

Overview of the Network Code Development process

1st Stakeholder Group Meeting

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ENTSO-E Manager Market

ENTSO-E's role according to Regulation (EC) 714/2009

Article 4: ENTSO

- Charged with working to complete the internal market.

Article 6: Creating network codes

- In line with **ACER** framework guidelines.
- Which become binding.
- And involve extensive consultation.

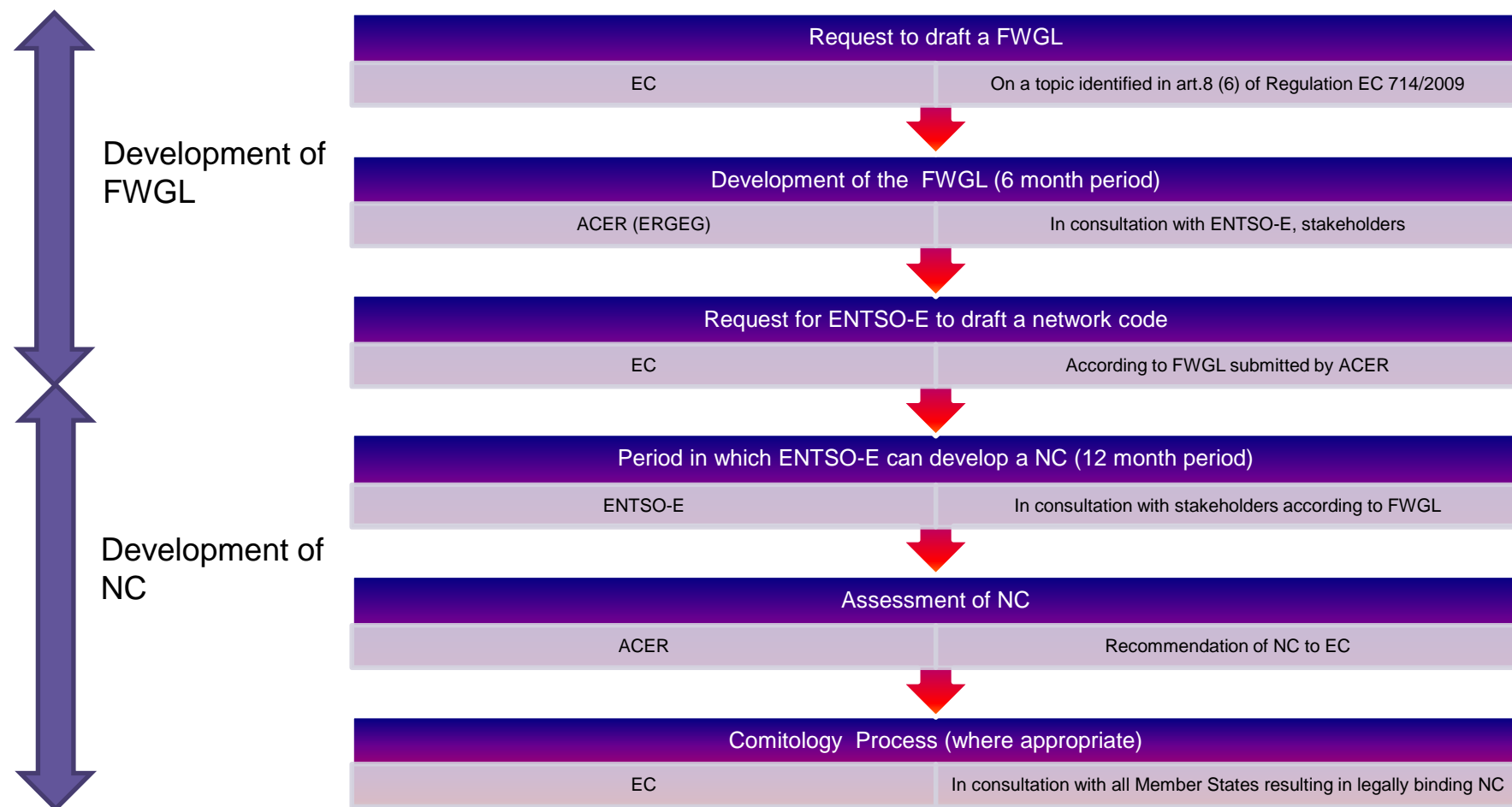
Article 7: The scope of network codes

- Cross border & market integration issues.
- Without prejudice to Member States' right to establish codes.

