

Joint European Stakeholder Group



Tuesday 10 December 2024
Meeting 79

1. Welcome & Introductions

Andrew Colley – Alternate Independent Chair

Agenda

	Title	Lead	Time
1.	Welcome & Introductions	Chair	10:00 - 10:05
2.	JESG Relaunch	Alice Beddow, NESO	10:05 - 10:15
3.	C9 Annual Review	Alice Beddow, NESO	10:15 - 10:20
4.	Interconnector Frameworks	Alice Beddow and Ejeman Ojobo, NESO	10:20 - 10:30
5.	Review of Actions log	Andrew Hemus, Tech Secretary	10:30 - 10:35
6.	Future Meeting Dates & Agenda Items	Andrew Hemus, Tech Secretary	
7.	Stakeholder Representation	Chair	
8.	Any Other Business	All	10:35 - 10:45

2. JESG Relaunch

Alice Beddow, NESO

Public

JESG Re-Launch

Alice Beddow

Overview and purpose

We believe there is significant benefit in providing a forum to ensure industry is informed of all cross border workstreams and encouraging a space for collaboration between industry and NESO for this work.

Scope

- Retained aspects of European Network Codes (via the Statutory Instruments)
- Trade and Cooperation Agreement (TCA) activity
- Cross border activity
- Other areas of relevant GB and EU energy policy

Stakeholders

- Internal Teams
- Industry Stakeholders (interconnectors, generators etc)
- Connected TSO's
- Ofgem
- DESNZ

Outputs

- Position Paper
- Policy
- Horizon Scanning

Functions

- Knowledge Sharing and Best Practices: JESG will encourage all participants to share specialized knowledge and experiences contributing to increasing industry awareness amongst participants through the sharing of successes and failures.
- Innovation and Problem Solving: JESG aims to provide an opportunity for collective brainstorming and idea sharing. The forum aims to provide a platform for tackling industry wide issues such as regulatory compliance as well as technological and policy changes.
- Networking and Relationship Building: JESG should provide an opportunity for industry participants to identify and forge strategic alliances and collaborations, fostering a closer working relationship to allow all industry participants to collaborate more closely.

Outputs

- Position papers; to present NESO's position on areas covered under the scope of the forum to provide clarity and transparency to industry whilst promoting an open dialogue to gather feedback.
- Policy Details: discussions during JESG relating to the areas outlined under the scope of the forum should directly feed into NESO policy on those areas.
- Horizon Scanning; discussions during JESG will allow for open communication between NESO and industry allowing both to gather feedback on upcoming risks and opportunities.

Questions

- Do you have any feedback on the changes to the scope of JESG?
- Do you have any feedback on the changes to the functions of JESG?
- Do you have any feedback on the outputs proposed for JESG?
- Are there any additional areas you wish to see covered by JESG?
- Are there any additional changes you would like to see for JESG?

3. C9 Annual Review

Alice Beddow, NESO

Public

C9 Update

Alice Beddow

C9 Annual Review

Standard Condition Licence C9 "**Procurement and use of balancing services**" sets out the obligation on the NESO to publish five statements addressing the procurement and use of balancing services.

The five statements are:

- The Procurement Guidelines Statement (PGS)
- The Balancing Principles Statement (BPS)
- System Management Action Flagging Methodology (SMAF)
- Applicable Balancing Service Adjustment Data Methodology Statement (ABSVD)
- The Balancing Services Adjustment Data Methodology Statement (BSAD)

The current versions of the statements and consultations are published on the NESO website: [C9 Homepage](#)

The Statements

Statement	Description
PGS	The purpose of these Guidelines is to set out the kinds of Balancing Services which we may be interested in purchasing, together with the mechanisms by which we envisage purchasing such Balancing Services.
BPS	The purpose of this Balancing Principles Statement is to define the broad principles and criteria (the Balancing Principles) used by NGET that will determine, at different times and in different circumstances, which Balancing Services it will use to assist in the efficient and economic operation of the transmission system, and also to define when NGET would resort to measures not involving the use of Balancing Services.
BSAD	The purpose of this Statement is to set out the information on relevant balancing services that will be taken into account under the Balancing and Settlement Code for the purposes of determining Imbalance Prices.
SMAF	The purpose of this Statement is to set out the means which the licensee will use to identify (using reasonable endeavours) balancing services that are for system management reasons.
ABSVD	The purpose of this Statement is to set out the information on Applicable Balancing Services that will be taken into account under the Balancing and Settlement Code for the purposes of determining Imbalance Volumes.

