
10th ENTSO-E independent Advisory Council Meeting

Date: 6th June 2019

Time: 10h00 – 13h00, followed by lunch

Place: ENTSO-E premises, Avenue de Cortenbergh 100, room AMPERE, 6th Floor

DECISIONS AND RECOMMENDATIONS

1. Welcome, approval of agenda and minutes

Presences are noted. On process, ENTSO-E suggest that at the end of the meetings, three points to be taken forward to the Board and Assembly are proposed by the independent Advisory Council (iAC), noting that the next Assembly takes place in two weeks. Agenda and minutes of the last meeting approved.

On Art. 16 of the Electricity Regulation, the Chair asks for an update on the status of discussions with ACER and the EC. ENTSO-E reply that on the requirements of this article, significant work is underway at national level on how to progress on this issue, adding that this will also be an issue of compliance in the end. EFET request an informal discussion, given that the finalization of the CORE region methodology should have answered a number of concerns already.

The independent Advisory Council:

- Notes that informal discussions between ENTSO-E, ACER, Commission and CEER on Art. 16 are underway;
- Advises ENTSO-E to continue take into account the views of market stakeholders, noting that the view of the members of the Council is that we want to maximise capacity available for trading in the networks.

2. Transparency Platform data

The iAC issues the following advice, noting the reservations of the members as below:

“The iAC underlines the key role of the ENTSO-E Transparency Platform (“TP”) in providing transparency to energy markets. The iAC believes that high quality data should be available for free re-use for market participants, as required by Article 3 of the Commission Regulation (EU) 543/2013 (the Transparency Regulation). The iAC advises if it were considered necessary to this end, an open data license should cover all data published on the TP irrespective of who owns and submitted the data to it. The iAC would

support the introduction of legislation to support these goals if it were considered necessary. The Advisory Council urges ENTSO-E to ensure that its members submit all the accurate and high-quality data on the Transparency Platform that is mandated in the Transparency Regulation.”

Three organizations note reservations as below:

- Europex indicate they do not support the general inclusion of an open data license on the platform, for a number of reasons. They point out they have not changed their position, and that it is recognized from their side there are no legal grounds for an open data license. Likewise, it is worth noting that All NEMOs have also expressed such a principal view in response to an inquiry from ENTSO-E. If there is a specific need, for example for academic research, to gain access and limited usage rights to market data provided by given power exchanges/market operators such as PXs/MOs are, as generally assumed to be the case before, happy to discuss it, but Europex do not see it linked to, justifying or creating a need for an open data license on ENTSO-E TP. In addition Europex points out that a core part of the essence of exchanges/market operators is the provision of data transparency, e.g. for markets they operate and fundamentals linked to that, and it is something they individually have been doing for the past several decades, and exchanges have gradually also been delivering relevant parts of such data to the ENTSO-E TP since 2006.
- EFET point out that while data should be available and downloadable, the requirements of Art 3, allow to safeguard legitimate data rights at the same time. Art. 3 aims to provide transparency to market participants acting on the market. It does not aim at re-use of data for other purposes. EFET does not oppose re-use of data and application of an open data license where possible, but it is more important to avoid regulation of the market and/or restriction of commercial freedom of market participants' interests.
- Eurelectric indicate they want data to be used by multiple parties, and make sure that whatever rights are given, makes this possible. They don't however want the whole discussion to focus on the use of data provided by third-parties, however, but mainly on the completeness, quality and consistency of the data provided by TSOs.

RGI suggest it would be useful to have legal advice on this issue. ENTSO-E underline the importance of the quality and completeness of the data. On the by ENTSO-E proposed requests concerning additional market data types, Europex indicate they, and/or if relevant all NEMOs, are ready to discuss, but for instance Europex do not find it clear what net positions of bidding zone borders refers to, and in addition is not sure if the datasets are requirements under the transparency regulation or any other relevant regulation.

ENTSO-E suggested to tackle this broader issue of data ownership/use (beyond the transparency platform) in future meetings as they would be keen to have the iAC views on this.

3. Energy policy outlook in the light of the new parliament

There is general agreement that ENTSO-E's role is not to influence policymaking but rather to inform it in order to enable appropriate and efficient policy decisions to be taken. The Council discussed various topics that are of importance to the members, including sector coupling and the

treatment of green gas (ENTSO-E, RGI, T&D), the regulatory treatment of offshore hybrid assets (EFET), taxation regimes (WindEurope, Europex), resource adequacy and grid-intelligent renewables (SolarPower Europe), and progress on modelling (SmartEn, RGI).

