ENTSO-E Board meeting of 04 February 2021

Date: 04 February 2021

Time: 8:30-15:35

Place: Online

List of Participants

Chair of the Board

1.	VANZETTA Joachim	Amprion	Germany

Vice-Chair of the Board

2.	FONCK Pascale	Elia	Belgium

Board Members

3.	GUIDA Guido	Terna	Italy
4.	HANSEN Frank Peter	TenneT TSO BV	Netherlands
5.	JESBERGER Michael	Transnet BW	Germany
6.	KRISTENSEN Søren	Energinet	Denmark
7.	MANOUSAKIS Manos	IPTO	Greece
8.	PAPROCKI Robert	PSE	Poland
9.	PRIETO Eduardo	REE	Spain
10.	SLYE Fintan	National Grid ESO	United Kingdom
11.	ZUMWALD Yves	Swissgrid	Switzerland

President

1.	LAFFAYE Hervé	RTE	France

Vice-President

1.	BOLDIŠ Zbyněk	CEPS	Czech Republic

Committee Chairs

1.	PURCHALA Konrad *Chair of the Market Committee*	PSE	Poland
2.	CHANIOTIS Dimitrios *Chair of the System Development Committee*	RTE	France
3.	BORGEN Håkon *Chair of the Research Dev. & Innovation Committee*	Statnett	Norway

Committee Chairs

4.	KAPETANOVIC Tahir *Chair of the System Operations Committee*	APG	Austria
5.	DE LA BARREDA Ines *Chair of the Legal & Regulatory Group*	REE	Spain

Invited

1.	DECROIX Timothée	Swissgrid	Switzerland
2.	JONAT Yannick	AMPRION	Germany
3.	BEUGER Lisa	AMPRION	Germany
4.	ORTHS Antje	ENERGINET	Denmark
5.	GRAMMELTVEDT Thor Erik	Statnett	Norway

ENTSO-E

1.	TWOHIG Sonya	ENTSO-E	Belgium
2.	GYULAY Zoltan	ENTSO-E	Belgium
3.	LAWLER Derek	ENTSO-E	Belgium
4.	MELCHIOR Florence	ENTSO-E	Belgium
5.	RICHET Nicolas	ENTSO-E	Belgium
6.	SCHROEDER Robert	ENTSO-E	Belgium
7.	KUUSIK Maarja	ENTSO-E	Belgium

1. Welcome, attendance, adoption of the draft agenda

Decision

The Board approves the agenda, subject to adding under AoB an update on the call for the Liaison Officer.

2. Approval of the Minutes of the 18 November 2020 Board Meeting for publication

Decision

The Board approves the minutes of the Board meeting of 18 November 2020 for publication.

3. Secretary-General orientations incl. Brexit update

The Secretary-General debriefs the Board on the main meetings and main activities that the Board Members should be informed about since the last Board meeting on 18 November 2020. The Secretary-General reports that EU and UK agreed a Trade and Cooperation Agreement (TCA) on 24 December 2020. Based on the electricity part of said agreement, ENTSO-E received letters from the Commission requesting an MoU be developed between ENTSO-E and UK TSOs concerning the framework for cooperation foreseen in the TCA and requesting to develop draft technical procedures for calculating and allocating transmission capacities to ensure efficient trade over electricity interconnectors. She explains that the letters are currently being reviewed and that a project will be set up under the Board to organize the work. The Secretary-General explains that the ENTSO-E Stakeholder satisfaction survey has been launched in January 2021 and will be published on the ENTSO-E website. She announces that the ENTSO-E Member Satisfaction Survey is planned to be launched in April 2021. She outlines the main outcome of the workshop organised with ACER to exchange on the ENTSO-E Annual Work Programme for 2021 and mentions various introductory meetings that she had, including with ENTSOG, the DSO Associations and with the EC.

Decision

The Board acknowledges the reporting of the Secretary-General and, concerning the Brexit and the Trade and Cooperation Agreement (TCA) between the European Union and the UK, notes that the work on the technical rules of the Regional Loose Volume Coupling has already been initiated due to the short deadline and with appropriate governance.

