

ENTSO-E Board meeting of 18 September 2024

Date: 18 September 2024

Time: 08:30 -16:00 (CET)

Place: Brussels, Belgium

MINUTES

1. Welcome, attendance, adoption of the draft agenda

Decision

The Board approves the agenda.

2. Approval of the Minutes of the 5 June Board meeting for publication

Decision

The Board approves the minutes of the Board meeting of 5 June 2024 for publication.

3. Main conclusions of the Board Workshop of 17 September 2024 – for Board approval

The Chair of the Board recalls the outcomes of the Board Workshop.

Decision proposal

The Board:

- acknowledges the reporting on the EU political landscape after European elections;
- supports the way forward proposed by the Chair of the Policy and Communication Expert Group regarding future advocacy activities and engagement with political groups in the European Parliament;
- takes note of the report on engagement with ACER.
- approves the Communication Strategy of ENTSO-E’s “System Flexibility Needs for the Energy Transition” work;

- notes the status of implementation of certain market-related legal requirements in implementing the Network Codes and Clean Energy Package, the associated challenges and the measures taken to address them;
- acknowledges the reporting on ERAA 2024;
- approves the strategic framework of the Ten-Year Network Development Plan 2026 (TYNDP2026), as contained in the Key Policy Issues Paper;
- recommends the strategic framework of the TYNDP2026 as contained in the Key Policy Issues Paper for Assembly approval;
- takes note of the status of the joint work with the EU DSO Entity and the respective cooperation in priority and legally mandated areas;
- ✓ approves the position paper on the swift implementation of minimum technical requirements from Network Code Demand Connection for Power-to-Gas Demand Facilities;
- notes the status of the technical analysis of the system incident that occurred on 21 June 2024;
- notes the update from the Energy Community Task Force regarding the implementation status within Energy Community;
- notes the update regarding the amendment and extension of the connection agreement with KOSTT;
- approves the proposed process for monitoring the ENTSO-E Strategic Priorities in 2025; and
- approves the reporting dashboard presented for this purpose.

4. ENTSO-E Corporate Governance

The Convenor of the Policy and Communication Group (PCG) presents the changes reflected in the updated PCG Terms of Reference (ToR), explaining that the main goal is to align the ToR with the 23 November 2023 Association’s Strategic Communication Plan. The Chair of the Board mentions that the Board has to appoint a new Convenor for the PCG. He presents the candidature of Anna Pellegatta from TERNA. He explains that she is currently holding the position of the PCG Vice-Convenor.

The Chair of the Resources committee (Rc) presents the updated ToR of the Rc and clarifies that the main goal of the update is to align the ToR with ENTSO-E Articles of Association, by better describing the main roles of the Rc, including for example confirming the Rc’s role to oversee all policies impacting ENTSO-E financial statements and to raise matters about resourcing to the Board and the Assembly as foreseen in the AoA. The Chair of the Board introduces a discussion around setting up a remuneration committee (Remco), including options on how to organize it. . The Board Members

provide support to this proposal, with a preference to include this mission within the Resources Committee. The Chair of the Board concludes by presenting the steps for the approval of the ToR of the Rc, after their update in line with the Board members guidance.

ENTSO-E President presents the proposal of ToR for the Nomination Advisory committee (NAC). He recalls that the NAC was established in 2014 to ensure a due process for the elections of ENTSO-E office holders. He clarifies that the main objective of the current ToR proposal is to increase transparency. The Board Members endorse this initiative and provide guidance, including the need to involve the Assembly in the process as appropriate.

Decision proposal

The Board:

- approves the reviewed Policy and Communications Expert Group’s Terms of Reference updated with the Strategic Communication Plan provisions;
- notes that a call has been launched for candidates for the position of Convenor of the Policy and Communications Group (PCG) with an extended deadline for application until 30 August 2024;
- appoints Anna Pellegatta (Terna) as the Convenor of the Policy and Communications Group for a mandate starting on 1 December 2024 until the Board meeting in September 2025;
- takes note of the ongoing review of the Resources committee Terms of Reference that will be submitted for approval at the next Board meeting;
- takes note of on-going work around a Remuneration committee and of the next steps; and
- takes note of the drafting of the Nomination Advisory committee Terms of Reference that will be submitted for approval at the next Assembly meeting.