Upcoming Consultation

Under the C9 licence condition NESO are reviewing the statements currently published in order to propose changes to reflect the balancing services NESO will seek to procure for the year 2025 to 2026.

As part of this, NESO will be launching a consultation on the proposed changes. The dates for the consultation are outlined below:

Consultation Launch: 8th January

Consultation Close: 17th February

Ofgem Direction: 24th March

Statements Live date: 1st April

Details of how to participate will be communicated via the NESO weekly newsletter, please [register](#) to be kept updated with this and other workstreams.

Questions?

4. Interconnector Framework

Alice Beddow and Ejeman Ojobo, NESO

Public

Interconnector Framework

Alice Beddow and Ejemen
Ojobo

Public

Overview

Interconnector Frameworks

Purpose of the project

Activity 2C (Ref 270 Role in Europe) within BP2 (Business Plan 2) seeks to create an Interconnector Framework.

The aim of this being to not only ensure administration of retained European legislation, but to **enable consistency for interconnectors** operating in GB markets and **aid transparency** of the ways in which the interconnectors operate and work with NESO.

Earlier this year, we held external workshops to explore the key areas identified following industry feedback as part of our RFI:

- Minimising Complexity.
- Maximising Consistency.
- Promoting Transparency.

We would like to offer industry a further chance to feedback on our proposed plans for the framework. This will take place during December and January of this year.

Details of how to participate will be communicated via the NESO weekly newsletter, please [register](#) to be kept updated with this and other workstreams.

An interconnector framework aims to enable consistent and efficient arrangements.

The end goal of an **Interconnector Framework** is one that **enables consistent and efficient arrangements** to help with the management of interconnectors (both currently connected and future connections).

As part of this work, we will be launching an area dedicated to interconnectors on the NESO website, aiming to increase transparency of interconnector operations.

We want to work with industry, through RFI's, workshops and forums to discuss the challenges and opportunities currently experienced that may be alleviated through the development of an interconnector framework.

This will aid shaping the scope and development of a framework in a series of delivery phases:

Phase One:

- External Forum
- External Website

Phase Two:

- Internal alignment & Harmonisation

Public

External Forum

Overview and purpose

We believe there is significant benefit in providing a forum to ensure industry is informed of all cross border workstreams and encouraging a space for collaboration between industry and NESO for this work. This forum would aim to provide an additional route to allowing industry to communicate with NESO, with the aim of increasing alignment on issues related to interconnectors and cross border activities.

Scope

- Retained aspects of European Network Codes (via the Statutory Instruments)
- Trade and Cooperation Agreement (TCA) activity
- Cross border activity
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Outputs

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Public

Interconnector Website

We believe that providing a singular source of information on the NESO website relating to interconnectors is highly beneficial for several reasons:

Centralized Information: A dedicated interconnector webpage would serve as a centralized hub for all relevant information, making it easier for stakeholders to access and stay informed about interconnector-related activities and updates.

Transparency: By consolidating information in one place, NESO can enhance transparency regarding interconnector operations, obligations, and regulatory compliance.

Efficiency: A well-organized webpage can streamline the process of finding and utilizing information, reducing the time and effort required for stakeholders to gather necessary data.

Collaboration: The webpage can facilitate better communication and collaboration between NESO and industry stakeholders by providing a platform for sharing updates, feedback, and best practices.

Main Section: This section serves as the primary hub for all information related to interconnectors. This section will be frequently updated to ensure that stakeholders have access to the most current data and developments.

Publication and Resources: This section provides access to various documents and resources that can enhance user engagement and provide valuable insights. It will also contact downloadable resources and information.

FAQs: A dedicated section for answers to the most frequently asked questions about interconnectors, their operations, and related processes.

Events: A section for industry news, updates, and upcoming events to keep stakeholders informed about relevant developments and opportunities for engagement.

