

EHI RESPONSE to Joint ACER-ENTSO-E consultation on "the establishment of European Stakeholder Committees for Network Code Implementation"

KEY MESSAGES

- ❖ 'EHI, as an European Association representing the Cogeneration / μ CHP manufacturer side focussed on mass production for the residential segment, is an important stakeholder for the implementation of the Network Codes'
- ❖ 'EHI welcomes the opportunity to contribute to the ACER-ENTSO-E consultation'
- ❖ 'EHI strongly supports the ACER-ENTSO-E approach of exchanging information and best practices with relevant stakeholders'
- ❖ 'Transparency, efficiency, as well as sharing of expertise and good practices should be essential elements of every decision-making and implementation process'

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Introduction

In view of the public consultation, the Agency for the Cooperation of Energy Regulators (ACER) is running, together with the European Network of Transmission System Operators for Electricity (ENTSO-E) on the role of stakeholders in the implementation of network codes and related guidelines, and on the establishment of European Network Code Stakeholder Committees, the European Heating Industry (EHI) would like to make a contribution by submitting this document to the discussion.

EHI welcomes the invitation to contribute to the ACER-ENTSO-E initiative, strongly believing in the benefits, exchange of information with stakeholders bear on the correct and full implementation of the network codes.

Further on, we consider that the network codes will also in the post implementation phase require certain monitoring and review. In this light, the European Network Code Stakeholder Committee would offer the suitable platform for exchanging field data and best practices between stakeholders and ACER-ENTSO-E. We, as the representative of the Cogeneration / μ CHP manufacturer side focussed on mass production for the residential segment are willing to contribute to this process.

The relevance of the European Heating Industry as stakeholder

The Association of the European Heating Industry represents 90% of the European market for heat and hot water generation, heating controls and heat emitters, as well as 75% of the hydronic heat pump and approximately 90 % of the μ CHP market. Europe is a global leader in micro-CHP generators and product technology, with innovation and manufacturing centers in Germany, the Netherlands and the UK.

Small scale CHP generates electricity at the time of day and time of year when heat demand is at its greatest, thereby coinciding with the times when demand on the electricity grid is at its peak and mainly during the parts of the year where the sun is not very strong and often not available, so this technology is an excellent supplement. Due to the particular nature of the micro-CHP, the interest and concerns of manufacturers and users should be represented in the implementation phase.

Due to this high relevance of the Network Codes, in particular, the Network Code setting Requirements for all Generators (NC RfG), EHI has been engaged already at the drafting stage of the network codes and is pleased to contribute furthermore during the implementation process, for instance on the following issues:

- ❖ On NC RfG in relation to the Limited Frequency Sensitive Mode - Overfrequency (LFSM-O) and the contribution of the μ CHP generators to support and improve the stability of the grid
- ❖ The status of measures – solutions with respect to emerging technologies according NC RfG Title 6, including the development on μ CHP technology and its needs for derogation
- ❖ Coordination with the European Standard Organisation CENELEC TC 8 during the implementation of the NC RfG into European product standards such as EN 50438, EN 50549-1 / -2

Structure of the European Stakeholder Committees

EHI welcomes the main principles and methodology, as outlined in the consultation document.

We agree with the suggested creation of standing committees for the different families of codes (Market codes, Operational codes and Connection codes), as well as the general tasks allocated to them. However, we would like to stress the importance of permitting certain flexibility for broader discussion on interconnected matters, if proven necessary.



EHI position on "the establishment of European Stakeholder Committees for Network Code implementation" **January 2015**

In addition, EHI acknowledges the European Stakeholder Committees as a suitable forum to discuss (i) the interactions between the provisions in the Network Codes and the potential for the emergence of robust energy services markets that reward flexible and highly-efficient generation, (ii) aligning the Network Codes with the EED (Energy Efficiency Directive) requirements and (iii) the implementation of certain provisions in the NC RfG which require monitoring, information sharing or co-ordination at the EU level, including the Emerging Technologies Classification or the derogation procedure in the NC RfG.

Finally, EHI strongly supports the principle that *all industry and customer views, whether they represent a majority or not, are taken into account.*