Annual Assembly Meeting of 15 October 2019

Date: 15 October 2019
Time: 10:00 – 15:00
Place: Steigenberger Wiltcher's Hotel, Avenue Louise 71, 1050 Brussels, Belgium

MINUTES

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

The President welcomes the participants to the ENTSO-E Assembly meeting. He thanks the participants for coming to Brussels for the meeting and welcomes the new representatives attending the Assembly for the first time: Petra Kopytkova (CEPS), Nenad Lekic (CGES), Johannes Bruun (Energinet), Tomislav Plavsic (HOPS) and Ingo Schmidt (TenneT TSO GmbH).

Decision

- The quorum is verified since the representatives in attendance hold 100,00% of the first part of the voting rights, and 100,00% 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.

2. Report from the Board, including: update on Board governance/ elections, Board Strategy Workshop interim update, Clean Energy Package impact assessment and Cross Border Capacity Calculation, recommendations from the independent Advisory Council and Network Codes and Clean Energy Package Implementation Program Report

The President gives the floor to the Chair of the Board for his 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. First the Chair of the Board gives an update on the new Board's governance as a result of the elections that took place at the September Board meeting. He then provides an interim update on the Board Strategy Workshop that was organised for the incoming Board in September to align on the coming years strategic directions. Next, the Chair of the Board addresses the Clean Energy Packages deliverables and presents the implementation and communication approaches focusing on implementations tasks that have been approved by the Board. Finally, the Chair of the Board mentions the recent developments on Cross-Border Capacity Calculation matters. He gives the floor to the Vice Chairperson to report on the recent independent Advisory Council recommendations advising ENTSO-E to coordinate the work between the TSOs and come up with common proposals on a range of issues that require joint TSOs' decision making. He gives the floor to the Secretariat (Sonya Twohig) for a reporting on the Network Codes and Clean Energy Package Implementation Programme.

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

3. CGM Programme update (with focus on Acceleration Plan)

The President reminds the importance of the CGM Programme to enhance seamless cooperation of TSOs in daily operation. He gives the floor to the Secretary-General. The Secretary-General provides a status report on CGM Programme plan, including associated financial and risks status update. He focuses on the new Release 1.2 delivery of the associated Central IT System and the roll-out of the associated Communication infrastructure (referred as PCN – Physical Communication Network). This new release allows a separation of test and production environments to allow agile software deliveries while minimising impact on the testing of end to end CGM Build process. He reports on TSOs and RSCs readiness.

Decision

The Assembly:

- acknowledges the CGM Programme status report;
- acknowledges the financial status 2019 including actions to mitigate possible project cost overrun; and
- notes the remaining uncertainty related to the CGM Programme budget allocation for 2020.

4. Annual Work Programme 2020 – for approval

The President gives the floor to the Chair of the Board, who presents the ENTSO-E Annual Work Programme 2020. He explains that the ENTSO-E Annual Work Programme 2020 places stronger emphasis on implementation tasks for ENTSO-E and that its internal approval process has been slightly adjusted as to ensure alignment with the ENTSOE budget approval process. He mentions that the Board has recommended the Annual Work Programme for Assembly approval.

Decision

The Assembly, taking note of the recommendation from the Board:
- adopts the Annual Work Programme 2020;
- approves the release of the document "Draft ENTSO-E Annual Work Programme 2020" for public consultation and for submission to ACER;
- mandates the Secretariat after the public consultation and ACER's opinion to make relevant changes, not affecting the substance of the ENTSO-E Annual Work Programme 2020 and finally proceed to its publication on the ENTSO-E website.

5. 2020 ENTSO-E Budget Proposal including 5-year plan – for approval

The President gives the floor to the Chair of the Board for presenting the 2020 ENTSO-E Budget proposal. The Chair of the Board outlines the following key aspects of the proposal: after extensive iteration and involvement of the Resources committee, the budget proposal allows delivery of the Clean Energy Package mandates and of the IT platforms that are legally mandate to ENTSO-E (Transparency Platform and the Common Grid Model). The Chair explains it also includes a strong efficiency plan focusing ENTSO-E role as a technical facilitation and implementation service provider to its Members. The Secretary-General presents the details figures of the proposal. The members appreciate the clarity and the transparency of the ENTSO-E Budget.

