

78th System Development Committee Meeting

Date: 11 February 2021

Time: 09.00 – 13.30h

Place: Web-conference:

Participants

Chairman

	RTE	France
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Vice Chairman

	Amprion	Germany
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Members

1.	50Hertz Transmission	Germany
2.	Amprion	Germany
3.	Creos Luxembourg	Luxembourg
4.	Elering	Estonia
5.	Eles	Slovenia
6.	Elia System Operator	Belgium
7.	Energinet.dk	Denmark
8.	Fingrid	Finland
9.	HOPS	Croatia
10.	Mavir	Hungary
11.	Statnett	Norway
12.	Svenska Kraftnät	Sweden
13.	TenneT TSO BV	The Netherlands
14.	Transelectrica	Romania
15.	TransnetBW	Germany

Substitutes

16.	APG	Austria
17.	AS Augstsprieguma tikls	Latvia
18.	Eirgrid	Ireland
19.	<i>Elia System Operator</i>	<i>Belgium</i>
20.	JSC EMS	Serbia
21.	IPTO	Greece
22.	Litgrid	Lithuania
23.	<i>Mavir</i>	<i>Hungary</i>
24.	National Grid ESO	United Kingdom
25.	PSE	Poland

Subsittutes

26.	REE	Spain
27.	REN	Portugal
28.	RTE	France
29.	SONI	Ireland
30.	Swissgrid	Switzerland
31.	TenneT TSO GmbH	Germany
32.	Terna	Italy
33.	<i>Transelectrica</i>	<i>Romania</i>
34.	<i>TransnetBW</i>	<i>Germany</i>
35.	VUEN	Austria

Conveners RGs

1.	RG North Sea	The Netherlands
2.	RG Baltic Sea	Germany
3.	RG Continental South East	Serbia
4.	<i>RG Continental South West, excused</i>	<i>France</i>
5.	RG Continental Central South	Italy
6.	<i>RG Continental Central East</i>	<i>Slovakia</i>

Conveners WGs and SGs

1.	WG System Design Strategy	Germany
2.	WG Scenario Building	France
3.	StG Connection Network Codes	Germany
4.	Offshore Development Core Group (ODCG)	Denmark
5.	TF CBA	Germany

Excused

1.	Ceps	Czech Republic
2.	CGES	Montenegro
3.	ESO-EAD	Bulgaria
4.	Landsnet	Iceland
5.	MEPSO	Republic of North Macedonia
6.	NOS BiH	Bosnia&Herzegovina
7.	OST-Operatori i Sistemit te Transmetimit	Albania
8.	Scottish Hydro Electric Transmission	United Kingdom
9.	Seps	Slovakia
10.	Transmission System Operator-Cyprus	Cyprus

Secretariat

1.	ENTSO-E	
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1. Attendance, quorum and approval of draft Agenda

The SDC Chair welcomes all participants to the SDC meeting of the year: 78th SDC meeting via teleconference. The SDC Chair confirms that participants can formally cast their vote via teleconference on decisions proposed during the meeting.

Take note

- Since 31/41 of the TSOs represented in the System Development Committee are attending, the Chairman states that the Committee meeting reaches the necessary quorum of half its members

The SDC Chair proposes to present Topic 7.2 (EC letter on application of the TEN-E eligibility criteria) before Topic 6.1. (Approval of the third CBA Guideline for EC final approval) as the subject is closely related.

National Grid states that it abstains from all votes concerning ENTSO-E's legal mandates.

2. SDC Project Dashboard 2021

TYNDP2022 (red): TSO contribution is not ensured yet. There is a lack of both Steering Group members as well as project participants. Details will be addressed in separate agenda items

Scenario Building (yellow) is in a critical phase. A representative from RTE has recently resigned from his position of Steering Group member. In order to maintain a balanced representation of ENTSO-E and ENTSOG, a replacement will be sought. The Secretariat is asked to launch a call for membership of the Steering Group.

Cost Benefit Analysis (CBA3.0) (red):

- Workshop dated 2 February 2021 revealed broad acceptance on the EC opinion elements, with further discussion necessary on the proposed requirement related potentially to the eligibility criterion of PCIs (delta NTC increase of more than 500MW).
- Staffing of DT CBA is insufficient. Further CBA development needed for hybrid projects type a) "offshore RES plus interconnectors" and type b) Power to gas).

Data: (yellow) Delays in delivering interim PECD data reflecting climate change.

