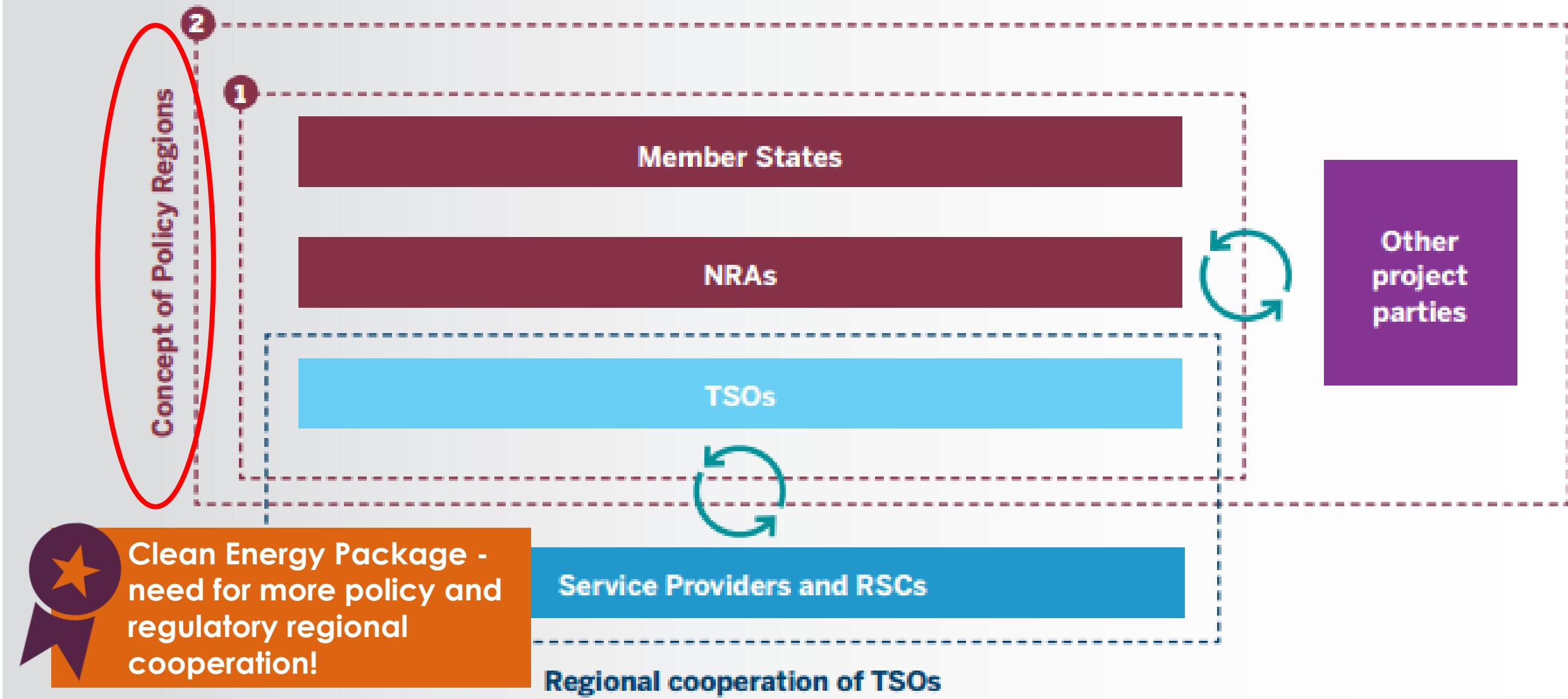


Regionalism... a concept takes shape in the energy sector

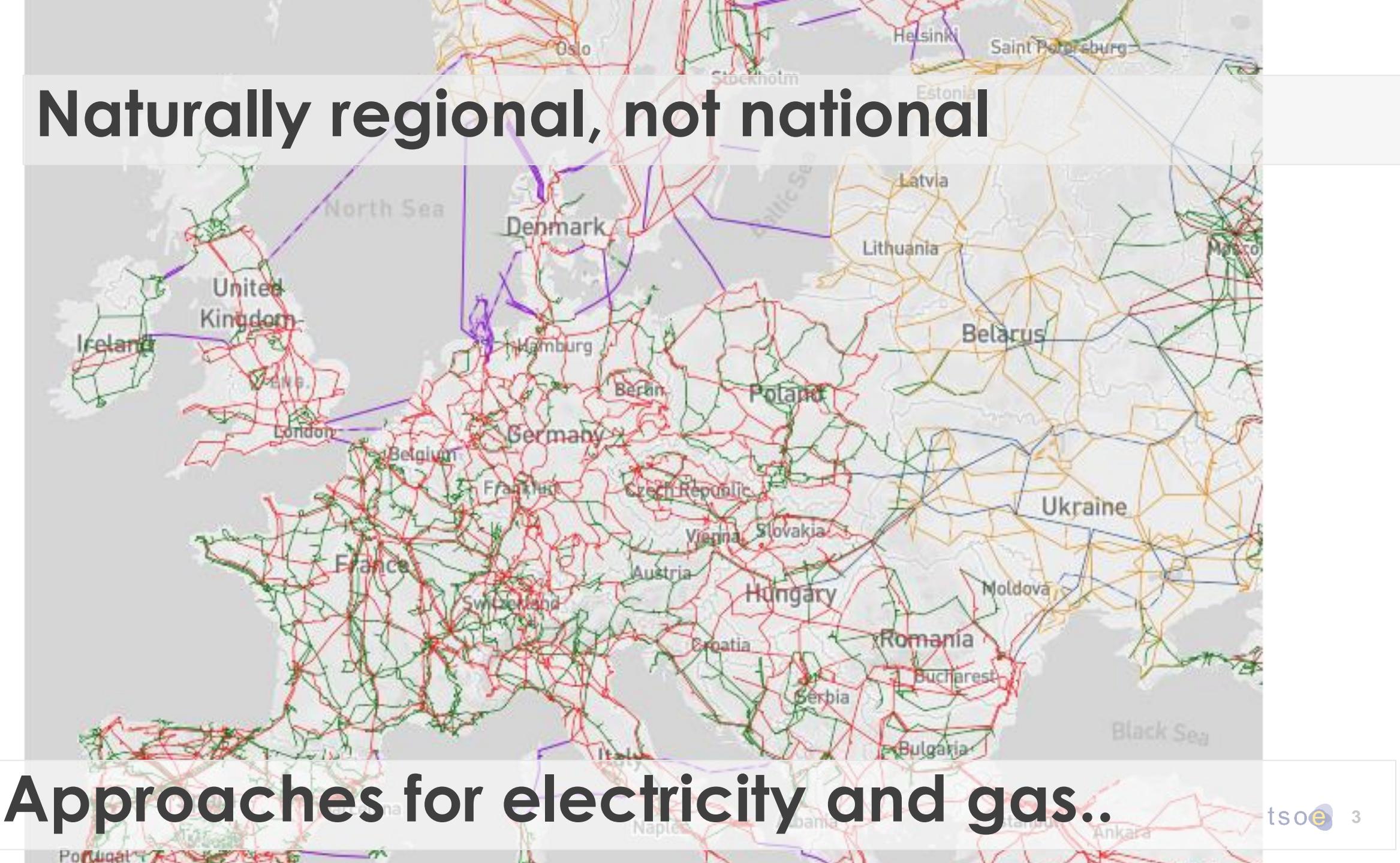
**Susanne Nies
ENTSO-E**

**The Energy Unions' Governance,
College d'Europe, Bruges, 7 March 2017**

WHAT IS ENHANCED COOPERATION?



Naturally regional, not national



Approaches for electricity and gas..

