

ENTSO-E Annual Work Programme 2022 - Treatment of stakeholders' comments

This note contains a summary of remarks received during the public consultation organised from 05 July to 20 August 2021 and indications on how they have been taken into consideration in the version of the Annual Work Programme (AWP) 2022 as submitted to ACER.

For ACER's information, ENTSO-E organised a call on 2 September with EDF to discuss their comments.

Section	Stakeholder	Please provide your opinion to the content of the ENTSO-E's Annual Work Programme 2021 - Your opinion: Respondents' feedback	ENTSO-E views
General	EDF	<p>EDF welcomes this ENTSO-E consultation on the works to be carried out in 2022. One general comment conveyed already last year was that the Work Programme should not only provide the list of topics to be addressed but should also provide more information on the prioritization of works by the TSOs as many important issues have to be addressed and that sometimes the same resources cannot be mobilized on several issue at the same time. This visibility is of importance for market players.</p>	<p>The ENTSO-E AWP focuses on the legally mandated tasks given to ENTSO-E directly by EU regulation or through decisions taken by All Transmission System Operators (TSOs) or TSOs of a region mandating their tasks from the EU regulation to ENTSO-E. Priority is therefore given to those activities over other not legally mandated activities.</p> <p>However, ENTSO-E agrees to be more explicit in the introduction of the AWP 2022 about the focus on legally mandated tasks, the efforts to deploy resources in the most efficient way and the goal to involve stakeholders and to provide them with information as much as possible.</p> <p>The following paragraph has been added: “In line with its mission statement, ENTSO-E aims at delivering its legally mandated tasks, while providing transparent information and involving stakeholders as much as possible, in order to deliver in the relevant timescales. ENTSO-E is supported by its TSO experts in achieving the wide range of tasks of the AWP. Expert resources are continuously optimised and deployed taking into account the specific technical requirements and the most efficient way to deliver the best products and services in a timely manner.</p>
Research, Development & Innovation	independent Advisory Council (iAC)	<p>From our Advice on Procuring Flexibility as part of cost-effective system development and integration</p> <ul style="list-style-type: none"> • Ensure TSOs make their platforms for the procurement of system services directly accessible to all flexibility providers. That their respective platforms are sufficiently aligned with each other and with the wholesale market. 	<p>In the section dedicated to research, development and innovation, the AWP 2022 now highlights the aim of INTERRFACE and OneNet projects which is to investigate how the local flexibility markets could be most efficiently connected to the wholesale markets with strong focus on the TSO-DSO coordination.</p>