Contact and Feedback: This section provides users with the means to contact NESO and offer their feedback:



Navigation Menu	Main Section	Publication and Resources	FAQ	Events	Contact and Feedback	Search
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What are Interconnectors?
Use of Congestion Income from Interconnectors
Network Assessment Options for Interconnectors
Cap and Floor Regime
Offshore Hybrid Assets
What is an NTC?

MAIN SECTION

PG1 - Interconnectors

What are interconnectors?

Interconnectors are high-voltage cables that run under the sea, underground or via overhead cabling that connect the electricity systems of neighbouring countries to one another. Interconnectors allow excess power on the system to be traded and shared between countries. By sharing excess power, we can ensure renewable energy isn't wasted, and constraint payments are minimised.

[Find out more about the Future of Interconnectors:](#)



Below, you can find an interconnector analysis report that outlines the socio-economic benefits of interconnection for consumers, generators, and interconnector developers under a range of scenarios. Rather than assessing actual projects this report evaluates the benefits from hypothetical interconnectors.

This analysis can provide a market and network assessment of the optimal mix of interconnection capacity. It evaluates the overall benefit to society by considering socio-economic welfare (SEW), as well as constraint costs, capital expenditure (Capex) and environmental impacts.

The analysis does not assess the viability of current or future interconnector projects; the final insights are based on assessing a range of theoretical interconnector options.

[Download the Interconnector Analysis Report](#)

PG 6 - What is an NTC?

NTC or Net Transfer Capacity is a value used by System Operators (SOs) in order to set the maximum capacity that an interconnector can import and/or export to that SO's grid for a given Market Time Unit (MTU).

The NTC process is a method of calculating the resulting maximum import and export capacities that an interconnector can release to the market (Final NTC).

[Find out more about the methodology for GB Commercial Arrangements relating to Interconnector Capacity Calculation](#)

**IMAGE TO
BREAK UP TEXT**

Other Useful Links

Internal

[NESO's Net Transfer Capacity restrictions submitted to Day-ahead and Intraday auctions.](#)

[North Sea Link - NESO's Net Transfer Capacity](#)

[Viking Link - NESO's Net Transfer Capacity](#)

[NemoLink - NESO's Net Transfer Capacity](#)

[IFA - NESO's Intraday Transfer Limit](#)

[BritNed - NESO's Intraday Trading Limit](#)

[ElecLink - NESO's Net Transfer Capacity](#)

[IFA2 - NESO's Intraday Transfer Limit](#)

**IMAGE TO
BREAK UP TEXT**

FAQ SECTION

Welcome to our Frequently Asked Questions (FAQ) section! Here, we have compiled answers to some of the most common queries we receive. Our goal is to provide you with quick and easy access to the information you need. Whether you're looking for details about our services, policies, or general information, you'll find it here.

If you have a question that isn't covered in this section, please don't hesitate to contact us directly. We're always here to help!

What is an everyday action and the delivery timescales for interconnector users?

- [What is the day-ahead and intra-day market?](#)
- [What are the Benefits of Interconnectors to the GB Transmission System?](#)
- [Order of Everyday Actions Webinar](#)
- [Interconnector Emergency Action March 2023](#)

Public

Questions

5. 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 / DESNZ
S3	Share any intelligence about how other member states are approaching demonstrating compliance through information gained from other government departments, regulators or parent companies.	DESNZ / Ofgem / Industry parties with European parent companies

JESG Open Actions

ID	Topic	Lead Party	Status	Update

6. Future Meeting Dates & Agenda Items

Andrew Hemus
JESG Technical Secretary

JESG Meetings for 2025

- [JESG calendar email invites can be downloaded here.](#)
- Stakeholders are invited to put forward agenda items for the forthcoming JESG meetings:

Meeting Date	Proposed Agenda Items
Tuesday 14 January	
Tuesday 11 February	
Tuesday 11 March	
Tuesday 8 April	
Tuesday 13 May	
Tuesday 10 June	
Tuesday 8 July	
Tuesday 12 August	
Tuesday 9 September	
Tuesday 14 October	
Tuesday 11 November	
Tuesday 9 December	

7. Stakeholder Representation

All

8. AOB