

70th System Development Committee Meeting

Date: 5 March 2020

Time: 09.00 – 17.00h (SDC meeting)

Place: ENTSO-E premises, Avenue de Cortenbergh 100 - 1000 Brussels - **Ground Floor**

FINAL MINUTES

Vice Chairman

	Amprion	Germany	
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Members and Substitutes

1.	Amprion	Germany	
2.	APG	Austria	
3.	Elia System Operator	Belgium	
4.	Energinet.dk	Denmark	
5.	Fingrid	Finland	
6.	Statnett	Norway	
7.	Svenska Kraftnät	Sweden	
8.	TenneT TSO BV	The Netherlands	
9.	TenneT TSO GmbH	Germany	
10.	Transelectrica	Romania	
11.	TransnetBW	Germany	
12.	VUEN-Vorarlberger Übertragungsnetz	Austria	

Participants via GoToMeeting

Chairman

	RTE	France	
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Members and Substitutes

13.	50Hertz Transmission	Germany	
14.	AS Augstsprieguma tikls	Latvia	
15.	Creos Luxembourg	Luxembourg	
16.	Eirgrid	Ireland	
17.	Elering	Estonia	
18.	Eles	Slovenia	
19.	HOPS	Croatia	

20.	Litgrid	Lithuania	
21.	MEPSO	Republic of North Macedonia	
22.	NOS BiH	Bosnia&Herzegovina	
23.	Red Electrica de Espana	Spain	
24.	REN	Portugal	
25.	RTE	France	
26.	Seps	Slovakia	
27.	SONI	United Kingdom	
28.	Swissgrid	Switzerland	
29.	Terna	Italy	
30.	TransnetBW	Germany	

Conveners RGs

1.	RG North Sea	Denmark	
2.	RG Baltic Sea, remote	Germany	
3.	RG Continental South East	Serbia	
4.	RG Continental Central East, remote	Slovakia	
5.	RG Continental Central South, remote	Italy	
6.	RG Continental South West, remote	Portugal	

Conveners WGs

7.	WG System Design Strategy	Germany	
8.	StG Connection Network Codes	Germany	
9.	WG Data & Models, remote	Belgium	

Secretariat

1.	ENTSO-E System Development		
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1. Attendance, quorum and approval of draft Agenda

The SDC Chair welcomes the participants who attend the SDC meeting either present in Brussels or via means of teleconference especially put in place for this meeting. Due to the particular circumstances related Covid-19 emergency restrictions, participants who are attending remotely are given the possibility to submit comments and cast their vote during the meeting.

The SDC Chair welcomes new members from OST, TransnetBW and Fingrid.

Take note

- Since 29/41 of the TSOs represented in the System Development Committee are attending, the Chairman states that the Committee meeting reaches the necessary quorum of half its members

2. Approval of the minutes of the SDC meeting on 23 January 2020, Brussels

Minutes of the 23 January 2020 meeting are approved with requested edits from the Vice-Chair.

Decision
Approval
<ul style="list-style-type: none"> ➤ The SDC approves minutes of the SDC meeting on 23 January 2020, including comments from the Vice-Chair related to Topic 2: Approval draft minutes of the SDC meeting on 27 November 2019 and Topic 8: Sector Coupling - Status of Way forward on Sector Coupling;

3. SDC Dashboard 2020

Take note
<ul style="list-style-type: none"> • The SDC takes note of the SDC Dashboard 2020 • The SDC takes note there is currently no candidate applying for the Convenorship of the RG North Sea.

4. Quality Management Scheme

The Secretariat will initiate a survey among SDC members on the use of the different Dashboard or quality control documents prepared for the SDC, in view of proposing streamlined templates.

Take note
<ul style="list-style-type: none"> • The SDC takes note of Quality Management Scheme • The SDC takes note of the new SDC Dashboard and Quality Management report.

5. SDC Work Program 2021

The SDC Work Program 2021 has new topics: offshore, TEN-E, sector coupling that are foreseen to be presented to the Board in the following months.

It is anticipated that by the November SDC meeting, most uncertainties will be addressed by WGs/RGs/Projects in scoping and organising the process of the deliverables.

