

## 84<sup>th</sup> System Development Committee Meeting

Date: 7 October 2021

Time: 09.00 – 13.30h

Place: Web-conference

### Participants

#### *Chairman*

	Amprion	Germany
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#### *Vice Chairman*

	RTE	France
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#### *Members*

1.	50Hertz Transmission	Germany
2.	Amprion	Germany
3.	AS Augstsprieguma tikls	Latvia
4.	Ceps	Czech Republic
5.	Creos Luxembourg	Luxembourg
6.	Eirgrid	Ireland
7.	Eles	Slovenia
8.	Energinet	Denmark
9.	Fingrid	Finland
10.	HOPS	Croatia
11.	Mavir	Hungary
12.	MEPSO	Republic of North Macedonia
13.	PSE	Poland
14.	RTE	France
15.	Seps	Slovakia
16.	Statnett	Norway
17.	Swissgrid	Switzerland
18.	TenneT TSO BV	Netherlands
19.	Transmission System Operator-Cyprus	Cyprus

#### *Substitutes*

20.	APG	Austria
21.	Elering	Estonia
22.	Elia System Operator	Belgium
23.	EMS	Serbia
24.	IPTO	Greece
25.	Litgrid	Lithuania
26.	OST-Operatori i Sistemit te Transmetimit	Albania

### ***Substitutes***

27.	REE	Spain
28.	REN	Portugal
29.	SONI	United Kingdom
30.	Svenska Kraftnät	Sweden
31.	TenneT TSO GmbH	Germany
32.	Terna	Italy
33.	Transelectrica	Romania
34.	TransnetBW	Germany
35.	VUEN	Austria

### ***Conveners RGs***

1.	RG North Sea	France
2.	RG Baltic Sea	Germany
3.	RG Continental South East	Serbia
4.	RG Continental South West	France
5.	RG Continental Central South	Italy
6.	RG Continental Central East	Czech Republic

### ***Conveners WGs and SGs***

1.	WG System Design Strategy	Netherlands
2.	StG Connection Network Codes	Germany
3.	TF Sector Coupling	Germany
4.	DT CBA	Germany
5.	Offshore Development Core Group (ODCG)	Denmark
6.	DT Planning Standards	Portugal

### ***Excused***

1.	CGES	Montenegro
2.	ESO-EAD	Bulgaria
3.	Landsnet	Iceland
4.	National Grid ESO	United Kingdom
5.	NOS BiH	Bosnia&Herzegovina
6.	Scottish Hydro Electric Transmission	United Kingdom

### ***Secretariat***

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## 1. Attendance, Quorum & Approval of the Agenda

The SDC Chair welcomes all participants to the 84<sup>th</sup> SDC meeting. The SDC Chair confirms that participants can formally cast their vote via teleconference on decisions proposed during the meeting.

The SDC Chair welcomes new members who join the SDC meeting for a first time. This includes a new member from PSE, from Cyprus TSO and substitutes from TransnetBW and APG.

The agenda is approved without further changes.

The SDC Chair informs the Committee on the ENTSO-E independent Advisory Council meeting of the day before. The group gathers large stakeholder associations and provided supportive appreciation for the TYNDP work done by ENTSO-E's SDC.

The SDC Chair thanks the TSOs who contributed new modelling resources to the Scenario Building activity since last Committee meeting.

The SDC Chair informs the Committee on discussions and outcomes of the recent Board meeting.

### DECISION

35 out of 41 of the TSOs represented in the System Development Committee are attending the meeting, the Chairman states that the Committee meeting reaches the necessary quorum of half its members.

## 2. SDC Planning Programme and Project Dashboard 2021

The main risks flagged relate to the TYNDP2022 staffing and the WG Data & Models involvement by TSOs.

The SDC Programme Manager highlights developments in the joint ENTSO-E scenarios. Timelines and resources are tight which may result in the Committee facing compromises to be taken on the TYNDP scenario and CBA assessments in coming year. Also, the Optimal Energy System Planning activity still has a level of ambition which requires new resources to step in.

