

83rd ENTSO-E MC meeting

Date: Wednesday, 27 January 2021

Participants List

Country	Involved TSOs
Albania (non-EU)	OST - Operatori i Sistemit të Transmetimit
Austria	APG - Austrian Power Grid AG
	VÜEN-Vorarlberger Übertragungsnetz GmbH
Belgium	Elia - Elia System Operator S.A.
Bosnia Herzegovina (non-EU)	NOS BiH - Nezavisni operator sustava u Bosni I Hercegovini
Bulgaria	ESO – Electroenergien Sistemen Operator EAD
Croatia	HOPS - Croatian Transmission System Operator Ltd
Cyprus	TSO Cyprus - Cyprus Transmission System Operator
Czech Republic	ČEPS - ČEPS, a.s.
Denmark	Energinet
Estonia	Elering - Elering AS
Finland	Fingrid - Fingrid OyJ
	Kraftnat Aland Ab
France	RTE - Réseau de Transport d'Electricité, SA
Germany	Amprion - Amprion GmbH
	TransnetBW -TransnetBW GmbH
	TenneT GER - TenneT TSO GmbH
	50Hertz - 50Hertz Transmission GmbH
Greece	IPTO - Independent Power Transmission Operator S.A.
Hungary	MAVIR ZRt. - MAVIR Magyar Villamosenergia-ipari Átviteli Rendszerirányító Zártkörűen Működő Részvénytársaság ZRt.
Iceland (non-EU)	Landsnet - Landsnet hf
Ireland	EirGrid - EirGrid plc
Italy	Terna - Terna SpA
Latvia	Augstsprieguma tīkls - AS Augstsprieguma tīkls

Lithuania	LITGRID AB
Luxembourg	CREOS Luxembourg - CREOS Luxembourg S.A.
Montenegro (non-EU)	CGES - Crnogorski elektroprenosni sistem AD
Netherlands	TenneT TSO - TenneT TSO B.V. BritNed (as a certified TSO in the Netherlands) Proxy to TenneT NL
Norway (non-EU)	Statnett - Statnett SF
Poland	PSE - PSE S.A.
Portugal	REN - Rede Eléctrica Nacional, S.A.
Romania	Transelectrica S.A.
Serbia (non-EU)	EMS AD Beograd
Slovak Republic	SEPS - Slovenská elektrizačná prenosová sústava, a.s.
Slovenia	ELES - ELES,d.o.o
Spain	REE - Red Eléctrica de España S.A.U
Sweden	Svenska Kraftnät - Affärsverket Svenska Kraftnät
Switzerland (non-EU)	Swissgrid - Swissgrid AG
Republic of North Macedonia (non-EU)	MEPSO - Macedonian Transmission System Operator AD
United Kingdom	National Grid - National Grid Electricity Transmission plc
	SONI - System Operator for Northern Ireland Ltd
	MOYLE NGIL (IFA) EWIC SHE Transmission SP Transmission ElecLink Limited (as a certified TSO in UK)
Chairman	PSE - PSE S.A.
Other Attendees with no voting rights	WG's Conveners / Other participants.
ENTSO-E Secretariat	ENTSO-E Secretariat.

Minutes

1. Approval of the agenda and minutes

The Secretariat checks who is present in the call and points out that the quorum is met (37 out of 38 appointed MC members were present at the beginning of meeting, ALL TSOs presence: 1st voting part 96.62%, 2nd voting part 99.89 %).

The Chair opens the meeting, welcomes the participants and asks if there are comments relating to the minutes of the previous meeting and the agenda.

1.1 Draft agenda is approved.

1.2 [All TSOs minutes](#) and [MC minutes](#) of the last meeting are approved.

2. Update on internal/external developments

The Chair explains that Brexit has taken place since the last meeting and the development of the participation and voting rules need to be clarified. He asks the NG ESO member to elaborate on his views who points out that the United Kingdom ('UK') officially left the European Union ('EU') on 31 December 2020 with a Trade and Cooperation Agreement (the TCA) signed by both parties. The TCA stipulates that the UK and the EU TSOs relationship is to be governed by so-called working arrangements.

The Secretariat explains that in the interim, the following transitory regime concerning the UK TSOs has been implemented for ENTSO-E and All TSOs meetings considering their non-EU status:

- National Grid ESO, SONI, SHE, and Scottish Power can still participate in the meetings of ENTSO-E bodies (e.g. Assembly, Board, Committees, Legal and Regulatory Group, Regional Groups, working groups, task forces) but should abstain in the vote when the vote concerns an ENTSO-E legally mandated task. In practice, the representative(s) of the TSOs concerned will make a statement in the beginning of the meeting explaining that they abstain. This statement will be mentioned in the Minutes of the meeting.
- National Grid, SONI, SHE, Scottish Power and the UK interconnectors (i.e. Nemo link, IFA, IFA2, Britned, EWIC, Moyle, Eleclink) can still participate in All TSOs meetings deciding on Network codes and Guidelines implementation but only in the informal voting phase as the UK jurisdiction is concerned.

