

# Targeted Consultation to support the establishment of a new network code on demand response

Fields marked with \* are mandatory.

## Targeted consultation to support the establishment of a new network code on demand response

### Part 0: General questions about the respondent

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\* 1. Email address

mehtap.alper@eudsoentity.eu

\* 2. Name of your organisation

*100 character(s) maximum*

DSO Entity

- \* 3. The Commission will publish contributions to this public consultation. You can choose whether you would prefer to have your contribution published or not. For the purpose of transparency, the type of stakeholder (for example, 'Energy producer', 'Member state') and country of origin are always published. Your e-mail address will never be published.

Opt in to select the privacy option that best suits you.

- ☒ I consent to the publication of my answers in full  
☐ I do not consent to the publication of any of my answers

\* 4. What type of stakeholder best represents your company or the members of your association?

- ☐ Transmission System Operator (TSO)  
☒ Distribution System Operator (DSO)  
☐ Vertically integrated energy company (production and supply)  
☐ Energy producer  
☐ Energy supplier  
☐ Industrial consumer or other type of end-user

- ☐ Aggregator
- ☐ Trading company without physical energy assets
- ☐ Local market operator/power exchange
- ☐ Nominated electricity market operator
- ☐ Member state
- ☐ National Regulatory Authority (NRA)
- ☐ Academic
- ☐ Non-Governmental Organisation (NGO)
- ☐ Business association
- ☐ Other, please precise

\* 5. In which EU Member States do you have physical assets or activities – if any (demand, retail supply, generation, market operation, ...)?

- ☐ Austria
- ☒ Belgium
- ☐ Bulgaria
- ☐ Croatia
- ☐ Cyprus
- ☐ Czechia
- ☐ Denmark
- ☐ Estonia
- ☐ Finland
- ☐ France
- ☐ Germany
- ☐ Greece
- ☐ Hungary
- ☐ Ireland
- ☐ Italy
- ☐ Latvia
- ☐ Lithuania
- ☐ Luxembourg
- ☐ Malta
- ☐ Netherlands
- ☐ Poland
- ☐ Portugal
- ☐ Romania
- ☐ Slovak Republic
- ☐ Slovenia
- ☐ Spain
- ☐ Sweden
- ☐ EEA

## Part 1: General objective

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6. How satisfied are you with ACER's proposal for the establishment of the Network Code on Demand Response according to Article 59(1)(e) of Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) (hereinafter: ACER proposal)?

7

\* 7. Do you consider the allocation of content between each network code and guideline in the ACER proposal to be appropriate?

☐ Yes

☒ No

7. If no, why?

*500 character(s) maximum*

The rules on aggregation should be explicitly set out within the NCDR. The balancing aspects are only one of the many aspects of an aggregation model. The metering infrastructure, data exchange, etc. are also crucial elements of an aggregation model. It is inadequate to place the aggregation models only in the national "T&C related to balancing" (as per EBGL Article 18), if they are only drafted by TSOs. Almost all aggregated resources are expected to be connected on DSO network.

\* 8. Is the scope of the network code on demand response in the ACER proposal regarding local services, including congestion management and voltage control services, for DSOs and TSOs adequate?

☐ Yes

☒ No

8. If no, why?

*500 character(s) maximum*

We are concerned that reactive power is treated as active power. We recommend a distinction between the provisions to reflect the different character of reactive power. This could be addressed under a separate Title or in a separate section such as an Annex with the content that was provided in the original proposal of DSO Entity and ENTSO-E (SOs' proposal).

9. To what extent does the ACER proposal adequately address the roles and responsibilities of all key stakeholders ?

*at least 5 answered row(s)*

|                               | Very adequately                  | Adequately            | Inadequately                     | Very inadequately     |
|-------------------------------|----------------------------------|-----------------------|----------------------------------|-----------------------|
| * TSOs                        | <input type="radio"/>            | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> |
| * DSOs                        | <input type="radio"/>            | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> |
| * Regulatory authorities      | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/>            | <input type="radio"/> |
| * Balance responsible parties | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/>            | <input type="radio"/> |
| * Service providers           | <input type="radio"/>            | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> |

9. If you have answered "Inadequately" or "Very inadequately" to the previous question for at least one type of stakeholder, please explain.

