

ENTSO-E Future Vision: European Electricity Network Codes & Guidelines in the Energy Community Contracting Parties

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About ENTSO-E

- ENTSO-E is the European association for the cooperation of transmission system operators (TSOs);
- 39 Members from 35 countries are part of ENTSO-E, and Ukrenergo recently joined as Observer member;
- ENTSO-E and the TSOs have legally mandated tasks under the EU legislation, such as European Resource Adequacy Assessment (ERAA), Ten Year Network Development Plan (TYNDP), Bidding Zone Review, etc.;
- ENTSO-E is also tasked with the development of new network codes (NCs) and monitoring the implementation of NCs and Guidelines (GLs);
- According to Article 58(2) of Regulation 943, NCs and GLs must:
 - ✓ Provide the minimum degree of harmonisation required to achieve the aims of Regulation 943;
 - ✓ Take into account regional specificities, where appropriate;
 - ✓ Not go beyond what is necessary for the purposes of harmonisation;
 - ✓ Be without prejudice to Member State' right to establish national NCs which do not affect cross zonal trade.

ENTSO-E Network Codes and Guidelines

❑ Connection:

- ✓ Demand Connection Code (NC DC)
- ✓ Requirements for Generators (NC RfG)
- ✓ High Voltage Direct Current Connections (NC HVDC)

❑ Operations:

- ✓ Emergency and Restoration (NCER)
- ✓ System Operations (SOGL)

❑ Market

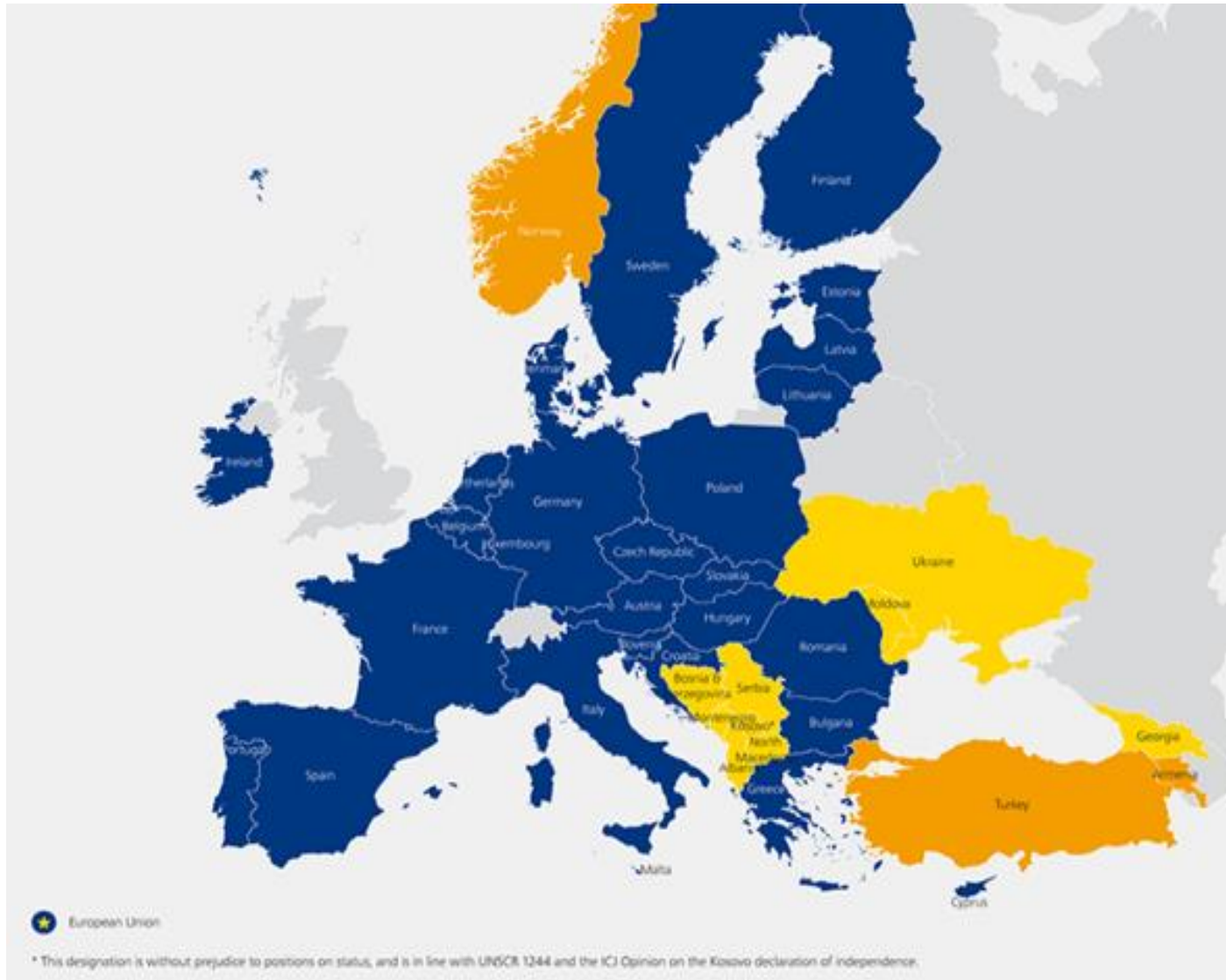
- ✓ Forward Capacity Allocation (FCA GL)
- ✓ Capacity Allocation & Congestion Management (CACM GL)
- ✓ Electricity Balancing (EB GL)

