Call for comments to ACER on the Network Code Emergency and Restoration

EURELECTRIC and VGB PowerTech comments

29 April 2015

EURELECTRIC and VGB PowerTech (thereafter referred as VGB) welcome this opportunity to provide ACER with its views on the revised Network Code Emergency and Restoration before the Agency issues its Opinion.

1. General comments

General comment 1: Lack of EU dimension of the Codes

In general, we do regret the lack of EU dimension of this NC. Almost nothing in the Code needs to be done at the EU level (e.g. system defence, System restoration plans are purely national documents with a very small incentive to harmonise or coordinate their content between different TSOs). This raises the question whether there is a potential for more EU level value added from this code, as it is currently predominantly a reinforcement of the status quo? From our perspective, this is the most important bottleneck of the Code.

General comment 2: Enforceability of the Code's provisions

The Code contains a number of obligations which will be unenforceable (e.g. as they do not specify any deadline within which they should be completed. As a result this creates an open-ended ability not to do anything). Article 6(5) is one of the examples. In addition, the Code now speaks of a "real-time consultation". How is that going to be possible, when a TSO in in an emergency or blackout state?

General comment 3: Unbalanced obligations between the different stakeholders

The balance between the obligations of the different stakeholders is disturbed in this network code. The network code requires more from grid users than from TSOs. Some examples:

- Art. 39: Communication systems with each Significant Grid User (SGU) have to be redundant.

Redundancy for the communication systems with the TSO substations is not specified. So, a single communication system with substations is considered sufficient by ENTSO-E, requiring thus a lower redundancy for their own assets

- Art. 40: Substations considered as essential shall be operational in case of loss of primary power supply for at least 24 hours. This implies that non-essential substations do not need to have autonomy of at least 24 hours. But the SGU connected to a non-essential substation must be able to remain operational during at least 24 hours. This is a requirement for SGU that can be questioned about its effectiveness as such SGU cannot help the recovery process when the grid is not required equally operational, in particular when we look at smaller SGU connected to DSO grids!

General comment 4: Lack of regulatory approval for some essential requirements of the Code

The network code does not impose an approval of the regulatory authority for some essential requirements.

Some examples:

1. Art. 39 describes the communication systems without imposing the approval by the regulatory authority
2. Art. 37 describes the settlement principles without imposing the approval by the regulatory authority.

In all cases where a TSO can impose requirements for SGUs, the approval of the regulatory authority has to be required.

2. Terms and conditions of consultation process

Amendment proposals:

Article 6 – General provisions – Consultation and coordination *(modification, addition)*

Article 6.1 Consultation

1. *When expressly provided in this Network Code, a TSO shall consult concerned parties for the terms and conditions or actions it defines before real-time or for real-time.*

   The following process shall apply:

   a) *the TSO shall liaise with at least these parties identified under this Network Code;*
   b) *the TSO shall explain the ambition and objective of the consultation and of the decision that it has to take;*
   c) *the TSO shall collect from the parties any relevant information and suggestions;*
   d) *the TSO shall duly consider the views, situations and constraints of the parties consulted. In particular, TSO shall not be able to propose actions that would lead to the violation of one or more technical, nuclear, legal, personal safety or security constraint(s).*
   e) *the TSO shall, before taking a decision, provide to the parties consulted and the relevant authority a complete, clear and robust justification for including or not the views, situations and constraints resulting from the consultation.*
   f) *The decision taken by the TSO, together with a complete record of stakeholders' views collected during the consultation, shall be submitted to the regulatory authority or other competent authority of the Member State concerned for individual approval.*
   g) *if one or more of the parties refuse the action proposed by the TSO, the TSO shall refer the action proposed to the relevant authority for decision. If time does not allow the referral to the relevant authority, the TSO shall initiate an equivalent action that has the least or no impact on the parties that refused to execute the action proposed. A party may only refuse the action proposed provided it justifies that this action would lead to the violation of one or more technical, legal, personal safety or security constraint(s).*

