

Joint European Stakeholder Group



Tuesday 14 April 2020
Meeting 47

Agenda

	Title	Lead	Time
1.	Welcome & Introductions	Chair	10:00 - 10:05
2.	Reporting Update	Neil Dewar (National Grid ESO)	10:05 - 10:15
3.	Project MARI update	Susan Mwape (National Grid ESO)	10:15 - 10:25
4.	Acer Documents	Bernie Dolan (National Grid ESO)	10:25 - 10:35
5.	Clean Energy Package update and discussion	Claire Huxley and Susan Mwape (National Grid ESO)	10:35 - 10:40
6.	NTC	Claire Huxley (ELEXON)	10:40 - 10:45
7.	COVID-19 Impact on JESG Workstreams	Holly Macdonald (Ofgem)	10:45 - 11:00
8.	Review of Actions log	Andrew Hemus (Tech Secretary)	11:00 - 11:05
9.	Future Meeting Dates & Agenda Items	Andrew Hemus (Tech Secretary)	11:05 - 11:10
10.	Stakeholder Representation	Chair	11:10 - 11:15
11.	Any Other Business	All	11:15 - 11:30

1. Welcome & Introductions

Garth Graham (Alternate to Barbara Vest)
Independent Chair

2. Reporting Update

Neil Dewar

National Grid ESO

The background features several decorative yellow lines. On the left side, there are several thin, overlapping curved lines that sweep upwards and to the right. On the right side, there are four thick, parallel diagonal lines that slope downwards from the top right towards the bottom left.

Reporting update

Neil Dewar

Introduction

NGESO has provided reports to ENTSO-E and ACER as part of its System Operator obligations under: -

- Energy Balancing Guidelines (EBGL)
- Capacity and Congestion Management (CACM)
- Other Reporting

NGESO also considering :

- Future Reporting Requirements

“Caveat - The COVID-19 situation may affect future reporting deadlines which may need to be adjusted”

The image features a white background with several abstract yellow lines. On the left side, there are several thin, curved lines that sweep upwards and to the right. On the right side, there are four thick, parallel diagonal lines that run from the bottom-left towards the top-right. In the center of the image, the letters "EBGL" are written in a bold, yellow, sans-serif font.

EBGL

EBGL Reporting

- What has been reported?
 - Executive Report on TSO Balancing on 28th February
- What was the purpose of the report?
 - To provide ENTSO-E with an Executive Summary of the Balancing Report and ensure NGESO compliance with Energy Balancing Guidelines Article 60.3. This forms part of the overall Market Report due in June 2020 by ENTSO-E
- What did the report include?
 - The report focussed on NGESO's justification and volumes of use of two Specific Products between December 2017 - 2019
 - Short Term Operating Reserves (STOR)
 - Balancing Market (BM) activations for Energy Balancing purposes
- Is this report linked with any other reporting?
 - Yes, the justification for the use of Specific Products was submitted to Ofgem under Article 26 of EBGL
- What are the next Steps?
 - Discuss with Ofgem A26 submission
 - Discuss with Ofgem timings for full TSO Balancing Report
 - Assist ENTSO-E with preparation of the Monitoring Report (Art 59.2)

The image features a white background with several abstract yellow lines. On the left side, there are several thin, curved lines that sweep upwards and to the right. On the right side, there are four thick, parallel diagonal lines that run from the bottom-left towards the top-right. In the center of the image, the text 'CACM' is written in a bold, yellow, sans-serif font.

CACM

CACM Reporting

- What is due to be reported?
 - Reporting applied loss factors and actual network losses on Interconnectors
- What is the purpose of the report?
 - This reporting obligation falls under Article 82.4 within CACM, “reporting incremental social welfare”,
- What does the report need to include?
 - The applied Loss Factors on a relevant interconnector
 - The actual network losses on the relevant interconnectors by quantity of energy in MW
- Is this report linked with any other reporting?
 - No
- What are the next Steps?
 - Continued assistance from Interconnectors and other TSO's
 - Continued dialogue with ENTSO-E and ACER
 - Deliver the report

The image features a white background with several abstract yellow lines. On the left side, there are several thin, curved lines that sweep upwards and to the right. On the right side, there are four thick, parallel diagonal lines that run from the bottom-left towards the top-right. The word "Other" is centered in the middle of the page.

