

92nd System Development Committee Meeting

Date: 22 September 2022

Time: 09.00 – 16.45h

Place: Creos Luxembourg Office – 105, rue de Strassen, LU-2555 Luxembourg

Participants (*physical*)

Chairman

	Amprion	Germany
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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.	Elering	Estonia
7.	Eirgrid	Ireland
8.	Elia System Operator	Belgium
9.	EMS	Serbia
10.	Fingrid	Finland
11.	HOPS	Croatia
12.	Statnett	Norway
13.	Svenska Kraftnät	Sweden
14.	TenneT TSO BV	Netherlands
15.	Transmission System Operator-Cyprus	Cyprus
16.	Transelectrica	Romania
17.	TransnetBW	Germany

Substitutes

18.	APG	Austria
19.	Energinet, represented by Fingrid	Denmark
20.	Seps	Slovakia
21.	SONI	United Kingdom
22.	TenneT TSO GmbH	Germany
23.	Terna	Italy
24.	VUEN	Austria

Conveners RGs

1.	RG Baltic Sea	Germany
2.	RG Continental South-East	Serbia
3.	RG Continental Central East	Czech Republic

Conveners WGs and SGs

4.	SG TYNDP 2022	Spain
5.	WG System Design Strategy	Netherlands
6.	WG Scenario Building	France
7.	WG Asset Implementation & Management	Slovakia
8.	StG Connection Network Codes	Germany

Secretariat

1.	ENTSO-E	
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Participants (remote)**Vice Chairman**

	RTE	France
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Members

25.	Crnogorski elektroprenosni sistem AD	Montenegro
26.	Eles	Slovenia
27.	Litgrid	Lithuania
28.	MEPSO	Republic of North Macedonia
29.	OST-Operatori i Sistemit te Transmetimit	Albania
30.	PSE	Poland
31.	REE	Spain
32.	REN	Portugal
33.	RTE	France

Substitutes

34.	Crnogorski elektroprenosni sistem AD	Montenegro
35.	IPTO	Greece
36.	Mavir	Hungary
37.	Swissgrid	Switzerland
38.	Transelectrica	Romania

Conveners RGs and DT

2.	RG Continental South-West	France
3.	RG Continental Central South	Italy
4.	RG North Sea	Netherlands
5.	DT CBA	Germany

Excused

1.	ESO-EAD	Bulgaria
2.	Landsnet	Iceland
3.	NOSBiH	Bosnia&Herzegovina

1. Attendance, quorum and approval of draft Agenda

DECISION

36 out of 39 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.

The SDC Chair welcomes all participants to this physical SDC meeting, with a remote web conference option for those unable to travel. He warmly thanks Creos Luxembourg for hosting this Committee meeting in Luxembourg, and for organising an excellent evening the day before the meeting.

The Chair informs the Committee on some members organisational updates. Fingrid has for this meeting the proxy for Energinet who could not join. He welcomes the member of Eirgrid who joins the SDC in person for the first time. He warmly welcomes the new member of CGES who is connected remotely. The SDC member from REE moved to a new position in the company, and the substitute who regularly joined the SDC meetings already has now formally taking over the SDC member role.

The SDC Chair expresses his sincere thanks, on behalf of the whole organisation, to the Convenor of the WG Scenario Building, who is stepping down after an excellent work over the last two years. SDC members have repeatedly stated that scenario building data is one of the most important products. The Committee looks forward to his continued involvement in the scenario building work, even though it no longer has a convenorship role.

The SDC Chair informs the Committee of the new approach to SDC meeting from the next meeting. The usual approach of a full day meeting is being replaced by two half days to facilitate travel arrangements. In addition, for fully virtual meetings, this two half-day approach should be more practical.

The agenda for today is approved without further changes.

2. SDC Planning Programme

2.1. SDC Dashboard 2022

The SDC Programme Manager reports on the progress of the various projects. In particular, he highlights the efforts of the TST Innovation Team to streamline the approach to the TYNDP tools in order to make the work of next editions much more efficient. All main SDC planning products have dedicated agenda items later in the meeting.

3. Report from Assembly meeting 30 June 2022

The SDC Chair reports on the recent Board and Assembly meetings in June, which showed great interest in for the next Winter Outlook work. The 2023 annual budget was also discussed, and a final proposal will be approved at the October Assembly meeting.

