

9th NETWORK DEVELOPMENT STAKEHOLDER GROUP meeting (ND SG)

Date: 10 March 2015

Time: 13:30– 16:45

Place: ENTSO-E premises, Avenue Cortenbergh, 100, 1000, Brussels

MEETING MINUTES

Highlights

The ND SG meeting today **decided to set up a TF to enhance the CBA methodology**, especially to present a more focused appraisal of storage projects: “quick wins” (possibly regarding the robustness, resilience, protected areas indicators) to derive by September 2015 a “CBA v1.1” in parallel to the exploring the valuation of the SEW attached to the ‘flexibility’ (“breaking the 1-hour timeframe threshold”) and ‘capacity’ value (to face peaks or tensions in the system) of transmission and storage assets.

The ND SG also debated **how to build a mid-term best “best estimate” scenario** and decided: i/ to target as midterm N+5 (so 2021) rather than N+10; ii/ to elaborate on ENTSO-E’s SOAF “expected progress” scenario, despite its bottom-up (national) bases considering that, by 5 years, “industry inertia and research realism” limit the span of possible futures. The scenario shall eventually be endorsed by the ND SG.

1. Meeting Agenda and Participants

No	Subject	Lead
1.	Welcome address, approval of agenda	Sebastien Lepy - ENTSO-E
2.	Working session 1 : storage assessment improvements	EASE and ENTSO-E
	- Background	
	- Common brainstorming	
	- Conclusions	All
3.	Coffee break	
4.	Working session 1 : best estimate scenario for the TYNDP	ENTSO-E & All
	- What does it mean a best estimate scenario?	
	- Is this feasible for the long term studies?	

- How shall this scenario be build?
- Conclusions

5.	Brief news from the TYNDP and PCI process's scene	Sebastien Lepy - ENTSO-E
6.	Conclusions and the next meeting	Sebastien Lepy – ENTSO-E

b. Participants

	Name	Company
1.	Fikar Ulrich	Orgalim
2.	Richard Charnah	T&D Europe
3.	Johannes Hackner	E-Control
4.	Kostis Perrakis	ACER
5.	Marc Malbrancke	CEDEC
6.	Antina Sanders	RGI
7.	Maria Joao Duarte	EASE
8.	Marta Navarrete	FOSG
9.	Jillis Raadschelders	EASE
10.	Luis Miguel Costa	EASE
11.	Sebastien Lepy	ENTSO-E
12.	Yannik Jacquemart	ENTSO-E
13.	Irina Minciuna	ENTSO-E
14.	Daniel Daniel Huertas Hernando	
15.	Simone Biondi	ENTSO-E

3 Detailed minutes

The agenda is approved, two members showing interest for the optional “facts and beliefs” topic, after the meeting.

During the meeting the group members have discussed about two main topics: how to improve the CBA methodology, especially to improve the storage assessment and the development of a “best estimate” scenario for the TYNDP 2016.

1/ Regarding CBA improvement (with specific focus on storage):

Storage assessment in the TYNDP based on the CBA methodology: currently the assessment of the storage benefits in the TYNDP knows some limitations (e.g. lacking the consideration of the flexibility and the investment optimization benefits). In order to tackle these limitation the Group agreed in creating a Task Force which by September 2015 shall deliver “quick wins” suggestions (possibly regarding the robustness, resilience, environmental indicators) which could be implemented in the TYNDP 2016 and also possible solutions for the next official version of the CBA related to the valuation of the SEW attached to the ‘flexibility’ (“breaking the 1-hour timeframe threshold”) and ‘capacity’ value (to face peaks or tensions in the system) of transmission and storage assets.

Action:

All the interested organizations that want to be part of the TF storage are requested to express their interest by the end of March.

The newly creates Task Force is to have 6 to 8 members from the interested organization (EASE, T&D Europe already expressed interest) and be led by Yannick Jacquemart (still to be confirmed).

The Task Force is expected to work 4 days mid-June 2015 with e.g. 2 consecutive days’ blocks. The TF will look into:

- present market studies and network studies scope and methodologies, , both in the current CBA methodology and TYNDP practises, and in the analysis carried out by storage project promoters for their business cases
- all possible improvements, sorting the potential “quick wins” from more ambitious areas of investigation
- proposing a CBA v1.1 by June and,
- proposing a roadmap to explore on more in depth
 - o How to “break the 1-hour timeframe threshold”, to value, at least technically a possibly economically, the “flexibility” that storage and transmission assets bring to the power system; and on the other hand
 - o How to value the “capacity” that storage and transmission assets bring to the power system to cover peaks or other high tension between passive demand and available supply.

2/ Regarding Midterm “Best estimate” scenario development

The Group analysed the definition of the required mid-term “best estimate” scenario for the TYNDP 2016. It concluded that a mid-term “best estimate” scenario N+5 makes sense rather than N+10. This midterm “best estimate” is based on the “industry inertia and research realism” which limits the span of possible futures.

The scenario shall be depicted with a minimum of a parameters and distinguish between the actual DSM and generation prospects (developed by market players) from additional measures implemented by scenario developers to make the scenario adequate according to the SOAF conclusions. Such measures will have to be as neutral as possible with respect to project assessment (e.g.: if generation capacity is missing, DSM

potential or gas-turbines in every load centres with apportioned capacity to the local load would be preferred to locating additional generation capacity at one corner of Europe).

The Group's members are invited to report what features they would expect from this scenario. In case of different views about one parameter, the Group shall strive to agree on one value, with the possibility for each organisation to comment in which respect their view differ (rather than resorting to a range).

Actions

- *ENTSOE shall present to the Group "SOAF's 'expected progress' scenario: bases" after mid-April.*
- *Group members shall react to the scenario description to complement it so that they can eventually endorse it.*
- *ENTSO-E shall assess the adequacy of the 'expected progress' scenario and propose the complementary measures to make it suitable for grid and storage project assessment.*

Next meetings/webinars:

- 19 March – recall : TYNDP for dummies” - scenarios development
- End April 2015 webinar “Greenpeace study”- energynautics and Greenpeace (to be confirmed) – audience ND SG
- End April 2015 webinar “SOAF’s expected progress scenario: bases” - audience ND SG
- 24 June 2015 next physical meeting ND SG

Other ENTSO-E events relevant for ND SG:

- 1 -30 April 2015- open window for submitting projects for the TYNDP
- Mid May – 3rd scenario workshop under the TYNDP 2-16 framework –presentation of the market runs outcomes for all the scenarios
- Mid May 2015 – mid June - public consultation – scenarios TYNDP 2016
- July – September 2015- public consultation RgIPs and the candidate project list for the TYNDP 2016