

ENTSO-E Board meeting of 18 March 2021

Date: 18 March 2021

Time: 8:30-15:40

Place: Online

LIST OF PARTICIPANTS

Chair of the Board

1.	VANZETTA Joachim	Amprion	Germany
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Vice-Chair of the Board

2.	FONCK Pascale	Elia	Belgium
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Board Members

3.	GUIDA Guido	Terna	Italy
4.	HANSEN Frank Peter	Tennet TSO BV	Netherlands
5.	JESBERGER Michael	Transnet BW	Germany
6.	KRISTENSEN Søren	Energinet	Denmark
7.	MANOUSAKIS Manos	IPTO	Greece
8.	PAPROCKI Robert	PSE	Poland
9.	PRIETO Eduardo	REE	Spain
10.	SLYE Fintan	National Grid ESO	United Kingdom
11.	ZUMWALD Yves	Swissgrid	Switzerland

President

1.	LAFFAYE Hervé	RTE	France
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Vice-President

1.	BOLDIŠ Zbyněk	CEPS	Czech Republic
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Committee Chairs

1.	PURCHALA Konrad <i>Chair of the Market Committee</i>	PSE	Poland
2.	CHANOTIS Dimitrios <i>Chair of the System Development Committee</i>	RTE	France
3.	BORGEN Håkon <i>Chair of the Research Dev. & Innovation Committee</i>	Statnett	Norway

Committee Chairs

4.	KAPETANOVIC Tahir <i>Chair of the System Operations Committee</i>	APG	Austria
5.	DE LA BARREDA Ines <i>Chair of the Legal & Regulatory Group</i>	REE	Spain

Invited

1.	DECROIX Timothée	Swissgrid	Switzerland
2.	CORTINAS Damian	RTE	France
3.	JONAT Yannick	Amprion	Germany
4.	BEUGER Lisa	Amprion	Germany

ENTSO-E

1.	TWOHIG Sonya	ENTSO-E	Belgium
2.	GYULAY Zoltan	ENTSO-E	Belgium
3.	LAWLER Derek	ENTSO-E	Belgium
4.	MELCHIOR Florence	ENTSO-E	Belgium
5.	RICHET Nicolas	ENTSO-E	Belgium
6.	KUUSIK Maarja	ENTSO-E	Belgium

MINUTES

1. Welcome, attendance, adoption of the draft agenda

Decision

The Board approves the agenda.

2. Approval of the Minutes of the 04 February 2021 Board Meeting for publication

Decision

The Board approves the minutes of the Board meeting of 04 February 2021 for publication.

3. Secretary General Reporting

The Secretary-General debriefs the Board on the main meetings and main activities that the Board Members should be informed about since the last Board meeting on 4 February and that are not covered under a specific agenda item today. She explains that in the context of the Active 2020+ strategy implementation and the specific Measure on the Integration of all Members she has exchanged with each Member regarding a few initiatives such as ENTSO-E Resourcing, TSO Open Days and Gender Diversity surveys. On that basis, she is working towards a new *ENTSO-E Resourcing Strategy* which would address the resource needs of ENTSO-E to deliver the legally mandated tasks under the Annual Work Programme but also possibilities for secondment to and from Members. She announces that these principles will be further addressed in the breakout session during the 31 March Assembly and explains that the outcome will be considered in the developments of future ENTSO-E Resource Planning. She reports on various meetings or workshops that have taken place in the context of the TEN-E review with the EC, ENT SOG, EDSO, Eurelectric and Renewables Grid Initiative (RGI). She explains that in view of the forthcoming April Independent Advisory Council a preparatory meeting took place to address topics to be discussed, such as exchange of views on the TEN-E Regulation review, discussion around the Offshore renewable strategy and discussion about the ENTSO-E RDI roadmap 2020-2030 implementation.

Decision

The Board acknowledges the reporting of the Secretary General.

4. Reporting of Legal Mandates:

4.1 Annual Work Programme update incl. Overall status AWP 2021 legal mandates

The Secretary-General debriefs the Board on the overview of the Annual Work Programme highlighting key points regarding the main deliverables under the Association.

4.2 NC and CEP Implementation

The Committee Chairs debrief the Board on the specific reporting from each Committee in respect of Network Code and CEP Implementation deliverables.

4.2.1 Market

The Head of the Market Section reports on the CACM amendments process.

