

Austrian Power Grid (APG)

Comments on ERGEG's Public Consultation Paper "Cross border framework for transmission network infrastructure"

APG welcomes the opportunity to comment on ERGEG's consultation paper on 'Cross border framework for transmission network infrastructure'. APG fully supports the contribution of ETSO on this paper but wants to contribute additional comments on certain aspects of ERGEG's consultation paper.

1.2. Background, §10

It is, of course, true that the growth of internal demand has not been matched by parallel transmission infrastructure development. We suggest to mention there as well the rapid development of wind power stations in remote areas where there is no local demand and transmission lines are needed to transport this volatile energy to population centres inside the countries. While such wind power stations have been constructed within a very short period (e.g. two years), the construction of lines including authorisation process needs at least ten years and more. If this time lag between the realisation of additional power stations and the transmission lines required for their integration into the grid will not be reduced in the coming years we may face a lot of difficulties with the already forecasted amount of new (off-shore)wind power stations in the European Grid.

3.3. Insights from case studies, §§ 59, 60, 61

Among the eleven case studies were 6 links using sea cables, three of them being well under way in the planning or construction phase, the other three already in operation. It is very obvious that sea cables can be realised much quicker with less problems than overhead lines in highly populated areas. We find it a little bit surprising that this fact has not been identified by the study. It is even worse as the study concludes that "some projects increased the use of underground cables". None of these case studies uses any underground cable so that this conclusion is highly misleading. ERGEG should be aware that if there were a recommendation to use underground cables instead of over head lines this would endanger most of the existing over head lines projects and postpone the realisation of these lines for many years (as the authorisation processes for cables would have to go back to the start). In addition it should be spelt out clearly that using underground lines would not improve the environmental record of the projects at all and that it would, of course, enormously increase the costs of future lines.

3.4 Building and construction authorization and permission, §§ 63, 64, 65, 66

We agree with all the comments made in this section but we are also convinced that the small progress reported from Italy and Germany (which, by the way, is not effective yet) is not sufficient. On several occasions APG has already proposed how to support the idea of speeding up authorization processes also by European Initiatives.

Of course there is some potential to speed up environmental authorisation procedures in general, but there is a major conflict between the interests of local communities and

environmental authorities. For example many areas in Austria are nature protected areas (e.g. “Natura 2000”) which directs infrastructure project more near the borders of local villages. These local communities do not see any benefit from these overhead lines but only disadvantages and therefore are strongly opposing them. With the current development in the definition of so-called “pre-cautionary” values for electro-magnetic fields it will be soon impossible to construct any high-voltage line near human settlements and make it very difficult to find alternative routes for new lines.

APG would propose to use existing instruments like the structural policy to give such communities better access to European funds. This would be possible by creating a special target area for infrastructure corridors where local communities in this area could have easier access to funding for projects. Priority projects for such an additional funding instrument should be those to increase local employment or to finance local infrastructure, which would then compensate the respective local communities for some disadvantages. In exchange the communities have to fulfil some conditions (e.g. keep the infrastructure corridor free from building construction). Such a measure would be possible without any change of the European competencies and need only a change in the Structural Fund scheme. And it would be much cheaper than the construction of cables. All Member States would clearly benefit from such a change.

4.5. Cross border elements, §§ 84 – 88

We find it a little strange that TSOs are accused in the paper of not cooperating with neighbouring TSOs concerning operational standards and investment planning. First of all the Operational Handbook of UCTE and the MLA signed by all TSOs being members of UCTE is clearly obliging TSOs to take into account the overall grid security in the whole UCTE grid and there have been procedures created like the Day Ahead Congestion Forecast (DACF) in order to make this cooperation effective. Of course, this has been implemented without national legislation support but as these procedures are necessary from a technical point of view, the legislation might not be necessary. We also know enough processes where TSOs also coordinate investment planning on cross-border lines.

What is missing in the analysis is the impact of the cross-border congestion management, where Regulation 1228/2003 is clearly saying that the congestion management revenues have to be used to relief congestion or to invest in new lines. But this Regulation also opens the possibility that Regulators may use this congestion rent to lower the national grid tariffs. Should this third option become the role model, the whole congestion management system will not increase the physical lines capacities but only lead to an overall congestion tax without having any positive effect on the promotion of the European Electricity Market. The congestion rents which are paid by the trading parties should be only devoted to increase electricity transport capacities. It should be investigated in depth whether these revenues could go into a regional funding system and used for temporary measures to relief congestion (e.g. regional re-dispatch measures) or for investment in new lines.

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