

## 95<sup>th</sup> System Development Committee Meeting

**Date & Time:** 14 February 2023 from 13.30-17.30h

**Date & Time:** 15 February 2023 from 09.00-13.00h

**Place:** Hotel Thon Bristol Stéphanie, Avenue Louise 91-93, BE-1050 Bruxelles – *Rooms Bristol 2,3,4*

### Participants

#### *Chairman*

	Amprion	Germany
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#### *Vice Chairman*

	RTE	France
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#### *Members*

1.	50Hertz Transmission	Germany
2.	Ceps	Czech Republic
3.	Creos Luxembourg	Luxembourg
4.	EMS	Serbia
5.	Energinet	Denmark
6.	Fingrid	Finland
7.	HOPS d.d.	Croatia
8.	Litgrid	Lithuania
9.	RTE	France
10.	Seps	Slovakia
11.	Statnett	Norway
12.	Svenska Kraftnät	Sweden
13.	Swissgrid	Switzerland
14.	TenneT TSO BV	Netherlands
15.	TransnetBW	Germany

#### *Substitutes*

16.	Amprion	Germany
17.	APG	Austria
18.	Elia System Operator	Belgium
19.	REE	Spain
20.	TenneT TSO GmbH	Germany
21.	Terna	Italy
22.	VUEN	Austria

### **Conveners StGs and WGs and RGs**

1.	StG TYNDP 2022	Spain
2.	StG WG Scenario Building and WG System Design Strategy	Netherlands
3.	ONDP Central Group	Denmark
4.	Vice-Convenor of PCG	Italy
5.	RG Baltic Sea	Germany
6.	RG Continental South-East	Serbia
7.	RG Continental Central East	Czech Republic

### **Secretariat**

1.	ENTSO-E	
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## Participants (*remote*)

### **Members**

23.	AS Augstsprieguma tikls	Latvia
24.	Eirgrid	Ireland
25.	Elering	Estonia
26.	Mavir	Hungary
27.	PSE	Poland
28.	Transelectrica	Romania
29.	Transmission System Operator-Cyprus	Cyprus

### **Substitutes**

30.	Eles	Slovenia
31.	MEPSO	Republic of North Macedonia
32.	OST-Operatori i Sistemit te Transmetimit	Albania
33.	REN	Portugal
34.	SONI	Northern Ireland
35.	<i>TransnetBW</i>	<i>Germany</i>

### **Conveners StGs, WGs and RGs**

1.	StG ERAA	Austria
2.	WG Assets, Implementation & Management	Slovakia
3.	RG North Sea	Netherlands
4.	RG Continental South-West	France
5.	RG Continental Central South	Italy

### *Excused*

1.	ESO-EAD	Bulgaria
2.	Crnogorski elektroprenosni sistem AD	Montenegro
3.	IPTO	Greece
4.	Landsnet	Iceland
5.	NOSBiH	Bosnia&Herzegovina

## Tuesday, 14 February 2023

### 1. Attendance, quorum and approval of draft Agenda

The SDC Chairman welcomes all participants to this second SDC meeting, which is taking place with the new two half-day format.

The SDC Chair welcomes the substitute from Terna, who attends his first SDC meeting in person. He also welcomes the new Convenor of the StG ERAA 2023 and the Vice-Convenor of the PCG who joins to inform on EU Policy updates. The SDC Chair also congratulates the Convenor of RG NS on his re-election on 17 January 2023 by the Regional Group for a second term.

The agenda is approved without further changes. The meeting is quorate. The SDC Chair confirms that participants can formally cast their vote either in person or via teleconference on the decisions proposed during the meeting.

### DECISION

34 out of 39 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. SDC Planning Programme

#### 2.1. SDC Dashboard: Progress on products and resources

The SDC Programme Manager reports on recent coordination activities across SDC projects, mainly with regard to the preparation of the 2024 scenarios and other Data & Models initiatives. The SD Head of Section informs the Committee about a new regular reporting of Work Programme activities and resource contributions from SDC members, which will be provided in the next SDC Dashboard.

