

Paris, September 24th, 2010

EUROPEAN ENERGY REGULATORS CONSULTATION ON PILOT FRAMEWORK GUIDELINES ON ELECTRICITY GRID CONNECTION

ERGEG launched on 12th July 2010 a public consultation about pilot framework guidelines on electricity grid connection.

The document is expected to be an input for the future redaction by Agency for Cooperation of Energy Regulators (ACER), of a grid code.

It lists three main areas of objectives that, if validated, would result in requirements applicable to "grid users", defined as:

Generators connected to transmission network,

Consumers connected to transmission network,

DSOs with a special mention for generators connected to DSO's networks that might have a significant impact on TSO's for which some of the provisions would be applicable.

ERDF's General Remarks:

Harmonizing throughout EU some requirements concerning grid access is highly desirable. It may take the shape of a grid code, namely a set of general principles applicable to national rules for access to Transmission network.

Nevertheless it must abide by general principles including:

- A sufficient subsidiarity, to take into account the diversity of situation through European countries as regards existing prescriptions, and to avoid costly rewriting or adaptation of such prescriptions;
- Respect of specific responsibility areas of DSOs and TSOs, e.g. requirements from TSOs towards DSO must be preferred to requirements from TSOs applicable to DSO's customers;
- Allocation of responsibilities to pertinent entities, prescription design to operators and monitoring of compliance of national grid codes must be left to national regulators.

According to these principles set above, the project needs important improvements to meet those requirements.

Preliminary remarks and answers to the questionnaire:

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- 1- In the document of the consultation, the word "grid" is not clear: sometimes, it refers to the TSO grid; sometimes, to the global TSO + DSO grids; sometimes, it's ambiguous. In a complex disposal, where the responsibilities of the several players have to be clearly defined, this ambiguity cannot remain.
- 2- Question n° 2 of the questionnaire: What timescale is needed to implement the provisions after the network code is adopted? Is 12 months appropriate or should it be shorter or longer?

12 months could be too short. Indeed, after the publication of the code, some difficult steps have to be implemented:

- Consultation of the stakeholders in order to adapt the national procedures.
- Definition and implementation of the IT systems.
- Financing of the relevant costs.
- 3- Question n° 4 of the questionnaire:

Should the requirements apply to existing grid users? How should it be decided? To which existing users should the requirements apply? How should timelines for transitional periods be set? Who should bear any costs of compliance? For the existing users, the new requirements should apply only in case the connection is significantly modified, or in case a generation unit is installed on a consumption site.

ERDF's remarks on the document:

We follow the general structure of the document.

1- Standardised minimum requirements for connection for grid users.

Minimum requirements.

1.3: provisions here addressed must be clearly stated as concerning relations between DSOs and TSOs, preventing direct interference of TSO towards DSO's customers.

Adaptation of existing arrangements to the network code. The time limit must be adapted to the complexity of adaptation.

Special requirements for critical grid situations

1.7-1.10: Should state specifically as concerning only generators connected to transmission grid.

Testing and verification

1.15: Subsidiarity approach should prevail in order to facilitate convergence at EU level.

Compliance Monitoring and Enforcement

1.16 Should be stated unambiguously as covering compliance of installations to prescription and not compliance of national grid codes (or equivalent) to European grid codes.

2- Promoting (real-time and other) exchange of information between parties and improved

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General information

2.1: should be stated as covering:

« ...communication between TSO and TSO, TSO and DSO including possible communication concerning generation units connected to DSO's network, and TSO and generation and consumption unit connected to the transmission grid. »

2.4: subsidiarity principle must apply concerning the precise definition of threshold. Seems to set a principle of « information pass through » for significant generation and consumption units connected to DSO's network, from DSO's customer to TSO. Might be heavy, long and expensive to implement. **Must be rephrased in order to respect DSO's area of responsibility.**

Real-time information sharing

2.6 – 2.7: Seems to extend the principle of « information pass through » (see above) to real time information sharing and remote action. Must be rephrased to respect DSOs area of responsibility.

- 3- Connection regime for specific grid users
 - 3.1: Connection regime for large-scale intermittent generation.

Requirements at EU level

3.1.1 - 3.1.4: Applicability to units connected to **transmission grid only** must be stated unambiguously. If applicable to units connected to DSO, it should be stated in order to respect responsibilities of DSO.

Possible requirements at national level

3.1.6: Monitoring of consistency of national rules and EU rules shall be placed under the responsibility of national regulator rather than operators association.

3.2: Connection regime for distributed generation.

DSO requirements

This part has to be deeply modified. In its present redaction it would create an inextricable confusion of responsibility between TSOs and DSOs. (e.g. 3.2.3 and 3.2.5) Moreover, some of the provisions listed do not refer to distributed generation, but creates unconditional obligation for DSOs towards TSO (3.2.2) Subsidiarity principle must prevail to take into account existing dispositions within each national system. (3.2.4)

Generation requirements

This part has to be deeply modified. In its present redaction, it would create an inextricable confusion of responsibility between TSOs and DSOs. It seems to create a pass through of information between DSO's distributed generators and TSO. It not only negates the responsibility of DSOs, but might be technically and/or economically out of reach.

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Requirements directly related to demand response

3.3.2: **Subsidiarity must prevail concerning regulation of reactive power.** Technical limits with economic sanction is but one solution (quantity regulation), but incentive tarification (price regulation) may lead to a more efficient allocation of resources. Responsibility of TSO's in providing efficient reactive power management as a component of safety management must be reaffirmed.

Additional provisions to be addressed within the scope of system operation (operational security)

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