Miia Miettinen
9.11.2023

Finnish Energy response to DSO Entity & ENTSO-E Public consultation on Network Code for Demand Response - FINAL VERSION

Below, comments and the proposal for the articles and an annex:

1	2	4	9	16	19
20	21	22	23	24	25
26	27	28	30	32	33
34	38	47	48	49	50
52	53	61 - 63	64 - 68	85	Annex 2

General comment about the Network Code:

> *"The Network code is way too long and complicated, and it could be shortened significantly at least for the parts concerning the final customers."*

The comments and Proposals from Finnish Energy:

Article	Original Content	Comment	Proposal
1	1. This Regulation establishes a network code which lays down the requirements in relation to demand response, including rules on aggregation, energy storage, and demand curtailment rules, to contribute to market integration, non-discrimination, effective competition and the efficient functioning of the market pursuant to Article 59(1) of Regulation (EU) 2019/943.	1. It should be considered that the when flexibility is addressed in the network code, it should include all kind of flexible resources, such as demand response, energy storages and production. Needed flexibility should be activated where it is most cost-efficient, which may involve either production, demand response and energy storages.	1. This Regulation establishes a network code which lays down the requirements in relation to demand response, including rules on aggregation, energy storage, **production** and demand curtailment rules, to contribute to market integration, non-discrimination, effective competition and the efficient functioning of the market pursuant to Article 59(1) of Regulation (EU) 2019/943.
2	(2) 'Submeter' means a metering device on customer's side, without its own connection agreement, which is placed behind the meter of the connection point with the transmission or distribution system operator as is defined in the connection agreement. (6) 'Metered Data Administrator' or MDA refers to Commission Implementing Regulation (EU 2023/1162 on Interoperability Requirements and non-discriminatory and transparent procedures for	(2) The agreement referred to here should not refer to connection point, but accounting point. The term used in Finland is network service agreement. We propose removing part "without its own connection agreement" since it is not inline with different national implementations and creates unnecessary confusion. (6) This point has a reference to Implementing Regulation about access to metering data. This role of	(2) 'Submeter' means a metering device on customer's side, which is placed behind the meter of the accounting point with the transmission or distribution system operator as is defined in the **network service** agreement **of the main metering point**. (6) – 'Metering data administrator' or 'MDA' can mean a different party depending on the national market structure and environment. (10) 'Grid user' means generator, **electricity user** or

	access to metering and consumption data. (10)'Grid user' means generator, consumer or a storage installation connected to systems operators' network. (16) 'Non-firm connection agreement means a connection agreement where the grid user has not been granted with a firm access to f capacity for parts or the entirety of the grid connection. (22) 'Controllable unit' or 'CU', means a single technical resource or an ensemble of technical resources behind the same single connection point, if these technical resources are commonly controlled. (28) 'Service providing unit' or 'SPU', means a single controllable unit or an ensemble of controllable units connected to the same single connection point. SPU is defined by the service provider to provide balancing, congestion management and voltage control services. (29) 'Service providing group' or 'SPG', means an aggregation of controllable units connected to more than one connection point. SPG is defined by the service provider to provide balancing, congestion management and voltage control services.	MDA has been considered from the scope of that Implementing Regulation and should not be referred here. The data interoperability requirements will be set in the upcoming Implementing Regulation for flexibility data. We propose deleting definition or redefining it. (10) We assume term consumer means all electricity users, not just consumers as in European consumer protection directive. (16) One word is missing. (20) mentions prequalification, is it grid or product or both? (22) connection point, should it be f.ex. accounting point? And should term 'accounting point' or similar term be defined? Connection point is not the right term. (28) connection point, should it be accounting point? See also (22) (29) connection point, should it be accounting point? See also (22)	a storage installation connected to systems operators' network. (22) 'Controllable unit' or 'CU', means a single technical resource or an ensemble of technical resources behind the same single **accounting** point, if these technical resources are commonly controlled. (28) 'Service providing unit' or 'SPU', means a single controllable unit or an ensemble of controllable units connected to the same single **accounting** point. SPU is defined by the service provider to provide balancing, congestion management and voltage control services. (29) 'Service providing group' or 'SPG', means an aggregation of controllable units connected to more than one **accounting** point. SPG is defined by the service provider to provide balancing, congestion management and voltage control services.
4	1. (a) setting out clear and objective principles for the development of rules regarding demand response, including rules on aggregation, energy storage and demand curtailment. 3. Contributing to market integration, non-discrimination, effective competition and the efficient functioning of the market.	1. (a) Should include production too. 3. We support these.	1. (a) setting out clear and objective principles for the development of rules regarding demand response, including rules on aggregation, energy storage, **production** and demand curtailment.
9	1. ENTSO-E and EU DSO Entity shall develop the Union-wide terms and conditions or	1. Incorrect or incomplete reference. Should it be Article 84 (Harmonisation)?	1. ENTSO-E and EU DSO Entity shall develop the Union-wide terms and conditions or methodologies, in case the

