SCHEDULE 2

Regulation 5

Amendments to Commission Regulation (EU) 2016/1388

- 1.—(1) Article 1 (subject matter) is amended as follows.
- (2) In paragraph 2—
 - (a) for "the internal electricity market" substitute "electricity markets";
 - (b) omit "Union-wide".
- (3) In paragraph 3, omit the words from "to provide" to the end.
- (4) In Article 2 (definitions)—
 - (a) in the first unnumbered paragraph—
 - (i) after "and of the Council" insert "(other than the definition of 'transmission system operator')";
 - (ii) for "Regulation (EC) No 714/2009" substitute "Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) (other than the definition of 'transmission system operator' or 'TSO')";
 - (iii) omit "Article 2 of Commission Regulation (EU) 2015/1222,";
 - (iv) after "Directive 2009/72/EC" insert "(other than the definitions of 'distributed generation', 'renewable energy sources' and 'transmission system operator')".
 - (b) in the second unnumbered paragraph, in point (5) (definition of closed distribution system)
 - (i) for the words "Article 28 of Directive 2009/72/EC" substitute "paragraph 12(2) of Schedule 2ZA to the Electricity Act 1989(1)";
 - (ii) for the words from "national regulatory" to "Member State," substitute "the regulatory authority".

2.—(1) Article 3 (scope of application) is amended as follows.

(2) In paragraph 1, in the second subparagraph, omit ", or other authority where applicable in a Member State".

(3) In paragraph 2, in point (a), for the words from "Member States" to the end substitute "within Great Britain where the systems are not operated synchronously with the synchronous area of Great Britain".

3.—(1) Article 4 (application to existing transmission-connected demand facilities etc.) is amended as follows.

- (2) In paragraph 1—
 - (a) in point (a)(ii)—

(i) omit "relevant" (in the second place it occurs);

- (ii) omit "or, where applicable, the Member State";
- (b) in point (a)(iii)—
 - (i) omit "relevant";
 - (ii) omit "or, where applicable, the Member State";

^{(1) 1989} c.29. Schedule 2ZA was inserted by S.I. 2011/2704.

- (c) in point (b), for the words from "a regulatory authority" to "Member State" substitute "the regulatory authority".
- (3) In paragraph 2—
 - (a) in the first subparagraph, in point (b)—
 - (i) for the words from "by two years" to "of the Regulation" (in the first place where it occurs) substitute "before 7 September 2018";
 - (ii) for "must notify" substitute "must have notified";
 - (iii) for the words from "within 30 months" to the end of point (b) substitute "before 7 March 2019";
 - (b) in the third subparagraph, for "A Member State may provide that in specified circumstances the regulatory authority" substitute "The regulatory authority".
- (4) In paragraph 3, in the first subparagraph—
 - (a) for the words from "concerned" to "extend" substitute "that";
 - (b) after "application of" insert "the requirements set out in";
 - (c) after "this Regulation" insert "be extended".
- (5) In paragraph 4, in point (b)—
 - (a) omit "relevant";
 - (b) omit the words from "or, where" to the end.
- (6) In paragraph 5—
 - (a) omit "relevant" (in the first place it occurs);
 - (b) omit "or, where applicable, the Member State" (in both places it occurs).

4.—(1) Article 6 (regulatory aspects) is amended as follows.

- (2) In paragraph 1—
 - (a) for "the entity designated by the Member State" substitute "the regulatory authority";
 - (b) omit the words from "The designated entity" to the end.
- (3) In paragraph 2—
 - (a) for "For" substitute "The regulatory authority may determine that";
 - (b) for the words from ", Member States" to the end substitute "are to be subject to its approval".
- (4) In paragraph 3—
 - (a) for "Member States, competent entities" substitute "the regulatory authority";
 - (b) in point (d), omit ", including as required by national legislation";
 - (c) in point (f), for "agreed European" substitute "applicable".
- (5) In paragraph 4, for "competent entity" substitute "regulatory authority".
- (6) In paragraph 5, omit "relevant" (in the third place it occurs).
- (7) In paragraph 6, for "Competent entities" substitute "The regulatory authority".
- (8) In paragraph 9, for "Member States" substitute "the regulatory authority".
- 5. In Article 7 (multiple TSOs), for paragraphs 1 and 2 substitute—
 - "1. Subject to paragraph 2, this Regulation applies to all TSOs in Great Britain.

2. The regulatory authority may assign the responsibility of a TSO to comply with one or some or all obligations under this Regulation to one or more specific TSOs by giving a direction in writing to each of the affected TSOs.".

6.—(1) Article 8 (recovery of costs) is amended as follows.

(2) In paragraph 1, for "relevant regulatory authorities" substitute "regulatory authority".

(3) In paragraph 2, for "relevant regulatory authorities" substitute "regulatory authority".

7.—(1) Article 9 (public consultation) is amended as follows.

(2) In paragraph 1, in the first subparagraph, for "competent authorities of each Member State" substitute "regulatory authority and the Secretary of State,".

(3) In paragraph 2, omit ", competent entity or, if applicable, the Member State".

(4) Omit Article 10.

8.—(1) Article 11 (confidentiality obligations) is amended as follows.

- (2) In paragraph 2—
 - (a) after "shall apply to" insert "the regulatory authority and to";
 - (b) for "any persons" substitute "any other persons";
 - (c) omit ", regulatory authorities or entities".
- (3) In paragraph 3—
 - (a) after "received by" insert "the regulatory authority or by";
 - (b) omit ", regulatory authorities or entities";
 - (c) for the words after "national law," substitute "including the other provisions of this Regulation.".
- (4) In paragraph 4—
 - (a) omit "or Union";
 - (b) for "regulatory authorities, entities, or" substitute "the regulatory authority or other".
- 9. In Article 13 (general voltage requirements), omit paragraphs 4 and 5.