Article 8: ENTSO-E's activities

- Network Codes
- Ten Year Network Development Plans.
- Generation adequacy.
- Winter and summer outlooks.
- Work programs and annual reports.

The Network Code Development Process



The network codes as one common project required to facilitate the three objectives of the Third Package

Markets

Capacity Allocation & Congestion Management code

Network code on Forward Capacity Allocation

Network Code on balancing

System Development

Network code on Requirements for Generators

Network code on Demand Connection

Network code on HVDC

System Operations

Network code on Operational Security

Network code on Operational Planning & Scheduling

Network code on Load Frequency Control & Reserves

2) A set of rules for IEM



Forward Capacity Allocation

- FCA NC due on 30/9/2013

Capacity Calculation

- Within the CACM NC sent to ACER 27/9

Day Ahead Markets

- Within the CACM NC sent to ACER 27/9

Intra-day Markets

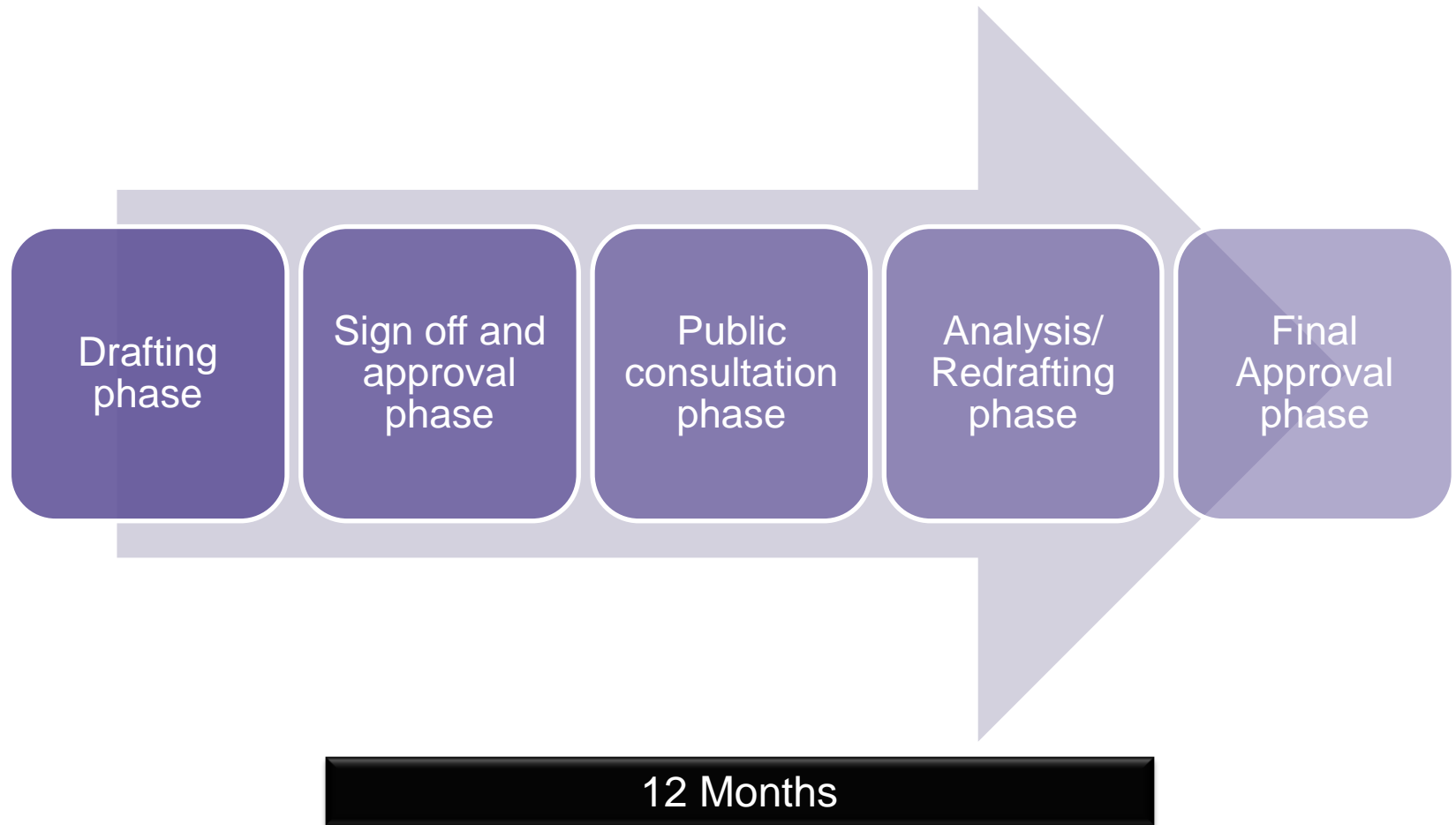
- Within the CACM NC sent to ACER 27/9

Balancing

- Subject of a separate FWGL/Code

FCA network code will be an integral part of the CACM package

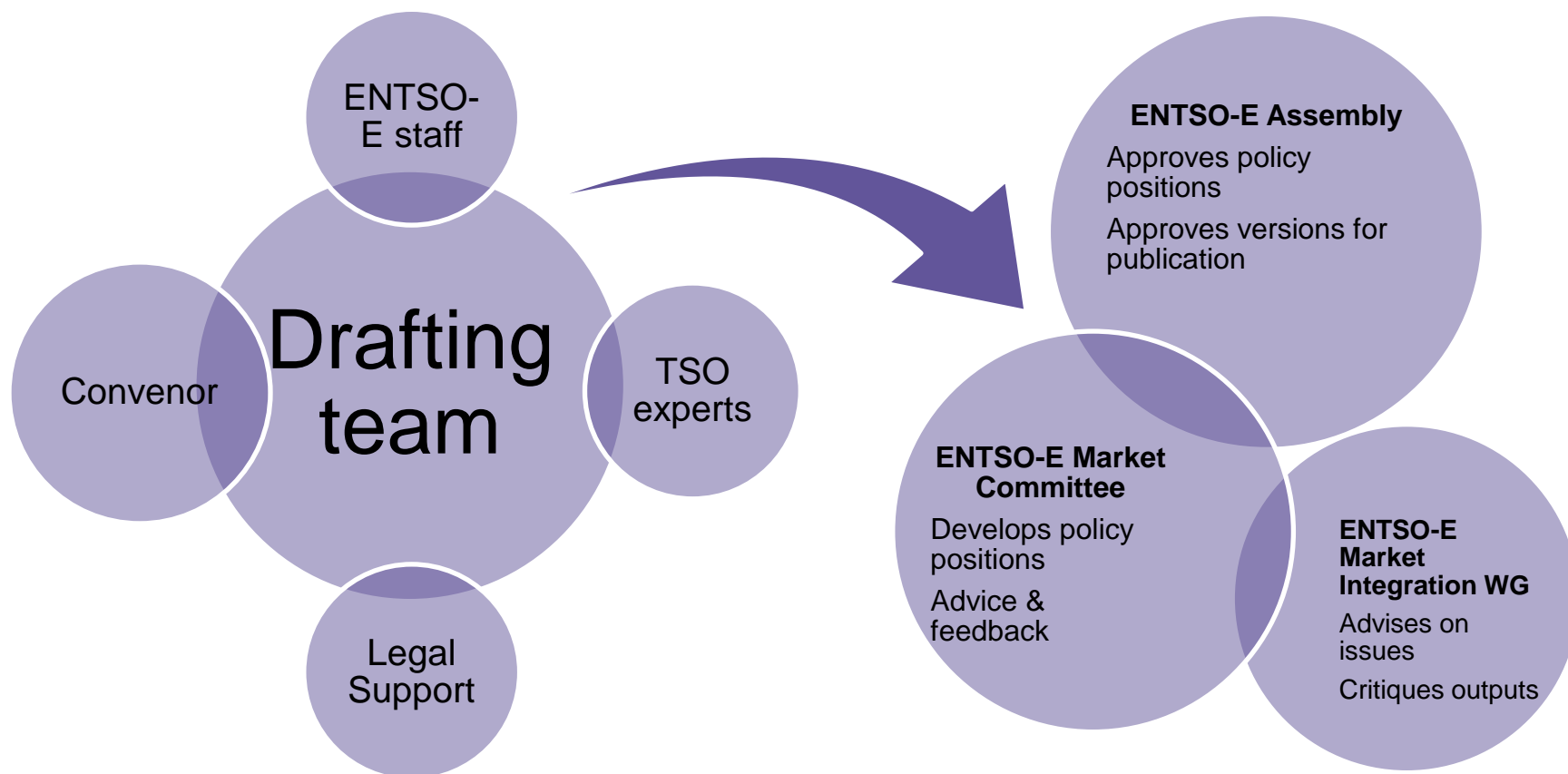
Steps within the 12 month period at ENTSO-E