	methodologies, in case the relevant monitoring report produced pursuant to Article 77 (Harmonisation – title X) identifies the need for harmonisation. ENTSO-E and EU DSO Entity shall submit them for approval to the Agency.		relevant monitoring report produced pursuant to Article **84** (Harmonisation – title X) identifies the need for harmonisation. ENTSO-E and EU DSO Entity shall submit them for approval to the Agency.
16	3. In the event that all or part of any tasks specified in this Regulation are delegated to another party, the delegating system operator shall ensure that suitable confidentiality agreements in accordance with the confidentiality obligations of the delegating system operator have been put in place prior to the delegation. After delegating all or part of any tasks to another party, the delegating system operator must inform the relevant regulatory authority and publish this decision on the internet.	3. We do not support requiring: *"publish this decision on the internet."* In this case it shall be enough to inform the relevant regulatory authority.	3. In the event that all or part of any tasks specified in this Regulation are delegated to another party, the delegating system operator shall ensure that suitable confidentiality agreements in accordance with the confidentiality obligations of the delegating system operator have been put in place prior to the delegation. After delegating all or part of any tasks to another party, the delegating system operator must inform the relevant regulatory authority.
19	1. The aggregation models that are described below aim at defining how the participation of service providers is allowed, based on the configuration of the meter equipment and by the relationships established between the BRPs and market entities present at and behind any connection point. 2. Member States shall allow the aggregation models defined in the Articles 13(6) and 13(7) for each balancing or congestion management and voltage control services in the scope of this regulation, either one or the other or the combination of both. 5. Each technical resource assigned to a controllable unit shall be allocated to the same supplier, the same BRP and, where applicable, to the same balance group. 6. (d) the performance of the controllable units involved in providing the balancing, congestion management and	1. Connection point is not right here, should it be accounting point? 2. Incorrect or incomplete reference. Should it be same reference as Articles 6 and 7? – Otherwise, we support this point 2 in article 19. Combination of aggregation models should be possible. 5. We support this proposal. 6. (d) Connection point, should it be accounting point? 6. (f) connection point is not right here, should it be accounting point? 6. (f) What does ISP mean here? 7. (b) connection point is not right here, should it be accounting point? 8. We support the principle that when multiple suppliers are active at the connection point, the allocation of imbalance between different BRPs of multiple suppliers is performed following national rules. 9. The electricity supplier and BRP must be informed	1. The aggregation models that are described below aim at defining how the participation of service providers is allowed, based on the configuration of the meter equipment and by the relationships established between the BRPs and market entities present at and behind any **accounting** point. 6. (d) the performance of the controllable units involved in providing the balancing, congestion management and voltage control services is assessed only through the metering equipment at the **accounting** point. 6. (f) there must only be one BRP responsible for the activations of any service provider for each ISP, even if there are multiple service providers behind a **accounting** point. 7. (b) the metering equipment at the **accounting** point can be a conventional meter or smart meter;

