

91st System Development Committee Meeting

Date: 21 June 2022

Time: 09.00 – 17.00h

Place: Hotel Quirinale, Via Nazionale 7, IT-00184 Rome (Italy)

Participants (*physical*)

Chairman

	Amprion	Germany
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Vice Chairman

	RTE	France
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Members

1.	Amprion	Germany
2.	AS Augstsprieguma tikls	Latvia
3.	Creos Luxembourg	Luxembourg
4.	Elia System Operator	Belgium
5.	EMS	Serbia
6.	Fingrid	Finland
7.	HOPS	Croatia
8.	RTE	France
9.	Seps	Slovakia
10.	Svenska Kraftnät	Sweden
11.	TenneT TSO BV	Netherlands
12.	Swissgrid	Switzerland
13.	Transelectrica	Romania

Substitutes

14.	50Hertz Transmission	Germany
15.	<i>Amprion</i>	<i>Germany</i>
16.	Ceps	Czech Republic
17.	Energinet	Denmark
18.	TenneT TSO GmbH	Germany
19.	Terna	Italy
20.	TransnetBW	Germany
21.	<i>TransnetBW</i>	<i>Germany</i>

Conveners RGs

1.	RG Baltic Sea	Germany
2.	RG North Sea	Luxembourg
3.	RG Continental South-East	Serbia
4.	RG Continental Central East	Czech Republic
5.	RG Continental Central South	Italy

Conveners WGs and SGs

6.	SG TYNDP 2022	Spain
7.	WG System Design Strategy	Netherlands
8.	StG Connection Network Codes	Germany
9.	Offshore Development Core Group (ODCG)	Denmark

Secretariat

1.	ENTSO-E	
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Participants (Microsoft Teams)**Members**

22.	Eirgrid	Ireland
23.	Elering	Estonia
24.	Eles	Slovenia
25.	Litgrid	Lithuania
26.	Mavir	Hungary
27.	MEPSO	Republic of North Macedonia
28.	NOSBiH	Bosnia&Herzegovina
29.	PSE	Poland
30.	REN	Portugal
31.	Transmission System Operator-Cyprus	Cyprus

Substitutes

32.	IPTO	Greece
33.	REE	Spain
34.	REN	Portugal
35.	SONI	Ireland

Conveners WGs, SGs and RGs

2.	WG Scenario Building	France
3.	WG Asset Implementation & Management	Slovakia
4.	DT CBA	Germany
5.	RG Continental South-West	France

Excused

1.	APG	Austria
2.	ESO-EAD	Bulgaria
3.	Crnogorski elektroprenosni sistem AD	Montenegro
4.	Landsnet	Iceland
5.	OST-Operatori i Sistemit te Transmetimit	Albania
6.	Statnett	Norway

1. Attendance, quorum and approval of draft Agenda

The SDC Chair welcomes all participants to this physical SDC meeting, with a remote web conference option for those not able to travel. He warmly thanks Terna for hosting this Committee meeting in Rome, giving members a great opportunity to reconnect in an excellent setting. He also thanks again the WG SDS for organising the SDC Strategy Seminar the day before and all participants for their valuable contributions.

There are no new members or substitutes in today's meeting. The agenda is approved without further changes.

DECISION

32 out of 38 of the TSOs represented in the System Development Committee are attending the meeting, the SDC Chair states that the Committee meeting reaches the necessary quorum of half its members.

2. SDC Planning Programme

2.1. SDC Dashboard 2022

Most of the Committee's work areas have a dedicated item on today's agenda including a progress report.

The Programme Manager initiates a discussion on how the 70% rule can be considered in the planning products of TYNDP and ERAA. The technical project teams have reviewed some implications for adequacy assessments, EVA, and project CBAs in terms of methodology, result interpretation, computational complexity and possible non-quantified costs or benefits. Initial views are not conclusive yet. Some aspects are also regularly addressed with ACER in working level exchanges. Some considerations and perspectives are of rather strategic nature and hence an SDC discussion is warranted. The Committee gives some reflections on interpretation of results for the technical teams to consider. Committee members underline that SDC products need to comply with their legal mandate, and equally the implications of a 70% rule application need to be clearly explained by ENTSO-E in its deliverables.

