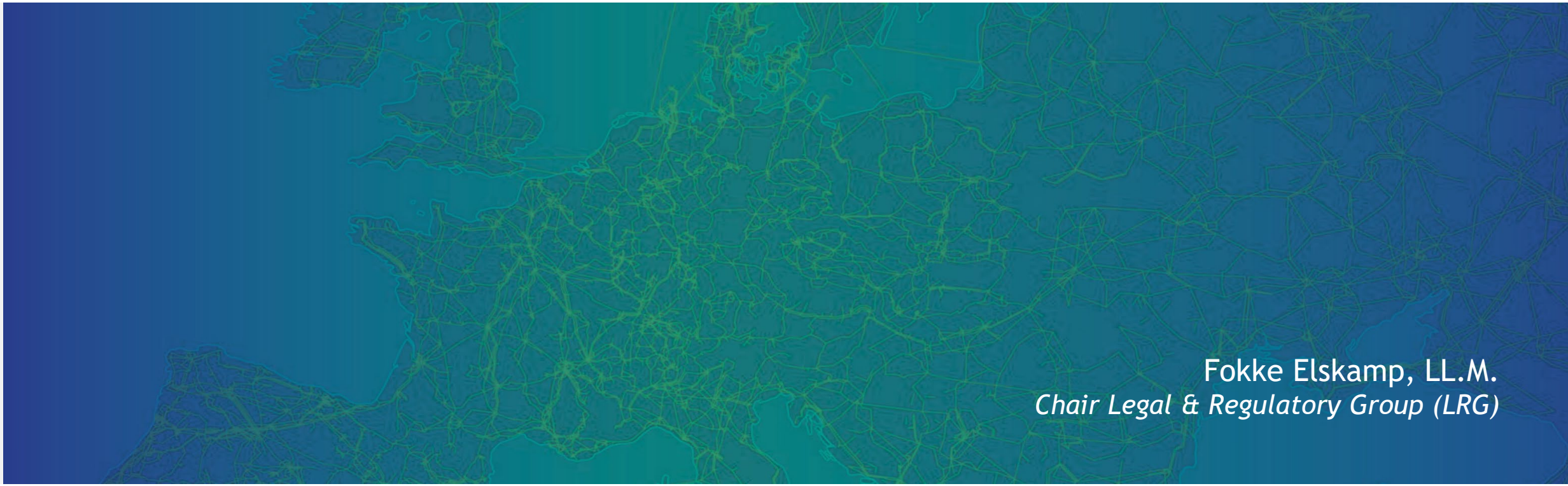
# SECURITY OF ENERGY SUPPLY

Implementation case: Secure system operations, implementation through the *Synchronous Area Framework Agreement for Continental Europe* ('SAFA')



