

European Industry Framework Activities

Introduction

Following a request from JESG, the below table sets out the main activities that the European Industry Frameworks team are currently leading on. These activities are driven by legislation that has been adopted into UK Law via Statutory Instruments. Note that this table is not extensive, and there may be other activities that are covered elsewhere.

Activities

Regulation	Statutory Instrument	Article/Subject	Pre-Brexit	Post-Brexit
Clean Energy Package – Regulation (EU) 2019/943	2020 No .1006	5.1/6.5 (P412)	Ensuring non-BM Balancing Services providers pay for non-delivery imbalances at a price that reflects the real-time value of energy	As it's related to CEP which is retained, the obligation is the same as Pre Brexit. Achieving compliance has a negative impact on consumer costs. NGESO have run a consultation with industry who broadly agree but also suggest reviewing longer-term options. We are investigating these and discussing with Ofgem.
		6.4	Utilisation of specific balancing products (as dictated by the EBGL Article 26 process) should be Pay as Clear. Only the BM and STOR were covered by this pre-Brexit and a derogation was approved to ensure they could remain Pay as Bid	All GB balancing products are now deemed specific (removal of EBR related articles, but left in reference within CEP), means that a Pricing Proposal (or derogations) is required to ensure compliance. NGESO have developed a Pricing Proposal with industry and plan to run a formal consultation.
		13	Sets out principles for redispatching and report needs to be submitted at least annually to the regulatory authority	The obligation has been retained within GB Law (with some minor amendments).
SOGL - REGULATION (EU) 2017/1485	2019 No. 533	-	Sets minimum system security, operational planning and frequency management standards to ensure safe and coordinated system operation across Europe	Retained within GB Law with some amendments and revoking some requirements. SOGL 118/119 is progressing as this is still a requirement.
EBGL - REGULATION (EU) 2017/2195	2019 No. 532	-	Integration of balancing markets across Europe	Retained within GB Law with some amendments and revoking some requirements - now called Electricity Balancing Regulation (EBR)
		52	Imbalance harmonisation methodology required across Europe	Updating the methodology to be appropriate in GB. Proposal has been consulted upon and submitted to OFGEM. OFGEM approved methodology 16/12.
E&R - REGULATION (EU) 2017/2196	2019 No. 533	GC0148	Ensure security and continuity of electricity supply across Europe	Retained within GB Law with some amendments and revoking some requirements. Workgroups for E&R phase II (GC0148) are ongoing.
TCA		Day Ahead Capacity Calculation	-	Develop and implement a Technical Procedure for Day Ahead Capacity with our European Counterparts

TCA		Cross border balancing	-	Develop and implement a Cross Border Balancing product with our European Counterparts
		Redispatching and Counter Trading	-	Develop and implement a RD CT Technical Procedure with our European Counterparts
		Other timeframes	-	Develop and implement Technical Procedures for Long term and Intraday timescales