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## 1<sup>st</sup> Workshop On Scenario Guidelines

19 July 2022, from 14.00 to 17.00

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### AGENCY SUMMARY NOTES

Represented institutions	Remarks
ACER	
particular stakeholders* in the meaning of Article 12(1) of Regulation (EU) 2022/869  *the Commission, the Member States, the ENTSO for Electricity, the ENTSO for Gas, the EU DSO entity and at least the organisations representing associations involved in electricity, gas and hydrogen markets, heating and cooling, carbon capture and storage and carbon capture and utilisation stakeholders, independent aggregators, demand-response operators, organisations involved in energy efficiency solutions, energy consumer associations and civil society representatives	An overview of participating organisations is published separately

*Disclaimer: these ACER summary notes serve to inform stakeholders and the public in broad terms about the discussions taking place during the workshop. The notes are not a transcript of the discussion and do not represent final positions or views of either the Agency or the participating organisations.*

## 1. OPENING

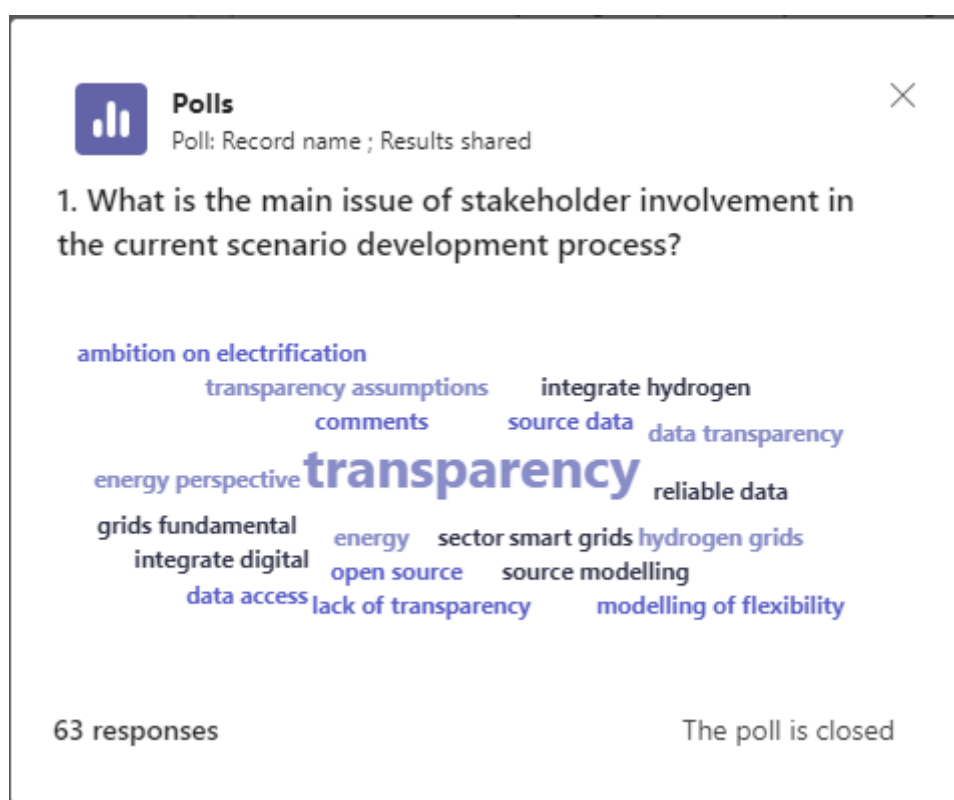
ACER opened the workshop with a presentation of the agenda, followed by an introduction of the Agency and its role in the scenario development process according to the TEN-E regulation, in particular its Article 12. Particular emphasis was put on keeping stakeholders involved and coming up with pragmatic approaches to guide scenario development in the short timeframe that is provided to ACER for drafting the framework guidelines on scenarios.

## 2. DISCUSSION OF STAKEHOLDERS' PRELIMINARY VIEWS

Note: there was some overlap during the discussion of the different groups of issues raised by stakeholders. Stakeholder views are as much as possible placed in the most appropriate section regardless of when during the discussion it was brought up.