4.2.2 System Operation

The Chair of the System Operation Committee (SOC) gives a status report on work on the Cyber Security Network Code initiated informally by the EC, mentioning that ACER is currently preparing Framework Guidelines and that the formal drafting of the Code is expected to start in July 2021.

4.2.3 System Development

The Chair of the System Development Committee reports on the SDC activities.

4.3 TYNDP

The Chair of the System Development Committee debriefs the Board on the specific reporting of the TYNDP Report in respect of the 2020 and 2022 Programme. Concerning the TYNDP, the System Development Committee Chair reports the work on the CBA and on the TYNDP 2022/Scenarios building.

4.4 Transparency Platform

The Chair of the Market Committee debriefs the Board on the specific reporting of the Transparency Platform and explains that a new Convenor has been appointed for the Market Integration Working Group in support of TP.

4.5 RDI Roadmap

The Chair of the Research Development and Innovation Committee reports on the developments of the RDI Roadmap Implementation.

4.6 CGM Programme

The Head of the CGM Programme provides an update on the CGM Programme, with a focus on the outreach plan for each TSO to perform the audit and for TSO readiness.

Decision

The Board:

4.1 Annual Work Programme update

- acknowledges the reporting.

4.2 NC and CEP Implementation

- acknowledges the reporting on the NC CEP Implementation matters;

4.3 TYNDP

- acknowledges the reporting on the status of TYNDP;

4.4 Transparency Platform

- acknowledges the reporting on Transparency Platform;

4.5 RDI Roadmap

- acknowledges the reporting on the RDI Roadmap; and

4.6 CGM update

- acknowledges the CGM Programme status report.

5. Active 2020+ Programme incl. appointment of Board Liaison Officer

The Chair of the Board highlights the main objectives of the Active 2020+ Programme. He outlines the key achievements realised so far and the main forthcoming milestones, announcing that many measures are close to completion. He then recalls that on 18 November 2020, the Board approved the deliverables of the Active 2020+ programme measure 2: Integration of all members. He explains that this measure foresees the appointment of a Liaison Officer function in the Board. He further outlines that the Liaison Officer is expected to act as an additional point of contact for all members in addition to the elected Main Office Holders and to identify and address possible integration barriers and challenges at an early stage. He clarifies this is a new informal role in the Association. The Chair of the Board recalls that a call was made and that today the Board is asked to appoint Mr Guido Guida (Terna) who applied for the position. He thanks Mr Guida for his appointment.

Decision

The Board:

- decides to appoint Mr Guido Guida to the role of Liaison Officer; and
- invites Mr Guido Guida to further shape and develop the role as deemed appropriate and necessary.

5. a) Measure 8: Enhance the Secretariat's Organisation Structure

The Secretary-General explains that as part of the "Operational Excellence" pillar in the Active 2020+ Programme, the objective of the measure "Enhance Secretariat's Organisation Structure" is to align the organisational structure of ENTSO-E to its mission and role and to determine the resulting tasks, in order to have clear responsibilities and ensure efficient utilisation of resources. She presents the main orientations identified with a particular focus on the enhancement of cross-section interactions to improve the delivery of PMO services for Programme Structures with the Committees.

Decision

The Board:

- acknowledges the status report and the completion of Measure “Enhance the Secretariat’s Organisation Structure” including the development of a restructured organisation in 2021; and
- recommends the Secretary General to implement the proposed measures to Enhance Secretariat’s Organisation Structure.

5. b) Measure 14 & 15: ENTSO-E Vision 2050 Project Initiation Document – for approval

The project manager of the Cross-Committee Task Force "Vision 2030-2050" recalls that during its 4 February 2021, the Board approved the creation of the cross-Committee project 'ENTSO-E 2050 Vision' to be steered by the existing Task Force created for this purpose. He presents the Project Initiation document which is now subject to Board approval. He describes the Project structure, clarifies that the project will take the ENTSO-E 2030 Vision, the ENTSO-E RDI roadmap and the TYNDP 2050 Scenarios as key inputs to develop the 2050 Vision. He explains that the objective of the project is to elaborate a comprehensive and robust ENTSO-E Vision of the European Power System in 2050, including links to the European Energy System as a whole, and to describe the expected role of the European TSOs community. The vision will take as a 'leit motif' the overarching political goal aiming at climate neutrality of the whole European economy by 2050. It will identify common political, strategic and technological trends, and take stock of current and future legislative initiatives with long term impact, such as the Green Deal and the Recovery Plan, and take into account the views of key stakeholders in the public energy policy debate.

