

# Work Program 2018

Nordic Energy Regulators  
(NordREG)

## Report 1/2018

**NordREG**

[www.nordicenergyregulators.org](http://www.nordicenergyregulators.org)

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# 1 Preface

European co-operation and the drive towards an internal European energy market is of crucial importance to the clean energy transition in Europe. The national energy regulators have a key role in promoting future market design that supports well-functioning markets.

The regulators in the Nordic region have a unique, long standing and strong cooperation in developing the electricity regulation for the benefit of Nordic consumers. Our vision is that all Nordic electricity customers will enjoy free choice of supplier, efficient and competitive prices and reliable supply through the internal Nordic and European electricity market.

With an increasing share of renewable, non-plannable production, well-functioning markets and networks become of even greater importance to our common energy system. Implementation of the European network codes and guide lines plays an important role for the development of the markets and the energy system. In 2018, the Nordic regulators will focus on an efficient implementation in the Nordic area as well as influencing the decisions made on European level. To secure efficient handling of common decisions and approvals, we have established the Energy Regulators Regional Forum (ERRF).

We will also continue harmonizing the Nordic retail market for electricity. In 2018 we will elaborate joint Nordic positions in a European context. We will also coordinate the follow-up of the Nordic retail market in accordance to the Cooperation of European Energy Regulators' (CEER) roadmap for well-functioning markets.

An emerging market for demand side flexibility is an increasingly important tool for the European electricity system to deal with increasing shares of variable production. We will monitor the development in our region in the areas of pilots, development of regulation and the implementation of the Clean energy package. In the area of network regulation, we will focus on exchanging experiences looking for common best practices in the Nordics.

To stand strong also in the future, we will launch a regulators strategy group with the mission to deepen our cooperation. The task of the strategy group will be to revisit the vision of NordREG and present a future proof strategy for regulatory cooperation. We are also looking forward to the establishment of a Nordic Regulatory Forum, hosted by the Electricity Market Group, during the coming year.

All in all, 2018 will be an important year for NordREG. With dedicated groups for retail market, wholesale and transmission, network regulation and demand flexibility, I am confident that NordREG will continue to contribute to the development of a well-functioning Nordic and European electricity market. The missions and tasks for our working groups are presented in the following work program.

Eskilstuna, January 2018

Anne Vadasz Nilsson  
Chair of NordREG 2018

## 2 Introduction

NordREG is a cooperation between the Nordic energy regulators. The cooperation was established through a Memorandum of Understanding (MoU), signed in 2002. The MoU lays down objectives and modes of the cooperation. Prior to a formal agreement on cooperation, the tradition of bi-annual meetings and rotating chairmanship started in 1999.

The following authorities are members of NordREG:

- Denmark:** The Danish Energy Regulatory Authority, (Energitilsynet, DERA)
- Finland:** The Energy Authority, (Energiavirasto, EV)
- Iceland:** The National Energy Authority, (Orkustofnun, OS)
- Norway:** The Norwegian Water Resources and Energy Directorate, (Norges vassdrags- og energidirektorat, NVE)
- Sweden:** The Energy Markets Inspectorate, (Energimarknadsinspektionen, Ei)

NordREG's work is, on the one hand tightly linked to assignments from the Electricity Market Group (EMG), which is subordinate to a Committee of Senior Officials for Energy of the Nordic Council of Ministers. EMG is responsible for following up and coordinating concrete measures agreed by the Nordic Energy Ministers.

On the other hand, Nordic regulators at their own initiative and by inputs from market participants can undertake joint Nordic initiatives to improve the functioning of the Nordic electricity market also within a European context.

A third stream of work is the work that originates from European energy regulators' cooperation, in Council of European Energy Regulators (CEER) and Agency for the Cooperation of the Energy Regulators (ACER). Coordination with CEER and ACER is a horizontal issue that goes through all NordREG projects. The aim is seamless coordination with adjacent regions and European cooperation. On some issues, NordREG will have a coordinating role for the Nordic regulators.