2. *When expressly provided in this Network Code, a TSO, requesting the execution of a set of actions in real-time by several parties, shall coordinate with these parties. The following realtime coordination process shall apply:*

   a. *the TSO shall liaise at least with these parties identified under this Network Code;*
   b. *the TSO shall explain the ambition and objective of the coordination and actions to be taken;*
   c. *the TSO shall propose actions to be executed by each party;*
   d. *the TSO shall collect from the concerned parties any relevant information and suggestions;*

e. *the TSO shall make a proposal on actions to be executed by each party, duly considering the views, situations and constraints of the concerned parties;*

f. *if the concerned parties do not oppose to execute the actions proposed by the TSO, each party, including the TSO, shall execute the actions in line with the proposal;*

~~g. if one or more of the parties refuse the action proposed by the TSO, the TSO shall refer the action proposed to the relevant authority for decision. If time does not allow the referral to the relevant authority, the TSO shall initiate an equivalent action that has the least or no impact on the parties that refused to execute the action proposed. A party may only refuse the action proposed provided it justifies that this action would lead to the violation of one or more technical, legal, personal safety or security constraint(s).~~

4. Each TSO and DSO shall respect technical, nuclear, legal, personal safety and security constraints.

Explanatory statement:

The consultation process introduced by ENTSO-E applies on many major disposals (including the design and the implementation of System Defense Plans and Restoration Plans) whose execution could lead to significant impacts for grid users. It is essential that this process ensure that constraints of all parties are duly and equally considered.

In this perspective, EURELECTRIC and VGB consider that ensuring that TSO shall before taking a decision *only "duly consider the views, situations and constraints of the parties consulted"* is not satisfactory and that consultation principles should be further reinforced.

First, EURELECTRIC and VGB support that legal, personal safety or security constraints should prevails in any situations. EURELECTRIC consequently supports that the consultation process should explicitly requires that proposed actions could not lead to the violation of such constraints.

Second, EURELECTRIC and VGB also consider that this process should prevent TSOs from requesting instructions and related deadlines that could be technically feasible but with significant impacts to be considered on grids users. In this perspective, current proposal from ENTSO-E that leaves the final decision on TSOs without possible appeal from other parties is not acceptable. The final TSOs decision should be approved by national relevant authorities, such as NRAs, where practicable, and should be based on complete and clear analysis of impacts for all parties.

The refusal to cooperate in the Defence of Restoration Plan is described in a provision for the definition of the real-time process (Art. 6.2). In line with the above mentioned arguments, we believe that the refusal to cooperate has to take place upfront (before real-time) and has thus to be mentioned under Art. 6.1.

Under Art. 6.4, it was recognized as one of the outcomes of the 4th ENTSO-E public workshop in February that ENTSO-E should consider revisions to make clear that, when TSOs issue instructions for grid users, the legal, environmental or other constraints (including nuclear safety) of these grid users need to be respected

3. Cross-Border Trade

Article 12 – Inter-TSO assistance and coordination in Emergency State *(modification, addition)*

Amendment proposals:

12.1. Each TSO upon request from a neighbouring TSO in Emergency State shall provide through Interconnectors any possible assistance to the requesting TSO, provided it does not endanger the Operational Security of its Transmission System or of the interconnected Transmission Systems. This assistance includes, but is not limited to, a curtailment of Cross Zonal Allocated Capacities according to Article 69 [GL CACM] and assistance for Active Power according to Article 19, hereby however duly respecting contracted generation capacity or other resources for adequacy purposes with the neighbouring TSO.

12.2. When provided through DC Interconnectors, this assistance includes, but is not limited to, taking into account the technical characteristics and capability of HVDC System:

a) manual regulation actions of the transmitted Active Power to help the TSO in Emergency State to bring power flows within Operational Security Limits or Frequency of neighbouring Synchronous Area within System Frequency limits for Alert State defined in Article 42(4) [NC LFCR];
b) automatic control functions of the transmitted Active Power based on the signals and criteria defined pursuant to Article 9 [NC HVDC];
c) automatic Frequency control according to Articles 11 to 14 [NC HVDC] in case of islanded operation; and
d) Voltage and Reactive Power control according to Article 20 [NC HVDC].