❑ Cybersecurity

- ✓ Network Code on Cybersecurity (NCC)

Other developments: ACER will submit the draft Framework Guidelines on Demand Response by December 2022 → Next Network Code

The Contracting Parties of the Energy Community Treaty



Contracting Parties:

Albania
Bosnia and Herzegovina
Kosovo
North Macedonia,
Montenegro
Serbia
Moldova
Ukraine
Georgia

Observers:

Norway
Turkey

The Energy Community Treaty

Main Goal

Extending the EU internal energy market rules and principles to countries in South East Europe, the Black Sea region and beyond on the basis of a legally binding framework.

Current status

The Treaty is in force since July 2006, and was initially signed for the period of ten years. In October 2013, the Energy Community Ministerial Council unilaterally decided to extend the duration of the treaty by ten more years, to 2026.

Revisions

The Energy Community Treaty is not expected to be revised in the short term.

Way forward

Adapted Network Codes and Guidelines can be adopted through a process under Titles II and III of the Energy Community Treaty, which allows to proceed with the adaptation of EU law for the Contracting Parties in the absence of revised Treaty.

Adapted EU Energy Law for the Contracting Parties: Batches I and II

Batch I

Adopted in 2021

Internal Market Directive (EU) 2019/944 and Risk Preparedness Regulation (EU) 2019/941 adopted at the end of 2021, to be implemented in Contracting Parties by the end of 2023

Batch II

To be adopted in 2022

Electricity Market Regulation (EU) 2019/943, ACER Regulation 2019/ 942, CACM, FCA, SOGL, EBGL, NCER, and Procedural Act on Regional Energy Market are to be adopted by the Ministerial Council of the Energy Community in December 2022, and to be implemented in Contracting Parties by the end of 2023

ENTSO-E dedicated Task Force

Dedicated ENTSO-E Task Force has been set up to work on Energy Community matters. It consists of more than 50 legal and technical experts.

Task Force's Role

The European Commission and the Energy Community Secretariat have asked ENTSO-E to provide feedback and analysis of the adapted legislation in 2021 and 2022. Intensive dialogue on the ways to improve the adapted legislation.

The Main Changes

ACER Powers

In regional matters, concerning both EU Member States and Contracting Parties, ACER has the power to take binding decisions

ENTSO-E tasks

ENTSO-E's legally mandated tasks (e.g. ERAA) are extended to include Contracting Parties, where feasible

