



GEODE COMMENTS ON ACER DRAFT OPINION ON THE ENTSO-E STATUTES, RULES OF PROCEDURES AND LIST OF MEMBERS

GEODE, the European association representing the interest of energy distribution companies welcomes the opportunity to provide comments on **ACER** draft opinion on ENTSO-E statutes, rules of procedures and list of participants.

According to the draft opinion, **ACER** has no reservations on the ENTSO-E's Articles of the Association, list of participants and Rules of procedures save for Article 6, Article 9 and Article 17.

GEODE agrees with **ACER** reservation as regards Article 6 that provides discretionary powers to ENTSO-E General Assembly by deciding to grant membership once the conditions for becoming a member have been fulfilled by the TSO applying for membership. According to Regulation No 714/2009, all TSOs are obliged to cooperate at European level through ENTSO-E. Then their membership is an obligation. Therefore **GEODE** supports the ACER proposal to apply current version of Article 6 only to TSO membership requested by third countries.

In relation to Article 9, even if **GEODE** in principle supports the implementation in due time of all provisions contained in the Regulation, **GEODE** would support the ACER proposal that a 'sunset clause' be added enabling a temporary stay of proceedings, if there is clear evidence that measures are or will be taken by the Member State to fully implement the Regulation.

Regarding Article 17 (iv) referring to the possibility of a Regional Group submitting regional network codes for approval by the Assembly (...), **GEODE** wants to express its concerns with the content of that whole paragraph.



As stated in Article 17(iii) a Regional Group can develop and agree on detailed rules and procedures to enhance TSO cooperation. From that approach, it is a considerable step further to foresee the development of regional network codes as mentioned in paragraph (iv). Regulation No 714/2009 does not mention the possibility of ENTSO-E defining such regional network codes and therefore any procedure for it has not been described in the Regulation. Therefore such a competence from ENTSO-E can not be included in their Statutes.

GEODE proposes to delete Article 17 (iv) of ENTSO-E draft Articles of the Association.

As regards the development of network codes and in accordance with the final paragraph of ENTSO-E Articles about close consultation with stakeholders on issues related to power system planning, operation and market facilitation, **GEODE** would like to take this opportunity to address the need of DSOs to be actively involved in the drafting process of the network codes, when there are provisions that affect distribution networks operation.

This role has not been foreseen in the process established in the Regulation but the pilot experiences have showed the need to address this issue in practice. For example, in the grid connection code, DSOs have a central role as both system operator and grid user. Then DSOs can not be only consulted as all other stakeholders, when the code directly affects the operation of the distribution network. It is too late for DSOs to react and to contribute with their inputs to the Network Code, if we are only consulted at the same time and way as all other stakeholders. It is not appropriate that only the TSOs should draft provisions on the operation of DSOs networks. DSOs are also responsible for the operation of the network and for assuring security of supply.

Therefore **GEODE** asks to include in the ENTSO-E Consultation Process paper a clear procedure on HOW and WHEN to consult DSOs. **GEODE** would like to see DSOs involved at every stage in the drafting of Network Codes provisions that directly affect distribution networks operation.



GEODE supports the modification of Chapter 2.2 of the ENTSO-E consultation process “On when to consult”, Chapter 2.3 “On whom to consult with” and Chapter 2.4 “On How to consult”, to include in particular the consultation with DSOs at an early stage when distribution network operation is affected.

At the same time, regarding Network Codes development process, Chapter 3 “Roles in Network Codes development process” **GEODE** would like to see that the “Drafting Team” might include DSOs representatives for the drafting process of Network Codes provisions affecting distribution network operation. The workshops proposed as Step 2 of the network code development process to assure input and engagement of stakeholders, as well as the formal consultation with stakeholders foreseen as Step 3, are not considered sufficient enough by **GEODE** to assure the DSOs interest in the process of development network codes and therefore their involvement in the drafting team is most desirable.

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