Contribution ID: f677af0d-f528-48ab-905c-2f253a68d120

Date: 14/11/2022 17:50:06

# Public consultation on ACER's Framework Guidelines on the joint scenarios for electricity and gas network development plans ("Scenarios Guidelines")

Fields marked with \* are mandatory.

#### Introduction

This consultation of the European Union Agency for the Cooperation of Energy Regulators ('ACER') is addressed to all interested stakeholders.

The purpose of this survey is to collect specific and concrete views from the public on the draft Scenarios Guidelines and inform ACER's decision-making process for adopting the Guidelines by 24 January 2023.

The draft Guidelines are available <u>here</u>. The consultation questions directly refer to this document. Replies to this consultation should be submitted by Monday **14 November 2022**, **23:59 hrs (CET)** 

## **Data Protection and Confidentiality**

ACER will process personal data of the respondents in accordance with <u>Regulation (EU) 2018/1725</u>, taking into account that this processing is necessary for performing ACER's consultation tasks.

More information on data protection is available on ACER's website.

#### ACER will not publish personal data.

Following this consultation, ACER will make public:

- the number of responses received;
- organisation names, except those with a valid reason for not having their organisation name disclosed;
- all non-confidential responses;
- and ACER's evaluation of responses.

You may request that (1) the name of the organisation you are representing and/or (2) information provided in your response is treated as confidential. To this aim, you need to explicitly indicate whether your answers contain confidential information, and also provide a valid reason if you want that the name of your

organisation remains confidential.

You will be asked these questions at the end of the survey.

## 1. Respondent's Data

SI - Slovenia

* 1. Na	me and surname
* 2. Em	ail
е	dfregulation@edf.fr
* 3. Org	ganisation
E	EDF
. 4. 0	
	untry of your organisation
0	[xx] - All EU Member States
_	71 Addition
0	BE - Belgium
0	BG - Bulgaria
_	HR - Croatia
0	CY - Cyprus
0	CZ - Czechia
0	DK - Denmark
0	EE - Estonia
0	FI - Finland
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0	DE - Germany
0	GR - Greece
	HU - Hungary
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0	IT - Italy
0	LV - Latvia
0	LT - Lithuania
0	LU - Luxembourg
0	MT - Malta
0	NL - Netherlands
0	[xx] - Other
	PL - Poland
	PT - Portugal
	RO - Romania
	SK - Slovak Republic

- ES Spain
- SE Sweden

#### \* 6. Activity

- Transmission System Operator (or association)
- Distribution System Operator (or association)
- Other market participant
- End-user (or association)
- Energy supplier (or association)
- Generator (or association)
- Utility (or association)
- Civil society organisation
- Other

## Confirmation

I accept that ACER processes my data in line with its data protection rules

## 2. Consultation questions

To help the Agency understand your concrete and specific input, we recommend that you connect your feedback as much as possible to the recital numbers in the draft Guidelines.

8. Please write here your specific and concrete feedback on the criteria proposed to ensure a timely scenario preparation process (Section 2 of the draft Guidelines).

Regarding the storylines, ACER recommends that the storylines process is carried out separately from the scenario preparation process and remains applicable for more editions of the TYNPD scenarios (recital 29). EDF has no objection as such but has one comment. In case of radical evolution of context, a clause aiming to review the storylines should be introduced.

EDF suggests Recital 29 to be complemented as follows:

"To facilitate a timely process and delivery, the Agency recommends that the storylines process is carried out separately from the scenario preparation process and remains applicable for more editions of the TYNPD scenarios (see Section 3). However, in case of radical evolution of context, a review of storylines can be activated by the European Commission, ACER or either of the ENTSOs."

9. Please write here your specific and concrete feedback on the proposed criteria to ensure robust objective-driven scenario development (Section 3 of the draft Guidelines).

The determination of energy mix is a competence of Member States. Each Member State must establish a ten-year integrated national energy and climate plan (NECP) compliant with the EU's objectives. Therefore, over the short term, given the duration between the final investment decision and the commissioning of an asset (between 7 and 15 years), the scenarios should be based on NECPs, where relevant. EDF agrees that the NECPs constitutes the best estimate of the evolution of energy in each country.