The Chair shares a new guidance for SDC member contributions to ensure legal mandates are delivered in an efficient and high-quality level. Each member receives a closed envelope with an initial estimate of their TSO effective contribution to the legal mandates and how it compares to peers in anonymized manner, and for the moment excluding work of RGs and some WGs that go beyond actual study work on the mandates. The

aim of the exercise is to have awareness on the state of play, then validate the views and context per TSO bilaterally, and eventually create positive messages and constructive guidance to improve.

The SDC Chair and Secretariat will follow up bilaterally with members on the next steps. Any comments already made on how this could be useful and better presented are still very much appreciated. The Committee members value the approach die transparently provide guidance on resource needs and to provide a follow-up. The SDC Chair adds that this approach is supported by the other Committee Chairs. The next Board meeting will discuss how the various Committees can shape the guidance and monitoring of the minimum contribution from their members.

DECISION

The SDC:

- supports the initiative to be more transparent on FTE needs and actual individual TSO contributions to deliver on legal mandates and other Committee work.

4. SDC Strategy Seminar 2022 (Part II) – Main actions

The WG SDS Convenor and Secretariat present a more in-depth analysis and prioritisation of the discussions from the SDC Strategy Seminar in June. The WG suggests a focussing more on the role of scarcities, energy efficiency and national trends in SDC's planning products. Although the focus is on long-term perspectives in the TYNDP, members add that this is also relevant for the ERAA. It is not necessarily a question of making scenarios and studies more complex, but rather of focusing more on "what if" sensitivities.

DECISION

The SDC:

- endorses the priority of reviewing how various levels of scarcity are taken into account in future SDC planning products.

5. European policy update (Fit for 55, Gas&H2, permitting provisions, Save gas plan, Market Design)

The Secretariat informs the Committee on updates on the legislative processes of the Fit for 55 Package, the gas/H2 package and especially the most recent proposal for emergency interventions to address the ongoing energy crisis. The Committee asks about an update on the F-gas regulation review which is still ongoing and impacts TSO work.

6. StG Connection Network Codes

6.1 CNC amendments

The StG Convenor reports on the recent work of the team to finalise the proposed amendments to the CNC. The window for submission to ACER will soon be open. Compared to the previous reports to the SDC, new amendments have been suggested very recently based on the experience of the Moldova/Ukraine emergency synchronization in terms of support to power system stability. The Committee requests to proceed with all the amendments as already approved in the previous meetings and new amendments in the

submission phase to ACER, while keeping constructive engagements with the stakeholders, also on the new information provided by them during the formal amendment process.

DECISION

The SDC:

- approves the response to ACER's public consultation on amendment proposals to NC RfG and DC NC
- takes note that all the amendment proposals have been reviewed by LRG and thanks them for their support

6.2. Approval of draft IGD on Compliance Verification using Electrical Simulation Models

The StG Convenor presents the background to a new CNC Implementation Guidance Document. Another one is still under development. Once approved by the Committee, both will be submitted for public consultation.

DECISION

The SDC:

- approves the draft Implementation Guidance Document on Compliance Verification using Electrical Simulation Models, for public consultation

7. WG Data & Models

7.1. Data Collections planning & status

The WG D&M Convenor summarises the timelines of ongoing and planned data collection from all TSOs for the upcoming Outlook, ERAA and TYNDP scenarios.

7.2. Progress report and direction of new ToR

The WG D&M Convenor follows up on the restructuring of the D&M WG into a Steering Group and its dedicated Expert Groups and operational teams reporting to it. New ToR are being developed.

7.3. Progress on implementations of DFT, PEMMDB and PECD tools

Progress on various data management tools for SDC products is summarized. All are on track for their intended first use, with clear fallback options.

7.4. Demand Forecast Tool – draft Terms of Use

Some TSOs have asked in recent months how the new DFT can be used for national studies, not directly related to ENTSO-E mandates. In order to clarify the support and use, the WG D&M Convenor is currently developing Terms of Use. The main directions are presented, and the full terms will be submitted to the SDC for approval at a next meeting. This is coordinated with the new ICT Committee (ICTC) which should eventually coordinate such initiatives.

8. WG Seasonal Outlook

8.1. Endorsement of an additional Steering Group member

The Committee supports the nomination of a new member from Ceps for the Steering Group Seasonal Outlook.