The regional network approach

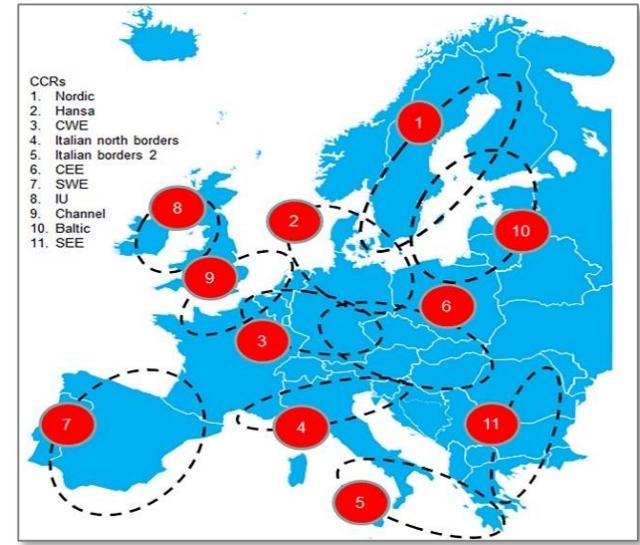
Market:

- Internal Energy Market started as Regional: DA, ID, Balancing.
- Voluntary projects. CACM adoption and implementation



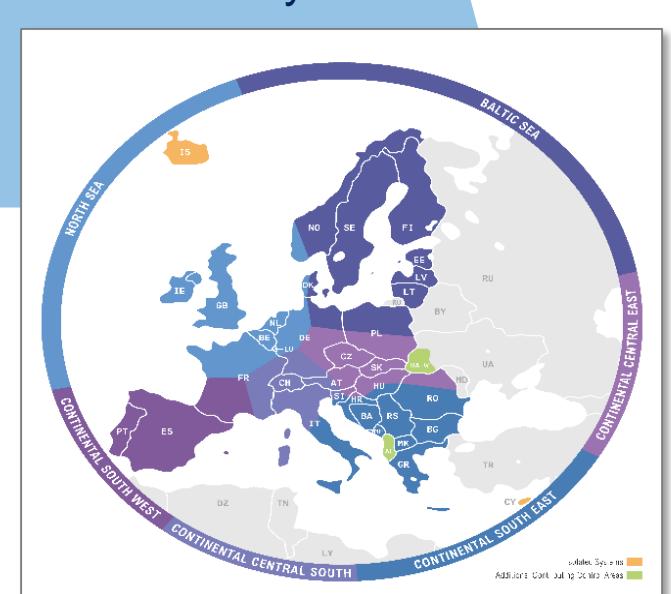
Operation:

- RSPs through TSO cooperation early on: functions already defined and established or in the process of establishment



Planning:

- TYNDP Regional Investment plans. Regional work on the network codes.



REGIONAL TSO COOPERATION CENTERS (RSCs) ALREADY EXIST AND ARE PLAYING AN IMPORTANT ROLE



Figure 8: Expected structure of the six RSCs by end of 2017. Source: FTI-CL Energy based on ENTSO-E
Notes: Year when the RSC became, or is to become, established is shown in brackets.

REGIONAL COORDINATION: WHAT IS ALREADY IN THE CODES

Mandatory role for Regional Security Coordinators

TSOs remain responsible for operational security of their control areas but **TSOs have an obligation to cooperate in RSCs**

Coordinated System Operations

For example under the System Operation Guideline (art 78) each RSC issues a **coordinated** regional operational security assessment with a proposal for **remedial actions**