Other

Other Reporting

- What has been reported?
 - Bidding Zone information on GB network to ACER on 27th March
- What was the purpose of the report?
 - Providing information for the methodology and assumptions to be used in the Bidding Zone process in accordance with Article 14 (5) of the Regulation EU 2019/943
- What did the report include?
 - Reporting period covered November 2018 to October 2019
 - List of CNE's on an Intact Network
 - List of contingencies considered in the GB region
 - List of CNEC's that caused congestion
 - DA IGM's
- Is this report linked with any other reporting?
 - No, but is very similar in request for MAZCT reporting request
- What are the next Steps?
 - Await feedback and respond to queries from ACER

The background features several abstract yellow lines. On the left side, there are several thin, curved lines that sweep upwards and to the right. On the right side, there are four thick, parallel diagonal lines that slope downwards from the top right towards the bottom left. The text is centered in the white space between these line groups.

Future Reporting Requirements

Future Reporting

- What is due to be reported?
 - Margin Available for Cross Zonal Trade (MACZT)– due in July for period covering January to June 2020
- What is the purpose of the report?
 - ACER intends to estimate the level of MACZT on Critical Network Elements with Contingencies (CNEC's) in accordance with Article 15 of the Regulation EU 2019/942. This information is not available to ACER so requires information from TSO's
- Current Position
 - Internal discussions within NGESO, to determine how data requested can be acquired
 - Ongoing discussions with ENTSO-E

3. Project MARI update

Susan Mwape
National Grid ESO

The background features several decorative yellow lines. In the top-left corner, there are several thin, overlapping curved lines that sweep across the page. In the bottom-right corner, there are four thick, parallel diagonal lines that extend from the bottom edge towards the right edge.

Project MARI update

Susan Mwape

What is mFRR

mFRR (Manual Frequency Reserve Restoration) is a standard European balancing energy product mandated for introduction by EBGL (Article 20)

Article 20

European platform for the exchange of balancing energy from frequency restoration reserves with manual activation

1. By one year after entry into force of this Regulation, all TSOs shall develop a proposal for the implementation framework for a European platform for the exchange of balancing energy from frequency restoration reserves with manual activation.

mFRR is mandated for implementation by July 2022, exchanged through a platform called Manually Activated Reserve Initiative (MARI).