DECISION

The SDC:

- approves the nomination received from CEPS for an additional member of the Steering Group Seasonal Outlook

8.2. Progress report and preliminary findings

The Convenor of the StG Seasonal Outlook presents the progress of the next Winter Outlook, including the initial results of the reference scenario. The Committee discusses the findings and assumptions. The Committee notes that the work is very intensive in terms of modelling, and with very frequent interactions with ECG and EC. The Committee notes that, for the time being, the sensitivities look at separate impacts; there is no stress test with overlapping sensitivities yet. The Committee supports the objective of a first synthesis report in October, ahead of the legally mandated publication of 1 December. Given that this report will be much more visible in times of energy crisis and that policy measures are being rapidly developed, some members ask to be very careful in explaining what a LOLE does and does not mean, especially with regard to possible actual events and national reliability standards.

DECISION

The SDC:

- approves the updated timeline of the next Winter Outlook 2022/2023, aiming for a publication of initial insights in October.

10. ERAA 2023

10.1 Priorities for ERAA 2023 PID

The Convenor of the SG ERAA and Secretariat give a recap of the SDC mini-retreat the day before on provisional ERAA 2022 results and next steps. This is taken into account already for setting up the next ERAA 2023 approach, based on lessons learned and planned methodology improvements. A set of focus points for the next edition is presented. Several Committee members praise the progress made so far, but at the same time ask that simpler methodologies should continue to be considered as appropriate.

Review of the EVA methodology remains high priority, though a fundamentally different approach (revenue based instead of cost optimisation based; both allowed in the ACER methodology) will take time to develop and find confidence in while it is essentially done by the same people doing the actual ERAA 2023. Members acknowledge ERAA is state of the art globally, but this should not be the main goal; rather the ERAA needs to add value. Longer lead times for an ERAA development seem necessary, but at the same time the data collection should not be frozen too early as it would mean the end results are outdated when they are published. Nordic TSOs acknowledge that having a flow-based modelling approach for the region will be a huge effort. Overall, the SDC endorses the priorities and asks the project team to further develop a PID for ERAA2023.

DECISION

The SDC:

- approves the principles and priorities for the ERAA 2023 scope.

11. Offshore Network Development Plans

11.1. Progress report and external engagements

The Convenor of the ONDP Central Group reports on a recent NSEC ministerial event and the new national pledges in the North Sea region. The group has recently published guidance for Member States on the delivery of targets and other relevant information as prescribed by the new TEN-E. An overview is given of other recent and upcoming engagements by stakeholders.

12. TYNDP 2022

12.1 Progress report and updated Roadmap

The Convenor of the SG TYNDP informs the Committee on a recent TYNDP webinar during a consultation period on among others the System Needs report. Since the CBA work is ongoing and closely followed up by the TST and SG. Work continues constructively in the PCI Cooperation Platform to prepare for the next process. Some CBA indicator work had to be re-prioritised as well as the approval/submission timeline, as coordinated with ACER and EC. The Committee supports the new roadmap. Also, a large set of new CBA results can be released for short public consultation after being reviewed in the TYNDP's quality processes and shared first with the relevant promoters.

DECISION

The SDC:

- approves the updated TYNDP 2022 Roadmap.
- approves the public release of CBA results listed hereafter after their review by project promoters: DE2030 indicators B1, B2a, B3, B4; DE2040 B1, B2a, B3; NT2030 B6; NT2030 B5 for projects for which these results are available

12.2 Mitigation actions for delayed CBA indicators

The Secretariat's Long Term Planning Manager brings the Committee's attention to the fact that the work of the CBA is entering a critical phase as the date of submission to ACER and the PCI process kick-off approaches. While pragmatic prioritization of indicator assessments is being done, and aligned with the EC and ACER, any issues with project promoters who intend to apply for PCI status (whether they are ENTSO-E members or not) must be avoided. For this reason, the project team is urgently seeking to confirm grid modelers for a set of projects. Some SDC members have already raised their contribution to take on this work.

DECISION

The SDC:

- approves the proposed way forward to ensure equal treatment of all TYNDP project promoters and ensure the TYNDP2022 is fit for purpose for the next PCI/PMI process

ACTION

The SDC:

- acknowledges the gravity of the compliance risks TYNDP 2022 is facing, and that lack of committed resources puts this TYNDP under more stress than any previous cycle.
- urges all members to consider making grid modelling expert resources available to resolve the CBA issue, and thanks those who stepped up already.
- asks the TYNDP2024 preparatory team to make suggestions for enhanced resource planning the next TYNDP, and for the Chair and Secretariat to take this experience into account for the ongoing work on member TSO minimum resource contributions.

