

23rd Market European Stakeholder Committee (MESC)

Thursday, 11 March 2021 from 10:30-16:00
Online Meeting

Draft Minutes

Participants		
Christophe	Gence-Creux	ACER/Chair
Mathieu	Fransen	ACER
Heni	Radanovic	ACER
Martin	Viehhauser	ACER
Mathilde	Lallemand	EC
Naomi	Chevillard	SolarPower Europe
Julio	Quintela	CRE
Nico	Schoutteet	CREG
Maarten	Klijn	ACM
Timon	Dubbeling	ACM
Lisa-Marie	Mohr	BNetzA
Barbara	Zwinka	BNetzA
Marco	Pasquadibisceglie	ARERA
Francesco	Cariello	ARERA
Rickard	Nilsson	Europex
Karol	Nicia	Europex
Edmund	Beavor	Europex
Camilla	Berg	NordPool Group
Birgit	Kunze	NordPool Group
Hélène	Weil	EPEX SPOT
Zohra	Boumedhel	EPEX SPOT
Davide	Orifici	EPEX SPOT
Philippe	Vassilopoulos	EPEX SPOT
Michael	Van Bossuyt	IFIEC
Rafael	Gomez Elvira	All NEMO Committee
Miha	Pregl	All NEMO Committee
Yannick	Phulphin	Eurelectric
Helene	Robaye	Eurelectric
Stella	Benfatto	Eurelectric
Abi Afthab	OLIKATHODI	Eurelectric
Guillaume	Maes	Eurelectric
Jerome	Le Page	EFET
Paul	Giesbertz	EFET
Lorenzo	Biglia	EFET
Federico	Barbieri	EFET
Sonia	Saly	EFET
Tim	Schittekatte	FSR
Valerie	Reif	FSR
Stefan	Doerig	SmartEN
Ivan	Pineda	WindEurope
Blandine	Malvault	WindEurope

Participants		
Sven	Kaiser	E-Control
Anneli	Teelahk	EASE-Storage
Herman	Moesstue	MontelNews
Petteri	Haveri	GEODE
Roderick	Timmer	Cross Energy Trading
Verdiana	Ambrosi	Terna
Mauro	Caprabianca	Terna
Paolo	Fanelli	Terna
Fabrizio	Carboni	GME
Peter	Scheerer	ENTSO-E
Javier	Barrantes	ENTSO-E/REE
Mario	Turcik	ENTSO-E/SEPS
Nigel	Thomson	ENTSO-E
Konrad	Purchala	ENTSO-E
Adrian	Gonzalez	ENTSO-E
Gjorgji	Shemov	ENTSO-E
Tore	Granli	ENTSO-E
Benjamin	Genet	ENTSO-E/CWE TSOs/Core TSOs
Andre	Estermann	ENTSO-E
Marta	Mendoza	ENTSO-E
Kristine	Marcina	ENTSO-E
Ludivine	Marcenac	ENTSO-E
Alexander	Dusolt	ENTSO-E

1 Opening

1.1. Welcoming address + Approval of minutes + Draft Agenda (Christophe Gence-Creux, ACER)

The Chair welcomes the participants. All approve the agenda and the minutes of the last meeting. The Chair reminds that the Terms of Reference foresaw public streaming of the meeting. It needs to be clarified who can actively participate to the meeting and who can watch and listen only. For today, non-members were removed. For the next meeting both should be possible.

- ENTSO-E to look into options to stream or record and publish the meeting.

