

103rd System Development Committee Meeting

Date & Time: 15 May 2024 from 13.30-17.30h

Date & Time: 16 May 2024 from 09.00-13.00h

Place: Radisson Blu Hotel Lietuva, Konstitucijos Av. 20, Vilnius, Lithuania

Participants (*physical*)

Chairman

	Amprion	Germany
--	---------	---------

Vice Chairman

	RTE	France
--	-----	--------

Members

1.	Amprion	Germany
2.	Ceps	Czech Republic
3.	Creos Luxembourg	Luxembourg
4.	Eles	Slovenia
5.	Elia System Operator	Belgium
6.	EMS	Serbia
7.	Energinet	Denmark
8.	HOPS	Croatia
9.	Litgrid	Lithuania
10.	REE	Spain
11.	RTE	France
12.	Statnett	Norway
13.	Svenska Kraftnät	Sweden
14.	TenneT TSO BV	Netherlands
15.	Transmission System Operator-Cyprus	Cyprus

Substitutes

16.	50Hertz Transmission	Germany
17.	APG	Austria
18.	Elering	Estonia
19.	ESO-EAD	Bulgaria
20.	Fingrid	Finland
21.	PSE	Poland
22.	TenneT TSO GmbH	Germany
23.	VUEN	Austria

Conveners StGs and WGs and RGs

1.	StG WG Scenario Building and WG System Design Strategy	Netherlands
2.	StG TYNDP 2024	Spain
3.	StG ERAA 2023	Germany
4.	RG Continental South-East	Serbia
5.	RG Continental Central East	Czech Republic
6.	RG Baltic Sea	Germany

Secretariat

1.	ENTSO-E	
----	---------	--

Participants (online)

Special invitees

1.	Chair of the Market Committee	Norway
2.	Chair of the Legal Regulatory Group	Netherlands

Members & Substitutes

24.	AS Augstsprieguma tīkls	Latvia
25.	Crnogorski elektroprenosni sistem AD	Montenegro
26.	Eirgrid	Ireland
27.	IPTO	Greece
28.	Mavir	Hungary
29.	MEPSO	Republic of North Macedonia
30.	REN	Portugal
31.	Seps	Slovakia
32.	SONI	Northern Ireland
33.	Swissgrid	Switzerland
34.	Terna	Italy
35.	Transelectrica	Romania
36.	TransnetBW	Germany
37.	Ukrenergo	Ukraine

Conveners StGs and WGs and RGs

1.	Policy & Communication Group	Italy
2.	StG Connection Network Codes	Germany
3.	WG Assets, Implementation and Management	Slovakia
4.	Convenor of WG Seasonal Outlook	Switzerland
5.	RG Continental South-West	Spain
6.	RG North Sea	Netherlands

Excused

38.	Landsnet	Iceland
39.	NOSBiH	Bosnia&Herzegovina
40.	OST-Operatori i Sistemit te Transmetimit	Albania

Wednesday, 15 May 2024

1. Attendance, quorum and approval of draft Agenda

The Chair of the Committee welcomed all Committee members, as well as the Chair of the Market Committee, the Chair of the Legal and Regulatory Group, and the new Vice-Convenor of PCG who join the meeting for specific agenda items from their groups. He warmly thanked Litgrid for hosting this meeting and creating an excellent setting for all members to interact.

He welcomed the members and substitute members from Elering, ESO, Fingrid and Transelectrica who participate for the first time in this Committee.

The meeting was quorate. The agenda was endorsed without further updates.

DECISION

37 out of 40 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. Board updates

2.1 Debrief Board Strategy Workshop and Board meeting 16-17 April 2024

The Chair highlighted topics discussed at the recent Board Strategy Workshop and Board meeting with particular relevance for SDC including the ERAA, a gas cooperation strategy initiation, first results from a pan-European flexibility assessment and progress from the Expert Groups on Offshore and Grid Infrastructure.

3. SD Programme Management

3.1 SDC Dashboard: Progress on products and resources

The SDC Vice-Chair summarized key activities of the Programme Management Group. This included preparations for TYNDP 2026, to which SDC members will be asked to contribute via the next SDC Strategy Seminar 2024. With regards to the interfacing between Data & Models and ERAA, there is an ongoing process to reach an understanding that minimizes resources needs for data quality checks. The SDC Vice-Chair stressed the importance to respect processes and timelines for input and reviews. The data collection for ERAA 2024 recently closed and experienced late requests for updates which gave complications. Also updates to the studies' common data sets need to be initiated with priority. The Head of Section highlighted again the resources dashboard that is made available to all TSOs and gives now further details on TSO involvement across workstreams.