3. SDC Strategy Seminar 2021

3.1. Preparation status (*Incl. feedback from mini-retreat*)

The first part of the SDC strategy seminar 2021 will take place on 16 and 17 March 2021 and will focus on the impact of the revised TEN-E Regulation on the SDC deliverables. The SDC Vice Chair presents the state-of-play of organization of the Strategy Seminar and gives an overview of the discussions and outcome of the mini-retreat organized on 10 February. Both timeline and content of the SDC Strategy Seminar are proposed and discussed.

Proposal includes to invite the EC to present the intention and provisions of the regulation and help in advancing ENTSO-E's understanding of the provisions towards their practical implementation.

Decision	
Approval	Purpose/notes
<ul style="list-style-type: none"> ➤ The SDC approves the proposed concept of the SDC Strategy Seminar 2021. 	<ul style="list-style-type: none"> ➤ n/a
Take note	
<ul style="list-style-type: none"> ➤ The SDC takes note of the state-of-play of the organization of the March SDC Strategy Seminar 2021. ➤ The SDC takes note of one additional volunteer announced during the meeting. 	

4. Resource Adequacy

4.1. Status and challenges of ERAA 2021

The ERAA 2021 project encompasses important challenges with on the one hand a constrained timeline (publication expected in November 2021) and on the other hand a very ambitious scope including Economic Viability Assessment and Flow-Based. The ERAA 2021 Steering Group monitors the process to mitigate any risk of delay, and already had to take decisions for simplification.

The ERAA 2021 edition foresees a public consultation from November 2021. The Steering Group recommends in addition an early sharing of input data with ACER, to allow ACER’s feedback for ERAA 2022.

Decision	
Approval	Purpose/notes
<ul style="list-style-type: none"> ➤ The SDC approves the principle of early communication of the ERAA 2021 input datasets to ACER, in the same granularity as MAF 2020 and only after the base case results are available and communicated to the TSO correspondents. Prior to the actual sending of the data to ACER, an explicit SDC approval for the data exchange will be requested. 	<ul style="list-style-type: none"> ➤ Early sharing of the input data with ACER will allow for the consideration of their feedback on the next process of ERAA, i.e. ERAA 2022.

Decision approved with an abstention from one TSO.

5. WG System Design Strategy - TF Sector Coupling

5.1. Status of the implementation of the Multi-Sectorial Planning Support (MSPS)

WG Scenario building is preparing an EC/ACER interaction during 2nd half of February on the Stakeholder Forum. In addition, DT CBA prepares for next steps in multi-sectorial CBA. The SDC acknowledges the progress in the implementation of the Multi-Sectorial Planning Support (MSPS) and asks different groups involved to continue their work.

5.2. Recommendation for topics on Energy System Integration to be developed in 2021

The SDC approves the recommendation for topics on Energy System Integration to be developed in 2021 and to be presented to the Board. The SDC acknowledges that this is the result of cross-committee cooperation

and that further cross-committee cooperation will be needed to address all the topics considered in the recommendation. The SDC asks the SDC Chair to present this recommendation to the ENTSO-E Board.

Decision	
Approval	Purpose/notes
➤ The SDC approves the recommendation for topics on Energy System Integration to be developed in 2021 and to be presented to the Board.	➤ n/a

6. DT CBA (dealt with after 7.2)

6.1. Approval of the third CBA Guideline for EC final approval

The proposal of the DT CBA was discussed in detail at a webinar 2.2.2021 and presented to SDC. During the discussions, several members raised concerns about the treatment of the eligibility criteria for PCI. In the discussion, it is highlighted that:

- The deltaNTC computations by ENTSO-E should not be assimilated to an interpretation of Article 4 and Annex 4.1 of Reg. 347/2013 as the eligibility criteria therein make no reference to NTC.
- The NTC computation methodology within CBA 3.0 is tailored in scope for the valuation of projects under the relevant study horizons; since it is not adapted for other type of studies with different requirements (as it may be the case for the interpretation of the eligibility criteria for PCIs), results could be disproportionately restrictive and their acceptance questioned.
- In order to verify the 500 MW cross-border impact requirement, a detailed network study is normally requested, where all power system security constraints (including voltage limits, system stability, etc.) are analyzed. Therefore, taking into account that ENTISOE at the moment does not have all the data and tools to perform such an analysis, specific evaluations to verify in detail the fulfilment of the cross-border requirement could be requested to the project promoters and to the TSOs of the concerned member states.

Therefore, it is proposed:

- to include in the CBA guidelines a new section (completely separated from the parts relative to the delta NTC and from the computation of the other benefit indicators) relative to the verification of the cross-border impact requirement prescribed in the EU regulation
- to specify in that section that, due to the peculiarity and complexity of the computations needed to verify the 500 MW condition (requiring detailed modeling of operational power system and network constraints/parameters), ENTISOE relies on specific evaluations carried out by the TSOs of the concerned member states.