*500 character(s) maximum*

TSOs & DSOs: Art 8(4) of ACER's proposal creates significant legal uncertainties, particularly on the allocation of tasks & responsibilities between DSOs & other entities. Service providers (SP): NCDR covers the provision of services regardless any possible delegation & assignment of tasks to guarantee a clear framework & accountability. There should be a new article "delegation & assignment of tasks of SP" like Art 8 for SO, ensuring accountability due to the diversity of technical aggregators

\* 10. Do you consider that the cooperation of DSOs at national level could benefit from a new entity to facilitate such cooperation or from other governance changes?

- ☐ Yes  
☒ No

10. Please explain why yes/no?

*500 character(s) maximum*

In Member States regardless of the number of DSOs, there is cooperation to draft rules and procedures, including implementation of the previous network codes. These processes are well established on a MS level and working under NRA supervision. Even if there is room for improvement, there is no need to introduce new entities or provisions which would harmonize without any necessity and disturb existing procedures.

\* 11. Which specific articles or elements of the ACER proposal do you support and would you like to keep the current wording?

- ☐ Aggregation models
- ☒ National rules of procedure to develop common proposals
- ☐ Balancing services
- ☐ TSO-DSO coordination
- ☐ DSO-DSO coordination
- ☐ National framework for dedicated measurement devices (DMDs)
- ☐ Grid prequalification and temporary limits
- ☐ Table of equivalences
- ☒ Observability areas
- ☐ Baselining methods
- ☐ Qualification, verification and prequalification of requirements and processes
- ☐ Flexibility information system
- ☐ Market-based procurement of local services
- ☐ Data exchange and standards
- ☐ Common information platforms on market-based procurement of local services

12. What are your main concerns regarding ACER proposal? Please list maximum 3 concerns by order of priority.

*750 character(s) maximum*

- ACER's proposal requires improvement, particularly in relation to its proposed timelines. While we support the timely implementation of NCDR provisions, several of the current deadlines are overly ambitious & pose significant practical challenges. - ACER's proposal has removed key provisions that supported the application of standardised data exchange interfaces. We regret this particularly given the consistent and strong calls from all stakeholder groups over several months. - Article 8(4) of ACER's proposal creates significant legal uncertainties regarding the reassignment of the responsibilities of DSOs, which could undermine the role of DSOs to develop and operate local flexibility markets.

13. Which areas would benefit from additional harmonisation and standardisation at EU level compared to the ACER proposal?

a. Aggregation models

10

i. What would be the most effective way of achieving this harmonisation?

*500 character(s) maximum*

DSOs&TSOs should develop the aggregation models (AG) on equal footing at the MS Level. We propose to develop an EU wide methodology with an exhaustive list of the possible types of AG that may be applied by the MSs by 18 months after entry into force of the NCDR. The NCDR proposal of the DSO Entity & ENTSO-E already included a list of AG. This was agreed with all stakeholders and can be used as the basis. Later harmonisation will lead to significant additional costs for market parties and SOs

b. National rules of procedure to develop common proposals

0

i. Indicate which areas would benefit most from EU harmonisation.

*500 character(s) maximum*

None. In Member States regardless of the number of DSOs, there is cooperation to draft rules and procedures, including implementation of the previous network codes. These processes are well established on a MS level and working under NRA supervision. Even if there is room for improvement, there is no need to introduce new entities or provisions which would harmonize without any necessity and disturb existing procedures (Same comment as question 10).

c. Balancing services

i. What would be the most effective way of achieving this harmonisation?

*500 character(s) maximum*

DSO Entity does not have a specific opinion on this topic.

d. TSO-DSO coordination

0

i. What would be the most effective way of achieving this harmonisation?