#### 2.2. SDC deliverables and projects communication plans

The Secretariat provides an update on the activities in the SDC Work Programme that have provided communication plans for their deliverables. These plans will be finalised and presented for approval at the next SDC meeting. Overall, all projects were able to identify and prioritise their target audience and propose a finalisation strategy for their products, while the stakeholder engagement strategy and dissemination strategy require further work for some projects. In addition, an additional consistency check is needed, as well as clarification of additional resources and external support. The Policy & Communication Group can assist with dissemination to external entities.

### 3. Report from Assembly 14 December 2022 and Board 26 January 2023

The SDC Chair summarises the main discussions in recent Board and Assembly meetings, especially on benefits of diversity in the Association.

### 4. ENTSO-E and TSOs together scheme - Progress report

The SDC Chair gives an overview of recent bilateral discussions with SDC members on resource commitments. The Committee supports the need for transparency on TSO commitment, persistent gaps and mitigation measures to attract more experts. From the next SDC meeting onwards, a clear reporting will be provided regularly, including suggestions made by some members. This includes adding the reasons given by some TSOs for possible lower contributions. In addition, a clear differentiation of efforts for legal and non-legal mandates will be made, while avoiding a message that non-legal mandates have no value. Initiatives to improve communication in calls for experts are appreciated; further clarity on long-term overviews of resource needs would be welcome.

#### DECISION

The SDC:

- validates the minimum resource contribution scheme as reference for SDC members to meet.
- approves a scheme of regular transparent monitoring to be given in every Committee meeting starting Q2/2023, to support improved understanding for TSOs in their internal discussions on ENTSO-E commitments.

### 5. SDC Strategy Seminar 2023 – June 2023

The SDC members are invited to send proposals to the WG SDS Convenor and the Secretariat for topics to cover at the next SDC Strategy Seminar 2023.

### 6. European policy update

The PCG Vice-Convenor gives an overview on European legislative files, in particular the REDIII, the EED (regarding losses) and the Decarbonised Gas and Hydrogen package. Attention is also given to proposals regarding lead use in cables and the use of SF6.

### 7. TYNDP 2024

#### 7.1 Lessons learned from TYNDP 2022

A lessons learned exercise gathering feedback from involved members and from stakeholders in the public consultation on TYNDP 2022 showed positive feedback and points for improvement. The StG TYNDP Convenor presents proposed actions to be implemented in TYNDP 2024 to address these points for improvement.

A status update is provided on TYNDP 2022, as well as feedback from a recent public TYNDP 2022 webinar with focus on SDC's Regional Groups. The final package was submitted to ACER on 31 January 2023.

Discussions are ongoing with the Cooperation Platform in the context of the EC's PCI & PMI process. Members ask to consider some points for improvement also in the SDC Strategy Seminar 2023, such as the approach for grid model merging.

## 7.2 Project Initiation Document TYNDP 2024

The SDC Programme Manager presents the TYNDP 2024 PID which was set up by an ad-hoc team convening regularly since May 2022. The proposal is well received by Committee members with various suggestions for clarification and new consideration. The ad-hoc team will reconvene to implement these comments. The update PID will be circulated for further comments and passed on for subsequent written approval.

## 8. TYNDP 2022

### 8.1 Dual CBA assessment for electrolyzers with ENTSOG

The SD Head of Section informs on the ongoing PCI process covering a new electrolyser category. ENTSOG plans to run dual system CBAs for eligible candidates as input to the EC's process. The Committee gives a clear statement that ENTSO-E needs to be actively involved as these assessments cover electricity system impacts. The TF ILM is the main point of contact, with close interaction with other TYNDP teams. ENTSO-E data can be used by ENTSOG for this purpose under the existing NDA; the Committee expects reciprocity in data transparency from the hydrogen/gas system.