Data quality is raised as priority by some members. The Head of Section informs the Committee no nominations were received for the WG D&M Convenor role. Structural solutions for how to allocate responsibilities to the involved projects (TYNDP, ERAA, Outlooks), to the Secretariat, and to (new) TSO expert groups will be discussed in the SDC Planning Programme structure and presented in one of the next SDC meetings. A crucial role is still for SDC members to create awareness internally with their TSO when data is collected, reviewed and validated for SDC projects.

This new drive for the scenario building and the plans for a new contractual arrangement for key TYNDP CBA activities hopefully can also bring the TYNDP timeline back on track. An update on envisaged next steps is given in this meeting.

### 3. Draft 2022 meeting schedule

The SDC Chair presents a draft schedule for SDC meetings in 2022, taking into account possible remaining restrictions in some companies and countries, and also on the efficiency and difficulties experienced with virtual meetings in 2020 and 2021. The schedule covers 8 SDC meetings of which half are virtual meetings, and the other half provisionally physical meetings, two with a Strategy Seminar the day before. The meeting dates proposed in the Session File will be approved in November meeting. The SDC members discuss the schedule and raise the expectations that for some time it may be difficult to travel due to logistic challenges. The SDC Chair confirms that for the time being a remote option to participate should be ensured, also into 2022.

The SDC Chair invites Committee members to consider hosting a physical Committee meeting outside of Brussels, taking into account any health restrictions that may still be in place. Proposals can be sent to and discussed with the Secretariat, preferably before the next SDC meeting when the schedule is to be approved.

### 4. European policy update

The Secretariat provides an update on the state of play of the legislative discussions on the TEN-E Regulation review. The European Parliament ITRE Committee has adopted its position on the TEN-E on 28 September 2021. MEPs also voted in favour of a negotiating mandate for the EP rapporteur. As a next step, the European Parliament, the Council and the European Commission will enter into trialogue negotiations to agree on a final compromise text.

In addition, the European Commission has adopted on 28 September 2021 a recommendation and guidelines on the operationalisation of the 'energy efficiency first' principle, including also specific actions to be taken to ensure proper application of the principle by Member States, regulators and relevant market entities. The Fit for 55 also incorporates the EE1st principle as a legal provision in the revised Energy Efficiency Directive and sets an obligation for EU Member States to ensure that the energy efficiency first principle is applied in network planning, policy and investment decisions. The SDC members ask for clarification how this principle fits into the PCI CBA process. There is a need expressed to communicate how this principle fits into all uncertainties managed in system planning. The Programme Manager suggests that all SDC projects make a statement on how EE1 is already reflected in their ongoing work. The WG SDS will use this to develop a joint ENTSO-E/SDC position, also liaising with other Committees. The Committee states this position should also take more political angles into account as it is strongly based on other policy assumptions.

### 5. WG Asset Implementation Management

#### 5.1 Election of Convenor

The Secretariat received the nomination of a candidate from Seps on 10 September 2021 for the position of Convenor of the WG AIM. The new Convenor is unanimously elected by the Committee. The SDC Chair congratulates the Convenor on his new role and stressed that TSOs and stakeholders are looking forwards to the upcoming work of the WG AIM.

The candidate will fulfill the new functions as an ad-interim Convenor until the expiry of the term of office of the outgoing Convenor (according to the Articles 18(12) AoA [by way of analogy] and 32 of the IR and in compliance with the AoA), starting from 8 October 2021 to 15 September 2022.

