

European Commission consultation – "Establishment of the priority list for the development of network codes for 2012 and beyond"

EDF Response

10 April 2011

EDF welcomes the opportunity given by the European Commission to comment on the triennial programme for the development of Framework Guidelines and Network Codes, as set by the provisions of the 3rd Energy Package.

EDF takes note of the ambitious target set by the European Council on the 4th of February 2011 to achieve the internal market for electricity and gas by 2014. This target indeed implies an efficient work organisation in the process of developing Framework Guidelines and Network Codes.

These documents, bringing harmonized common rules throughout Europe, will be of crucial importance in the integration process, therefore EDF advocates for a pragmatic approach, favouring the quality and transparency of the work on these technical issues rather than the pace, as compromising the quality would in the end reveal counterproductive.

EDF does agree with the priorities defined for 2012 and later on and believes that:

- based on the target model (when existing) the Framework Guidelines should concentrate on the essential principles of the rules to be set throughout Europe, which would help keeping the pace set in the triennial work programme.
- the Network Codes should go into the adequate degree of detail, which means they should not be over-prescriptive and go beyond cross-border issues.
- draft Framework Guidelines and Network Codes should always be accompanied by the relevant Impact Assessments outlining the main policy options and a comprehensive corresponding cost-benefit analysis. Significant socio-economic benefits should be demonstrated if any new standards or substantial revisions of present standards are introduced. These cost benefit analyses – and adapted timelines - are of particular importance when considering application to existing users in order to avoid unjustified and excessive compliance costs and technical constraints.
- given the substantial responsibilities the 3rd Energy Package entrusts ENTSO-E and ENTSO-G with, stakeholders' involvement at an early stage, in the preparatory phase, should be clearly defined and secured. As going through a learning process, EDF understands that reaching an optimal process will take some time. The example of the pilot Network Code on grid connection for generators is however not a success in terms of early and effective stakeholders' consultation and the current draft still results in major compliance issues for generators, now trying to sort out these important difficulties. Therefore, more must be done in a close future to effectively involve at an early stage those directly impacted in the Code drafting process and, doing so, allow a fair allocation of responsibilities.

Regarding the question whether one Framework Guideline should be the umbrella for one or more Network Codes, EDF considers at this stage that both systems can certainly coexist as long as gas and electricity regulatory processes don't diverge dramatically and that these segmentations of Network Codes aim to more clarity. In this respect, the production of several Network Codes should be anticipated and defined by the relevant Framework Guidelines and parallel processes on Network Codes that have close interactions on one another should be ensured. Therefore, the draft documents should be prepared and published as concomitantly as possible.