


ACER

 Agency for the Cooperation
of Energy Regulators

Ten Year Network Development Plan

in relation to the European Infrastructure Package

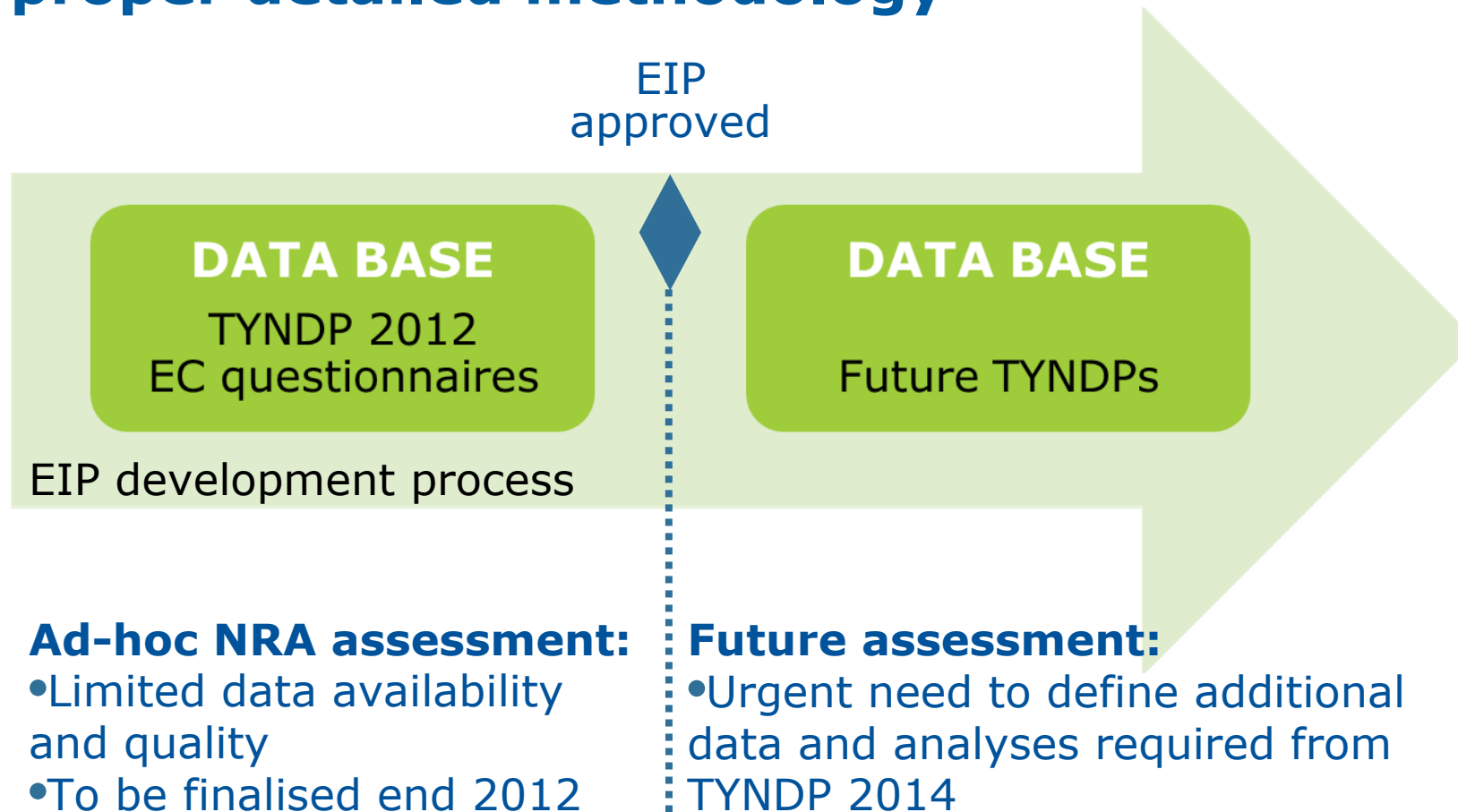
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Florence Forum

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The future PCI selection process needs a proper detailed methodology



The draft regulation foresees duties for regulators

The latest version (5139/12 REV 5, 31.7.2012) states:

*For submitted projects ... **national regulatory authorities**, and if necessary **the Agency**, shall, where possible in the context of regional cooperation ... check the **consistent application of the criteria/CBA methodology** and evaluate their **European added value**. They shall present their assessment to the Group.*

Regulators identified general requirements to fulfill these duties

1 Principles

- Reduce subjective aspects
- Be consistent with rules for regulatory assessment
- Facilitate consistency in electricity and gas scenarios
- Build evaluation on uniform database and clear formula

2 Evaluation

- Consider both sides: cost and benefit
- Avoid interdependent criteria (no double counting)
- Quantify as much as possible
- Monetise as much as possible
- Apply discounting method

3 TYNDP

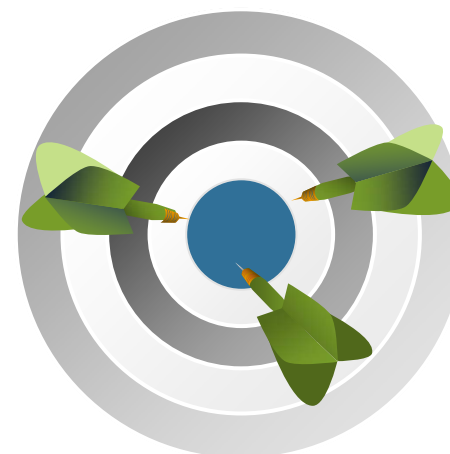
- Improved data collection (consistency, plausibility)
- Aligned ENTSO-E and ENTSO-G scenarios
- Reasonable clustering
- Improved insight into project interdependence
- More data on project level
- Improved cost-benefit-analysis

Common understanding and interactions progressed well

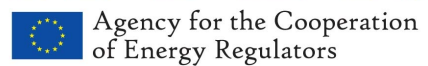
- On-going trilateral discussion on proper cost-benefit analysis
- Multi-criteria - analysis in TYNDP 2012 is a good starting point
- Awareness for relation between projects achieved
- Identification of future TYNDP as sole data base

Common targets

IEM / 20³ / SoS



**... all require
network
development**

The logo for ACER, consisting of the letters 'A', 'C', 'E', and 'R' in a blue, serif font, spaced out.The full name of the agency: 'Agency for the Cooperation of Energy Regulators'. To the left of the text is a small icon of the European Union flag, which is a blue rectangle with twelve yellow stars arranged in a circle.The text 'Thank you for your attention !' is written in a bold, white, sans-serif font. It is centered on the page and overlaid on the background image of the European Union flag.

Common understanding and interactions progressed well

- **On-going trilateral discussion on proper cost-benefit analysis**
 - EC's study within THINK
 - Regulators' study with Frontier
 - ENTSO-E public consultation & workshop
- **Multi-criteria - analysis in TYNDP 2012 is a good starting point**
- **Awareness for relation between projects achieved**
 - Effected countries
 - Cluster versus single investments
 - Mutual interference
- **Identification of future TYNDP as sole data base**
 - Making use of ENTSO-E's modelling approach
 - Including 3rd party projects

Common targets

IEM / 20³ / SoS



... all require network development