

# 9th Network Code Implementation and Monitoring Group (NC IMG) meeting on 08 July 2020 – Conclusions

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**Participants:** Representatives of DG ENER Directorate B (Chair of the NC IMG), ACER, ENTSOG, ENTSO-E.

## 1. Welcome, agenda and action points review

- The new Director of Directorate B, Mrs Catharina Sikow-Magny chaired the 9<sup>th</sup> NC IMG meeting. There were no pending actions from last meeting and agenda was confirmed.

## 2. NC and CEP Implementation Status Report

### Conclusions

- The NC IMG parties discussed the urgency of the completion of the day ahead coupling as soon as technically possible. EC stressed the need to complete the Interim Market Coupling project and the timely implementation of CORE Flow-Based Market Coupling. The EC and NRAs/ACER will in close cooperation with TSOs and NEMOs monitor the progress made and work on updating the plans with concrete timelines and deliverables.
- Regarding the implementation of all network codes and Clean Energy Package deliverables, the NC IMG stressed the importance of timely delivery of high quality documents to NRAs/ACER for approval. The NRAs/ACER and EC confirmed that they are at the disposal of the TSOs to discuss issues early on and find appropriate solutions on time.
- ENTSO-E informs of its concerns on amendments to the ERAA Methodology as proposed by ACER, which would lead to underestimation of the adequacy issues, and which could have significant political implications.
- Regarding the Regional Coordination Centres (RCCs), the EC clarified the legal framework on their composition and organisation, which sets clear legal limits to any participation of third country TSOs, as set out in DG ENER's letter of 1.7.2020. On the issue of cooperation with third country TSOs, ENTSO-E explained that TSOs have submitted their proposals and together with the respective NRAs will explore what possibilities exist within this legal framework.
- Further, the NC IMG discussed the issue of various delays in implementation of certain deliverables as well as the amount of appeals against NRAs/ACER decisions. It was agreed that it would be useful to jointly develop more detailed project plans with clear responsibilities and a binding timeline for the different deliverables. All parties agree that a more cooperative approach and early discussions before any submission of TSOs' proposals for final approval as agreed at the 8th IMG NC meeting would help achieving better understanding of positions and limit the delays/appeals to the extent really required. The EC asked ACER and ENTSO-E to reflect on a way of keeping the good collaboration in place whereas the right to appeal remains the last resort option. The issue will be discussed at the next IMG.
- Finally, the NC IMG discussed the progress of the work on the discussion on the 70% rule according to the Clean Energy Package and the derogation requests of TSOs to the relevant NRAs. Parties are committed to finalising the work as required. The NC IMG welcomed the NRAs' common guidelines for TSOs' request for derogations.
- On the EC consultation on the priority list, the NC IMG acknowledged in general the importance of the cybersecurity network code. More concrete timelines and process will be agreed as informal work matures and taking into account the establishment of the DSO entity.

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## 3. Electricity NC/GL Amendment Proposals

### Conclusions

- The EC gave an update from the Electricity Cross Border committee on the amendment of the four Guidelines. The goal is to finalise and adopt the changes at the next Electricity Cross Border committee in autumn.
- ENTSO-E reported on the ongoing work on Connection Code amendment proposals. The process on technical level is advancing to prepare potential amendment proposals in 2021. The most numerous proposals changes are expected for the requirements for generators code.

## 4. Gas issues:

### Conclusions

- ENTSO-G and ACER reported on the monitoring reports and progress of the implementation of the gas network codes. The EC acknowledged the very valuable input of these reports.
- On gas NC amendments, the EC clarified that the overall strategy of the Commission has to be clarified and taken into account before the assessment of the required amendments and any formal amendment process can be launched.
- The EC reported on possible implications from decarbonisation measures on gas market design. It stressed in particular the two new strategies published by the Commission at the day of the meeting, one of energy sector integration and one on hydrogen, which confirm the need to comply with unbundling rules.

## 5. Cyber Security Network Code

### Conclusions

- The NC IMG parties discussed the timing and approach to the informal and formal drafting of the cyber security code. Only once the DSO entity is formally established, the formal process will be launched.
- The EC conformed that all relevant stakeholders will be continuously kept involved in the informal phase of the code preparation.

## 6. AOB

### Conclusions

- Discussions on the organisation of the various Fora are ongoing. The Madrid Forum will take place virtually while the decision on the Florence Forum is not yet taken.
- The EC informed that also the Copenhagen and the Dublin Forum will take place as virtual events while timing has still to be confirmed.
- Next meeting will take place beginning of December, date to be confirmed.