## DECISION

The SDC:

- elects the proposed candidate as interim Convenor of the WG AIM for a mandate starting 8 October until 15 September 2022.
- takes note of the nomination of the candidate from Seps-for the ad-interim position of Convenor of the WG AIM.
- takes note that the elected Convenor will assume the functions of the resigning Convenor until the expiry of the term of office of the outgoing Convenor, i.e. until 15 September 2022

## 6. StG Connection Network Codes

### 6.1. 1<sup>st</sup> cluster of CNC amendment proposals

The StG CNC Convenor informs the Committee that the first cluster of CNC amendment proposals are submitted for SDC approval in line with the established ENTSO-E process, after an earlier SDC review that took place in June 2021. The submission includes all the concluded so far amendment proposals for each CNC Regulation and separate justification documents. Among the proposals, there are also the ones originating from the work of the GC ESC Expert Groups. The CNC expert team is further advancing on pending proposals and in December's SDC meeting, additional items will be submitted and assumed in the first cluster. New/additional proposals will be considered for end of Q1 2022 (2<sup>nd</sup> cluster). The amendment proposals are split in two clusters to facilitate the internal approval process and give the opportunity to open early discussions with ACER and EC, while also providing needed time for further discussions and improvements in certain topics. NCCIP remains informed for all developments in line with internal processes.

## DECISION

The SDC:

- approves the 1<sup>st</sup> cluster of CNC amendment proposals for information to the Board and subsequent discussion with ACER and EC before official submission to ACER in accordance with the "Process for Developing Network Codes and amendments to Network Codes and Guidelines". The approval covers:
  - RfG NC v.2.0\_1<sup>st</sup> cluster and respective Justification Document
  - DC NC v.2.0\_1<sup>st</sup> cluster and respective Justification Document
  - HVDC NC v.2.0\_1<sup>st</sup> cluster and respective Justification Document

### 6.2. Outcome of Task Force on Grid Forming

Under the StG CNC lead, a Cross-Committee Task Force for Strategic Implementation of Grid Forming Capabilities was created in July and has performed a thorough assessment of the topic and its implications. Several options are still being considered on the implementing those requirements. The StG CNC submits the amendment proposal on technical capabilities in RfG and HVDC, including the remarks from the Task Force. Notwithstanding further work is needed on the way of implementation (mandatory or not), this does not or will not impact the aligned technical requirements proposal.

## DECISION

The SDC:

- approves the amendment proposals related to grid forming capabilities.

### 6.3. Feedback from GC ESC on recent system splits

In last GC ESC meeting, a stakeholder raised a discussion on Rate-of-Change-of-Frequency (RoCoF) withstand capability requirements in the Connection Network Codes, referring the recent system separation incidents (January and July 2021). ACER suggested for ENTSO-E to host a workshop on the topic, possibly to be organized in December 2021 or January 2022. The StG CNC discussed this topic also with the Project Inertia which covers related topics. The conclusions of this report will be an important input for the discussions with the GC ESC.

## 7. Resource Adequacy

### 7.1. ERAA 2021 key messages

The ERAA PMO informs the Committee on progress and plans for finalizing the ERAA2021. An overview is shared on input collected from TSOs on national assumptions that need to be embedded in the report. For a number of TSOs this input is still missing. The Committee urges these members to provide the relevant data and asks the PMO to keep the Committee informed. Also, in case provided explanations are not robust taking into account the viewpoint of stakeholders and ACER in particular, the PMO and SG ERAA will urge for revised input.

The WG SDS suggests key messages for the ERAA 2021 report based on available assessments and political context. This especially highlights mid-term and long-term outcomes, regional impact, and next steps. The Adequacy manager presents these key messages. The SDC members raise questions on the impact of the EVA step and regional messages related to interconnection capacity constraints. The suggested comments for rewording will be integrated during the ongoing report review.

## DECISION

The SDC:

- endorses the overall key messages of ERAA 2021.

