

ELEXON'S RESPONSE TO THE ENTSO-E 'ANNUAL WORK PROGRAMME 2019'

1. Introduction

- 1.1 This is a copy of ELEXON's response to the ENTSO-E 'Annual Work Programme 2019' consultation, which ran between 6 August 2018 and 17 September 2018.
- 1.2 The formatting of this response is unusual as it was an internet-based survey and this is a copy of the returned pdf response, but with the Questions asking for personal information and Questions we did not answer removed from this copy.

Steve Wilkin, 12 September 2018

2. Our response to the ENTSO-E Annual Work Programme 2019 consultation

Q5. Please indicate if any parts of the report are unclear or need be further elaborated. Please explain your views.

This response is on behalf of ELEXON, the non-TSO delegated operator, responsible for imbalance and balancing energy settlement in Great Britain (GB). We have been assigned these roles under the EU Electricity Balancing Guideline by the UK Government. We therefore take a close interest in ENTSO-E proposals developed in compliance with the Electricity Balancing Guideline, such as harmonised imbalance settlement, etc.

We also administer the GB electricity transparency and REMIT inside information platform. And as we supply data to the ENTSO-E transparency platform on behalf of many GB stakeholders and market participants, we need to know about planned changes to that platform well in advance, particularly where they might impact our own GB arrangements.

We believe that the report is clear, but we do have some comments on detailed points as set out in our answers to some of your other Questions below.

Q6. Please indicate what you believe should be ENTSO-E's highest priorities for 2019 and explain why.

The highest priority should be the continuing implementation of European Network Codes and Guidelines, including the publication and consultations on the many methodologies required. These are legal obligations with set deadlines and of key interest to, and impact on, all stakeholders in the European electricity markets.

Q7. Does the 2019 programme leave sufficient possibilities for stakeholder involvement? In which areas may this in your view not be the case and should be reviewed by ENTSO-E?

On page 13 of the draft Annual Work Programme, we note that ENTSO-E has submitted the draft EBGL monitoring plan to ACER. Has this been published? Is it possible that non-TSO delegated operators like ELEXON who operate, for example, imbalance settlement, may be asked to provide data to ENTSO-E/ACER under this plan? If so, we would like visibility of what the plan contains.

On page 16, it is noted that 'the expert team will also establish widely applicable guidelines for the rules for suspension and restoration of market activities, which in turn are the responsibility of each TSO to be implemented'. It is important that these guidelines are developed in close cooperation with all key stakeholders including industry participants, NEMOs and non-TSO delegated operators like ELEXON, as we all have various responsibilities under the EBGL and national rules when markets are suspended and restored.

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The Vision for 2030 market design models (page 25) should be developed with the involvement of all stakeholders, not TSOs alone as TSOs have only one view of the markets and do not operate in all of them. Involving non-TSO stakeholders from the start will give a more robust set of options more quickly.

Q8. On Chapter 1 - As regards network codes, in your view, is ENTSO-E setting the right focus and approach to network code implementation? Are we addressing the right issues (for instance when thinking of issues like stakeholder involvement, transparency, harmonization and complexity of the overall implementation process)?

We see two aspects here.

ENTSO-E needs to involve a wider group of stakeholders in its expert groups when developing its balancing platforms. There are/will be 'local implementation projects'. For example, ELEXON will undertake the local (GB) settlement of TERRE product activations, and probably in future for GB MARI activations too; and we will undertake the calculation of GB imbalance prices including TERRE activations. So we need to be able to be aware of, and be able to raise issues caused by any proposed changes to the central platform design/interfaces with the developing TSOs as soon as possible. Otherwise it is entirely possible that the central platform and local interfaces, BSPs in each Member State/TSO area will not all be ready to go live at the same time.

The second aspect is that the EB GL has been written in such a way that closely-related activities are undertaken in different timescales which may cause difficulties for implementation at local and European level. Again using TERRE as an example, the TERRE design is likely to be approved by national regulators at the end of 2018, but the approval of balancing energy pricing may not happen until mid-2019, just six months before TERRE has to be implemented. Anything that ENTSO-E can do to organise itself and its workstreams so that these closely related activities take place in the same timescales would be helpful, so that we do not have to keep tweaking the design of the central TERRE platform or the local implementation projects that will interface with it.

Q14. On Chapter 6 - With regards to transparency, ENTSO-E will focus in 2019 on improving the Transparency Platform, enhancing the transparency of capacity calculations and on updating its consultation policy. In your views, is this focus adequate? Which elements in this context should ENTSO-E particularly address and which other issues may be missing? Please explain your views.

ELEXON thanks ENTSO-E for continuing to support and operate the Transparency User Group, which we have found extremely valuable for discussing possible and proposed changes to the Transparency Platform that may require changes from us in turn. In particular, we appreciate the early discussion of those changes face to face, and we hope that ENTSO-E has found our, and other stakeholders', input valuable too.

Q15. Please indicate if any important elements are missing from ENTSO-E's work programme or if anything should be of higher priority than presently indicated.

The regular updating of the ENTSO-E website in particular to update progress on regional projects, such as TERRE, should be a priority as we near implementation of many of these.

Q16. Any other comments?

The ENTSO-E stakeholder engagement events are always well run and very welcome.

END