## DECISION

The SDC:

- wishes to support the dual system CBA assessment of electrolyzers for the ongoing PCI cycle based on ENTSO-E's unique experience and expertise from the electricity TYNDP.
- approves the sharing of ENTSO-E DE2030 and DE2040 data in the ILM with ENTSOG for the purpose of dual system CBA assessments on electrolyzers for this PCI cycle, subject to sharing of gas model data by ENTSOG to allow for joint review.

## 9. RGs activities (beyond TYNDP 2024)

### 9.1 Main progress and update of convenorship

The SDC RG Convenors give a brief update on ongoing work.

## 10. National updates

### 10.1 Elia's plan for an energy island (Princess Elisabeth Island)

The SDC member of Elia presents the initiative in Belgium for developing an offshore energy island.

### 10.2 Italy-Tunisia interconnection

The SDC member of Terna presents progress on the new Italy-Tunisia interconnection.

## Wednesday, 15 February 2023

### 1. Review attendance, quorum

The Chair opens the second half-day of the meeting.

#### DECISION

34 out of 39 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. WG Data & Models

#### 2.1. Progress Report – Dashboard

The interim Convenor of the WG Data & Models summarises the main points of attention and decision proposals presented in the D&M dashboard. This includes:

- PEMMDB Data Collection: A status report of TSO data collections is given. Confirmation is sought from TSOs with empty data sheets whether this is intentional (no development) or missing (lack of information). The WG D&M will request confirmation to the LACs once the update from the Data Quality TF is complete.
- Grid Data Collection: The Committee confirms the need to have two target years (2030 and 2035).
- PECD 4.0: ERAA 2023 will use PECD 3.1 because of timeline constraints. TYNDP 2024 plans to use PECD 3.1, but the Committee members ask to still assess the option of using of PECD 4.0 once the public consultation is done. Members highlight the need to move forward and use the new data as soon as ready. Responsibility for taking a decision on usage lies with the relevant StG. A Committee member is explicitly asking to make the distinction between rooftop solar and larger scale solar farms as it significantly affects the outcome and is available to provide all data and context. Data handling can be facilitated via a PEMMDB work-around; the eventual decision on using separate solar profiles lies with the relevant StG (ERAA, Scenario Building, TYNDP) based on impact on results and timeline.
- PEMMDB App development: The interim Convenor highlights the need to have SACs and LACs involved in the testing (and tuning) of the new tool. Goal is to meet their needs while speeding up the data collection process.
- IoPs Report: Several actions are identified to improve the Grid Model Data Collection process. D&M SG III Networks asks the support of SDC for implementing these actions, in particular those required from SSCs.
- Publication of the TYNDP Dataset 2022: Final review is needed from some TSOs proceed with the publication.

#### DECISION

The SDC:

- acknowledges the use of PECD 3.1 for ERAA2023 and TYNDP2024.
- acknowledges the use of previous hydro database for ERAA2023.
- approves the report “ENTSO-E IOPs2022” prepared by D&M SG III Network following the interoperability tests comparing several Power System analysis tools.

## 2.2. StG D&M, new ToRs, scope of work, resources impact and market modelling roadmap

The interim Convener of WG Data & Models presents the main changes for the working structure into a new Steering Group with various refocused workstreams. He stresses the need for new Conveners and members for the Steering Group and the Expert Teams. Several calls for nomination will be launched, also asking for reconfirmation of the current WG. He highlights the importance of the Expert Team Generation (development/use of the PEMMDB app), Expert Team Market (reactivation of former SG II Market) to propose a Market Modelling roadmap/strategy, and of the Expert Team Network for coordinating the Grid Models.

### DECISION

The SDC:

- approves the Terms of Reference of the Steering Group Data & Models (StG D&M), replacing the roles and activities of the earlier WG D&M.

