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**From:** Pamela Taylor [mailto:Pamela.Taylor@ofgem.gov.uk]  
**Sent:** Tuesday, October 27, 2009 7:28 PM  
**To:** SUPPONEN Matti (TREN); Joachim.Gewehr@BNetzA.de  
**Cc:** Martin Crouch; VAN STIPHOUT Mark (TREN)  
**Subject:** Ofgem comments on the Discussion paper

Dear Joachim, Matti and Mark

Thanks for your presentations in the gas and electricity working groups of ERGEG of the discussion paper, it was very helpful to have your direct input and your updates. I wanted to send you some specific Ofgem thoughts on the paper:

1. The discussion paper contains 18 codes for electricity and 17 codes for gas. We think that it may be difficult and very time consuming to get so many different documents through comitology in a reasonable timescale. Also if we are to have so many different codes there will be overlaps at the drafting stage (which complicates things) and even if all the codes are adopted then modification (a process needs to be developed) of one will need changes to others. I appreciate that there is a risk of the codes not getting produced if they cover too many topics but nonetheless 35 codes is a lot. Is it worth considering whether some of these are merged together – perhaps along the same lines as the framework guidelines?
2. We would also recommend that the electricity codes match those being proposed for gas. For example, in gas everything related to congestion management and capacity allocation falls under the wholesale market framework guideline. However, in electricity there seems to be both a wholesale market governance guidelines to be adopted directly through comitology as well as a wholesale market framework guideline (which will lead to specific codes). We are not sure that this distinction is helpful. As you know EWG plans to work on the capacity allocation framework guideline in 2010, which will build on the PCG work. There is a risk that ERGEG and the Commission work separately on similar issues at the same time, which may not be very efficient use of NRAs time. I understand that the Commission retains a right to propose comitology on any of these areas (particularly if framework guidelines are not produced) but I wasn't sure why you picked out the wholesale market governance issue in particular?
3. Another point is that during the interim period many TSOs will still not be unbundled from their shipping/ supply or generation interests, this needs to be taken into account when ENTSO-E or ENTSG are being asked to work on pilot codes.

Happy to discuss.

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