NordREG work takes the form of discussions, exchange of ideas, and of writing reports. The cooperation is based on a tradition of consensus and a strong political commitment to developing the common Nordic electricity market.

NordREG aims at a high level of openness and transparency.

NordREG will seek close cooperation with Nordic competition and financial supervisory authorities. Taking account of issues concerning transparency, the financial market and competition arising from EU initiatives will be important.

### 3 Mission and vision

The focus of the Nordic energy regulators' cooperation through NordREG is to create added value for the Nordic electricity market by cooperation, information exchange, analyses etc. and by delivering statements and reports for harmonization and improvements in the Nordic electricity market in view of especially developments and changes in the European and EU context and frameworks. The work within NordREG focuses on practical, relevant solutions to common challenges, i.e. in relation to the European network codes and guidelines.

This focus is reflected in NordREG's mission and vision:

NordREG's mission:

**In cooperation, we actively promote legal and institutional framework and conditions necessary for developing the Nordic and European electricity markets**

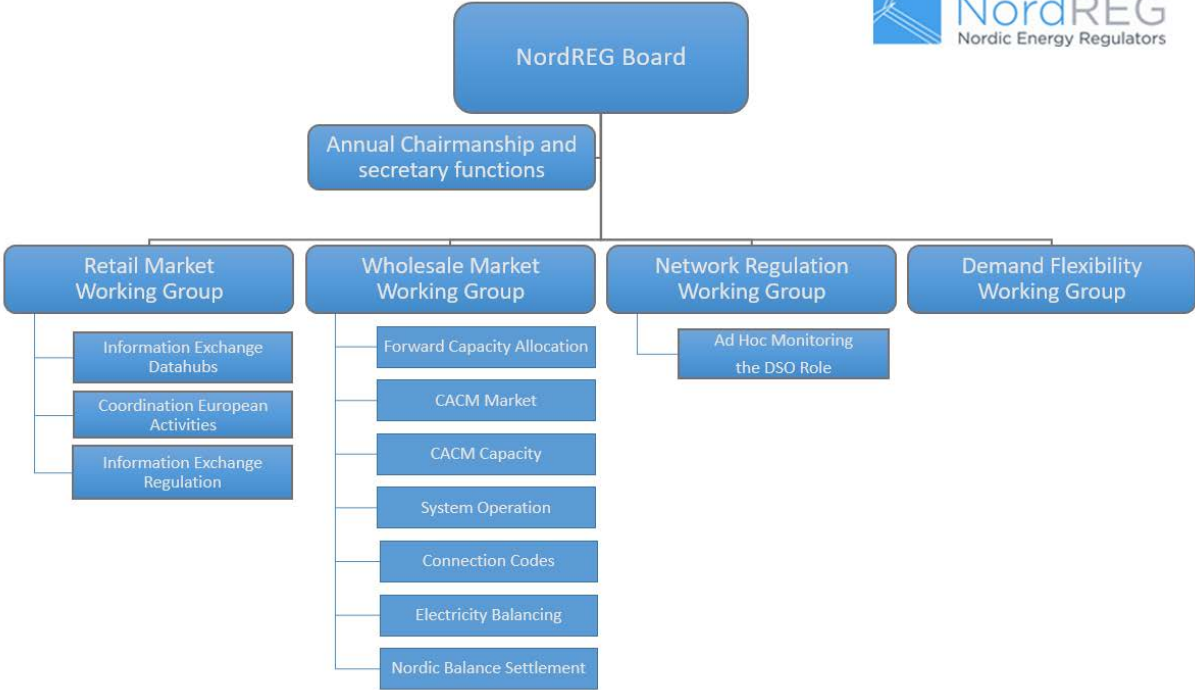
NordREG's vision:

**All Nordic electricity customers will enjoy free choice of supplier, efficient and competitive prices and reliable supply through the internal Nordic and European electricity market**

In 2018, NordREG's focus will continue to be the European development with the finalization and adoption of network codes and guidelines and their implementation and effects on the Nordic electricity market and the development of a harmonized Nordic retail market. NordREG will also continue the work on network regulation and tariff designs and specific retail market development in relation to demand side flexibility.