4. Reporting of Legal Mandates:

4.1 Annual Work Programme update incl. Overall status AWP 2021 legal mandates

The Secretary-General introduces the new format adopted for the reporting on ENTSO-E legal mandates as per the Annual Work Program and goes through the reporting. The reporting provides members a complete and fully transparent overview on the status of the legally mandated activities. This should give each Member the comfort and transparency to be able to verify the current status of each deliverable.

4.2 NC and CEP Implementation

Concerning Network Code and CEP implementation, the Chair of the Market Committee highlights the concerns expressed by ENTSO-E to see the expected scope of revision of CACM being wider than what was originally expected. He explains that in the MC's views, the changes should focus in an update of the MCO functions and that more significant changes at this stage will disturb ongoing implementation of methodologies and requirements in current CACM. He reports on the recent letter sent to the EC requesting a change in the FCA network code on the remuneration of the LTTRs in case of decoupling to avoid detrimental effect impacting on society. He gives an update on the

recent developments concerning the TERRE All TSOs project on balancing. Concerning network code monitoring, the LRG Chair outlines the conclusions of the legal note prepared by LRG and the decision taken by MC, SOC and SDC to continue with the monitoring reports despite changes in regulation and to increase the level of cooperation. The Chair of the System Operation Committee reports that ACER is expected to deliver soon its new SOR decision, after the annulment of the previous one.

4.3 TYNDP

The Chair of the System Development Committee reports on the recent letter from the EC requesting to reassess the status of the British projects now that the TCA has been signed. He also highlights the general need to get TSOs resources to successfully conduct the TYNDP2022.

4.4 Transparency Platform

The Chair of the Market Committee updates on the IGCC (International Grid Control Cooperation) implementation. However, he also highlights the general need to get TSOs resources to successfully conduct the steering of the Transparency platform project and the next steps.

4.5 RDI Roadmap

The Chair of the Research Development and Innovation Committee (RDIC) outlines the implementation of the ENTSO-E RDI Roadmap 2020-2030 (RDI Roadmap) and its flagships. He highlights that among all, Flagship 4 - Enable large scale offshore wind energy into grid is the most advanced, with a position paper on HVDC interoperability developed by RDIC in cooperation with SDC currently being under the Assembly approval.

4.6 CGM Update

The CGM Programme manager reports that in 2021, the CGM Programme is focused on several key deliverables and milestones for the transition from Programme to Operational mode, including, for example, the completion of the Physical Communication Network rollout, the implementation of an OPDE Service Operational Model and the readiness for Operational Go-Live with all TSOs / RSCs participating in Test / Trial activities. He also highlights that the CGM Programme is a complex multi-stakeholder and multi-service provider programme operating in a high-risk environment and that measures are in place to cope with this to the best possible extend. The Chair of the Resources committee explains that the CGM Programme manager presented the Programme to the Rc and she outlines the main recommendations of the Rc, concluding on the need to pursue a close reporting from the programme.

Decision

The Board:

4.1 Annual Work Programme update

- acknowledges the new dedicated section in the agenda for the reporting on legal mandates in line with the Annual Work programme structure.

4.2 NC and CEP Implementation

- acknowledges the reporting on the NC CEP Implementation matters.

4.3 TYNDP

- acknowledges the reporting on the status on TYNDP 2020, the CBA and the strategic orientations of the TYNDP 2022 (Key Policy Issus Paper).

4.4 Transparency Platform

- acknowledges the reporting on Transparency Platform.

4.5 RDI Roadmap

- acknowledges the reporting on the RDI Roadmap

4.6 CGM update

- acknowledges the CGM Programme status report.