*500 character(s) maximum*

ACER's proposal sufficiently cover the main principles to ensure efficient TSO-DSO coordination. Considering the broad diversity of DSOs within a MS and across Europe, there is no need & limited possibility for harmonization. TSOs & DSOs operate in their own country, with already existing frameworks, so that further European-wide harmonization is not relevant.

e. DSO-DSO coordination

0

i. What would be the most effective way of achieving this harmonisation?

*500 character(s) maximum*

Same response as question 13(d) for TSO-DSO coordination & in addition: Any harmonization of DSO-DSO coordination at the EU level should consider the principle of proportionality. As DSOs operate under widely varying technical, legal, & organizational conditions, excessive harmonization can lead to inefficiency & increased implementation costs. Instead, interoperability & the exchange of best practices should be promoted, while leaving flexibility in implementation at the national level.

f. National framework for DMDs

0

i. What should be the appropriate governance for defining and approving the EU framework?

500 character(s) maximum

The main issues of DMDs are settlement, compensation effect & issue of service “reflected at service validation point” (see quest. 16 to improve these definition), which are handled in national TCs for SP. Harmonization of national TCs on EU level will provide the relevant & sufficient framework for harmonization on DMD. Replacing Art.12(1.a) “smartmeter” by “metering equipment of the connection point” to match any configuration DMDs should have data exchange interfaces following EU standards

\* ii. Are there cross-border or EU-wide use cases where harmonised access to measurement data would be critical?

- ☒ Yes  
☐ No

g. Grid prequalification and temporary limits

0

i. What would be the most effective way of achieving this harmonisation?

500 character(s) maximum

Same as question 13(d) on SO coordination & in addition: Grid Prequalification (PQ) & Temporary Limits (TL) result from coordination between SO whose mechanisms depend on the MS specific characteristics. Implementation today is limited which precludes further harmonization at this time. The annual report in Art 49 (8) should encompass both grid PQ & TL and efficiency of processes, to collect lessons learnt & assess possible improvements. For info exchange with SP: see question 13(n).

h. Table of equivalences

0

\* i. Would a standardised guiding template help streamline national implementation?

- ☒ Yes  
☐ No



i. Observability areas

0

i. What would be the most effective way of achieving this harmonisation?

*500 character(s) maximum*

Observability areas are intimately linked to SOs own specificities and sole responsibilities. They serve to define SO data necessary for DSOs to efficiently forecast & solve congestion / voltage issues & avoid unforeseen situations in neighbouring DSO. Other parties do not have influence and there is no need to interfere with the definition or operation of observability areas. Please also see response to question 13(d) and 13(e) for TSO-DSO & DSO-DSO coordination.

j. Baselining methods

0

i. What would be the most efficient way to achieve standardisation in the design of baselines?

*500 character(s) maximum*

The baselining method register enables to collect and propose baselining methods in the Member States. Standardization would be counterproductive, as it could hinder innovation.

k. Qualification, verification and prequalification requirements and processes

0

i. What would be the most effective way of achieving this harmonisation?

*500 character(s) maximum*

ACER proposal already encompasses sufficiently detailed principles to ensure efficient and harmonized qualification, verification, and prequalification requirements and processes.

\* ii. Do you see a need for further harmonization of cross-border aspects in these processes?

☐ Yes

☒ No

I. Flexibility information systems

2

i. What would be the most effective way of achieving this harmonisation?

*500 character(s) maximum*

The current framework is sufficient for European consistency. We believe that NCDR should not intervene with the IT architecture. Management and exchange of energy data is a MS decision (in line with Art 23 of EU 2019 /944). NCDR should further push standardization of data exchange. In Article 25(4) of ACER Proposal, the default responsibility for the CU module should be that of the connecting SO, not the procuring SO.

m. Market-based procurement of local services

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i. What would be the most effective way of achieving this harmonisation?