### 2.1 Improving stakeholder involvement

ACER presented examples of the preliminary views stakeholders had submitted before the workshop, followed by a poll with the title *“What is the main issue of stakeholder involvement in the current scenario development process?”*, in order for the stakeholders to add additional views.



Out of 63 responses, nine were referring to transparency issues (lack of data and unclear assumptions). More specifically:

- Issue on transparency of the whole process and transparency of the model
- Lacking on granularity due to lack of data
- Lack of data transparency at disaggregated level on certain assumptions



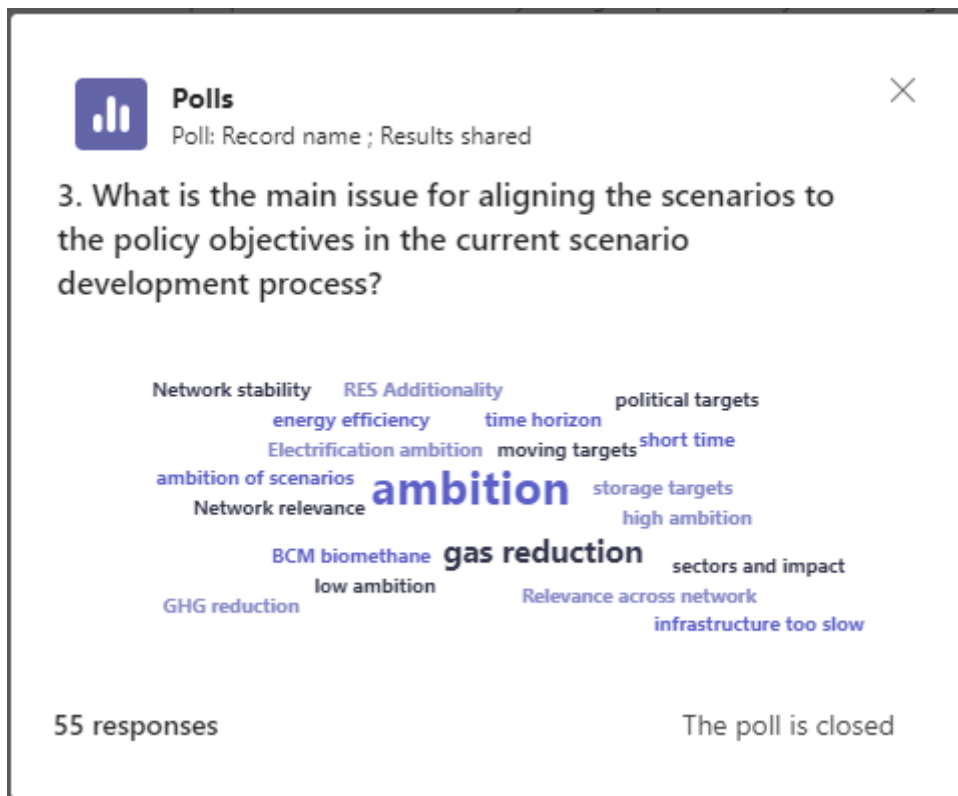
- Unclear underlying assumptions and reference data, e.g. techno-economic assumptions

In addition, stakeholders proposed:

- To have a process for dealing with rapidly changing data/assumptions (e.g. cost curves)
- Necessity of more time before the final publication of datasets and models, in order to sufficiently review them and conduct independent assessments,
- Include independent expert reviews of data
- Maximised openness of the process and promote open source models so that scientists can work with the numbers
- Better inclusion of emerging new issues, focusing not only on capacity issues but also on stability.

## 2.3 Scenarios to be in line with policy targets

Next, the participants discussed a third group of issues that were raised in the preliminary stakeholder views, being covering the relation of the TYNDP scenarios with policy objectives. Additional views were collected through a poll with the title “*What is the main issue for aligning the scenarios to the policy objectives in the current scenario development process?*”.