5. Active 2020+ Programme incl. overall Status Report

5.a)   Measure 1: ENTSO-E Mission Statement – recommendation for Assembly approval

The PCG Convener presents the main principles of the new ENTSO-E Mission statement that is now submitted for approval by the Board before being submitted to the Assembly for approval. He explains that the focus is placed on the specific role of TSOs as neutral and independent regulated entities, acting under a clear legal mandate in the interest of society to ensure system security. He presents some suggestions received by a Board member and based on those suggestions a discussion aiming to even enhance the clarity and quality of the agreed messages takes place to finalise the document.

Decision

The Board:

- approves ENTSO-E's Mission Statement subject to the changes discussed and agreed during the meeting; and
- recommends the Assembly to approve the updated Mission Statement.

5.b) Measure 11: Governance and Procedure for External Projects – for approval

Secretary-General presents the proposal to set up a new governance led by the Research Development Innovation Committee and a new process concerning ENTSO-E participation in EU financed projects over the period 2010-2020; including ENTSO-E delivery of support letters and acceptance of invitations to participate in projects Advisory Boards, and more generally on the framework and governance for ENTSO-E participation in project proposals based on risks and opportunities and checks according to the conditionality list.

Decision

The Board

- approves the "Rules for project proposal support letters and participation of ENTSO-E in external projects", as circulated in the Session File.

5.c) Measure 14 & 15: Energy System 2050 and TSO Community 2050 – for approval

The SDC and MC Chairs respectively leading the Active 2020+ measures "Energy System 2050" and "TSO Community 2050" explain their proposal to integrate these two Active 2020+ measures into a single Cross-Committee ENTSO-E Project "ENTSO-E Vision 2050", embracing all relevant work and being developed within and across Committees. Such project would build on the successful experience of the 2030 Vision, while taking full stock of the Green Deal initiatives including the recently reviewed EU climate targets.

Decision

The Board:

- approves the creation of the cross-Committee project "ENTSO-E 2050 Vision" to be steered by the existing Task Force which coordinated ENTSO-E Vision 2030; and
- upon recommendation of the SDC and MC Chair, decides that the project will integrate the two Active 2020+ measures on 2050 as well as extending the scope to all relevant cross-Committee work on 2050 and Green Deal topics.

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6. Update on EC Offshore Strategy & System Operations – Board guidance requested

The System Operation Chair, the convener of the Offshore Development Core Group and the Task Force Leader of Offshore Development explain that the European Commission's Offshore Renewable Strategy proposes to adapt the current legislation to provide a least-cost transition of the energy system, with a particular emphasis on offshore hybrid projects. They argue that while emphasising several of the same recommendations that were highlighted in existing ENTSO-E positions, the EC Strategy also put forward several proposals, for developing and operating the offshore grid infrastructure, which may have adverse effects on the development of a coherent

internal energy market both on- and offshore. They also inform of the EC willingness to revise the rules on congestion income that may pose some important challenges to key principles guiding the existing regulation on the use of congestion income They explain the intention to start the drafting of a comprehensive ENTSO-E position on the Governance of Offshore Grid Infrastructure updated with new Board and Committees' feedback and guidance that they would start collecting today.

Decision

The Board approves the general direction of work subject to guidance provided to the Offshore Development Core Group by the Board and welcomes cross-Committees coordination for the development of a comprehensive ENTSO-E position in the offshore context on regulatory and operational matters i.e. regional coordination for the planning and operation of the offshore grid infrastructure and asset ownership (incl. congestion income redistribution).

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7. ENTSO-E position paper on "Grid Forming Capabilities: Towards System Level Integration" – recommendation for Assembly approval

The Chair of the Research, Development and Innovation Committee explains that as part of the energy transition, a complex cyber physical system is emerging. Further innovation and development needs identified in ENTSO-E RDI Roadmap 2020-2030, Flagship 5 "Enable secure operation of widespread hybrid AC-DC grid" should address the secure and stable operation of widespread of hybrid AC-DC networks. As part of this Flagship, he introduces the ENTSO-E position paper "Grid Forming Capabilities: Towards System Level Integration" which highlights the actions to be taken by all market participants in order to facilitate the stable operation of a synchronous area with up to 100% non-synchronous renewable generation. These actions include, for example: the definition of grid forming capabilities in connection network codes in order to enable harmonised solutions, the development of sufficient conditions for grid forming capabilities via national level ancillary services and the fact that HVDC, FACTs and Synchronous Compensators/Condensers (SCs) are the immediate candidates to explore the development of the grid forming capabilities and that demand, storage and sector coupling facilities should be further explored in order to unlock their full potential of providing grid forming capabilities.