	voltage control services is assessed only through the metering equipment at the connection point; 6. (f) there must only be one BRP responsible for the activations of any service provider for each ISP, even if there are multiple service providers behind a connection point. 7. (b) the metering equipment at the connection point can be a conventional meter or smart meter; 8. The aggregation models A and B defined in paragraphs 6 and 7 are the basic models. For simplification purposes, a simple version is assumed but the possibility of multiple suppliers and service providers behind the connection point providing balance or congestion management and voltage control services from different controllable units is possible. When multiple suppliers are active at the connection point, the allocation of imbalance between different BRPs of multiple suppliers is performed following national rules. The configurations and the responsibilities shall remain as they are in the simple version. 9. The interactions and data exchange remain the same in case of several service providers as it is in the simple version. Direct interaction and data exchange between the service providers are not envisaged.	of flexibility measures that affect their balance responsibility. The supplier and BRP need the information, but it can come from a centralized place, not directly from the service provider (SP).	
20	2. (a) the delivery of the service provider can be validated by the baseline for the controllable unit and by the metering equipment that provides relevant measurements for the energy injected or withdrawn used by the service provider. Any deviation from the delivery corresponding to the activation of the balancing, congestion management and voltage	2. model B: How to manage, for example, all heating sources behind one accounting point. If one electrical heating source provides flexibility as CU, but there are other heating electrical sources, the end result of flexibility activation may be that no actual flexibility is provided, but someone is paid for the (non)action. NC shall leave room for national product	

	control services compared to the requested activation is assigned to the service provider's BRP; 2. (b) when service provider takes his balance responsibility or contractually delegates his balance responsibility to a third party that is not the BRP of the supplier, the allocated volume to the supplier's BRP is based on the measurements of the meter at the connection point. One of the approaches described in Article 28(4) [Imbalance Settlement] shall be applied to the BRP of the supplier for calculating the actual delivery and subsequent imbalance; and 2. (c) the fact of having two different metering points (measuring the connection point and the controllable unit) enables to unambiguously assign the imbalances to the relevant parties.	development to avoid this kind of situation as it can bee seen as one form of gaming.	
21	7. The meter data acquisition and the meter data correction shall be done within time periods specified by the common national terms and conditions. The process, including possible meter data corrections allowed in national processes, shall be finalized within 12 months following the activation period. 9. The BRP of the service provider shall receive the relevant data values corresponding to those periods where the controllable units under its portfolio were providing a service. Depending on the common national terms and conditions, the supplier or the BRP associated to the supplier shall be responsible for the reception of the relevant data values of the metering point for all timeseries with exception of the specific data related to the activation.	7. National rules on meter data corrections shall be respected. I Finland meter data and billing is corrected three years backwards. The time requirement shall be removed from the NC. 9. The point is a bit unclear. It is unclear what it is meant by the relevant data values, what the supplier or the BRP associated to the supplier receives? The electricity supplier and BRP must be informed of flexibility measures that affect their balance responsibility.	7. The meter data acquisition and the meter data correction shall be done within time periods specified by the common national terms and conditions.