~~2.~~ *12.3. Each TSO shall announce and duly prepare any manual opening of an Interconnector in coordination with neighbouring TSOs, respecting that this action will not endanger the Operational Security of the remaining interconnected Transmission System and hereby duly respecting contracted generation capacity or other resources for adequacy purposes with the neighbouring TSO.*

12.4. A TSO may manually open an Interconnector without coordination, in specific conditions including the violation of limits, to prevent endangering personnel safety or damaging equipment.

Explanatory statement:

Article 12 in the code allows a TSO to interrupt cross border flows violating also the basic principle of the Internal Electricity Market by the curtailment of Cross Zonal Allocated Capacities in the event of Force Majeure or Emergency Situation. Interference with market related activities under the cover of the Emergency & Restoration code should not be allowed. Certainly, interference in the market under conditions of force majeure should not be covered under the NC Emergency & Restoration.

The permitting of the separating of TSO areas by opening cross border interconnection serves to undermine cross border trade especially in a future Capacity Remuneration Mechanism. It also serves to worsen the Emergency state for the affected TSO by removing a potential source of support.

The NC ER and the CACM guidelines should be the place to ensure the enforcement of cross-border participation in a capacity market. Both codes should indeed be amended to include provisions when (generation) capacity has been contracted by one country with another country under a capacity remuneration mechanism. In the framework of this consultation EURELECTRIC and VGB thus made some proposals to ensure the availability of contracted cross-border capacity, even if this may move the system hosting the CRM resource into the alert or emergency state. If this is not done, capacity contracts for adequacy purposes with foreign generators would not be as reliable as in-land generation and cross-border participation in CRM would be more difficult.

4. Frequency Deviation management procedure (Article 13)

Amendment proposals:

Article 13 – Frequency Deviation management procedure *(clarification)*

13.1. The Frequency Deviation management procedure of the System Defence Plan shall contain a set of measures to manage System Frequency Deviation outside System Frequency limits for Alert State defined in Table 1 ~~Article 42(4)~~ [NC LFCR]. It shall be in line with the procedures set out in accordance with Article 9(2) and (3) [NC OS] and respect at least the following requirements:
a) a decrease of generation shall be smaller than the decrease of load during under Frequency events; and
b) a decrease of generation shall be greater than the decrease of load during over Frequency events.

Explanatory statement:

EURELECTRIC and VGB do not understand the reference to LFCR art. 42.4 as this article describes the sharing of reserves. This reference could be wrong. We therefore propose a reference to Table 1 on Frequency System Limits of the LFCR code.

5. Automatic Frequency Control Scheme (Article 14 and 15)

Amendment proposals:

Article 15 – Automatic over-Frequency control scheme *(modification, addition)*

15.2 ~~In consultation with the other~~ The TSOs of ~~its~~ a Synchronous Area~~, each TSO~~ shall jointly define the following parameters of ~~its~~ their automatic over-Frequency control scheme:

a) the Frequency thresholds for the activation; and

b) *the reduction ratio of Active Power injection.*

Explanatory statement:

EURELECTRIC and VGB deem important to ensure the engagement of TSOs to provide mutual assistance in Emergency and Black-out situations. Nevertheless, this should come along with a high level of stakeholders' involvement in the design and activation of Defence and Restoration Plans by TSOs within each control area.

EURELECTRIC and VGB appreciate the definition of minimal performances regarding automatic low frequency control scheme to be implemented within each control area but stresses that the proposed targets can significantly deviate from existing arrangements implemented in different control areas. An economical analysis (CBA) is required to justify such proposals.

