Assembly Meeting

Date: Wednesday, 13 December 2017
Time: 10:00 – 15:00
Place: Hotel SOFITEL Brussels Europe, Place Jourdan 1, 1040 Brussels – 1st floor

MINUTES

1. Verification of attendance, quorum, voting rights - Approval of the agenda

The President welcomes the participants to the ENTSO-E Assembly meeting and welcomes the new representative attending the Assembly for the first time: Elton Radheshi (OST). The President notes that topic 8, election of one Board member, should be for practical reasons dealt with at 14:00 right after the lunch, as topic 6. Upon request of Auke Lont, an item is added under AoB concerning the venue of the next Annual Assembly meeting.

Decision

- The quorum is verified since the Representatives in attendance hold 100% of the first part of the voting rights, and 100% of the second part of the voting rights of the Association. The attendance form is annexed to these minutes (Appendix 1).
- The agenda is approved, subject to having the topic "election of one Board member" being dealt with as topic 6.

2. Report from the Board

The President gives the floor to the Chair of the Board for her reporting. The Chair of the Board presents the main issues on which the Board has worked since the last Assembly meeting and which are not covered elsewhere in the agenda. Her report focuses on the review of the status of the Board strategic agenda with highlights on the work towards the ACER/ENTSO-E Agreement on data provision for network codes and guidelines monitoring and on the launch of a project on transparency in capacity calculation aiming at defining proactive steps in order to increase transparency and stakeholders confidence in the capacity calculation process, this will include an assessment of the legal obligations in transparency and of the options to go beyond. She provides an update on the new structure of the TSO/DSO Project (new Chair and Vice-Chair, respectiveley R. Joswig and S. Marin) and reports that the paper on „Distributed flexibility and the value of TSO/DSO cooperation" has been adopted by the Board and that there will be a workshop open to all stakeholders begining of 2018. She confirms that the Board has appointed the Chair, Vice-Chair and the seven members of the Digital commite (Dc) and that an additional member to the Ressources commitee has also been appointed. The Dc will ensure that all CIOs are appropriately informed and involved of its work. She finally updates the Assembly on ENTSO-E office security strategy. A summary of her slides is attached as Appendix 2.

Decision

- The Assembly takes note of the report from the Board.

3. Approval of the 2018 ENTSO-E Budget

The Vice-Chair of the Board and Chair of the Resources committee presents the key findings of the external review asked in September by the Assembly on the approach, budget and scope of the CGM programme and the decision of the Board to circulate an updated Board recommendation to the Assembly by email of 8 December 2017. He presents the Board recommendation to the Assembly. He hands over the SOC manager who provides a status update on the CGM Programme, explaining the progress made on project governance and organisation. The Secretary-General describes the proposal made to the Assembly to mitigate the risks identified. The President stresses that a key element for the success of the CGM Programme lies in the hands of the TSOs themselves.

Decision

The Assembly:

- upon the Board's recommendation, approves the 2018 budget of 28.7 M€ derived from the Profit and Loss statements;
- notes that the 2018 budget increase is driven primarily by:

    - the CGM programme developing the ATOM Network (secure private All-TSOs network) and Operational Planning and Data Environment (circa 75% of the total expenditure increase) required for the implementation of Regional Security Cooperation as per CACM, FCA and SOGL Network Codes;

    - increase of efforts resources and tools development required for the implementation of the 8 Network Codes / guidelines (circa 20% of the overall expenditure increase) which have come into force in 2017 and are under critical delivery time-scales

- upon Board's recommendation, approves the membership fees for each Member as circulated in the session file, based on the proposed budget, with the corresponding bills to be issued on 15 January 2018;
- notes the recommendations of the external review by Gartner;
- notes the initiatives already on going to address the recommendations and requests from the Board a detailed risk mitigation plan for the February General Assembly;
- upon Board's recommendation, decides to mitigate the additional budget contingency using the ENTSO-E reserves;
- approves the division of the budget based on the following activity blocks:
    - Core Association members' services
    - Legal mandates' services
    - IT legal mandates
- asks the Secretariat to have each members' fee breakdown by these three activity blocks and mentioned on members' respective bill.