The NordREG working groups will continue to coordinate common Nordic positions relating to the Clean energy package when deemed valuable.

### 3.1 Organisational structure of NordREG activities



# 4 Strategic priorities and projects

## 4.1 Retail market

The objective of the RMWG is to work actively to promote a better situation for the customers at the retail markets in the Nordic countries.

The Retail Market WG (RM WG) has made large and very important contributions to the development and discussions regarding a harmonized Nordic end-user market. With the initiatives undertaken and results obtained and delivered to EMG in the previous years, the Board finds that the next essential steps towards a common Nordic end-user market rests on political decisions and initiatives. Consequently, the work in the retail market WG will focus on:

- Follow closely and share experiences regarding the ongoing national work on the common Nordic end-user market. The WG is the forum where the Nordic NRAs exchange information, views and tries to reach common positions on issues related to the implementation of a common Nordic and European end-user market. As NRAs in small countries it is easier to get the message through in the European fora by having a common view or standpoint and promoting it together.

The work will focus on

- Influence the EU to promote solutions in line with Nordic experiences and goals. There should be particular focus on establishing common understanding between the NordREG members and where obtained, it should be used as a base for stronger activity in relevant EU foras and CEER groups.
- Continue information exchange regarding the ongoing implementation of earlier NordREG recommendations.
- Exchange information and best practice on monitoring.
- Alignment of the set up to ensure co-functioning of the present and coming Nordic data-hubs.
- Follow the customers' situation at the Nordic retail markets for electricity.



## 4.2 Wholesale market

The European market integration is developing at a high pace, which underlines the need for a forum where topics of immediate importance can be discussed and decided. The work in the W&T WG reflect this development – both in priorities of the work to be done and in the way the working group operate. Accordingly the W&T WG will focus on:

- Continue the work on the Nordic implementation of the articles in Commission Regulation (EU) 2015/1222 establishing a guideline on capacity allocation and congestion management (CACM GL) CACM GL.
- Continue the coordination related to measures to support the forward market in the case of insufficient hedging possibilities and decisions related to cross-zonal risk hedging opportunities. Monitor and capture important EU developments in order to propose appropriate NordREG initiatives /responses.
- Coordinate the implementation of the network codes and guidelines.
  - Commission Regulation (EU) 2015/1222 establishing a guideline on capacity allocation and congestion management (CACM).
  - Commission Regulation (EU) 2016/719 establishing a guideline on Forward Capacity Allocation (FC).
  - Commission Regulation (EU) 2017/2195 establishing a guideline on Electricity Balancing (EB).
  - Commission Regulation (EU) 2017/1485 establishing a guideline on System Operation (SO).
  - Commission Regulation (EU) 2017/2196 establishing a network code on Emergency and Restoration (ER).
  - Commission Regulation (EU) 2016/631 establishing a network code on requirements for generators. (RfG)
  - Commission Regulation (EU) 2016/1388 establishing a network code on demand connection (DCC)
  - Commission Regulation (EU) 2016/1447 establishing a network code on requirements for grid connection of high voltage direct current systems and direct current-connected power park modules (HVDC).
- The Nordic Balance Settlement Task Force (NBS TF) will continue to follow and coordinate how new market implementations such as XBID, NEMOs and aggregators can affect the Nordic Balance Settlement.

### **4.3 Network regulation**

The Network Regulation WG's focus is to identify areas of Nordic interest. The working group has identified following areas for next year: Storage of electricity, demand side response and tariff design in the Nordic countries. Furthermore, the working group will monitor international development on the topics in CEER/ACER. Where there is a joint Nordic interest and position, the working group will strive to coordinate their engagement in the CEER/ACER groups or to compose a brief position paper.