On the other hand, over a longer term horizon, contrasted scenarios are required. Indeed, the main objective of the TYNDP is to identify the needed investments in transmission infrastructure in the future. With the energy transition, there are more uncertainties concerning the long-term energy mix than it was in the previous decades, with a higher risk of sunk costs. Therefore, on the long-term horizon, the TYNDP should be based on contrasted scenarios in order to capture a large scope of possible futures to highlight the risk to invest in infrastructure. However, the consistency with the 2050 time horizon and the shorter time horizon is essential and should be explained, that is not the case currently. The storylines should describe the dynamics (2025-2030-2040) to reach the 2050's objectives for each storyline and should be consistent with the scenarios built on other time horizons.

EDF suggests amending and complementing recital 39 as follows:

"The set of scenarios shall include at least a most-likely central scenario and at least low-economy and higheconomy variants16. The Agency finds economic growth an important driver for network development that resonates to decision makers. The Agency recommends that a single (best estimate) scenario for the shortterm, based on NECPs, is prepared to help streamline the scenario preparation activities. For the mid-term and long-term time horizons (approximately 7 to 15 years after the TYNDP year), the ENTSOs can, besides economic growth, propose additional drivers around which contrasted scenarios could be developed. Consistency between the short and the long term should be respected. Before including such additional scenarios to the set, the ENTSOs shall consult the stakeholders on these drivers and the corresponding storylines. If a driver is selected, contrasting scenario variants along the selected driver shall be included." Scenarios should not only build on feasible and broadly supported assumptions about the evolution of energy supply and demand, they should also be credible. Therefore, scenarios should not be based on technological bets but on mature technologies. Likewise, the change of societal, political and economic frameworks needed in each scenario to materialize should be quantified in order to identify the challenges faced within each scenario and the hurdles that need to be overcome. For example, there are acceptability issues linked to energy production and it essential to question it. Furthermore, the global optimization process at European level can lead to having some Member States exporting strongly (and sometimes assuming that these have an installed capacity much higher than their needs) whereas others have much lower capacity compared to their needs. With such an approach, it is also essential to question the acceptability issue by the population of these countries.

EDF suggests Recital 32 to be complemented as follows:

"Scenarios shall be credible. They shall not be significantly based on technological bets but on mature technologies. The societal, political and economic evolutions for each country that each scenario implies shall be identified and assessed".

Finally, to strengthen the robustness of the TYNDP's scenarios, EDF suggests:

- using more recent climate years. The current trends highlight a global warming of temperatures and it seems to be appropriate to consider this trend and especially the impact on production availability".
- Carrying out sensitive analyses, in particular on relevant indicators (for example achievement of European energy and climate goals or commodity prices).
- Where relevant, the scenarios should take into account the latest EC scenarios. EDF is favorable to the recital 30.

EDF also agrees with recital 40 expressing the need for consistency between the scenarios used for the TYNDP and the ones used for the European Resources Adequacy assessment (ERAA).

10a. Please write here your specific and concrete feedback on the proposed criteria to ensure a transparent, inclusive and streamlined development process, focusing on the stakeholder engagement requirements (Section 4 of the draft Guidelines, recitals (42)-(48)).

EDF welcomes the will to ensure especially a more transparent and inclusive process.

(Recital 47): EDF therefore welcomes the proposal to create a Stakeholder Reference Group (SRG). This new group should help improve the transparency and inclusiveness of the scenario building process. Nevertheless, this group should not replace the two current public consultations and bilateral meetings between stakeholders and ENTSOs in order to ensure an involvement of all stakeholders. In recital 47, EDF suggests maintaining these two consultations and so rewriting recital 47 as follows:

"An open and streamlined stakeholder engagement plan shall, besides the regular engagement with the SRG, include at least two broad public consultations on the scenarios storylines and the draft scenarios". (Recital 43): The date of the creation of this group should be defined in the FG. Recital 43 could be complemented as follows:

"To ensure key stakeholders are appropriately consulted and have the opportunity to interact between themselves, the ENSTOs shall create a Stakeholder Reference Group ('SRG'), comprised of (at least) the key stakeholders three months after the publication of Framework Guidelines. After its creation, the ENTSOs shall then act as observers and facilitators of this group. In addition, ACER, the European Commission, the Joint Research Centre and the European Union's Scientific Advisory Board on Climate Change (hereafter 'scientific Advisory Board') can become observers to the SRG".