1.2 Update on recent developments (recent decisions, appeals, BZR, 70%, CCR decision, Brexit, Cybersecurity)

The Chair updates on recent developments:

- Balancing is not on the agenda as a dedicated balancing stakeholder group meeting will be organised in April.
- ACER will issue a decision on CORE fallback methodology in the next weeks.
- ACER expects to issue CCR decision in April, the only remaining questions is whether the two interconnectors with Denmark should belong to Hansa or CORE region.
- ACER received 10 appeals, 9 of them on redispatch coordination and cost sharing in the CORE region.
- ACER organised a webinar on the 70% rule in relation to the report published end December. Amongst those NRAs, who intend to issue a compliance report, a large majority will follow the same methodology as ACER. Only a couple of NRAs have taken/indicated their intention to take a different approach. ACER highlighted the problem of data retention by some TSOs, which will have to be solved through data request decisions. EFET (Paul Giesbertz) asks why there can be different interpretations. The Chair explains that ACER's recommendation is not binding for NRAs. NRAs have the duty to monitor compliance with the 70% rule at national level.
- ACER received a letter from EC requesting the drafting of Framework Guidelines for a Cybersecurity Network Code. A two-month consultation will start in April.

- ENTSO-E (Nigel Thomson) [updates](#) on the EU-UK trade and cooperation agreement for energy. A cost-benefit analysis (CBA) performed by consultants on behalf of National Grid and the EU TSOs will be ready by April 2021 (to be published). Technical details on the solution will be developed by November 2021, for an implementation planned by April 2022. Stakeholder involvement is planned throughout this process. Eurelectric suggests creating a paper to describe the loose volume coupling (LVC) more in detail, e.g. on what does it mean to take information from PXs, which ones are concerned, what does it mean if auctions don't happen at the same time? They ask to what extent the outcome of such LVC could lead to inefficient decisions in terms of day ahead flow schedules. ENTSO-E explains that part of the CBA is comparing the status quo against LVC. Also, a qualitative assessment, giving better indications on implications of LVC will be done. CRE (Julio Quintela) asks who would estimate flows from 3rd countries such as from Germany for LVC. ENTSO-E explains this is currently looked at to get best quality results. ENTSO-E (Benjamin Genet) explains that the flow forecast is an important element in LVC. The agreement states that TSOs are in charge. It remains to be defined how it will be done. EFET (Jerome Le Page) states that it is important to have more details on the design comparing with the current situation, not just an abstract analysis. He asks, what is leeway if the CBA is negative or not clearly positive, what are the options? ENTSO-E states they are investigating what is the decision point and who makes the decision. The Chair invites to include further questions in the issue logger. More detailed information will be communicated at the next MESC.
- EC (Mathilde Lallemand) informs about the ongoing work on Demand Side Flexibility (DSF) based on the electricity regulation (Article 59.1 (e) Electricity Regulation), which is open for further regulation, incl. possible amendment to existing network codes and guidelines or a dedicated network code or guideline. An **indicative** timeline is available. There is a joint TSO DSO taskforce, analysing regulation and regulatory framework to identify gaps. This work will be enlarged from sept. 2021 by setting up an expert group chaired by ACER to work on scoping of the new regulatory framework, either new NC or amendments, including stakeholder consultation. EC plans to initiate the formal process by requesting a FWGL in first half of 2022, due by December 2022. Then EC request to draft in Sept 2022. Eurelectric (Yannick Phulphin) appreciates set up of an expert group and expresses interest to join and support the FWGL and NC. EFET (Paul Giesbertz) asks whether the two existing gap analyses performed by the TSOs and DSOs are published. EC informs that the outcome of the first step is expected to be shared. A workshop will be organised in the spring on the subject.
- → ENTSO-E to confirm if gap analysis are published.

2 CACM

2.1 Update on CACM 2.0

ACER (Mathieu Fransen) [explains](#) they received a request from EC to propose amendments on CACM. He informs that the consultation is intended to start on 15 April and last until 10 June and thus would be open for 8 weeks. Workshops will be organised, with the objective to submit a final propose to the Commission in Q4 2021.