### **4.4 Demand side flexibility**

Demand side flexibility is becoming an increasingly important tool for the European electricity market and it has been a special focus area of NordREG in 2017. It will continue to be a priority for NordREG in 2018 with specific analyses of important aspects of demand side flexibility where studies on a Nordic level will strengthen the competence and common understanding of the role demand side flexibility could play in the future. The working group will focus on:

- Monitoring ongoing discussions and initiatives regarding flexibility at the European arena and seek to coordinate common Nordic positions where beneficial.

# 5 Retail Market

## 5.1 Retail Market WG Tasks

### **Task 1. Information exchange regarding the ongoing national work to implement national data hubs**

Implementation of data hubs is clearly beneficial for the development of electricity retail markets. The current progress of the data hub projects is therefore fully supported by NordREG. The development of national data hub solutions and the following regulations will be implemented at the national level. However, NordREG promotes the exchange of ideas and lessons learned from current data hub projects. Increased cooperation between data hub operators may potentially lead to lower costs and improved IT services for the industry.

The work in RMWG regarding this task will focus on a biannual status report to NordREG Board that describes the ongoing work to implement national data hubs. In addition to this report, RMWG will also have a yearly meeting with the Nordic TSOs. The purpose of this meeting is to further strengthen the sharing of current relevant information regarding the hub projects, and to give TSOs the opportunity to raise regulatory questions.

When: Ongoing  
Responsible: RMWG  
Deliverables: Short biannual internal memos to the NordREG Board.

### **Task 2. Coordination of European activities**

NordREG foresees a continued high focus and development in the energy area on the European level. There are quite a few steps that need coordination on the European level if the climate goals for 2020, 2030 and 2050 are to be reached.

To not risk new obstacles for a harmonized Nordic market there is an increased need of coordination of implementation of European legislation on the Nordic level. RMWG is the forum where the Nordic NRAs exchange information, views and if needed tries to reach common positions on issues related to the implementation of a common Nordic and European end-user market.

The work shall focus on influencing the EU to promote solutions in line with Nordic experiences and goals. There should particularly focus on establishing common understanding between the NordREG members and where obtained, it should be used as a base for stronger activity in relevant EU foras and CEER groups.

When: Ongoing  
Responsible: Retail Market WG  
Deliverables: Regular status reports to NordREG Board

### **Task 3. Monitoring workshop**

RMWG has arranged a monitoring workshop in 2017. The purpose was to share and benefit from national monitoring experiences. RMWG will arrange a similar workshop in 2018.

When: Ongoing  
Responsible: Retail Market WG  
Deliverables: Ws, internal memos

### **Task 4. Customer Survey 2018**

RMWG will conduct a Nordic customer survey 2018. The survey will be done by one consultant and have 1 500 respondents in each country (Denmark, Finland, Norway and Sweden). RMWG will initiate a procurement process Q1 2018 and report development to Board on a regular basis.

The purpose of the survey is:

- to indicate where to put extra effort when developing a common Nordic retail market (the result should be considered when RMWG plan activities for 2019),
- to indicate where to put extra effort when developing national retail market (the result could be considered when national regulators plan activities for 2019),
- to find differences between national retail markets (regarding for example trust, complexity and information level) and analyse if it is possible to learn from each other,
- to show stakeholders (customers, suppliers, government, the EU, customer organisations etc) that national regulators and NordREG are interested in customer views and experiences to facilitate evidence-based policy making.
- To be an important part of a Nordic cooperation around the self-assessment of the metrics in the CEER “2017 Handbook for National Energy Regulators”.

When: 2018  
Responsible: Retail Market WG  
Deliverables: Report from consultant to Retail Market WG Q2, internal report Retail Market WG to NordREG Board Q3, possible external report Q4.

### **Task 5. Self-assessment of the metrics in the CEER “2017 Handbook for National Energy Regulators”**

In January 2017 the Council of European Energy Regulators, CEER, approved 2017 Handbook for National Energy Regulators. The handbook includes 25 metrics aimed to help national regulators evaluate the performance of their retail energy markets.