<p>Research, Development & Innovation</p>	<p>independent Advisory Council</p>	<p>From our Advice on Sector Coupling between Electricity and Gas</p> <ul style="list-style-type: none"> • Explore how far regulatory sandboxes can be deployed to try out new incentives and business models for sector coupling and energy sector integration - in order to assess existing regulatory barriers to investments. 	<p>In the section dedicated to research, development and innovation, the AWP now stresses how the workstream derived from the holistic approach to develop a regulatory framework suitable to the use of innovative solutions will help explore how far regulatory sandboxes can be deployed to try out new incentives and business models for sector coupling and energy sector integration.</p>
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<p>Market CACM</p>	<p>- EDF</p>	<p>As a general remark, the works related to the CACM review should not impede the swift implementation of numerous CACM 1.0 provisions. Furthermore, transparency and improved stakeholder information and involvement will be required on many of the novelties introduced by ACER in draft CACM 2.0 (like the non-uniform pricing methodology for example).</p> <ul style="list-style-type: none"> • EDF would like to stress that the introduction of 15mn products should not be detrimental to the accommodation of complex products, the latter enabling assets to be correctly offered/priced on the markets. The priority for products accommodation should be to keep an efficient pricing and trading of the products/assets in the European target models available, providing thus an efficient DA and ID market price formation. • EDF regrets the lack of transparency also around allocation constraints. Should an external allocation constraint be maintained, it should at least be justified through a transparent and coordinated methodology at regional level and computed by the Regional Coordination Center (RCC). In fact, EDF calls for an EU methodology to perform the cost-benefit analysis complementing the justification of allocation constraints. This methodology supposed to show that allocation constraints are the economically most efficient measure among all alternatives to address operational security issues should be made available to all market participants of the concerned CCRs. • EDF calls for more transparency on the process and methodologies related to the Bidding Zone Review (notably elements related to the locational marginal pricing with the data to be provided to ACER for its model-based approach) as well as for improved stakeholder involvement. 	<p>The ENTSO-E AWP focuses on the legally mandated tasks given to ENTSO-E directly by EU regulation or through decisions taken by All Transmission System Operators (TSOs) or TSOs of a region mandating their tasks from the EU regulation to ENTSO-E.</p> <p>ENTSO-E aims at delivering its legally mandated tasks, while providing transparent information and involving stakeholders as much as possible, in order to deliver in the relevant timescales.</p> <p>ENTSO-E is focused on the proper operation of the market coupling. ENTSO-E will review if there is any impact from the introduction of the 15-minutes products to ensure their seamless application in the day-ahead and intraday markets.</p> <p>In 2022, ENTSO-E will continue its coordination role on the bidding zone reviews done by the bidding zone review regions. EDF's comment will be taken into account in the context of that work in due time.</p> <p>On the common grid model as on all legal mandates, ENTSO-E will make any effort to avoid delays or, if they do happen, to limit them as much as possible.</p>
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<p>Cooperation on the Transmission & Distribution Interface</p>	<p>independent Advisory Council</p>	<p>From our Advice on Flexibility Pilot Projects:</p> <ul style="list-style-type: none"> • Work with TSOs to analyse gaps in the existing framework for demand side participation in energy markets (including balancing) and congestion management procurement, and of the need for local flexibility markets. • Work with TSOs to draw up a problem description and inventory of possible remedies to these gaps, paying attention to the interaction between local flexibility markets and wholesale markets, and to the role of TSOs/DSOs in establishing platforms as a regulated activity. • Work with TSOs to identify and share good practice that emerges from different projects and identify how the projects can lead towards the next stage of a broader application beyond the pilot stage. 	<p>ENTSO-E performed such regulatory gap analysis in 2020 (please find if enclosed for your convenience). It was further complemented by a Roadmap prepared with DSO associations in 2021. This document was sent to stakeholders who participated to the public workshop organised on 20 May.</p> <p>ENTSO-E also published a discussion paper about options for market design in 2030. This document includes a chapter on local flexibility markets.</p> <p>Based on the above deliverables, ENTSO-E is working on new reports and positions which should be published this year or the next.</p> <p>In conclusion, ENTSO-E has already recently performed several elements related to this topic and is working on new documents. However, the AWP being focused on ENTSO-E's mandates and legal requirements, these documents may not appear in the AWP as they do not have a legal background.</p>

<p>Cooperation on the Transmission & Distribution Interface</p>	<p>independent Advisory Council</p>	<p>From our Advice on criteria to connect new generation to the grid</p> <ul style="list-style-type: none"> • Ensure TSOs make full use of available flexibility instruments to optimise their grid investments, including by developing fair incentive structures to value system services and ensure investments. • Ensure TSOs use more accurate criteria to allocate connection capacity, by allowing power generation developers to present their own studies, based on methodologies approved by the TSO, and carried out by certified entities. 	<p>ENTSO-E is working on a short discussion paper regarding the assessment of flexibility solutions in system planning. The document is still under discussion.</p> <p>Regarding criteria to allocate connection capacity, there are currently no obvious regulation to tackle the topic mentioned in the iAC's input. Any project to progress on this topic (e.g. a comparison of the processes for allocating connection capacity and the decision criteria with EU) would then be done on a voluntary basis.</p> <p>In conclusion, ENTSO-E has discussed criteria to connect new generation to the grid and has started working on this topic on a voluntary basis.</p>
<p>System Operation</p>	<p>EDF</p>	<p>EDF calls for more transparency around the methodologies notably related to the coordinated regional security assessments and the process around costly remedial actions.</p> <ul style="list-style-type: none"> • EDF calls for more transparency and implication of market actors on the works on the options (especially the new ones) retained in the methodology for defining the FCR duration for limited energy reservoir facilities, since they could have significant financial and operational impacts. 	<p>The ENTSO-E AWP focuses on the legally mandated tasks given to ENTSO-E directly by EU regulation or through decisions taken by All Transmission System Operators (TSOs) or TSOs of a region mandating their tasks from the EU regulation to ENTSO-E.</p> <p>ENTSO-E aims at delivering its legally mandated tasks, while providing transparent information and involving stakeholders as much as possible, in order to deliver in the relevant timescales.</p> <p>Regarding Coordination regional Security Assessment and costly remedial, following the approval of the amendments (art. 21 and 27), RSCs are collaborating on drafting the requirements for the implementation.</p> <p>The public consultation on TminLER further highlighted the differences in opinion on the topic. TSOs agreed on submitting an interim TminLER proposal to NRAs and closely collaborating with them on the way forward.</p>

