ACER
Agency for the Cooperation of Energy Regulators

Requirement for Generators Network Code

ACER opinion

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22/11/2012

Summary

- **Where are we?**
- **ACER RfG opinion unpacked**
- **Next steps**

State of Play

- ACER opinion issued 13/10/12 recognising significant work to-date and calling for targeted improvements

- ENTSO-E engaging constructively with opinion looking to make these timely improvements

- User Group have a key role to play in next steps

Legislative Framework
Regulation (EC) 714/2009 – Article 6

The Commission shall request the ENTSO for Electricity to submit a network code which is **in line with the relevant framework guideline**, to the Agency within a reasonable period of time not exceeding 12 months.

Within a period of three months of the day of the receipt of a network code, during which the Agency may formally consult the relevant stakeholders, **the Agency shall provide a reasoned opinion** to the ENTSO for Electricity on the network code.

Legislative Framework
(cont)

The **ENTSO for Electricity may amend** the network code in the light of the opinion of the Agency and re-submit it to the Agency.

When **the Agency is satisfied that the network code is in line with the relevant framework guideline**, the Agency shall submit the network code to the Commission and may recommend that it be adopted within a reasonable time period.

ACER: Importance of the RfG

- RfG Network Code is timely and important for:
  - Completion and well-functioning of the internal market;
  - Security of supply
  - Penetration of renewables
  - Delivery of benefits to customers.
- ACER hope for a **focussed approach on specific amendments** which minimises delay and facilitates improvements on areas from the ACER opinion within a 'few months'

RfG Opinion - 4 priorities

1. Significance test to identify 'significant grid users'

- 800W threshold for Type A
- Penetration level at synchronous area

  e.g. Innovative technologies – transition to low carbon society

RfG Opinion - 4 priorities

2. Justification of the significant deviations from existing standards and requirements

- Sizeable task – but reasonable to expect justification where non-exhaustive requirements introduced for the first time

- Voltage issues at distribution level (Type B FRT)
- CHP steam / heat

- Baselines, Cross-Border Impact & Cost-Effectiveness

RfG Opinion – 4 priority areas

3. National scrutiny – Art 4(3)

Applicability across code

Unduly restrictive (Art 37 not 5)

4. Recovery of costs - Art 5

Doesn't tally with Framework Guidelines

Subsidiarity at MS level

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Requested change for compliance with the FGs

	Significance definition	Justification	NRA role	Cost recovery
Divergence from FG	Should cover generators with a cross-border effect	Extent of deviation not fully assessed, cost-benefit justification missing	Unclear drafting and lack of oversight in some areas	Lack of harmony with FWGs and third package as MS competence
Benefits from improvement	Innovative technologies not hindered – supports RES targets	Supports better understanding and possibly adjustment of requirements in specific areas	Systematic oversight avoids discrimination and self-regulation	Avoids unclear and inefficient cost recovery and cost allocation

ACER: Targeted improvements

- Not 'open season' on the whole RfG

- Today is time for constructive, productive and proactive engagement on the four areas in the RfG opinion:

'The Agency emphasises that the contribution of data and information from stakeholders could facilitate and speed this process up significantly and calls on stakeholders to enhance the way in which they engage in this process'

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Thank you for your attention!

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