INCLUSION OF THIRD PARTY PROJECTS IN THE 2014 RELEASE OF THE TYNDP

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Why the 3rd party procedure from ENTSO-E

- Article 8(3) (b) of 714/2009 Regulation, ENTSO-E shall adopt “a non-binding Community-wide ten-year network development plan” (TYNDP) with the objective of ensuring greater transparency regarding the pan-European electricity transmission network and supporting decision making processes at regional and European level.

- Article 3(7) of the draft Regulation on guidelines for the implementation of trans-European energy infrastructure underlines the TYNDP as the base material for the selection of Projects of Common Interest (PCI)

1st ENTSO-E 3rd party guidelines for the TYNDP 2012

first ENTSO-E 3rd Party guidelines published in February 2011

Technical criteria : level of kV and the GTC increase

Legal criteria: transmission license for the non-ENTSO-E TSOs and the agreement with the involved TSOs

specific exemption by the EC and the National Regulatory Authorities for the project

Results

-> No feedback received on the ENTSO-E published guidelines

-> Only 5 third party promoters submitted projects to ENTSO-E

-> None of the projects respected the legal criteria

ACER opinion on the 3rd party treatment in TYNDP

- “The Agency emphasises the importance of ensuring equal treatment of TSOs’ and the third-party’s projects. For this reason ENTSO-E should allow all third party projects to be included in the future TYNDPs, requiring third party projects to provide the same kind of market and grid studies as TSO projects and to provide sufficient level of detail with regard to capacity levels open to non-discriminatory third-party access.

- The Agency also encourages dissemination of the procedure to a wider audience to ensure that there is full transparency and stakeholder involvement throughout this process.

TYNDP 2014 – 3rd party procedure

November 2012

- Previous discussions with the EC and ACER
- Involving the DG ENER in disseminating the information on the 3rd party workshop
- Long Term Development Stakeholder group discussions - 12 Nov. 2012
- Workshop on 3rd party procedure - 20 Nov. 2012

November –December 2012

Further collaboration with EC and ACER to finalize the procedure

January 2013

Publication of the final guidelines on the ENTSO-E website

New procedure for the 3rd party procedure – To whom it is addressed

The 3rd party promoters can be categorized as follows:

1. **Promoters within a regulated environment**:
   - TSO promoters (non-member of ENTSO-E) which own a transmission operating license from the National Regulatory Authority, or other responsible national Authority (e.g. Albania, Turkey, Russia or any other neighboring ENTSO-E countries' TSO)
   - Other promoter which activates under the regulated environment (based on the contract signed with the NRA/s).

2. **Promoters within a non-regulated environment:** promoters of which investments are referred as "merchant lines" in accordance with Article 17 of EC Regulation 714/2009.

What conditions shall be fulfilled

1. **Technical criteria:**

- The main equipment is at least 220 kV in case of AC overhead line or at least 150 kV for the DC lines/cables and is, at least partially, located in one of the 34 countries where the ENTSO-E members activate AND;

- the project increases the GTC at a network boundary within the ENTSO-E interconnected network (e.g. additional NTC between two market areas) or at its borders (i.e. increasing the import and/or export capability of ENTSO-E countries vis-à-vis others) AND

- The grid transfer capability increase(expressed in MW) meets at least one of the following minimums:

o At least 500 MW of additional NTC; or

o Connecting or securing output of at least 1 GW/1000 km² of generation; or

o Securing load growth for 10 years for an area representing consumption greater than 3 TWh/y

What conditions shall be fulfilled

2. Legal criteria:

For the non-TSO promoters (which work under regulated or non-regulated environment):

- The project promoter shall be a registered undertaking that has been in existence for at least one year before the date of submission AND;
- The assets of the undertaking or its shareholders must amount to at least 1 million euros AND;
- Satisfy at least one of the following conditions:
  - The promoter shall have prefeasibility/feasibility study performed by the impacted TSO/TSOs OR;
  - The promoter shall have a signed agreement on the project with the relevant authorities (ministries &/or Regulators) of the impacted ENTSO-E countries OR;
  - The promoter shall have applied (through the NRA) for the exemption to the EC.