Decision

The Assembly based on the recommendation from the Board,

- approves the overall budget (OPEX) of 39,9 M€ amongwhich 32,7 M€ is funded by the ENTSO-E membership fee, 6,6 M€ non-membership fees and 0,6M€ from the reserves;
- approves the 2020 membership fees of 32,7 M€ (+14% as compared to 2019 due to the increased legal mandates) derived from the reserves and loss statements;
- approves the membership fees for each Member, calculated as per the proposed budget;
- takes note of the assumption that the necessary TSO resources are available to work on CEP deliverables;
- takes note of the preliminary RSC Services MLA Fees for OPC/STA tools, which will be confirmed by the end of the year; and
- takes note of the 5 years plan as per the 2019 assumptions.

6. Strategic Orientation of 2020 TYNDP (Key Policy Issues Paper) – for approval

The President gives the floor to the Chair of the System Development Committee who presents the TYNDP 2020 Key Policy Issues Paper (KPIP) that is now submitted for Assembly approval. The Chair of the System Development Committee details that the TYNDP 2020 will be based on streamlined methodologies, studies and communication material better tailored to the needs of the key audience of it (TSOs, regulators and PCIs process). He announces that the TYNDP will introduce for the first time the concept of a central scenario, aligned with National Energy and Climates Plans and receiving full analysis while complementary analysis will be applied to "variance scenarios".

Decision
- The Assembly approves the TYNDP 2020 Key Policy Issues Paper;
- By approving the TYNDP 2020 KPIP, the Assembly delegates the decisional authority upon all TYNDP2020 matters to the SDC unless requested otherwise according to the Association's Articles of Association;
- the Assembly acknowledges that the option for an analysis on the "current trend" scenario will be exercised within the TYNDP 2020.

7. Guidelines on the proposal for System Operations Regions

The President gives the floor to the Chair of the System Operation Committee to give a status report on the elaboration of the ENTSO-E System Operation Regions Proposal. The Chair explains that the Proposal provides a definition of Regions to be used for technical coordination purposes by specifying the geographical scope in which cooperative technical processes need to be coordinated in a harmonized way between TSOs, while preserving a smooth and efficient operation of the whole interconnected European electricity system. The Chair further explains the critical considerations the Proposal has to take into account such as the importance of accommodating regional specificities related to physics and the fact that with regards to the existing regional bodies/structure, the SOR Proposal will capture in operational procedures the development and update of existing methodologies and regional agreements.

Decision
The Assembly:
- notes the status of the Proposal for the definition of System Operations Regions which is to be approved by the System Operation Committee before it is issued for public consultation on 24 October for a 4-week consultation (the SOR Proposal);

- supports the *critical considerations* which are proposed to be contained within the SOR Proposal and notes that the December General Assembly and the November ENTSO-E Board will be provided with an update on public consultation process including the outcome of the shadow opinion received from ACER and exchanges with EC; and
- notes that the final SOR Proposal is expected to be adopted by SOC by 18 December 2019, prior to its submission to ACER by 5 January 2020.

8. Digital Report from the Research Development and Innovation Committee – for approval

The President gives the floor to the Chair of the Research Development and Innovation Committee (RDIC) who presents the report "The cyber physical system for the energy transition – Digitalisation challenges, opportunities and projects from TSOs and ENTSO-E". He explains that the report describes the digitalisation challenges and opportunities for TSOs and is covering a large number of TSOs and ENTSO-E digital projects. The Report considers digitalisation from a holistic perspective of the TSO businesses and presents the state of art of digitalisation, prioritise key digital technologies and identifies the innovation needs for 2020-2030, including an innovative system approach. The Chair concludes by announcing that the Report, once approved, will be published at the ENTSO-E Annual Conference in November.

Decision

The Assembly, taking note of the Board recommendation:
- approves the Digital Report "The cyber physical system for the energy transition - Digitalisation challenges, opportunities and projects from TSOs and ENTSO-E" including its Executive Summary, Main Report and Annexes;
- approves its public release during the 2019 ENTSO-E Annual Conference, while noting that the Annexes of the Digital Report shall be kept for internal use; and
- agrees that the Digital Report shall be used as a basis for the ENTSO-E RD&I Roadmap 2020-2030 and will be presented at selected innovation events to external stakeholders.