Decision	
Approval	Purpose/notes
<ul style="list-style-type: none"> ➤ The SDC approves the SDC Work Programme 2021. 	<ul style="list-style-type: none"> ➤ In preparation of the SDC budget 2021 and the ENTSO-E Work Program 2021.
Actions requested	Responsible body/Date of expected report
<ul style="list-style-type: none"> ➤ The SDC asks all WGs/RGs/Projects to elaborate the Deliverables Document according to the Quality Management handbook for the SDC meeting in November 2020, on the basis of the SDC Work Programme 2021 	<ul style="list-style-type: none"> ➤ WG / RG / Projects ➤ November 2020

6. SDC Terms of Reference – updates

The SDC members are informed that the “Role of Secretariat” section will be further developed based on the Board’s ongoing review under Active2020+.

The SDC Chair clarifies following remarks that there is no specific need to review the Terms of Reference of current Working Groups and Steering Groups as a result of the SDC Terms of Reference updates.

Decision is approved by represented TSOs, with the abstention of one TSO.

Decision	
Approval	Purpose/notes
<ul style="list-style-type: none"> ➤ The SDC approves the updated SDC Terms of Reference (ToR) subject to update the chapter 4.3 “Role of the secretariat” and the WG/RG structures according to ACTIVE2020+ results. 	<ul style="list-style-type: none"> ➤ For submission to Assembly for approval on 25 June 2020
Actions requested	Responsible body/Date of expected report
<ul style="list-style-type: none"> ➤ The SDC mandates the Legal section of the secretariat to update chapter 4.3 “Role of the secretariat” according to the results of ACTIVE2020+ and send it to Assembly for final approval. 	<ul style="list-style-type: none"> ➤ Legal section

7. TEN-E Regulation Review: position paper on priorities

The co-Convenor for the Task Force TEN-E is nominated, from WG SDS.

Priorities identified are:

- Sector Integration
- CBCA
- Stability and advantages of the PCI label
- Relationship of the PCI with the Green Deal financial terms
- Governance of the whole TYNDP Process (Scenarios included)
- Offshore development
- Eligibility Criteria for PCI status candidacy
- Quick project implementation
- Important to link political priorities (new EU Climate Law) with the key items identified to achieve a coherent narrative: offshore grid, sector integration, 2030 Climate Targets (50/55%), climate neutrality by 2050

Feedback:

- There has been significant past ENTSO-E work already in the public domain on PCI stability and public acceptance. For those developed positions the TF will review if further work is needed. For new positions the TF will submit them to SDC.
- Request to organize a series of dedicated, short teleconferences for specific topics for SDC members.
- The final product should progressively develop from the general objectives of ENTSO-E (implement Green Deal, Smart Sector Integration, Offshore wind, ...) the necessary positions and focused

ideas/statements that unambiguously inform policy makers on parts of legislation that need to evolve and parts that are already delivering the necessary policy objectives.

Decision	
Approval	Purpose/notes
<ul style="list-style-type: none"> ➤ The SDC approves the document “TEN-E Regulation: Shaping the dialogue within ENTSO-E: pre-assessment of relevant activities)”. ➤ The SDC approves the proposed next steps and Way Forward taking into account the elements discussed in the meeting. 	<ul style="list-style-type: none"> ➤ This document provides the background information and roadmap to initiate and inform the dialogue with stakeholders and the European Commission on priority items/topics for the implementation of the Green Deal objectives.
Actions requested	Responsible body/Date of expected report
<ul style="list-style-type: none"> ➤ The SDC requests the TF TEN-E to further elaborate the priorities and the issues presented in the document while engaging the dialogue with the European Commission. 	<ul style="list-style-type: none"> ➤ TF TEN-E / April 2020
Take note	
<ul style="list-style-type: none"> • The SDC takes note that the submitted document is only an indicative representation of the complexity of the regulatory framework and related issues and it is not fully exhaustive. 	

8. ENTSO-E offshore position paper and way forward

The SDC welcomes the position paper on offshore developments and acknowledges that it is consistent to the framework set by the Committee, namely to articulate a focused paper demonstrating a proactive and constructive TSO approach addressing all involved actors’ requirements towards a realistic way forward for making the offshore ambitions a reality.

The decision has been taken unanimously.

