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Synspunkter til utkast til EUs "Commission regulation of establishing a network on electricity emergency and restoration"

Det vises til departementets høringsbrev vedrørende pågående behandling av EUs «Commission regulation of establishing a network on electricity emergency and restoration».

Utkast til regelverk angir forslag til rammer og prinsipper for etablering av ulike systemer som nasjonalstatene i Europa skal ha etablert for å kunne håndtere nødsituasjoner, blackout mv i kraftsystemet, inklusiv ettfølgende gjenoppretting og forholdet til markedsoperasjoner. Regelverket gir føringer til nasjonalstatene inklusive hvordan land skal samarbeide. Systemoperatørene har naturlig nok en avgjørende rolle, og regelverket er innrettet mot transmisjonsnett.

Hydro støtter etablering av denne type regelverk; et regelverk som i utgangspunktet ikke skal anvendes men som må eksistere for å sikre tilstrekkelig beredskap i kraftforsyningen osv. Det er imidlertid viktig at dette regelverket ses i sammenheng med andre regelverk som nå utvikles i EU som er relevant for driften av kraftsystemet, og at begrepsbruken og virkeområdene samsvarer.

Hydro har industrivirksomhet og metallverk i ulike europeiske land. Forsyningssikkerhet er av stor viktighet og en innfrysing av et metallverk har betydelige økonomiske konsekvenser. Metallverk representerer betydelig effekt for utkobling og mulighet for momentan fleksibilitet som kan være verdifull i beredskapssammenheng. Et metallverk må imidlertid, etter et eventuell brudd i strømforsyning, ha kraftforsyning raskt tilbake. Det er viktig at regler og praktisering av ut- og innkobling, så langt det lar seg gjøre, hensyntar kostnader for samfunnet og virksomheter. Det er viktig at en sikrer at nasjonale forhold kan ivaretas og at regelverkene implementeres på konsistent måte. Det er videre på dette tidspunkt uklart hvordan regelverket vil påvirke gjeldende regler i Norge i forbindelse med implementering i norsk regelverk, noe vi må komme tilbake til når det finner sted.

Hydro følger også diskusjonen om regelverket også gjennom IFIEC Europe, og vi vedlegger til info også de synspunkter som IFIEC Europe har oversendt i forbindelse med EU kommisjonens høring av utkastet.

Med vennlig hilsen
for Hydro Energi AS



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securing competitive energy for industry

IFIEC Europe represents energy intensive industry throughout the EU. IFIEC Europe believes that competitive energy supply, responsible use of energy, consumer choice and flexibility are necessary for competitive and sustainable industrial activity in Europe.

Advocacy Note IFIEC on the draft network code on electricity emergency and restoration

This document presents the key issues for IFIEC Europe regarding the draft network code on electricity emergency and restoration (NCER 6th of July 2016).

1. Scope [article 2]

The scope of the NCER spans to **existing and new** transmission connected demand facilities, **existing and new** generation modules > 1 MW, **existing and new** distribution systems **included** closed distribution systems, demand facilities, closed distribution system (CDS) and providers of redispatching of power generating modules or demand facilities by means of aggregation and providers of active power reserve.

With the proposed network code grid users mentioned in article 2 become significant grid users (SGU) **by definition** and they have to comply with the requirements in the NC.

In our advocacy note on the SOGL, IFIEC Europe already suggested to leave the determination of significance of types of grid users to the TSO instead of forcing significance through a technical definition. This will give national flexibility and make sure no unnecessary measures have to be taken. This is also in line with the Framework Guideline.

The NCER proposes even a **larger scope** than in the guideline on system operation (SOGL). It is not clear why there is a larger scope than in the SOGL. Not only transmission connected CDS are SGUs but also **any** distribution connected CDS. In the SOGL (and in the May 4 version of the NCER) this is not the case! This will lead to Above that, now Distribution Systems are significant grid users as well. We believe that is not in line with the electricity directive.

IFIEC Europe asks the Commission to explain why there is a larger scope and what it means. Will this not lead to any problems? For example a DSO connected CDS does not have to comply with the RfG, DCC and SOGL but now has to comply with the NCER? We believe this is not possible and will lead to many problems and unnecessary cost.

It is also not clear if everywhere where a Distribution System Operator is mentioned a CDSO is meant as well. This would not be acceptable and there needs to be a clear distinction. We ask the commission to clarify if the CDSO has the same obligations as the DSO and if the NC mentions 'consult with DSOs' if this means CDSO as well.

Proposed change:

- Amend article 2 to provide clarity and national flexibility

Article 2 Scope

1. *In particular, this Regulation shall apply to the following **grid users deemed significant by the TSO** :*
 - (a) *existing and new power generating modules classified as type B, C and D in accordance with the criteria set out in Article 5 of Commission Regulation (EU) 2016/631;*
 - (b) *existing and new transmission-connected demand facilities;*
 - (c) *existing and new distribution systems, including **existing and new transmission-connected** closed distribution systems*
 - (d) *providers of redispatching of power generating modules or demand facilities by means of aggregation and providers of active power reserve in accordance with Title 8 of Regulation (EU) 2017/XXX [SO GLs]; and*
 - (e) *existing and new high voltage direct current ('HVDC') systems and direct current-connected power park modules in accordance with the criteria set out in Article 4(1) of Commission Regulation (EU) 2016/XXX [HVDC].*
- (2) *[By 12 months after entry into force of this Regulation], each TSO shall assess which of the type **B** power generating modules, demand facilities and closed distribution systems fulfil with the criteria of an SGU for system operation in their control area, based on a harmonized set of criteria, and establish a single list of significant grid users.*
- (3) *Each TSO shall submit the list of significant grid users in their control area for approval to its national regulatory authority.*
- (4) *Before 1 July of each calendar year, each TSO shall re-assess the significance for system operation of types of power generating modules and demand facilities in their control area and establish a single list of significant power generating modules and significant demand facilities.*