*500 character(s) maximum*

Lessons learnt on significant volumes are needed before defining the best practices for harmonization. Local markets need to coordinate with national mechanisms which are diverse across Europe. It would be risky, possibly counterproductive, to freeze possibilities too early on a few models. Further harmonization could require modifying existing national or local mechanisms, which would come at a cost and delay. Overall benefit of harmonization vs these drawbacks should be balanced.

n. Data exchange and standards

10

i. What would be the most effective way of achieving this harmonisation?

*500 character(s) maximum*

Recovering SO proposal for data exchange & standards: For each interaction implied by NCDR, data exchange interfaces should follow European/IEC standards, in addition to existing or proprietary solutions. Defining standards early on when nothing is yet implemented (doing it once and doing it right) and defining a target for MS where significant development is already in place, enables to plan and optimize necessary evolutions. While IT implementation should be handled at national level.

\* ii. Do you support a EU methodology on standardised data exchange formats?

- ☒ Yes  
☐ No

o. Common information platforms on market-based procurement of local services

0

i. What would be the most effective way of achieving this harmonisation?

*500 character(s) maximum*

Instead of common information platform, we need standardized data exchange and interoperability where needed. Set the Entry into Force date (EIF) of the Implementing Regulation on Demand Response as close as possible to the EIF date of the NCDR. This could help the Member States in defining all the needed functionality and would enable Service Providers of other MSs to better enter the markets of the different MS. It is crucial not to prescribe the IT architecture in NCDR.

p. Is there any other area (not listed above) where additional harmonisation or transition would be highly needed? Please explain.

*500 character(s) maximum*

The wording of Art8(4) of ACER proposal on NC DR creates legal uncertainty for DSOs by allowing discretionary task reassignment without clear criteria, undermining the roles of DSOs envisaged by the Clean Energy Package. Enabling reassignment of tasks to TSOs or other Entities could conflict with Directive (EU) 2019/944(DIR), which clearly defines the role of DSOs in operating, maintaining, and developing the distribution system and could threaten the independence of DSOs as set in DIR Art 35.

q. Overall, how satisfied are you with the harmonisation at EU level in the ACER proposal?

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## Part 2: Title I and Title II

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A) National Terms and Conditions or Methodologies (hereinafter: TCMs):

\* 14. Is the ACER proposal, to first set up a national process for the development, amendment and approval of national TCMs, adequate to ensure a timely implementation while allowing for national specificities?

☐ Yes

☒ No

14. If no, why? What would be a suitable alternative?

*750 character(s) maximum*

Please note that Article 57 enables to continue existing processes and to start with sandbox before national TCs. We agree with Article 4 that defines the first step as setting up the rules of procedures to develop common proposals in 12 Months. Yet timing for proposing National TC is currently too short and inconsistent as it calls for interdependent National TCs to be developed under misaligned and extremely challenging deadlines. We suggest aligning all National TCs with the same 18 Months deadline to develop in a holistic manner with achievable yet challenging deadlines.

B) National vs. EU TCM:

- \* 15. In the ACER proposal, do you consider that the timing and sequence for the development of national and EU terms and conditions or methodologies is adequate?

- ☐ Yes  
☒ No

15. If no, why?

*500 character(s) maximum*

European TCM for Art 21&32 collides with drafting of related national TC: - National TCs should first be developed then lessons learnt be the base to simplify European-wide as relevant - European TCM should be developed after implementation of national TC and enough time to learn lessons - Current Art 5(8) defines only 2 months to submit amendments, or deadline at the discretion of ACER in Art5(9). 9 Months should be allowed to ensure a thorough, inclusive and technically sound process

16. Is there any other element to share on Title I and Title II of the ACER proposal?

*750 character(s) maximum*

Defining "service validation point", defined by connecting SO & enable multiple methods/criteria to assess "reflected" at the service delivery point in Art 12(2) & Art 35(4)a. This would alleviate the insufficient concept of "connection point"/"connection agreement point" and fit all configurations Changing definition of CU: see question 41 Extending "Compensation effects" to the effect of any demand unit/Rfg module behind the same service validation point, whether registered or not in the FIS, or activated or not by other SP. The issue is whether services are reflected at the service validation point(s). Change Art 12(1) to: "where the METERING EQUIPMENT OF THE SERVICE VALIDATION POINT does not deliver all the necessary data..."