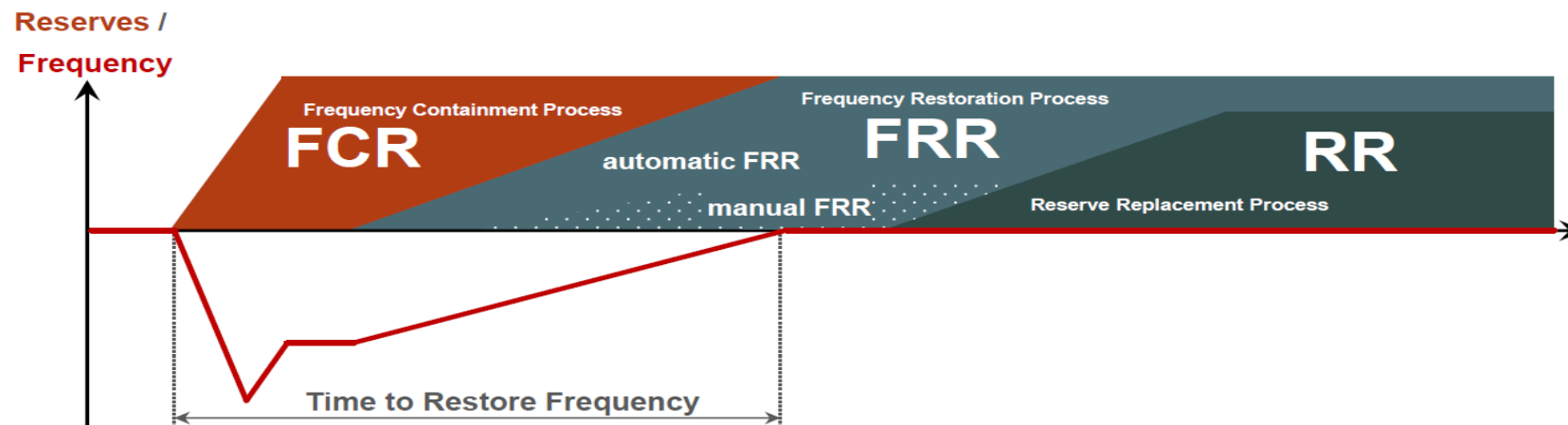
TERRE/MARI and GB products

Project TERRE

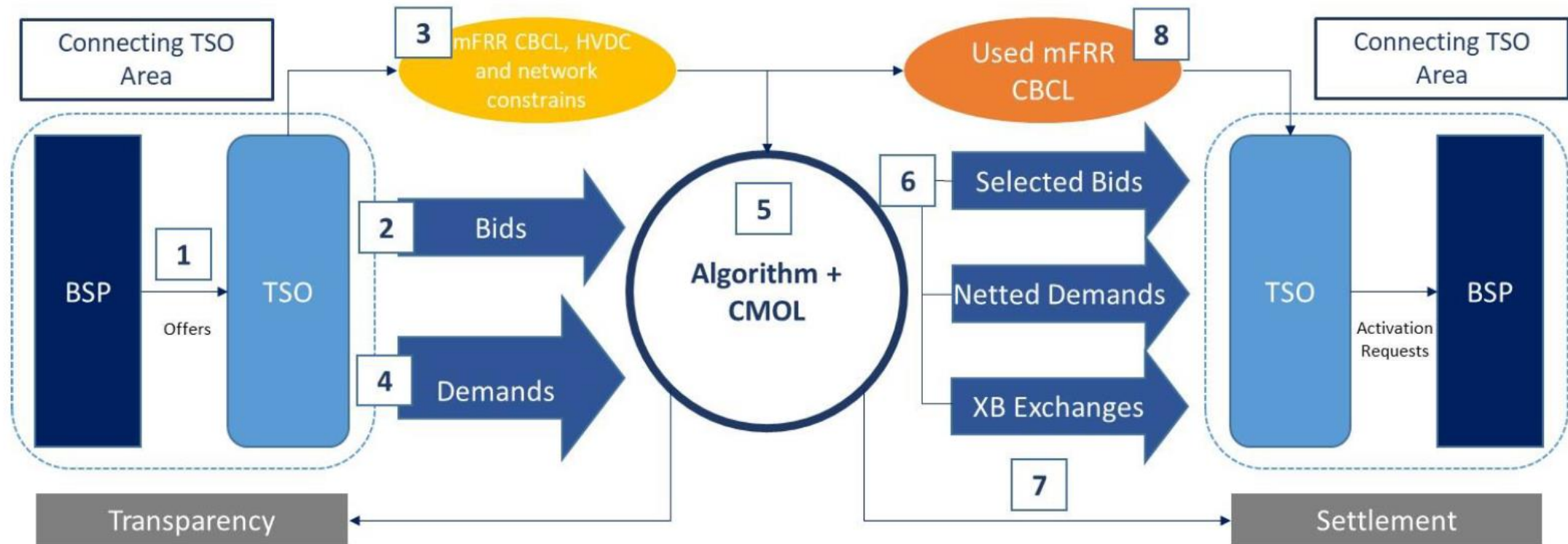
- Pay as clear
- RR product
- 30min activation
- 15-minute blocks
- One auction/ hour
- 8 TSO members, Go-live: from Jan 20

