

Directorate-General  
for Energy  
and Transport

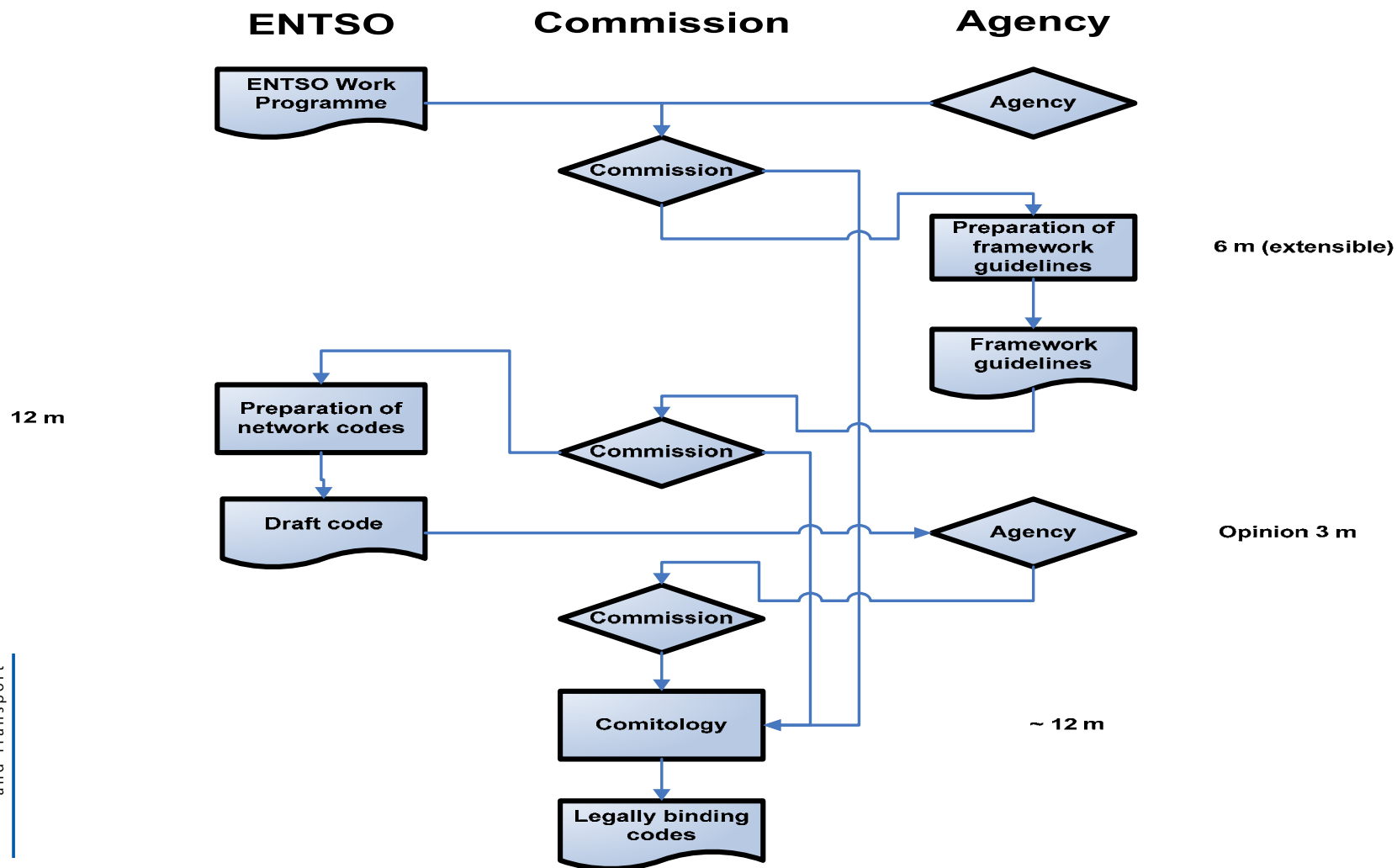


## ● 3rd internal market package Codes and guidelines

**Florence forum 10-11 December 2009**

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# ● Network codes



## ● Network codes, Article 8 of Electricity regulation

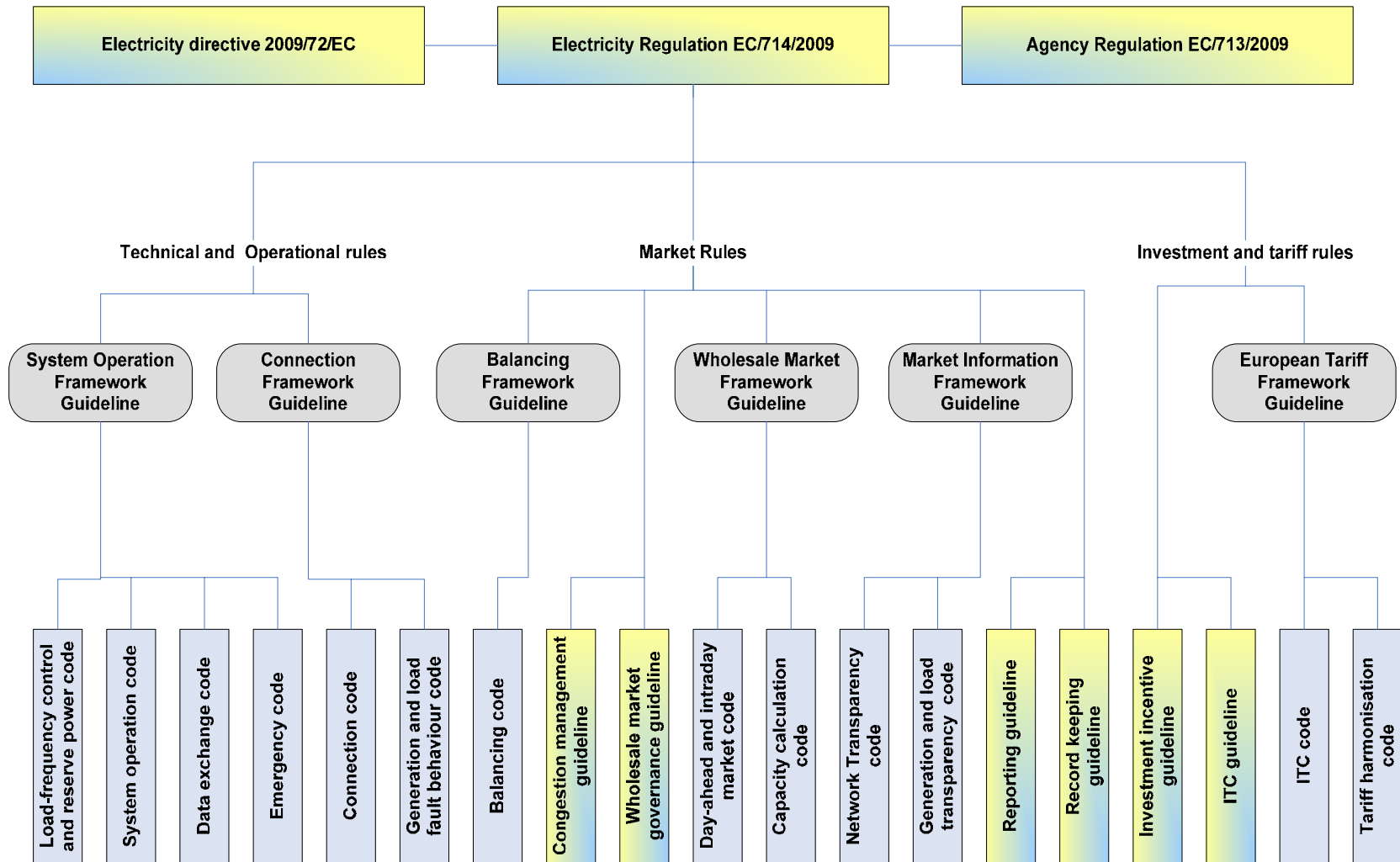
1. network security and reliability rules including rules for technical transmission reserve capacity for operational network security;
2. grid connection rules;
3. third party access rules;
4. data exchange and settlement rules;
5. interoperability rules;
6. operational procedures in an emergency;
7. capacity allocation and congestion management rules;
8. rules for trading related to technical and operational provision of network access services and system balancing;
9. transparency rules;
10. balancing rules including network related reserve power rules;
11. rules regarding harmonised transmission tariff structures including locational signals and inter-TSO compensation rules;
12. energy efficiency regarding electricity networks

## ● Legally binding guidelines Article 18 of Electricity regulation

1. Inter TSO compensation mechanism
2. Tariff harmonisation rules
3. Congestion management rules
4. Safety and operational rules
5. Provision of information rules
6. Trading of electricity rules
7. Investment incentive rules

... and all items on the Article 8 list

# European Electricity Rules



## ● Priority setting

### Article 6: Establishment of network codes

1. The Commission shall, after consulting the Agency, the ENTSO for Electricity and the other relevant stakeholders, establish an annual priority list identifying the areas set out in Article 8(6) to be included in the development of network codes.
2. The Commission shall request the Agency to submit to it within a reasonable period of time not exceeding six months a non-binding framework guideline ...

