

REPORT FROM THE BOARD

Topic 3 of the Agenda

Bente Hagem, Chair of the Board

**Assembly Meeting
Brussels**

10 December, 2015



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REPORT FROM BOARD, INCLUDING COMMITTEE ACTIVITIES

1. Review of strategic goals set by the Board
2. Additional proposals for Regulatory Governance
3. Status and adoption of network codes.
4. Capacity Calculation Regions, FB project in CEE and merger with CWE
5. Formal request from ACER to study more bidding zones
6. The Annual Conference

1. REVIEW OF STRATEGIC GOALS SET BY THE BOARD (1)

TARGET	MEASURABLE / TIMELINE	IN CHARGE
1. Stakeholder perception of ENTSO-E improves further	Stakeholder Survey results 2015	CA
2. Complete plan to deliver DA market coupling in all Europe (at least on NTC base)	Plan to be delivered by Mar 2016	MC
3. Deliver ID with local projects for all TSOs currently in the project	June 2017 (CP), end 2017 (LP)	MC
4. Establish efficient implementation of balancing code and pilot projects	Mar 2016	MC
5. All RSCIs established and their 5 tasks implemented, based on existing ENTSO-E project structure and interoperability	End-2017	SOC
6. EU legislation on distributed flexibility ¹ , based on joint TSO/DSOs and co-creation with stakeholders	July 2017 / Sep 2016 for scoping	MC

¹ Roles between TSO-DSO, link wholesale and retail markets, data-handling

1. REVIEW OF STRATEGIC GOALS SET BY THE BOARD (2)

TARGET	MEASURABLE / TIMELINE	IN CHARGE
7. SoS Directive to ensure ENTSO-E's adequacy methodology become the basis for European reviews of capacity mechanisms and support schemes	Dec 2016; spring 2016 for ENTSO-E input	SDC
8. Clarify ENTSO-E position on role & governance of PXs, considering that markets & operations get closer real time	Feb 2016	MC
9. Establish an ENTSO-E Advisory Board, and take pro-active position on ENTSO-E's role and governance	Q1 2016 update Board 28 Jan 2016	CA
10. At each major project's beginning, Committee accountable to discuss and manage controversies, escalate if needed to keep schedule	Throughout 2016 - measure project delays	SECR.
11. TYNDP to become the reference for investments	By 2018 75% of projects on the PCI list shall be on track	SDC

2. ADDITIONAL PROPOSALS TO REGULATORY GOVERNANCE

1. Advisory Board:

Secretariat with revised proposal to the next Board meeting

2. Strengthen the relationship with European Parliament:

Yearly meet the ITRE Committee in addition to meetings with MEPs

3. Communication priorities 2016:

Better communicate achievements, challenges, regional co-operation and alignment with interest of the society

4. Regional governance :

Secretariat / Committee Chairs to suggest governance between TSOs and within ENTSO-E to the next Board meeting

3. STATUS AND ADOPTION OF NETWORK CODES

Electricity Cross Border Committee	Translation / EP and Council scrutiny	Into force
System Operation Guideline <ul style="list-style-type: none"> • First meeting Dec. 10 	Requirements for Generators <ul style="list-style-type: none"> • Earliest into force Apr. 2016 	CACM <ul style="list-style-type: none"> • 14 Aug. 2015
Emergency and Restoration <ul style="list-style-type: none"> • In 2016 	Demand Connection <ul style="list-style-type: none"> • Positive MS vote Sep. 2015 	
Electricity Balancing <ul style="list-style-type: none"> • In 2016 	HVDC <ul style="list-style-type: none"> • Positive MS vote Oct. 2015 	
	Forward Capacity Allocation <ul style="list-style-type: none"> • Positive MS vote Oct. 2015 	

4. CAPACITY CALCULATION REGIONS, FB PROJECT IN CEE AND MERGER WITH CWE

STATUS

- ENTSO-E'S proposal approved 29/10 and submitted to NRAs
- Common methodology within CCRs on:
 - Capacity calculation incl. fallback procedures
 - Coordinated re-dispatching, countertrading and cost sharing

