ENTSO-E Board meeting of 23 September 2021

Date: 23 September 2021

Time: 8:30-15:30

Place: Brussels

MINUTES

1. Welcome, attendance, adoption of the draft agenda

Decision

The Board approves the agenda subject to adding under agenda item 19 an update on the Regional Conference.

2. Approval of the Minutes of the 09 June and 30 June 2021 Board meetings for publication

Decision

The Board approves the minutes of the Board meeting of 09 June 2021 and decisions of 30 June for publication.

3. Secretary General Reporting including High Level Engagement Plan

The Secretary General outlines the main topics addressed in her written reporting such as key external engagements, work on the optimisation of ENTSO-E resources including new ways to increase member engagement and the recent organisation structure changes in the Secretariat.

Decision

The Board acknowledges the reporting of the Secretary General.

4. Reporting of Legal Mandates:
4.1 Annual Work Programme update incl. Overall status AWP 2021 legal mandates
4.2 NC and CEP Implementation

The Head of the Market Section introduces the Annual Work Programme and asks the Committee Chairs to highlight the main new developments since the closing of the session file.

The Chair of the Market Committee (MC) reports on the submission to ACER of the proposal for Pricing Methodology Amendment introducing the price limit of 15 kEUR in Balancing platforms, the proposal related to sizing and procurement tasks for RCCs and the proposal for the Nordic Capacity Calculation Region to include Norway.

The Chair of the System Operation Committee (SOC) gives an update on the EC mandate received in July to draft the Network Code on Cyber Security and the proposal for RCC task on training and certification and RCC task related to restoration.

The Chair of the System Development Committee (SDC) gives an update on the TYNDP process, on the ERAA 2021 and the first set of draft Connection Code amendments.

The Chair of the Research, Development and Innovation Committee (RDIC) updates on the Research Development and Implementation Report.

The Head of the Common Grid Model (CGM) programme updates on TSO readiness and the approach to the post Go-Live CGM governance arrangements. He reports that although the TSO participation rate in Operational Preparation is increasing and that more TSO are upgrading to the latest version of OPDE and continuing the PCN rollout process, further work and efforts are still needed to further increase the level of compliance.

The Head of the CGM Programme explains that the programme will transition from delivery to live operations and further developments after the Go Live end of 2021. He stresses that it is therefore critically important for a clear plan for this transition and he outlines it for information. The Chair of the Board clarifies that a decision on this matter is expected during the November Board.

Decision

The Board:

4.1 Annual Work Programme update

- acknowledges the reporting;

4.2 NC and CEP Implementation

- acknowledges the reporting on the NC CEP Implementation matters;

4.3 NC monitoring

- acknowledges the NC monitoring report;

4.4 TYNDP

- acknowledges the reporting on the status of TYNDP;

4.5 Transparency Platform

- acknowledges the reporting on Transparency Platform;

4.6 RDI Roadmap

- acknowledges the reporting on the RDI Roadmap;

4.7.1 CGM Programme Update including Go-Live Readiness Update

- acknowledges the CGM Programme status report.

4.7.2 CGM Transition and Post Go-Live CGM Governance

- acknowledges the approach to the Go-Live of the CGM Programme and the plan for CGM Transition; and

- acknowledges the approach to the post Go-Live CGM governance arrangements.

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5.1 ENTSO-E 2022 Annual Work Programme updated after the public consultation – recommendation for Assembly approval

The Secretary General and the Head of Market Section recall that following Assembly and Board approvals in June 2021, the Annual Work Programme (AWP) 2022 was published for consultation from 5 July to 20 August 2021. The Head of the Market Section explains that following a review of this feedback, some changes were introduced in the final AWP 2022 which were all in line with agreed positions. He concludes by saying that the Work Programme provides a high degree of transparency to stakeholders on the main work areas of ENTSO-E. The Board is now asked to recommend it to the Assembly for approval.

Decision

The Board

- acknowledges the stakeholder feedback to the ENTSO-E Annual Work Programme 2022; and

- recommends the Assembly to approve the "ENTSO-E Annual Work Programme 2022" for submission to ACER for opinion and for subsequent publication subject to a positive ACER Opinion.

5.2 ENTSO-E 2022 Final Resource Plan – recommendation for Assembly approval

The Secretary-General explains that following the feedback received from the June Assembly, the final 2022 Resource Plan has been amended in close cooperation with the Committees, the member-TSOs and the Resource committee during the summer and is now based on the following key assumptions: the fulfilment of new roles by redeployment of CGM and further Secretariat resources or short term external support; the fulfilment of new roles by secondments from TSOs or external hiring. The Board acknowledges the successful efforts to further increase efficiency and discusses the good progress and the further steps to implement the Resourcing Strategy.