Eurelectric (Helene Robaye) on behalf of Eurelectric, EFET and IFIEC [states](#) it is a good point in time to do the big and deep review. Amendments won't be ready in 2-3 years, so we can focus on implementation on what is decided and think one step further. Their main messages are (further details in slides):

- Not necessary to repeat what's in electricity regulation
- No delay in implementing CACM first version. No step back in efficiency.
- More stakeholder involvement especially in MCO function
- Good occasion to introduce key principles on transparency

ACER agreed to avoid unclarity by repeating elements of the electricity regulation, only on some topics more legal clarity may be needed, therefore proposals will be made.

Europex (Rickard Nilsson) [states](#) it's worth recognising the cooperation between PXs and TSOs in the context of market coupling even before CACM (further details in slides).

The Chair informs that they will have to clarify the 70% rule as the electricity regulation is not clear. He explains that the purpose of ACER's market report is to identify potential needs to launch a Bidding Zone Review. The market impact will have to be addressed in the BZR performed by TSOs.

EFET (Jerome Le Page) states that the capacity calculation should be done on the basis of capacity calculation methodologies. If the threshold of 70% is not reached, then the 70% rule applies. If ACER wishes to precise provisions in CACM on the application of 70% rule, we should keep in mind that good capacity calculation should be the main instrument and thus keep the focus on it.

CRE (Julio Quintela) confirms to follow the implementation of CCMs and ensure that as much capacity as possible is provided to the market. The 70% rule is one of the incentives to give as much capacity as possible.

Eurelectric (Yannick Phulphin) supports EFET's view. Art. 16 says also that capacity calculation should look at what happens without redispatch and countertrading needed for reaching the 70%. They would expect from CACM clarification on how this value is reached. Market needs a clear view on the physically achievable cross-border exchanges. He refers to the Eurelectric position paper on amendments, especially on transparency. ACER confirms this is included, already in the scoping letter, as an overarching block in total structure.

ENTSO-E (Konrad Purchala) explains that it is difficult to calculate objectively the capacities made available through redispatch and thus could be difficult to publish them. There is a discrepancy between timeframes when you calculate capacities and when you verify what remedial actions you have. Application of measures depends on how the grid is used. No limitation on intra zonal trade taking place. ENTSO-E (Peter Scheerer) underlines that the goal should not be to maximise the capacity but to optimise. Maximising capacity does not make sense if redispatch and countertrading costs exceed market benefits. Furthermore, the security of the system always needs to be maintained.

IFIEC (Michael Van Bossuyt) reminds that from the consumer side, the goal is not 70%, it is market integration.

2.2 Update on SDAC

The SDAC project (Miha Pregl) [updates](#) on the SDAC extension planning and the partial decoupling of 13 January.

EFET (Paul Giesbertz) welcomes the steps for further integration, important for SEE countries and helping the market. On the decoupling events is important to learn from real incidents. Regarding the incident on 8 January (not reported in the SDAC slides) and the system split, he suggests that also market aspects and NC E&R need to be considered. The interim report talks about market suspension, however there was no suspension. But maybe there are more market impacts to be looked at, e.g. were emergency measures aligned, how does it impact pricing, imbalance pricing, how support from Nordic and UK system affect imbalance settlement and prices also in those markets. There is an expert panel working on it only with TSOs and NRAs. It would be good if that expert group also consults market participants.

- ACER to provide feedback on ENTSO-E's harmonisation report on rules for market suspension published on 18 December 2020, taking into account stakeholders' comments in some weeks
- ENTSO-E to confirm if interaction with stakeholders is planned before publishing final report on 8 January system separation event.

ENTSO-E (Andre Estermann) informs that they are working on the E&R report and are looking into improving the process, to have regular monitoring and taking next steps.

2.2. Update on SIDC

The SIDC project (Karol Nicia) [updates](#) on the status of the work.

New timelines: LIP 14 (Italy) go-live now foreseen in September 2021 (first tests have started, and other market trial could start in June/July). Slovakia will not go live before end 2022.