### 7.2. Engagement with ACER

ACER shared in April 2021 a set of minimum expectations for ERAA 2021 after several working level exchanges with ENTSO-E. These expectations, while not binding, show ACER's understanding on how a stepwise approach could be understood. The ERAA project team strived to meet them as much as possible, while considering acceptable simplifications. During the summer, ACER shared its concerns over ENTSO-E not meeting their minimum expectations via formal letter. A formal response is sent to ACER with a clear message that ENTSO-E meets its legal obligations. This was also discussed in the recent ENTSO-E Board meeting. A high-level meeting with ENTSO-E, ACER and EC took place on 28 September 2021. The Committee is informed on the present state of play. The Committee acknowledges that to align with ACER's expectations, the number of central reference scenarios for 2025 can be limited to the ones with an EVA step, while labelling the other ones as national reference scenarios. Further working level exchanges continue on the ERAA2021 as well as next gradual implementation steps for 2022.

## 7.3. Preparations for ERAA 2022

The SG ERAA and PMO have put forward priorities for ERAA 2022 in a draft project initiation document (PID) that is still under development. This PID focuses especially on i) Resource and efficiency, ii) Extended methodological scope of ERAA, iii) Stakeholder engagement.

The Committee asks the SG ERAA to deliver a proposal for flow based implementation in ERAA 2022, including a conclusion on the domain selection, by end of the year 2021. The Committee also asks for a clear proposal for the reference tool by end of 2021, taking into account the constraints of local matching and curtailment sharing as applied in day ahead operational processes. These topics were intensely discussed in the ERAA2021 already and need to find a practical way forward soon. They will also be covered in the ERAA2022 PID which is planned for SDC approval in November.

## 8. TYNDP 2022

### 8.1. Updated timeline and prioritisation of studies, including scenario updates

The TYNDP Project Manager presents to the SDC the outcome of the TYNDP SG review of available options for a smarter prioritisation of cost-benefit analysis assessment. The TYNDP SG also presents the state of play regarding the re-run of COP21 scenarios before their preparation for the cost-benefit analysis of TYNDP projects.

The Long-Term Planning Manager informs the Committee on next steps to attract additional experts for the TYNDP Study Team. A survey is shared with Committee members to collect input on a new contractual arrangement with TSOs that is considered, and which is part of the ENTSO-E annual budget as a pilot phase. The TYNDP team, Head of Section and SDC Chair will also arrange bilateral exchanges with members to review this new approach and attract critical resources.

### 8.2. Critical gap of missing European long-term grid models (*Feedback from mini-retreat*)

The Committee members discussed the possibility and need to develop a 2035 network model in a dedicated mini-retreat session the day before. There was common understanding that such an activity can bring significant benefit for the TSOs and close the critical gap of missing long-term ENTSO-E network models beyond 2030. Such network models can be used further in national and regional studies by the ENTSO-E members. It was not intended to be used for ongoing TYNDP studies. Quality issues would need to be addressed by TSOs in their national process. As quality deserves further attention, the initiative is not yet kicked off yet. The SDC asks the TYNDP Study Team and WG D&M III to look further into options, also considering embedding such long-term grid model collection in a future TYNDP process.

## 9 WG System Design Strategy

### 9.1 Updated Terms of Reference of the WG SDS

The WG SDS Convenor summarizes the updates made to the WG Terms of Reference (ToR).

#### DECISION

The SDC:

- approves the updated Terms of Reference (ToR) of the WG System Design Strategy.

## 10. TF Sector Coupling

### 10.1 Speaking notes on Guarantees of Origin

The TF Sector Coupling has prepared speaking notes on the topic of Guarantees of Origin, originally intended for the Madrid Forum. The speaking notes were drafted in close collaboration with WG MD RES under Market Committee. Since no date has yet been announced for the next Madrid Forum, the SDS WG suggests to already approve the speaking notes for future use in a relevant context. The Committee approves the notes and just asks for a review of particular terminologies and legislative references.

#### DECISION

The SDC:

- approves the Speaking Notes on Guarantees of Origin.

### 10.2. Hydrogen paper Key messages (*incl. feedback from mini retreat*)

The TF Sector Coupling has drafted a discussion paper on Hydrogen from an electricity system perspective and aims to publish the key messages shortly. The SDC members had an opportunity to discuss the key messages at the mini-retreat the day before which gave a few updates.