## Part 3: Title III

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### A) Prequalification

- \* 17. Should product verification at service providing unit or service providing group be established as a default requirement for all products?

- ☐ Yes  
☒ No

#### 17. If no, why?

*500 character(s) maximum*

DSO Entity does not have a specific opinion on the requirements for balancing products. We support the existing text for local products.

- \* 18. Do you find the rules for switching the controllable units between service providers adequate, as proposed in Article 23 of the ACER proposal?

☐ Yes

☒ No

18. If no, why?

*500 character(s) maximum*

CU switching between SPs only concerns the CU module as per Art 12(1) of Directive 2019/944 (DIR). CU assignment to SPU/SPGs, product prequalification (PQ)/verification and grid PQ are out of scope of Art 12(1) of DIR and shall be independent from the origin of CUs (new, switched from other SP or already in own portfolio): PQ and verification must be assessed at SPU/SPG level, not at CU level as CUs don't inherit PQ properties (some CU may not be activated during SPU/SPG operations).

\* 19. Would you recommend implementing additional duration limits to facilitate switching of controllable units between service providers?

☐ Yes

☒ No

19. If no, why?

*500 character(s) maximum*

It is essential to constrain the scope of the duration limits to the actual switch in the CU module. All other steps such as operational on-boarding and off-boarding, adjusting old SPG and new SPG etc., are outside the sphere of, for example, FIS module operators and depending on environmental factors.

\* 20. Do you find the rules regarding the threshold on service providing unit or service providing group modification (10% or 5 MW whichever is lower and at least 500 kW) as proposed in Article 18 of the ACER proposal to be appropriate?

☐ Yes

☒ No

20. If no, why?

*500 character(s) maximum*

Proportionality is needed in Local Services: It should be deleted the 500 kW minimum threshold in Art. 22(2)(a) and retain only the 10% threshold for local services, ensuring proportionality in product reassessment after CU changes. Additionally, these criteria should encompass the cumulative capacity modifications in case of series of incremental modifications, each below the 10 % threshold.

\* 21. Would you consider further specifying the maximum timeframe of three weeks for the procuring system operator to perform product verification in Article 19(2)(a) as appropriate?

- ☐ Yes  
☒ No

21. If no, why?

*500 character(s) maximum*

No, because: - It is not relevant for all cases: For example, it will not be possible to verify heat pump – based aggregates in summer or e.g. cooling-based aggregates in winter. - It is counterproductive: Considering that, within the products that may be procured by the SO, there are long-term products, setting a time limit removes the possibility of verifying these services within the fixed period or restricts the time for a SP to recruit its needed CU.

## B) Flexibility information system

22. ACER proposal in Article 25(4) requires each procuring system operator to operate and maintain one or more service provider modules and one or more controllable unit modules. Do you agree with the proposed governance, or do you consider that another distribution of responsibilities would be more adequate? Please explain.

*750 character(s) maximum*



CU module must be the responsibility of and operated by the connecting SO, not by procuring SO. - A CU can be used for different products, procured by different SOs (DSO or TSO). The CU data should be registered only once. - Connecting SOs already maintain most similar structural data and have customer/support relationships with final/active customers regarding other relevant processes such as metering, connection processes - All or most of data needed to operate the CU module comes from connecting SO (ID of connection point, related grid assets, meter ID, capacity of supply contract, capacity of connection agreement, info on change of supply, connection agreement, or even customer (hence validity of customer consent).

23. Is there any other element to share on Title III of the ACER proposal?

*750 character(s) maximum*

- Improving Definition 23: an SPG shall consist of multiple CUs and not of multiple SPUs. - FIS Content Scope: The Flexibility Information System (FIS) should only include technical data necessary for SOs to procure, qualify, and settle services. - Product attributes (e.g., ramping or activation time) belong at the SPU/SPG level in the SP module. The CU module should only include maximum capacity of CU in terms of technical CU specific data. Other CU-specific data (e.g., type of CU, ramping) should be managed by SPs in a separate dataspace, outside the FIS. - Art 20(3): the simplification must only be allowed for the SAME SP, not any SP, as the capability to reliably activate a product is an end to end process.