The E&R draft network code states that each TSO shall support any TSO in Emergency, Blackout or Restoration States, provided it does not endanger its own system. Such a high level of mutual assistance between TSOs should not deter each TSO from implementing adequate measures in its own Control Area to fulfil its own needs. Otherwise, this would lead to limit the impact of measures activated for defence and restoration of the electricity system on a restricted number of grid users and synchronous areas, with significant burdens imposed on system users located in these zones. Consequently, EURELECTRIC and VGB consider that this engagement of mutual assistance throughout Europe should come along with a high level of transparency regarding minimal performance standards for defence and restoration to be implemented within each control area. EURELECTRIC and VGB consequently welcome the introduction of Table 1 of Article 14 defining the performances for Automatic Low Frequency Demand Disconnection scheme for each control area in the same synchronous area.

However, EURELECTRIC and VGB stress that different "Automatic Low Frequency Demand Disconnection" schemes exist in different control areas and have proven their reliability in the past to prevent from degradation of emergency situations to larger blackouts (November 2006). More

harmonisation can lead to more evenly geographically distributed and effective load shedding but it is essential to ensure that the benefits related to such a harmonization can overweight the costs incurred for the system to comply with this new mandatory framework. Thus, EURELECTRIC and VGB welcome the technical study published by ENTSO-E[1] to support the introduction of the new provisions on automatic under-frequency control schemes but believe that technical evidences on the opportunity to introduce new harmonised requirements should be accompanied by an analysis of the costs incurred by electricity system users also compared to alternative solutions.

EURELECTRIC and VGB consider that higher harmonization efforts should be made by ENTSO-E as regards the harmonisation of requirements for automatic over-frequency control scheme (Article 15). We acknowledge that a full European harmonization of automatic schemes for the decrease of power injections in case of disturbances could require significant changes of practices and technical adaptations (e.g. retrofitting of certain categories of power plants) given the level of differentiation currently existing in national electricity systems. Nevertheless, the efficiency and non-discrimination of national automatic over-frequency control schemes can be consistently improved by ensuring an adequate level of harmonisation set in the Network Code. Also in this case a CBA should back the proposal.

6. Procedure for restoration of market activities (Article 35)

Amendment proposals:

Article 35 – Procedure for restoration of market activities *(modification, addition)*

35.3 Each NEMO, in coordination with TSOs and entities referred to in Article 33(5), shall launch the restoration of the relevant Day Ahead Market Coupling process and/or the relevant Intraday Market Coupling process after being duly informed in advance by its TSO(s) that TSOs' processes have been restored.

Explanatory statement:

EURELECTRIC and VGB underline the importance of the Network Code section "Market Interactions" regarding the interaction between the emergency and restoration procedures with the aim to ensure security of supply and the integrity of the electricity system by minimizing the impact on the electricity market. For this reason, we believe that the restoration of market activities should be as rapid as possible once the necessary TSOs' processes have been restored.

[1] "Technical background for the Low Frequency Demand Disconnection requirements", November 2014.

The restoration of Market Coupling processes by NEMO may require a certain lapse of time before market coupling is fully operational and market participants are able to regain the access to the market. In order to minimize the time for restoration of market activities, NEMOs should be enabled to start these processes on the forthcoming restoration of TSOs' processes.

7. Communication procedures and suspension/restoration of market activities (Article 33, Article 34 and Article 36)

Amendment proposals:

Article 33 – Procedure for suspension of market activities *(addition)*

33.2 The following market activities may be suspended pursuant to paragraph 1:

a) provision of Cross Zonal Capacity for Capacity Allocation on the corresponding Bidding Zone Borders for each market time unit where it is expected the Transmission System shall not be restored to Normal or Alert State;

b) submission by Balancing Service Provider of Balancing Capacity and Balancing Energy bids, as described in Article 23 [NC EB];

c) provision by Balance Responsible Party of a balanced Position in day ahead and intra-day and the provision of change of its Position, as described in Article 25(4) [NC EB]; and

d) provision of schedules, as described in Article 53(1) and (2) [NC OPS].

33.5 In case of suspension of market activities, each TSO shall duly inform the following parties in its Responsibility Area about the suspension of market activities and publish the notified information, in accordance with communication procedure pursuant to Article 36:

a) Balance Responsible Parties;

b) Balancing Service Providers;

c) Nominated Electricity Market Operators;

d) Entities assigned to execute market functions according to [GL CACM] and [NC EB]; and

e) Transmission Connected DSOs.