By the end of 2018 all CEER members are recommended to have done a first self-assessment of the metrics. This means that data has been collected and that each NRA has set a national objective and analyzed the gap between the collected data and the national objective for each of the metrics.

RMWG will follow and discuss the national self-assessments from a Nordic perspective. The data and the national objectives for each metric will be collected in a common document. RMWG will also have discussions about possible Nordic objectives for each of the metrics.

The main objective of this task is to share experience regarding the ongoing national self-assessments. Together with the result from the *Customer Survey 2018* it will give RMWG a common picture of the Nordic retail market that can be used both externally and internally.

When: Ongoing  
 Responsible: Retail Market WG  
 Deliverables: Regular status reports to NordREG Board

**Table 1. Retail Market WG**

Task #	Projects	Deadline
1	Information exchange regarding the ongoing national work to implement national data hubs	Ongoing
2	Coordination of European activities	Ongoing
3	Monitoring work shop	Ongoing
4	Customer Survey 2018	Q4
5	Self-assessment of the metrics in the CEER “2017 Handbook for National Energy Regulators”	Ongoing

# 6 Wholesale & Transmission

## 6.1 Wholesale and transmission WG tasks

The tasks in the Wholesale and Transmission working group (W&T WG) in 2018 are related to the European network codes and guidelines. The Task Force-structure of the Wholesale and Transmission Working Group has therefore been organised according to the different network codes and guidelines.



As a consequence of the network codes and guidelines a number of regional decisions has to be made. The Nordic region does in essence consist of the same member states as NordREG. NordREG can therefore act as the forum where regional decisions for Nordic are prepared and taken. Formal approvals in the Nordic region, will be made in the Nordic body Energy Regulator Regional Forum (ERRF) that was established in 2017 for this purpose. Several decisions on regional level are expected during 2018. These are listed under the descriptions of the different task forces below. These decisions are relevant for the wholesale and transmission areas and NordREG W&T WG will therefore be the umbrella under which these processes are coordinated.

The W&T WG is responsible for keeping a close relationship to stakeholders in the wholesale and transmission related issues, including the Nordic Transmission System Operators (TSO). Annual meetings with the TSOs will be arranged for exchange of information. During 2018 specific attention will be devoted to, as an example, the development of the new System Operation Agreement (SOA).

In 2018, the W&T WG NordREG will continue to identify topics from the European Commission where it is deemed beneficial as well as possible to reach coordinated Nordic positions. In addition, the W&T WG will identify possible further areas for development and integration of the Nordic electricity market in the years to come with the aim to realize further socioeconomic benefits to the Nordic market area. In this aim, it might be efficient to go beyond the requirements of network codes and guidelines.

The table below outlines the timing and work load in regional decision making. Thick line indicates relatively larger work load for NRAs.

Task Forces	2018												2019					
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FCA TF	[Thick yellow arrow]																	
CACM Market TF	[Thick red arrow]																	
CACM Capacity TF	[Thick green arrow]																	
- Monitoring	[Thin green arrow]																	
System Operation TF	[Thick blue arrow]																	
Connection Codes TF	[Thin purple dashed arrow]																	
Electricity Balancing TF	[Thick tan arrow]																	
NBS TF	- Implementation finalised in Sweden, Finland and Norway 1 May 2017																	

## **FORWARD CAPACITY ALLOCATION TASK FORCE (FCA TF)**

The FCA guideline entered into force 17<sup>th</sup> of October 2016.

### **Scope:**

The FCA TF is not expected to come into action in 2018. The assessment of the hedging market that took place in the spring of 2017 is first going to be repeated in 2021. Any smaller FCA work is usually handled ad hoc and not under the formal NordReg FCA TF setup.

## **CACM – Market TF**

The CACM guideline entered into force 14<sup>th</sup> of August 2015.