2.2 TYNDP 2024 preparations

The Programme Manager reports to the Committee on the work of an ad-hoc team preparing the TYNDP 2024 PID. Points of focus in recent meetings of the team included the future IoSN studies for regions and ONDPs, network modelling preparation, governance and interaction of products.

3. Report from Board meeting 9 June 2022

The Chair debriefs the Committee on the discussions and decisions of the last Board meeting that are most relevant for the SDC. These include the continued analyses and communication guidance on next winter's adequacy risks, a new offshore engagement project building on the good work of ODCG in recent years, and the initial 2023 budget proposal. The Board explicitly urged to find ways to both keep ERAA relevant as well as align with ACER in this area.

4. SDC Work Programme 2023

The Chair reports main take-aways from bilateral talks he had with each Committee member over the past year. These talks emphasised the value of each SDC product for a significant number of TSOs at national level. Also, the role of ENTSO-E in data management for system planning and the platforms of Regional Groups are highlighted. Next steps include the intention to keep having annual calls with each member, to proceed with the “ENTSO-E and TSOs together scheme” for further attracting the TSO resources into ENTSO-E joint work, to initiate a workshop with all RG convenors after summer, and to have a workshop with all SDC convenors.

The WG SDS Convenor presents an update of the draft SDC Work Programme 2023 that was already shared in the last Committee meeting. The Work Programme is approved for internal use and is aligned with the ENTSO-E level Annual Work Programme that is prepared for consultation. In recent years all SDC groups were asked to develop Deliverable descriptions for 2023 based on their Work Programme objectives. As internal processes became mature over recent years with greater transparency on planned work and more detailed descriptions in PIDs for the larger projects, he suggests to no longer produce such dedicated Deliverable documents. Later in the agenda a proposal is made for further enhanced external engagements, with a suggestion that for each work area in the Work Programme the lead group develops a dedicated 2023 communication plan. The approved Work Programme will also be the reference for the SDC Dashboard 2023.

DECISION

The SDC:

- approves the SDC Work Programme 2023.

5. Initial Budget Proposal 2023

The Head of Section summarizes the process across all Committees and with Board/Assembly to come to a final approved annual budget by October 2022. He summarizes the initial budget proposal for SDC’s activities and invites for Committee questions on the breakdown of budget items and rationale as shared with the Committee and developed with input from all Committee project teams. The Chair emphasizes that the cost needs to be seen in perspective of the value it brings to the industry and society especially for efficient implementing of the energy transition, as well as the leverage it gives for many national activities and mandates of TSOs. He informs the Committee on the reflections made by the Board in early June on the initial Association wide budget proposal. He asks Committee members to communicate clearly within their organization on the value of the SDC work.

DECISION

The SDC:

- approves the initial budget proposal for Committee activities in 2023, which is part of the full ENTSO-E Initial Budget Proposal, taking note of the discussion in the Board meeting in June.

6. SDC Strategy Seminar 2022 (Part II)

6.1. Outcome and next steps

The WG SDS Convenor summarizes the outcomes and actions identified from the six roundtable sessions of the Strategy Seminar held the day before the SDC meeting. Next steps include a further review by the

relevant SDC groups of the directions identified in the discussions, and delivery of key messages to SDC groups and Programme Management for TYNDP 2022 disseminations and TYNDP 2024 preparations.

DECISION

The SDC:

- takes note of the outcome of the SDC Strategy Seminar on 20 June 2022.

7. European policy update

The Secretariat gives an overview of the Fit-for-55 package development and the recently published REPowerEU package. A question is raised on specific measures of the RES faster permitting processes included in the package.

8. Feedback from:

8.1. Energy Infrastructure Forum - Copenhagen, 2-3 June 2022

The Chair, ODCG Convenor and Head of Section give a summary of the recent Energy Infrastructure Forum. The event gave good opportunity for positioning of ENTSO-E's messages, especially on system development, as well as investment frameworks and innovations.

8.2. 36th European Gas Regulatory Forum - Madrid, 11-12 May 2022

The Chair gives a summary of the recent Madrid Forum which focused mainly on regulatory aspects of storage filling and the transition to future low-carbon gas networks.