Article 34 – Rules and conditions for suspension and restoration of market activities *(modification)*

34.2 The rules and conditions for suspension of market activities shall cover at least the situations where TSO cannot use any longer contracts to solve grid issues ~~prolongation of market activities would worsen the conditions of the Transmission System being in Emergency State~~.

34.3. The rules and conditions for restoration of market activities shall cover at least the situations where cumulatively all conditions initiating the market suspension have been reverted to their status prior to the

start of the market suspension. ~~the restoration of market activities would not exacerbate, the conditions of the Transmission System being restored.~~

34.4. When defining the rules and conditions for suspension of market activities, each TSO shall consider at least the following parameters:

- *a) a percentage of load disconnection in the LFC area of the TSO;*
- *b) a percentage of generation disconnection in the LFC area of the TSO;*
- *c) a significant part of the LFC area in desynchronised operation with the rest of the LFC area of the TSO;*
- *d) the reduction to zero of Cross Zonal Capacity on a Bidding Zone Border(s)*
- *e) a percentage of affected entities referred to in Article 33(5) not able to execute their market activities for reason(s) out of their control; ~~and~~*
- *f) the absence of the proper functioning of tools and communication means necessary for TSOs to facilitate market activities;*
- *g) Voltage collapse; and*
- *h) At the order of a competent authority or Member State.*

When defining the rules and conditions for suspension of market activities, each TSO shall define waiting periods of time to be respected for each parameter, when appropriate, before starting the procedure for suspension of market activities. Furthermore, after each market suspension call from TSOs beyond the above listed ones, the TSOs should clarify why they took that action and be exposed to the potential consequences.

34.5. When defining the rules and conditions for restoration of market activities, each TSO shall consider at least the following parameters cumulatively:

- *a) a percentage of remaining load disconnection in the LFC area of the TSO;*
- *b) a percentage of remaining generation disconnection in the LFC area of the TSO;*
- *c) a part of the LFC area remaining in desynchronised operation with the rest of the LFC area of the TSO;*
- *d) availability of Cross Zonal Capacity on Bidding Zone Border;*
- *e) a significant percentage of affected entities referred to in Article 33(5) being able to execute their market activities; and*
- *f) the ~~absence~~ presence of proper functioning of tools and communication means necessary for TSOs to facilitate market activities*

Explanatory statement:

EURELECTRIC and VGB are not convinced about the added-value of the paragraphs 2 and 3 of Article 34. We would suggest deleting them or at least modified as suggested above as they give

the impression that market activities are the (only) cause of the Emergency State. A number of reasons to suspend markets have actually nothing to do with markets. Market activities should not be blamed for an internal incident in the grid (e.g. voltage collapse / communication systems between exchanges out of service, etc…).

For the paragraph 4 of Article 34, we should add voltage collapse as an additional parameter to be considered. An additional parameter to be considered to suspend market activities could also be the situation where there is a general interruption of gas supply to power plants.

For the paragraph 5 of Article 34, all triggers have to be restored before restoring Market Activities. We also feel quite strongly that the market should be suspended only when absolutely necessary. Our suggested change aims at highlighting a word of caution against "too much" TSO discretion to suspend the market without properly thinking about the consequences for the market.

Article 36 – Communication procedure *(addition)*

36.2. The procedure shall include at least the following steps :

a) *notification by the TSO that market activities have been suspended according to Article 34;*
b) *notification by the TSO of best estimate for the time and date for Transmission System restoration;*
c) *notification by the NEMO of suspension of Day-Ahead Market Coupling process and/or relevant Intraday Market Coupling process, if any;*
d) *notification by entities referred to in Article 33(5) which are affected to their customers of any suspension of market activities announced by the TSO and/or NEMO, where appropriate;*
e) *updates by TSOs on the process for restoration of the Transmission System;*
f) *notification by the entities referred to in Article 33(5) which are affected that their market tools and communication systems are operational;*
g) *notification by the TSO(s) that the Transmission System has been restored back to Normal State or Alert State;*
h) *notification by the NEMO of the best estimate for time and date when market activities will be restored; and*
i) *confirmation by the NEMO that market activities have been restored.*

