

**North West – 20<sup>th</sup> RCC**

18 February 2011

EK offices, The Hague

**DRAFT MINUTES**

Participants			
Debby	van der Pluijm	NMa/EK (Chair)	
Menno	van Liere	NMa/EK	
Ruben	Vermeeren	NMa/ EK	
Marie-Claire	Aoun	CRE	
Juergen	Dengel	BnetzA	
Christian	Wolf	BnetzA	
Konrad	Keyserlingk	Ofgem	
Geert	van Hauwermeiren	CREG	

**1. Welcome and approval of the agenda and approval of minutes 19th RCC-meeting**

On behalf of NMa, Debby van der Pluijm welcomed all and explained that Robert Spencer unfortunately could not attend the meeting due to unforeseen circumstances. Following this announcement, the agenda for the meeting and the minutes of the previous RCC-meeting (September 2010) were approved.

**Decisions agreed:**

- The draft agenda and minutes of the 19th RCC-meeting were approved.

**2. Information and updates**

Programme Office presented the steps that have been taken by NMa (as lead regulator) in the period following the Stakeholder Group meeting in Brussels to finalize the 2011 GRI NW work plan. Programme Office also presented its ideas towards the way the project plans for the three projects that will be performed in 2011 (investment, transparency and pre-comitology meetings) should be drafted and agreed upon. In essence, it was suggested that each draft project plan – one agreed upon by the RCC – will be discussed with TSO's and – if applicable – be revised based on their feedback. By doing so, it will be avoided that TSO's (as they will be participants in each project) have the feeling that the RCC has already determined the project plan and that they have no more say in choosing the approach for each project. As a next step, the project plans should be send to all stakeholders within the region. As such, stakeholders have the opportunity to understand the approach of each project (and may decide to volunteer to participate) and the RCC operates in a transparent way.

With regard to the fourth project (preparatory work to make GRI NW ready for future work), Programme Office suggested to discuss next steps during the next RCC-meeting (in May). The European Commission is currently thinking about the future role of the Regional Initiatives and the next steps of the European Commission may influence GRI NW (and therefore the way business is being done).

The RCC viewed the steps that were proposed by Programme Office as sensible, but also suggested that other stakeholders that are to participate in each project (EFET for transparency and member states for pre-comitology meetings) should also have the opportunity to review the project plans before send to stakeholders.

#### Decisions agreed:

- The project plans will be revised by project leaders and send for RCC online-approval;
- Each project plan will then be discussed with TSO's (and EFET) and revised (if applicable);
- Finally, all project plans will be send to all stakeholders and projects will be kicked-off.

### **3. Discussion and/ or decision points**

#### **3.1 Project plan investment**

##### *Regional investment plans*

CRE (as project leader) explained that the third package does not specify the scope and objectives of the regional investment plans. However, these plans have potentially added value: they can contribute (among other things) to higher consistency between national and European ten year network development plan. Next to that, they can identify infrastructure and investment gaps at a regional level plans, but also can be a tool for SoS implementation. As such, there is a need to define the added value of these plans relatively to EU-wide and national ten year network development plan.

CRE further indicated that work on the regional investment plans is a formal responsibility of ENTSO-G. As such, the objective of the project is to provide support to ENTSO-G for pilots on regional investment plans. The precise next steps of GRI NW on regional investment plans will thus be depended on a) timing of ENTSO-G and b) their thoughts on next steps. During an informal meeting, ENTSO-G has already indicated to CRE that they will not start work on the regional investment plans until the ten year network development plan is published.

CREG indicated that TSO's – once work is finished on regional investment plans – might go directly to member states and NRA's will then be bypassed. As such, CREG raised the question to what extent GRI NW should do own work on regional investment plans so no to be entirely depend on ENTSO-G (TSO's). CRE indicated that it should be avoided that ENTSO-G (TSO's) and GRI NW (NRA's) will perform competing projects, but work coincide on investment related issues.

