E.ON proposals to amend

Draft Guidelines of Good Practice for Operational Security

The E.ON Group welcomes and appreciates the draft guidelines of good practice for operational security (Ref.: E08-ENM-02-04).

Against the background of the progressive evolution of the European electricity market and increasing challenges for real-time network operation E.ON would take the opportunity to propose some amendments. They shall reflect the wish to promote an efficient internal market for electricity by applying market-acknowledged best practices regarding in particular congestion management and cross-border regulation.

4. Roles and Responsibilities of Different Stakeholders and Market Players

Add new 4.1.2:

> Regulators shall work together in providing such an adequate regulatory framework particularly related to issues of cross-border relevance such as interconnectors and congestion management.

> *Justification:* *We find it consistent and consequent if also regulators have the duty to co-operate with each other and to focus their activities primarily on a European energy market.*

Amend 4.3.2:

> This relates particularly to matters of congestion management.

> *Justification:* *Such an amendment would explicitly support the use and further improvement of capacity calculation methods such as the flow based approach by considering more data form distribution system operators if necessary. The calculation, based on a common grid model, in a transparent manner requires the availability of all relevant data and the access of all regional TSOs to those data. Some of the TSOs, according to our information, argue that national legislation do not allow them to submit relevant data to other TSOs today.*

5. Rules for Synchronous Power System Operation

Delete 5.3.3:

> ~~For the measurement of compliance (or non-compliance), it may be necessary to define several compliance (or non-compliance) levels. In this case, these levels shall be clearly described for each rule.~~

> *Justification:* *Usually, compliance can or can not be achieved. We doubt whether it makes sense to allow a little bit of compliance. If the relevant rule is relevant for system security TSOs have to be required to be compliant with. Otherwise system security is in danger. If the respective rule allows "a little bit of compliance" and it does not matter in terms of security at all we actually do not need the rule for reasons of system security. Additionally it would be inconsistent to demand rules without*

any room for interpretations (see 5.2.3) and do not go the step to require TSOs to state clearly yes or no.

<u>*Add new 5.3.6:*</u>

If a TSO does not comply with a rule the regulator concerned shall make immediately public what has been agreed with the TSO to overcome such non-compliance and whether the current legal and regulatory framework is adequate for the remedial action required.

Justification: E.ON is aware that non-compliance can be either under the responsibility of a TSO or caused by the lack of an adequate legal or regulatory framework. For the sake of learning from any case of non-compliance it is necessary to check whether the legal or regulatory framework is sufficient and to improve it accordingly and what precise actions with what kind of deadline were agreed between the TSO and the regulator. We see the publication of such considerations and agreements as a necessary first step.