#### DECISION

The SDC:

- approves the Key Messages from the discussion paper on Hydrogen.

### 10.3. Flexibility paper

The TF Sector Coupling convenor informs the SDC about the discussion paper on Flexibility. The paper will be aligned with other position papers on flexibility developed across the sectors at ENTSO-E. The options are to continue with this stand-alone paper via the SDC decision at next meeting in November, or to integrate the main findings in other deliverables such as the Vision 2050 Project work, or papers developed via the StG T&D.

## 11. Offshore Development

### 11.1. Presentation of the PID of the Position Paper Nr. 6: Assessment of ownership models for future offshore systems



The ODCG Convenor presents the progress for the next ENTSO-E offshore position paper. Building on the work done in the 5<sup>th</sup> offshore position paper (especially the chapter on “Ownership”), this project aims at developing a consistent position on the topic of ownership of offshore transmission assets. It will notably assess implications for financing the future offshore infrastructure. To ensure that drafting resources can be committed by TSOs, a PID will be shared for cross-committee approval shortly.

## 12. Vision 2050 Project

### 12.1. Update and the Infrastructure and Investments subgroup

The Committee is informed on the progress of work by a member of the Vision 2050 project team. The objective of the project is to elaborate a comprehensive and robust ENTSO-E vision of the European Power System in 2050, including links to the European Energy System as a whole, and to describe the expected role of the European TSOs community. The vision shall build on the findings of the ENTSO-E Vision 2030, on the relevant TYNDP scenarios and on ENTSO-E RDI Roadmap. Furthermore, it will incorporate, in a coherent manner, all forward-looking initiatives developed within ENTSO-E Committees and Groups (SOC, MC, SDC, RDIC, T&DI StG and PCG) which are relevant for shaping ENTSO-E’s vision of the future.

## 13. Decision Mode A (*discussion at request only*)

### 13.1. Revised IGD Compliance Verification – Compliance Testing and Use of Equipment Certificates

In accordance with the two-year maintenance period, the StG CNC proceeded with the revision of the "IGD on Compliance Verification – Compliance Testing and Use of Equipment Certificates", after which a public consultation was launched. The assessment of the high number of comments received, as well as the necessary alignment of the TSO on the subject, resulted in the decision to postpone the approval and publication of this revision, which is now ready.

#### DECISION

The SDC:

- approves the final revised Implementation Guidance Documents (IGDs) on Compliance verification – Compliance testing and use of Equipment Certificates.
- approves the feedback on the public consultation that took place from 2 December 2020 – 31 January 2021.

### 13.2. PEMMDB handling in cloud-based environment

The Economic Studies team Manager clarifies to the Committee that the cloud-based environment where data will be used for tests, is compliant with cyber resilience expectations based on certification delivered by the infrastructure host and guidance from the ENTSO-E Digital team.

#### DECISION

The SDC:

- approves to utilize the EVA model of ERAA2021 for testing in a cloud-based environment.

- approves to utilize the Winter Outlook 2020/2021 for testing in a cloud-based environment.
- approves to utilize one CBA model from TYNDP2020 for testing in a cloud-based environment.
- approves to utilize one TYNDP scenario building investment optimisation model for testing in a cloud-based environment.

### 13.3. Request for STUM from outside ENTSO-E countries

This topic is pushed to the next SDC meeting.

## 14. RGs activities (beyond TYNDP 2022)

### 14.1. RG's activities

Updates of the ENTSO-E Regional Groups are not discussed during the meeting.

## 15. Topics for next mini-retreats in November 2021

It is suggested to cover the main messages of Vision 2050 at the SDC mini retreat in November. The project team will inform on how this fits into the overall internal approval schedule.

Other suggestions for mini-retreat topics can still be provided by members.

## 16. Any other business

### DECISION

- n/a

## 17. Approval of the Minutes

### DECISION

The SDC:

- approves the minutes of the 84<sup>th</sup> SDC meeting for publication.