It is proposed that the ENTSO-E Board is solicited for guidance on the matter.

Decision	
Approval	Purpose/notes
➤ The SDC approves the 3 rd ENTSO-E Guideline for Cost Benefit Analysis of Grid Development Projects for submission to EC for final approval of all topics except eligibility criteria for PCI.	➤ n/a

Take note	
➤	The SDC thanks the DT CBA for their excellent work in developing the 3 rd ENTSO-E Guideline for Cost Benefit Analysis of Grid Development Projects and for having established a fruitful cooperation with ACER and EC in the development of this guideline.
➤	The SDC thanks the members for providing feedback during the development of this guideline, which led to improve a high-quality CBA guideline.

6.2. ENTSO-E’s answer letter to EC on CBA 3.0

The Convenor of DT CBA presents the accompanying document to the 3rd CBA guideline for the submission to EC for final approval.

Decision	
Approval	Purpose/notes
➤ The SDC approves the Accompanying Document to 3 rd CBA Guideline for submission to EC for final approval	➤ n/a

Decision is unanimously approved.

6.3. Resources in DT CBA (upcoming CBA 4.0)

The Convenor of DT CBA present the urgent need for resources and commitment of members in the DT CBA for a successful improvement of the CBA guideline.

7. TYNDP 2020

7.1. Approval of TYNDP 2020 Package for submission to ACER

The draft TYNDP 2020 package has been updated following the public consultation period of 6 November 2020 – 4 January 2021. The SDC approves the updated TYNDP 2020 Package for submission to ACER for opinion.

Decision	
Approval	Purpose/notes
➤ The SDC approves the TYNDP 2020 package for submission to ACER Opinion.	➤ n/a
Take note	
➤ The SDC thanks the TYNDP team for this excellent product.	

Decision approved with an abstention from one TSO.

7.2. EC letter on application of the TEN-E eligibility criteria (dealt with before 6.1)

ENTSO-E received a letter from the European Commission to provide feedback on the eligibility of PCIs for the 3rd PCI list (2018) in light of Brexit. The SDC received a presentation on the methodology proposed for the assessment and the results for the projects connecting to the UK. The SDC approved the approach and mandated the SDC Chair to finalize the answer to the EC.

In the discussion, SDC members highlighted the following aspects of the proposed methodology.

- The proposed methodology is mainly based on market simulations carried out to analyze power flows variation.
- The proposed approach does not allow to highlight any cross-border impact due to internal lines, as prescribed by EU Regulation.
- It is unclear why a 30% of the time threshold is fixed to decide whether there is a cross-border impact or not (such a threshold is not defined in the EU Regulation and the link with the CBA 3.0 threshold is not evident). A lower threshold may be used in particular to allow for the volatility of the scenarios who, in turn, are very strongly correlated to this criterion. This last remark is important considering the need for a certain stability when attributing the PCI status as ENTSO-E requests.
- the 500 MW requirement should result from the sum of the effects on all the borders between Member States.

Therefore, it should be highlighted that the considered approach is not able to verify in a complete manner the EU Regulation requirement. Moreover, in order to rigorously verify the 500 MW cross-border impact requirement, a detailed network study should be requested from the relevant TSOs, where all power system security constraints (including voltage limits, system stability, etc.) are analyzed.

Decision	
Actions requested	Responsible body/Date of expected report
➤ The SDC asks the SDC Chair to finalize the answer to the EC	➤ SDC Chair, by 15 th February 2021
Take note	
➤ The SDC takes note of the elements of response prepared: <ul style="list-style-type: none"> - Draft letter to the EC - Draft results of the project by project assessment 	

Decision approved with 1 abstention.

8. TYNDP 2022

8.1. Approval of Programme Initiation Document and TYNDP 2022 Product Initiation Document (*Incl. feedback from mini-retreat*)

A Planning Programme Initiation Document and TYNDP 2022 Project Initiation Document were prepared as a direct implementation of the principles approved by the SDC in the TYNDP 2022 High Level Guidance Document and in the TYNDP 2022 KPIP. The SDC approved both documents and mandated the TYNDP SG to present Programme level and Project Level roadmap at the next SDC meeting on planning.

Decision	
Approval	Purpose/notes
➤ The SDC approves the Planning Programme Initiation Document.	➤ n/a
➤ The SDC approves the TYNDP 2022 Product Initiation Document.	

Decision is approved with an abstention from one TSO.

8.2. Nomination of TYNDP 2022 SG members

The SDC Chair thanks the 3 members who have applied as candidates to the TYNDP 2022 Steering Group. The call has been prolonged until 12 February 2021. The SDC will approve in a writing process the composition of the TYNDP 2022 Steering Group upon proposal of the SDC Chair.