## Part 4: Title IV

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A) Market-based procurement of local services:

\* 24. Do you support the ACER proposal regarding the governance and delegation of tasks for operating local markets?

☐ Yes

☒ No

24. If no, why?

*500 character(s) maximum*

In principle we welcome the ACER's proposal that in Article 33(5) assigns the provisions and operation of the local market platform clearly to the procuring SO. This clear responsibility together with the possibility to delegate this task will guarantee a quick implementation of local markets. However, the provision in Article 8(4) of ACER's proposal, providing the option to reassign this role could produce significant delays and unclear responsibilities.

\* 25. Do you see a need for further clarification regarding Article 31 and the coordination of flexible connection agreements with local markets?

☒ Yes

☐ No

25. Please provide additional comments if needed.

*750 character(s) maximum*

We welcome the main decisions made by ACER in view of the coordination between local markets and Flexible Connection Agreements (FCA). In particular the provision in paragraph 2 that the activation (and not the procurement) of FCA must be coordinated with local markets reflects the unanimous opinion in the Drafting Committee discussions. We also support that this coordination mechanism shall ensure overall system efficiency and thus guarantee that both local markets and FCA are correctly used.

\* 26. Do you consider the proposed framework in Article 34 for coordination and interoperability between local and day-ahead, intraday, and balancing markets sufficiently flexible while opening the market?

☐ Yes

☒ No

26. Do you have specific proposals to strengthen and facilitate the development of bid forwarding?

*750 character(s) maximum*

Encouraging participation while preserving SP responsibility: - Participation in multiple market mechanisms should be encouraged, provided it remains under the full responsibility of the Service Provider (SP), who ensures the feasibility and reliability of submitted bids. - When national TCs have a mechanism of forwarding, SPs would have to confirm its authorization for forwarding and its price, which amounts to placing the product in a different market.

27. Is there any other element to share on Title IV of the ACER proposal?

*750 character(s) maximum*

Recovering Art 81 of SO proposal on reactive power (different requirements from active power) owing to the lack of experience Adding topic: "aggregation zone" (AZ) to manage locational information - Def: (34)AZ means a geographic area, grid elements, or a list of service validation points where CUs must be connected to fulfil the locational requirements of a product. An AZ is defined or updated by procuring, connecting and impacted SO - Art 45(4): If applicable, the TCs for SO coordination may define rules for definition, update, and management of information of AZ -Art 32(3) (f): if applicable, a mechanism to include the AZ(s) for a bid based on the information received through the procedures implied by Art 45(4) of this Regulation

## Part 5: Title V and Title VI

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## A) Ownership of energy storage by system operators

- \* 28. Is the ACER proposal in Article 40 and Article 41 regarding ownership, development or operation of energy storage by system operators, including rules for shared ownership of energy storage, adequate to ensure market-based and competitive storage services when the national market allows it?

- ☐ Yes  
☒ No

28. If no, why?

*500 character(s) maximum*

Requirements to use same processes/criteria to procure local services or equipment despite different rationale, are incompatible. Enable 2 step-process -attempt to procure services under high NRA scrutiny enabling new storage to participate -If no/inadequate offer incl. from storage & after NRA derogation, SO procure storage out of NCDR Delete in Art 48(6)b "that only unacceptable high offers were received, or only legally inadmissible submissions took place" in Art 49(8)a the word storage

- \* 29. Do you consider Article 42 of the ACER proposal and the conditions for assessing the phase out of the system operators' ownership of energy storage facilities to be adequate for enabling third-party market entry and reducing the regulated asset base of system operators?