4. Break-out sessions – Further input to the ENTSO-E Strategy Bridge to Next Decade

The Chair of the Board explains that the new ENTSO-E Strategy shall be adopted in the first quarter of 2018 based on the further guidance that is received today from the Assembly. She presents the proposed Vision and Mission. She explains that the new strategy will focus on transparency and trust, facilitating market design, TSO-DSO relationship and regional cooperation.

The Assembly members break out into four groups to further elaborate on key questions such as how to better align markets and power system management (operations and planning) to address future challenges for 2030, what are the strategic priorities of the TSO/DSO partnership, the role of the Regional Energy Forums to fulfil

ambitions for regional cooperation and the proactive steps in order to increase transparency and stakeholders confidence in the Capacity calculation process.

The Assembly members' feedback will be used as strategic guidance for finalising the new ENTSO-E strategy.

> **Decision proposal**
> - The Assembly asks the Board and the Secretariat to proceed with the elaboration of the draft Strategy based on today guidance.

5. Clean Energy Package status

The President gives the floor to the Communication and Strategy manager for an update on the recent development of the Clean Energy Package.

> **Decision**
> - The Assembly takes note of the current status of the Clean Energy Package.

6. Election of one Board Member

The President reminds that in compliance with the Articles of Association and the Internal Regulations, the documentation on the nominations has been circulated on 22 November 2017. He notes that there are three candidates for the open position of Board member. The President proposes to elect the Board member by secret ballot, making use of an electronic voting tool. For the secret ballot the Internal Regulations require the appointment by the Assembly of two external lawyers to calculate the result of the vote and communicate the result to the President. The President therefore welcomes Maîtres Lauranne Claus and Jill Wouters from the law firm Eubelius and asks the Assembly members to appoint them and entrust them with the requested powers.

> **Decision**
> The Assembly:
> - takes note that there are three candidates for the open position of Board Member;
> - proceeds according to the secret ballot procedure described in the Internal Regulations and appoints two lawyers, notably Maîtres Claus and Wouters to calculate, interpret and communicate the results of the secret ballot;
> - unanimously approves that in case two candidates get the same voting result, an additional vote between these 2 candidates will be organised under the same conditions;
> - appoints Taavi Veskimägi for the position of Board Member; and
> - authorises Mr. Laurent Schmitt, Secretary-General of ENTSO-E, acting alone and with full power of substitution, to do whatever is necessary or useful for the accomplishment of all formalities with a view to the publication of the present resolution in the Annexes to the Belgian Official Gazette, and if need be, the registration/amendment of the records in the Crossroads Bank for Enterprises.

7. Cold Spell Task Force – Task Force Report; Market Annex for recommendation to the Assembly

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The President gives the floor to the Chair of the System Operation Committee (SOC) to present the recommendations of the Task Force for critical grid situations set up by the Board. The Task Force has identified a number of measures to increase information in the day-ahead and week-ahead forecasts and has recommended that coordinated actions and measures among TSOs, market players and Members States apply in stressed situation. The SOC Chair further exposes that TSOs are currently preparing for the winter period and together with the Regional Security Coordinators (RSCs) are applying these measures when relevant.

Decision

- The Assembly approves the Market Analysis Annex which is to be appended to the published report on 'Managing Critical Grid Situations – Success and Challenges ENTSO-E Report on the January 2017 Cold Spell'.

8. Approval of the Key Policy Issues Paper (KPIP) on Mid-term Adequacy Forecast 2018

The President gives the floor to the Chair of the System Development Committee. He presents a highlight of the key policy issues paper on the mid-term adequacy forecast for 2018 submitted to Assembly approval.

Decision

- The Assembly approves the Key Policy Issues Paper on Mid-term Adequacy Forecast 2018.

9. AOB

Auke Lont proposes to Assembly members to host the forthcoming Annual Assembly in Bergen, Norway.

Decision

- Assembly members agree with the proposal of Auke Lont and thank him for the invitation.

10. Approval of the Minutes

Decision

- The Assembly approves the minutes and their publication on ENTSO-E website.

Done in Brussels, on 13 December 2017.

Laurent SCHMITT
Secretary-General

Ben VOORHORST
President