What conditions shall be fulfilled

2. Legal criteria:

For the TSO promoters which are not an ENTSO-E member:

- The project promoter must be registered as transmission system operator in the country in which it acts as a national monopoly AND;
- The promoter, in case of cross-border infrastructure, shall:
  - submit a common signed agreement with the concerned TSO/s who is/are member/s of ENTSO-E, regarding the development of the submitted project, OR
  - have a signed agreement on the project with the relevant authorities (ministries and/or Regulators) of the impacted ENTSO-E countries Art. 17 - EC Regulation 714/2009

Necessary documentation – non TSO - 3rd party promoters

Technical documentation

Technical description of the project along with the motivation, status and the expected GTC increase associated to the proposed projects

Technical parameters of the projects which allow ENTSO-E to model the project in the network study

A map with the location of the proposed project

AND

Legal documentation

the statutes of the registered undertaking, including information on its shareholders

the balance sheets (max 3 years)

information on the industrial undertaking and its technical expertise, including references from other relevant projects

signed agreement with the relevant TSO for performing the network studies (pre-feasibility/feasibility studies/technical project) OR

signed agreement on the project proceeding with the relevant authorities (ministries&/or regulators) of the involved countries OR

-the application (through the NRA) for the EC exemption

Necessary documentation –TSO 3rd party promoters

Technical documentation

Technical description of the project along with the motivation, status and the expected GTC increase associated to the proposed projects

Technical parameters of the projects which allow ENTSO-E to model the project in the network study

A map with the location of the proposed project

AND

Legal documentation

the operating license from the relevant authority (Ministry/NRA); AND

the signed common agreement with the concerned TSO/s who is/are member/s of ENTSO-E, regarding the development of the submitted project.

3rd party projects process

November 2012 – February 2013 preliminary discussions between the 3rd party promotes and the impacted ENTSO-E TSOs.

15 February 2013 – 1 March 2013 - submission period of the 3rd party projects

1 March – 30 April 2013–ENTSO-E Secretariat requests, if necessary, some additional information from the promoters

30 April 2013 - ENTSO-E notification of the appraisal results

April - October 2013 – ENTSO-E assessment of the 3rd party projects (based on the TYNDP CBA methodology)

November 2013 notification of the assessment results to the promoters

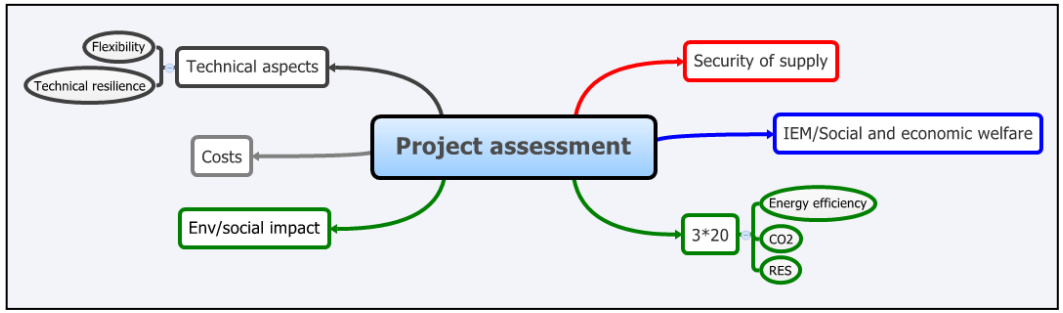
March 2013 inclusion in the TYNDP 2014 package for consultation

3rd party projects – the same process as for the TYNDP projects

2012

- Scenario elaboration & validation
- Market studies
- Network studies

Project identification & valuation



2014

- Reports compilation

Questions

ENTSO-E would like to receive feedback on:

The overall process of the 3rd party procedure

The technical conditions

The legal conditions

Possible impediments that a 3rd party promoter might have related to this procedure