22	5. If national rules foresee a financial compensation, the following provisions shall apply: 5. (a) when service provider provides a demand reduction, a compensation to the supplier should apply being the party that indeed previously purchased that energy, according to national rules, for supplying to its clients, unless negative prices would apply where the compensation is applied from the supplier to the service provider; 5. (b) when service provider offers an increased demand, a compensation from the supplier to the service provider should apply, being the supplier the beneficiary of billing more energy to the customer, according to national rules, unless negative prices would apply where the compensation is applied from the service provide to the supplier.	5. Any demand reduction or increase by service providers affects the imbalance of supplier. Suppliers procure their electricity in advance based on their consumption forecasts of their customers. Thus, any unexpected changes in consumption means that suppliers expose to unexpected costs. The impact can be reduced by correcting balance settlement and paying compensations. The correctness of the amount of flexibility (mainly correctness of baseline) and the reference price determine how well this is achieved. The national imbalance correction and compensation model must be prepared carefully and the network code must leave flexibility for national implementation in this respect. 5. (a) and 5. (b) The code must allow these to be regulated in national terms and conditions on a national basis. We propose “shall” to be changed “may”.	5. If national rules foresee a financial compensation, the following provisions **<u>may</u>** apply: (a) when … Suggestion that contents of Article 23 (2) are moved to Article 22, e.g., include the rebound effect Removed in Article 23(2) to Article 22: “The national rules may define and consider the positive and negative costs related to the rebound effects.”: **7._NEW** (If Article 23(3) removed, see also Article 23 comments) Costs for the supplier resulting directly from the activation of services by the Service Provider **may** include the following: (a) Compensation due to non-consumed energy when consumption is reduced; (b) The national rules may define and consider the positive and negative costs related to the rebound effects
23	1. The costs and benefits of the activation of the flexibility resource may be covered by the financial compensation defined in Article 22 (Financial compensation), and shall be determined by the relevant national authorities. 2. Costs for the supplier resulting directly from the activation of services by the Service Provider shall include the following: (a) Compensation due to non-consumed energy when consumption is reduced; (b) If applicable, also the negative and positive costs related to rebound effects. 3.	2. and 3. the EU directive 2019/944 mention: *“The method for calculating compensation **may take account** of the benefits brought about by the independent aggregators to other market participants and, where it does so, the aggregators or participating customers may be required to contribute to such compensation but only where and to the extent that the benefits to all suppliers, customers and their balance responsible parties do not exceed the direct costs incurred.”* EU directive 2019/944 allows benefits to be taken into account, but it does not require benefits to be taken into account in the compensation calculation	Suggestion that contents of Article 23 (2) are moved to Article 22, e.g., include the rebound effect mentioned in Article 23(2) to Article 22: “The national rules may define and consider the positive and negative costs related to the rebound effects.” 2. DELETE THIS POINT 3. DELETE THIS POINT

	Benefits brought by service provider activations of services to other market participants when the liquidity is increased shall include the following: 3. (a) lower investments in generation facilities; and 3. (b) lower wholesale market clearing (for both day ahead and intraday).	method (financial compensation). Similarly, benefits that independent aggregators can bring to the market, such as a decrease in the market price due to increased supply, can be provided by any market participant, including suppliers and BRPs. All market participants (including suppliers and balance responsible parties) must have equal and non-discriminatory opportunities to participate in the market. If the compensation for the independent aggregator model were reduced for the independent aggregator so that the costs caused by the compensation were shared with other market players, such as electricity suppliers, this could lead to an unequal market. That´s why we suggest that Article 23 (2) is moved to the new point to Article 22 (7._NEW) and Article 23 (3) is removed.	
24	4. If applicable the BRPs involved in the activation shall obtain the notification about the activation.	4. BRPs and suppliers shall both receive this notification.	4. If applicable the BRPs and **suppliers** involved in the activation shall obtain the notification about the activation.
25	1. The systems operators shall define general requirements for validating the baselining methods. Depending on the aggregation models applied, the national market design, the type of service and the type of technical resource, different baselining methods can be nationally implemented and applied. Therefore, the DSO(s) and the TSO(s) shall make common proposals for the TCs, on the baseline methods and the processes for its definition, calculation and validation, in each Member State and for the congestion management and voltage control services. For balancing services, the TSO(s) shall	1. What is the meaning of TC? Throughout the document, it needs to be used uniform abbreviations that are defined in the beginning of the document. 4. Should the requirements for the methods include clarity and simplicity? 4. (e) We strongly support this. This is very important for BRPs from the perspective of balance management and balance adjustments.	**4. (g_NEW)** The methods shall be comprehensible and as simple as possible.