(Recital 48): Finally, the FG should also clarify the modalities for considering the remarks coming from the SRG, especially when these are not taken into account. EDF therefore suggests the following addition to recital 48:

"The ENTSOs shall record all stakeholder interactions in terms of the parties, the topic discussed and how the interaction has been considered in the development of the scenarios and shall have to justify when SRG remarks are not taken into account; a clear overview of these interactions shall be made available to the public".

10b. Please write here your specific and concrete feedback on the proposed criteria to ensure a transparent, inclusive and streamlined development process, focusing on the information and publication requirements (Section 4 of the draft Guidelines, recitals (49)-(52)).

EDF acknowledges the transparency's efforts made by the ENTSOs. Since the first exercises, the format of publication and the quality of the released data, as well as the overall pedagogy (including interactive maps, etc.), have improved significantly. EDF appreciates the implementation of the platform to release the data. EDF is favorable to adopting academic standards for the presentation of inputs. It is essential that the format adopted does not change each year, in order to facilitate the data release (as well as comparisons?). (Recital 51): Among the information that must be made available, the reference network grid should be released. ENTSOs should also provide more information concerning the modelling. Moreover, more transparent information at national level (installed capacity, trades between European countries etc..) is essential in order to estimate the effort to make by each country. EDF therefore suggests the following additions to recital 51:

"The ENTSOs must make available information adjusted to different stakeholder needs and capabilities:

- [...
- Regarding the methodologies (including models), the output data, model-specific properties and documentation;
- .iii.1. Information on supply per technology and Member State (bidding zone);
- .iii.2. Information on installed capacity per technology and Member State (bidding zone);
- .iii.3. Information on demand per sector and Member State (bidding zone);
- .iv.4. Trades between European countries

- .v.5. information on the model used for the power and gas systems. The model should be made available in open source.
- .vi.6. the reference grid network
- 11. Please write here your specific and concrete feedback on the process for ensuring independent scrutiny of inputs, assumptions and methodologies (Section 5 of the draft Guidelines).

It is essential that the assumptions used by the ENTSOs do not reflect the ambitions of a particular sector. EDF considers that the data used by the ENTSOs should come from recognized organizations or institutions and should be auditable by ACER and the SRG. Likewise, where relevant, a comparison of the assumptions made with the long term national energy policies would be welcome in order to highlight the potential discrepancies between the national policies and scenarios made by the ENTSOs.

EDF therefore suggests the following additions to Recital 53:

"To ensure a robust and non-discriminatory scenario development, scenarios must be based on comprehensive and auditable information, prepared impartially. Independent scrutiny of inputs, assumptions and methodologies (including models) contributes to those principles and for this purpose a process independent from the ENTSOs needs to be established. The SRG shall assist the ENTSOs in this independent scrutiny, by performing a balanced internal discussion on the inputs, assumptions and methodologies proposed by the ENTSOs. The time available to the SRG to discuss and reach a majority view in their advice shall be defined in the agreed procedural time-plan for scenario development (cf. the process timeline and stakeholder engagement plan mentioned in Section 4). Where relevant, the ENTSOs shall provide a comparison between the scenarios and the long term national policies".

12. Please write here your specific and concrete feedback on the proposed quick-review process to enable updating a scenario in case key assumptions change (Section 6 of the draft Guidelines).

EDF is favorable to the implementation of a Quick Review process in order to stick to unexpected evolutions during the process. Indeed, there are lots of uncertainties linked to the energy transition. Moreover, the recent events have shown that rapid evolutions are possible. The implementation of such a process is consequently welcome.

13. Please write h	ere your	specific and	concrete	feedback	on the	proposed	compliance	reporting	(Section 7
of the draft Guidel	ines).								

EDF has no additional remarks on this part.						

14. Would you like to share anything else with us regarding the draft Scenarios Guidelines?

EDF has no additional remarks.			

## Confidentiality

\*15. Your response would be published on the Agency's public consultation web page. Please confirm that:

- My response and name of my organisation can be published
- My response can be published without my organisation's name (You are asked to give a justification below)
- My response contains confidential information; a redacted version may be published (Please ensure you marked the specific text by preceding and closing it with [CONFIDENTIAL]. In addition, you are asked to give a justification below)

Thank you!

### **Background Documents**

Scenarios Guidelines DRAFT

#### Contact

**Contact Form**