## 3. ERAA 2022

### 3.1 ACER's position on ERAA 2022 and expectation for ERAA 2023

The Secretariat gives an update on ACER's preliminary position on the ERAA 2022 as received on 11 January 2023. ACER strongly insists on three priorities, which are retained for the next edition: compliance with the Fit-for-55 compliance, consistency with network development plans and cross-zonal capacity targets (70%), methodological consistency between Economic Viability and Adequacy assessment. ENTSO-E keeps demonstrating progress on these areas, as done in ERAA 2022, but also contests that the approach taken undermines the use of ERAA or the view of ACER that it cannot endorse this assessment.

### 3.2 EC interaction on future ERAA purpose

The SD Head of Section informs the Committee on continued engagements with the EC on the role and approach of ERAA, in context of experience of past editions and the interaction with other SDC products. Collaboration with ACER continues in a constructive manner for ERAA 2023. Several Committee members ask that it is important the ERAA as such gets recognised externally to ensure resource commitments. Also, Committee members are asked to engage with their NRA on ERAA more extensively.

### 3.3 Stakeholder consultation feedback

The public consultation of the ERAA 2022 ran until 13 January 2023. ENTSO-E received feedback from 14 stakeholders who considered the ERAA useful for understanding security of supply trends and risks. They considered the Economic Viability Assessment as the most important methodological achievement and suggested for additional improvements for future editions. The received stakeholder comments will be posted soon on the ENTSO-E website, together with ENTSO-E's views and handling in future ERAA editions of main themes.

## 4. ERAA 2023

### 4.1. Timeline and resource allocation

The StG ERAA Convenor presents how the ERAA 2023 project team kicked off its activities in early 2023. Being the third edition, it builds on the lessons learned from past edition and focuses on simplification before expansion of scope. Streamlining processes, organizational set-up and modelling are key aspects. Close monitoring of expert and computation resource is set up for early mitigation of risks and escalation of issues.

#### DECISION

The SDC:

- takes note of the resource constraints for a full flow-based implementation and its possible impact on ERAA 2023 and 2024.
- recognises the effort of the Nordic TSO members to prepare flow-based domains in their region for the purpose of ERAA 2023 simulations.

## 5. WG Seasonal Outlook

### 5.1. Summer Outlook 2023 plan

The Secretariat informs on the Steering Group's plan to proceed with a classical process for the Summer Outlook 2023. This will include a qualitative ENTSO-E and possible national TSO view on winter 2023/2024. The Winter Outlook planning itself will be prepared before summer 2023.

## 6. Scenario Building 2024

### 6.1 Progress Report

The Scenario Building PMO gives an overview of work activities and recent issues discussed and clarifies some questions raised by members on handling of offshore targets and internal mature transmission project developments.

#### DECISION

The SDC:

- approves the aligned approach for electricity and hydrogen NTC expansion to ensure a non-biased treatment for infrastructure expansion in the investment model.
- takes note of the status of data input provided by electricity and gas TSOs on NT+ energy demand.
- recognises the importance of keeping deadlines for data collection.
- approves the default process for completing datasets where needed.

### 6.2. Final ACER Framework Guidelines and implementation steps

Following the publication of the Framework Guidelines by ACER in January 2023, the Scenario Building WG and StG have discussed and prepared a plan for implementing the new requirements in next TYNDPs. The joint ENTSOs view was presented to ACER and stakeholders during a public webinar. The ambition to already implement several items in the current cycle was well received. The Committee supports the proposed approach for TYNDP 2024 and TYNDP2026.



## DECISION

The SDC:

- approves the approach for implementation of the ACER Framework Guidelines for the 2024 and 2026 scenario cycles.

### 6.3 Scenario KPIs (*updated version*)

The SDC approved a set of KPIs for the 2024 Scenario Building last September 2022. Some updates were necessary based on new developments. The objective of the KPIs remains to provide clarity for the expert teams on which points the SDC expects close monitoring and immediate reporting in case ongoing work deviates from the agreed direction. They guide the team in its further work, review of the data collected, engagement with ENTSOG and stakeholders. The Convenor of the StG Scenario Building also reiterates the importance of TSOs considering these KPIs in their preparation and review of input data.