Decision

The Board:

- approves the ENTSO-E position paper on "Grid Forming Capabilities: Towards System Level Integration"; and
- recommends the Assembly to approve the above-mentioned position paper.

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8. Cyber incident audit: executive summary on results and proposed next steps towards an ISMS

The Chair of the Digital committee presents the key findings of the cyber incident audit done by KPMG. The Secretary-General outlines the current work to implement new governance based on the recommendations of KPMG.

Decision

The Board:

- acknowledges the Cyber Incident report provided by the Digital committee (Dc) Chair on behalf of the Cyber Incident Supervisory Team; and
- asks the Secretariat to finalise, with the support of the Dc, an Implementation Plan to be presented for approval at the next Board meeting.

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9. Debrief from recent meetings:

9.1 Resources committee on 03 February

9.2 Digital committee on 13 January

The Chair of the Resources committee presents the main activities of the Resources committee and reports on the work of the MLA Task Force created under the Resources committee to assess the current use of MLAs in the Association and to make recommendations. She explains the interim findings recommending an improved financial reporting and vision over a 5-Years Road Map and improving the transparency within 5 years' time spam. The Chair of the Digital committee (Dc) reports on the Dc meeting of 13 January 2021, focusing among other topics on the work on the cybersecurity Network Code. The Chair of the Steering Group Transmission and Distribution Interface reports on the creation of a new Task Force with DSOs associations to deliver a joint roadmap on the evolution of the regulatory framework for Demand-Side Flexibility. Based on the recommendations of Committees Chairs, 8 TSO experts will handle the negotiation with DSOs. The Chair of the PCG presents the various on-going legislative proposals are having an impact on the TSOs community with a focus on the TEN-E Regulation review process, including the new role for ENTSO-E to develop integrated offshore development plans and to foster sectorial integration.

Decision

The Board:

9.1 Resources committee on 03 February

- acknowledges the reporting from the Resources committee.

9.2 Digital committee on 13 January

- acknowledges the reporting from the Digital committee.

9.3 StG for Transmission and Distribution Interface on 11 December

- acknowledges the reporting of the Transmission & Distribution Interface Steering Group activities by the Chair.

9.4 PCG on 13 January

- acknowledges the reporting from the PCG.

10. Approval of Terms of Reference of SOC, RG CE, RG Baltic, LRG – recommendation for Assembly approval

The Secretary-General explains that the System Operation Committee (SOC), the Legal and Regulatory Group (LRG), the Regional Group Continental Europe (RG CE) and the Regional Group Baltic Regional Groups (RG Baltic) under SOC have updated their respective Terms of Reference (ToR) to reinforce efficiency, ensure a greater alignment with the Network Codes and Guidelines and the Clean Energy Package and to reflect these changes into, respectively, the Committee's, the LRG's or the RG's structure and way of working. The Board in light of its mission to coordinate the work of and between the Committees and the LRG is now asked to approve these respective ToRs.

Decision

The Board recommends the Assembly to approve the updated Terms of Reference of the SOC, the LRG, the RG CE and Baltic as made available in Part III of the Board Notes "Annexes Documents submitted to Board approval".

11. ENTSO-E's participation in regional NRAs' public consultations – for approval

The Secretary-General explains that Article 5(6) of recast ACER Regulation provides that national regulatory authorities (NRAs) and ACER can directly change the terms and conditions or methodologies (TCM) proposed by the TSOs. However, before approving the amended proposals, the NRAs (of the relevant region) or ACER (concerning All TSO proposals) must consult ENTSO-E. She further details that while consultations by ACER concerning All TSO proposals are already dealt with by the relevant Committees, the question arises how ENTSO-E shall react to consultations of regional NRAs. She details the proposal made by the Network Code and CEP Implementation Program (NCCIP) on the best way forward, which is now submitted to Board approval.

