

Regional cooperation of TSOs

*Emerging Views**

30th EU Electricity Regulatory Forum
Florence, 3-4 March 2016

* The content of this presentation represents the informal, working-level views of DG Energy services and is not binding as regards to the final proposals on the energy market design initiative or other related initiatives.

Europe's power system is in the middle of a period of profound change

Increasing shares of renewables (up to 50 % in the electricity sector by 2030)

Closer market integration including in the short term

Strong need for flexibility

High variations of electricity flows from hour to hour

Need for more interconnection and better use of the existing one

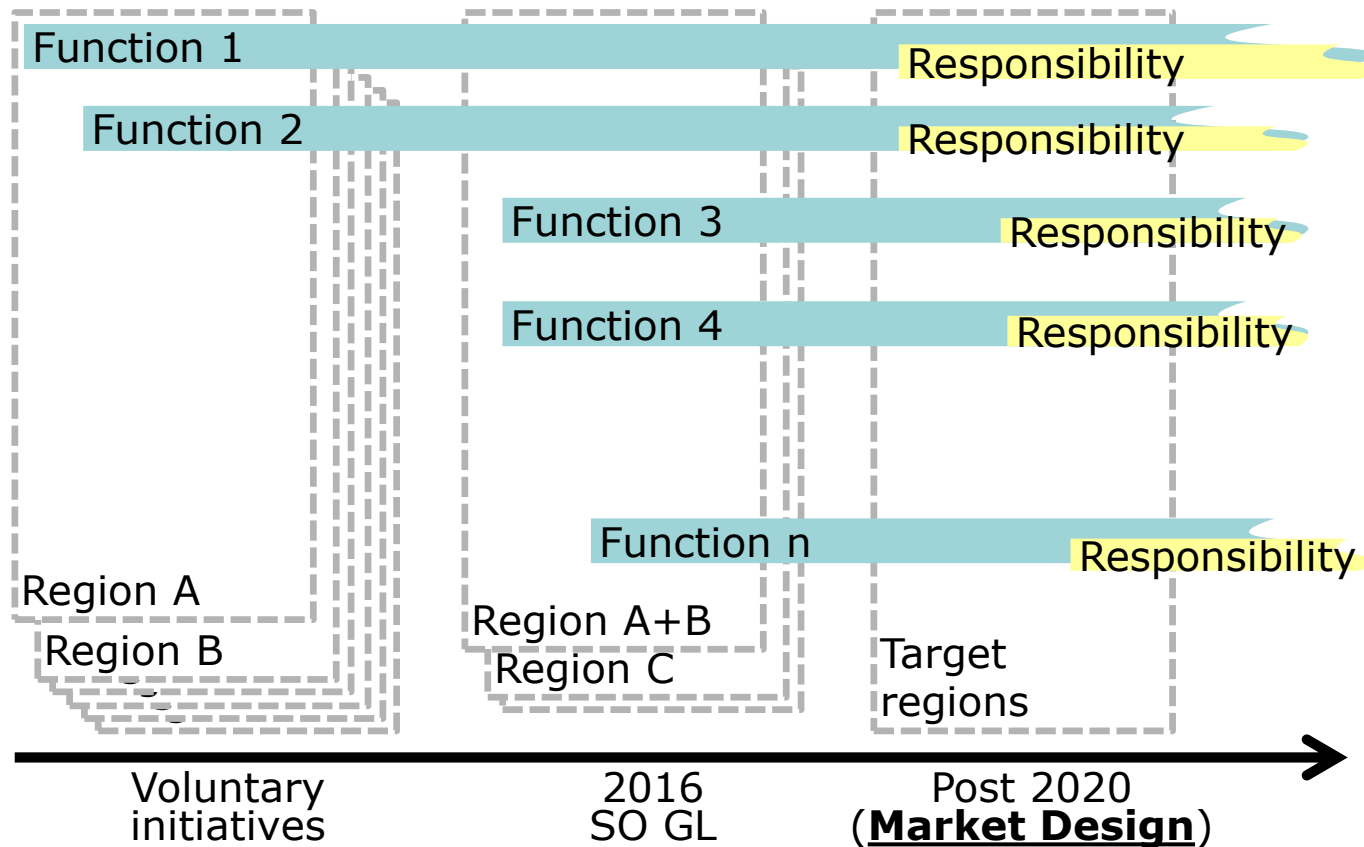
Key regional (market) functions entrusted to TSOs by network codes

Regional cooperation of TSOs needs to be fully equipped to cope with the challenges of a low-carbon power system – both in the short term and beyond 2020

