Public Consultation on Adequacy Methodology (14 July - 19 September 2014)

Seasonal Outlook Report Evolutions document

Respondent Fullname	Comment	ENTSO-E Answer
Zdenek Danielovsky	Some parts of the text and wording are the same as in "ENTSO-E target methodology for adequacy assessment". Comments made to such formulations are therefore also valid for “Seasonal outlook report evolution“	The text has been corrected accordingly.
Paulo Lopes	EURELECTRIC welcomes the opportunity to respond to the consultation on the methodology for the ENTSO-E Seasonal Outlook Report as stakeholder involvement is key to achieve an improved methodology.	We thank the stakeholder for his constructive comments which are in line with the target methodology and roadmap documents consulted.
Paulo Lopes	The document under consultation lacks depth to truly understand the methodology that will be followed for the Seasonal Outlook Report. There is little clarity on how the assumptions for the assessment will be created. The methodology thus lacks transparency and further details should be published by ENTSO-E.	The fundamental changes of power systems integrating high share of renewables require a multilateral cooperation with increased transparency from all parties. The purpose of the documents here consulted is to present a high level target methodology and roapmap for deployment first which should be consulted with stakeholders before further specification of the methodological details. The contribution of market participants is very important to develop and apply appropriate models for adequacy assessment, especially in cases of Demand Side Management (DSM), hydro inflows, pump storage power plants and modeling of reserves. An in-depth discussion with stakeholders on modelling principles, constraints resulting from technology, regulatory and market framework is planned in the form of continuous consultations and dedicated expert workshops.
Paulo Lopes	In the Seasonal Outlook Report, ENTSO-E should not merely publish the outputs of its modelling. It should take those outputs and execute economic viability checks to verify whether the generation capacity it assumes will be available actually has the economic conditions to do so. More specifically, it should not only be assumed that capacity of certain providers will be available for the system just considering –for instance – its residual life, but it should also be verified whether current market / regulatory arrangements lead to a viable economic situation for those providers.	The purpose of the ENTSO-E target adequacy methodology under construction is the development of a sound methodology which will allow to perform regular pan European and regional diagnosis of the evolving European power system with respect to adequacy risks. Considering any modelling implies simplifications, ENTSO-E adequacy target modelling is to focus on the hourly power balance modelling. Although these studies do not encompass every potential issues of the future power system, ENTSO-E strongly believes that, together with other studies performed by ENTSO-E, these analyses will help improving market design and network codes ultimately. Finally whenever there is no official communication of decommissioning, it is considered that the units will be available for security of supply reasons.
Melle Kruisdijk	We understand the considerations to use a default value for specific data to the TSOs. However, since these values are of high importance for the outcome of the assessment, we would encourage ENTSOE to be fully transparent towards all stakeholders on the values in the data sets and the process to derive these values (assumptions made, source used, etc.) so that stakeholders can contribute in making these values as realistic as possible. This reduces that risk that the speed of process is improved at the cost of realistic date, which can jeopardize the result and therefore credibility of the reporting.	The fundamental changes of power systems integrating high share of renewables require a multilateral cooperation with increased transparency from all parties. ENTSO-E needs to fulfill obligations of Reg. 714/2009, and contribute to the overall European/national debates on adequacy concerns and should respect national legislation and confidentiality agreements between TSOs and national stakeholders. As indicated in the target methodology document "....However, confidence in the results and confidentiality issues might require some data to be publicly released in an aggregated manner...." .
Melle Kruisdijk	We understand from the document that specific details of such reporting are still to be determined, but would like to see further clarification on the mentioned “appropriate market simulations”. For instance, will changing trading arrangements (e.g. due to implementation of European network codes, or changes implemented by EU member states) taken into account in such simulation? And how will such simulation take behaviour of market participants, under changing market arrangements, into account?	The purpose of the ENTSO-E target adequacy methodology under construction is the development of a sound methodology which will allow to perform regular pan European and regional diagnosis of the evolving European power system with respect to adequacy risks. Considering any modelling implies simplifications, ENTSO-E adequacy target modelling is to focus on the hourly power balance modelling. Although these studies do not enmcompass every potential issues of the future power system, ENTSO-E strongly believes that, together with other studies performed by ENTSO-E, these analyses will help improving market design and network codes ultimately. Finally whenever there is no official communication of decommissioning, it is considered that the units will be available for security of supply reasons.

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Jasmina PIERRE	ENTSO-E Consultation on target methodology for system adequacy assessment, seasonal outlook and SOAAF reports evolutions EDF response – General comments - 20 September 2014 See attached file	We thank the stakeholder for participation on this consultation.
Jasmina PIERRE	This introduction departs from the otherwise objective tone of the document. Defining and then "measuring potential lack of flexible generation" is indeed a target for future SOAF reports that we fully support. However, the claim that TSOs are not provided with sufficient conditions to meet flexibility requirements seems to lack evidence to support it and should be one of the potential conclusions from the reports.	We agree with this comment and have updated the text accordingly.
Jasmina PIERRE	The level of must-run generation must be assessed by TSOs based on the actual technical and economical characteristics of plants. It should not be solely derived from a fuel-type consideration. Some feed-in-tarifs combined with priority dispatch can make classic thermal generation equivalent to must-run generation. On the other hand it is not all nuclear plants which should be considered as must-run.	We agree with the stakeholder there is no reason to single out nuclear plants as technology providing flexibility. Power plants of all fuel types can be subjected to must- run conditions as well as provide flexibilty to the system, both due to technical or economic reasons. Furthermore the must run level of a plant can differ throughout the year due to heat supply for instance. The TSOs are assessing the level of must run generation based on technical and economic characteristics of the power system . For this evaluation TSOs are consulting power plant operators on their own constraints. The goal is to extend the level of detail, so the information of must run constraints will be defined for the different types of units within a given technology to increase the knowledge about flexibility of the system. The information about must – run constrains will be detailed in order to increase the awareness about the flexibility of the system.
Jasmina PIERRE	The volatility related to inflow can affect system adequacy and should consequently be modelled as any major sources of uncertainies.	The ENTSO-E adequacy methodology considers that the large-scale exploitation of renewable energy sources of variable generation poses challenges for electricity system operation. In addition to sufficient levels of back-up capacity, additional resources of system flexibility will be needed in the future. Focus is on the development of a sound methodology which will allow to perform a diagnosis of the power system with respect to adequacy risks. One of the main objectives is to be able to inform about the 'need for flexibility' in the system. The focus is on need for physical sources of flexibility at the operation time. Flexibility in the adequacy assessments is based on weather-dependent effects related to load variation, generation patterns of wind and solar power plants with a one-hour resolution and the consideration of the resources of flexibility. The existing Pan-European Climate Database (PECD) will be used for this adequacy assessment. ENTSO-E is also aware that the choice of the mathematical approach will affect in a significantive manner the indicators which can be assessed through the simulation as well as the structure and the complexity of the input and output data. Hence, the selection of the assessment approach will be further investigated in the next steps of the methodology improvement process and the final methodology details will be properly consulted at eah step in the form of continuous consultations and expert workshops.