EFET (Jerome Le Page) asks for the possibility to better understand the solution on cross product matching before the final specifications are presented and asks about the timeline for the project. The SIDC TSOs confirm that they will answer open questions on the design in a user forum with market participants. They are conducting an analysis of the topics by summer. Market participants will be informed about the next steps as soon as possible. EFET notes that there are concerns on the go-live for XBID in Italy (LIP14):

- the co-existence of XBID and complementary regional auctions. Regional auctions foresee interruption time of 50 mins in XBID, which is not compliant with CACM which foresees a maximum interruption of 10 mins.

- regional auctions will only be available at certain borders (Slovenia, Greece and internal borders), there is no access to regional auctions on French, Austrian and Swiss borders. EFET would have generally preferred a simpler model without regional auctions, but if regional auctions are implemented, it's a problem if not everybody has access to them. In theory, XBID will not be suspended at French, Austrian and Swiss borders, but in practice French, Austrian or Swiss market participants will not be able to trade with Italian counterparts as XBID will be suspended within Italy during the 50 min used for the auctions. EFET is still supportive of the XBID project and wants to see XBID fully rolled out in Europe but it should not be to the detriment of cross border trading. The SIDC TSOs explain that during the 50min suspension a French bid can be matched with an Austrian counterparty using the capacities on the Italian borders, which is already possible today.

ARERA (Francesco Cariello) notes that EFET's concerns are well known. NRAs have accepted the 5050-min interruption as maximum interruption for the start and asked NEMOs and TSOs to work on shortening it. They have interpreted regional auctions as a first step to reach the target model, which is designed by ACER with a 40 minute-interruption. of the pan-European intraday auctions. They strive to have mechanisms close to target mechanism available by 2023. The concern that regional auctions started only on selected borders (Slovenia and Greece) should be addressed to French and Austrian partners as regional auctions were agreed by all NRAs at the same point in time and then French and Austrian partners decided to not take part in it. On other aspects, e.g. the Swiss situation, the Swiss borders won't be treated the same as the EU borders. They will be switched back to explicit auctions.

CRE (Julio Quintela) asks for clarification whether Italian market participants can't trade with French market participants during the interruption. The SIDC TSOs confirms that during regional auctions the Italian, Slovenian and Greek order books will disappear, thus no matches can be made. But the capacity remains available for cross border participants, therefore, a French and Austrian bid can be matched through Italian capacity. CRE notes that there is no interruption for the Spanish auctions. CRE and the Chair suggest discussing in the project forum and comparing the cases as there were similar questions.

EFET expresses their interest to take part in discussions with TSOs and NEMOs.

ARERA confirms that there is a workshop with market participants scheduled on 15 March. There will also be workshop with market participants on the LIP 14, well before the go-live to present the details. He adds that the Spanish case may be less difficult with one single NEMO and one single border. ARERA is open to consider improvements.

GME (Fabrizio Carboni) confirms that a pre-launch event will be organised as soon when the September go-live date is confirmed, which should be this month.

- ⇒ Chair proposes to have a follow-up discussion at the next MESC meeting

2.4 Update by NEMO Committees

The NEMO Committee (Rafael Gomez Elvira) presents the [update](#).

1) Intraday Gate Opening Time in Germany

EPEX (Helene Weil) presents their [position](#) and the risk of market regression associated with the Request for Change submitted by EMCO to SIDC. EPEX (Philippe Vassilopoulos) raises the issue if it was for XBID to open at 15:00, that XBID creates schedules for the control areas in Germany. If that's not possible, in the future traders could only trade in their area, instead of the whole German area. Therefore, the proposal could be worse than the situation today.

German TSOs (Andre Estermann) remind EMCO and EPEX on the agreed SIDC Change Request in February 2021. In line with this, parties intend to start testing mid-end April and have already reserved the needed resources. The question is whether to start testing the agreed solution or waiting until new functionalities are available in XBID and/or new procedural solutions are agreed.