Decision

The Board

- notes the Secretariat's proposal on organizational efficiencies and optimization of redeployed resources to deliver the new requirements in the 2022 Annual Work Programme and notes the associated costs are included in the Final 2022 Budget; and
- recommends to the Assembly to approve the ENTSO-E 2022 Final Resource Plan, including the SDC Resource Proposal, which has been developed in conjunction with the 2022 Annual Work Programme and 2022 Final Budget Proposal.

5.3 ENTSO-E 2022 Final Budget Plan – recommendation for Assembly approval; and ENTSO-E 5-year plan – for Assembly acknowledgement

The Secretary-General explains that following the feedback received from the June Assembly, the final 2022 budget proposal has been amended in close cooperation with the Committees and the Resource committee during the summer and is now based on the following key assumptions: the inclusion of the needed investments to ensure the long-term sustainability of the CGM and the Transparency Platform; the inclusion of the cyber security and SharePoint enhancements; the necessary resources after optimisation as reflected in the 2022 Final Resource Plan; and the increase of fees perceived beyond membership fees to reflect the costs for the new Communication Network activities as well as additional efforts in Short Term Adequacy and Outage Planning. The Board discusses the impact of the estimated budget increases as of the 5-Year plan on the utilisation of reserves. The Board acknowledges the improvements in transparency and consistency. In order to further increase internal transparency, the Chair of the Board proposes to organise a Webinar for CFOs of the Members and/or the Assembly Member themselves to present the 2022 Budget proposal ahead of the October Assembly meeting including a short letter highlighting the effect of the Brexit on the budget and the general increase of legal mandates of ENTSO-E.

Decision

The Board

- recommends to the Assembly to approve the 2022 Final Budget Proposal as follows:
  - total operating expenditure of 58,7 M€, of which 35,1 M€ is funded by the ENTSO-E membership fees, and 20,7 M€ are funded by non-membership fees and 2,9 M€ from the reserves;
  - total capital expenditure of 12,2 M€.
- recommends to the Assembly to approve the 2022 membership fees of 35,1 M€ derived from the 2022 profit and loss statements;
- recommends for the Board and Resources committee to monitor the use of reserves as partial funding mechanism and the alternative funding options to be considered for future years, as required;
- acknowledges the 5-year plan update for the years 2022-2026 and provide an update in 2022 based on legislative developments.

6. Communication Networks Multilateral Agreement – Governance and Funding model – Board recommendation for Assembly approval

The Chair of the System Operations Committee informs the Board members on the status of the Communication Networks MLA, reminding the need to have a separate contractual framework for the Communication Networks, as already agreed in April 2020. He highlights that SOC and LRG have closely followed the recommendations given by the Board Task Force on MLAs for developing the Communication Networks MLA. The Chair of the System Operations Committee explains the specific governance arrangements that were approved by SOC in July 2021. He then presents the 5-years budget planning from 2022 to 2026. To conclude, he highlights that it is expected that the Communication Networks MLA will be approved by the System Operations Committee by end of November 2021, as to enter into force by 1st January 2022.

Decision

The Board

- recommends the Assembly to approve the specific governance arrangements and funding model for the Communications Network Multilateral Agreement (CN MLA) and its budgetary implications subject to final approval by SOC by end of November 2021; and
- acknowledges the CN MLA 5 years budget planning.

7. ENTSO-E 5th Position Paper on Assessing selected financial support options for renewable generation – recommendation for Assembly approval

The Chair of the Market Committee introduces the fifth ENTSO-E Offshore Position Paper, focusing on redistribution. He highlights that the paper has been widely supported during the Committee approval phase, as it addresses a high priority issue which is already being discussed by the EC and among stakeholders, debating the appropriateness of a proposal to see a share of the TSO congestion income be re-allocated from transmission system operators to offshore wind generators to make up for potential market revenue losses in an Offshore Bidding Zone.

He also explains that the paper, while originally covering both the redistribution and ownership topics, was split into two separate deliverables, with a follow-up paper on ownership of offshore infrastructure expected in early 2022.

Decision

The Board:

- approves the fifth Offshore Position Paper on Redistribution; and
- recommends its approval to the Assembly.

