



ACER and ENTSO-E

Ref.: "Role of stakeholders in the implementation of network codes and related guidelines"

E-mail address: [REDACTED]

Sent via email

14 January 2015

Dear Sir, Madam,

On behalf of Wärtsilä Corporation, we welcome the opportunity to provide a response to the joint ACER and ENTSO-E invitation to submit comments to the consultation document on the **role of stakeholders in the implementation of network codes and related guidelines**, and in particular on the establishment of **European Network Code Stakeholder Committees**. As a major European technology provider, Wärtsilä has proactively participated in the EU energy policy debate. Wärtsilä has worked with ACER and ENTSO-E in the framework guideline and network code development process and participated in relevant consultations. Wärtsilä has been especially active in the debate regarding the development of the Internal Energy Market (IEM), and in particular on grid connection requirements and issues related to the balancing challenges brought about by the increasing amount of intermittent renewables on the electricity system.

Implementing the network codes: a challenge for the electricity sector

The network codes represent the building blocks for the European IEM and are key in achieving a secure, competitive and decarbonised power system. The involvement of stakeholders throughout the development of the framework guidelines and network codes through public consultations and workshops has proved valuable in many respects: it raised the awareness around the creation of the IEM and its associated network codes and gave stakeholders a possibility to study the codes and provide feedback, which improved the quality of the codes and increased acceptance across the industry.

To achieve full benefit for the European market, it is vital that the developed network codes are as soon as possible implemented in a harmonized way across Europe. We agree with ACER and ENTSO-E's view that the

Wärtsilä response to joint ACER and ENTSO-E consultation on "Role of stakeholders in the implementation of network codes and related guidelines"

implementation and compliance of the network codes across Europe represents a challenge for the European electricity sector. We therefore support a high level of stakeholder involvement throughout the implementation and compliance phase of the network codes, in line with the stakeholder involvement during the development phase of the framework guidelines and network codes, and look forward to receive more detailed information on how the effective stakeholder engagement will be structured.

Proposed structure for additional stakeholder engagement in the implementation process

We welcome the proposed creation of three permanent European Stakeholder Committees, beyond the formal obligation of stakeholder consultation and information included in the network codes. For these committees to be effective, it is important that they have an appropriate composition. The increasing share of renewable energy sources will lead in particular to a much greater level of intermittent generation on the system (i.e. wind and solar), causing unpredictable fluctuations that need to be balanced through flexibility. Flexibility can be provided by different sources, such as Demand Side Response, Flexible Generation, or Storage. The need for flexibility is at the very heart of the European electricity market design debate and stakeholders providing these flexibility solutions are key in achieving the IEM objectives. It is therefore highly important that these specific stakeholders are represented in the Committees.

Wärtsilä is a provider of innovative highly flexible power generation solutions. We have customers across the world using our technology to provide flexibility. Contracts recently awarded include power plants located in Oklahoma (112 MW to balance wind and solar generation), North Dakota (56 MW needed to cover peak load demand) and Hawaii (50 MW to enable the integration of more solar photovoltaic generation on the island of Oahu). We believe both our knowledge of, and experience with, grid connection requirements and electricity market structures signalling the value of flexibility, will add significant value to the Connection codes Committee and the Market codes Committee, and we are happy to contribute resource to both these Committees and expert group activities.

We are keen to engage directly with you and other market stakeholders to further develop and support the framework necessary for the efficient provision of flexible solutions.

Yours sincerely,

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