Project MARI

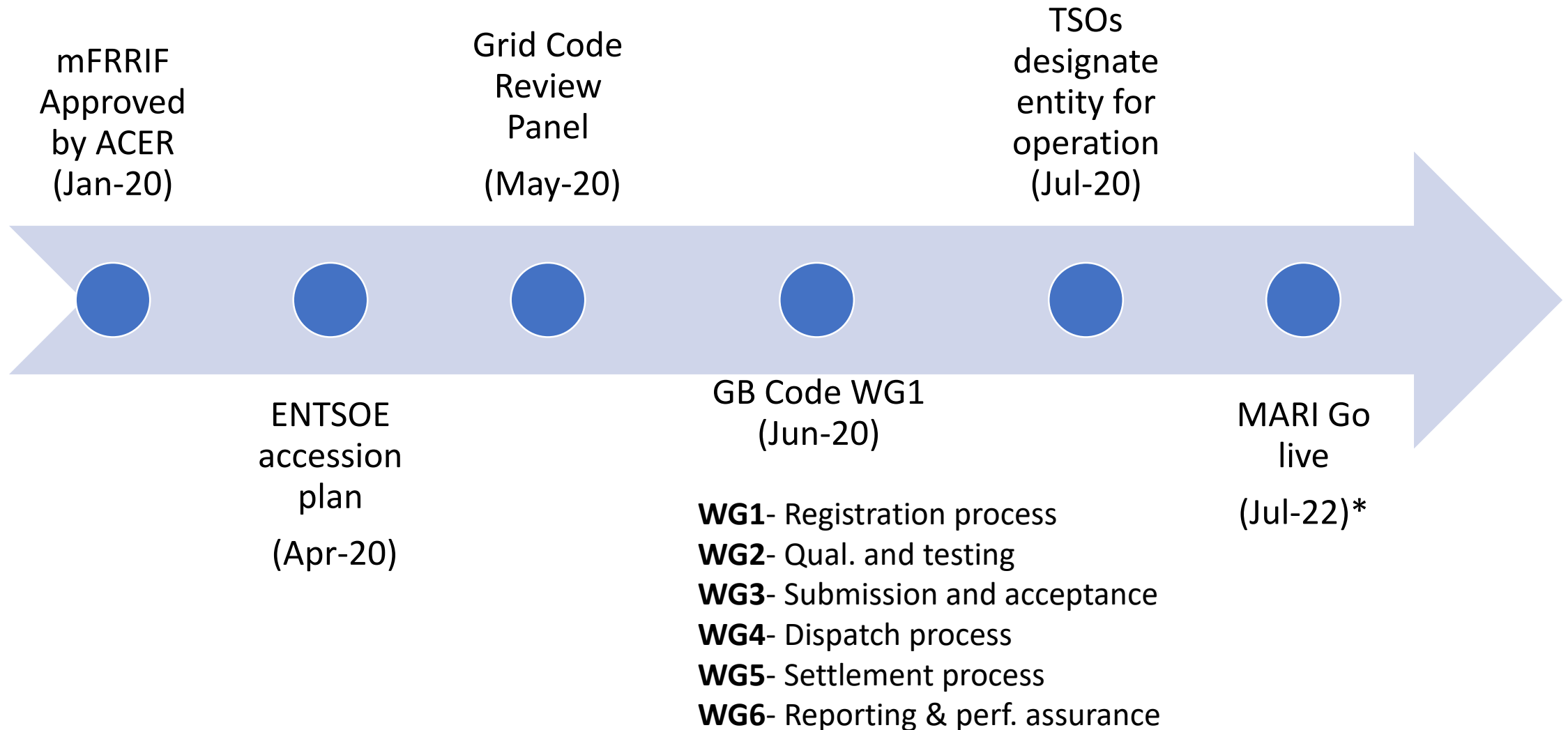
- Pay as clear
- mFRR product
- 12.5min activation
- 15-minute blocks
- On demand / continuous auction process
- 28 TSO members



Exchanges between BSPs, TSOs and mFRR platform



Indicative timeline for implementing MARI



4. Acer Documents

Bernie Dolan
National Grid ESO

5. Clean Energy Package update and discussion

Claire Huxley and Susan Mwape
National Grid ESO

The background features several decorative yellow lines. On the left side, there are several thin, curved lines that sweep upwards and to the right. On the right side, there are four thick, parallel diagonal lines that run from the bottom-left towards the top-right.

Clean Energy Package Update and discussion

Claire Huxley and Susan Mwape

CEP Implementation Update

Overall position

Implementation project team set up aligned to most immediate priorities and articles

Development of internal analysis of impacts and potential options – will share these once we can

C16 position

Wording change requested by OFGEM to allow flexibility of tender timeframes if required by further regulation

Frequency Response, Reserve & STOR – all amended to be “as required”

As per the license conditions, NGENSO must re-run the consultation to gather industry feedback before submitting them to OFGEM

6. NTC

Claire Huxley
National Grid ESO

The background features several decorative yellow lines. On the left side, there are several thin, curved lines that sweep upwards and to the right. On the right side, there are four thick, parallel diagonal lines that sweep downwards from the top right towards the bottom left.

Update on GB Interconnectors Commercial Capacity Calculation Methodology

Claire Huxley

GB Interconnectors Capacity Calculation Methodology (NTC)

C16 Consultation – Procurement Guidelines Update

Revised wording was requested by OFGEM on the IC capacity management wording. As there has been a revision, NGENSO must run a consultation on the wording in order for the it to be accepted into the Procurement Guidelines.

March 2020 – Latest version

To manage interconnector flows, if other market-based solutions are anticipated to be insufficient, or ineffective, for managing operational security on the transmission system, NGENSO may need to limit changes to the interconnector scheduled flow occurring during the day ahead or intraday market. We achieve this by using the following mechanisms:

- Intraday Trading Limits (ITL) – bilateral or trilateral agreement to limit the amount of un-allocated capacity released into the intraday auction. This can also be used to prevent a previously traded position from being unwound back in the other direction.
- Net Transfer Capacity – A tool currently being developed to limit the amount of capacity released into the day ahead or intraday auctions. A methodology for GB arrangements associated with interconnector capacity calculation will agree respective commercial principles with the industry.