Decision

The Board approves the Project Initiation Document for the ENTSO-E 2050 Vision project including the appointment of the Project Manager.

5. c) Measure 17: Structure IT-related work

The Chair of the Board explains that the initial recommendation prepared by the working groups led by the Digital committee Chair and the SOC Chair has been presented to the Board members in a dedicated Webinar and he gives the floor to the Measure’s leaders for an outline. They explain that the analysis conducted on the current setup to manage Information & Communication Technology (ICT) for ENTSO-E stemming from the ENTSO-E IT Strategy 2017-2020 has highlighted improvements but also limitations and risks. This shows the opportunity to propose further improvement in the governance model. They explain that the main limitation appears to be the impossibility for the Dc to act as an ENTSO-E decision-making body for related ICT topics, as the other Committees are for their business areas. They outline that under the Articles of Association, only a body with full representation of the Association’s members can be granted decision-making power on its respective area of responsibility and conclude that such structure is now being

explored. The Board members further discuss on the benefits and challenges and recommend further assessment on this option.

Decision

The Board:

- acknowledges the need to design a new governance model for addressing Information and Communication Technology among TSOs, ENTSO-E and RSCs; and
- notes that the establishment of a new dedicated Committee in line with the provisions according to Article 18 of the Articles of Association is the preferred option.

5. d) Measure 18: Future Strategic Interactions – for approval

The Chair of the Research, Development & Innovation Committee recalls that as part of this Measure, he was tasked in coordination with the Policy and Communication Group (PCG) Chair to provide recommendation on the involvement of stakeholders in supporting ENTSO-E's key objectives. He outlines the assessment made on whether the stakeholders with which ENTSO-E is currently interacting are the right ones and the identification of emerging new parties. He presents a new framework and instruments to involve the relevant stakeholders in an effective manner in supporting ENTSO-E's future objectives through inter alia: a consistent and comprehensive approach across the Association vis-à-vis key stakeholders and enhanced Cross-Committee Chair alignment and information-sharing on stakeholder interaction across the Association.

Decision

The Board:

- recognises the work done under the Active2020+ measure on Future Strategic Interactions; and
- approves the recommendations in respect of Future Strategic Interactions and the approach proposed for future stakeholder interactions.

6. TEN-E key priorities – for approval

The Chairs of the SDC and PCG explain that as part of the key Green Deal legislative initiatives, the European Commission released its review of the Regulation on guidelines for trans-European energy infrastructure (TEN-E Regulation) on 15 December 2020 and that the European Parliament's Committee on Industry, Research and Energy (ITRE) and the Member States under the Portuguese Council Presidency are in parallel analysing the EC proposal. They mention that considering the impact of the TEN-E Regulation review on ENTSO-E and the TSOs, it is important that ENTSO-E provides its views and expert input in the TEN-E legislative process. They outline an overview of the

new elements of TEN-E Regulation and the proposed way forward within ENTSO-E. The Board members provided further elements to complement the approach.

Decision

The Board:

- notes the update of the state of play on the TEN-E; and
- approves the key priority areas subject to the changes discussed and agreed during the meeting.

7. 3rd Cost Benefit Analysis Guideline – for Board guidance

The Chair of the System Development Committee recalls the process foreseen in regulation (EU) 347/2013 for the update of the Cost Benefit Analysis Guideline which is the document explaining the principles under which ENTSO-E assesses projects in the context of the TYNDP. In particular, he mentions that the final step is a formal approval by the Commission and that in that context a first draft was sent to the EC which has delivered its opinion. The SDC Chair outlines the modified version of the 3rd CBA guideline taking into account EC expectations.

Decision

The Board provides guidance to SDC in regard to the updated Guideline on 3rd Cost Benefit Analysis in response to EC opinion.

8. ENTSO-E Paper “Market Design to monetise Security of Supply and ensure resource adequacy” – for acknowledgement

The Chair of the Market Committee explains that the paper prepared by the Market Committee “Market Design to monetise Security of Supply and ensure resource adequacy” aims at identifying market design solutions that can help to address resource adequacy challenges faced by European power systems in 2030 and beyond. He explains that these findings will be introduced in a more holistic discussion paper describing more concretely the market design options already presented at the December 2020 stakeholder webinar. He announces that the discussion paper is planned for publication end of March.

Decision

The Board acknowledges the ENTSO-E Paper “Market Design to monetise Security of Supply and ensure resource adequacy”.