NMa suggested that – given the fact that SoS is a very important issue within Europe and member states – are early involved in this project and kept up to date frequently on the choices that are made with regard to SoS. In this matter, it was suggested that CRE could present their first ideas towards at the next meeting of the pentilateral forum.

#### *Monitoring of open season*

CRE explained that TSO's and NRA's of France and Luxembourg are working together as to perform a coordinated process on the open season between both countries. In this process, the non-binding phase has just ended and the binding phase will be launched in the summer of 2011. The aim of the project is to discuss and share the lessons learned with stakeholders of GRI NW and feed the lessons learned on the European level (including input for revision of GGPOS).

#### Decisions agreed:

- Work on the (project plan for) regional investment plans will be started once ENTSO-G has made clear what their plans are on this issue. The project plan for monitoring open season will be finalized.

### **3.2 Project plan transparency**

Ofgem (as project leader) explained that the third package – coming into force on 3 March 2011 – contains an Annex describing transparency requirements that each TSO should be compliant with. Ofgem indicated that the goal of the Transparency project would be to a) monitor to what extent TSO's are compliant with these rules and b) assess data of quality data published. To do so, Ofgem envisions that (after input is sought from key stakeholders) agreement is found on the interpretation of the transparency requirements in Annex 1 of the third package. During the May meeting of the RCC/ IG, agreement should be found on a template and cover to TSO's and actual assessment can start. Ofgem envisions to present a factual report during the upcoming Stakeholder Group meeting in October (do TSO's comply or not).

All meeting participants agreed that we should not discuss again “what” should be published. Some NRAs proposed that recommendations for additional transparency could be made at the end of this compliance project, but that the RCC should decide then whether this is appropriate and not commit to it now.

NMa suggested that the project could also focus on assessing the comparability/ harmonisation of information between different TSO's in the region (the “how” question). As such, the region would – next to monitoring the compliance towards minimum requirements – determine the desirable requirements that stakeholders have towards transparency. In such an approach, it is expected that the project has also added value for stakeholders. BnetzA indicated that such an approach could be useful.

CRE suggested that – as a first step – it should be determined to what extent the thoughts towards compliance of NRA's differ and whether it is possible to agree on some of the issues. NMa indicated that this could be possible, but that this could also lead to the situation that the RCC will monitor compliance on the lowest common denominator. In addition, several NRA's indicated that they have already (detailed) thoughts on compliance and in some cases already have shared their thoughts with the national TSO. For them, it would be difficult to give the message to the TSO that – due to regional approach – they now have more strict compliance rules. Ofgem acknowledged that, should the work of NRAs until now be incompatible, this may make it impossible to carry out this project. However, Ofgem argued that this the nature of every joint project, that it was not aware of such incompatibilities and that we should assume that we can find consensus until we have reason to believe otherwise (Particularly given that the Annex was only agreed by Governments 4 months ago).

CREG indicated that TSO's have to be compliant to the Annex by the beginning of March 2011 and "need to do something" in the short run. As such, it could be argued that compliance of the Annex could first be monitored and that the RCC (in cooperation with relevant stakeholders) develop a questionnaire. In the opinion of NMa, the region should be careful not to wait too long with determining these criteria and that TSO's should be early involved.

Ofgem set out that, if the RCC decided to embark on this project, the full support of RCC members was needed, for example to address potential problems with individual TSOs and to give the project outcome legitimacy. Meeting participants stated that they would provide their full support where this was needed.

#### Decisions agreed:

- The first step in the project should be to perform a "cross check" of comparability of definitions of NRA's towards compliance. This could be done by developing a template (with input from relevant stakeholders) which could then also be used to perform the actual assessment of compliance by TSOs. In a later stage (based on the results of the monitoring), it can be determined whether a soft approach (as proposed by NMa) could or should be followed. The end product of this project will be an assessment that shows how each TSO complies against each requirement from the new transparency annex. The project plan will be accordingly revised, recirculated to the RCC and approved online. Relevant stakeholders should get an opportunity to comment informally on this project plan as early as possible.