10.—(1) Article 15 (reactive power requirements) is amended as follows.

(2) In paragraph 1 for "0,9" (wherever it occurs) substitute "0.9".

(3) In paragraph 2, for "Member States" substitute "the regulatory authority".

11. In Article 19 (demand disconnection and demand reconnection), in paragraph 1, in point (c) (i), for "0,05" substitute "0.05".

12. In Article 29 (specific provisions for demand units with demand response system frequency control), in paragraph 2—

- (a) for "50,00" (wherever it occurs) substitute "50.00";
- (b) in point (f), for "0,2" substitute "0.2";
- (c) in point (g)—
 - (i) for "0,01" substitute "0.01";
 - (ii) for "0,05" substitute "0.05".

13. In Article 42 (common provisions on compliance simulations), in paragraph 3, in point (a), for "with national legislation" substitute "another enactment, or a licence or industry code".

14.—(1) Article 48 (cost-benefit analysis) is amended as follows.

- (2) In paragraph 3, in point (b), omit "or where applicable the Member State".
- (3) In paragraph 4, omit "or, where applicable, the Member State,".
- (4) In paragraph 5, omit "or, where applicable, the Member State".

15. In Article 49 (principles of cost-benefit analysis), in paragraph 2, in point (c), for "the internal market in electricity" substitute "electricity markets".

16.—(1) Article 50 (derogations) is amended as follows.

- (2) In paragraph 1, for "Regulatory authorities" substitute "The regulatory authority".
- (3) Omit paragraph 2.

17.—(1) Article 51 (general provisions) is amended as follows.

(2) For paragraph 1 substitute—

"1. Subject to paragraph 2, the regulatory authority's published criteria for granting derogations pursuant to Articles 52 and 53 which applied immediately before IP completion day continue to apply on and after IP completion day, and the regulatory authority must continue to publish those criteria (including any subsequent amendments) on its website.".

(3) In paragraph 2, for "in accordance with paragraph 1" substitute "after consulting relevant system operators, power generating facility owners and other stakeholders who it considers may be affected by this Regulation".

18. In Article 52 (request for a derogation by a demand facility owner, a distribution system operator or a closed distribution system operator), in paragraph 10—

- (a) for "A regulatory authority" substitute "The regulatory authority";
- (b) omit the words from "or upon" to the end.

19.—(1) Article 53 (request for a derogation by a relevant system operator or relevant TSO) is amended as follows.

- (2) In paragraph 9—
 - (a) after "the derogation," insert "and";
 - (b) omit "and the Agency".
- (3) In paragraph 10—
 - (a) for "Regulatory authorities" (in the first place it occurs) substitute "The regulatory authority";
 - (b) for "regulatory authorities" (in the second place it occurs) substitute "the regulatory authority";
 - (c) omit "at the national level".
- (4) In paragraph 11—
 - (a) for "A regulatory authority" substitute "The regulatory authority";
 - (b) omit the words from "or upon" to the end.

20. In Article 54 (register of derogations from the requirements of this Regulation), for paragraph 1 substitute—

"1. The regulatory authority must maintain a register of all derogations it has granted or refused.".

21. Omit Article 55.

22. Omit Title 6.

23.—(1) Article 58 (amendment of contracts and general terms and conditions) is amended as follows.

- (2) In paragraph 1, for "Regulatory authorities" substitute "The regulatory authority".
- (3) In paragraph 2, omit "or Member State".
- (4) In paragraph 3—
 - (a) for "Regulatory authorities" substitute "The regulatory authority";
 - (b) for "national network codes" substitute "industry codes".

24. In the text after Article 59, omit "This Regulation shall be binding in its entirety and directly applicable in all Member States.".

25. In Annex 1, in the table—

- (a) omit the rows relating to Continental Europe;
- (b) omit the rows relating to Nordic;
- (c) in the rows relating to Great Britain—
 - (i) for "47,0" substitute "47.0";
 - (ii) for "47,5" (in both places it occurs) substitute "47.5";
 - (iii) for "48,5" (in both places it occurs) substitute "48.5";
 - (iv) for "49,0" (in both places it occurs) substitute "49.0";
 - (v) for "51,0" (in both places it occurs) substitute "51.0";
 - (vi) for 51,5" (in both places it occurs) substitute "51.5";
 - (vii) for "52,0" substitute "52.0";
- (d) omit the rows relating to Ireland and Northern Ireland;
- (e) omit the rows relating to Baltic.

26. In Annex 2—

- (a) in the first table—
 - (i) omit the rows relating to Continental Europe;
 - (ii) omit the rows relating to Nordic;
 - (iii) in the row relating to Great Britain-
 - (aa) for "0,90" substitute "0.90";
 - (bb) for "1,10" substitute "1.10";
 - (iv) omit the row relating to Ireland and Northern Ireland;
 - (v) omit the rows relating to Baltic;
- (b) in the second table—
 - (i) omit the rows relating to Continental Europe;
 - (ii) omit the rows relating to Nordic;
 - (iii) in the rows relating to Great Britain-
 - (aa) for "0,90" substitute "0.90";
 - (bb) for "1,05" (in both places it occurs) substitute "1.05";

(cc) for "1,10" substitute "1.10";

- (iv) omit the row relating to Ireland and Northern Ireland;
- (v) omit the rows relating to Baltic.