EFET (Jerome Le Page) suggests talking about a review of the restriction that the TSOs are placing on the functioning on the intraday market. Intraday transactions are valid for the whole bidding zone, but then there are limitations on internal capacities. TSOs already restrict cross-border intraday trade with their interpretation of the ACER decision on cross zonal Gate Opening Time, now there is a limitation within a bidding zone. The question is how we get the intraday market functioning as of 15:00, within Germany and across all bidding zone borders.

EC (Mathilde Lallemand) explains that there should be no limitation of intraday trade as of 15:00 within a bidding zone.

EMCO (Birgit Kunze) reminds that CACM is requiring all NEMOs to accept all bids by 15:00. Market participants benefit from liquidity. No NEMO is entitled to withhold liquidity, independent on TSOs being able to allocate cross zonal capacities. Throughout CWE no TSO is allocating positive capacity at 15:00, most TSOs only provide it at 22:00. In Germany, there is an additional issue with inner-German capacities. The German bidding zone is set for unlimited capacities within the bidding zone. XBID must allow market participants to trade inside the German bidding zone without limitations. If there are constraints by TSOs for providing unlimited capacities, this would need to be discussed and a solution to be found for German NEMOs to share order book across all German areas. If order books are not shared there could be discrimination between NEMOs, as market participants will trade with NEMO with higher liquidity.

German TSOs (Andre Estermann) explain that it's not a capacity but a system operation issue. He reminds the agreement made with EMCO and EPEX of which all market participants are aware. If they intend to share order books as soon as possible, the agreement foresees testing and planning go-live before summer 2021. In any case, German TSOs need lasting commitment from all involved parties in order to move forward.

ACER (Mathieu Fransen) asks to confirm whether the "freeze period" in Germany means that no trades can be nominated by any market participant between 15:00 and 18:00. German TSOs confirm that market participants can trade but only nominate at 18:00. EPEX confirms that they do a netted nomination at 18:00 in Germany.

EFET confirms that all other TSOs allow trading and nominations as of 15:00. They understand that there are issues with those processes between German TSOs that prevent the smooth running of intraday sharing of order books between NEMOs. The full application of regulation should be in the focus for TSOs and NRAs.

The Chair asks BNetzA to find ways for NEMOs to share their order books without market regression within Germany. BNetzA (Barbara Zwinka) confirms they have talks with all involved parties. They agree on the importance of shared order books as of 15:00. They are setting up a process to find a solution and will give an update in the next MESC.

2) Pooling of SIDC liquidity in the last hour before delivery

EMCO notes that sharing order books in the final 60mins until real time is a CWE problem. Intraday trading shifts to final minutes before real time due to increased production from RES.

EPEX (Helene Weil) presents their position including that order books shall only be shared when there is cross zonal capacity allocated for cross-border trades. Changing that principle would be a change of paradigm with significant consequences for the market as a whole.

German TSOs (Andre Estermann) clarify that they enable the sharing of order books until 30 Minutes before delivery within the bidding zone as of SIDC go-live in June 2018. However, NEMOs do not use this setup.

EFET (Paul Giesbertz) states they are in favour of liquidity and aggregation of offers and competition between platforms. He notes that ideally XBID would be open for intraday trading in the last delivery hour.

Eurelectric (Helene Robaye) supports the sharing of liquidity. She notes that NEMO competition should not be detrimental to efficiency of market, pooling of liquidity is more important.

⇒ The Chair invites BNetzA to report on progress at the next June meeting.

2.5. Update on the implementation of intraday CCMs in each CCR and issues affecting implementation planning and efficiency analysis for allocation constraints

ENTSO-E (Andre Estermann) [presents](#) the preliminary timeline for the implementation of the DA and ID capacity calculation methodologies. By June 2021 ENTSO-E will publish the capacity calculation report. This report will provide an overview of where we are, but not all methodologies are implemented yet.