Decision	
Approval	Purpose/notes
<ul style="list-style-type: none"> ➤ The SDC approves the draft ENTSO-E Position on Offshore Development. 	<ul style="list-style-type: none"> ➤ The submitted draft Position paper can be used by ENTSO-E and its members to engage and inform the dialogue on key issues to accelerate Offshore Development (for example within the Northern Seas Countries’ Energy cooperation (NSEC) or the Pentalateral Energy Forum (PLEF) or Baltic Energy Market Interconnection Plan (BEMIP).
Actions requested	Responsible body/Date of expected report
<ul style="list-style-type: none"> ➤ The SDC asks the Offshore Development Core Group (ODCG) to forward the draft Position paper to the ENTSO-E Board. ➤ The SDC asks the Offshore Development Core Group (ODCG) to continue on the proactive 	<ul style="list-style-type: none"> ➤ Offshore Development Core Group (ODCG) within WG SDS/April 2020

<p>way forward as presented in the meeting and to inform SDC as appropriate.</p> <ul style="list-style-type: none"> ➤ The SDC asks the Secretariat and the Offshore Development Core Group (ODCG) to use the draft Position paper in discussions with policy makers and stakeholders. 	
Take note	
<ul style="list-style-type: none"> • The SDC takes note of the approach chosen by the Offshore Development Core Group (ODCG). 	

9. Madrid Forum, 29-30 April 2020 and Infrastructure Forum, 28-29 May 2020- Preparation

Madrid Forum:

The SDC Chair presents the possible topics to be discussed at the Madrid Forum. They include a high-level presentation of the work ongoing jointly with ENTSOG on an interlinked model. The Madrid Forum is also an opportunity to discuss smart sector integration. ENTSO-E's delegation will be decided by the Board and is limited to two people.

Infrastructure Forum:

The Copenhagen Infrastructure Forum is very timely with the reopening of the TEN-E regulation. ENTSO-E expects to be asked to deliver a presentation of the results or of the analysis of the screening methodology (part of the interlinked model), which identifies which projects in the electricity and gas TYNDPs could be candidate for a joint assessment.

Another topic on the agenda is TSO-DSO cooperation, with a focus on scenario building on which preliminary discussions with the DSO Associations are under way. ENTSO-E also expects offshore grid infrastructure and ENTSOs TYNDP 2020 scenarios to be discussed, possibly in ad hoc discussion, in relation to the European Climate law announced yesterday.

Decision	
Approval	Purpose/notes
<ul style="list-style-type: none"> ➤ The SDC asks the WG SDS and the Secretariat to prepare the ENTSO-E contributions for the Madrid Forum and the Infrastructure Forum. ➤ The SDC mandates the SDC Vice Chair together with the Secretariat and the Policy & Communication Group (PCG) to finalize the positions for the two fora. 	<ul style="list-style-type: none"> ➤ The final agendas of the Fora have not been provided. Therefore, the contributions have to be finalized on short notice.
Actions requested	Responsible body/Date of expected report
<ul style="list-style-type: none"> ➤ The SDC asks the Secretariat to debrief the SDC on the outcome of the Madrid Forum in the session file of the May SDC meeting. ➤ The SDC asks the Secretariat to debrief the SDC on the outcome of the Infrastructure Forum via email by mid-June 2020 	<ul style="list-style-type: none"> ➤ Secretariat, SDC 20 May 2020 ➤ Secretariat, by 15 June 2020
Take note	
<ul style="list-style-type: none"> • The SDC takes note of the proposed delegations that are proposed to the ENTSO-E Board for approval (10-11 March) 	

10. Decision mode A (*discussion at request only*)

- MAF 2019 - answer to stakeholders' comments

No comments from SDC Members. Decision is approved unanimously.

Decision	
Approval	Purpose/notes
➤ The SDC approves the publication of the document "ENTSO-E's response to the MAF 2019 public consultation".	➤ As part of the transparency requirements, to provide to the public a summary of the main questions raised by stakeholders with respect to the MAF 2019 report and ENTSO-E's response to the questions.
Actions requested	Responsible body/Date of expected report
➤ The SDC asks the MAF 2019 PMO to publish the consultation response document at the ENTSO-E Website.	➤ MAF2019 PMO / March 2020
Take note	
• The SDC takes note the outcomes of the public consultation for MAF 2019.	