1. Secretary-General Update

The Secretary-General provides a short debrief on the high-level engagement activities, strategic meetings and other developments that the Board Members should be informed about since the last Board meeting on 5 June 2024. The Secretary-General reports on the Members Satisfaction Survey 2024 recommendations and workplan.

Decision

The Board acknowledges the report of the Secretary-General.

6.1 Committees/LRG/expert groups updates to the Board

The Chair of the Systems Operations Committee (SOC) informs about the status of the control area of Ukrenerg and Moldelectrica, as well as the expected challenges for the upcoming winter. The SOC Chair provides a status update on the synchronisation process of the three Baltic TSOs with the Continental Europe Synchronous area. The Convener of the Policy and Communication Expert Group (PCG) presents the latest updates regarding the organisation of ENTSO-E 15th anniversary Dinner and Conference to be hosted in Brussels on 3 and 4 December 2024. The Convener of the PCG presents the main results of the External Stakeholder Survey conducted in 2024 and proposes some concrete actions and next steps to further strengthen level of stakeholder satisfaction in the future.

The Chair of the Market Committee (MC) presents the process planning to submit ENTSO-E response to ACER public consultation on the Network Code Demand Response (NC DR) including coordination with the EU DSO entity. He presents the preliminary assessment of the main ACER proposals to amend the NC DR. The MC Chair reports on the 25 June 2024 Day Ahead Market decoupling event. The MC Chair explains the consequences of such type of events and the measures taken to limit their occurrence.

The Research Development and Innovation Committee Chair (RDIC) informs the Board about the outcomes from the last Infrastructure Forum 2024 with regard to the Smart Grid Indicators and associated next steps.

The Chair of the Market Committee (MC) presents the ongoing and recent market related public consultations on the Forward Capacity Allocation Guidelines, the EC priorities for developments of network codes, the REMIT Implementing Regulation public consultation from ACER, ENTSO-E bidding zones and ENTSO-E position for each of them.

Decision proposal

The Board:

- notes the status of the reassessment of the electricity import capacity limit from EU to Ukraine and Moldova;
- notes the status of the synchronisation project of the Baltic States power system with the Continental Europe Synchronous Area;
- acknowledges the priorities and the format proposed for the 15y anniversary conference of ENTSO-E
- acknowledges the reporting on the 2024 external stakeholder survey results including the recommendations and next steps to further strengthen the level of stakeholder satisfaction.
- notes the timeline of ACER's public consultation on the draft Network Code on Demand Response and the approach in view of responding to the consultation;
- notes the reporting on the 25 June 2024 market coupling incident;
- notes the status of the Smart Grid Indicators and acknowledges the next steps; and
- acknowledges the ongoing and recent consultations related to market topics.

6.2 Resources committee reporting

The Chair of the Resources committee (Rc) reports on the topics addressed during the 13 September 2024 Rc meeting, including the status of the 2024 resources, the key findings of the 2024 Staff Survey, the Finance report with focus on the 2024 Q2 forecast, the Procurement report and an update on the risks and internal audit.

Decision

The Board notes the report from the Resources committee meeting of 13 September 2024.

7. Strategic Communication Plan update

The Convenor of the Policy and Communication Expert Group presented the status of implementation of the Strategic Communication Plan with a focus on the work to be conducted to update the ENTSO-E corporate identity.

Decision

The Board acknowledges the update on the Strategic Communication Plan including the next steps.

8.1 Grid Infrastructure Expert Group

The Chair of the Board informs on a recent meeting with CEN/CENELEC, industry, DG GROW and DG ENER regarding the role of standardisation as foreseen in the EU Grid Action Plan. He explains that a follow-up meeting was held with EU DSO Entity, Europacable and T&D Europe to work further on the joint statement made at the Copenhagen Energy Infrastructure Forum. He outlines the main points from the conclusions from the Infrastructure Forum. The Convener of the Policy and Communication Expert Group presents an overview of the priorities of the Hungarian Presidency of the Council related to energy and provides the latest available information about the Conference on Electricity Grid Development that they will organize on 14 October 2024 in Budapest. The Chair of the Board explains that a new nomination was received for the Finance Expert Group and that the membership list is amended accordingly. He reports on the kick-off meeting held on 2 September 2024.