# ● Priorities in the Commission discussion paper

<b>Electricity Framework guidelines</b>	<b>Electricity network codes</b>
Grid connection and access framework guideline (pilot)	Wind connection network code (pilot)
System operation framework guideline	System operation network code (possibly several codes)
Transparency framework guideline	Generation and load transparency network code
Wholesale market framework guideline	Capacity calculation network code

# ● Changes proposed in ERGEG and ENTSO-E work programmes

Electricity Framework guidelines	Electricity network codes
Grid connection (and access) framework guideline (pilot)	Wind connection network code (pilot) >> all types of connection
System operation framework guideline	System operation network code (possibly several codes) >> 1) Load flow management, 2) Balancing and ancillary serv. 3) Co-ordination procedures
Transparency framework guideline >> legally binding guideline	Generation and load transparency network code >> input to ERGEG
Wholesale market framework guideline >> Capacity allocation and congestion management guideline	Capacity calculation network code >> implementation project following PCG





Capacity allocation and congestion management framework guideline

Codes and guidelines

Governance guideline

Day-ahead code

Intra-day code

Capacity calculation code

Co-ordination

Implementation projects

Day ahead integration

Intra day platform

Common grid model and capacity calculation

Framework guideline

Legally binding guideline

Network code

Guidance

Input

Task force

Design phase

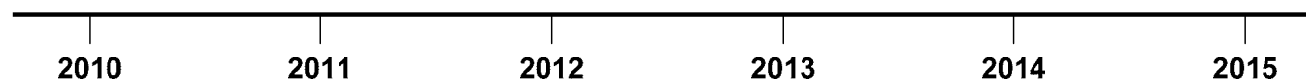
Implementation phase

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Life after PCG

DG TREN/C2/MS/3.12.2009



Florence forum December 10-11th 2009

# ● European electricity day ahead spot market

■ Liquid ( $>30\%$  spot trade/consumption)

■ Some liquidity ( $15\% < < 30\%$ )

■ Little liquidity ( $5\% < < 15\%$ )

■ No liquidity ( $< 5\%$ )

←..... planned

