

ENTSO-E MC Meeting

Date: Wednesday, 30 November 2022

MC Minutes

The Chair welcomes the participants and opens the meeting. He states that quorum is met with 99.64% of the voting part 1 and 99.86% of voting part 2 present. He asks the new MC members to introduce themselves. He asks if the minutes of the previous meeting and the agenda are acceptable.

2. Update on internal/external developments

2.1. Assembly/Board meetings

The Chair explains the discussions held at Assembly and the Board, he mentions the debates on the resources and contributions.

2.2. Minimum Members Contributions - UK withdrawal developments

The Secretariat explains that the Specialized Committee will send a questionnaire on the detailed implications of the Multi Regional Loose Volume Coupling in December 2022.

Market Committee members voice concerns about managing expectations and building the answers with the outcome in mind.

2.3 Joint TF with NRAs on the regulatory treatment of ENTSO-E's Annual Work Program 2023 Budget and Resourcing Requirements - NRA costs discussions

The Secretariat explains that the local resource and costs implications of the Annual Work Program's element require further coordination. All members are invited to participate in the exercise. Market Committee members express their strive for identifying issues with cost recovery and transparency.

2.6. New Nomination of Conveners for MI WG, RMI WG, PT art 16. Missing WG AS Convener. New Position open

The Chair informs that Statnett and Energinet have presented together candidates for a joint co-convenorship of the MIWG; The Chair on behalf of the MC, thanks the current MI convener for the work during the last 2 years. The two new co-convenors are appointed.

For RMI, Amprion provides a new nominee for convenorship of the RMI WG; the Chair thanks on behalf of the MC the current RMI convener for the work during the last 2 years.

The PT art 16 will also have an interim convener during the maternity leave period of the current convener. The interim convener, also from Amprion, will take the leadership from January 2023 on this work.

The Chair notes that Working Group Ancillary Services (WG AS) is in need of a new Convener from January 2023, and requests TSOs to check internally if they can propose candidates for this important position.

Regarding the CACM Pentilateral Coordination Group and in the CACM and FCA Coordination Group, the new MC Elia representative takes the leadership role in those groups. The Chair, on behalf of the MC, thanks Elia and their representatives for their commitment.

2.6.1 The MC appoints the new Convenors for MI WG and RMI WG by applause.

2.6.2 The MC acknowledges the interim period of convenorship in the PT art 16.

2.6.3 The MC asks the MC members to check internally the possibility to cover WG AS convenorship ASAP.

2.6.4 The MC thanks MIWG, RMI, AS and PT art 16 convenors for the work developed in ENTSO-E in the past years.

2.7 The MC appoints New Elia MC representative in the CACM Pentilateral coordination Group and in the CACM and FCA Coordination Group and thanks to the previous Elia MC Member for his leadership in those groups in the past years.

3. WG MD RES

The WG MDRES convener and the Secretariat representatives' updates members on the latest policy developments.

They explain that the EC is rapidly proceeding with the reform of electricity markets, starting with a 4-weeks public consultation by end of December and followed by a Regulation proposal by end of March.

Because of this tight timeline, the EC will restrict the scope of the reform to few topics, with the main objective of decoupling electricity prices from gas prices. One of the cornerstones of the EC proposals is likely to be 2-way CfDs for new RES and low carbon assets, while another one should be the extension of the current revenue cap for existing inframarginal technologies. ENTSO-E is trying to make sure that our key market design priorities – as already identified in the ENTSO-E Vision - will be addressed in this upcoming reform. For instance, an easier introduction of CRMs to ensure adequacy and flexibility, as well as measure to boost demand response.

Lastly, they inform the members of the creation of the Task Force Electricity Market design, which responds to the need of our association to coordinate internally on market design topics, to facilitate consensus and strategic guidance, and eventually help us delivering timely and fit-for-purpose advocacy. Members welcome the recent efforts to inform members, coordinate internal work and advocate for ENTSO-E priorities.

3.1. The MC takes note of the recent policy developments and supports the proposed next steps for content development and advocacy.