- ☐ Yes  
☒ No

29. If no, why?

*500 character(s) maximum*

Exempting storages in concession, as SO do not own such storages. Enabling exemptions for small storage or criteria under NRA decision to ensure proportionality of burden with stakes: - Art 42 is costly to process for SOs, NRA & stakeholders (eg. public consultations (PCs)) & could surpass the value of storage - If 0.1% of LV pockets were concerned, Art 42 would lead to several PCs (eg. hundreds) each 5 years in large countries- might lead to a PC per business day with little response/outcome

## B) Distribution Network Development Plans (DNDPs)

- \* 30. Do you envisage DSO observability areas, as described in Article 46, as dynamic concepts that adapt to production/consumption patterns or as fixed areas maintained over extended periods?

- ☐ Dynamic
- ☒ Fixed

30. Please explain why?

*500 character(s) maximum*

DSO observability area differ from network configurations that change with production and generation pattern, works planning, planned and unplanned outages. DSOs observability areas are used to define the data that DSOs need to forecast and solve congestion and possibly the coordination mechanism between relevant SOs. These processes are performed regularly, but they are irrelevant for real-time update. Therefore, there is no relevance to further regulate DSOs observability.

31. Is there any other element to share on Titles V and VI of the ACER proposal?

*750 character(s) maximum*

Limiting DNDP to the provisions of Article 32 of EU Directive 2019/944. This would imply that: - only the DNDP inputs (and not the final DNDP) should be consulted, including the planning framework and the scenarios used. Consulting the final draft DNDP would be inefficient with the risk of over delaying the DNDP process. - the mandatory requirements should be limited to planned investments for the next 5 to 10 years and local services but without extending it to unrelated data.

## Part 7: Title VII - Title X and other network codes

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A) TSO-DSO and DSO-DSO coordination

\* 32. Regarding Article 49 of the ACER proposal, should cooperation between system operators on prequalification for service providing units or groups be limited to local services or extend to broader ancillary services?

- ☐ Limited to local services
- ☒ Extend to broader ancillary services

32. Please explain why?

*500 character(s) maximum*

Article 49 of ACER's proposal streamlines a process for local and balancing services. This process works for any other future ancillary service as these always include changes on active or reactive energy flows. Thus, this process will work for voltage control services made by reactive energy, fast frequency response services to ensure system stability. Extending the current Article 49 would ensure full consistency across all grid prequalification processes used for all services.

33. Regarding Article 45 of the ACER proposal, how often should each system operator update the grid prequalification status? Please precise a duration and a justification for such duration.

*750 character(s) maximum*

In technical terms, System Operators (SOs) must assess the initial grid prequalification status for reasons defined in Article 49(4), in particular when: a change in the grid structural data, a change in data on system users, or in the CU constituting the SPGs or SPU. Since all these changes can occur at any time, it might be inefficient setting up a default frequency to update the grid PQ.

34. Do you consider that defining the concept of system operators' coordination areas, for which different system operators would need to coordinate, would be beneficial?

*750 character(s) maximum*

No. Please note that during the development of DSO Entity and ENTSO-E' proposal on NC DR, SOs (DSOs and TSOs) and relevant stakeholders agreed that streamlined processes could be defined without the use of “coordination areas” as these would further complicate the processes.

35. Is there any other element to share on Titles VII to Title X of the ACER proposal?

*750 character(s) maximum*

- Recovering the broader concept of “operational limits” to define congestion/voltage issue when current /voltage on an asset violates the predefined criteria. National TC on SO coordination in Article 45(3) should include 2 overarching principles: - SO shall choose the most efficient and effective solution or combination of solutions to solve congestion or voltage issues; - Criteria to define operational limits and criteria to select the most cost-effective solution or combination or solutions shall be coordinated and transparent In Article 50(2)(c) (i), we would suggest tasking national TC for BSPs and for SO coordination to set the deadline for TL when a more accurate/less conservative value can be made closer to real-time.

B) Data exchange (relevant for both Network code on demand response and electricity balancing guideline)



\* 36. Do you consider the topic of standardised data exchange and interoperability sufficiently covered in the ACER proposal, considering the activities of Expert Groups such as Data for Energy (D4E) and the implementing act on demand response?