9. Stakeholder engagement and advocacy approach

The WG SDS Convenor and Secretariat present a renewed stakeholder engagement approach, building on the direction given by the Committee in the SDC Strategy Seminar in January 2022. All SDC groups are asked to use this to further develop a specific plan for their work area. A key element is to initiate a stakeholder group or advisory council with focus on supporting the TEN-E implementation tasks of ENTSO-E. This also may give new focus to the Network Development Stakeholder Group that ENTSO-E convened several TYNDP cycles ago. It also builds on the experience of ENTSO-E's independent Advisory Council where the Chair regularly participates in TYNDP related discussions with Council members. Such new stakeholder group with clear focus and mandate also acknowledges the request made by many stakeholders during the TEN-E development, even if the final text no longer explicitly mandates the set-up of such group. The Committee asks to develop this idea further, also in coordination with PCG, and keeping in mind the various TEN-E products of scenarios, Infrastructure Gap Analysis, ONDPs and main TYNDP role.

DECISION

The SDC:

- approves the proposed stakeholder engagement plan to support the TEN-E implementation.

10. WG Seasonal Outlook

10.1 Progress report

The WG SO Convenor summarizes main results and messages of the recently published Summer Outlook report. She draws attention to the data collection for next Winter Outlook, which will begin in early July, likely through late July or early August. A window for updates will occur in September, but a full initial package is needed in July to initiate the first assessments. The same template as for the recent Summer Outlook will be applied to avoid further complications in processing data with correspondents. If additional information is needed, a separate tailored collection will be conducted. Close monitoring will be done to ensure that TSOs are aware of the collection process and can follow up on it.

11. ERAA 2022

11.1 ERAA 2022 - Progress report

The ERAA Convenor reports on the progress of the assessments and methodology improvements compared to past ERAA. Working level and senior level discussions with ACER took place to align on how to position the ERAA in context of legal requirements, methodology expectations and the exceptional context of the energy crisis.

Following the Committee discussion in agenda TOP2 on the impact of a 70% rule, members discuss specifically on how to address this in the ERAA 2022. Next ERAA foresees to use flow-based domains for the Core region in the reference tool which are developed to comply with the 70% rule.

The Committee urges that for NTC borders, it is necessary to confirm that these are based on a 70% methodology and asks the project team to assess options for demonstrating this at the ENTSO-E level. At the same time, a robust explanation is needed on how market vs. network based capacities impact adequacy and EVA runs.

The Committee confirms the ERAA Steering Group approach regarding price caps, which reflects the ongoing political discussion and align with today's markets.

The Convenor informs the Committee on the impact of non-harmonised CONEs for new technologies on (de)commissioning levels across countries to meet reliability standards. CONEs are taken from national references in line with the methodology, but also still evolve over time especially for new technologies. The Committee takes note of this and asks the Steering Group to further look into this and assess options such as capping CONE differences or give transparent explanations in the report on the impact of such values.

The Committee approves the actions presented, with one abstention.

DECISION

The SDC:

- takes notes of the progress and endorses the Steering Group's approach for further implementation of the ERAA methodology.

11.2 Impact of REPowerEU on future ERAAs

This agenda item is not presented due to time constraints. The Committee raises no comments or questions based on the summary given in the Session File.

12. WG Data & Models

12.1. Hydro – Climate Change implementation

The WG D&M Convenor raises awareness on the complexity and necessity of generating hydro generation time series. These are generated with an ENTSO-E methodology based on national input data. Such data is sometimes covered by strong confidentiality rules of TSOs. He shares that the WG has contacted all TSOs with substantial hydro generation levels with several options how to have these time series generated. He lists TSOs for which next steps are still pending and asks to find a pragmatic way forward soon.

DECISION

The SDC:

- acknowledges the critical importance of high-quality historical hydro generation time series for upcoming legally mandated SDC studies and approves the way forward proposed by WG D&M and TF PECD.

12.2. NDA with National Grid ESO for data exchange

The WG D&M Convenor outlines how a mutual data exchange between National Grid ESO and ENTSO-E can be continued now that the UK TSOs are no longer members of ENTSO-E. While awaiting the endorsement of formal Working Arrangements, the two organisations will set up an NDA for mutual data exchange soon, to ensure for next Winter Outlook best available data can be used. The Committee members will soon be asked to endorse the NDA.

DECISION

The SDC:

- approves the objective of establishing an NDA with National Grid ESO to allow mutual exchange of data where relevant to support both organisations in fulfilling their legally mandates planning studies.

13. StG Connection Network Codes

13.1 CNC amendment process, coordination and exchanges with stakeholders

The StG CNC Convenor report on the timeline and process set by ACER for the CNC amendments in coming years.

