3rd Electricity Grid Connection Ad hoc Expert Group Meeting

8 March 2010 from 10:30 to 17:00 hours

CEER premises, rue le Titien 28, 1000 Brussels

FINAL MINUTES

Participants			
Andrea	Siri	Expert	
Bente	Danielsen	DERA (DK)	
Bernd	Klöckl	Expert	
Christina	Sepulveda	NVE (NO)	
Cristian	Lanfranconi	AEEG (IT)	
José Antonio	Castro	CNE (ES)	
Katharina	Bauer	E-Control (AT)	
Mark	Norton	Expert	
Matthias	Boxberger	Expert	
Pablo	Simon	Expert	
Rafael	Bellido	Expert	
Ralph	Pfeiffer	Expert	
Riccardo	Lama	Expert	
Sven	Prochaska	BnetzA (DE)	
Tahir	Kapetanovic	E-Control (AT)	Chair
Thomas Karl	Schuster	Expert	
Johnny	Amos	CEER Secretariat/Ofgem	

1. Opening

The meeting opened at 10h33 Tahir Kapetanovic (E-Control, Austria) in the Chair.

1.1. Approval of the agenda

The Agenda was approved in the form shown in these minutes.

Asta Sihvonen-Punkka (EMV, Finland), Mr Van Hulle and Mrs. Maxim issued their apologies for their absence.

1.2. Approval of the minutes of the last meeting

The 2nd expert group meeting's minutes were approved and will be published on the website.

2. Impact Assessment process on grid connection

Prior to the meeting the latest draft of chapters 1, 2 and 3 of the initial impact assessment

(covering procedural issues, problem definition and objectives of the initiative respectively) was circulated to the expert group. The Chair expressed his appreciation for the written comments already sent by email on this draft and informed the group that a new version incorporating proposed revisions in track changes had subsequently been prepared for discussion at the meeting. The Chair proposed that the 3rd Ad Hoc Expert Group meeting be dedicated to a page-by-page review of this new version of the document (which was provided to the group in paper copy) with a view to reaching agreement on problem definition and objectives. This was approved by the expert group.

The Chair noted that Mrs Maxim has submitted comments which may not be consistent with those of other experts. As Mrs Maxim was absent it was agreed she would be given the opportunity to review any changes made during the meeting. The same applies to Mr Van Hulle, who also submitted comments in advance but could not attend the meeting.

The Chair also set out the process for drafting the initial impact assessment. He informed the group that going forward ERGEG will focus on developing policy options which will be presented at the public workshop on 16 April 2010. The final initial impact assessment will then be published for public consultation in summer. The Chair noted that the drafting and consultation process will follow existing ERGEG procedures.

The paragraphs below set out the key points raised by the experts during the page-by-page review of the document. In addition other more minor drafting changes were also raised and approved in order to provide clarity.

The group discussed the definition of grid connection. Mr Pfeiffer argued that grid connection is not an isolated event that 'happens' at a specific moment. It was agreed that grid connection would cover all issues to maintain as well as establish a physical connection between the transmission and/or distribution grid and the grid customers.

The meeting considered how the initial impact assessment should describe the expert group. Mr Pfeiffer suggested that the document should not list the experts' companies. In response the Chair noted that the listing the company names enhances transparency and also shows the diversity of experience within the expert group. It was agreed not to remove the company names. Instead a new paragraph was drafted stating that the members of the group have participated in the work on the impact assessment in their capacity as experts and have not represented the interests of their companies.

The initial impact assessment argues that experiences from recent disturbances have indicated that the security of the system might be endangered when generation and consumption units interoperate with electric power grids in an uncoordinated manner. The meeting considered what studies could be referenced to support this statement. The Chair proposed the ERGEG 2007 report on the large disturbance on 4 November 2006 and the corresponding UCTE final report. Mr Boxberger also suggested that the impact assessment should draw on system studies, which was agreed by the expert group. He therefore proposed the 2005 DENA (German Energy Agency) Grid Study and the EWIS (by UCTE) study also be added.

The expert group also discussed what other problems or issues might require ERGEG to develop the framework guideline on grid connection. Mr Boxberger noted that insufficient design and operation of grid connection and non-compliance with existing rules and contracts can endanger system security. The same expert also noted that the increasing internationalisation of the electricity market together with the volume of generation, both renewable and conventional, that is due to come online before 2020 requires a common framework for grid connection. Both points were agreed by the expert group and the text of the initial impact assessment amended accordingly. Mr Boxberger agreed to check if EURELECTRIC have published any data on the volume of the European generation portfolio that will need to be replaced in the next decades. In addition the expert group discussed the historical legacy of vertically integrated undertakings that planned the transmission and distribution systems together with the allocation of generation

facilities. Mr Norton suggested drafting arguing that the move to separate transmission and distribution from generation has and will continue to require the updating of grid connection rules. This was agreed by the expert group.

There was some discussion of whether connection requirements might differ according to the primary energy source used to generate electricity. Mr Bellido noted that any difference in requirements must be justified. The meeting agreed and the text was amended such that any differences must not create barriers to entry for any generation technology. The group also considered how existing generation units might be affected by the possibly different conditions for connecting new units. It was agreed that the technical performance of existing units should not be adversely affected, including for example compliance with relevant electrical engineering regulations. Mr Norton noted that GB does not in all respects fully comply with the IEC standards, so compliance with these standards was not mandated.

The group also discussed the scope of ERGEG's work on grid connection. It was suggested that the split of costs between generators and grid owners should be considered. Similarly some argued that the order of processing of connection applications is an important issue. Others argued that the focus of the document is on the technical aspects of grid connection. The group agreed that both costs and processing lie outside of ERGEG's current work. This was made clear in the opening paragraphs of the document.

When the expert group considered the section of the document dealing with the impact on stakeholders, it was noted that Mr Van Hulle had submitted a comment arguing any obligations arising from ERGEG's work should not be portrayed as binding. However the Chair argued that a voluntary approach may not deliver the objectives and the group agreed that any new obligations should continue to be considered as binding.

3. Policy Options and Assessment – brief introduction by ERGEG

The Chair described that the initial impact assessment will set out two main options for ERGEG's future work on electricity grid connection. One option will be to do nothing at this stage. The other will be to develop a draft framework guideline for grid connection. It was also explained that ERGEG will assess the parameters of the framework guideline, such as whether it will apply to all types of generation or only renewable technologies. The Chair further noted that the process used by the pilot project in electricity has differed from that followed by the pilot project in gas. On this point he stressed the need to clarify the objectives of the work on grid connection first before developing policy options.

4. Next Steps

A further draft of chapters 1, 2 and 3 of the initial impact assessment incorporating the changes agreed during the meeting was printed out and provided to the experts for their final review. Mr Norton suggested that the document leans towards generation. It was noted in particular that all requirements related to demand-side management have been overlooked. To address this point a new heading entitled 'opportunities for demand response' was added under Paragraph 2.3 (What are the underlying drivers of the problem?) and a short paragraph drafted.

The Chair explained that the new version of chapters 1, 2 and 3 agreed at the meeting will provide the basis for developing policy options, provided that Mr Van Hulle and Mrs Maxim agree with the changes made. If they disagree on any substantive points, a teleconference was provisionally arranged for Friday 12 March between 13.00 and 14.00 CET for the purpose of resolving any disagreements.

The Chair reminded all delegates that (with the exception of the provisional teleconference on Friday) there are no further meetings of the expert group planned. He thanked the experts for their

participation in the work on the impact assessment and expressed his hope that they will continue to engage in the drafting process through the workshop and formal consultation.

5. Any other business

The meeting adjourned at 16.46h.