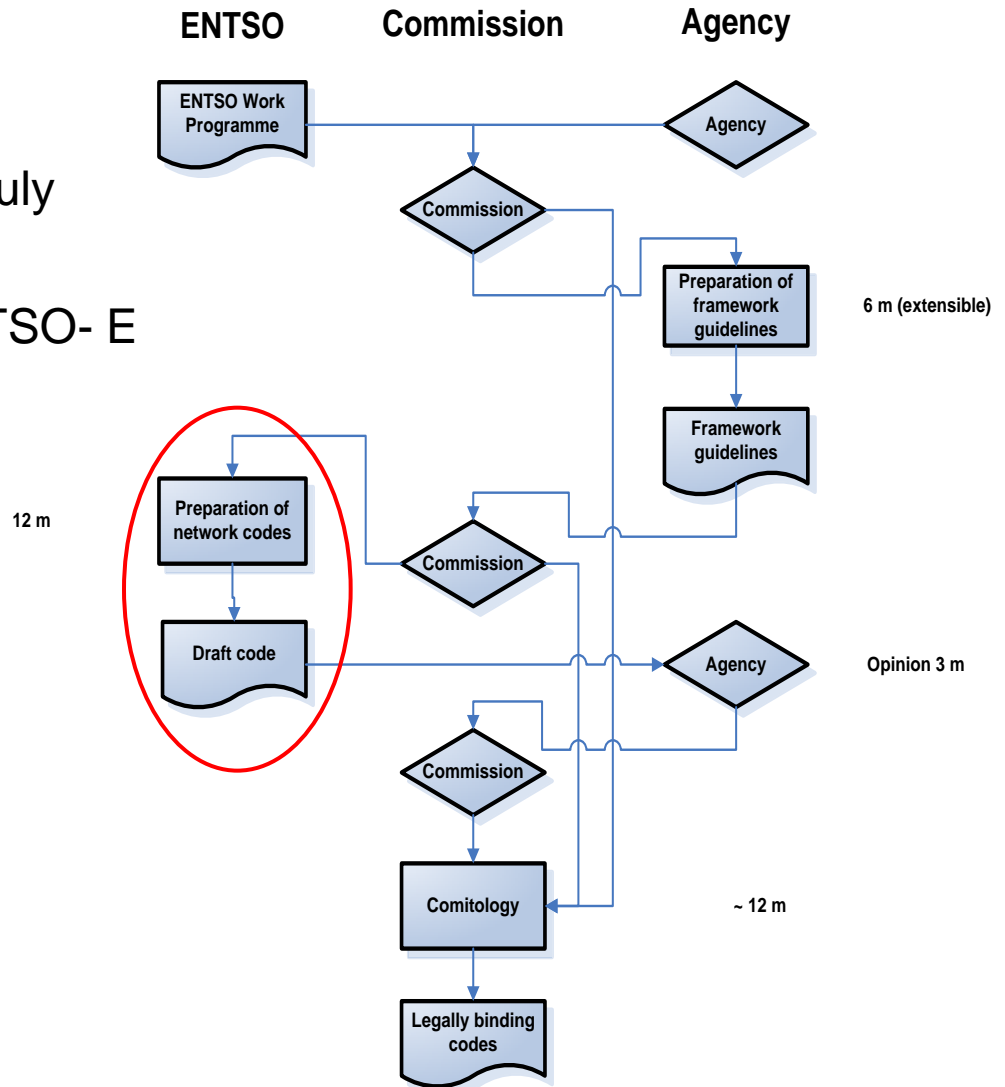
## Network codes, Article 8 of Electricity regulation

1. Network security and reliability rules including rules for technical transmission reserve capacity for operational network security;
2. Grid connection rules;
3. Third party access rules;
4. Data exchange and settlement rules;
5. Interoperability rules;
6. Operational procedures in an emergency;
7. Capacity allocation and congestion management rules;
8. Rules for trading related to technical and operational provision of network access services and system balancing;
9. Transparency rules;
10. Balancing rules including network related reserve power rules;
11. Rules regarding harmonised transmission tariff structures including locational signals and inter-TSO compensation rules;
12. Energy efficiency regarding electricity networks

## Indicative EC / ACER / ENTSOE 3-year work plan ELECTRICITY

Electricity	Deliverable	Scoping Phase		ACER FG draft		ENTSO-E code drafting		ACER evaluation	Comitology	
		Start	End	Start	End	Start	End		Start	
	Products/legislation relevant for effective implementation of the IEM									
	FG on capacity allocation and congestion management			Q1/11	Q2/11					
	NC on capacity allocation and congestion management <sup>1</sup>					Q3/11	Q3/12	Q4/12	Q1/13	
	NC on forward markets					Q4/12	Q3/13	Q4/13	Q1/14	
	Regional progress, setup and testing (incl. AESAG process and Regional Initiatives Work Program)									
	EC comitology guideline on governance								Q1/13	
	FG on grid connection			Q2/11	Q2/11					
	NC on grid connection					Q1/12	Q2/12	Q3/12	Q4/12	
	NC on DSO and industrial load connection					Q1/12	Q4/12	Q1/13	Q2/13	
	NC on HVDC connection					Q1/12	Q4/13	Q1/14	Q2/14	
	FG on system operation <sup>2</sup>			Q2/11	Q4/11					
	NC on operational security					Q1/12	Q1/13	Q2/13	Q3/13	
	NC on operational planning and scheduling					Q2/12	Q1/13	Q2/13	Q3/13	
	NC on load-frequency control and reserves					Q3/12	Q2/13	Q3/13	Q4/13	
	NC on operational training									
	NC on requirements and operational procedures in emergency									
	FG on balancing	Q3/11	Q4/11	Q1/12	Q3/12					
	NC on balancing <sup>3</sup>					Q4/12	Q3/13	Q4/13	Q1/14	
	EC comitology guideline on transparency								Q3/12	
	FG on Third Party Access									
	NC on third party access									
	NC on data exchange and settlement									
	Possible Guidelines/FG on incentives to TSOs to increase cross-border	Q3/12	Q4/12							
Possible Guidelines on investment incentives to TSOs	Q3/12	Q4/12								
EC Comitology Guideline on tariffs	Q3/12	Q4/12								

- ACER completed the Framework Guideline in July 2011
- Commission wrote to ENTOS- E
  - >> July 11 – RfG
  - >> Jan 12 – DCC
- >> ENTOS E holding public consultations



## *DCC made up of three major parts*

- **DSO connection**
- **Large industrial users and integrated operators**
- **Demand response**

Concerns expressed by industry  
Interaction with Commission work on Smart Grids  
Interaction with standardisation

## *Completing the demand connection network code*

- Shows the advantages of the third package
- Institutional framework

## *Important milestone on path to 2014*

- Helps lay groundwork for transformation of energy system
- Very important that impact assessment accompanying the draft code is thorough to allow ACER, Commission and MS experts to assess proposals



# Thank you for your attention!