Explanatory statement:

EURELECTRIC and VGB believe that transparency and proper communication from parties responsible of the management of suspension and restoration of market activities, notably TSOs and NEMOs, is of paramount importance in order for market participants to better manage their contribution to the security of supply and the integrity of the electricity system and to properly prepare before the restoration of market activities. The information subject to notification in accordance with Article 36 should be disseminated as widely as possible in order for all interested stakeholders to be aware of the ongoing situation and of the actions and forecast provided by TSOs. In our view, this large dissemination of information regarding emergency and restoration processes can be ensured only through their timely publication on platforms accessible to all market participants (e.g. the ENTSO-E Transparency Platform).

EURELECTRIC and VGB also wish to highlight that the responsibility of a wide communication and publication of the information concerning the suspension and restoration of market activities should remain with the parties responsible of the management of these processes, i.e. TSOs and NEMOs. The obligation on BRP and BSP to inform their customers of any suspension of market activities seems to be excessive, taken also into account that many of these customers are not directly affected by disturbances in the functioning of wholesale electricity markets. Communication from BRP and BSP to their customers should be limited to clients who expressed their willingness to be informed on this kind of events on the basis of their level of interest in wholesale electricity markets (e.g. in case of DSR providers).

8. Settlements principles

Amendment proposals:

Article 37 – Settlement principles *(new proposal)*

1. *During an event of market suspension, Balance Responsible Parties are no longer responsible for keeping their balance and shall not be accountable for their imbalance.*

2. *The settlement rules and principles defined in Chapter 5 of [NC Electricity Balancing] shall not be applicable. Settlement rules shall be defined in a methodology to be proposed by the TSO(s) and approved by the NRA(s) [xxx] months after the enforcement of this network code. The TSO(s) shall involve all relevant stakeholders in the development of the methodology.*

3. *The methodology shall be based on harmonized principles defined by ACER in a Guidelines*

4. *The methodology shall stipulate that:*

i. *The TSO(s) shall compensate generators for all costs they have reasonably incurred based on a pre-defined price formula including generators' start costs, fuel cost, CO2 costs and operating costs;*

ii. *Those costs to be recovered shall be shared between the involved consumers , following principles decided on a case by case basis by the NRA;*

iii. *Double payments or earnings for all stakeholders shall be avoided.*

Explanatory statement:

EURELECTRIC and VGB stress the importance to develop specific settlement mechanisms when the suspension of market activities is required by TSOs. Such specific settlement mechanisms can no longer be driven by market-based mechanisms but still need to pursue a "cost-efficient" dispatch, i.e. actions that will minimize global impacts for the system including grid users.

First, EURELECTRIC and VGB consider that, in such situations, the responsibility of Balancing Responsible Party and related imbalance settlement mechanism of the Balancing network can no longer apply. Indeed, when the suspension of market activities is required, TSOs directly intervene as a central dispatch and request actions from grid users. Consequently, BRPs imbalances no more rely on their responsibility and it does not make sense to incentivize them to reduce them.

Secondly, EURELECTRIC and VGB consider that TSOs financial neutrality should be limited by the fact that they should be incentivized to pursue a "cost-efficient" dispatch for the system including grid users. Where no former arrangements have been set, TSOs should coordinate with grid users to define an adequate methodology for assessing the costs incurred by market players to be borne, and the methodology for these costs to be recovered.

Furthermore, ensuring "cost recovery" for grid users identified in the System Defence and Restoration Plans is also required to prevent from any discrimination between grid users competing on the markets. Some grid users can be identified as part of the System Defence and Restoration Plans, while others will not. All of them should still be able to compete on the same playing field, which implies recognizing and bearing all the costs incurred by grid users when they contribute to System Defence and Restoration Plans' implementation.