Fokke Elskamp, LL.M.
*Chair Legal & Regulatory Group (LRG)*

entsoe
Reliable Sustainable Connected

# Example case on implementation: System Operation Guidelines applied in synchronous area Continental Europe

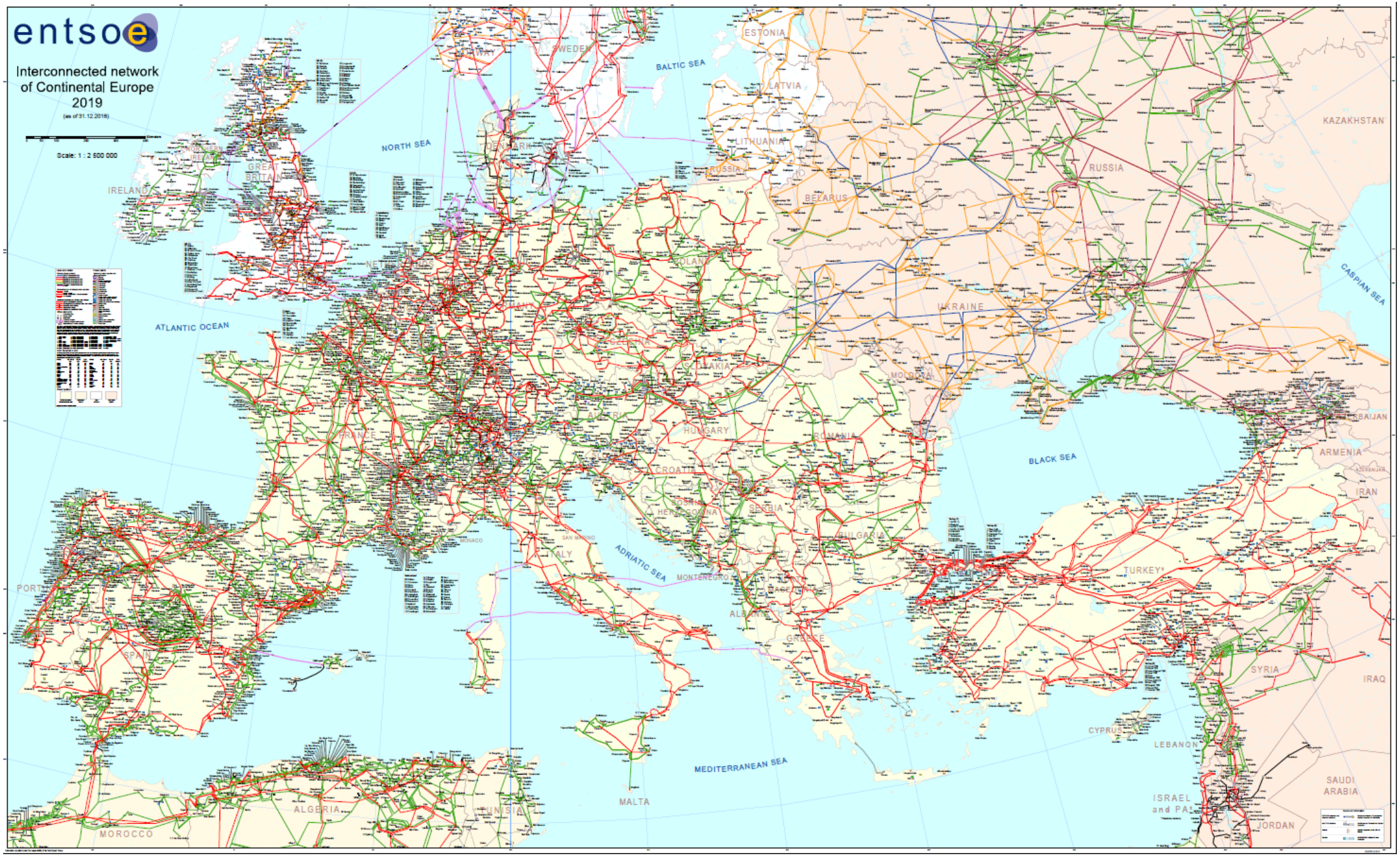
- Starting point: UCTE MLA 'Operation Handbook' (2005) ('**MLA OH**')
- Drafting of 3 Operational network codes: Operational Planning and Scheduling (NC OPS), Operational Security (NC OS) and Load Frequency Control and Reserve (NC LFCR).
- 2015: merging of the Operational network codes into Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation ('**SO GL**'):
  - Article 118 SOGL: Synchronous Area Operational Agreement ('SAOA') requirement
- 2019: Synchronous Area Framework Agreement ('SAFA'):
  - TSOs agreed to expand the SAOA with additional content based on MLA OH, Electricity Balancing Guideline ('EB GL') and Network Code Emergency & Restoration ('NC ER')
  - Articles 50 and 51 of the EB GL require common settlement rules on all intended and unintended exchanges of energy; inclusion of Financial Settlement K-factor ACE ramping ('FSkar')-methodology
  - The SAFA concluded among EU-Parties and non EU-Parties, and is also developed in line with article 13 SO GL and article 10 NC ER
- 2022 Energy Community adapted regulations will cover SO GL, EB GL and NC ER
- EnC TSOs have already implemented the parts mentioned above