### **Scope:**

The scope of the CACM Single Market TF is to support and facilitate a coordinated implementation of the CACM GL in the Nordic area, except for those topics handled by CACM Capacity Calculation TF.

The TF's main objective is to coordinate regional decisions according to the CACM GL.

The CACM Single Market TF shall also serve as a forum for the Nordic NRAs to exchange views and potentially reach common Nordic positions on other issues related to the implementation of the CACM GL – especially where the Nordic NRAs may have common interests in the EU-wide methodologies and principles which shall be approved according to the CACM GL. Where beneficial, the TF will also coordinate national decisions according to the CACM GL.

### **Specific tasks for CACM Single Market TF 2018:**

- Prepare the NRA's approval process on the fallback procedures for Nordic Capacity Calculation Region (approval expected Q 1)

## **CACM – CAPACITY TF**

### **Scope:**

The CACM Capacity TF work on the Nordic implementation of the articles in the CACM GL chapters on coordinated Capacity Calculation Methodology (CCM) and Countertrading and Redispatching Methodology (CRM), and on bidding zone configuration within the Nordic CCR when relevant. Both CCM and CRM will be in the approval phase in 2018. These decisions are to be made within the Nordic Capacity Calculation Region (CCR). The Nordic CCM proposal was submitted to the NRAs in September 2017, and the deadline for NRAs approval is 17 March 2018. However, request for amendments are most likely, implying that the deadline for the final approval will be 17 July 2018. The TF will also follow up on the TSOs process on monitoring testing and parallel runs after the CCM is approved, but before go live of the new methodologies. Appropriate stakeholder involvement is also an important



requirement to this follow up process. The go live of the Nordic Flow Based methodology is not envisaged before 2021, at the earliest.

The TF will follow up on the TSOs process towards proposal on CRM, which is to be submitted to the NRAs by 17 March 2018. Then the NRAs approval process starts, and the deadline for the NRAs coordinated approvals is 17 September 2018.

The TF will also follow up on possible issues that might occur regarding possible reviews of existing bidding zone configuration according to CACM GL.

Specific tasks for CACM Capacity TF 2018:

*Nordic CCM:*

NRAs approval process and follow up towards go live after the approval point  
Deadlines: 17 March 2018 (RfA) and 17 July 2018 (approval of amended proposal).

Ensure appropriate stakeholder involvement in the implementation process  
When relevant, seek CWE experience on Flow Based methodology to learn lessons

*Nordic CRM:*

Follow up on TSOs process towards proposal 17 March 2018  
NRAs approval 17 September 2018

## **SYSTEM OPERATION TASK FORCE (SO TF)**

The System Operation Guideline entered into force 14<sup>th</sup> of September 2017.

The Emergency Restoration Network Code entered into force 18<sup>th</sup> of December 2017.

As a first step of implementation of the SO GL, the four Nordic TSOs should send a joint LFC to the NRAs by January 14<sup>th</sup> 2018 at the latest. The TSOs were not able to make a joint proposal in time, and the European commission and ACER has been informed in line with the procedures laid down in the SO GL. The NRAs will assist in the further process towards establishing the LFC structure in the Nordic region.

### **Scope:**

The scope of the System Operation Task Force (SO TF) is to coordinate the implementation of the guideline on electricity transmission system operation (SO GL) and the network code on electricity emergency and restoration (ER NC) in the Nordic synchronous area/region.

### **Specific tasks for SO TF 2018:**

- Implementation of SO GL, Nordic coordination related to the evaluation of terms and conditions and methodologies proposed by TSOs and NRAs' decisions on these proposals.
- Implementation of ER NC, Nordic coordination related to mutual understanding on NRAs' decisions.

### **CONNECTION CODES TASK FORCE (CC TF)**

The connection codes RfG, DCC and HVDC entered into force 17th May 2016, 7<sup>th</sup> September 2016 and 28<sup>th</sup> September 2016 respectively.