8. ENTSO-E Position Paper on Assessment of Future Flexibility Needs and Report on Future Flexibility Needs Assessment in Practice– recommendation for Assembly approval for publication

The Chair of Research, Development & Innovation Committee presents the main messages of the ENTSO-E position paper on the "Assessment of Future Flexibility Needs" and ENTSO-E Report on the"Future Flexibility Needs Assessment in Practice" that he is submitting to Board approval. He briefly explains how future flexibility needs are expected to rise due to the contemporaneity of demand and supply variability and uncertainty. He explains that the Position Paper addresses these challenges by proposing flexibility metrics for ramping and scarcity flexibility needs to identify and quantify future flexibility gaps, while the Report visualizes the application of these metrics by using specific examples. The RDIC Chair concludes by saying that the goal of the position paper and the report is to assist TSOs to identify future flexibility gaps sufficiently early enabling the definition of measures or products in cooperation with stakeholders and if needed to seek regulatory approval beforehand to ensure that sufficient flexibility resources will be available to cover these gaps.

Decision

The Board recommends the ENTSO-E Position Paper, for Assembly written approval for publication, on the Assessment of TSO Future Flexibility Needs and the Report on the Assessment of Future Flexibility Needs in Practice, subject to small changes agreed during the meeting.

9. StG T&D Interface Group Report on flexibility platforms – recommendation for Assembly approval

The Interim Chair of the Steering Group Transmission & Distribution Interface (StG T&DI) presents the main messages of the ENTSO-E report ''Review of Flexibility Platforms'' that he is submitting to Board approval. He explains that the report reviewed eight platforms that facilitate the procurement of grid or system services by TSO or DSO from distribution-connected assets. He reports that the comparative analysis of their functionalities allowed to categorise those into three main functional models: coordination platforms for administrative flexibility scheme, market intermediary platforms and marketplace platforms. He concludes that the report identifies several open challenges.

Decision

The Board:

- approves the Report on Review of Flexibility Platforms and recommends to the Assembly for publication on ENTSO-E website, via written approval, subject to the change agreed at the meeting; and
- approves the proposed Communications and Stakeholder plan.

10. System Disconnection of the Iberian Peninsula on 24 July 2021

The Chair of the System Operations Committee reports on the work performed by the System Operations Committee Task Force on the Continental Europe System Separation on 24 July 2021 and outlines the Interim Factual Report that is to be published by 29 October 2021. He then presents the Task Force main forthcoming deliverables and their implementation status, with a focus on the setup of an Expert Investigation Panel as foreseen in the ENTSO-E Incident Classification Scale Methodology and the development of the ENTSO-E Final Technical Report.

Decision

The Board acknowledges the reporting of the System Operations Committee.

11. ENTSO-E Appeal on System Operations Regions (SOR) Definition - update

The Chair of the System Operations Committee reports on the appeal on the ACER decision on the definition of System Operation Regions which was submitted to the Board of Appeal on 26 August 2021. The Chair explains the key technical and legal arguments of the Notice of Appeal and the annexed Technical Report. He further informs about the latest developments on this topic and their implications.

Decision

The Board acknowledges the status of the SOR Notice of Appeal submitted to the Board of Appeal on 26 August 2021.

12. Elections:
12.1 Vice-Chair of the Board
12.2 Chair and two Board members of the Resources committee
12.3 Chair and Vice-Chair of the Digital committee
12.4 Chair and Vice-Chair of the StG T&DI

The Chair of the Board outlines the main procedural milestones leading to today's elections, in compliance with the Articles of Association and the Internal Regulations and notably that the call for the open positions was announced on 30 June Board meeting 2021. He explains that for each open position, there is one candidate, therefore, the election by secret ballot is not required and the intention is not to vote but simply to elect by expressing the approval by applause.

Decision

The Board:

- acknowledges that there is one candidate for each of the open positions and agrees to replace the election by an appointment by applause;

12.1 Election of Vice-Chair of the Board

- appoints Liam Ryan for the position of Vice-Chair of the Board with a mandate of two years;

12.2 Resources committee

- amends the Term of reference of the Resource committee;

- appoints Dirk Biermann, Eduardo Prieto and Maurice Dierick for the position of member of the Resources committee with a mandate of two years;

12.3 Chair and Vice-Chair of the Digital committee

- appoints Guido Guida for the position of the Chair of the Digital committee with a mandate of two years;

12.4 Chair and Vice-Chair of the Steering Group for Transmission and Distribution Interface (StG T&DI)

- acknowledges that there is one candidate for the open position of the Chair of the StG T&DI and one candidate for the open position of the Vice-Chair of the StG T&DI;

- appoints Damian Cortinas for the position of the Chair of the StG T&DI with a mandate of two years;

- appoints Robert Paprocki for the position of the Vice-Chair of the StG T&DI with a mandate of two years.