9. Communication systems (Art. 39 and Art. 40)

Amendment proposals:

Article 39 – Communication systems *(addition)*

1. *Each DSO and Significant Grid User identified pursuant to Article 21(8), each TSO and each Restoration Service Provider shall have at least one redundant voice communication system to exchange the necessary information for Restoration Plan. At least one of these voice communication systems shall have backup power supply for at least 24 hours and shall be prioritised.*

2. *Notwithstanding the previous paragraph, Significant Grid Users identified pursuant to Article 21(8) which are type B Power Generating Modules and Restoration Service Providers which are type A or B Power Generating Modules, shall have the possibility to only have a redundant data communication system instead of voice communication system if agreed upon with the TSO.*

3. *The required unique and standardized voice and data communication systems should be installed, operated and maintained by the TSO.*

Explanatory statement:

Regarding Article 39.1, we are fine with the request that at least one of the voice communication systems should have back-up power supply for at least 24 hours and shall be prioritized. We would like however to stress that it would be helpful if TSOs would have to coordinate among themselves the choice of communication system. For example, it would be good if TSOs from a specific region would choose a similar approach. Also, in an Emergency or Black-out State, it might be difficult for a DSO or a DGU to maintain the communication channel (if it relies on 3rd party services).

We therefore suggest adding an additional paragraph under Article 39 a clarification of who shall be responsible for the installation, operation and maintenance of the required unique and standardized voice and data communication systems. With respect to costs and feasibility aspects, there is a clear demand for standardisation too. For practical reasons, this should thus be the task of the TSO (i.e. the TSO cannot install several redundant systems in its control room).

Article 40.2 – Tools and facilities *(amendment)*

Each DSO and Significant Grid User identified pursuant to Article 21(8) as well as Restoration Service Provider shall make available critical tools and facilities defined in Article 8(15) [NC OS] and used in Restoration Plan for ~~at least 24 hours~~ a duration to be defined by each national energy regulator depending on the structure of the local transmission network respecting the Stakeholder involvement defined in Article 51 in case of loss of primary power supply.

Explanatory statement:

In Article 40.2, it is specified that each identified Significant Grid User has to make available critical tools for at least 24 hours in case of loss of primary power supply. The value of 24 hours is far more than what is applicable in several West European countries.
In those countries, the maximum duration of a black-out is set at around 8 hours. Even the batteries in the substations of the TSO have autonomy of around 8 hours. In its Supporting Document, ENTSOE has not provided a justification for duration of 24 hours.
EURELECTRIC and VGB therefore propose to define the duration by each regulator depending on the structure of the local transmission network respecting the Stakeholder involvement according to Art.51.

10. Compliance testing (Articles 41 and 42)

EURELECTRIC and VGB see a contradiction between those articles for an existing power plant offering e.g. black start capability. According to Article 41.3, the periodicity for testing is defined at national level while according to Art. 42, it is at least every three years.

11. Stakeholder involvement (Article 51)

Amendment proposals:

Article 51 – Stakeholder involvement *(addition)*

51.1. ~~ENTSO for electricity~~ ACER, in close cooperation with ~~the Agency~~ ENTSO for electricity, shall organise stakeholder involvement regarding the implementation of this Network Code. This shall include regular meetings with stakeholders to identify problems and propose improvements notably related to the requirements set out in this Network Code.

Explanatory statement:

EURELECTRIC and VGB believe that involvement of stakeholders in the implementation of network Codes should be steered by ACER. This supervisory and steering role overseeing the implementation of both market and technical rules foreseen in the network codes and guidelines must be given to a body granted with the authority to supervise a proper implementation. This is in addition to its role to ensure a well functioning electricity market with a view to preserve the general interest while promoting non-discriminatory and cost-efficient solutions. NRAs and ACER are best placed to ensure the level playing field while monitoring the implementation of the network codes and guidelines across Europe and, eventually, pursuing an effective and efficient harmonisation of electricity markets rules. That is why ACER should be responsible to set up and chair the Stakeholder Committees which can contribute facilitating the Agency's work in its monitoring tasks. Moreover the proposed amendment is in line with the wording of the last version of CACM Guidelines (April 1st 2015).