13.2 2nd cluster of amendment proposals

The Steering Group CNC Convenor summarizes past work on amendment proposals. A large set of proposals has already been approved by the SDC. He presents a next cluster of suggested updates. These were already

shared for review and presented in a dedicated webinar the previous week. Updates made to the text in recent days based on recent comments received are summarized during the meeting.

DECISION

The SDC:

- approves the 2nd cluster of CNC amendment proposals for NC RfG and NC DC.
- takes note that all related comments from SDC review have been completely assessed by StG CNC

13.3. CNC Monitoring - ACER data request status

The StG is developing an updated CNC monitoring report. All requested data was eventually received from TSOs. Some work is ongoing to improve the next monitoring cycles such as an enhanced collaboration with the EU DSO entity.

14. RGs activities (beyond TYNDP 2022) – Progress report

The RG BS Convenor highlights regional ONDP preparations, an upcoming Baltic Sea Leaders meeting and progress on the Baltic synchronization.

Members substituting for the RG NS Convenor highlight the ongoing ONDP interaction with NSEC, the recent Esbjerg declaration, views from the Infrastructure Forum, as well as the Pentalateral Forum work on adequacy methodologies that is finalizing in coming weeks and relevant for ENTSO-E's ERAA.

The RG CCE Convenor highlights the Regional Investment Plan progress with additional regional studies on commodity prices and thermal capacity, as well as recent working session with Ukrenergo in context of their observer membership.

The substitute for the RG CSW Convenor highlights the Regional Investment Plan progress, and a recent MoU on Spain-France interconnection projects.

The RG CCS Convenor highlights the set-up of a task force on standards for higher efficiency in multilateral grid studies.

The RG CSE Convenor highlights the Regional Investment Plan progress, the 2nd SECI cycle progress with network models ready, the recent meeting with Ukrenergo in context of their observer membership and he thanks Transelectrica for being proxy for the RG.

15. Offshore Network Development Plans - Central Group

15.1. Kick-off meeting of 30 May 202

The ONDP Central Group Convenor reports to the Committee on the initiation of the work after the SDC approved the scoping paper. A member list of the group is presented, as well as an update of the work schedule based on the entry into force of TEN-E, and discussions at the Infrastructure Forum. The Committee emphasises the need to involve the UK TSOs in the technical work. The Committee welcomes the outcome of the Infrastructure Forum to have ENTSO-E and EC coordinating and giving early guidance for Member State target data collection.

16. TYNDP 2022**16.1. Progress report and appointment of representatives to Cooperation Platform for the 6th PCI process**

The TYNDP 2022 Steering Group Convenor highlights there are persisting resource constraints in the network computations, and fallback solutions had to be activated by the Steering Group. The project team is finalising the draft reports for public consultation, with internal review and approval of the package in coming weeks. A summary of the recent Cooperation Platform for the next PCI process is given, and the Committee is asked to endorse the ENTSO-E representatives for next Platform exchanges.

DECISION

The SDC:

- approves the three ENTSO-E representatives appointed to the Electricity Cooperation Platform for the 6th PCI process.

17. DT CBA**17.1. CBA 3 status**

The DT CBA Convenor presents the approach for updating and resubmitting the CBA guideline to the European Commission to have a clear basis for the PCI process.

17.2. CBA 4 - Progress report

The DT CBA Convenor informs the Committee on the next steps to update the Guideline further taking into account the new TEN-E Regulation and other learnings from the present TYNDP cycle.

18. WG Scenarios Building 2024**18.1 Progress report**

The WGSB Convenor presents the foreseen timeline for next Scenarios' cycle, and planned improvements. A Committee member asks for improved national direction in top-down scenarios in terms of internal reinforcements, RES zonal spread and RES curtailment figures, to ensure they are plausible and usable. The Convenor states the WGSB works on how to accommodate this in an iterative process, using trajectories and proper reviews and internal alignment while respecting scenario objectives.

19. Any Other Business**19.1. Convenorship WG AIM**

The Committee Chair notes that in line with internal processes a new call for WG AIM Convenor will be opened.

DECISION

The SDC:

- takes note that the mandate of the present ad-interim Convenor of WG AIM will end on 15 September 2022.

No other items are raised by the Committee

20. Approval of the Decisions

Decisions as shown during the meeting and presented by the Chair are approved.