	define the procedure for validating baselining methods for all balancing service providers, in line with Regulation (EU) 2017/2195. 4. The baselining methods shall be based on the following principles: 4. (a) the methods shall comply with relevant European standards and regulations; 4. (b) the methods shall be recalculable and transparent for the stakeholders; 4. (c) the methods shall avoid gaming (e.g. manipulating the baseline instead of activation or deactivation of power); 4. (d) the methods may consider the impact of a delivery of a balancing, congestion management and voltage control service, outside the time of activation but within contracted times; 4. (e) the methods shall be objective and shall deliver reliable results; and 4. (f) the methods shall use, if possible, the existing available data.		
26	2. The system operators have the right to require all data needed to secure a proper activation of services and to set requirements designed to avoid deception and gaming possibilities.	2. We support these.	
27	12. Each service provider shall ensure that the delivery of the congestion management and voltage control services is registered at the connection point(s).	12. Connection point is not right here, should it be accounting point?	12. Each service provider shall ensure that the delivery of the congestion management and voltage control services is registered at the **accounting** point(s).
28	4. (b) where applicable, relevant TSO shall calculate an imbalance adjustment to be applied to the concerned balance responsible parties for each activated congestion management and voltage	Reword Article 28(4b) considering the following aspect: In a case that it is allowed for service providers to contractually delegate its balance responsibility for multiple BRPs always	

	control services and for each activated balancing service. When the concerned balance responsible party is the BRP of the service provider in line with Article 19(6-7) [Aggregation models], the imbalance adjustment shall be based on the requested value of the service. When the concerned balance responsible party is the BRP of the supplier in line with Article 19(6-7) [Aggregation models], the imbalance adjustment shall be based on the measured or calculated value of the provision of service, except when, **for both models A and B, service provider contractually delegates his balance responsibility to the BRP of the supplier, where the imbalance adjustment shall be based on the requested value of the service.**	depending on who is the BRP of the flexible resource, the Article 28(4b) “imbalance adjustment shall be based on the requested value” is not sufficient as such or at least more information would be required than just “requested value” to execute the imbalance settlement. If the service provider has several flexible resources with different BRPs and REs in its portfolio and bid and it has done bilateral contracts with several BRPs on delegating its balance responsibility (based on who is the BRP of the flexible resource), the imbalance adjustment cannot be based just on the information of “requested value of service”, since the share of each BRP of the requested value is not known in the imbalance settlement (unless this information is asked separately from the service provider, which would likely end up in a complicated model). However, in this situation, it is still possible to do the imbalance adjustments of the BRPs of flexible resources based on the measured/calculated value of provision of service, which would mean that the service provider would still have the possibility to agree on compensations bilaterally with BRPs and REs of its flexible resources, the service provider would not delegate its balance responsibility for multiple BRPs but the service provider would be responsible of any imbalances that it causes to the system. The network code should not exclude possibilities of implementing a model (if nationally decided) where, in this case, the service provider holds	

		responsibility of imbalances it may cause to the electricity system.	
30	1. The service provider shall successfully pass a service provider qualification with the requirements laid down in paragraphs 2, 3, 4 and 5 before being granted access to markets for balancing, congestion management or voltage control services. In case the service provider is already qualified for one or more markets for balancing, congestion management or voltage control services and applies for the participation in another market for balancing, congestion management or voltage control services, a simplified qualification process shall be foreseen further specified in the national TCMs for service providers. 6. In case the ICT system of the service provider is subject to a significant update or the ICT system's provider is significantly changed with potential effect on the reliability of its service provision, the service provider qualifying responsible shall have the right to re-perform the communications test. The service provider shall inform the service provider qualifying responsible about these changes without undue delay and no later than 5 business days prior to the significant update or provider change.	1. What is the meaning of TCM? Throughout the document, it needs to be used uniform abbreviations that are defined in the beginning of the document. 6. Is 5 business days enough? What is the significance of this time limit in this document? There is no time to carry out comprehensive certifications in a week to address any possible findings. Is it necessary to adjust the time limit here? Can it be laid down in national conditions?	
32	1. The PPR shall have the right to reassess and potentially require a repetition of the product prequalification or product verification, following the steps indicated in article 31 (Pre-Conditions and Applicability of the product prequalification and product verification processes), of an SPU or an SPG, when one of the following criteria applies: (a) if the prequalified or verified capacity of the SPU or the		1. (a) if the prequalified or verified capacity of the SPU or the SPG changes by more than 10% or 3 MW compared to the previously prequalified or verified SPU or the SPG due to additions or removal of controllable units. If the PPR requires a repetition of the product prequalification or product verification, the service provider shall be entitled to participate in the market with the previous qualified set-up of the SPU or SPG. **Added controllable**