Decision	
Approval	Purpose/notes
➤ The SDC approves the three nominations received from REE, 50Hertz and TenneT TSO BV.	➤ n/a
Take note	
➤ The SDC takes note and notes that the call has been extended to the 12 February 2021.	

9. Scenario Building

9.1 TYNDP 2022 Scenario building – Progress report

The Convenor of the WG presents the Scenario Building process at a critical stage with the closure of the storyline and data collection phase.

Storyline consultation feedback

30 responses received from energy companies and NGOs mostly. The main concerns are:

- [High biomass levels](#)
- [Energy import levels](#)
- [Hydrogen role](#)
- [Heating technologies](#)

While strong support was received to the high level of ambition for EVs and dedication of FCEV for some specific segments. Finally, stakeholders want to keep the final energy demand of both scenarios within a close range in order to ease comparison.

Prior to Christmas break, directions have been given to TSOs to ensure that their fine tuning of the Ambition Tool is consistent with stakeholders' main expectations.

A full analysis of the consultation feedback will be presented at the next SDC and an exhaustive Q&A section will be included in the Final Storyline Report to be published in March

Data collection

We went for a joint process with ERAA for the National Trends scenario. The deadline was on 8 January and data are at a quality check stage.

Some differences have appeared between ERAA and TYNDP Scenario processes. Electrolysis is not handled the same way and climatic data may differ. The impact on final deliverables will be investigated and reported to SDC

Transfer to the TYNDP Study Team

The methodology guidelines have been provided to the TYNDP Study Team (TST) together with some dummy data in order to start testing the methodologies. Due to the complexity and number of innovations, the WGSB will work closely with the TST especially during the testing phase that should close mid-March.

Due to a lack of investment loop experts, TST has published a Request for Quotation for external Plexos experts and RTE will organize a specific training sessions on Antares Xpansion module.

Relationship with stakeholders

Cooperation with district heating sector is constructive even if we may not achieve all expected improvements due to some late data delivery and complex modelling.

DSOs will finally not provide data on prosumers and EV as initially planned raising concerns on the usage of those data. This illustrates how challenging the task of agreeing on common EU datasets is for DSOs and calls for an increased cooperation with EUDSO in the future.

Institutions

A meeting with EC and ACER was held on 1 February to update them on the process. They welcome our transparency and commitment to associate them to the process. EC asked to pay specific attention to the consistency between our scenarios and their Policy scenarios. It will be a key criteria for the acceptability of the PCI selection.

Update of the project timeline

Due to the modelling delay and uncertainty linked to complex methodologies, the WGSB is defining alternative timelines. It means defining a reasonable balance between sector coupling ambition (i.e. complex modelling methodologies), stakeholder involvement (i.e. modelling re-run on the basis of the Draft Scenario Report) and timely start of subsequent processes (i.e. TYNDP).

An updated timeline will be proposed to the next SDC taking into account our ability to anticipate TSOs and stakeholders expectations regarding re-run ahead of the Summer 2021 public consultation.

Discussions at SDC addressed

- Are scenario storylines balanced enough? Too much gas oriented?
- Are increase in total demand compatible with energy first principles?

These topics will be addressed in mini-Retreat (see below)

One of the members from RTE has to step down from the Steering Group Scenario Building, the SDC asks the secretariat to launch a call for nomination for his replacement.

10. ACTIVE2020+: project overview/Storylines

The topic was skipped and will be treated offline.

11. Topics for next mini-retreats in March 2021

Decision	
Approval	Purpose/notes
<ul style="list-style-type: none"> ➤ The SDC approves the following topics in the SDC mini-retreat session on 16 March 2021: <ul style="list-style-type: none"> • Scenario Building 2022 Storylines 	<ul style="list-style-type: none"> ➤

14. Any Other Business

12.1. System split in CE - State of Play of the Cross-Committee Project Inertia

Well before the system split event dated 8 January 2021, the importance of future challenges of dynamic stability of a power system with increasingly inverter-based generation has been recognised and addressed by e.g. the Cross committee project Inertia. In view of the 8.1.2021 event, that actual status and timelines of the project are discussed.

- First milestone was delivered end of 2019, showing that based on TYNDP scenarios the future is getting more and more challenging
- Milestone 2 was delivered by end of 2020 investigating metrics related to system split
- The 3rd milestone is planned for 2021 and focusses on knowledge dissemination

Updates of the project are suggested in the future. There are no simple or single solutions to the inertia challenge. The inertia report in TYNDP is already referring to inertia need and possibility of system split.