12.3 CBA3 Guidelines - Progress report

The Convenor of the DT CBA presents to the Committee an update of the CBA v3. A first draft was submitted to the EC last year in March 2021 and an EC decision with one request for change was published this year in March 2022. The amendment is a pragmatic approach based on ongoing discussions with the EC and in line with the approach of the previous CBA v2 for this topic. One TSO abstains from the decision.

DECISION

The SDC:

- approves the revision of the draft CBA 3 Guideline for resubmission to the EC.

13. TYNDP 2024

13.1 Gap analysis (IoSN) approach

The SDC Program Manager, who coordinates the preparations of TYNDP 2024 with a core team of SDC Convenors and TYNDP experts, brings a strategic topic for discussion to the SDC for further guidance. The previous TYNDP editions had an IoSN exercise which, based on SDC decision earlier this year, now evolved towards a zonal approach for better reflection of flows though without yet considering internal constraints. The question is whether this exercise should evolve further with also a reflection of internal constraints, or rather more simplify and be directly integrated in the scenario building work as an NTC optimization. Pros and cons are shared. Several SDC members underline the importance of the exercise and ask to not lose value with simplification, e.g. work on offshore and electrolyser location does require good views on internal flows and constraints. Also, the ERAA clearly already went in this direction with flow-based modelling where relevant. It is emphasized that a more detailed exercise is to have better value on the main objective which is a gap analysis of cross-border boundaries, the exercise is not meant to suggest new internal projects. Some members suggest compromises to make the exercise more valuable while including other simplifications. Eventually an enriched exercise would strengthen the IoSN and the regional investment plans. The topic will be further discussed with the TYNDP 2024 preparatory team and in a dedicated workshop with RG Convenors.

13.2 PID preparations

The SDC Program Manager informs on progress of the TYNDP2024 preparations.

14. WG Scenarios Building 2024

14.1. Progress report

The Convenor of the WG Scenario Building informs the Committee on initial work for the TYNDP2024 scenarios with ACER and stakeholders.

14.2. KPIs for scenarios

The Convenor of the WG Scenario Building asks the SDC to approve a set of KPIs for the new 2024 scenarios. The aim is to better guide the team in its further work, review of the data collected, engagement with ENTSOG and stakeholders.

It also gives clarity on which points the SDC expects close monitoring and immediate reporting in case ongoing work starts to deviate. The SDC members generally support this approach and ask for some clarifications and definitions of some KPIs. They also ask to keep ensuring some KPIs as direction do not give undesired or implausible effects (such as undermining the drive for electrification as efficiency measure). Overall, the SDC emphasizes that in addition to giving guidance for the team in their work, all members need to make sure they support the work in resources and national interactions with stakeholders.

DECISION

The SDC:

- approves the list of Key Performance Indicators (KPIs) as benchmark to be reached at EU aggregated level by all TYNDP 2024 scenarios

15. Interlinked Model

15.1 Progress report

The Secretariat briefly presents progress of the team working on the Interlinked Model, aiming to provide more electricity/gas interdependencies in the TYNDP as set forth by the new TEN-E. Due to time constraints, there is no discussion, but members are invited to send comments or questions to the Secretariat after the meeting.

16. WG Asset Implementation & Management

16.1 Election of Convenor

The Committee re-confirms the interim Convenor of SEPS for a full new mandate.

DECISION

The SDC:

- elects the proposed candidate as Convenor of the WG AIM for a mandate of 2 years starting from 22 September 2022 until 22 September 2024.

16.2 Call for members for workstream 2 (Project Management)

The Convenor of the WG AIM invites SDC members to nominate new members for the WG's workstream Project Management, Environment and Public Acceptance. The Committee underlines that especially work on public acceptance needs to become more visible internally and externally in stakeholder engagements.

DECISION

The SDC:

- supports broadening the scope of Workstream 2 to Project Management, Environmental & Public Acceptance.

16.3. Best Practices for use of Asset Health Index for Replacement Decisions

DECISION

The SDC:

- approves the internal report on “Best practices of use of Asset Health Index for replacement decisions” and agrees to distribute the report among the ENTSO-E members

Time restrictions do not allow to cover this agenda item. The SDC Chair asks the WG to organize a dedicated webinar which would provide for more time, and also allows SDC members to invite other TSO colleagues close to the topic.

17. Any Other Business

No other topics are raised.

18. Approval of the Decisions

The Chair confirms all decisions as shown during the meeting.