3.2. Approval of budget 2025

The Head of Section presented the proposed 2025 budget. He explained that from 2026 onwards, part of the costs of maintaining the tools would be transferred to IT, and that care should be taken when interpreting the development of the Committee's budget projections over the next years.

He highlighted the increasing need for staff, both as a result of new responsibilities being taken on, and as a means of outsourcing key roles where structural gaps in TSO engagement persist. The latter approach may allow for secondments of TSOs, which have been increasingly frequent in recent years and demonstrate that there is interest and value for TSO members. The budget proposal will shortly be submitted to the Board and the Assembly; SDC members are invited to highlight the needs and context of the SDC to their Assembly member.

DECISION

The SDC:

- approves the Committee's 2025 budget proposal.

4. European policy update

The new Vice-Convenor of PCG summarised timeline and expectations around the upcoming European elections cycle. She highlighted ENTSO-E's role in the recent informal Energy Council that focused on grid infrastructure. The Committee members discussed the progress by the MC on a position paper on anticipatory investments.

5. Flexibility Needs Assessment

5.1. Status and progress report

The Leader of the Task Force on Flexibility Needs Assessment presented progress on the ENTSO-E study and preparations for the EMDR mandate. The Committee acknowledged the importance of the work and a need to have a more in-depth review of approach and results from the StG ERAA. It is important to highlight synergies, complementarities and differences. Going forward the work would be led by RDIC. The Committee asked that the team sets clear checkpoints for the development of the Flexibility Needs Assessment in time, particularly for SDC and the StG ERAA.

6. View from other Committees

6.1. MC activities including Q&A session

The MC Chair gave an overview of MC workstreams and highlighted those with a clear SDC interaction.

6.2. LRG activities including Q&A session

The LRG Chairman gave an overview of the LRG's priority areas and thanked the SDC groups and leaders for the good interaction with the LRG Priority V. System Development & Innovation pool of experts and the Secretariat's Legal Section.

7. Offshore Cost Sharing

7.1. PT CBCS update and outcome of the answer to EC questionnaire

The Convenor of the PT CBCS presented first proposals and options on key messages regarding the TEN-E requirement on offshore cost sharing. The key messages aim to give clarity on possible implications, participation options in cost sharing schemes, and alignment with TYNDP messaging.

7.2. Election of the Convenor of the WG ACB and update from the WG

DECISION

The SDC:

- elects the candidate nominated by Amprion as Convenor of the Working Group Analysis of Costs and Benefits (WG ACB).

8. Task force Planning Standards

8.1. Project Inertia

The project manager of Project Inertia presented the status of the activities. Dedicated exchanges will be organized to present the results of milestone II.

8.2. Survey on Grid hosting capacities (Action 6 of EU Grid Action plan)

The Convenor of Task Force Planning Standards presented the context of an upcoming internal survey related to the Action 6 of the EU Action plan for Grids. Based on views from SDC, further options for ENTSO-E's activities will be explored and next steps taken, also in engagement with the EU DSO Entity. The Committee agreed that it is important to explore different approaches on grid hosting capacities across countries and identify best practice guidance, but full harmonization including calculation methodologies would be a challenge.

9. TYNDP Scenarios 2024

9.1. Draft Scenarios Report approval

The Convenor of the Steering Group Scenario Building presented the Scenario Building package to be approved, published and submitted in line with TEN-E obligations. He noted that the Committee already validated the input data and results. The Committee discussed the high-level messages stemming from the report and EU targets compliance. The draft joint TYNDP 2024 Scenario Package was approved. Five TSOs abstained.

DECISION

The SDC:

- approves the draft joint TYNDP 2024 Scenarios Package for publication.

10. TYNDP 2024

10.1. Progress Report

The TYNDP StG Convenor presented the status of the activities with a focus on recent achievements, the updated timeline for delivery and publication of TYNDP, and the ongoing cooperation with EC and ACER.

