Dear Uros,

As you are aware, within IFIEC Europe we do not have necessarily all the experts available regarding the technical requirements of PGMs, SPGMs, pump-hydro facilities, etc which are the main scope of the RfG codes and as such IFIEC Europe will not provide a full-fledged and exhaustive overview of comments on the ACER proposal regarding RfG version 2. However, we have been discussing several topics also with the experts of other ESC stakeholders such as VGB and Eurelectric and in general we support their concerns.

In general, there are some specific issues which greatly worry industrial consumers as they could significantly impact not only the operation of assets, but also could (and in most cases clearly will) impact the cost position of these assets and thus of the overall system. Also, IFIEC Europe is concerned that in many cases the “easy” solution is chosen, by enforcing through the Network Code that all assets have built-in capabilities which can then be used afterwards (e.g. through application of SOGL/E&R or national legislation) to solve anticipated issues of grid operators. While this might be an effective approach, it might definitely not be an efficient approach, as it potentially leads to costly over-investments of  capabilities for all assets but to achieve the required overall impact this capability will not need to be used with all for all generators (e.g. contracting capabilities through market instruments). Therefore, generalised, too stringent and rigid obligations under the Network Code could drive up costs, and even lower the impact of innovation as the massive deployment of capabilities will erase the potential of more innovative solutions.

The specific topics in the proposed version of RfG that worry IFIEC are:

* Maintaining of the 110kV criterion. While IFIEC Europe greatly appreciates the efforts of ACER to try to find a balanced classification approach, we still firmly believe that such voltage criterion is not necessary and creates additional unwarranted costs. Additionally, it will lead to situations where identical assets have to comply with different requirements depending at which voltage level or in which legal constellation (e.g. CDS with its own RSO or industrial site with public RSO) they are connected. IFIEC Europe strongly insists on abolishing this 110kV requirement completely. In case this would not be done, while IFIEC Europe appreciates again the efforts of ACER to include a capacity threshold (in casu 10 MW), we insist that this threshold should be at least the value of the B-C delineation to avoid that any assets of type A or B would be treated as type D and this because of the important cost implications.

* Regarding the ABCD thresholds, IFIEC Europe strongly opposes lowering the threshold for type B to 0,5MW and insists that this is maintained at least at the current value of 1MW. By lowering this threshold, many more assets would fall under new obligations, and this for all new assets but also for all modernised assets towards the future, with again very important cost implications. Moreover, voltage requirements for these assets could have an important impact on industrial sites connected to the 380/400kV grids, as this could even result in requiring new transformers and could even hinder the deployment of assets of type B (such as PV and wind). IFIEC Europe thinks it would be better not to shift the threshold and to ensure that some values can be defined on a Member State level, whereas a “one size fits all approach” via a Network Code might lead to perverse effects.

* Moreover, also for industrial sites connected at a voltage level in the range 110 kV - 330 kV, the voltage criteria for new PGMs type B will create additional investments if the existing transformers HV/MV were not designed in the past according to the imposed voltage requirements. It makes a big difference to justify an investment connected at the internal MV network if the transformers HV/MV have to replaced due to those new voltage requirements.

* Regarding RoCoF, IFIEC Europe, in consultation with several experts, remains worried as it is not convinced that this topic has been sufficiently studied to allow the incorporation of specific values and requirements in the network code, as the process for modification of a Network Code is very lengthy and cumbersome, so unjustified specifical requirements in this version of the RfG code could wreak havoc in operational situations. Moreover, we are informed that the manufacturers of SPGMs are not convinced about the physical feasibility of the proposed RoCoF.

* Regarding all of the above, IFIEC Europe would also very strongly plead for the introduction (in RfG but also in DCC and HVDC) of the notion of a European derogation, in parallel to class and individual derogations which already exist today. This would allow to cope in a more agile way with potential issues and discrepancies that might arise out of this new version of the Network Code, while better ensuring harmonisation across the European Union, as the current (national) derogation processes lead to quickly varying requirements. While IFIEC Europe is thus greatly in favour of maintaining the already existing derogation procedures (to which it would even add the possibility for NRAs to initiate class derogations), it would be very prudent to add an additional European derogation process, a.o. allowing exceptions during the complete lifetime of the concerned PGMs.

* Regarding the requirements on electrical vehicles and the related supply equipment, IFIEC Europe is not an expert but wonders to what extent the proposals are the result of an already very mature reflection and whether these will not hamper innovation and impact competitiveness. Moreover, also in this field IFIEC Europe believes that a European derogation procedure could allow much more agile reactions to issues that might arise in the future. A similar argument can be raised regarding storage facilities.

While IFIEC Europe does not provide a full-fledged analysis of all the stipulations of the proposed update of the RfG Network Code, we hope that ACER will be able to take into account the above comments. IFIEC Europe will also provide this input in the formal consultation track.

Many thanks in advance for your consideration of these topics. I remain, as always, available for any questions or discussion.

Kind regards,

Michaël

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