The Chair asks if allocation constraints will be included. ENTSO-E answers that in some CCRs there will be. ENTSO-E explains that in 2023, when the next capacity calculation report will be published, all CCRs will show the full picture, including the changes arising for the ongoing discussions with ACER on the indicators. ENTSO-E confirms that as the report will be published by the end of June, some results can be presented already in the next MESC.

EFET (Jerome Le Page) highlights that capacity calculation harmonisation has been postponed for several years. In CACM it was envisaged to start in December 2020, and now it will be postponed until after 2025. EFET reminds the objective to have EU calculations, and that the regional approach of CACM was designed as a first step towards EU harmonisation. There is still an opportunity to implement shortly harmonisation requirement on some topics such as transparency and propose to focus efforts first on DA and after on ID. ENTSO-E (Andre Estermann) notes that there is already some work on harmonisation, ex. on transparency requirements.

The Chair questions in the context of CACM 2.0 how this requirement of harmonisation will impact the ongoing projects, and if new deadlines in the CACM shall be included for it.

⇒ ENTSO-E is invited to present its draft capacity calculation report at the next June MESC meeting.

2.6. Repeated capacity reductions at the Italy North borders

EFET (Jerome Le Page) [explains](#) that they have presented the topic in the Italy North Consultative Forum also. EFET explains that market parties observed significant cross border capacity reductions at Italy North borders in 2020. The COVID 19 situation was provided as a reason for it, but EFET claims that the capacity reductions had been repetitive for many years and have been applied in 2020 well beyond the most sensitive weeks of the COVID 19 crisis in terms of consumption drop. EFET asks for more transparency specially on how allocations constraints are calculated and applied. EFET agrees that the Terna actions are compliant with the methodology but questions if these actions were the least harmful to social welfare and if the CCM is fit for purpose.

Terna (Mauro Caprabanca) provides an [overview](#) of the insights related to the Italy North capacity reductions. He explains that the purpose of the operational constraints is to cope with voltage control, system inertia or dynamic stability which cannot be transformed efficiently into maximum flows on critical network elements. The application of such measures is foreseen by the Capacity Calculation Methodology approved by the NRAs. The exceptional drop of consumption caused by the Covid-19 characterized by very low level of consumption, and high renewables infeed in addition, led to the persistence of the critical situation till the beginning of June. The exceptional circumstances of the COVID-19 crisis led to the need to adapt the operational security constraints, so as to ensure a proper control of voltage profiles and dynamic stability of the power system, and to maintain the transmission grid within operational security limits.

Terna explains the differences between the Italian North borders and the internal BZ borders and highlighted that while Terna can forecast the availability of remedial actions in their control area (Internal Italian borders), the availability of resources for remedial actions on Italian North Borders is much more limited and subject to bilateral agreements. When sizing the capacity reductions at Italy North borders, Terna does already consider all the internal remedial actions available for the other borders and translate into allocation constraints only the residual security violations that cannot be solved adjusting internal flows. The presentation shows how allocations constraints are calculated. Terna explains that a Cost benefit analysis is under preparation. This should evaluate social welfare dynamic compared to different alternative measures rather than curtailments. Outcomes of the CBA is foreseen to be ready by mid 2021.

ARERA (Marco Pasquadibisceglie) confirms that this presentation was discussed already in the regional forum. He highlights that transparency is key and welcomes further evaluations requests from the Market parties. He also explains that further measures are under assessment in order to reduce allocation constraints. Despite the CBA is not public, ARERA will be discussing it with concerned parties and a public consultation will be organised. The CBA will be drafted in Italian, but he offers a meeting in English. He concludes on the need to address allocation constraints but ensures voltage stability support to the system.