The internal organisation within ENTSO-E and the approval process (I)

- the 12 month timescale will be challenging.
- lessons have been learnt from the other codes, so we have already prepared the structures of the code and strive for consistency.
- drafting team has been created and has started to actively work.
- thus we are identifying and tackling important issues.

The internal organisation within ENTSO-E and the approval process (II)



Stakeholder engagement (I)





- **ENTSO-E will formally consult on the FCA network code**
- **ENTSO-E has developed an IT tool to help facilitate consultation**
- **the code will be accompanied by a consultation document providing more detail & explanation in a less formal manner**
- **two months will be given for comments**

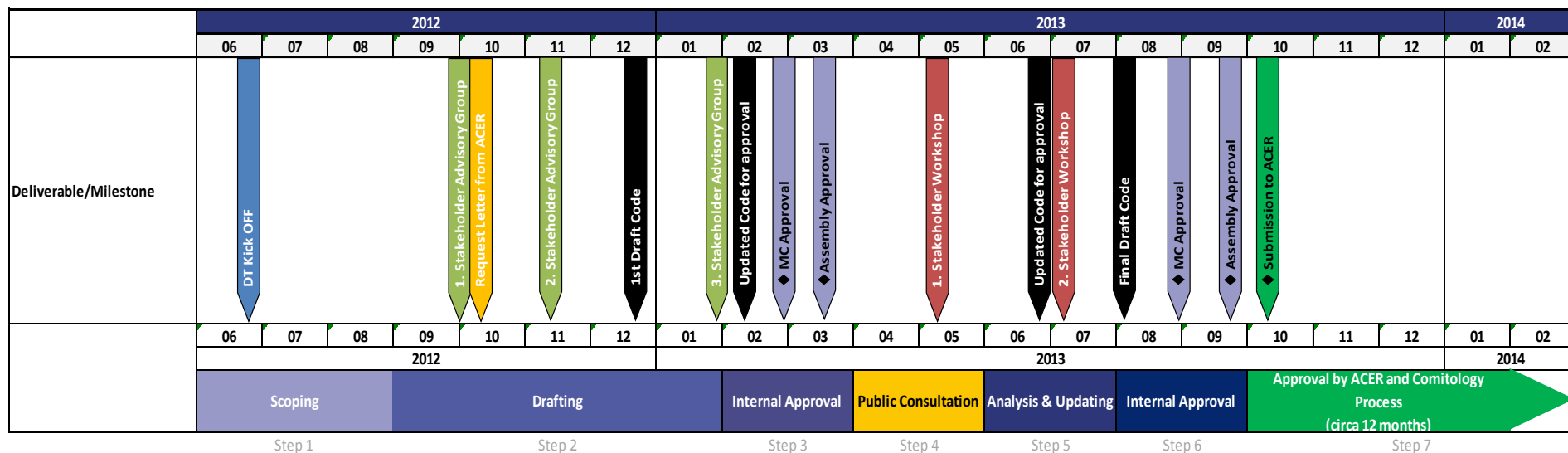
Indicative Timeline

- **21 Sep 2012: official EC letter arrived**
- **late March 2013: approval of the draft FCA network code before public consultation**
- **April & May 2013: public consultation**
- **June & July 2013: processing and analysis of the responses**
- **September 2013: approval of the final FCA network code**
- **end September 2013: submission of the FCA network code to ACER**