9. ENTSO-E Paper “European Electricity Transmission Grids and the Energy Transition: Why remuneration frameworks need to evolve” – recommendation for Assembly approval

The Chair of the Market Committee recalls the Board recommendation to work on a follow-up paper, updating the messages of the previous advocacy paper on Fostering Electricity Transmission Investments. He presents the main objectives of the new discussion paper, titled “European Electricity Transmission Grids and the Energy Transition: Why remuneration frameworks need to evolve” , firstly, to identify and explain the current and future issues TSOs are facing in their attempts to meet the so-called “investment challenge” to enable the energy transition and secondly, to provide “ready-to-use” advice for national and European policy makers and regulators to enhance remuneration frameworks.

Decision

The Board:

- approves the Paper entitled: “European Electricity Transmission Grids and the Energy Transition: Why remuneration frameworks need to evolve”;
- approves the dissemination plan as presented to the Board; and
- recommends the paper for Assembly approval and subsequent publication.

10. ENTSO-E position paper on “Electric Vehicles integration into power grids” (Flagship electrification, RDI Road map) – recommendation for Assembly approval

The Chair of the Research Development and Innovation Committee explains that EU and national policies clearly set the path towards a massive adoption of electromobility and outlines the new Position Paper on ‘Electric vehicle integration into power grids’ (Paper) whose objective is to analyse the most relevant characteristics of electromobility with a particular focus on its impact on the power system.

Decision

The Board approves the ENTSO-E position paper on “Electric Vehicle integration into power grids”; and recommends the Assembly to approve the paper for publication.

11. Cyber incident audit: Dc recommendation on the remediation phase III Project Governance and Project Plan – for approval

The Chair of the Digital committee recalls that the February Board meeting asked the Secretariat to finalise with the support of the Digital committee, an implementation plan of the actions

recommended by the audit done by KPMG. He details the two phases of the plan, comprising first an operational part, in particular, implementing the Cyber Security Remediation Phase 3 (CIRP3) project and a governance workstream which shall take into account organizational aspects and governing procedures to be defined and established at ENTSO-E level for the Cyber Security scope.

Decision

The Board approves the approach recommended by the Digital committee for the ENTSO-E Cyber Security Implementation Plan which consists of (1) the Cyber Security Remediation Phase 3 (CIRP3) project and (2) the new Governance structure for the ENTSO-E Cyber security scope defined by the ad hoc task force to be established in the framework of the Dc leveraging as much as possible the IT-related measures of the Active 2020+ project.

12. Continental Europe System Separation on 08 January 2021 – information on the interim report & update on the final report

The Chair of the System Operation Committee Chair reports on the work the System Operations Committee Task Force on the Continental Europe System Separation on 08 January 2021 and outlines the Interim Factual Report that was published on 26 February 2021. He then presents the Task Force main forthcoming deliverables and their implementation status, with a focus on the development of the ENTSO-E Final Technical Report and the setup of an Expert Investigation Panel as foreseen in the ENTSO-E Incident Classification Scale.

Decision

The Board:

- acknowledges the proactive and timely investigation performed by the System Operations Committee Task Force on the Continental Europe System Separation on 08 January 2021, and the publication of an Interim Factual Report on 26 February 2021; and
- acknowledges that the legal requirement under the Incident Classification Scale Methodology for ENTSO-E was initiated in terms of an Expert Investigation Panel when a scale 2 type of incident is declared and in which the ACER and NRAs were invited to participate.

13. Key Policy Issues Paper TYNDP 2022 – recommendation for Assembly approval

The Chair of the System Development Committee presents the main strategic orientations of the Ten-Year Network Development Plan 2022 (TYNDP2022) identifying the key operational objectives, the major anticipated risks, and finally the required resources. He explains that the time horizons that will be considered are 2030 and 2040 and that a focus is placed on paving the way to the future TEN-E, with planned inclusion of a research study on offshore wind configurations to improve the

system needs methodology assessing the interests, complexities and costs of various configurations. He presents the new Program framework incorporating elements from the AGILE methodology to further professionalize the project management environment, facilitate decision making and enhance the planning of resources.

Decision

The Board

- approves the strategic framework of the Ten-Year Network Development Plan 2022 (TYNDP2022) as contained in the Key Policy Issues Paper; and
- recommends it for Assembly approval.

14. Debrief from recent meetings:

14.1 Resources committee on 17 March

The Chair of the Resources committee presents the main activities of the Resources committee, including the process for the Q1 forecast and the 2022 Budget. She presents the intermediate recommendation from the Multi-Lateral Agreement (MLA) Task Force recommending an improved financial reporting and a more structured approach towards the use of MLAs between the Members and the Association.