Eurelectric (Yannik Phulphin) explains that the capacity reductions took place not only during COVID, but also before. This covid year is even more extreme. He requests clarification on the countertrading potential at Italy North borders is considered in the sizing of the capacity curtailment. He asks ARERA's views the application compatibility of the rule to allocation constraints with the 70% rule and its considerations about ACER recommendation in this regard. ARERA (Marco Pasquadibisceglie) explains that the derogation on the 70% rule for Italy covers the allocation constraints today. If there are allocation constraints, it is because they are needed. ARERA shall ensure that Terna ensures the security of the system, independently of the 70%. To be further analysed if there are alternatives to the allocation constraints.

The Chair concludes that further discussion will continue at regional level.

3. FCA

3.1 Compensation in case of fallback

ENTSO-E (Andre Estermann) [presents](#) the TSOs' concerns on the remuneration of long term transmission rights in case of decoupling.

Eurelectric (Helene Robaye) disagrees with the TSOs proposal and highlights the need for hedging tools. They do not agree that the current regime results in overcompensation and claims that it can be different in each situation. Eurelectric do not see in any case a negative impact on TSOs with the current regime.

Eurelectric (Yanick Phulphin) highlights also that it is not correct to say that the payment of LTTR compensation is supported by the consumers. The remuneration of LTTR is the result of the competitive LTTR auctions where holders bought this right (and TSOs sold it), with full consideration that there might be decoupling events between markets. He also explains that he sees room for improvement as there was low participation in first shadow auctions and the effective market spreads. Competition might be limited in the shadow auctions and market participants give a lower value to cross-zonal capacity in a context of a greater uncertainty. He suggests that the time to market parties to react is too short and concludes that there is a benefit on increasing the participation and competition in shadow auctions and that this topic can be further discussed to find the way to make the auctions more attractive to the market parties.

EFET (Jerome Le Page) agrees with Eurelectric and asks to not mix the consumer costs and the loss welfare. He highlights also that the overall picture shall be considered, and that it shall be considered how much revenues are made by the allocation of LTTR by TSOs overall (not just on the few days when decoupling happens). If TSOs decide to attack firmness they attack a basic principle for trading, and the value of transmission rights will also decrease if firmness is not ensured.

IFIEC (Michael Van Bossuyt) disagrees with EFET and Eurelectric and, highlights that in this case they agree with ENTSO-E. He explains that speaking for the consumers, they agree with LTTR, but for the specific case of decoupling for technical reasons, the exposure shall not be paid by the consumers. He highlights that, as proposed by the TSOs, further assessment of this decoupling situations and compensation regime shall be done.

→ The Chair recognises that there may be an issue here, but he is reluctant to change the firmness regime to address this issue and concludes that there will be a follow up after the workshop in April and an update in June's MESC.

4. Market arrangements for offshore wind hybrid projects

Eurelectric (Guillaume Maes) [presents](#) their work on Market arrangements for offshore hybrid projects. He presents three market setups where Eurelectric investigated their impacts on all market timeframes. There is no one-size-fits-all solution considering the diversity of infrastructure and projects. There are advantages and disadvantages for each setup and potentially a need of regulation changes. Eurelectric insisted that regardless of the market arrangements, there is a need to have a clear and robust regulatory regime. Eurelectric explains that they are very happy to contribute to trading arrangements but also to the broadened scope.

The Chair thanks Eurelectric for the presentation on this fascinating topic, and explains that from NRAs side, this work and thinking is also starting, and agrees to address all the issues even if it is not clear how.

WindEurope (Ivan Pineda) [presents](#) its views on the topic. He explains the different topologies for offshore wind projects, and highlights that they are highly dependent on the topology. This is one of the main challenges of this type of projects. Offshore hybrid projects are important to increase the interconnection and trade, and the regulatory framework to develop them shall fit for purpose. He highlights that there is a value for the market in these projects that shall be correctly distributed, and a framework shall be developed for it, ensuring that there is a balance short term efficiency versus long term investments signals.

5. AoB

No topics

6. Meetings 2021

Next meetings:

- 16 June
- 29 September
- 1 December