FCA Project Plan overview



Network Code on Forward Capacity Allocation Drafting Plan



Terms of Reference – Purpose of the group



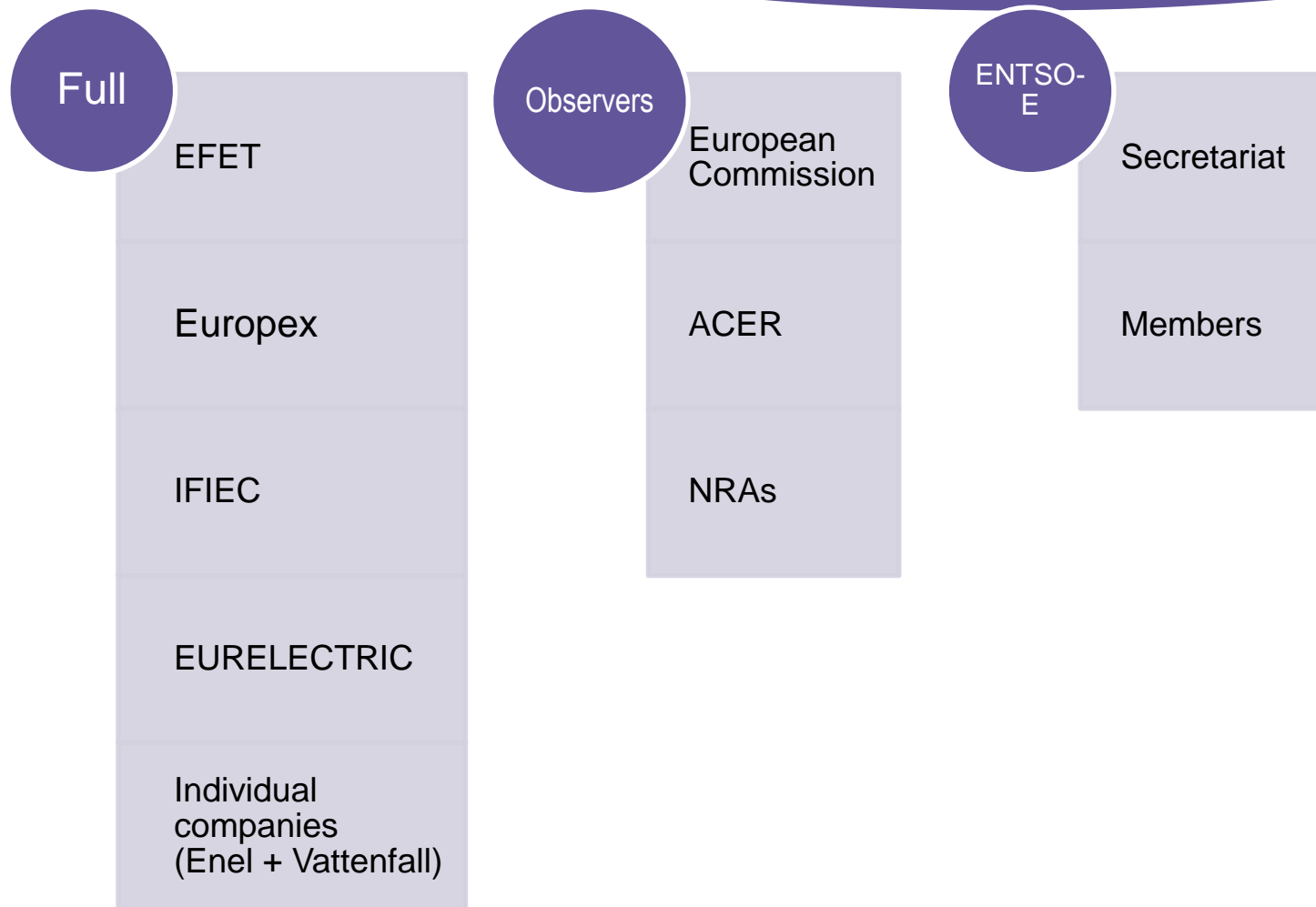
Provide advice
to ENTSO-E on
issues solely
related to FCA