- ☐ Yes  
☒ No

36. Please provide additional comments if needed.

*750 character(s) maximum*

NCDR provisions should be strengthened for the use of data exchange interfaces based on European standards without delay (see comment on question 13(n)) Whereas D4E provides a valuable platform for creating the conceptual framework on Common Energy Data Space, DSO Entity & ENTSO-E are jointly developing the proposal for Implementing Act on Demand Response and are delivering on standardised data exchange and interoperability. The implementation of the Common Energy Data Space in consistency with the deliverables of the JWG, NCDR, European TCMs and Nationals TC will enable streamlined and cost-effective basis for standardized data exchanges.

### C) Aggregation models

37. How do you view Article 55A of the Electricity Balancing Guideline of the ACER proposal to differentiate financial compensation and financial transfer?

*750 character(s) maximum*

It is important to enable in the National Terms and Conditions mechanisms to ensure that the market participants concerned by aggregation models (suppliers service providers) are adequately neutralised, whether it is for upwards services or downward services.

D) Others

38. Is there any element to share on the ACER proposal for the revision of the Electricity balancing guideline?

*750 character(s) maximum*

At the beginning of the development of the EU Network Codes, DSO Entity had not yet been established. Therefore, previously, it was not legally possible for TSOs and DSOs to co-develop Network Codes and EU methodologies. Now that the DSO Entity is in place, the formal involvement of DSOs in future co-development processes should be ensured. This is important in areas such as aggregation, which will primarily concern mostly CUs connected to DSO networks. Accordingly, any amendments & TCMs for any NC should now be jointly drafted and proposed by DSO Entity and ENTSO-E, and similarly National TC should be jointly drafted and proposed by DSOs and TSOs.

39. Is there any element to share on the ACER proposal for the revision of the Demand Connection code?

*750 character(s) maximum*

At the beginning of the development of the EU Network Codes, the DSO Entity had not yet been established. Therefore, previously, it was not legally possible to co-develop Network Codes and EU methodologies together with DSOs & TSOs. Now that the DSO Entity is in place, the formal involvement of DSOs in future co-development processes should be ensured. Many of the new requirements will concern demand unit or storages connected on DSO networks. Amendments & TCMs for any NC should now be jointly developed by DSO Entity & ENTSO-E and National TCs should be jointly developed by DSOs and TSOs. We are unable to properly assess the proposed changes to the NCDC, as the version made available for consultation doesn't correspond to the true one

40. Is there any element to share on the ACER proposal for the revision of the System Operation guideline?

*750 character(s) maximum*

At the beginning of the development of the EU Network Codes, the DSO Entity had not yet been established. Therefore, previously, it was not legally possible to co-develop Network Codes and EU methodologies together with DSOs and TSOs. Now that the EU DSO Entity is in place, the formal involvement of DSOs in future co-development processes should be ensured. Many of the new requirements will concern power-generating modules or storages connected on DSO networks. Amendments & TCMs for any NC should now be jointly proposed & drafted by DSO Entity and ENTSO-E, and National TC should be jointly proposed & drafted by DSOs and TSOs.

41. Do you have any other element to share on the ACER proposal?

*750 character(s) maximum*

The definition of CU must be changed & recovered from the original SO proposal of CUs definition 19 & technical resource (TR) def 21. The ACER reference to NCDC & NC RfG definitions only addresses classified assets. It does not leave freedom for the design of TRs used as a basis for CUs & excludes to register a customer connection as a whole or part of a site without increased burden. CU also needs to include V2G EV and V1G EV. V2G EV is neither PGM or ESM in the RfG 2.0 and neither V1G nor V2G are in the current definitions of PGM and Demand Unit in NC RfG 1.0 and NC DC 2.0. If the NC DR is enacted before the NC RfG 2.0 the definitions of V2G EV and V1G EV need to be within the NC DR.



## **Useful links**

ACER proposal (<https://www.acer.europa.eu/news/new-network-code-demand-response-will-further-advance-energy-transition>)

## **Contact**

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