Decision

The Board:

- takes note that, according to Article 5(6) of recast ACER Regulation, NRAs can now directly change the terms and conditions or methodologies (TCM) proposed by the TSOs. However, before approving the amended TCM proposals, the NRAs of the relevant region must consult ENTSO-E; and
- decides that, when ENTSO-E is consulted on regional matters, the relevant Committee shall consider the position of the concerned TSOs at regional level and on that basis shall decide on a case-by-case basis.

12. Draft Process for Developing Network Codes and Amendments to Network Codes and Guidelines – recommendation for Assembly approval

The Secretary-General outlines the new draft "Process for developing Network Codes and amendments to Network Codes and Guidelines" (the draft Process) which is expected to update and replace the current "Network Code Development Process" approved in 2011 to integrate various changes brought by the EU Regulation 2019/943, such as, for example, the cooperation to be set up with the DSOs for developing Network Codes, preparing amendment proposals and submitting answers to consultations by ACER and the European Commission (EC). She mentions that the draft Process has been prepared by the Network Code and CEP implementation program (NCCIP) and has been reviewed by MC, SOC, SDC, LRG, Dc and the Transmission & Distribution Interface Steering Group for one month and is now submitted to Board recommendation for subsequent approval by the Assembly.

Decision

The Board:

- approves the draft "Process for developing Network Codes and amendments to Network Codes and Guidelines" (the draft Process) which updates and replaces the current "Network Code Development Process" from 2011; and

- recommends the approval of the draft Process by the General Assembly.

- thanks the Committees and LRG Chair and their teams for the excellent cross-Committee cooperation and the resulting good quality of the draft Process.

13. Approach to Regional Coordination under ENTSO-E and SOC – for approval

The Chair of the System Operation Committee presents the proposal coming from the SOC on the best way to handle regional coordination topics after the Regional Security Coordination (RSC) Project ends in October 2021, including further tasks stemming from Clean Energy Package (CEP) related to Regional Coordination Centres (RCCs) and System Operation Regions (SORs). He highlights

that a close liaison with other Committees (Market and System Development Committees) has already been initiated.

Decision

The Board decides that the regional coordination topics (e.g. RSCs, RCCs and SOR) shall be established and steered under SOC after the closure of the RSC Project in October 2021.

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14. Draft agenda of 31 March Assembly meeting – for approval

The President and the Chair of the Board present the current draft agreed for the March Assembly. They recall that the election of the President, Chair of the Board and Committees/LRG Chairs will be on the agenda.

Decision

The Board approves the draft agenda of the 31 March Assembly.

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15. AoB
15.1 Update on ENTSO-E Office holders' elections
15.2 Update on Covid-19 situation
15.3 Update on System Separation in Continental Europe on Friday 08 January 2021

The Chair of the Board and the President give an update on the preparation of the March election of the President, Chair of the Board and Committees and LRG's Chairs and the fact that the shortlist for the March elections will be circulated around mid-February, while the launch of the call for candidates for the June election will be initiated mid-March. The Chair of the Board updates on the Covid-19 situation in Europe. The SOC Chair reports on the 8 January 2021 system separation in Continental Europe, on the work to set up the Investigation Panel and on the expected timeline of its report.

Decision

The Board:

- notes the reporting on the ENTSO-E Office Holders Election that will take place in March and in June 2021;

- notes the reporting on the Covid-19 situation;

- notes the reporting made by the SOC Chair on the 8 January 2021 system separation in Continental Europe, acknowledges the swift and successful resolution of the incident and the transparent communication with EC and ACER and thanks the members of the Task Force for the efficient handling of the matter; and

- reminds the call made to the Members for the position of Liaison Officer.

16. Approval of decisions

Decision

The Board approves the decisions of 04 February Board meeting.