Regional monitoring & reporting

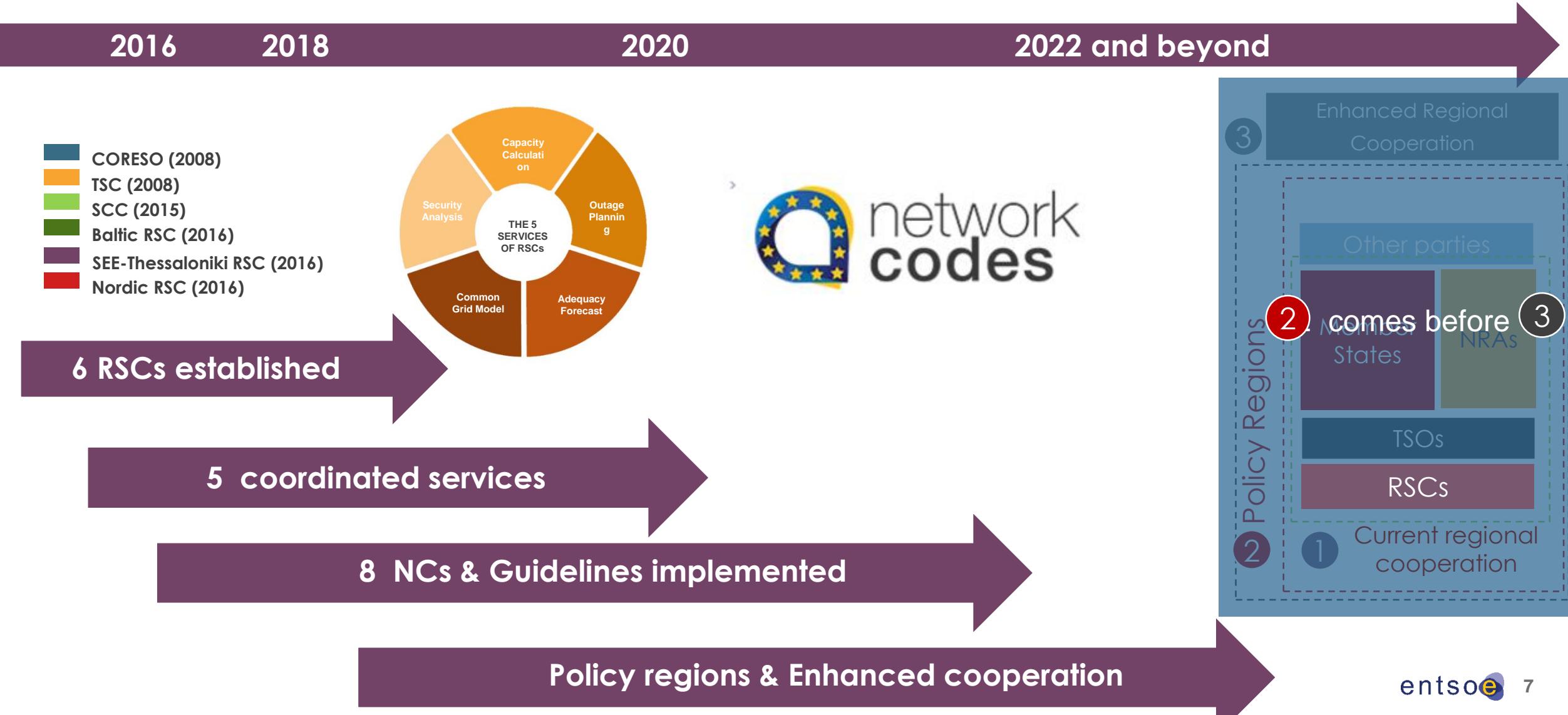
Under the Guideline, ENTSO-E publishes an **Annual Report** on regional coordination with **number of cases where TSOs refuse to implement the actions recommended by RSCs**

