

# Report from the Board

Bente Hagem, Chair of the Board

ENTSO-E

Annual Assembly Meeting  
Bergen, 28 June 2018

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entsoe 1

## Topics

- ❑ Roadmap 2018-2022 Implementation Targets
- ❑ Clean Energy Package
- ❑ Governance of the Balancing Implementation Projects
- ❑ Stakeholders and Members Surveys key messages
- ❑ Florence Forum and Infrastructure Forum key outcome

entsoe 2

# ENTSO-E Roadmap 2018 - 2022

1) Provide leadership on the future power system and facilitate market design solutions

2) Develop a new ICT approach and capability, including cyber security

3) Develop the TSO-DSO partnership

4) Coordinate and facilitate regional developments

5) Develop Transparency

6) Develop a solid governance of ENTSO-E and strengthen long-term financial planning

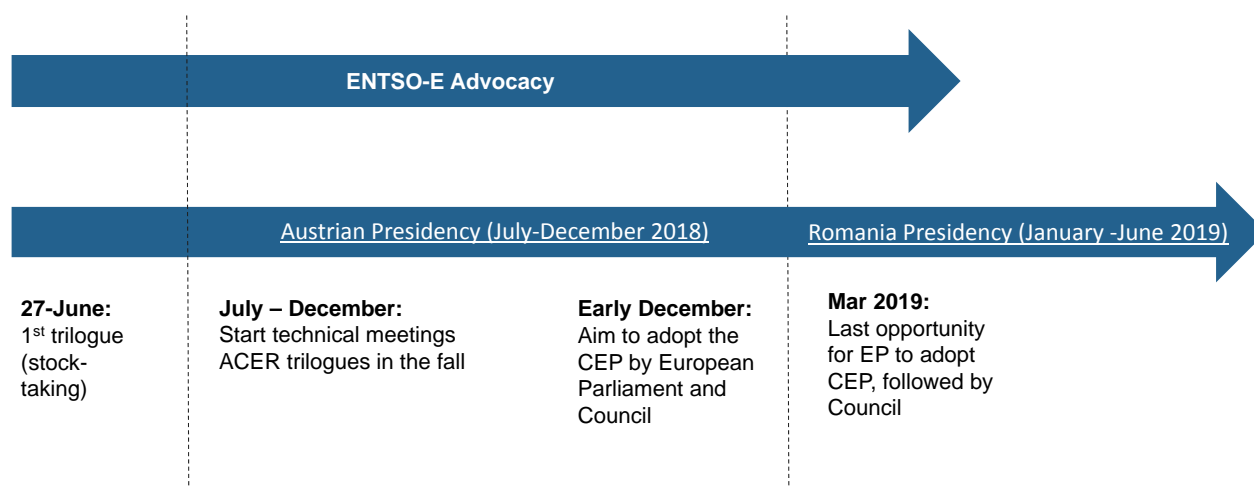
## Implementation targets

#	Focus	Goal	Target Value
1	Provide leadership on the future power system and facilitate market design solutions	Develop a 2030 joint vision for seamless integration of markets and operations, using TYNDP scenarios	a/ Q4 2018: develop a common cross committee position on the scope of the 2030 vision including aligned scenarios b/ Q4 2019: suggest alternatives for new design options and their consequences qualitatively and quantitatively
		Better quality and less resources used for the total TYNDP process 2020	a/ Q4 2018 : provide an assessment of a detailed monitoring of the resources used in each TSO and in the Secretariat b/ Q 1 2019: suggest improvements to the TYNDP 2020 and start implementing
2	Develop a new ICT approach and capability, including cyber security	a/ Ensure efficient governance and ICT architecture including potential corporate structure for ENTSOE b/ Develop design and standard planning methodology for IT development incl. definition of roles in ENTSO-E	a/ Q4 2018: develop a proposal b/ Q4 2018: deliver normalised project documentation deployed to DS projects
3	Develop the TSO-DSO partnership	a/ Define strategy on TSO-DSO partnership and coordination with EUDSO entity b/ Materialise partnership c/ Shape regulatory framework to allow customer participation in all markets d/ Share best practices on TSO-DSO projects in ENTSO-E family (H2020)	a/ Q2 2018: deliver a white paper with high-level principles; red lines; governance ENTSO-E-EUDSO b/ Q3 2018: update the MoU c/ Q4 2018: Identify new regulation needed to secure efficient customer participation in all markets d/ Q1 2019: develop a catalogue on best practices extranet
4	Coordinate and, facilitate regional developments	a/ Follow up the development of RSCs b/ Assess and improve the structure of regional cooperation within ENTSO-E including implementation of Network Codes	a/ Alignment with the legal plan for RSCs impl and prepare for next steps b/ Q4 2018: propose/adjust ENTSO-E's role
5	Develop transparency	a/ Meet stakeholder expectations on Transparency Platform and on transparency of capacity calculation. b/ Push a transparency standard that also challenges others to be transparent.	a/ Q4 2018: All TSOs have signed the MoU (including data quality checks TSOs introduced) b/ Q2 2019: All of the data providers will have implemented the revised Manual of Procedure c/ Q4 2018: establish guidelines for CCRs
		Improved exchange of information on Research & Development projects between members and Secretariat	Q1 2019: creation of a new tool for information & exchange
6	Develop a solid governance of ENTSO-E and strengthen long-term financial planning	Develop operational excellence. Explore more efficient ways of working considering overall cost (TSOs and ENTSO-E).	a/ Q4 2018: make an audit of all entities on their ToR/PIDs (below Committees level) b/ Q4 2018: map members' FTE implications c/ Q1 2019: proposal to optimise Association structure and reporting d/ Q1 2019: update Association governance as relevant
		a/ develop a process for the 5 years financial planning and include it in the annual wheel b/ Prepare new mandates for Adequacy and Risk preparedness regulation implementation	a/ Q4 2018: report to Board and Assembly b/ Q1 2019: Report to BSW 2019/Board and Assembly