- authorises Ms Sonya Twohig, Secretary-General of ENTSO-E, acting alone and with the 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.

13. Board decisions of the Board Strategy Workshop (BSW)

The Chair of the Board outlines the main outcome and actions decided during the Board Strategic Workshop and thanks the Board members for their active contribution and the Secretary-General and her team for the efficient support provided.

Decision

BSW TOP 1 – Welcome, agenda

The Board:

- acknowledges the agenda and the organisation of the BSW

BSW TOP 2 - Outcome of the Members Satisfaction Survey 2021

The Board:

- acknowledges the Outcome of the Members Satisfaction Survey 2021; and

- approves the priority topics discussed at the Board Strategy Workshop to address Member's feedback which will be monitored by the Board.

BSW TOP 3 - Active2020+ Programme – implementation of impact monitoring and continuous improvement

The Board:

- acknowledges the principles of the Active 2020+ impact monitoring programme; and

- approves the presented approach, reporting format and timeline (with the date of the status update on each Measure at the next Board meeting in November 2021).

BSW TOP 4 - Launch of the Corporate project, incl. approval of the PID

The Board:

- confirms the need to launch the 'Corporate Project' aiming to ensure the Association is still fit for purpose after ten years of successful continuous growth;

- approves the Project Initiation Document (PID) for the project subject to amendments agreed during the meeting; and

- recommends the PID for Assembly approval.

BSW TOP 5 - Advocacy priorities for current Office Holder term incl. Stakeholder survey results

- The Board approves the update of priority areas in relation to the European legislative agenda taking into account the publication of the 'Fit for 55' Package and the feedback from the 2021 ENTSO-E Member Satisfaction Survey and Stakeholder Satisfaction Surveys.

BSW TOP 6 - Strategic orientation for the Steering Group T&D interface

- The Board approves to extend the mandate of the StG T&DI for two additional years in line with the proposed changes, and to reassess its scope and functioning after this period.

BSW TOP 7 - Status of Vision2050 project

- The Board acknowledges the progress of the 2050 Vision project and agrees with the proposed way forward.

14. UK TSOs Cooperation – UK TSOs membership in ENTSO-E and Closure of UK TSO Cooperation Project – recommendation for Assembly approval

The General Counsel informs that by letters of 10 September 2021, ENTSO-E has received formal notification from National Grid ESO, SP Transmission and SHE Transmission (the 3 UK TSOs) of their resignation as Members of ENTSO-E as per the agreement between the EC and the UK Government during the July Specialised Energy Committee. The General Counsel recalls the resignation process as foreseen in the Articles of Association, which includes a six-month notice period. She explained it is therefore proposed to waive the 6 months' notice and to agree with a shorter period so that the resignation takes effect as from 1 January 2022 which will coincide with the date as from which no Founding Member membership fee will be due.

The General Counsel explains that the Board is also asked to close the UK TSOs Cooperation project given that its objectives (Working Arrangements and CBA) have now been completed. She proposes that any remaining actions for the Project Steering Board are transferred to the Secretary General, in close cooperation with the Main Office Holders and the Committees' and LRG's Chairs.

Decision

The Board

- recommends to the Assembly to close the UK TSOs project and to progress any remaining activities under the Secretary General's lead in consultation of the Main Office Holders and in anticipation of the expected entry into force of the Working Arrangements; and

- recommends to the Assembly to approve the removal of membership status for National Grid ESO, SHE Transmission and SP Transmission to take effect as from 1 January 2022.

Debrief from recent meetings:
15.1 Resources committee on 15 September

The Chair of the Board reports on the recent Resources committee meeting with the focus on the points not already addressed under another agenda item during today's meeting. He reports on the status of contract management and the organisation of the authority to sign contracts.

15.2 Digital committee on 09 September

The Chair of the Digital committee (Dc) reports to the Board on the Dc meeting of 09 September 2021. He informs about the process for the renewal of the Dc category 2 members, for which a Board decision is expected in its 18 November meeting. The Dc Chair also reports to the Board about the ENTSO-E participation in the EC consultation on "Action Plan on the digitalisation of the energy sector", which response was reviewed by the Dc and submitted on 10 September.

15.3 Debrief from StG for Distribution and Transmission Cooperation Platform on 09 July

The Interim Chair of the Steering Group T&D Interface (StG T&DI) reports to the Board on the meeting of the Distribution & Transmission Cooperation Platform on 9 July. He highlights the participation of the newly elected President of the EU DSO Entity, Vincenzo Ranieri. He explains that the EU DSO Entity will take over the participation to the Platform from the existing DSOs associations but that the Platform's format will be reviewed in the next months. He further mentions the status of relevant workstreams.