National Grid, representing also National Grid ESO, SONI, SHE, and Scottish Power, confirms that they abstain an all ENTSO-E legally mandated tasks that will be discussed in the MC meeting. He explains that they are looking to develop and new framework for cooperation that will maintain excellence terms with ENTSO-E.

The Secretariat explains that on top of the TCA, ENTSO-E received letters from EC stipulating the expectations. Given the transversal nature of the question, the preparation of working arrangements is planned organised in a project under the Board governance and with involvement of the Committees'/LRG's Chairs. The so-called technical procures will be under the MC Chairs leadership. Due to the TCA deadlines the preparation of the "Multi-region loose volume coupling" deliverable is to be started immediately even before the enduring governance has been set up.

MC members discuss the following aspects:

- the priority of the working arrangements and their implementation in comparison with the other mandates.
- the need for a nimble and lean governance for the task at hand.
- specifics of the Irish system.

2. The MC acknowledges:

- the internal/external development and;
- the membership changes.

2.2. The MC members are asked to nominate a market representative into the Communication Network Core Team established for the Physical Communication Network.

2.3.1 The MC thanks for the Brexit update.

2.3.2 Regarding the proposals on and the cost-benefit analysis of the so-called “*Multi-region loose volume coupling*”, the MC agrees to create a group of concerned TSOs comprising the TSOs connected (or to be connected in the near future) to the UK, namely, Elia, Energinet, Eirgrid, RTE, Statnett and Tennet NL.

2.3.3 The MC asks this group of concerned TSOs to

- 1) ensure the preparation of the related deliverables,
- 2) consider the impact on other ongoing market integration projects especially in the day-ahead frameworks, such as CORE and Nordic FBMCs,
- 3) make the decisions required for the delivery (except for the approval below),
- 4) bring the deliverables to MC for approval before the end of March and to regularly inform the MC on the progress,
- 5) coordinate with EC and the UK TSOs,
- 6) allow for all interested TSOs and ENTSO-E (WG and Secretariat) to join this group as observer,
- 7) allow for a special treatment when the circumstances justify so (such as in the case for Eirgrid/Soni)

In particular the Northern Ireland protocol within the Trade and Cooperation Agreement needs to be respected and the unique challenges for Ireland as a member state and associated ENTSO-E membership considered.

2.3.4 The MC acknowledges that the costs of preparing the CBA deliverables on the multi region loose volume coupling shall be borne by the UK TSOs (including the interconnectors) and the concerned TSOs as per decision no 2.3.2, the costs (sharing) of any implementation is to be clarified later.

3. Please refer to the separate ALL TSOs Session File

4. Bidding zone technical report

Technical report (temporary) convenor presents the topic and emphasizes the lack of nominations and lack of leadership from TSOs for the task force and subgroup work, therefore TSOs are asked to nominate at least one corresponding member and consider the leading roles. Options for reporting on the MACZT fulfillment and

Action plans are discussed, the guidance is provided towards creating a survey for TSOs on fulfilment of CEP provisions and coordinate the reporting possibilities with project team art. 16, WG RMI and subgroup 4 of Technical report task force.

4.1 The MC asks PT TCC, WG RMI and the Technical Report TF to coordinate the reporting related to the CEP70 provisions.

5. WG MD & RES

Project Team Capacity Markets

The convener of the WG MD & RES gives a overview of the process and presents the document to be prepared for the next meeting. He explains that this paper aims at clarifying some implementation issues and not at legally challenging the methodologies.

Project Team Market Design for Security of Supply

The Secretariat representative presents the final version of the report *Market Design to monetise security of supply and ensure resource adequacy*, explaining how the written comments received by the MC members have been integrated. No major changes were introduced but only some adjustments especially to the executive summary and conclusions. As no further comments are raised by members during the meeting the MC Chair asks the MC to approve the paper and congratulates the project team and secretariat for the work done.

5.1 The MC agrees with the proposal to draft a short paper focusing on the implementation issues of the cross-border participation in capacity mechanisms to be presented at the next MC meeting.

5.3 The MC approves the Report on *Market Design to monetise Security of Supply and ensure Resource Adequacy* for submission to the Board.

6. WG RMI

The WG RMI convener presents the two proposed points covering CGM implementation as part of the capacity calculation and allocation report 2021. MIWG convener underlines the importance of adding these two to build a robust storyline combined with the ongoing work under MIWG on the CCM harmonisation, pursuant to Article 21(4) of CACM. He reminds the Market Committee members that this harmonisation's outcome will be included in this report and its subsequent editions thereof.

6.1 The MC approves:

- the proposal to provide an update on the CGM Programme as part of the capacity calculation and allocation report 2021.
- the proposal to include CGMES as part of the capacity calculation and allocation report 2021.

7 WG PT TCC

The Chair presents the reflections from the webinar with ACER and EC on the key findings of the recent ACER 70% report on the interconnector margin available for cross-zonal electricity trade for the first half of 2020.