# Continental Europe Synchronous Area

# UCTE ‘Operation Handbook’


*Union for the Co-ordination of Transmission of Electricity*

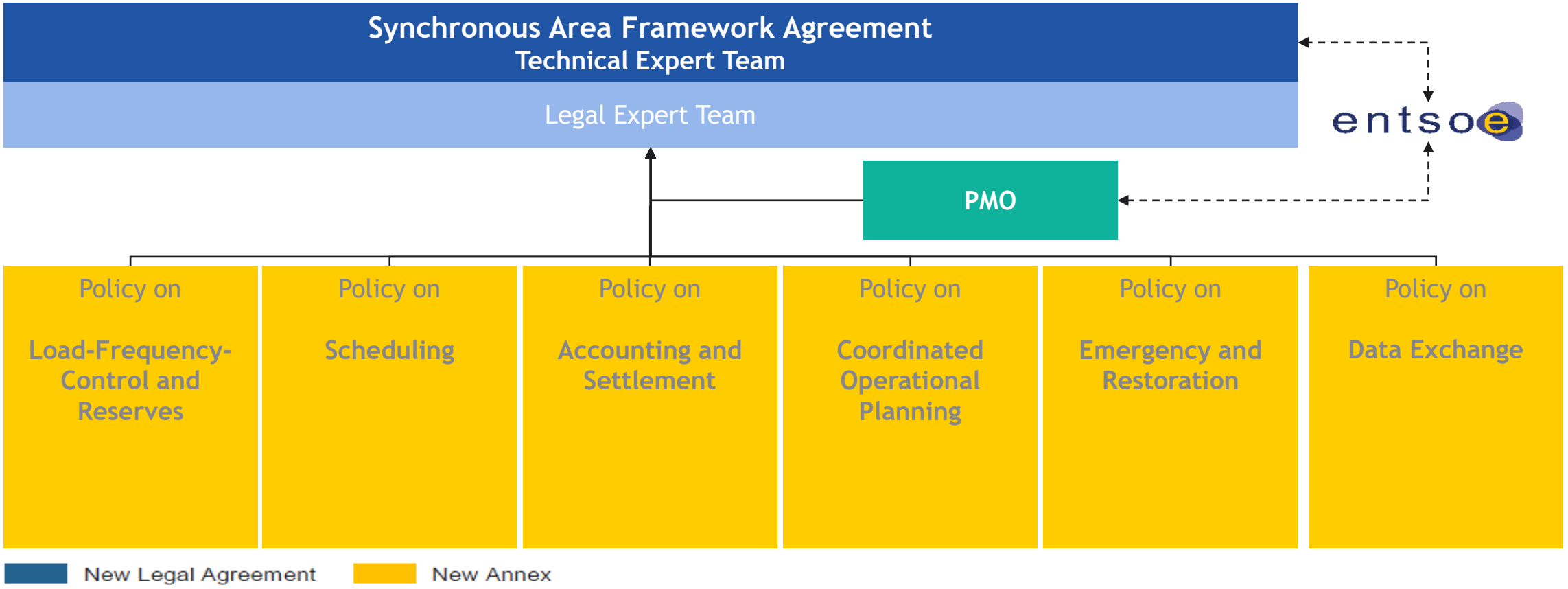
- Predecessor of SAFA is the UCTE multilateral agreement of 1 July 2005 '*Operation Handbook*' (‘MLA OH’)
- UCTE was established in 2001 in order to develop technical rules and recommendations concerning the Control Areas in continental Europe with regard to the Synchronous Area
- The main purpose of UCTE is the co-ordination of the operation of the Synchronous Area and its interfaces with neighbouring transmission systems. UCTE therefore:
  - studies the geographic extension of the Synchronous Area
  - monitors the reliability of the synchronously interconnected systems
  - co-ordinates the technical and operational assistance between the TSOs
- The Operation Handbook held *Policies,* technical procedures on operational security and support in case of emergency in order to keep the frequency within the boundaries of secure operation – all agreed in a private law based contract


entsoe
Interconnected network of Continental Europe 2019
(as of 31.12.2018)
Scale: 1 : 2 500 000
NORTH SEA
BALTIC SEA
ATLANTIC OCEAN
MEDITERRANEAN SEA
BLACK SEA
CASPIAN SEA
ADRIATIC SEA
IRELAND
GREAT BRITAIN
DENMARK
SWEDEN
ESTONIA
LATVIA
LITHUANIA
RUSSIA
BELARUS
KAZAKHSTAN
NETHERLANDS
POLAND
GERMANY
UKRAINE
MOLDOVA
FRANCE
SLOVAKIA
HUNGARY
ROMANIA
AUSTRIA
CROATIA
SERBIA
BULGARIA
ITALY
SAN MARINO
MONACO
MONTENEGRO
GREECE
TURKEY
PORTUGAL
SPAIN
ALGERIA
MOROCCO
MALTA
CYPRUS
LEBANON
SYRIA
IRAQ
IRAN
ARMENIA
AZERBAIJAN
SAUDI ARABIA
JORDAN

