ACER
European Union Agency for the Cooperation of Energy Regulators

3rd Workshop on scenario guidelines

Ensuring Transparency Of Scenarios

29 July 2022, from 09.30 to 12.30

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 on **ensuring transparency of scenarios,** with the presentation of the agenda and reminded the participants of the ECAPE model for stakeholder engagement that was introduced in the previous workshop. In addition, ACER contextualised transparency as having two dimensions: being open and being understandable.

2. STAKEHOLDERS' IDEAS TO ENSURE TRANSPARENCY ON THE SCENARIO DEVELOPMENT PROCESS

ACER invited stakeholders to present their views and had circulated guiding questions to help stakeholders prepare their interventions.

The following stakeholders presented their views:

- Climate Action Network Europe (CAN Europe)
- Eurelectric
- Renewables Grid Initiative (RGI)

ENTSOs were invited to describe the transparency process for the scenario development for their respective 2022 TYNDPs and answer the questions of the stakeholders.

Presentation by ENTSOG on transparency of the TYNDP 2022 Scenarios

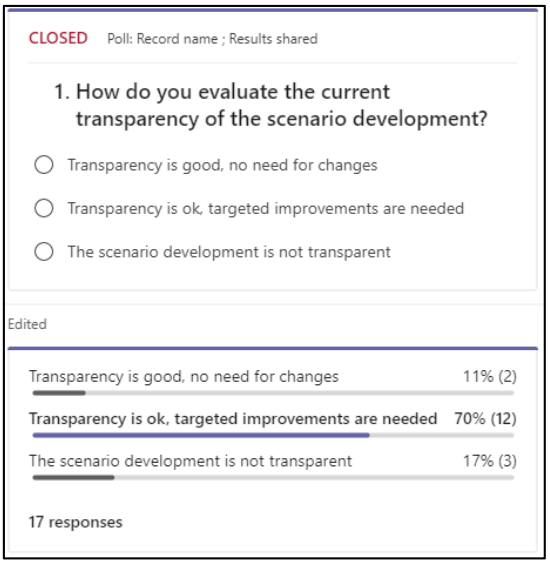
The key points that were mentioned focused on:

- Scenario reports and the process required to come up with the final product.
- Scenario building guidelines, explaining the inputs used, the assumptions, the main references and the technical details.
- Data on demand, supply, import potentials, capacity and generation through the visualisation platform using power BI; noting how the visualisation platform was added in response to feedback that excel files are not easily understandable by all stakeholders.
- Overall, for the 2022 TYNDP all data were published in order to give the opportunity to use all data and nothing is hidden. Additionally, a list of (bilateral) stakeholder meetings was published, consultation response documents, as well as, the list of references.

After the presentation by ENTSOs, through a poll, ACER asked stakeholders: How do you evaluate the current transparency of the scenario development?

12 out of 17 responses stated that transparency is ok, but targeted improvements are needed.

Additional comments touched on:



- Respondents to the consultations should not be allowed to opt out of publication.
- Different users have different needs and experience in terms of interpreting data, some liking excel and others relying on easily accessible visualisations.
- The publication of enough data makes the whole process more understandable.
- The credibility of the whole process is an issue. The scenario storylines in TYNDP22 were not aligned with the carbon budget.
- The decision making process regarding the story lines is not very clear.

ENTSOs clarified that due to the tight timeline based on the recast of the TEN-E, ENTSOs have only half a year to develop the story lines within the 2-year TYNDP cycle, adding that for the next TYNDP cycles the timeline may be adjusted

Presentation by Climate Action Network Europe (CAN Europe):

- Urged ENTSOs to publish and benchmark carbon footprints of different carriers and technologies and reveal the sources of efficiency assumptions for heating and flexibility.
- Clarify whether scenario results are the outcome of a model or are the result of including EU and national policy as constraints in the model, and improve comparability of key indicators in terms of updated and recent studies and references.
- Allow for more contrasted scenarios, including a faster net-zero scenario, focusing on the demand side, while also, including sector integration, the issue of overshooting shoot be considered.
- Incorporate appropriate data granularity and data formats, making easier the comparisons between different energy carriers and improve continuity with previous TYNDPs.
- Include installed capacities for gas and information on H2 (e.g. electrolysers, colour of h2).
- Request data openness of the models in order to make it available for free re-use for all stakeholders and allow for an independent peer review of the scenario building and modelling methodology; confidentiality should be respected, but also should be limited to what is necessary.

Stakeholder comments on the issues raised in CAN Europe's presentation:

- ENTSOs acknowledge that scenarios overshoot the carbon budget, it needs to be discussed with the stakeholders and policy makers as ENTSOs are not experts and the EU scenarios, to which the TYNDP scenarios should be aligned, do not have carbon measurements, including carbon budgets may turn ENTSOs scenarios for network development into policy scenarios

- For understanding effect of faster net zero, one can take the 2050 point information in the scenarios and calculate savings when that point would be reached e.g. in 2040.
- ENTSOs point that for some stakeholders the scenarios are too diverse, whereas others find them not contrasting enough; caution is needed to not end up in something artificial.