3.2 The MC asks the Task Force Electricity Market Design to reflect the views of the MC in the upcoming work until the next MC meeting, including in the drafting and approval of ENTSO-E response to the EC consultation on the market design reform.

5. ITC

The WG Economic Framework Convenor and Secretariat present the results of the 2023 ITC preliminary data collection, which include the preliminary Ex-ante Financial Spreadsheet, the preliminary perimeter fee, as well as Schedules P, T and X.

Due to the high prices situation in 2022 and the resulting values in the Ex-ante spreadsheet and taking into consideration the requirements of the ITC Agreement, it is agreed that the decision to approve the submitted documents will be carried out in a separate meeting to be held on 15 December 2022.

The WG Economic Framework Convenor also presents for information an overview of the first two deliverables of the Project Team ITC, namely the “Proposal for a case (ii) methodology” and the “Guidance document on the Audit procedure”. A Webinar for MC members will be organised in December, and the two documents will be submitted for Written Voting Procedure such that they may enter into effect from 1 January 2023.

5.1.1 The MC asks the Secretariat to organise a MC call on the 15 December for the approval of the Preliminary Ex Ante Financial Spreadsheet, including the preliminary Perimeter Contribution as well as the updated Schedules P, T and X.

5.2 The MC takes note of the report from the Project Team ITC and asks the Secretariat to launch the Written Voting Procedure for the ITC Case(ii) Methodology and the Guidance Document on the Audit.

7. WG AS – MC Part

7.1. RCCs’ task on facilitation of BC procurement

The WG AS Convener provides an update on the recent developments on the RCCs’ task on facilitation of BC procurement and introduces the proposed MC decision.

A TSO asks to clarify decision 7.2. The WG AS Convener notes that this decision means to state that, if there is reserve sharing, all TSOs will cooperate to agree on the reserve sharing. The MC Chair concludes that the proposed decision is approved with the edit, as discussed by MC members.

7.1. The MC does not approve any compromise solution enforcing sharing of reserves.

7.2. The MC acknowledges the possibility for TSOs operating a small LFC Block with a large dimensioning incident to reduce the reserve capacity on FRR and RR thanks to, and subject to the limitations foreseen by, the reserve sharing mechanism in accordance with the relevant provisions of SO Regulation. MC encourages TSOs to consider any request for a bilateral sharing agreement and work constructively with the aim to achieve benefits for the TSOs of the involved LFC Blocks.

7.3. The MC does approve to keep the status quo design on the non-contracted bids available via the European platforms as currently being proposed in the Public Consultation version of the RCC Procurement Proposal.

8. WG MI

8.1. FCA Long Term Market assessment

The MI WG co-convener presents the latest update of the discussions with ACER. No discussion.

9. WG RMI

WG RMI convener presents the WG RMI organization update regarding scope of competencies and workstream organization.

He mentions that re-evaluating the 2019 Terms of Reference of WG RMI the working group identified the necessity to update the ToR, sharpen the scope and clarify the competencies required of the WG RMI, to support the Market section of ENTSO-E and the involved TSOs.

WG RMI convener informs that the programme planning for the 2023 Market and CC&A Reports was aligned with WG AS and MI WG during November this year.

WG RMI is developing and aligning the tables of contents and the CC&A Performance Indicator definitions, as well as nominating responsible Workstream Leads and SPOCs for both reports.

He also informs that the report generation phase of the Market and CC&A Reports 2023 will start in January 2023, followed by two workshops in February and March.

After review of the MI WG and WG AS, both reports will be sent to the MC for review/approval by May 2023. The deadline for sending the reports to ACER is June 30, 2023. It is planned to publish and present both reports in a public webinar.

WG AS Vice Convener provides an update on the work which has been done in the last months on the Balancing Performance Indicators (PIs) Definition's document and provides an overview of the next steps.