DEVELOPMENTS

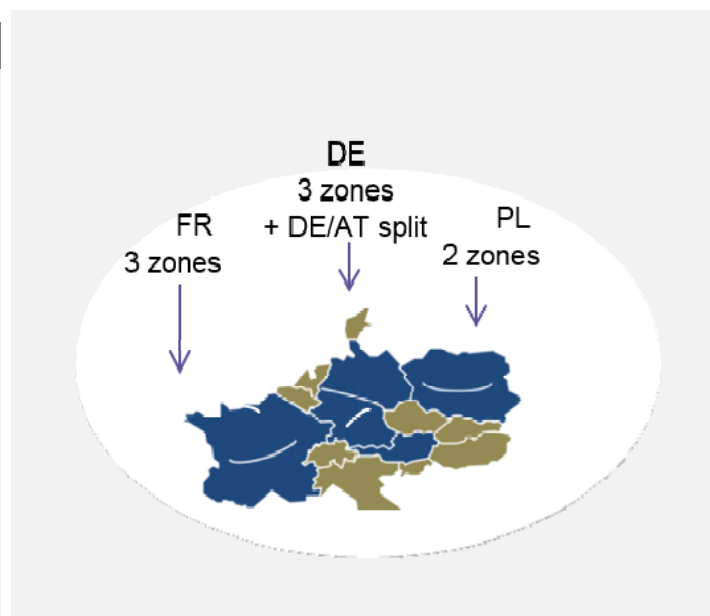
- CWE- CEE to select roadmap for merger 13 March 2016
 - Merge the two FBAs or stepwise extend CWE
 - Use CWE FB methodology as a starting point
 - Next: Governance and project structure
- Croatia – Slovenia, Croatia – Hungary and Romania – Hungary borders included in CEE CCR
- Austria and Germany as possibly separate bidding zones

5. FORMAL REQUEST FROM ACER TO STUDY MORE BIDDING ZONES

STATUS

- **ACER request 29 Sep.** for an additional scenario to be included
- **ENTSO-E letter to ACER 9/11 and involved NRAs** proposing to stay with existing scenarios if NRAs did not decide other vice (according to CACM)
- **EC letter 11 Nov.** encourages ENTSO-E to consider ACER`s request

ENTSO-E to decide its answer to EC in the MC 15 Dec.



6. THE ANNUAL CONFERENCE

- 350 participants
- High level of speakers (Vice president Commission, EP, Directors DG ENER)
- A variety of stakeholders from industry, NGOs and society in panels
- Positive feedback on vision package and co-creation concept

New policy insights

- ACER and ENTSO-E have to co-operate more (Buzek)
- Voluntary measures on ENTSO-E governance are insufficient: legislative measures to come (Borchardt)



BREAKOUT SESSION: strategic guidance for clarifying ENTSO-E position on role & governance of PXs

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Context

- Markets moving to shorter resolution products, gate closure nearer to “real time” - co-optimisation of energy and capacity products.
- Increasing role of PXs in capacity allocation. CACM suggests competition between the future NEMOs (DA/ID function).
- Trend of **separation** of DA/ID function from the Financial Products derivatives and options. DA/ID entities for the physical trading (Nordpool, EPEX spot), on a **regional** basis.

Objective of the session

- Give guidance to a MC project team to develop ENTSO-E position on **Role and Governance of PXs**: BSW Target n.8

ENTSO-E Project

TSO Co-ordination Strategy Implementation with RSCIs

Joachim Vanzetta
Steering Group Chair

Tahir Kapetanovic
Project Manager

ENTSO-E General Assembly
Brussels

10th December 2015

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Regional Security Coordination Initiatives

Multilateral Agreement



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Achievements

ENTSO-E RSCI
Vision Paper
standardisation of
5 services in
NC/GL
Start of Nordic,
Baltic, SEE RSCIs
Detailed Project
Plan 2016-2017
(achieved
End/2015)

Outlook

Signing MLA

EIF System Operation Regulation

Security Analysis „NEW“ RSCIs
CapCalc TSC, CORESO, ..., other RSCIs

CGMES & OPDE start

Outage Planning methodologies & „pilot“
Adequacy Forecast methodologies & „pilot“

5 services rollout & implemented in all RSCIs

12/2014

10.12.2015

2016

2017

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Public Stakeholder Engagement

