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Per email: electricity_network_planning@ergeg.org

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ERGEG public consultation on its “Draft Advice on the Community-wide Ten-year Electricity Network Development Plan” (E09-PC-45)

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Dear Ladies and Gentlemen, dear Mrs Geitona,

EnBW welcomes the opportunity to comment on ERGEG’s “Draft Advice on the Community-wide Ten-year Electricity Network Development Plan”.

The document addresses many important issues regarding the technical and operational part for the planning, implementation and monitoring process concerning the “Ten-year Network Development Plan”. An advanced planning and investment process leads to additional costs for the TSOs. Regulation (EC) 714/2009 gives indications on the cost recovery via grid tariffs. This issue is not yet addressed. As this point is a basic requirement to ensure a high quality especially for incentive regulation systems, the document should clearly describe the cost recovery for TSOs in an extra chapter.

Also, we recognise that the objective to achieve a European internal electricity market can only be achieved with a robust network, particularly when considering the significant challenges we will face to integrating large amounts of intermittent renewable energies.

Against this background we welcome the opportunity to provide our input to ERGEG’s “Draft Advice on the Community-wide Ten-year Electricity Network Development Plan”, in particular in reply to the questions put forward in the consultation documentation.

Chairman of the Supervisory Board:
Dr. Claus Dieter Hoffmann

Board of Management:
Hans-Peter Villis (Chairman)
Dr. Bernhard Beck
Christian Buchel
Dr. Rudolf Schulten
Dr. Hans-Josef Zimmer

- 1. The document presents the regulators' view on the planning process to achieve a non-binding Community-wide network development plan. Does this view contribute to the objectives set in the Section 2 and especially transparency of planning? What should be added / deleted within the planning process in this respect?**

The development plan must notably show how the needs for grid use are matched with the solutions of investment. The planning process proposed with two complementary approaches, top-down and bottom-up, seems to be appropriate to check the coherence of the development plan. The bottom-up approach would identify the solutions of investment in regards to the needs taken into account at the national level by TSOs. The top-down approach would be helpful for the coordination and consolidation with respect to the targets of EU Energy policy.

Moreover, the consultation process involving several types of stakeholders, with a large scope of interest, should allow to get exhaustive remarks in order to reach the objectives of the network development plan.

Concerning the description of the planning process, and for a better understanding, it should be better to split figure 2 in two separated parts: the first for the submission of the national plan; the second for the submission of the Community-wide and regional plans. Moreover, it should be relevant to detail the process between TSO and NRA in regards to the national development plan.

- 2. The document describes the contents of the Community-wide network development plan. Does it reflect the topics needed for the plan? What should be added / deleted within the contents of the plan?**

The content of the Community-wide network development plan is clearly structured. We do not identify additional topics for the plan.

- 3. The document addresses European generation adequacy outlook. What should be added / deleted in this respect when ERGEG gives its advice?**

The European generation adequacy outlook should cover the overall adequacy of the electricity system to supply current and projected demands for electricity. If demand for electricity should be assessed with less uncertainty, it could be different for generation. Decisions for installation of new generation plants and/or decommissioning of old power plants depend on several factors (e.g. economic, social and environmental) and are confidential information. Therefore the impact of these uncertainties should be indicated and assessed.

4. **The document describes the topics (existing and decided infrastructure, identification of future bottlenecks in the network, identified investment projects, technical and economic description of the investment projects) for the assessment of resilience of the system. Is this description appropriate? Should it be changed and if so, how?**

Concerning the existing and decided infrastructure (section 6.6.1), information can be given on transmission capacity and on additional transmission capacity decided to be built, but not on the rate of transmission capacity use on an annual (and monthly) basis for the previous 5 years. These data are not yet available and in order to obtain them TSOs need to conduct further studies.

The technical criteria proposed are those already included in the development plan of TSOs. The situation is different, however, for economic criteria. Until now, the economic models used by TSOs are not so advanced. They do not take into account all the parts suggested in the document (e.g. risk analysis, synergies). Therefore it should be recognised that this would mean a significant effort to address these criteria for all the projects included in the report.

5. **The document sets out criteria for regulatory opinion. Are these criteria clear and unambiguous? If not, how they should be amended?**

The national generation outlooks do not lie in the responsibility of the TSOs. This must be accounted for, when checking the consistency of national and European generation outlook. Coherence between the national development plan and the European "Ten-year Electricity Network Development Plan" must be checked by every NRA.

6. **Compatibility between the national, regional and Community-wide ten-year network development plans shall be ensured. How can this compatibility be measured and evaluated? How may inconsistencies be identified?**

In section 8, it is proposed that each NRA will monitor the national ten-year network development plan and check the consistence with the Community-wide ten-year network development plan. This solution seems to be relevant to assess compatibility and to identify inconsistencies.

7. **The Agency monitors the implementation of the Community-wide ten-year network development plan. Are there any specific issues to be taken into account in monitoring besides those described in the document?**

The Community-wide ten-year network development plan should be realized every two years. Each version should include a status review of the previous plan, as mentioned in section 6.1. Therefore, we wonder whether the rather complex proposed monitoring process is necessary. Rather we suggest that the status review should also include the issues indicated in section 9.

EnBW hopes that its comments contribute to answer ERGEG's specific questions in the context of consulting on its "Draft Advice on the Community-wide Ten-year Electricity Network Development Plan".

We remain at your disposal should you have any further enquiries.

Kind regards.

Yours sincerely

EnBW Energie Baden-Württemberg AG

i.A. Dr. Eckart Ehlers