Coordinated emergency preparedness

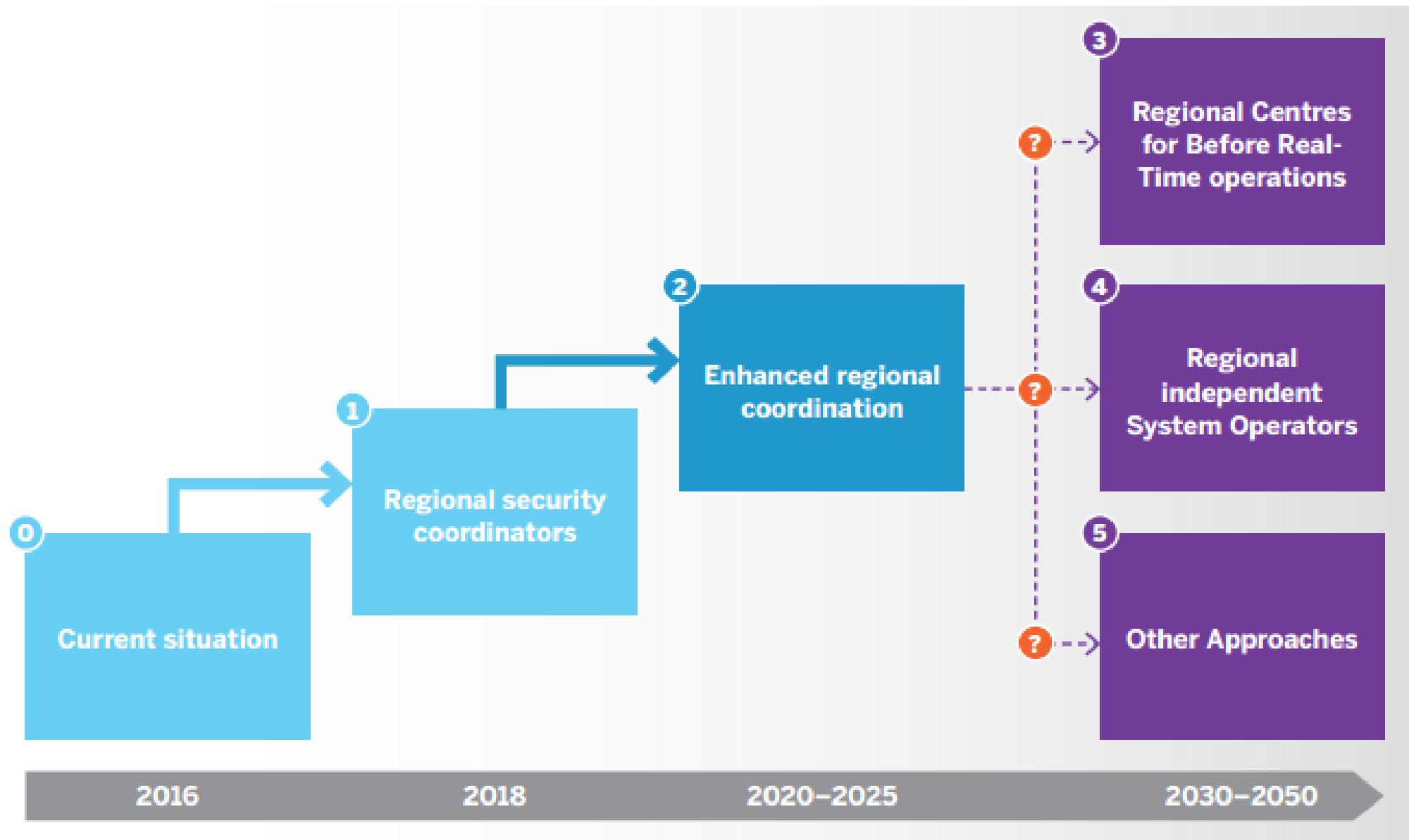
The Emergency and Restoration code (art 6) tasks **RSCs to assess the consistency of measures taken by TSOs** for a synchronous area

With the EU network codes, regional cooperation is no longer an option but an obligation!

REGIONAL COOPERATION TIMELINE



OPTIONS POST 2020: ENHANCED REGIONAL COOPERATION (FTI)



IN SUMMARY

The **RSCs** model that is implemented under the EU Network Codes is **dynamic and flexible**. A **big advantage** in a fast changing power landscape!

It can be enhanced further by **strong political cooperation** at regional level.