In this case, 10 out of 55 responses mentioned ambition of scenarios and target issues. More specifically:

- NECPs are not fully reflective to the new EUs strategies due to their refreshment cycle

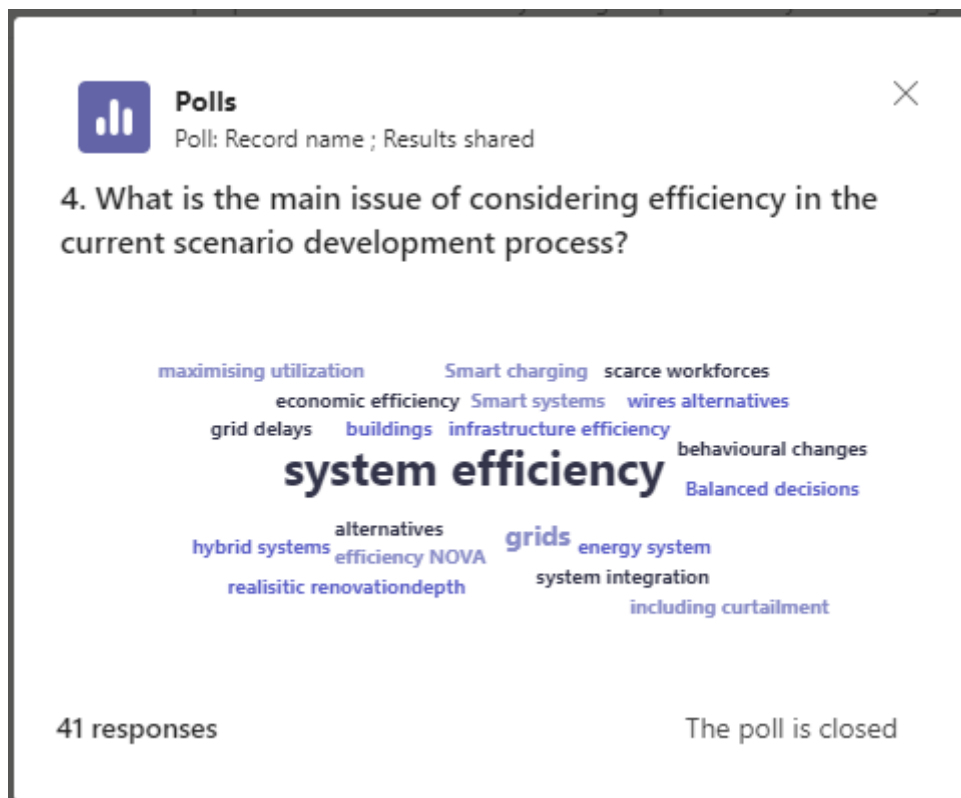
- Lack of understanding on policy related bottlenecks
- Lack of commercial stability and business logic behind proposed infrastructure

Additionally, stakeholders proposed:

- Bridging the gap between NECPs and TYNDP, in order to align with current strategies (e.g. REpowerEU), is necessary,
- Greater focus on security of supply and stability in the scenarios,
- Taking into account a reality check of assumptions that considers commercial stability
- Important to assess resilience, e.g. using wider margins,
- Implementation of different scenarios in order to capture several roads to net-zero and uncertainties
- Who has the expertise and competence to determine security level or define assumptions for considering commercial logic

## 2.4 Considering efficiency

The fourth group of preliminary stakeholder views presented by ACER was how to consider efficiency in scenarios. Stakeholders were invited to offer additional views in a short poll with the title “What is the main issue of considering efficiency in the current scenario development process?”



In this case, 9 out of 55 responses referred to system and economic efficiency. Other issues included the infrastructure efficiency and the lack of flexibility in the scenario development process.

Additionally, the stakeholders proposed:

- Better integration of the heating sector

- Clearer definition of what efficiency represents on the scenario development process
- Building stock evolves slowly and is not easy to predict
- Not easy to model. E.g. how much can temperature of a district heating change?

## 2.5 Considering emerging technologies

The last group of issues touched on how to consider changes in electrification, hydrogen and other technologies and sectors point. After a short presentation of the issues submitted before the workshop, stakeholders were invited to participate in a short poll with the title “What is the main issue to take into account emerging technologies in the current scenario development process?”.