- SECI Transmission System Planning Project (TSP) Terms of Reference

No comments from SDC Members. Decision is approved.

Decision	
Approval	Purpose/notes
➤ The SDC approves the updated ToR for a second year (2020) of the SECI Transmission System Planning (TSP) project.	
Actions requested	Responsible body/Date of expected report
➤ The SDC asks RG CSE to prepare the ToRs for the SECI Transmission System Planning (TSP) activities in 2020.	➤ RG CSE, till April 10, 2020
➤ The SDC requests the Secretariat to sign the Contract with the Consultants for SECI Transmission System Planning (TSP) activities in 2020.	➤ Secretariat, April 2020
➤ The SDC requests the Secretariat to invoice and collect fee from member TSOs for SECI Transmission System Planning (TSP) activities in 2020.	➤ Secretariat, during March-April, 2020

11. TSO/DSO cooperation on scenario building (*+Feedback from mini-retreat*)

A first discussion took place with the DSO associations in which all parties converge on the need to further exchange and understand each other's objectives and constraints in designing the way forward.

The SDC is informed of the outcome of the SDC Mini Retreat:

- ENTSO-E and ENTSOG Scenarios will be the starting point
- New regulation states that large DSOs should produce TYNDPs from 2021
- The basis of those TYNDPs should be the same as ENTSO-E and ENTSOG TYNDP

A 2-step approach is proposed:

- Some level of coordination must take place for the 2022 Scenarios building process starting now
- Future cooperation will be with the new DSO entity
 - Should be formally constituted in Feb/Mar 2021 and in priority for electricity DSOs
- Must ensure innovations do not risk established process and timelines

Key takeaways:

- proposal of the process to be presented in May meeting
- Already ongoing projects should be identified
- ENTSO-E confirms its willingness to cooperate with DSO associations.
- Copenhagen Infrastructure Forum is a key event for communication of the collaboration
- These discussions are important for drafting the project scope and governance of the scenarios 2022
- ENTSO-E should inform the DSO associations of the amount and intensity of work this coordination would entail on their part.

Decision	
Approval	Purpose/notes
➤ The SDC approves the initiation of a dialogue with DSOs associations on the road map for scenario development.	➤ Develop a roadmap for cooperation on joint scenario development to be presented at the next Infrastructure Forum and InnoGrid conference.
Actions requested	Responsible body/Date of expected report
➤ The SDC asks the Secretariat to organise a Joint Workshop with DSOs associations to develop the afore-mentioned approach.	➤ Secretariat / April 2020
Take note	
• The SDC takes note of the cooperation elements with gas DSOs associations.	

12. Updated NCLP ToR and Call for nominations

The revised Terms of Reference (ToR) of Network Code Linked Person (NCLP) is presented to the Committee. The new ToR will be accompanied by a new call for nominations to be launched shortly. NCLPs shall assist the Implementation Monitoring Team reporting to the Steering Group Connections Network Code (CNC) to fulfil its monitoring obligations as stipulated in the Codes and derived by Reg 714/2009 i.e. with necessary national data provision, and to facilitate communication on CNC related matters in general.

In response to relevant questions, it is mentioned that the revised ToR is necessary to reflect better the current CNC priorities and mandates and to formalize the role of the national experts in fulfilling them. It gives a better overview of the expected tasks and responsibilities as well as the workload by the NCLPs. The revised ToR is a result of previous SDC discussion on improvements of the CNC implementation monitoring. The current NCLPs will be assumed if no response will be received to the incoming call for nomination. NCLPs are not necessarily expected to be SDC members

Decision	
Approval	Purpose/notes
➤ The SDC approves the updated Terms of Reference (ToR) of Network Code Link Persons (NCLP) group	➤ To update the terms of collaboration between StG CNC and NCLPs with a view to fulfill the CNC implementation monitoring mandates and support the CNC workplan adequately
Actions requested	Responsible body/Date of expected report
➤ The SDC asks the ENTSO-E Secretariat to launch a call for nominations within SDC to revise the current list of NCLP members.	➤ ENTSO-E Secretariat: 6 March 2020 ➤ SDC members to reply: 16 March 2020

13. TYNDP 2020

- Progress Report

The SDC Chair presents the status of TYNDP 2020.