#### **Scope:**

The scope of the Connection Codes Task Force is to coordinate the implementation of the connection codes – RfG, DCC and HVDC - in the Nordic synchronous area.

Most of the requirements in the connection codes shall apply from three years after publication.

The main objective of the CC TF is to ensure, that the regulatory decisions stated in the commission regulations concerning the Nordic synchronous area are coordinated, and the decisions are made in common understanding between the countries. The CC TF shall also serve as a forum where NRAs may exchange their views, and reach a common position on the issues related to the implementation of the grid connection codes.

**Task:            Implementation of grid connection network codes, Nordic coordination related to methodology and evaluation**

### **ELECTRICITY BALANCING TASK FORCE (EB TF)**

The Electricity Balancing guideline entered into force 18<sup>th</sup> December 2017.

#### **Scope:**

The scope of the EB TF is to support and facilitate a coordinated implementation of the Electricity Balancing Guideline (EB GL) in the Nordic area, where relevant and beneficial.

The TF's main objective is to coordinate regional decisions according to the EBGL.

The EB TF shall also serve as a forum for the Nordic NRAs to exchange views and potentially reach common Nordic positions on other issues related to the implementation of the EB GL – especially where the Nordic NRAs may have common interests in the EU-wide methodologies and principles which shall be approved according to the EB GL. Where beneficial, the TF will also coordinate national decisions according to the EB GL

The EB GL entered into force 18 December 2017. The TF shall map and prepare any relevant decisions, to safeguard that all deadlines are met by the Nordic countries.

Specific task for EB TF 2018:

- Map and prepare relevant decisions according to the EBGL
- Support the facilitation of common Nordic decisions according to the EBGL
- Facilitate the sharing of information on national issues related to the EBGL, and where mutually beneficial, develop common views on national decisions according to the EB GL

- Facilitate the sharing of information and views on EU-wide methodologies and principles according to the EBGL, and where mutually beneficial, develop common Nordic positions.
- Follow the development of the Nordic aFRR market
- Share information and views on Imbalance Settlement Period (ISP) harmonization

## **NORDIC BALANCE SETTLEMENT TASK FORCE (NBS TF)**

### **Scope:**

Nordic Balance Settlement (NBS) was successfully implemented 1 May 2017 in Finland, Sweden and Norway. This implementation introduces Europe's first cross border balance settlement for all three countries, and the settlement will be operated by eSett Oy located in Helsinki.

### **Specific tasks for NBS TF 2018:**

- Discuss the NordREG Boards request of an evaluation of the project and form a mandate
- Discuss the mandate of this task force
- Follow up near future implementation

# 7 Network regulation

## **Task 1. External workshop on flexibility services in the network: storage, demand side response and tariff design**

The Clean Energy Package focuses a lot on flexibility services. With the new role of the DSO described in the package, the DSOs are for example requested to utilize the grid smarter in the future. The workshop aims at sharing possibilities and concerns regarding the flexibility services, focusing on storage of electricity, demand side response and tariff design. What can the flexibility services provide in the Nordic countries, and what are the limitations of the services? Will the services lead to difficulties in the regulation of the DSOs?

When: April 2018  
Responsible: Network Regulation WG.  
Deliverable: An open workshop.

## **Task 2. Internal workshop on WACC and the regulatory asset base in the Nordic countries**

The WG wants to arrange a workshop regarding the WACC and the regulatory asset base in the Nordic countries to share experience. All the Nordic countries have either recently updated their WACC models in order to set the regulatory rate of return, or are in the process of updating the model. In the workshop, representatives from the different countries will present their WACC models, and share experiences and knowledge. The second related theme is how to set the regulatory asset base. The Nordic countries have chosen different methodologies, and also here it will be useful to share experience and knowledge.

When: April 2018  
Responsible: Network Regulation WG.  
Deliverable: An internal workshop.