# SAFA

# Structure of the Synchronous Area Framework Agreement (1)

The scope of the SAFA project covered the recast of six *Policies* and the Legal Agreement



# Structure of the Synchronous Area Framework Agreement

Policies, Parts and Departures (Exemptions and Derogations)

**6 Policies:**

**PART A**

Reference to EU Terms & Conditions/ Methodologies

(All NRAs approval)

**PART B**

Terms & Conditions/ Methodologies required by an applicable Network Code or Guideline

(Approval by All TSOs)

**PART C**

Content agreed by all RGCE members

(Voluntary agreement by the Parties)

PART D: Listing agreed Exemptions & Derogations for individual TSOs

# Implementation of Energy Community adapted regulation

# What happens next?

- Decision on adoption of the EnC Regulations – 15 December 2022
- Implementation period for Contracting Parties – end 2023
- SO GL applies in Contracting Parties – grounds for some exemptions will dissolve
- However, implementation of Connection Network Codes is not complete – requirements for connected parties (generators and consumers) need to be incorporated in national law
- NC Requirements for Generators exemptions and derogations still need to be applied – unless national law filles the gap (like in Serbia)
- *Note*: Access to balancing markets depends partly on technical capabilities for BRPs and BSPs – which still need to be fixed in the national laws or grid codes


entsoe
Reliable Sustainable Connected

*Fokke Elskamp, LL.M.*

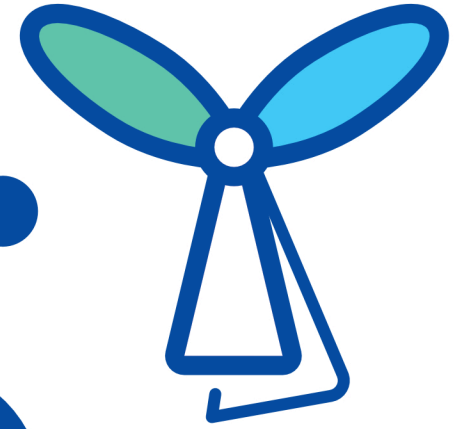
Fokke Elskamp obtained a master degree in law at the Free University of Amsterdam with a major in private and corporate law. After finishing his studies, he worked for several years as a corporate legal consultant at accountancy firms, including Ernst & Young. Later he became an expert in energy law and regulation, starting in this field as a legislative lawyer at the Dutch Ministry of Economic Affairs in 2002. In 2008 he changed position to legal counsel at the Netherlands Competition Authority (currently: *ACM*), the Dutch National Regulatory Authority for energy, where he dealt with numerous resolutions related to electricity and gas regulation, and brought cases before the Trade and Industry Appeals Tribunal.

Fokke also served on the board of the Netherlands association for energy law (*NeVER*) for six years and he is a regular contributor to the Dutch Journal of Energy Law (*Tijdschrift voor Energierecht*). He has several energy law publications to his credit.

In 2013 Fokke became a company lawyer at Legal Affairs of TenneT TSO, the Dutch national electricity system operator. In 2020 he switched to the regulatory department, where he is a senior advisor on European regulatory affairs. As his main occupation, he represents TenneT at the Legal & Regulatory Group (LRG) of the European Network for Transmission System Operators, ENTSO-E, of which he is currently the chairman.

NeVER
DUTCH ENERGY LAW ASSOCIATION

AUTUMN 2023 – THE HAGUE, THE NETHERLANDS



# EELS

## EUROPEAN ENERGY LAW SEMINAR

UiO : Scandinavian Institute of Maritime Law
University of Oslo

www.never.nl
energylawseminar.never.nl