C16 Timeline

w/c 6th April 2020	- Consultation go live
w/c 4th May 2020	- Consultation closes
w/c 11th May 2020	- Report issued to OFGEM
w/c 8th June 2020	- Procurement Guidelines updated and live

The development of the “Methodology for GB Commercial Arrangements relating to Interconnector Capacity Calculation” is being progressed in parallel of the above timescales. Please note the updated timeline above does not change the progress made so far.

GB Interconnectors Capacity Calculation Methodology (NTC)

Developing a methodology

NGESO have been working with industry to develop a set of commercial principles for effectively managing interconnector flows prior to the implementation of the Capacity Calculation Methodologies (CCM). Under the approved CCM, a reduction in NTC could restrict capacity being sold in the Day Ahead and Intraday Auction and restrict both allocated and unallocated capacity. We are continuing to have discussions to develop a methodology that works for all parties.

Next Steps

- Continue and finalise C16 consultation with Procurement Guidelines being updated accordingly
- Continuous industry feedback on the GB Methodology document and amend the document taking industry feedback on board.

7. COVID-19 Impact on JESG Workstreams

Holly MacDonald
Ofgem

8. 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
113.	Confirmation around delegation on Article 18 to Elexon or the BSC Panel. What tasks are being delegated to ELEXON?	NGESO, Ofgem, BEIS	Open	NGESO issued a delegation letter dated 20 February 2020 to BSCCo and the BSC Panel, which will take effect on the implementation date of the supporting BSC Modification P392. This, and the BSC Panel and BSCCo's acceptance letter, can be found on the ELEXON website at https://www.elexon.co.uk/bsc-and-codes/europe/ . Details of BSC Modification P392 and its progress can be found at: https://www.elexon.co.uk/mod-proposal/p392/ .
117.	JESG to be updated on SQSS and Grid Code Modifications	NGESO	Open	
121.	Provide an update on elements of the recast Electricity Regulation: Article 36 – Scope of TSO's Article 35 – Scope of engagement requirement	Paul Wakeley (NGESO)	Open	<p>Article 36 – Scope of TSO's</p> <p>ACER response on 6th April. No comments in regards to IU SOR and Channel CCR. There was a comment around 3rd party non EU TSOs and withdrawal agreement. Participation in the RCC will be dependent on the nature of Brexit deal. (Swiss grid were removed from the proposal due to not being EU) For info, the TSOs of the Central SOR are planning an appeal as ACER merged CORE and SWE into a single SOR.</p> <p>Article 35 – Scope of engagement requirement</p> <p>Proposal for the RCCss are to be submitted by TSOs to NRAs on 5th July which is a challenging deadline with much to do. An extension has been requested due to COVID-19 but do not know if this will be granted. CORESO are going to facilitate discussion with planned meeting end April</p>
126.	Provide update for January JESG on the role of the CMA as acting ACER / Commission and how subsequent changes to Network Codes after 21 June 2020 will be put into effect in GB.	BEIS	Open	Network Code Changes – Current legislation uncertainty update now expected for May JESG

JESG Open Actions

ID	Topic	Lead Party	Status	Update
127	ENTSO(E) membership update in relation to TSO position regarding EU Exit.	Andrew Hemus (NGESO)	Open	During the transition phase, the United Kingdom remains bound by all existing European regulations including obligations contained in Network Codes and the Clean Energy Package. NGESO remains a member of ENTSO-E during the transition phase (ENTSO-E, unlike ENTSO-E has always had members from outside the EU, and the European Economic Area e.g. Norway, Switzerland, Albania, North Macedonia etc.). Once the UK Government has concluded an agreement on the future trading relationship with the European Union, depending on the outcome of that agreement, NGESO will need to consider whether it is possible, practical and efficient to remain a member of ENTSO-E. This will depend on the level of regulatory alignment that is maintained between the UK and the EU in future, and how involved we can be in ENTSO-E processes in the future. As the future trading relationship between the UK and the EU becomes clearer we will be able to update our thinking in this area.
128.	Provide an update on when the two planned derogation requests under Article 6 of the recast Electricity Regulation (i.e. Article 6.4 & Article 6.9) are to be published.	Andrew Hemus (NGESO)	Open	NGESO has submitted derogation requests directly to Ofgem. There is no obligation to publish the requests however NGESO will provide more details in future

9. 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 12 May	UK-EU negotiations for future arrangements update (BEIS)
Tuesday 9 June	
Tuesday 14 July	

10. Stakeholder Representation

All

11. AOB