14. TYNDP 2022

- Call for a mandate to organise the following workstreams:
 - High-level guidance on governance and project management
 - High-level guidance on Stakeholder mapping, scope and objectives
 - 2022 Innovation Plan

The SDC members underline the importance to run a full lessons-learned exercise. The Secretariat underlines that not only SDC member but any competent and motivated TSO staff can volunteer.

Decision	
Approval	Purpose/notes
➤ In line with the SDC Work Programme, the SDC decides to mandate an ad-hoc team to prepare the following scoping documents for the TYNDP 2022: <ul style="list-style-type: none"> ○ Guidance on governance and project management ○ Guidance on stakeholder needs, scope and objectives ○ 2022 Innovation Plan 	➤ Prepare input to establish a governance and a PID for the TYNDP 2022, taking into account the main lessons learnt of the last cycle, the increased expectations for transparency and external collaboration, the work done on the TYNDP Project Management change program, and input from the individuals and teams working on or governing the TYNDP.
Actions requested	Responsible body/Date of expected report
<ul style="list-style-type: none"> ➤ The SDC asks the Secretariat to make a call for members/volunteers for the ad-hoc team. ➤ The SDC asks the Secretariat to inform them of the composition of the ad-hoc team, and to kick start the work if there are at least 2 candidates. ➤ The SDC asks the future ad-hoc team to kick start their work and report at the next SDC meeting. 	➤ Secretariat: May SDC meeting

15. Sector coupling

- Feedback from mini-retreat Multi sectorial planning support Roadmap

One of the main outcomes of the mini-retreat is that stakeholders' involvement is key for the development of a multi-sectorial planning support. Additionally, it was noted the need to clarify in detail what are the main differences between the current planning process and the planning process with a multi-sectorial planning support.

- Scope and principles of the study on joint electricity-gas project assessment

The main objective of this study is to identify relevant cases/projects of electricity and gas transmission for a dual assessment (according to gas and electricity market models), not as part of the TYNDP2020 but as a pilot project. The SDC agrees that members of Scenario Building Steering Group to supervise the Interlinked Model Project Team, and start a call for members to join the project team. The goal is to present the final results at the Madrid Forum in autumn 2020.

Decision	
Actions requested	Purpose/notes
<ul style="list-style-type: none"> ➤ The SDC asks the Steering Group members of Scenario Building to supervise the electricity-gas project. ➤ The SDC asks the Secretariat to launch a call for volunteers for the electricity-gas project Task Force. 	<ul style="list-style-type: none"> ➤ Scenario Building SG members ➤ Secretariat

15. Scenario Building

- Convenorship of Working Group

Decision	
Approval	Purpose/notes
<ul style="list-style-type: none"> ➤ The SDC approves the candidate proposed by RTE, Olivier Lebois, for the Convenorship position of the WG Scenario Building. ➤ The SDC agrees on the start of mandate of the new Convenor to lead the WG from 6 March 2020. 	

- Results of the Scenario 2020 - Consultation and proposal for further actions

Consultation showed following results:

- Most stakeholders believe the scenarios are not diverse enough
- Speed of decarbonization is too slow is the overarching view
- Bioenergy has been grossly overstated
- ENTSOs are perceived as not neutral and having interests in grid expansion
- Many requests for transparency on costs assumptions
- Gas demand and use of CCS and H₂ is perceived excessive
- Demand and demand side flexibility should be developed more

SDC acknowledges that:

- The level of sophistication, innovation and breadth of the ENTSO-E and ENTSO-G modelling and analysis has produced highly robust results that are consistent with the framework set by the Committee during the initiation of the project;

- ENTSO-E should not shy away from acknowledging the points where our assumptions may have been vulnerable; in particular, and according to the proposal of the WG Scenario Building, biomass projections for the DE scenario can be reviewed in order to align with EC LTS through the increase of both direct and indirect electrification. Also, the WG should invest in clarifying the report and increase data availability as requested by stakeholders;
- ENTSO-E should carefully consider and strive to internalise as many learnings as possible for the next Scenario building cycle already under preparation.