It **avoids unnecessary risks** to the safety and security of the system.

We are open to discuss any model that reduces regulatory gaps, increases policy coordination, gives more roles to the regional level to better serve consumers without endangering security of supply

THANK YOU FOR YOUR ATTENTION



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The logo for entsoe is displayed in white text. The letter 'e' is stylized with a circular graphic element containing a smaller 'e' and a horizontal line, suggesting a double 'e'. The background is a blue surface with numerous yellow five-pointed stars of varying sizes scattered across it, creating a pattern similar to the European Union flag.

info@entsoe.eu

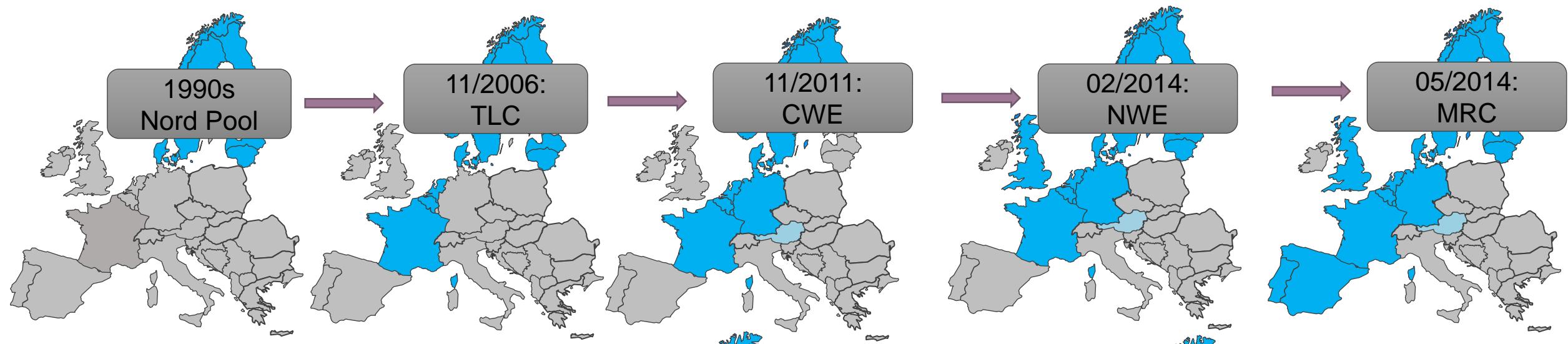
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FUTURE RSCs' ROLES WITH ENHANCED REGIONAL COOPERATION – THE FTI STUDY

OPERATIONAL PLANNING	<ul style="list-style-type: none">▪ Coordination & optimisation of remedial actions▪ Regional capacity calculation based on TSOs' raw data▪ Short-term system adequacy assessment, including seasonal outlooks, and identification of actions when tight situations are foreseen
BALANCING	<ul style="list-style-type: none">▪ Update the common grid model & capacity calculation for the balancing time frame, contribute to merging merit order lists and host IT▪ Regional analyses for TSOs on possibilities of sharing of reserves, enhanced dimensioning of balancing reserves, and reservation of cross-border capacity for the exchange of balancing reserves▪ A TSO regional procurement of balancing reserve platform/service
SYSTEM ADEQUACY	<ul style="list-style-type: none">▪ Regional mid term system adequacy assessment▪ Analyse on need or not for system adequacy mechanisms (SAMs)▪ Contribute to analysis of parameters for system adequacy mechanisms (for example, cross-border contribution)
NETWORK PLANNING	<ul style="list-style-type: none">▪ Perform cost-benefit analysis for specific regional projects▪ Perform studies to identify grid investment needs with a regional perspective (supporting for example the 10-year network development plan)



ATC-based Market Coupling
Flow-Based Market Coupling

Capacity Calculation (TSOs): ATC-based vs. Flow-Based
VS.
Auctions: (PXs): Implicit (=Market Coupling) vs. Explicit