## Clean Energy Package – items still in play

Capacity Calculation	75% threshold supported by all trilogue parties. ENTSO-E common position to be decided
Network Codes and Guidelines	Changes in the Comitology process discussed, replacing delegated by implementing acts; supported by EC and Council.
EU DSO entity and neutrality of DSOs	All DSOs part of the DSO entity. No discussion about unbundling. ENTSO-E advocate for neutrality.
Regional Cooperation	Regional Energy Forums not part of legislative proposals, openness to the concept. No binding decisions for RSCs, but coordinated actions included by the Council
Role of European and national adequacy assessments	ENTSO-E's role defined. Discussions on the status of the national assessments
Congestion Income	Council supports that congestion income could be used to reduce tariffs as a last resort. EP ties congestion income use to 75% target
Intraday cross-border gate closure time	EC, EP and Council supports ENTSO-E position of 45 minutes

## Timeline for the adoption of CEP



# Governance of the 4 European Balancing Projects

- Governance structure approved by All TSOs on 29 March.
  - Imbalance Netting
  - Automatic and Manual Frequency Restoration Reserve and
  - Replacement Reserves
- All TSOs shall decide and are responsible for:
  - Development of the business processes
  - Strategic and cross-project topics related
- The 4 Projects Steering Committee shall each be responsible for:
  - Develop the legal framework for project and operational phase
  - Design of the European balancing platform
  - Operate the balancing platform
  - Decide on budgets and cost management
  - Reporting to All TSOs of the implementation progress
- An ICT audit is performed and will be discussed between All TSOs 10 th of July

entsoe 7

## Stakeholders Survey 2017



### Do well:

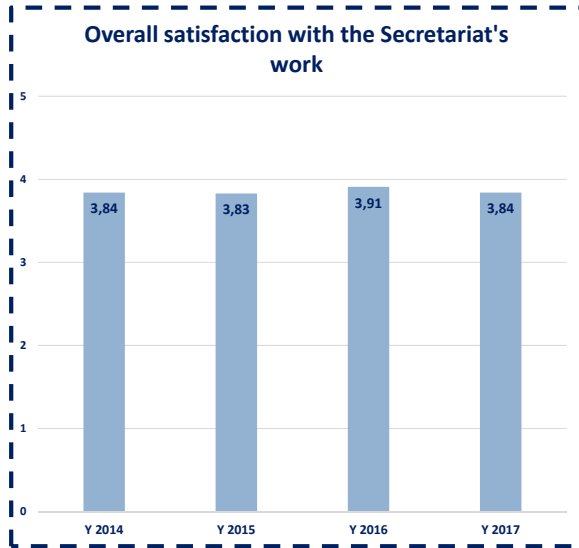
- More European, visionary, open, committed to a market-based approach
- Improving in NC implementation and in delivering on its mandates for the IEM;
- Improving in communication towards stakeholders

### Improvements:

- Transparency in capacity calculation
- Stakeholder engagement, consultation, workshops
- DSO relationship: stronger cooperation and early engagement with the DSOs
- Stronger leadership on mandated tasks and regional cooperation; facilitating in the energy transition as a neutral and trusted partner

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## Members Survey 2017



### Do well:

- Keeping members well aligned and well assisted
- Making ENTSO-E one of the most influential stakeholders on the CEP, and help members find common positions
- Collaboration with ACER
- External communication

### Improvements:

- IT tools to support delivery of mandated tasks
- NC implementation: facilitation and coordination of regional developments
- Cross-committee coordination and interaction and project management support

## Copenhagen Infrastructure Forum 24.-25. May

- **Need for an interlinked planning of the gas and electricity infrastructure in 2018. Increased ambitions expected by ACER and Commission.**
- **Stresses the need for consistent scenarios in TYNDP, Cost Benefit Analyses and Cross Border Cost Allocation (CBCA)**
- **Want to ensure a fair representation of benefits and costs in CBCA. Allocation of costs to a non-hosting country should only be considered in duly justified cases**

## Florence Forum 30.-31. May

- Welcomes the announcement of XBID go live
- Commission to clarify the distinction between the regulated MCO function and the non-regulated NEMO activities and report next year
- TSOs needs to improve the bidding zone reviews involving ACER, NRAs and the Commission
- The developments of the electricity market design should not undermine the main principles concerning capacity calculation in CACM.
- Acknowledges the lessons learnt from the 2017 cold spell, stressing the need for more cross-border market based cooperation

Thank you for your attention !

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