The MC:

- 1) approves the Balancing Performance Indicators (PI) Definition document for submission to ACER in December 2022, subject to English proof reading, consistency check and cosmetic changes.
- 2) tasks ENTSO-E Secretariat with submission of the Balancing Performance Indicators (PI) Definition document to ACER in December 2022.

10. WG MIT

The WG MIT Convener provides the background of the topic, mentions the details of backlog specifying the “on-hold” tickets where the support from the data providers is required. He also updates members on the increasing interest from the users, which can be seen from the incline in the received tickets. The WG MIT Convener also presents a solution discussed and recommended by the WG MIT to introduce Service Level Agreement (SLA) to the data providers. He also mentions the upcoming TP users survey and presents the summary of the results from the TP Yearly monitoring report 2022. He also draws attention to the recommendations of this year's report and kindly asks members to consider these recommendations for improving the data quality on the TP. Moreover, he mentions the request from the WG MIT members to include the table with ticket numbers per data provider with “on-hold” status up to 24/11/2022. Therefore, MC is proposed to approve the replacement of this figure in the report.

The WG MIT convener informs MC members about the latest updates on the TP graphical user interface and conducts a live demonstration on the latest achieved streamline of the project. He displays the Day-ahead prices view on the new TP GUI together with the graphical, tabular and the map views. He mentions that the link to the map view of this data item will also be included to the home page of the current ENTSO-E TP in the next release by 14/12/2022.

The MC members congratulate WG MIT convener and question whether this achievement should be promoted externally. The WG MIT Convener mentions that an update on this it is already planned to be delivered to the Market European Stakeholder Committee on 07/12/2022 meeting. Further coordinated promotion is welcomed as well.

10.1. The MC asks the Secretariat and the WG MIT to initiate the work on a Service Level Agreements for TP data providers and circulating of the TP Survey to external TP users once finalized by WG MIT.

10.2. The MC approves the Monitoring Report of the Transparency Platform 2022 approved by the WG MIT on 09/11/2022, subject to updating the section on Zendesk tickets with the status of “on-hold” tickets on 24 November 2022.

10.3. The MC approves TEIAS adherence date of 01/12/2022 to the FSKar MLA.

11. SGT&DI

11.1 Demand-Side Flexibility

The MC representative in the Steering Group Transmission & Distribution Interface (StG T&DI) reports about the summarized key policy and process issues addressed in the Key Policy Issues Paper for the Network Code on Demand Response which has been recommended by the ENTSO-E Board after Cross-Committee Review to the Assembly to be approved. He updates the MC members about the scope and experts involved in the exchanges with the EU DSO Entity. He outlines the next milestones regarding the ACER Framework Guideline and the expectable request by the European Commission to develop a new Network Code. The MC members ask for further involvement in the existing shadow group TF DSF and to establish a process aimed at ensuring consistency with other network codes.

11.1 The MC kindly asks SGT&DI to:

- open the existing shadow group TF DSF to all interested ENTSO-E members where information related to the preparatory work on DR network code drafting is shared by the TSO-DSO development team and where the MC and SGT&DI discussions and decisions are pre-discussed in order to ensure a proper engagement of the MC and the SGT&DI in this preparatory work
- to establish a process aimed at ensuring consistency with other network codes, identifying amendment needs of other network codes in consequence of the DR network code considering also the timing of such amendments, in line with the relevant Board decision of October 2022.

12. ACER Data Exchange

The Secretariat provides for each of the Capacity Calculation Regions an update on the status of the provision of data included in the CACM list of information to ACER. The Secretariat explains that Capacity Calculation Regions are legally mandated to provide data included in the CACM list of information once their Capacity Calculation Methodology becomes compliant with CACM and informs MC members of the delays and issues faced by the Capacity Calculation Regions with the CACM data provision so far. The Secretariat also provides an update on the readiness of Capacity Calculation Regions going live next year in providing the data included in the CACM list to ACER.

12.1.1. The MC asks the TSOs of the Capacity Calculation Regions to follow up internally with the progress of the delivery of data from the CACM list of information and to take action where delays exist.

13. AOB

New Membership changes [no discussion]