

08.04.2011, Brussels

Establishment of the priority list for the development of network codes for 2012 and beyond

Consultation questions and responses

1. Are the priorities proposed for 2012 the correct ones?

Yes, however, it is important to ensure overall cohesion of the various Network Codes. Developing the Network Codes in parallel means co-ordinating the processes across the different areas will be challenging.

2. What should be the longer-term priorities for 2013 and beyond? Please also specify in your response the expectations you have for the scope of these priorities.

Wärtsilä, as a manufacturer of generators, welcomes a move towards harmonized connection requirements for generators. One set of reasonable requirements is preferable from an equipment manufacturer point of view over a multitude of country and TSO specific rules, which could create fractured product requirements and in extent a fractured market and unnecessary additional cost.

We are of that opinion that harmonized connection requirements are necessary in order to facilitate a non-discriminative, effective and efficient internal electricity market where all generation technologies can effectively and efficiently and economically contribute to secure the energy needs in the European Union now and in the future.

3. In the 3-year-plan for electricity, several network codes are proposed for a single framework guideline. In gas, only one network code per framework guideline is foreseen. The Electricity and Gas Regulations do not specify whether a framework guideline has to be mirrored by a single network code or whether the issue can be divided into several sub-issues. Do you agree that keeping both options, as used by ENTSO-E on the one hand and ENTSG on the other hand, are viable? Do you agree with the order in which the sub-issues in electricity will be tackled under the framework guidelines for capacity allocation and congestion management, network connection and system operation? Do you agree that the sub-issues marked red in the 3-year-plan for electricity in Annex 1 are the essential ones to ensure completion of the single market by 2014?

Keeping both options, as used by ENTSO-E on the one hand and ENTSG on the other hand, are viable as long as the network code development process is clear and results in technical requirements, definitions and qualification requirements being clearly defined and elaborated in the network code.

The ordering of the sub-issues in electricity is adequate as long as there is cohesion and co-ordination within the overall process due to the inter-linkages between the different sub-issues.

Wärtsilä – Leading European Energy Technology Provider

- Wärtsilä is a global leader in complete lifecycle power solutions for the marine and energy markets.
- In 2009, Wärtsilä's net sales totalled EUR 5.3 billion with 18,000 employees. The company has operations in 160 locations in 70 countries around the world.
- More than 4500 Power Plants distributed over 166 countries are based on Wärtsilä technologies and almost 10 000 engine-driven units offer 45 GW of reliable power capacity around the clock.
- Wärtsilä plants are flexible in following the actual demand and produce the necessary electricity typically from natural gas, bio fuels or heavy fuel oil.
- In 2009 Wärtsilä's research and development expenses totalled €141 million. The R&D efforts are strongly focusing on fuel flexibility, energy efficiency, operational characteristics and emission reduction.

The Main Features of Wärtsilä Technology:

- Wärtsilä represents a truly flexible power generation alternative for a modern electrical grid, offering flexible fuel alternatives, flexible operating modes and high efficiencies.
- Wärtsilä modular power plant technology based on multiple units in parallel allows for rapid installation and easy addition of capacity.
- Wärtsilä provides optimum solutions for load following and grid balancing.
- Wärtsilä technology based on reciprocating engines offers excellent balancing services to the modern electrical grid thus facilitating the integration of intermittent renewable energy.
- Wärtsilä power plants require a very short start-up time thus fulfilling the secondary control requirement of providing full load within 5 minutes without the need of spinning at zero load.