14.2 Digital committee on 24-25 February

The Chair of the Digital committee outlines the main outcomes of the latest meeting comprising updates on the 2020 Dc priorities with a focus on the IT Architecture and Proof of Concept in the context of the ENTSO-E Awareness System (EAS) risk assessment. He reports on the election of a new Cyber Security Working Group (CSWG) convenor (and on the fruitful discussions that have taken place in the context of the CIO Community meeting addressing among other things cybersecurity).

14.3 Debrief from SG for Transmission and Distribution Interface on 24 February

The Convenor of the Steering Group on the Transmission & Distribution Interface (SG T&DI) reports on the status of ENTSO-E data inputs request to DSOs associations, on the work done by the Task Force on Demand-Side Flexibility (TF DSF) and gives an update on the development of a Q&A document which should serve as a basis for a short press release to be issued when the EU DSO entity is launched.

14.4 Debrief from PCG on 17 February including High Level Engagement Plan

The Chair of the PCG reports the various ongoing legislative proposals are having an impact on the TSOs community with a focus on the TEN-E Regulation review process and Offshore Strategy.

Decision

The Board:

9.1 Resources committee on 17 March

- recommends to the Assembly the renewal of BDO auditors for the financial years 2022, 2023 and 2024; and
- acknowledges the status of the MLA Task Force and the draft recommendations which are intended to be recommended for approval for the next Board and Resources committee meetings in April 2021.

9.2 Digital committee on 24-25 February

- acknowledges the reporting from the Digital committee.

9.3 StG for Transmission and Distribution Interface on 24 February

- acknowledges the reporting of the SG T&DI activities by the Chair; and
- approves the document Questions & Answers – New EU DSO entity.

9.4 PCG on 17 February

- acknowledges the reporting from the PCG.

15. Cooperation with UK TSOs - Board PID – for approval

The Secretary General explains that in the context of the implementation of the Trade and Cooperation Agreement between the United Kingdom and the European Union, and of the recent guidance letters from the European Commission, a new project has been set up to establish a coherent governance structure within ENTSO-E and has delegated to a specific Steering group the mandate to timely deliver to the Assembly: a draft MoU governing the cooperation with UK TSOs, and the coordination of related deliverables such as technical procedures (like ‘Multi-region loose volume coupling’ cost-benefit analysis and other related documents. She outlines the proposed structure and the delegation proposal.

Decision

The Board:

- approves the Project Initiation Document for Cooperation with UK TSOs;
- recommends the Assembly to give the following mandate to the Association delegation in the Steering Group Cooperation Framework with UK TSOs:

“The Assembly gives mandate to the Association delegation in the Steering group “Cooperation Framework with UK TSOs” to:

- steer the Project defined in the PID approved by the 18 March 2021 Board;
- ensure, with the involvement of the concerned Members, and under the assumption of an imminent withdrawal of the UK TSOs from the Association’s decision processes, the coordination and the preparation of related deliverables:
 - a MoU governing the cooperation with the UK TSOs, in accordance with the fundamental objectives/mission of the Association; and
 - the coordination of related deliverables such as technical procedures (like ‘Multi-region loose volume coupling’ cost-benefit analysis and other related documents);
- negotiate on behalf of ENTSO-E the draft MoU with the UK TSOs, while paying attention to the indications/guidance given by EC and ACER;
- ensure regular reporting to the Board and the Assembly; and
- submit the draft MoU to the June Annual Assembly meeting for approval before submitting it to EC”.

16. Updated draft agenda of 31 March Assembly meeting – for final approval

Decision

The Board approves the draft agenda of the 31 March Assembly subject to the change agreed at the meeting.

17. AoB

17.1 ACER’s New SOR Decision

The Chair of the System Operation Committees and the Chair of the Legal and Regulatory Group explain that, ACER has delivered a draft of the revised SOR Decision and that the deadline for written response was end of March. The Chairs outline the next steps of the process and analysis. They mention that the expected date of issuance of the final decision by ACER is end of May.

17.2 Covid-19 update

The Chair of the Board addresses the challenges faced during the pandemic and concludes by saying that so far appropriate measures seem to be in place and are continuously monitored.

Decision

The Board takes note of the reporting on the recent updated ACER SOR decision and on the Covid-19 update.

18. Approval of decisions

Decision

The Board approves the decisions of 18 March Board meeting.