
2nd Meeting of Ad-hoc Expert Group for System Operation

12-05-2010 from 10:30 to 17:00 hours

CEER Secretariat, Rue le Titien 28, 1000 Brussels

AGENDA

Agenda Topics	Accompanying documents
1. Opening 1.1. Approval of the agenda 1.2 Approval of the minutes from the 1 st meeting	
2. Impact Assessment process on system operation 2.1. Problem identification – draft text for discussion and comments 2.2. Objectives for framework guidelines on system operation – draft text for discussion and comments	
3. General discussion on questions addressed and way forward	
4. Any other business	
5. Next meeting(s)	

Electricity System Operation

Ad-hoc Expert Group Meeting on 13 January 2010

Questions to experts

According to the process agreed for preparing Framework Guidelines on System Operation (following closely Commission's Impact Assessment process for preparing new legislative proposals), expert views on **objectives and policy options** are requested as follows:

Objectives for Framework Guideline on system operation:

This question was presented also at the 1st meeting and for identification of policy options it is requested to rethink the objectives:

- What are the general objectives for framework guideline on system operation? According to the EC Impact Assessment Guidelines general objectives are defined as: *These are the overall goals of a policy and are expressed in terms of its outcome or ultimate impact. If successful, the intervention should at least induce change in the direction of the general objective (knowing that reaching high-level objectives will usually depend on other factors). Progress towards general objectives will often be measured by global indicators.*
- What are the specific objectives for framework guideline on system operation? According to the EC Impact Assessment Guidelines specific objectives are defined as: *These are the immediate objectives of the policy – the targets that first need to be reached in order for the General Objectives to be achieved. They are expressed in terms of the direct and short-term effects of the policy.*
- What are the operational objectives for framework guideline on system operation? According to the EC Impact Assessment Guidelines operational objectives are defined as: *The operational objectives are normally expressed in terms of outputs – goods or services that the intervention should produce. The achievement of these objectives (or deliverables) is usually under the direct control of those managing the intervention and thus can be directly verified.*

Identification of policy options for Framework Guideline on system operation:

Once the set of objectives has been defined, the next phase of the Impact Assessment process is to establish which policy options and delivery mechanisms are most likely to achieve the objectives.

The first step in this process is to think large and to draw up an initial, extensive list of alternative possible options that are likely to be capable of achieving the proposed objectives.

For this purpose it is requested that the experts consider the following issues:

- Identify policy options to meet the objectives
- Consider the most appropriate delivery mechanisms (regulatory / non-regulatory approaches)

- Begin to narrow the range within the policy options by means of screening for technical and other constraints, and by measuring against criteria of effectiveness, efficiency and consistency
- Draw up a shortlist of potentially valid options for further analysis

In particular, the first and second issue are important for discussions at the 2nd ad-hoc expert group meeting.

Furthermore, the aim of the screening process to be executed by the regulators is to arrive at a shortlist of the most promising options (usually a few options plus the 'no EU action' option) that will be subjected to a more in-depth analysis of impacts. These options should be realistic. An important aspect of the screening process is to develop a description of the attributes of each option so that it is possible to start to differentiate between them in terms of how well they are likely to perform against the three criteria of effectiveness, efficiency and consistency. It is vital to be able to show why certain options have been adopted after screening and others eliminated before going on to a more in-depth analysis of impact.