Provide a
communication
forum

Identify the key
issues in time

Adequate
network code

Terms of Reference – Members



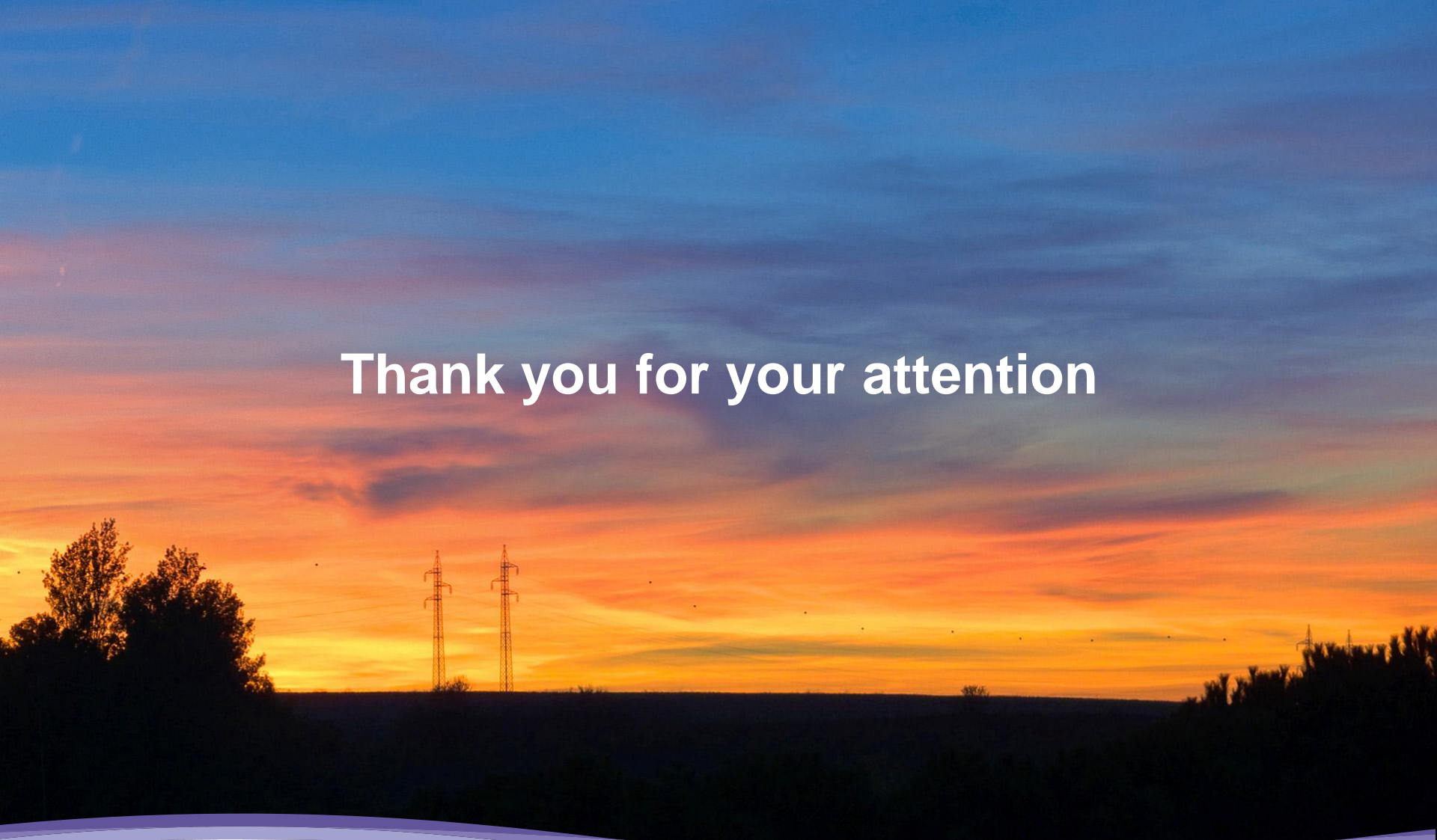
- **consistently attend meetings**
- **actively participate**
- **liaise with their members**
- **highlight issues and concerns as early as practicable**



- **act openly and transparently in updating the market regarding the FCA network code**
- **provide information to ease the understanding of the code**
- **provide draft versions of FCA NC 2 weeks before a meeting and working documents 1 week before**



- **ENTSO-E prepares the minutes of the meeting and provide to the Members within a week**
- **participants shall provide their comments to be incorporated within 5 working days**
- **ENTSO-E beside the minutes of the meeting publishes all Stakeholder group related documents on its website (maximum 2 weeks after the meeting)**



Thank you for your attention