The independent Advisory Council:

- Welcomes the ENTSO-E desire that the focus with the new institutions should be on the implementation of already adopted legislation.
- Supports ENTSO-E’s view that accurate information is essential to good policymaking and welcomes any of ENTSO-E’s activities to improve accurate information for the new institutions.
- Welcomes the view that ENTSO-E should not be seeking to influence policymaking.

Members of the iAC suggested that ENTSO-E takes a more prominent role on the discussions about “green” gas definition, and to highlight the key role of electrification for the decarbonisation of the whole energy sector, e.g. also linked to heating, as well as linked towards transportation sector(s).

ENTSO-E Secretariat offered the iAC the possibility to provide steering/input in the preparation of ENTSO-E’s annual conference in Finland and other activities (where they pro-actively seek to inform policy makers).

4. ENTSO-E Strategy

ENTSO-E present its six strategic focus areas: leadership on future power system 2030; infrastructure and resource adequacy; regional development; full focus on implementation; transparency; and long-term financial planning and efficiency. The Advisory Council discussed among other topics transparency, open data and TSO-DSO cooperation.

The independent Advisory Council:

- Takes note of ENTSO-E’s strategy for the next five years.
- Welcomes the emphasis on transparency and hopes that as part of that the focus is not just on data provision itself, but also on the quality/accuracy of the provided data and providing clarity on the use of that data.
- Encourages ENTSO-E to cooperate as far as possible with DSOs in order to implement the strategy.

5. TYNDP 2020

ENTSO-E presented an indicative timeline of the TYNDP process for 2020. On the scenarios, ENTSO-E informed that exchanges are ongoing with the Commission and ACER on how to adapt to the NECPs. One firm central scenario will be used on the basis of NECPs; however the plans as they stand are still not very accurate and this leads to uncertainty in the timeline. On public consultations, ENTSO-E explained that an online consultation platform will be used alongside

bilateral consultations with associations. RGI underline the need to have an innovation roadmap, including how to model zones, congestions, and to recognize storage specifically.

Members of the iAC raised concerns with the current approach to modelling power to gas (P2G) needs and overall assumptions on future gas demand. And the iAC questions how the commercial viability of existing assets is accounted for in the models.

The independent Advisory Council:

- Asks how CBA indicators will be adapted for the projects in the TYNDP 2020, and that CBAs for storage projects should be different than those for transmission infrastructure.
- Welcomes ENTSO-E's decision to postpone the consultation to after the summer period and in particular welcomes the bilateral exchanges ENTSO-E is having and will continue to have.
- Notes ENTSO-E's aim to publish the scenarios in Q2 2020, but asks for some flexibility to take on board the final outcomes of the NECPs.
- Encourages a definition of energy demand, broken down by gas and electricity demand.
- On power to gas, calls for a whole energy system approach – including a wider view on heat networks and the transport sector.

6. Grid optimisation

ENTSO-E debriefed the iAC of the six points and recommendations from Innogrid. SmartEn emphasise the need in terms of TSO-DSO cooperation to look at things from a wider perspective. EFET also stresses the importance of TSO-DSO cooperation. For example, the conclusions of the Active System management Report are not mature for implementation. Instead alignment of high-level principles is still needed. The Chair questions whether member TSOs are pushing for legislation that incentivizes investment in the areas discussed, ENTSO-E note that too often the regulation for both TSOs and DSOs is from the past and not supportive of what is needed for the future.

The independent Advisory Council:

- Welcomes the work being done and recognizes the need to optimize existing grid capacities while we continue developing new one.
- Encourages ENTSO-E to not only take into account innovation in grid components but also in other parts of the energy system (e.g. provision of ancillary services from variable renewable energy sources) take a role in innovation not only in the energy sector, but also e.g. in the provision of ancillary services.
- Encourages ENTSO-E to factor in the value of active system management in collaboration with DSOs.
- Shares the concerns of ENTSO-E regarding the shortcomings of regulation where this insufficiently incentivizes alternatives to investments in new grid capacity. The iAC encourages ENTSO-E members to address the needed changes in regulation.

7. Next meeting and AOB

ENTSO-E ask the iAC for:

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1. 3 areas in which ENTSO-E should focus their strategic discussions (At their next General Assembly meeting)
 2. 3 areas in which ENTSO-E should provide more data (through the Transparency platform)

The last 3 points on the agenda, i.e. (7) Balancing Guideline, (8) Skills and Education in the Energy Sector, and (9) Staffing in permitting authorities, were not addressed and should be included for next meeting.

Next meeting: 10 October 2019

ENTSO-E Annual Conference: 13 November 2019