



GEODE COMMENTS ON ERGEG DRAFT ADVICE ON THE COMMUNITY-WIDE TEN-YEAR ELECTRICITY NETWORK DEVELOPMENT PLAN

GEODE, the European association representing the interest of energy distribution companies welcomes **ERGEG's Draft Advice on the Community-wide Ten-year Electricity Network Development Plan**.

GEODE agrees with **ERGEG** that Internal Electricity Market requires TSO coordination on network planning. TSO cooperation on investment to increase cross-border transmission capacity is needed as well and they should align their network development at regional and European level. A lack of coordination between TSOs will keep current market barriers to an integrate energy market with harmful consequences such as

- Congestion on interconnectors
- Impediment for free trade of energy within the European Union
- Difficulties to assure security of supply

GEODE considers the content of the Plan proposed by ERGEG is adequate. The **Community wide Ten-year Electricity Network Development Plan** should recognize the existing infrastructure and capacity available, but it should also plan future infrastructure needed to adequate generation to meet demand. Special attention should be given to the fact that the European energy system should be technologically adapted to manage larger amount of intermittent generation in order to meet the 20-20-20 mandate. The Plan should also assure sufficient allocation capacity to permit cross-border trade without congestion on interconnection.

In the process of developing a TyNDP, **GEODE** considers stakeholders participation has to be guaranteed. Stakeholders as market participants can provide relevant information on the market. This should be done, as suggested by ERGEG, in a regular and systematic manner, for the long-term perspective and for the short-term as well.

Stakeholders have to be well informed over network planning process. More transparency is requested in planning and decisions taken. Besides, stakeholders should have access to the information available for the development of the grid at regional and national level.

GEODE would like to underline that **ERGEG's paper** on the **Community wide Ten-year Electricity Network Development Plan**, does not take into account **DSO** perspective as regards network development and in that respect there are certain aspects missing on the Draft that should be addressed in the Final Paper.

DSOs networks should be considered in the Plan and included in the paper. Often big power plants or smart generation (micro-generation), are connected to



a DSO network, whose supply area could be large. DSO participation is relevant for the construction of the network.

Numerous DSO operate EHV lines, and some large cities (capital cities) are supplied including transport of high load. Therefore, the supply of many customers depends upon the connection of such DSO load centres. TSOs do not have any data for that, having a big influence on risk. Special regard to capital cities and load centres in Europe should be addressed in the draft advice to be considered in the Plan. Otherwise there will be an imbalance in the Plan, surveying generation development on one hand and not considering load centres and load centre connection on the other hand.

As it regards, security of supply, DSO should be heard as well. They are the ones that manage the last mile of the electric line that connects directly to customers and is missing in the paper.

GEODE agrees the Plan needs compatibility between the national, regional and community network development. Furthermore, in countries where there is more than one TSO, the national planning should start at DSO level.

Lastly **GEODE** would also want to call on regulators for the harmonization in the regulation of permissions and licensing for line expansion, construction and modifications. At the same time, environmental impact assessment process should be speed up.

Finally, **GEODE** expresses its wiliness to participate in the process to develop a Ten Year Electricity Network Development Plan.

Barcelona, 23rd February 2010