9. ENTSO-E 2030 Vision Paper – for approval

The President gives the floor to the Chairs of the Market and System Operation Committees to introduce the ENTSO-E 2030 Vision. The Chair of the Market Committee presents some of the key messages of the 2030 Vision, such as that the Clean Energy Package is an important stepping stone to achieve Europe's green energy transition; that the future system operation will ensure seamless integration of growing shares of decentralised resources and power electronics to operate as one system by better aligning the needs of all grid connected assets and the coupling with other sectors and that fit-for-purpose market design solutions may be needed to further improve the current target model, allowing Europe to meet the 2030 challenges, which vary across countries and market timeframes while any evolution should fully preserve the benefits of the internal energy market. The Chair of the System Operation Committee thanks the experts involved in the development of the Vision Paper and presents the next steps. The members also appreciate the preparatory work and proceed to discuss the appropriate governance and the importance of addressing controversial issues.

Decision

The Assembly:

- notes that the ENTSO-E 2030 Vision is the culmination of 18 months' closely coordinated work for Market and System Operation Committees;
- notes that the final paper for publication is the consensual high-level summary of TSOs vision towards 2030 which could be used as a basis for discussion within TSO Community and as needed with external stakeholders;
- approves the key messages and the publication of ENTSO-E 2030 Vision.

10. Sector Coupling and Sector Integration position paper – for approval

The President gives the floor to the Chair of the System Development Committee who presents the ENTSO-E Position Paper on Sector Coupling through Power to Gas and Sector Integration (Power to X) which has been approved by the September Board. He presents the key messages, centred around one system view, system efficiency, definition of what is "green" and technology diversity and neutrality.

Decision

The Assembly, noting the Board recommendation:
- approves the proposed Position Paper on Sector Coupling and Sector Integration to be published at next Madrid Forum 23-24 October 2019 and released at the Annual Conference on 13 November 2019, forming part of the Vision 2030 of ENTSO-E;
- notes that the Paper will be a useful tool to orient ENTSO-E position in the coming discussions for the "gas/decarbonisation package"; and
- invites its members to engage in disseminating it.

11. Regional TSO coordination – for approval

The President gives the floor to the Market Committee and the System Operation Committee Chairs. They present the key messages of the external paper "*Enhanced TSO coordination for Europe*" jointly prepared by the Market Committee and the System Operation Committee. The Chairs inform that the key messages of the paper were already successfully presented in RSC conference on 8 October and that they recommend now publication for a broader audience with the addition of a preamble of the TSOs' mission.

Decision
- The Assembly approves the paper "Enhanced TSO coordination for Europe" jointly prepared by the Market Committee and the System Operation Committee and its publication on the ENTSO-E website.

12. Update on technical discussion with TEIAS

The President summarizes the status of the recent technical discussion with TEIAS, pointing out the critical recent evolution of the international context and proposes to the Assembly.

Decision
The Assembly:
- Notes that the technical cooperation with TEIAS shall continue on working levels as established.

13.

14. AOB

- RSC Conference – November 2020
- ENTSO-E Annual Conference 2019
- ENTSO-E Board and Assembly calendar 2020

The President gives the floor to the Chair of the Board for a reporting of the RSC Conference, to the Secretary-General for a highlight of the ENTSO-E 10 Years Conference. The President finally announces the meeting dates for 2020.

Decision

The Assembly:

- takes note of the reporting on the RSC Conference held on 8 October 2019 and organised jointly with Nordic RSC;
- takes note of the forthcoming ENTSO-E 10 Years Conference, "Looking Back for Looking Forward", that will be held on 13 November 2019 in Helsinki; and
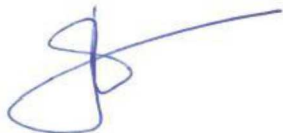- takes note of the calendar for the 2020 Board and Assembly meetings.

15. Approval of Minutes

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

The President thanks all attendees for participation and reminds that the next meeting will take place in Brussels on 12 December 2019.

Done in Brussels, on 15 October 2019.

Laurent Schmitt
Secretary-General

Herve Laffaye
President