<p>System Development</p>	<p>EDF</p>	<p>Considering adequacy assessment: ENTSO-E should further enhance the consistency between the TYNDP and ERAA underlying scenarios, as well as the CBA consistency when assessing network and alternative flexibility solutions. The development of a sound methodology for the economic viability check should be among ENTSO-E's priorities.</p> <ul style="list-style-type: none"> • The TYNDP, as a major input for Projects of common interest (PCIs), would deserve results with more sensitivities, in particular on the commissioning of projects (considering permitting issues, concertation phases, construction delays), and on the additional exchange capacities expected. In this sense, EDF would find very useful a feedback exercise about the gap between expected commissioning date in previous TYNDP, and the final commissioning date, with some insights to explain the observed difference. About grid data publication, ENTSO-E should keep on improving the quality and self-supporting structure of the CIM/CGMES datasets made available when publishing the TYNDP, especially about geographical coordinates and generation technologies, and should increase the number of scenarios, time horizons, time points published, beyond a restrictive single case as today. • Regarding the TYNDP scenarios, ENTSO-E should build scenarios in line with the net zero objective where low carbon electricity will have a major role to play as energy vector (electrification of uses) to reach the objective. 	<p>The ENTSO-E AWP focuses on the legally mandated tasks given to ENTSO-E directly by EU regulation or through decisions taken by All Transmission System Operators (TSOs) or TSOs of a region mandating their tasks from the EU regulation to ENTSO-E.</p> <p>ENTSO-E aims at delivering its legally mandated tasks, while providing transparent information and involving stakeholders as much as possible, in order to deliver in the relevant timescales.</p> <p>ENTSO-E would like to remind that the same CBA applies to all solutions suggested by promoters in the TYNDP, while the ERAA does not cover alternative grid options. However, ERAA aligns with the TYNDP reference grid. The TYNDP also informs on progress of projects compared to earlier TYNDPs. The benefits can be read in this regard as missed benefits in case of delays. The number of scenarios and time horizons is aligned with the CBA method and strikes a balance between more information and computational complexity. When assessing grid capacity provided by projects, the CBA method explicitly allows for year-round simulations (all hours) or point-in-time selection which would be clearly stated in the project sheet. New generation is not always linked to specific grid coordinates but is either allocated based on expert judgment or distributed across a zone. The CBA method also prescribes how generation and load shift can be applied across all nodes in a zone when calculation Delta NTC values. Overall, the new top-down scenarios in TYNDP2022 are compliant with the net-zero objective and Fit-for-55 goals.</p>
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<p>Transparency Regulation</p>	<p>EDF</p>	<ul style="list-style-type: none"> • The Transparency Platform should help harmonize good practices amongst TSOs and provide easy access to reliable and consistent data. Information on the sources used should be provided. With the integration of data related to balancing, dynamic publication should be ensured. • It can be noted that some TSOs still do not publish complete data on the ENTSO-E Transparency Platform and that some data published on the Platform is different or not consistent with what TSOs publish on their own websites. Clarification on the perimeters and the respective obligations should be ensured. • It would also be useful that the Transparency Platform incorporates information which is currently published elsewhere (e.g. on the JAO website) so that all transparency data is centralized and available at a unique location. 	<p>The ENTSO-E AWP focuses on the legally mandated tasks given to ENTSO-E directly by EU regulation or through decisions taken by All Transmission System Operators (TSOs) or TSOs of a region mandating their tasks from the EU regulation to ENTSO-E.</p> <p>ENTSO-E aims at delivering its legally mandated tasks, while providing transparent information and involving stakeholders as much as possible, in order to deliver in the relevant timescales.</p> <p>ENTSO-E will continue monitoring the quality and completeness of the data which TSOs submit to the Transparency Platform, as required by the agreed quality standards.</p>