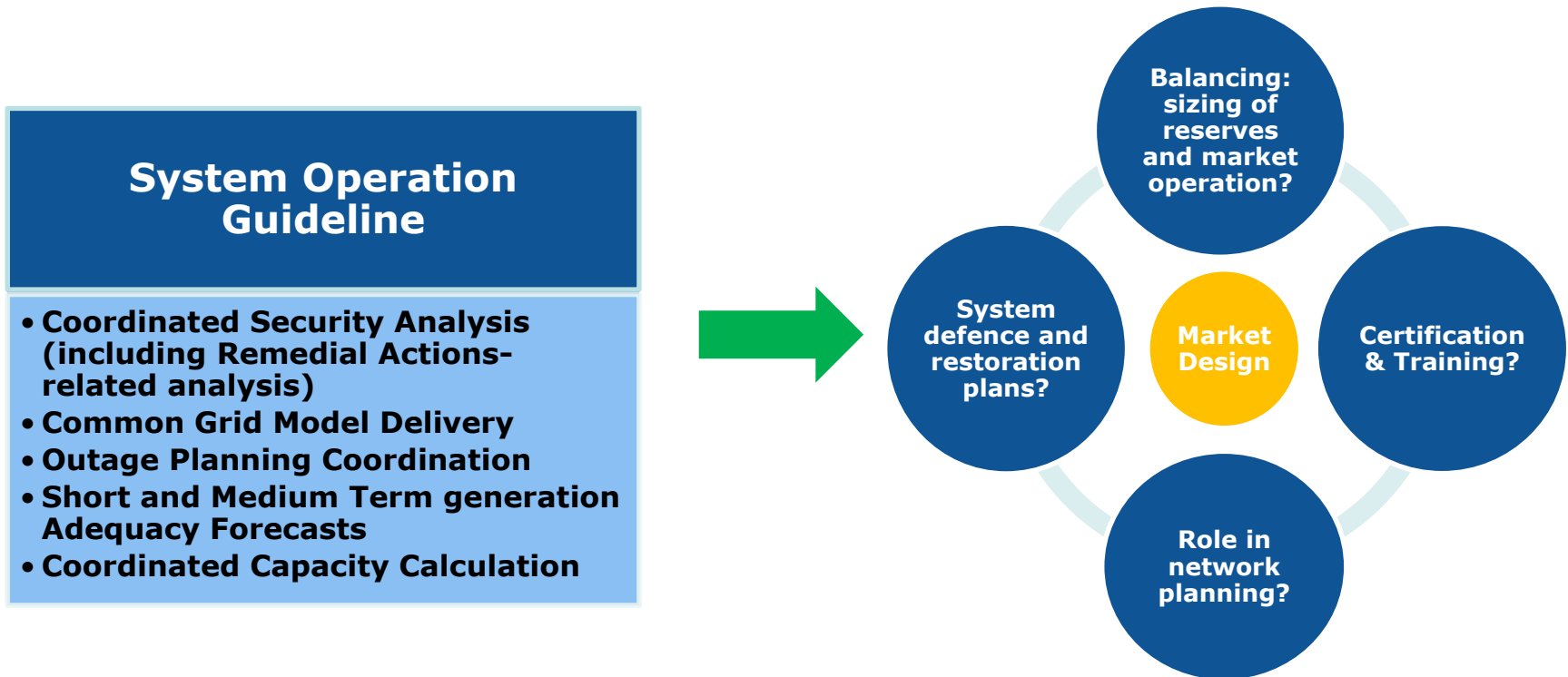
Feedback from the public consultation

- A clear majority of stakeholders is **in favour of closer cooperation between TSOs**.
- Stakeholders mentioned **different functions which could be better operated by TSOs in a regional set-up** and called for less fragmentation in some important areas of the work of TSOs.
- **Around half** of those who want stronger TSO cooperation are also **in favour of regional decision-making responsibilities**.
- **Views were split** on whether **national security of supply responsibility** is an obstacle to cross-border cooperation and whether regional responsibility would be an option.

A possible step wise approach as vehicle for enhancing regional cooperation



Functions of the Regional Centres



Which additional functions Regional Centres can assume in the post 2020 context?

Geographical scope of the Regional Centres

Now

CoBA proposal



CCR proposal



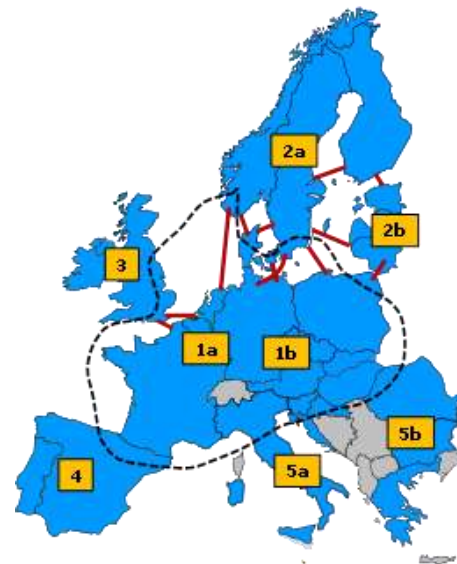
RSCIs launched by TSOs



Future

Regional TSO coordination

- 1** = Regional Operations Centre (ROC)
- 2a** = Sub Centre of a Regional Operations Centre
- = Border between Regional Operations Centres



Functions

Functions	
CC	Capacity calculation
SC	Security coordination
BC	Balancing coordination
AC	Adequacy coordination

8.12.2015/MS

What would be the adequate geographical delineation of the Regional Centres in the future?

Optimizing the interaction between Regional Centres and national TSOs

- Regional Centres do not aim at replacing national TSOs but seamlessly complementing them.
- Clear allocation of roles and responsibilities avoiding duplications is therefore essential.
- For some market facilitation functions (e.g. capacity calculation), Regional Centres are naturally positioned to add a clear value when fully in charge of the process.
- While system operation close to real time naturally belongs to the remit of TSOs.

What would be the optimal delineation of responsibilities between Regional Centres and national TSOs?

Thank you for your attention!

Back-up slides

Florence Forum conclusions – June 2015

- The Forum welcomes the work being undertaken in the Framework of the system operation network codes in Terms of Regional Security Coordination Initiatives as a Positive step in the direction of more coordinated and integrated system operation and urges ENTSO-E to pursue timely the actual implementation of the initiatives.
- The Forum urges the Commission to further consider how regional cooperation should further evolve to cope with the challenges the power system faces and compels ACER and ENTSO-E to support the process. In particular, the Forum highlights the importance of further Exploring issues such as the scope of functions, the geographical scope and the decision making responsibilities of future regional cooperation structures.