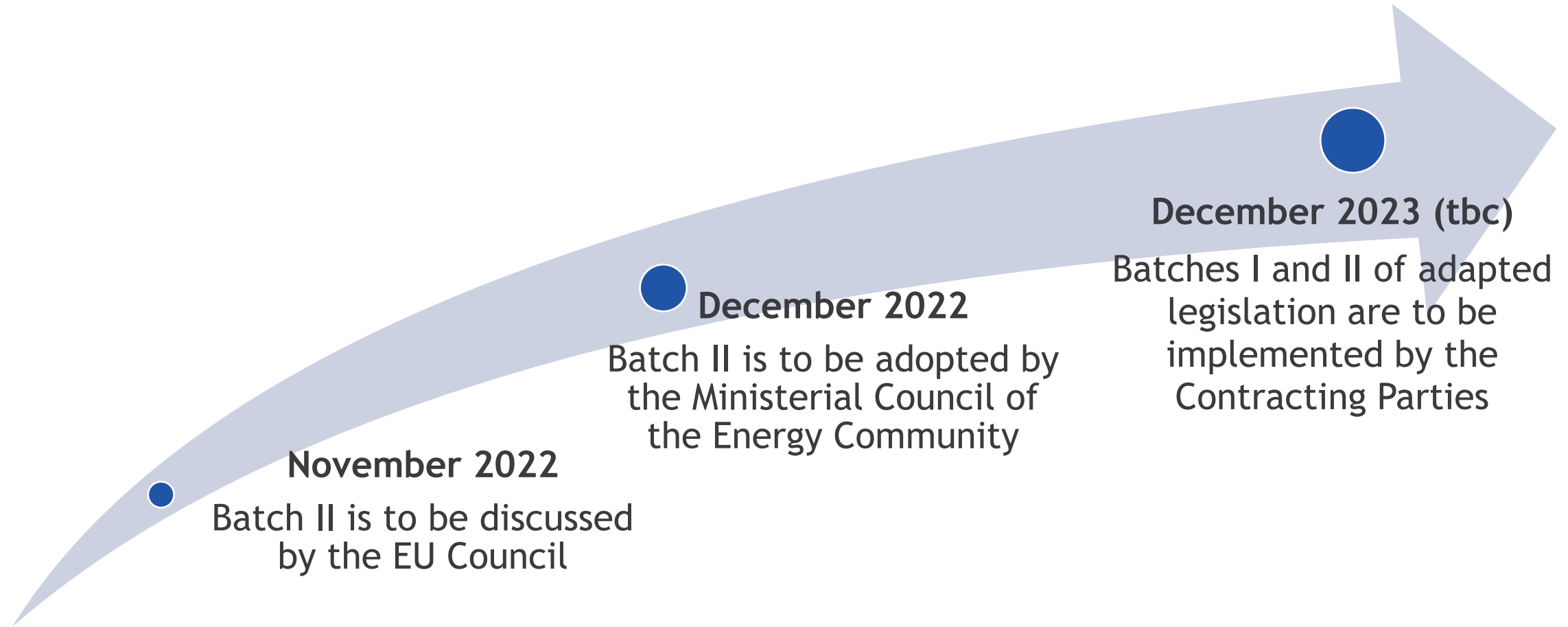
Definition of regions

The adapted legislation (CACM, Electricity Regulation) in principle allows to follow the same approach as in the EU – the TSOs or ENTSO-E make a proposal. However they also contain fall back configurations, defined in the Annexes

CACM

Adapted CACM 1.0 is going to be adopted in 2022, and implemented in the Contracting Parties in 2023. However on the EU level there are efforts to revise and redraft CACM into the next version – CACM 2.0

Next Steps



Anna Butenko



Anna Butenko is Legal Manager System Operations at ENTSO-E in Brussels. Prior to joining ENTSO-E, Anna was advising the World Bank in Washington DC.

Anna is also a Senior Research Fellow in European Energy Law and Policy at the Institute for Energy and the Environment at Vermont Law School – the leading US law school in environmental law. Anna has been Fulbright-Schuman Innovation Scholar at Vermont Law School, as well as Transatlantic Technology Forum Fellow at Stanford Law School, and Visiting Researcher at the Program in Energy and Environmental Law at American University in Washington DC.

Anna's research in energy law at the Universities of Amsterdam and Tilburg in the Netherlands focused on the legal aspects of distributed energy generation, prosumers, and peer-to-peer energy trading.

Prior to pursuing her academic career, Anna has worked in the Dutch natural gas sector for six years, first at the Dutch gas TSO Gasunie as Policy and Regulation Analyst, and then as a consultant in the Gas Markets, Policy, and Strategy at DNV GL.

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