<p>Cooperation with UK TSOs</p>	<p>EDF</p>	<p>The ENTSO-E Work Programme does not mention the works on the market coupling arrangements with the UK. EDF would like to underline that the assessments of the target solution (Loose Volume Coupling) proposed to consultation were rather incomplete and constitute no legitimate basis to declare it economically efficient (see our response).</p>	<p>The ENTSO-E AWP focuses on the legally mandated tasks given to ENTSO-E directly by EU regulation or through decisions taken by All Transmission System Operators (TSOs) or TSOs of a region mandating their tasks from the EU regulation to ENTSO-E.</p> <p>EDF's comments in the context of the public consultation related to the market coupling arrangements with the United-Kingdom had been considered in the context of the UK cooperation project, as any other answer received by stakeholders on this consultation.</p>
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<p>Development of new NCs and Guidelines</p>	<p>EDF</p>	<p>EDF would like to stress the importance of involving relevant stakeholders in the processes and works related to new network codes and guidelines. Notably regarding the development of new provisions/rules on:</p> <ul style="list-style-type: none"> • demand side flexibility (either in the form of amendments to existing guidelines or of a new guideline). Here the relevance of new provisions and the exact scope of the rules still needs to be assessed. • on cybersecurity. Here the ACER Framework Guidelines have defined the scope and the key principles. 	<p>The ENTSO-E AWP focuses on the legally mandated tasks given to ENTSO-E directly by EU regulation or through decisions taken by All Transmission System Operators (TSOs) or TSOs of a region mandating their tasks from the EU regulation to ENTSO-E.</p> <p>ENTSO-E aims at delivering its legally mandated tasks, while providing transparent information and involving stakeholders as much as possible, in order to deliver in the relevant timescales.</p> <p>ENTSO-E will organise with EU DSO Entity a series of thematic workshops focusing on planning and operational issues such as observability and controllability of assets, exchange of grid data, cooperation in emergency state and defence plans, load frequency control, coordination of non-frequency ancillary services, among others.</p> <p>ENTSO-E, in close cooperation with EU DSO Entity and with the support of a Drafting Committee, is preparing a proposal for the cybersecurity network code in accordance with the ACER framework guidelines. The final proposal will be submitted to EC on 14 January 2022, following a public consultation where stakeholders will be invited to submit their comments.</p>
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<p>Cooperation on the Transmission & Distribution Interface</p>	<p>independent Advisory Council</p>	<p>From our Advice on Procuring Flexibility as part of cost-effective system development and integration:</p> <ul style="list-style-type: none"> • Ensure TSOs publish transparent information on expected system challenges to all those offering flexibility services. The information should cover long-term investment needs and the short-term congestion management actions the TSOs are taking. • Develop new and harmonised system service blueprint products for a changing energy world, including with respect to congestion management, inertia, reactive power and voltage control. 	<p>ENTSO-E takes note of the ideas of publishing information on expected system challenges to all those offering flexibility services and of working on new and harmonised system service blueprint products for a changing energy world.</p> <p>However, it must be highlighted that these are new and complex issues which are currently under review outside of the AWP 2022 but could be addressed in future AWPs.</p>
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