2. Scope & high priority grid users [article 3 & 11]

The scope of the NCER is **problematic** with regard to establishing a list of high priority grid users. According to the proposed article 3 of the NC the definition of high priority grid user is connected to the definition of SGU. This means that only grid users that are a SGU can be listed as high priority. Due to the fact that there are large differences in the voltage level of a transmission system it could mean that high priority grid users are not connected to a transmission system.

In many member states **hospitals** for example are not connected to the transmission system, and thus, according to the NCER and SOGL, are not SGU's and therefore cannot be a priority grid user. The same holds for communication companies, data centers and other grid users that provide very important services to the society.

There are also large and important grid users connected to the distribution system. For example **chemical plants** with high risk profiles (e.g. **Seveso-sites**). These plants should be on the high priority grid user list and not being a SGU should not prevent this. Disconnection or late re-energisation can have enormous effects to the environment and risks to society. **Therefore a technical and legal definition should not limit the list of high priority grid users.**

Proposed change:

- amend article 3 to make sure every grid user can get a high priority status.

Article 3 sub 3: 'high priority grid user' means ~~the significant~~ grid users for which special conditions apply for disconnection and re-energisation;

3. Design of the System Defense Plan [article 4 & 11]

Article 11 states that the TSO needs to develop a System Defense Plan (SDS). Parts of this plan are subjected to regulatory approval. An important element of this plan is a list of high priority grid users and their terms and conditions for their disconnection. These terms and conditions are according to article 4(2)(c) subject to regulatory approval. The list of priority grid users and the criteria to be included on the list are not!

IFIEC Europe **insists** that the list of **high priority grid users** and the **criteria** to be included on this list must be **subject to regulatory approval**.

Proposed change:

- amend article 4 (2) (c) to make the list and criteria subject to regulatory approval

2. *Each TSO shall submit the following to the regulatory authority for approval:*

- (a) *the terms and conditions to act as defence service providers on a contractual basis in accordance with paragraph 3;*
- (b) *the terms and conditions to act as restoration service providers on a contractual basis in accordance with paragraph 3;*
- (c) *the criteria for inclusion on the list of high priority grid users, the list of high priority grid users and the terms and conditions for disconnecting and re-energizing the high priority grid users listed in accordance with point (e) of Article 11(4) and point(d) of Article 23(4);*

4. Implementation of the System Defense Plan

Article 12 describes how the SDS will be implemented. This article is a good example of the scope and definition flaws in the NCER.

- At several places where the TSO needs to inform the DSO about the SGU's connected it is not clear who is meant. The DSO is according to article 2 now a SGU in itself.
- It is also not clear if a CDSO is meant when a DSO is mentioned

Proposed change:

- Amend article 2 to clarify scope (see 1)

5. Automatic under frequency control scheme [article 15]

Article 15 gives the TSO the obligation to design a scheme for low frequency demand disconnection. Some grid users have to comply with specific regulations (e.g. **Seveso-sites**) and must therefore always have the right to go into 'island mode' to make sure critical and sensitive processes can be safeguarded from distortion from the grid. IFIEC Europe Asks the commission to make sure the right to go into 'island mode' is taken into account when designing a scheme for automatic low frequency demand disconnection.

Proposed change:

- amend article 15 paragraph 5 to make sure right to go into island mode is taken into account.

6. Disconnection [article 18]

Article 18 (4) give the TSO the right to disconnect SGUs. The rationale, implementation, and impact shall be explained in detail and submitted to the NRA. However this report should be publicly available or at least be available to the grid users that have been disconnected or affected.

Proposed change:

7. amend article 18 paragraph 4 to make sure the report is published or made available. **Restoration plan [article 4 & 23]**

Article 23 states that the TSO needs to develop a Restoration Plan (RP). Parts of this plan are subjected to regulatory approval. An important element of this plan is a list of high priority grid users and their terms and conditions for their disconnection and re-energisation. These terms and conditions are according to article 4(2)(c) subject to regulatory approval. The list of priority grid users and the criteria to be included on the list are not!

IFIEC Europe **insists** that the list of **high priority grid users** and the **criteria** to be included on this list must be **subject to regulatory approval**.

Proposed change:

- amend article 4 to make the list and criteria subject to regulatory approval (see 3)

8. **Communication Procedure market suspension [article 38]**

Article 38 stipulates the rules for the communication procedure for the suspension of market activities. It seems that (S)GUs will not be informed directly but through their balancing responsible parties (BRP). For IFIEC this would only be acceptable if there is an obligation in place for the BRP to inform demand facilities and CDSOs. Another solution would be to inform the SGUs directly by the TSO and all other GUs by their BRPs.

Proposed change:

- amend article 38 to make sure the BRP or TSO informs (S)GU's.