



Public Consultation Paper

Priority list for the development of network codes and guidelines on electricity for the period 2024-2027 and on gas for 2024 and beyond

The Third Energy Package created an institutional set-up for developing network codes with a view to harmonising, where necessary, the technical, operational and market rules governing the electricity and gas grids. This institutional set-up has been further improved through the Clean Energy Package, in particular with the adoption of Regulation (EU) 2019/943 (“Electricity Regulation”).¹ It sets out a key role for the Agency for the Cooperation of Energy Regulators (“ACER”), for the European Networks of Transmission System Operators (“ENTSOs”), for the European entity for distribution system operators (“EU DSO entity”) and for the European Commission to work in close cooperation with all relevant stakeholders on the development of network codes. The process of developing network codes is defined in Articles 58 and 59 of the Electricity Regulation and in Articles 6 and 8 of Regulation (EC) No. 715/2009 (“Gas Regulation”). The areas in which network codes can be developed are set out in Article 59(1) and (2) of the Electricity Regulation and in Article 8(6) of the Gas Regulation.

In addition to the possibility to develop network codes, the European Commission may develop guidelines on its own initiative, launching the adoption procedure to make them legally binding. The areas in which guidelines can be developed are set out in Article 61(2) of the Electricity Regulation and Article 23(1) of the Gas Regulation.

According to Article 59(3) of the Electricity Regulation and Article 6(1) of the Gas Regulation, where there are plans to develop new network codes, the Commission has to establish, after consulting ACER, the ENTSOs, the EU DSO entity and other relevant stakeholders, a priority list identifying the areas to be included in the development of network codes (every three years in electricity and on an annual basis for gas)².

The purpose of this document is to have a targeted consultation of relevant stakeholders on the priorities for the development of network codes and guidelines for the period 2024-2027 for electricity and for 2024 and beyond for gas.

¹ Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (OJ 2019, L 158, p. 54).

² Annual priority lists were adopted in the past for years 2013, 2014, 2015, 2016, 2017, 2018 and 2020. For 2019, 2021, 2022 and 2023 the Commission did not establish any list, as there were no plans to develop new network codes or guidelines.

1 Priorities regarding electricity networks rules

1.1 Priorities for 2024-2027 regarding electricity networks rules

Harmonised rules on electricity markets, grid connection and system operation have already been adopted, published and are being implemented in the Member States³. The correct implementation of these existing rules remains a priority, and updates to the existing network codes or guidelines will be proposed where necessary over the 2024-2027 period. In this regard, the revision of the Capacity Allocation and Congestion Management Guideline ('CACM GL'), the Forward Capacity Allocation Guideline ('FCA GL'), and the grid connection codes will be prioritised by the Commission during this period.

In addition, the development of harmonised electricity rules concerning demand side flexibility is ongoing. In 2022, ACER issued a framework guideline for the development of a network code based on Art. 59(1)(e) of the Electricity Regulation. On this basis, the Commission requested the EU DSO entity, in cooperation, with ENTSO--for electricity to draft a proposal for a network code, which is planned to be submitted to ACER on 8 May 2024. The Commission plans to adopt the network code in the course of 2025.

The principles set out in the new network code shall aim at allowing access of flexibility resources to all electricity markets and to allow the use of all resources by system operators for operation and planning of the grid. In this regard, the network code aims at removing all undue barriers for the market entrance and participation of demand response and storage and to establish principles for the procurement and the use of local flexibility services.

No new electricity network codes or guidelines are otherwise envisaged.

1.2 Priorities beyond 2027

The European Commission welcomes stakeholder input on the need and possible scope of new electricity network codes and guidelines that could be envisaged beyond 2027.

2 Priorities regarding gas networks rules

2.1 Priorities for 2024 and beyond

Harmonised rules on congestion management procedures, capacity allocation, balancing, interoperability and data exchange, and harmonised transmission tariff structures have already been adopted, published and are being implemented in the Member States⁴. Their correct implementation remains therefore a priority, and updates to the existing network codes or guidelines will be proposed where necessary over 2024.

Following the conclusions of the 38th European Gas Regulatory Forum, ACER was invited to develop reasoned amendments proposals for the revision of the Capacity Allocation Mechanisms Network Code ('CAM NC'), while a study for the revision of the Congestion Management Procedures Guidelines ('CMP GL') will be conducted in the beginning of 2025. Stakeholders are encouraged to constructively contribute to the upcoming public consultations on these revisions.

³ Rules on capacity allocation and congestion management, rules on connection of generators, rules on demand connection, rules on high voltage direct current, rules on forward capacity allocation, rules on system operation, rules on emergency and restoration requirements and procedures and rules on balancing.

⁴ https://ec.europa.eu/energy/topics/markets-and-consumers/wholesale-energy-market/gas-network-codes_en

In addition, the development of harmonised gas rules concerning Cybersecurity is ongoing. A comprehensive study has been prepared to gain deeper insights into the requirements of the gas market, including hydrogen and oil, alongside identifying cybersecurity threats, needs, and regulatory gaps. Based on the findings of this study, subsequent actions will be determined.

No new gas network codes or guidelines are otherwise envisaged.

The European Commission welcomes inputs from stakeholders to highlight the need, together with priorities and sequencing for reviewing the other existing network codes and guidelines in the upcoming years.

3 Consultation

The Commission would welcome feedback from stakeholders on whether they agree with the proposed priorities.

Input to the consultation should be sent by **13 September 2024** by e-mail to ENER-NC-PRIORITIES@ec.europa.eu.

All responses will be published in full unless it is specifically indicated that the information contained within the response is confidential. Following the consultation period, the Commission will evaluate the input received and where it identifies new areas for the development of network codes, it will adopt a decision setting the priorities for 2024-2027.

The Commission notes that even when a key area is set on the priority list 2024-2027, it may not result in a network code or guideline being adopted by the end of this period. Furthermore, the Commission can initiate work on other areas.