11. TYNDP 2026

11.1 TYNDP 2026 KPIP development

The Secretariat presented the ongoing work on strategic directions for the TYNDP 2026, which will be covered in a Key Policy Issues Paper. A number of topics will be discussed at the upcoming SDC Strategy Seminar, ranging from MS offshore ambitions and onshore/offshore planning to the development of a next Scenario framework. The pros and cons of the various options for a future Scenario framework were provisionally presented for the Committee's guidance.

11.2 Early engagement with EC on offshore targets

The Secretariat presented the early engagement with the European Commission in support of their process to update the Member States' non-binding agreements on offshore targets.

12. RGs activities (beyond TYNDP 2024)

12.1. Main progress and updates

All Regional Group Convenors informed the Committee of ongoing activities.

Thursday, 16 May 2024

1. Review attendance, quorum, draft agenda

The Chair warmly thanked Litgrid for the hospitality and evening activity organised for all Committee members.

He informed all Committee members on the summary points taken from a series of bilateral talks over recent months with each TSO regarding the functioning and direction of the SDC. He thanked all members for their time and open feedback points which will be picked up.

2. EG Grid Infrastructure

The Head of Section explained the role of the Board's Expert Groups. The Expert Group on Grid Infrastructure deals with high-level engagements and coordination between Committees in the context of the EU Grid Action Plan and the current political momentum on grids. For the SDC, this also means new activities in the field of supply chains. A call for members is ongoing to attract more people to the AIM WG and enable them to develop new internal analyses and external positions.

3. EG Grid Offshore

The Convenor of the EG Offshore presented the mission and activities of the Offshore EG. Work started with a gap analysis, to raise awareness of what needs to be done for offshore development. Practical work must be done within the Committees, and decision-making power stays as stated in the ToR in the Committees. The EG Offshore has taken the first steps to develop an Offshore Roadmap to map the work ahead especially across Committees. The EG Convenor stressed that all involved Committees and groups must work together to develop the roadmap. As a second step, the EG Offshore will review existing ENTSO-E positions on offshore.

The EG Convenor clarified that the seven priorities set in the draft Roadmap were identified based on initial discussions with Committees, and that the roadmap will be a living document so that priorities may evolve. Coming up next will be a detailed schedule of interactions with Committees.

4. Gas Cooperation Strategy

The Convenor of the TF Gas Cooperation Strategy shared the outcome of the initial analysis. The task force assessed the implications of cooperation on different topics (planning, market, operations and innovation).

The Convenor highlighted the main drivers for cooperation and presented national views from a cross-committee TSO survey. The Convenor clarified also risk elements will be covered, also taking into account SDC experiences so far. He highlighted the relevance of market and investment signals to ensure an efficient energy system, aligned with ENTSO-E Vision.

5. WG AIM

5.1. Investment pipeline survey summary

The Convenor of WG AIM and a WG member presented an overview of investment trends based on a survey recently conducted in SDC. The group is pursuing some robustness checks. The aggregate results are intended to be used in context of ENTSO-E's EU Grid Action Plan work.

5.2. Addition of Project delivery to WG AIM

The Convenor again stressed (building on Topic 2) that new activities on supply chains and public procurement would be set up. The Committee will shortly be receiving a proposal to amend the working group's Terms of Reference.

DECISION

The SDC:

- approves to integrate the supply chain/project delivery/procurement activities stemming from the EU Grid Action Plan into the activities of WG AIM.
- acknowledges that these activities are new and extending the present Committee scope, and thus require new committed TSO members to support the WG AIM

6. StG Connection Network Codes

6.1 Minimum technical requirements in European and national support programs for the speedup of Power2Gas Demand facility installations – roadmap

The Secretariat reported on the urgent need to have robust requirements for power-to-gas demand facility installations, considering that (i) according to data available in ERAA, around 28 GW will be connected in Europe (North Sea coastline) between today and 2028 and that (ii) the NC DC 1.0 today in force provides soft requirements, which could create risks in system security. Given that there is 3-years gap from Q1 2025 when the DCC 2.0 is expected to enter into force until it needs to be implemented on national level (Q1 2028) and be used in power-to-gas projects, in some countries the TSOs are raise the need to have the NC DC 2.0 requirements in function already today.

The SDC acknowledged the urgency of the issue and stressed the need for swift action.

DECISION

The SDC:

- approves the roadmap for the development of a risk analysis paper on the swift implementation of minimum technical requirements from NC DC for power-to-gas demand facility installations.

