

Brussels, 6 July 2015

CEDEC Response to Public Consultation on

Establishment of the annual priority lists for the development of network codes and guidelines for 2016 and beyond

1. General comments

CEDEC welcomes the Commission's public consultation paper on the establishment of the annual priority lists for the development of network codes and guidelines for 2016 and beyond.

CEDEC wants to seize the opportunity to not only comment on the proposed development of guidelines and codes, but also on the development process and the information made available during that process as well as on the upcoming implementation of the codes and guidelines.

Commission's website on Network Codes and Guidelines

We welcome the Commission's new webpages on electricity and gas network codes and guidelines and the information which is put at the disposal of the stakeholders, but we would like to suggest some improvements.

We think the webpages could be more conveniently arranged with a similar structure for electricity and gas.

The links to the Comitology register would also be very helpful for electricity, similar to what is done on the gas webpage. Moreover, for electricity, a division of the codes according to their 'group' – as is done on the ENTSO-E website (connection codes, operation codes and market codes) – would be convenient.

A more regular update of the pages with new material would also be appreciated. This would allow all stakeholders to follow up on the further evolution of the legal text and permit them to help improve the quality of the network codes and guidelines. It also permits them to prepare implementation adequately, based on 'latest' available drafts.

Finally, we are of the opinion that the 3-year work plan templates should be updated on a more regular basis and should be more detailed to enhance transparency, e.g. using a monthly timeline instead of the quarterly based one.

Development process

The development of several network codes under the same framework guideline (FWGL) – and this is in particular the case for electricity – has proven to be very challenging.

CEDEC suggested in former consultations to combine several network codes e.g. the system operation codes. We therefore appreciate the Commission's initiative to merge the operational network codes (network code on operational security [NC OS], on operational planning and scheduling [NC OPS] and on load-frequency control and reserve power [NC LFCP]) and create only one guideline. Creating only one regulation seems appropriate since it is clear that they are largely interlinked and the consistency between them will considerably be enhanced.

We would appreciate if the Commission could share this new guideline with all stakeholders in advance of the Comitology process.

The early involvement of the DSOs in the development of the network codes has been proven very important and necessary, especially for those codes where the DSOs are directly or indirectly impacted on the level of technical requirements, but also on the level of information exchange and on execution of compliance testing and monitoring. Codes that are delivered to the Commission after their development, should neither contain unbalanced requirements, nor should they contain requirements which are not adequately evaluated and analysed.

Stakeholder involvement in implementation

CEDEC expressed in former consultations its full support in organizing a structured stakeholder involvement in the implementation of the network codes and guidelines.

We followed closely the positive evolution in the network codes for electricity regarding stakeholder involvement and appreciate ACER's and ENTSO-E's initiative in proposing a flexible structure to organize this stakeholder involvement in an efficient way. The terms of reference (ToR) which were proposed to the DSOs and stakeholders are a good basis to start this involvement. We repeat that it would be useful to set up the Stakeholder Committees as soon as possible, because early implementation – and exchanging views and information in this regard – will certainly shorten the learning curve for the involved stakeholders once the regulation enters into force.

CEDEC members think it is also necessary to envisage the setup of a similar stakeholder involvement structure for the implementation of the gas network codes. ACER and ENTSOG could provide ToR as was done for electricity. Even if for gas much less network codes and/or guidelines need to be implemented, it is self-evident that gas and electricity network codes and guidelines implementation should be treated in the same way. CEDEC insists that the same transparency for gas as for electricity is guaranteed during implementation.

2. Comments on the tentative 2016 annual priority lists (electricity and gas)

CEDEC supports the Commission's proposal to prioritize in 2016 the work already started on codes and guidelines. For electricity we only see that ACER has to finalize the scoping of a possible framework guideline on harmonized transmission tariff structures. For gas ACER demonstrated that the necessity for harmonizing rules on trading is not demonstrated, so no new framework guideline is needed at the moment. Furthermore for gas the Commission proposes to amend the NC Interoperability and Data exchange to include the forthcoming EU standard on H-gas quality.

CEDEC agrees with the proposed framework guideline scoping and network codes and guidelines to be further developed/finalized and/or adopted by the Commission during 2016.

As we have already highlighted previously, we again want to stress that the rules regarding harmonized transmission tariff structures for electricity exclusively address transmission, and not distribution.

3. Comments on the annual priorities beyond 2016 (electricity and gas)

A lot of the codes and guidelines (especially for electricity) will be published in 2015 and early 2016. It is important that ACER, ENTSO-E, ENTSOG and all stakeholders can focus in the coming years on the implementation and the adequate application of these network codes and guidelines. Adding additional codes and/or guidelines would complicate an already complex process.



CEDEC believes there is a need for feedback from the implementation of the first set of codes to be able to evaluate the real necessity for additional codes to be developed and therefore fully supports the Commission's vision to focus first on the work already started in the previous years.

CEDEC Background information

CEDEC represents the interests of local and regional energy companies from ten European countries.

CEDEC represents more than 1500 companies with a total turnover of 120 billion Euros, serving 85 million electricity and gas customers & connections. These predominantly medium-sized local and regional energy companies have developed activities as electricity and heat generators, electricity and gas distribution grid & metering operators and energy (services) suppliers.

The wide range of services provided by local utility companies is reliable, environmentally compatible and affordable for the consumer. Through their high investments, they make a significant contribution to local and regional economic development.