## **Task 3. Potential internal workshop on how to regulate the flexibility services proposed in the Winter Package**

The WG might find it beneficial to arrange a follow-up seminar to discuss the conclusions from the previous external workshop in the spring. Following questions can be raised and attempted to be answered at the internal workshop; What have we learned from the external workshop? What challenges do the DSOs face, when procuring flexibility services? How should the flexibility services be regulated? What is the best way to regulate it, and what is possible? Are there incentives in the regulation to procure flexibility services as a DSO or as a TSO?

When: November 2018  
Responsible: Network Regulation WG.  
Deliverable: An internal workshop.

#### **Task 4. General exchange of experiences regarding regulation**

In this work NordREG will monitor international development on the topics in CEER/ACER and identify areas/questions of particular Nordic interests. Where it is deemed possible and relevant, and there is a joint Nordic interest and position, the working group will strive to coordinate their engagement in the CEER/ACER groups or to compose a brief position paper on the topic of joined Nordic interest.

Also the WG will follow up on work regarding monitoring of the economic regulation and share experiences and try to compose useful key indicators to monitor the regulation of the DSOs in the Nordic countries.

When: Ongoing 2018  
Responsible: Network Regulation WG.  
Deliverable: Ongoing activity.

**Table 3. Network Regulation WG**

<b>Task #</b>	<b>Projects</b>	<b>Deadline</b>
1	Workshop on flexibility services in the network: storage, demand side response and tariff design in the Nordic countries	April 2018
2	Workshop on WACC and regulatory asset base in the Nordic countries	April 2018
3	Workshop on how to regulate the flexibility services proposed in the Winter Package in the Nordic countries	November 2018
4	General exchange of experiences regarding regulation	Ongoing 2018

# 8 Demand flexibility

## 8.1 Working group on demand flexibility tasks

### **Task 1. Monitor ongoing discussions and initiatives on flexibility at the Nordic and European arena**

NordREG will monitor ongoing discussions and initiatives regarding flexibility at the Nordic and European arena. The group will share information and best practices regarding flexibility. If deemed beneficial, NordREG will seek to coordinate common Nordic positions.

When: Ongoing 2018  
Responsible: WG on demand flexibility  
Deliverable: Reporting to the Board

### **Task 2. Workshop between Nordic regulators and TSOs**

During 2018, NordREG will arrange a workshop between the Nordic regulators and TSOs to share information regarding the topic of demand flexibility. The intention is to ensure that relevant information on ongoing initiatives on the subject of demand flexibility are shared between TSOs and regulators across the Nordic region.

### **Task 3.**

#### **Assisting Network Regulation WG with flexibility-related tasks**

The WG will assist the Network Regulation Working Group (NR WG) in their work with demand flexibility during the year. Based on key findings in the consultant reports that Flex WG commissioned in 2017, the WG has passed on a number of topics for further investigation to NR WG. The topics relate to how network companies could work with demand flexibility and are therefore within the expertise of NR WG. Flex WG will however contribute with expertise and support regarding demand flexibility. This relates to tasks 1 and 2 presented for NR WG in the work program.

When: 2018  
Responsible: WG on demand flexibility  
Deliverable: Ongoing 2018

**Table 3. WG on demand flexibility**

Task #	Projects	Deadline
1	Monitor ongoing discussions and initiatives on flexibility at the Nordic and European arena	Ongoing 2018
2	Workshop between Nordic regulators and TSOs	2018
3	Assisting NR WG with flexibility-related tasks	Ongoing

# 9 Regulators' strategy group

## 9.1 Working group on strategic development

**Tasks**                    **To be formed in start-up meeting**

NordREG is in 2018 launching a regulators' strategy group with the mission to deepen the cooperation between the Nordic regulators. Among other things, the group will revisit the Memory of Understanding and the present vision of NordREG. The group will report recommendations and suggestions to the board.

The group will start up in March 2018 and will then form its tasks for the year.

When:                        Ongoing 2018  
Responsible:              Ad hoc strategy group  
Deliverable:              Reporting to the Board



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