	SPG changes by more than 10% or 3 MW compared to the previously prequalified or verified SPU or the SPG due to additions or removal of controllable units. If the PPR requires a repetition of the product prequalification or product verification, the service provider shall be entitled to participate in the market with the previous qualified set-up of the SPU or SPG;		**units shall be standardized or of the same type as the units included in the previous prequalification;**
33	2. The operator of a flexibility register platform with a CU module shall ensure that at any single point in time, a controllable unit shall only be assigned to one service provider and can change the service provider according to the process for switching the service provider for a controllable unit further described in the national terms and for service providers. 3. The new service provider shall be responsible to make the final customer aware of the terms and conditions of the switch of the SP. The operator of a flexibility register platform with a CU module shall provide necessary digital procedures for the final customer to approve or reject the switch. 8. CUs that are already in operation at the entry into force of this regulation may be used without changes implied by paragraphs 5, 6 and 7 until 3 years after entry into force of this act. 9. The competent NRA shall foresee means to monitor and assess the completion of the documentation and standardisation provisions in paragraph 8 and 9.	2. We strongly support the principle that at any single point in time, a controllable unit shall only be assigned to one service provider. 3. *"Digital procedures for the final customer to approve or reject the switch"* This is not necessary in this network code, it may cause unnecessary confusion. Is not necessary, because it is in directive 2002/65/EC (concerning the distance marketing of consumer financial services and amending Council Directive 90/619/EEC and Directives 97/7/EC and 98/27/EC). The second sentence of this points should be removed. 8. The NC shall not set retroactive requirements to appliances installed before entry in force of this code. The equipment currently active in national flexibility markets shall be able to continue their use without retroactive requirements. The provision shall only set rules to new appliances. 9. Are the references right? Should references be 7 and 8?	3. The new service provider shall be responsible to make the final customer aware of the terms and conditions of the switch of the SP. 8. DELETE THIS POINT 9. The competent NRA shall foresee means to monitor and assess the completion of the documentation and standardisation provisions in paragraph **7 and 8**.
34	1. When multiple systems operators are potential buyers of the same product for the same SPU or SPG under prequalification, the systems		1. When multiple systems operators are potential buyers of the same product for the same SPU or SPG under prequalification, the systems operators shall agree on **the** PPR**(s)**.

	operators shall agree on one PPR.		
38	3. Systems operators shall define in national terms and conditions for service providers the verification criteria for each product based upon the minimum percentage of service deliveries or upon minimum percentage of quantity delivered from all activations or upon minimum percentage of the quantity delivered from a single activation or by combination of these criteria or based on some other criteria.	3. This should be more clarified.	
47	2. Each systems operators shall choose the most effective and economically efficient option or combination of options of the different tools at its disposal, which can include grid investments, non-firm connection agreements, grid-technical measures, including non-costly remedial actions, and market-based procurement and activation of local systems operators services or other tools to maintain active energy flows or voltage within operational limits3. The principles to choose should be transparent and coordinated.	2. We support the principle that each systems operators shall choose the most effective and economically efficient option or combination of options of the different tools at its disposal, which can include grid investments, non-firm connection agreements, grid-technical measures, including non-costly remedial actions, and market-based procurement and activation of local systems operators services or other tools to maintain active energy flows or voltage within operational limits.	
48	13. Systems operators are entitled to present a common proposal for market-based congestion management mechanisms to the national regulatory authority that complements the existing non –market-based mechanisms in line with paragraph 4. This proposal shall describe interactions with existing non-market-based mechanisms.	13. It is unclear what existing non –market-based mechanisms refers to.	
49	1. Procurement rules detailed in national terms and conditions referred to in Article 48 (National terms and conditions for market design for congestion management and voltage control services through active power), shall follow these principles:	1. (a) We support the principle to enable participation of any resources (production, consumption or storages). 4. We support the principle to allow all described pricing mechanisms.	