6.2 New NC DC amendment regarding input signal that results in a change of Active Load demand.

The Secretariat presented a new NC DC amendment proposal for the reduction of consumption for active loads. This proposal is planned to be aligned with ACER and the EC, in ongoing exchanges and in the formal consultation process. Also alignment with the EU DSO Entity is planned.

DECISION

The SDC:

- approves the NC DC amendment proposal to allow the relevant system operator to use input signals that results in a change of active load demand.

6.3 ACER data request 2024

The Secretariat reported on the status of the legally mandated yearly data collection. Most of the TSOs have submitted the data. After the assessment finalization, the data will be submitted to ACER by 30 June 2024.

6.4. StG CNC subgroups call for Leader

The Secretariat reported on the status of the call for the Implementation Monitoring Team (IMT) leader launched after the approval of the updated StG CNC ToR last meeting. In addition, the leader of Code Assessment Team (CAT) will also not be able to continue his mandate after 1 May 2024. The StG CNC will launch a call for nomination for the new CAT leader. The Committee advised the StG to consider whether an IMT group and lead is really needed now that its activities are ramping down and are much simplified.

7. StG Data & Models

7.1. Dashboard

The Secretariat gave an update on all StG D&M activities.

DECISION

The SDC:

- takes note of the StG Data & Models Dashboard.

7.2. PECD – Quality requirements of input data

The TF PECD Convenor informed the Committee on a quality issue in climatic data due to a mapping with data from the ENTSO-E Transparency Platform which is not fully synchronised in time regarding installed capacities. The Committee acknowledged the issue and validated the proposed plan for improvements.

DECISION

The SDC:

- takes note that ENTSO-E and TSOs' data are not meeting the level of availability, quality and accuracy that is necessary for PECD energy conversion models developments and validation.
- approves the next steps to bring the PECD data quality to necessary levels.
- The SDC takes note that by October 2024, the StG D&M's ET Climate and the C3S development team will provide further recommendations to improve the data necessary for further PECD development and validation.

8. ERAA 2023

8.1. ACER's approval of ERAA 2023

The SDC Chair congratulated the entire team on this achievement, highlighting the recent approval of the ERAA 2023, published by ACER on 8 May 2024. This was the first time an ERAA had been approved by ACER. The focus is now on ERAA 2024, with ACER's recommendations to be considered.

9. ERAA 2024

9.1. Progress report

The ERAA 2024 Vice-Convenor presented the timeline of ERAA 2024, stressing the new developments, especially the economic viability assessment parallel streams (cost minimization and revenue maximisation), as well as whether scenario selections considering the new climate database. The SDC Chair also highlighted the importance of flow-based market modelling for the Nordic region and thanked the Nordic colleagues for their continued commitment.

10. ERAA 2025

10.1. Flow-Based domain preparation for ERAA 2025

The ERAA 2024 Vice-Convenor informed the Committee on the structural TSO expert resource gap for preparing Core flow-based domain for ERAA 2025, recommending external support.

DECISION

The SDC:

- acknowledges the structural gap in flow-based modelling expert resources committed to ERAA tasks.
- decides to seek external support for the ERAA 2025 flow-based domain preparation for the CORE region, which need to be performed in 2024 and delivered in Q1/2025.

11. Summer Outlook 2024

11.1 Progress Report

The Convenor of WG Seasonal Outlook explained the progress, highlighting a two-week delay of the publication due to technical constraints following enhancements of the input databases. The Summer Outlook 2024 will be released by mid-June. The European Commission and ACER were informed. Based on an analysis of input data, no specific adequacy concern apart from low- interconnected areas as in recent editions. This message can already be conveyed to interested parties.

12. Any Other Business

12.1. Preparation of SDC Strategy Seminar 2024

The Convenor of the WG SDS briefed the SDC on the upcoming SDC Strategy Seminar and shared the latest updates on preparations. Last year's Seminar focused on data quality and data management processes; the advice given then is now being followed up by the StG Data & Models. The Seminar will focus on the broader TYNDP strategy including cooperation with other sectors and stakeholder engagement. The Committee acknowledges that a reflection on other aspects as a holistic approach and deeper integration of the TYNDP activities (Scenario Building, ONDP, IoSN, sector interlinkage, CBA) should also be timely planned.

13. Approval of the Decisions

The Chair confirmed that all decisions as shown during the meeting are approved.