## DECISION

The SDC:

- approves the updated Key Performance Indicators (KPIs) as benchmark to be reached at EU aggregate level by all TYNDP 2024 Scenarios.

### 6.4 Project Initiation Document (*with ENTSOG*)

The StG Scenario Building Convenor presents the Scenario Building 2024 PID, developed jointly with ENTSOG, for discussion. The PID will also be presented to ENTSO-G's Board and in case amendments are required, the ENTSO members of WG SB will engage to jointly make the necessary adjustments and the PID will be recirculated to SDC. In case ENTSOG's Board approves the PID as it stands, WG SB will submit the PID for a written approval by SDC. No comments for change are raised by the Committee.

## 7. TYNDP 2024

### 7.1 Endorsement of Steering Group members

The SDC Chair welcomes the nominations received for StG TYNDP 2024 members. The Committee endorses all candidates. All members, in particular those with a StG member, are asked to consider additional support to the TYNDP Editors Team and TYNDP Study Team which remain understaffed.

## DECISION

The SDC:

- approves the nominations from 50Hertz, Amprion, Ceps, IPTO, PSE, REE, Svenska Kraftnät, TenneT TSO BV and Terna as members of the TYNDP 2024 Steering Group, mandated to represent the view of the Committee in line with the TYNDP 2024 PID.

## 8. Offshore Network Development Plans 2024

### 8.1 Member State targets

The ONDP Central Group Convenor gives an overview of the Member State non-binding targets delivered on the 24 January 2023. These are crucial for the ongoing assessments in the Regional Groups to steer the ONDPs.

### 8.2 ONDP methodology: progress and regional application (*incl. outcome of webinar on ONDP 9 February 2023*)

The ONDP Central Group Convenor presents main highlights of the ONDP methodological approach, following up on the internal SDC webinar of 9 February 2023. This focuses on starting model and optimization approach. The timeline is given for close coordination with Regional Groups and the TYNDP Study Team.

## 9. Optimal Energy System Planning

### 9.1 Finalization of the report and follow-up of the activity.

The Secretariat presents the OESP proof of concept draft findings. A dedicated webinar will be held early March 2023 to present the complete content of the study. Committee members ask that the target function is made clear in the internal report and framed in follow-up studies.

Committee members welcome the progress and its potential for the Multi-Sectorial Planning Support roadmap implementation, scenario building and ONDPs.

## DECISION

The SDC:

- acknowledges the initial results of the OESP proof of concept and asks to proceed with finalisation of the report for approval.
- endorses the initiation of a pilot project in the framework of the TYNDP 2024 PID, subject to final approval of the OESP proof of concept report.

## 10. StG Offshore

### 10.1 Progress of work

The Secretariat informs on progress in the Offshore Engagement Project created under the Board and kicked off end of 2022. Priority activities are the development of a communication plan on all offshore-related activities and to identify and prioritise between potential new activities, including additional policy papers.

### 10.2. New Cross-Committee Task Force “Sea-basin Cost-Benefit Cost Sharing (TF CBCS)”

The ONDP Central Group Convenor presents on upcoming work for the sea basin cost benefit-cost sharing work, regarding methodology development by the European Commission and future application by ENTSO-E. A dedicated Task Force is being set up reporting to MC with the collaboration of SDC. Exchanges with the EC consultants are already ongoing. The draft PID for the task force will soon be sent to the MC for approval. The Committee acknowledges this work area is highly relevant and can have large impact.

## **11. Any Other Business**

The interim Convenor of the WG D&M informs the Committee of the ENTSO-E initiative to relaunch grid map updates. Further information will follow, with a request to SDC members to nominate a point of contact for information delivery and review.

## **12. Approval of the Decisions**

All decisions as shown during the meeting are approved.