Decision

The Board:

- acknowledges the reporting;
- approves that ENTSO-E submits a nomination to join the European Commission Stakeholder Expert Group on Public Procurement; and
- approves the composition of the new Finance Advisory Group as amended.

8.2 Offshore Expert Group

The Convenor of the Offshore Expert Group and the Chair of the Market Committee gives a status update on the development of the Offshore Roadmap and presents for approval the proposed scope of the position paper on Offshore Cost-sharing. They also presented ENTSO-E's assessment of the EC Guidance on collaborative investment framework for offshore energy projects and gave a status report on its implementation.

Decision

The Board:

- acknowledges the reporting from the Offshore Expert Group;
- takes note of the assessment of the “*EC Guidance on Collaborative investment framework for offshore energy projects*”;
- approves the proposed scope of the Position Paper on offshore cost-sharing; and
- takes note of the status of the work related to the implementation of the “*EC Guidance on Collaborative investment framework for offshore energy projects*”.

9. ENTSO-E Strategy on cooperation with Gas and Hydrogen sectors

The Convenor of the Task Force on Gas Cooperation Strategy presents for approval the ENTSO-E strategy paper on engagement with the gas and hydrogen sectors. The Convenor presents the main updates since the last Board meeting on 5 June 2024, including the feedback received during the cross-Committee review period and implementing actions resulting from the analysis. He explains that Assembly approval is expected in October 2024.

Decision

The Board approves the ENTSO-E Strategy Paper on Cooperation with Gas and Hydrogen Sectors and recommends it for Assembly approval.

10.1 ENTSO-E Annual Work Programme 2025

The Chair of the Resources committee (Rc) and the Secretary-General explain the Annual Work Programme developments over the summer including, namely the public webinar, the consultation and the shadow opinion received from ACER.

10.2 2025 Final Budget and Resource Plan

The Chair of the Resources committee (Rc) and the Secretary-General present the 2025 Final Budget Proposal that has been prepared by the Secretariat, the Committees, the Legal and Regulatory Group (LRG) and the Policy and Communication Expert Group (PCG) in accordance with the proposed 2025 Annual Work Programme and the Final Resources Plan. The Secretary-General explains that the Secretariat has considered the guidance from the June 2024 Board and Assembly meetings and has revised and updated during summer the budget assumptions in terms of funding and costing.

10.3 5-year planning - for Board guidance

The Chair of the Rc and the Secretary-General present the 5-Year Plan that has been updated with the Committees, the LRG and the PCG, considering the guidance from the June Board and June Assembly and the 5-Year Planning Guiding Principles.

Decision

The Board:

- acknowledges the feedback received on the Public Consultation and recommends to approve the updates to the ENTSO-E Annual Work Programme 2025;
- approves, in line with the budget recommendations, the updated Annual Work Programme 2025;
- recommends the Assembly to approve the “ENTSO-E Annual Work Programme 2025” for submission to ACER for opinion and for subsequent publication including information on how comments were addressed after the Public Consultation;
- approves the 2025 Final Resources Planning derived from the 2025 Annual Work Programme and the 2025 Final Budget Proposal based on the 2025 Resources Plan, as follows: total operating expenditure of 73,9 M€, of which 47,1 M€ is to be funded by full Membership fees, 3,1 M€ to be funded by Observer fees, 0,7 M€ to be funded by Other TSO fees, 0,5 M€ to be funded by Other Revenues and 1,4 M€ to be funded by reserves and 21,1 M€ funded by non-Membership fees; total capital expenditure of 5,8 M€;
- recommends the Assembly to approve the 2025 Final Budget Proposal; and
- recommends the Assembly to endorse the updated 5-Year Plan for the years 2025-2029.

11. Draft agenda of 17 October Assembly meeting

The President of the Assembly presents the draft agenda of the 17 October 2024 Assembly.

Decision

The Board approves the 17 October 2024 Assembly draft agenda, subject to the changes agreed at the meeting.

12. Board and Assembly Meeting dates for 2025

Decision

The Board approves the 2025 Board meeting dates subject to finalisation with the Chair of the Board in line with the comments made during the meeting.

13. Any Other Business

14. Approval of decisions

Decision

The Board approves the decisions of the 18 September 2024 Board meeting.