	1. (a) enable participation of any resources (production, consumption or storages); roviders and ensure technological neutrality. 4. The pricing mechanism for market-based procurement of congestion management and voltage control services shall allow for: 4. (a)variations depending on different products, voltage level of the issue1, different time horizons, different depth/liquidity of markets, and specific national and/or local features and purpose of the activation; 4. (b) predetermined prices for availability and/or activation of resources contracted in advance subject to an assessment of economic efficiency; and 4. (c) energy-only payments and/or capacity payments, subject to assessment of economic efficiency.		
50	2. Further criteria to be fulfilled by the tendering procedure shall be defined at national level;	2. We support the principle that further criteria to be fulfilled by the tendering procedure shall be defined at national level.	
52	7. Systems operators or, if applicable pursuant to requirements in national terms and conditions pursuant to article 48 [National terms and conditions for market design for congestion management and voltage control services through active power], local market operator(s), shall publish, no later than three months, at least next market results of congestion management and voltage control services, promoting transparency while respecting commercial secrecy and confidentiality of information and preventing market distortion and in compliance with national rules and applicable national regulatory authority decision(s):	7. Is three months enough?	

53	4. The national terms and conditions for the market design for congestion management and voltage control services shall: 4. (c) Minimize the possibilities for withholding of capacities, gaming and other market abuse;	4. (c) The national terms and conditions should not be the only meaning of control: minimize the possibilities for withholding of capacities, gaming and other market abuse. Monitoring should do by NRA like it mention Directive (EU) 2019/944 Article 59 Duties and powers of the regulatory authorities, 1. (o).	
61-63	TITLE V SYSTEMS OPERATORS -OWNED STORAGE FACILITIES	We support the main principle that the ownership and operation of storages is always primarily a competitive business. Therefore, network companies should not own or use storages, but acquire corresponding flexibility features as services in a competitive market. Where it is proven that the necessary flexibility services are not available on the market and the national regulator grants a derogation on a case-by-case basis, it shall be ensured that the arrangement does not cause market disruption.	
64-68	TITLE VI DISTRIBUTION NETWORK DEVELOPMENT PLANS, CHAPTER 11 Distribution Network Development Plan	In a fundamental level we want to raise the question whether there is a mandate to set rules for Distribution Network Development Plans (DNDP) in this NC. The guidelines of network codes are set in Electricity Regulation 2019/943 CHAPTER VII, NETWORK CODES AND GUIDELINES. As we see the regulation doesn't give a mandate to regulate DNDPs in the network code. In case there however is a mandate to regulate DNDPs in this NC we want to highlight that the draft network code shall be revised and compared with existing EU legislation. Electricity directive Article 32 point 3 already includes	Delete CHAPTER 11 Distribution Network Development Plan from NC or (if existing mandate is proven) assess and remove all overlaps with existing regulation (namely Electricity directive Article 32 point 3).

		many of the provisions proposed in the draft Network Code. Requirements for NDPs are at now least partially overlapping with existing EU legislation. Overlaps shall be avoided. In more detail, as we see following points are overlapping with existing Electricity Regulation as: Draft NCDR Art 64 (1), (2), (3), (4) Draft NCDR Art 65 (1), (2 at least to large extent) Draft NCDR Art 66 (3) Draft NCDR Art 68 (1), (6), (7), (8), (9)	
85	2. Until flexibility register is in place, systems operators may use existing IT solutions and tools to provide for the possibility of offering services on the basis of this Regulation.	2. We support this.	
Annex 2	2 | Service provider | Nationally unique identification of the service provider as referred to in Table 1 No. 1.	Table 2.3 (2) Is Table 1 No. 1. right reference?	

Yours sincerely,
Miia Miettinen
miia.miettinen@energia.fi
Senior Advisor, Networks and Services
Finnish Energy