Decision	
Approval	Purpose/notes
➤ The SDC approves the direction of modifications of the top down 2040 and 2050 scenarios to address comments regarding biofuel usage and electrification of end-user demand in the scenario consultation.	
Actions requested	Responsible body/Date of expected report
➤ The consolidated final scenarios will be proposed for SDC approval.	➤ Scenario Building/ mid-April 2020

- Open letters from Eurelectric, RGI, CAN-Europe and WindEurope

The European Commission has received 4 open letters from Eurelectric, CAN & EEB, Electrification Alliance and RGI.

The main themes of the letters are:

- High gas demand & Imports (GA) in comparison to EC's 1.5 life scenario
- Low electrification compared to other associations' scenarios
- Scenarios do not cover the distribution level or district heating
- Cost for decarbonized gases are not assessed
- Scenarios are not fit for CBA as National Trends has high gas demand

ENTSO-E and ENTOSOG are in the process of drafting responses to these open letters

The WG Scenario Building first assessment reveals the difficulty to respond on a technical level to such input as it is not evident how the statements are substantiated and often comparisons are not sufficiently scrutinised. SDC confirms that this input is to be considered entirely as part of the formal consultation process and that the WG should strive to analyse in depth the arguments raised in order to take them into account in the update of the scenarios post-consultation.

Decision	
Actions requested	Responsible body/Date of expected report
➤ The SDC asks WG Scenario Building to provide ENTSOs answers to the points raised in the open letters from Eurelectric, RGI, CAN-Europe and WindEurope from ENTSO-E point of view.	➤ WG Scenario Building/ April 2020

17. WG Data & Models

- Feedback from mini-retreat on Data Collection and Management Processes

The convenor of WG Data & Models presents the changes to the Data Collection and Management Processes currently under development by the WG Data & Models. A number of issues were discussed at the mini-retreat which will need to be addressed in the final proposal. The next step will be a webinar to present for discussion and input the proposed changes to a broader audience. The Chair expresses appreciation for the work to improve the efficiency and effectiveness of ENTSO-E's data collection and management processes and procedures.

- Data request from Artelys

SDC acknowledges the purpose and validity of the request; however, it notes that the request as well as the associated analysis by the WG does not permit a decision and requests further information.

Decision	
Actions requested	Responsible body/Date of expected report
➤ The SDC requests the WG Data & Models to organize a legal assessment of the data request by Artelys for the project METIS and gives delegation to the SDC Chair and Vice-Chair to take decision based on Legal Regulatory Group recommendations, and inform the SDC Members appropriately.	➤ WG Data & Models, SDC Chair and vice-Chair

18. Resource Adequacy

- Resource adequacy methodologies – next steps before submission to ACER

Some SDC Members point out that many methodologies are highly innovative and they have not been thoroughly tested. Thus, there are concerns about the practicality of the implementation, for example in economic viability checks. The MAF Steering Group Convenor reminds that the methodology will be implemented stepwise and the methodology may be updated in a couple of years.

Following a remark, it is clarified that in the ERAA methodology, Reserves are modelled in similar way to the MAF approach.

Decision is approved with one TSO abstention.

Decision	
Actions requested	Responsible body/Date of expected report
➤ The SDC requests MAF Steering Group to update the methodologies for SDC approval by early April, before formal submission to ACER according to the directions presented in the meeting.	➤ MAF Steering Group
Take note	
• The SDC takes note of the outcomes of the public consultation and of ACER's comments.	

- Cross border participation to CM methodologies ongoing public consultation

No comments from the SDC Members.

19. MAF 2020

- Project Identification Document: Summary of changes for information to SDC

No comments from the SDC Members.

20. RGs activities (beyond TYNDP 2020 and 2022)

- RG's activities

21. Topics for next mini-retreats in May 2020

No topics for mini-retreats are proposed in the meeting. The SDC Chair requests that WGs and RGs Conveners contact the Chair and/or Secretariat staff if they wish to propose any topics for consideration.

Decision	
Actions requested	Responsible body/Date of expected report
➤ The SDC requests WGs conveners and Projects leaders to send proposal of topics for the next mini-retreat in May to the SDC Chair and Secretariat	➤ WGs conveners and Projects leaders
Take note	

21. Any Other Business