The Chair highlights the need to continue the cooperation and discussions with ACER to align positions on the recommendation and the implementation using TSOs experiences of the last year. ENTSO-E report on the 70% will also be a way to show how TSOs understand the 70% requirement. The PID is extended for one more year and the group is encouraged to continue its work and provide their expertise on how to report on the 70% requirement jointly with the Technical report TF and the RMI working group.

7.1 The MC approves the updated PID of the PT art 16.

8 WG MIT

In absence of the WG MIT Convener (no nominations received), this item was presented by the Secretariat.

The development of the TP to be able to meet data publication requirements of TSOs stemming from the balancing Implementation Frameworks was extensively analysed and discussed within the LRG Pool of Experts. The conclusion is that it is an ENTSO-E legal mandate hence the project is recommended to be considered an ENTSO-E legal mandate. The impact of this decision is that the project is to be financed from the ENTSO-E budget. Members ask about the budget in question that is explained. Resource committee, Board and ENTSO-E assembly endorsement of the budget impact is needed. As far as the Article 11 & 12 of the transparency regulation applicability is concerned, the LRG Pool of Experts concluded that they are difficult to apply due to several reasons. The legal conclusion was endorsed by the WG MIT which group recommends to revisit the question at a later point in time, once the EBGL is fully implemented.

Lastly, the yearly TP monitoring is presented that indicates that the overall 2019 dataset quality of the TP has improved compared to 2018 dataset. Individually issues still exist on which the concerned TSOs are kindly asked to follow up.

8.1 The MC approves the development project to meet the data publication requirements of the TSOs stemming from the balancing Implementation Frameworks as ENTSO-E legal obligation. The MC decides to execute the project from ENTSO-E budget provided that ENTSO-E Assembly agrees to adjust the TP budget; and decides that there is no need for a Multilateral Agreement. The MC asks the WG MIT to prepare the documentation in close cooperation with the balancing experts via the Joint Negotiation Team where necessary.

8.2 The MC approves the 2019 Monitoring Report of the Transparency Platform submitted to the WG MIT on 26 January including the changes compared to the report shared in the MC SF.

9 WG EF

The convenor presents the main narrative of the Financeability Paper update, for which the proposed title is “European Electricity Transmission Grids and the Energy Transition: Why remuneration frameworks need to evolve”. He also notes that the paper is currently under a second review process by WG EF (as well as other relevant entities such as RDIC and PCG) and is foreseen to be submitted for MC Review on the 8th of February. He stresses that while individual situations may vary from country to country, the paper does not offer a one-size-fit-all solution but rather considers existing options available to regulators, some of which may be more or less suitable depending on the existing regulatory framework and other factors characterising each TSO.

Furthermore, an internal workshop will be set up on February 10th during which the main arguments of the paper will be discussed at greater lengths and will offer MC members a chance to ask questions and provide initial comments. He also proposes that a Written Voting Procedure subsequently be set up at the end of February, following which the paper will be submitted for Board Approval. The MC Chair suggests that the MC approval of the paper be done instead during the next MC meeting on March 4th, which would still leave enough time to submit it to the Board on March 18th.

Finally, the convenor presents possible ways forward for disseminating the messages of the paper and seeks guidance from the MC on whether or not to participate in a call for articles launched by the Florence School of Regulation ahead of its 10th annual conference. While an abstract would have to be submitted before the full paper has been reviewed and approved by the MC, there would still be time until mid-May to retract from the process in the event that the Paper is not approved by then. The MC Chair and several MC members support the proposal.

9.1 The MC takes note of the draft discussion paper on “European Electricity Transmission Grids and the Energy Transition: Why remuneration frameworks need to evolve” and asks the WG EF to send the draft for Committee Review when it is ready.

10 ITC

11 ODCG

12 SG T&DI

The MC representative in the StG explains the rationale for creating a new Task Force on Demand-Side Flexibility between ENTSO-E and the DSOs associations. He reminds about the policy debate on a new network code following the publication of the priority list for the development of network codes in the period 2020-2023 which includes rules for demand-side flexibility, including aggregation, energy storage and demand curtailment rules. The Task Force will develop a joint roadmap for the evolution of the regulatory framework by Q2 2021. The Chair highlights the quality of the team and the balanced representation of Committees.

The MC representative in the StG informs about the finalisation of a new report on Smart Grid Indicators. The report is a proactive proposal by ENTSO-E and the DSOs associations to support the implementation of article 59(1) of Directive 2019/944 which requires National Regulatory Authorities (NRAs) to develop a framework for monitoring the performance of TSOs and DSOs in deploying a smart grid. Considering that the report was

already approved by RDIC in December, it is agreed that MC acknowledgement is sufficient to ensure its dissemination towards NRAs.

12.1 The MC takes note of the launch of a new TSO-DSO Task Force on Demand-Side Flexibility.

12.2 The MC acknowledges the smart KPI report and its submission to NRAs on an informal basis.

13 EG CIM [no discussion]

13.1 The MC approves the Energy prognosis document UML model and schema v1.1 to be published.

13.2 The MC approves the Automatic Frequency Restoration Reserve Process implementation guide v1.1 and the Confirmation document UML model and schema v1.1 to be published.

14 AOB

New Membership changes [no discussion]