



# Legal Framework for the TYNDP and the Projects of Common Interest

## ENTSO-E Workshop with Stakeholders

Inclusion of Projects in the TYNDP 2016

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## Scene setter – EC Guidelines

- EC to issue "*Guidelines on equal treatment and transparency criteria to be applied by ENTSO-E when developing its TYNDP*"
- Annex III 2.5 of Regulation (EU) No 347/2013:  
*"The Commission shall issue Guidelines on criteria to be applied by the ENTSO for electricity and the ENTSO for gas when developing their respective 10-year network development plans referred to in points (3) and (4), in order to ensure equal treatment and transparency of the process."*
- **Objective:** to explain the legal framework applying to the elaboration process of the TYNDP
  - ➡ facilitating the revision and implementation of the procedures to be used by ENTSO-E and all involved project promoters





# Legal Framework for the TYNDP

## Article 8 of the Regulation (EC) No 714/2009

- The Ten-Year Network Development Plan for electricity – to be prepared, adopted and published by ENTSO-E
- Biennial exercise
- **To include:** modelling of the integrated network  
scenario development  
a European generation adequacy outlook  
assessment of system resilience
- **To build on:** national investment plans, while taking into account regional investment plans & Community aspects of network planning  
reasonable needs of different system users, while integrating long-term investor commitments & identifying investment gaps





# Legal Framework for the TYNDP

## Article 9 of the Regulation (EC) No 714/2009

- ACER opinion & recommendations
  - ➡ compliance with the principles of: non-discrimination, effective competition, efficient functioning of the market or a sufficient level of cross-border interconnection open to third-party access

## Article 10 of the Regulation (EC) No 714/2009

- ENTSO-E to conduct extensive consultation process
  - at an early stage
  - in an open and transparent manner
  - involving all relevant market participants
  - involving organisations representing all stakeholders





# Legal Framework for the TYNDP

## Regulation (EU) No 347/2013

- inclusion of candidate transmission and storage projects into the TYNDP
  - ➡ inclusion in the second and subsequent Union-wide PCI (**Projects of Common Interest**) lists
- inclusion of projects promoted by transmission system operators (TSOs) & third party projects (promoted by non-ENTSO-E members)
- Projects proving to bring benefits of pan-European significance
- Projects entirely or in part situated in at least one country represented within ENTSO-E



# Projects of Common Interest

## General criteria of Regulation (EU) 347/2013

- Project necessary for at least one priority corridor and area
- The potential benefits outweigh costs, also in the longer term
- The project meets any of the following criteria:
  - i. Involves/crosses at least two Member States
  - ii. is in one Member State and has a significant cross-border impact





# Projects of Common Interest

## Specific criteria of Regulation (EU) 347/2013

- for **electricity transmission**, the project increases the grid transfer capacity, or the capacity available for commercial flows, at the border of that Member State with one or several other Member States, or at any other relevant cross-section of the same transmission corridor by at least 500 MW
- for **electricity storage**, the project provides at least 225 MW installed capacity and has a storage capacity that allows a net annual electricity generation of 250 GWh/year





# Eligibility of projects

## **Infrastructure categories set out in Annex II TEN E Regulation- electricity :**

- ☐ high-voltage overhead transmission lines, if they have been designed for a voltage of 220 kV or more, and underground and submarine transmission cables, if they have been designed for a voltage of 150 kV or more;
- ☐ electricity storage facilities used for storing electricity on a permanent or temporary basis in above-ground or underground infrastructure or geological sites, provided they are directly connected to high-voltage transmission lines designed for a voltage of 110 kV or more;
- ☐ any equipment or installation essential for the systems defined above to operate safely, securely and efficiently, including protection, monitoring and control systems at all voltage levels and substations;