42 responses were given, concluding mainly on the issues of technology inclusivity and technology agnosticism (neutrality)

- The challenge for considering newer technologies and sector integration is getting unbiased information.
- Literature on Hype cycles and ENTSO-E’s Technopedia<sup>1</sup> provide information on technology

Some stakeholders suggested an in depth assessment of the actual value added by different technologies in the whole CBA procedure, in order to promote unbiased technical assumptions.<sup>2</sup> Furthermore, others complemented that a more holistic thinking is required

<sup>1</sup> <https://www.entsoe.eu/Technopedia/>

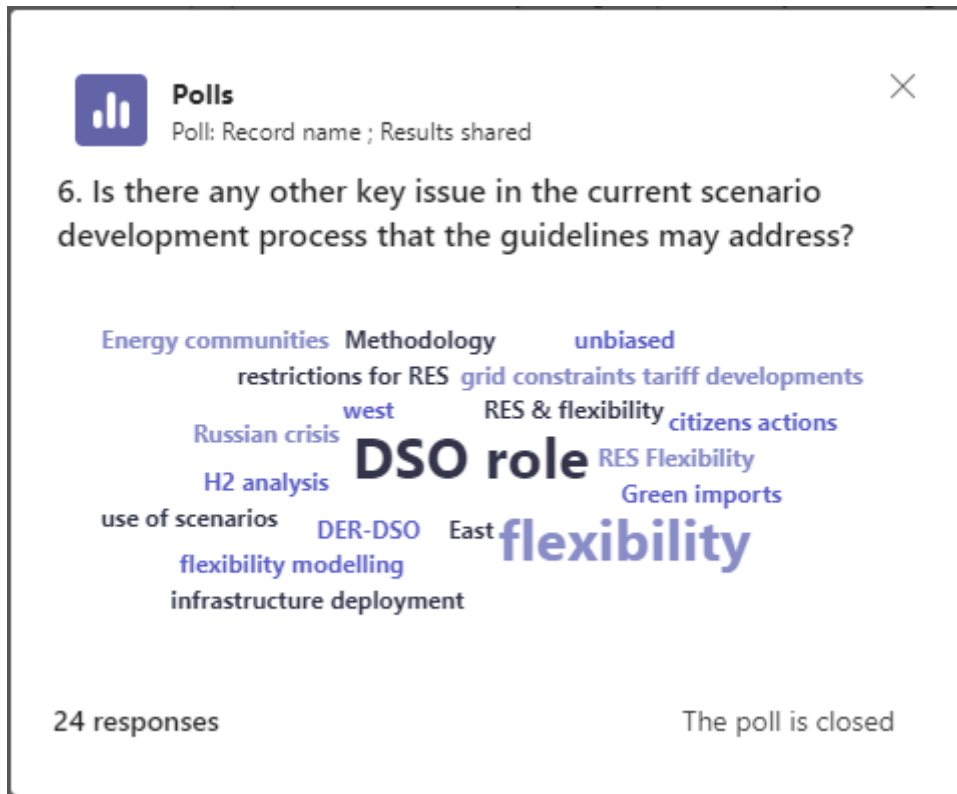
<sup>2</sup> ACER notes that this proposal relates to the CBA procedure and as such cannot be addressed in the Scenario Guidelines.

along the process and, finally, Gartner's' hype cycle could be taken into account, when considering emerging technologies.

## 2.6 Stakeholders' additional proposals

ACER requested stakeholders through a final poll, to state any other key issues in the current scenario process that the guidelines may address.

In total, 24 participants responded, touching mainly the issues of the DSO role in the process, RES and modelling of flexibility.



Additional suggestions underlined that:

- Preparing a short/mid-term single scenario (e.g. 5 years), in order to gather input on priorities across different projects/solutions and better evaluate project urgency (e.g. needed at +5 years vs. needed at +10 or 15 years), deems beneficial to the whole process.

## 3. CLOSING SESSION

During the closing session of the workshop, the topics for the remaining workshops were set based on the discussion:

- 26/7: ensure an inclusive stakeholder process;
- 29/7: transparency of scenarios (inputs, models, assumptions, outputs);
- 2/8: scenario(s) alignment with NECPs, REPowerEU (incl. ranges of e.g. a central scenario and variations thereof);
- 5/8: considering efficiency, demand-side, hydrogen etc.