15.4 Debrief from PCG on 08 September incl. update on TEN-E

The Convener of the Policy and Communication Group provides an update on the latest policy developments on the TEN-E and an overview of the new EC Fit for 55 Package, including the areas which are expected to have impacts on the TSO community and ENTSO-E.

Decision

The Board:

15.1 Resources committee on 15 September

- notes the reporting from the Chair of the Board on the 15 September 2021 Rc meeting.

15.2 Digital committee on 09 September

- acknowledges the report from the Digital committee

15.3 Debrief from Distribution & Transmission Cooperation Platform on 9 July

- acknowledges the reporting by the interim Chair of the Steering Group Transmission & Distribution Interface;

15.4 Debrief from PCG on 8 Sept including Update on TEN-E

- acknowledges the update of the priority areas for advocacy.

16. Update on New Committee on Information and Communication Technology (ICT)

The Chair of the Digital committee and System Operations Committee update the Board on the mobilization for the implementation phase. They comment the organisation put in place, the main activities and milestones as well as the risks. They confirm the focus that will be put on detailing the interactions between the Committees to mitigate the risk of creating inefficiencies or overlaps.

Decision

The Board acknowledges the Project Initiation Document (PID) for the Implementation phase for the establishment of a new Committee replacing the Digital committee.

17. Draft agenda of 14 October Assembly meeting – recommendation for Assembly approval

Decision

The Board approves the draft agenda of the 14 October Assembly meeting subject to changes agreed during the meeting.

18. 2022 Board and Assembly meetings calendar dates including the approach to meeting arrangements in the post-Covid environment

The Secretary-General proposes the Board to approve the Board meeting dates for 2022 and informs the Board about the tentative Assembly meeting dates. She also presents guidance on the approach to meetings arrangements once pandemic-related measures are lifted.

Decision

The Board:

- approves the 2022 Board meeting dates; and

- acknowledges the Secretary General's guidance on the arrangements for the meetings in a post-pandemic environment.

19. AOB

The Chair of the System Operation Committee informs the Board about the next Regional Security Coordination Conference.

Decision

n/a

20. Approval of decisions

Decision

The Board approves the decisions of the 23 June Board meeting.

Board Strategy Workshop of 22 September
Board meeting of 23 September 2021

Date: 22-23 September 2021

Time: 08:30–15:30

Place: Brussels/online

LIST OF PARTICIPANTS

Chair of the Board

1.	VANZETTA Joachim	Amprion	Germany

Board Members

2.	BIERMANN Dirk	50Hertz	Germany
3.	CORTINAS Damian	RTE	France
4.	DIERICK Maurice	Swissgrid	Switzerland
5.	DUPONT KRISTENSEN Søren	Energinet	Denmark
6.	GUIDA Guido	Terna	Italy
7.	HANSEN Frank-Peter	TenneT	Germany
8.	PAPROCKI Robert	PSE	Poland
9.	PRIETO Eduardo	REE	Spain
10.	RYAN Liam (online)	Eirgrid	Ireland
11.	VESKIMÄGI Taavi	Elering	Estonia
12.	Zarchev Dimitar (online)	ESO	Bulgaria

President

1.	LAFFAYE Hervé	RTE	France

Vice-President

1.	BOLDIŠ Zbyněk	CEPS	Czech Republic

Committee Chairs

1.	BARMSNES Kjell A. *Chair of the Market Committee*	Statnett	Norway
2.	KAENDLER Gerald *Chair of the System Development Committee*	Amprion	Germany

Committee Chairs

3.	BORGEN Håkon (online) *Chair of the Research Dev. & Innovation Committee*	Statnett	Norway
4.	KAPETANOVIC Tahir *Chair of the System Operations Committee*	APG	Austria
5.	ELSKAMP Fokke *Chair of the Legal & Regulatory Group*	TenneT	Netherlands

Invited

1.	DECROIX Timothée	Swissgrid	Switzerland
2.	JONAT Yannick	Amprion	Germany
3.	SALOBIR Uroš *Vice-Chair of the Research Dev. & Innovation Committee*	ELES	Slovenia

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.	CONSTANTINESCU Norela	ENTSO-E	Belgium
7.	TALESKI Ivan	ENTSO-E	Belgium
8.	HAESEN Edwin	ENTSO-E	Belgium
9.	GOUVERNEUR Bruno	ENTSO-E	Belgium
10.	FRICKE Guido	ENTSO-E	Belgium
11.	PUJAN Kamila	ENTSO-E	Belgium
12.	KUUSIK Maarja	ENTSO-E	Belgium