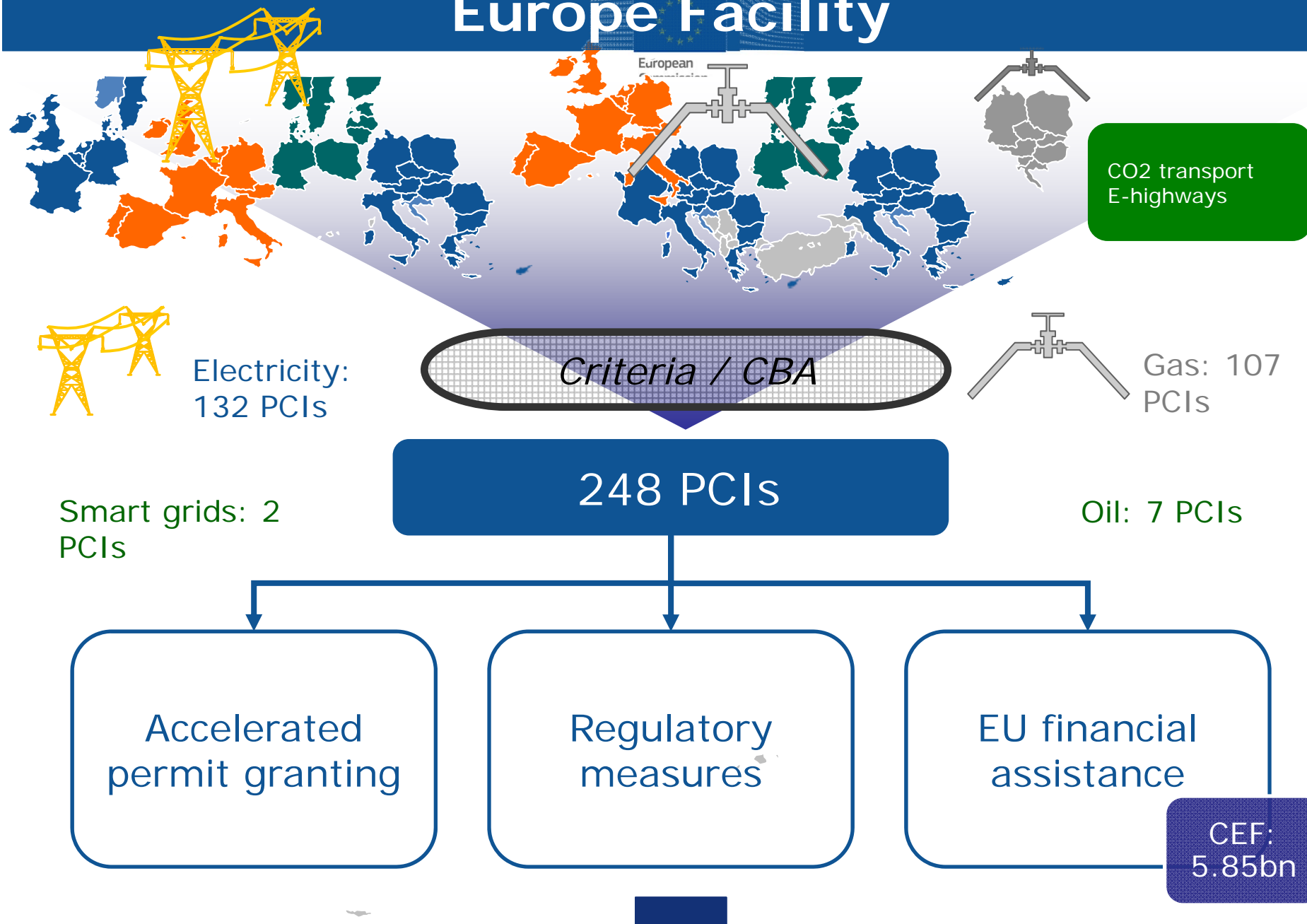
# Eligibility of projects

Electricity transmission projects should have cross-border impact, namely the project should

- ☐ involve at least two Member States by directly crossing the border of two or more Member States or
- ☐ cross the border of at least one Member State and a European Economic Area country or
- ☐ be located on the territory of one Member State and have a **significant cross-border impact** as set out in Annex IV.1
- ☐ **Significant cross-border Impact: “The project increases the grid transfer capacity, or the capacity available for commercial flows, at the border of that Member State with one or several other Member States, or at any other relevant cross-section of the same transmission corridor having the effect of increasing this cross-border grid transfer capacity, by at least 500 Megawatt compared to the situation without commissioning of the project.”**
- ☐ electricity storage project should provide at least 225 MW installed capacity and have a storage capacity that allows a net annual electricity generation of 250 Gigawatt-hours/year.



# The TEN-E Guidelines & The Connecting Europe Facility



# Permit granting – Regime of common interest

## *Priority status for PCIs*

- Most preferential treatment in Member States
- Streamlining of EIA procedures

***Competent Authority*** ("one-stop-shop") to manage permit granting process

***3 and a half years time limit*** for the permit granting decision

Increased ***transparency*** and enhanced public participation





# Regulatory framework - measures

## *Energy system-wide **cost-benefit analysis***

- **ENTSO-E methodology**

## *Enabling investments with **cross-border** impact:*

- **Cross-border cost allocation (CBCA)**
- **NRAs joint decision on investments and cost allocation**
- **ACER decision if no agreement**

## *Long-term **incentives** for investment:*

- **Obligation on NRAs to grant appropriate risk-related incentives**
- **ACER guidance on best practices of NRAs and methodology**



# Financing – Connecting Europe Facility 2014-2020 – EUR 5,8 bn



- ***Eligibility criteria:***
  - Grants for studies and financial instruments – available to all PCIs
  - In exceptional cases, grants for works for PCIs where:
    - CBA shows positive externalities
    - Commercially not viable
    - Cost-allocation decision done

*No grants for works for hydro-pump storages and projects exempted from TPA or tariff regulation*



*Thank you for your attention*