### **3.3 Project plan pre-comitology meetings**

NMa (as project leader) indicated that member states will be formal responsible – through a comitology procedure – for approving the network codes. Although member states will officially approve or reject the network codes, they are not officially engaged in approval of the Framework Guidelines (which will be done by the European Commission). Given the fact that the Framework Guidelines provide direction towards the content of each network code, member states have requested that the pre-comitology meetings of GRI NW also focus on Framework Guidelines.

NMa emphasized that the goal of the pre-comitology meetings is that member states gain a good and early understanding of each of the Framework Guidelines and network codes, with the aim that they know what they are saying “yes” (or ‘no’) to during a comitology procedure. As such, NRA’s are in “the lead” if a Framework Guideline is discussed with member states, while this principle accounts for TSO’s in case of a network code. As such, either NRA’s or TSO’s (depending on the agenda) will present the principles that are addressed in a Framework Guideline (or the rules that are part of a network code), stakeholders feedback on the first draft and impact analysis.

Decisions agreed:

- It was agreed upon that those NRA’s within GRI NW that are involved in the drafting process of a Framework Guidelines should provide ERGEG’s input on content of pre-comitology meetings, with the organisational support of the Programme Office. The project plan will be accordingly be revised.

#### **4. Any other business**

##### **4.1 Vision EC on future role Regional Initiatives and Operating Statement**

The European Commission has launched a public consultation on the future role of Regional Initiatives. Given the fact that the potential next steps can influence GRI NW, Programme Office presented the most relevant ideas that were suggested by the European Commission. Also, the formal response of ERGEG was presented to the RCC.

The Operating Statement of GRI NW – in general – seem to fit the ideas of the European Commission. However, given the fact that the European Commission might legislate on policy advice, it was suggested by Programme Office not to finalize the Operating Statement until the position of the European Commission is known. For the RCC, this is seen as a logic step.

Decisions agreed:

- N/A

##### **4.2 Membership ILR (Luxembourg NRA) to GRI NW**

The Luxembourg NRA (ILR) has approached NMa (as lead regulator) with the request to become a member of GRI NW. In this matter, Programme Office has contacted CEER secretariat/ RIG and – based on feedback – it was concluded that no formal procedure for membership exists and that the gas regions (opposed to the Electricity regions) are not set by a formal decision of the European Commission. As such, it was suggested that the RCC of GRI NW should decide, but that ACER (taking over the responsibility for the regional initiatives) and the EC (thinking about forming new gas regions) should also be part of the decision making process.

Programme Offices suggested that the following procedure is followed:

1. The RCC will decide whether Luxembourg can join the region;

2. A note will be send to the GA of CEER explaining the request of ILR and the position of the RCC;
3. A note will be send to ACER and EC explaining the request of ILR and the position of the RCC.

The RCC saw no objections for ILR to join GRI NW and considered the step to send a note to the GA of CEER to be logical. However, the RCC envisions that ACER and the European Commission should also be more part of the decision making process. As such, it was suggested that NMa (as lead regulator) should ask ACER and the European Commission for their opinion on the membership issues and take this opinion into account in the final decision.

Decision agreed:

- Programme Office will ensure that the suggested steps (taking RCC opinion into account) are set in motion on the short run.

## 5. Next meeting

The next RCC-meeting is scheduled for 5 May 2011 in The Hague. However, this date is liberalisation day in the Netherlands and the meeting therefore has to be rescheduled. Due to the fact that Marjolijn van Ofwegen is sick, no alternative date has been suggested. Once Marjolijn is back in the Office, Programme Office will reschedule the meeting.

26 May 2011. Programme Office finds it important that not all of the meetings of GR NW – given the regional dimension – should be take place in the Netherlands. As such, all attending NRA's were asked to indicate to what extent they are willing to host this meeting. CRE, Ofgem and BnetzA indicated that they will discuss this request internally and will give feedback to Programme Office. Next to that, it was suggested that it would be nice if ILR – if they become a new member of the region – could also be hosting the meeting.

Decision agreed:

- CRE, Ofgem and BnetzA will inform Programme Office on the short term whether they are willing to host the meeting. If more than one host is available, Programme Office will choose the location.