Presentation by Eurelectric

- Urging to be involved early in the process when storylines are being developed.
- Requesting improvements to enable replication as Eurelectric and their consultants would like to use the models for additional analysis. Request for bilateral discussions and further explanations of assumptions and modelling choices (e.g. energy carriers, data files, H2 demand, heat pumps, number of appliances etc).
- Big need for provision of origins of inputs (references, sources, etc.) by ENTSOs.
- Requirements for understandable outputs (flexibility units) and infrastructure costs; understandable means also consistency of units and sufficient information to understand connections between energy units and power units.
- More data availability is required as there is no access to the data models used (PLEXOS/TRAPUNTA models are a black box) or at least an open model documentation.

Presentation by Renewables Grid Initiative:

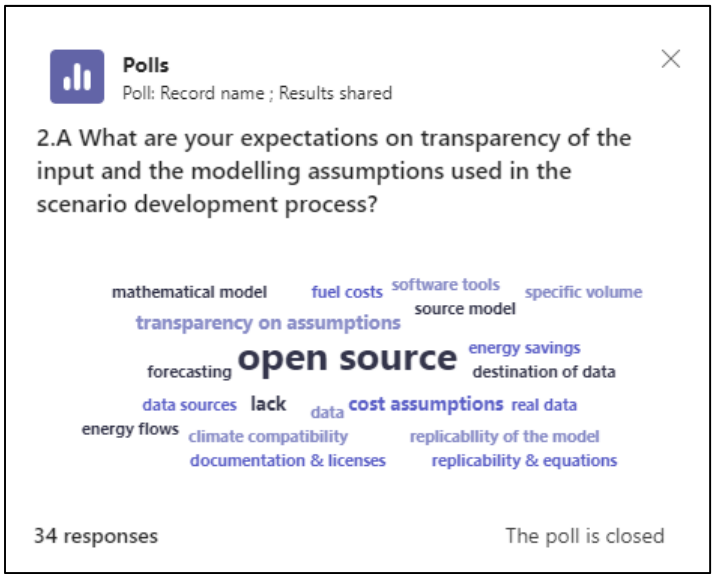
- Transparency is necessary from the side of all participating actors and stakeholders.
- Great importance on making data accessible, which is deemed already at a good level, and re-usable, which needs to be improved.
- Indicate real time data showing origins of energy flows, also from the distribution grids.

Stakeholder comments on issues raised in the preceding presentations:

- Sensitivity analysis on different factors is important in order to capture the impact on different parameters in the TYNPD, in order to evaluate the global impact of the energy system.
- ENTSOs stated that energy flows are taken into consideration as a central part of the modelling, however showing bottlenecks is not the main purpose of the scenarios; this is more a task for the TYNDP and is beyond the scope of scenarios.
- ENTSOs underlined that the primary objective of the scenarios are mainly the demand and supply.
- A better understanding of the scenarios, how they are connected and how they are used in the later processes and models, could improve support by the wider community.

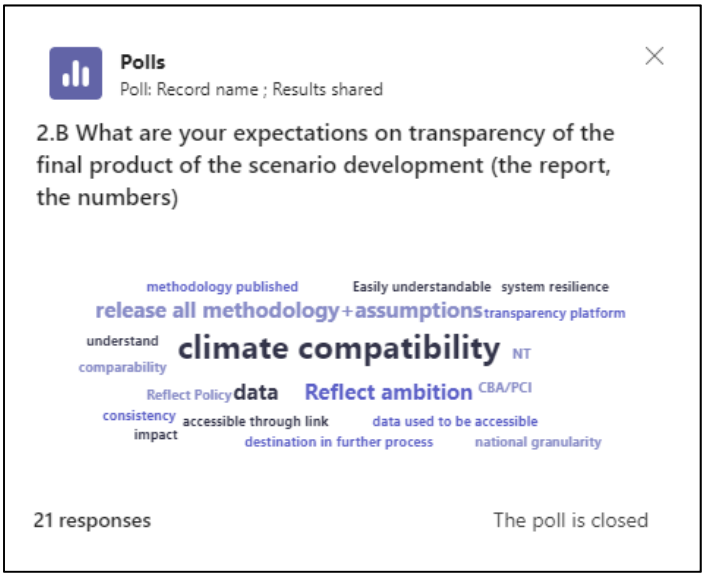
Further debate:

After the stakeholders' presentations, ACER launched a poll, asking stakeholders: What are your expectations on transparency of the input and the modelling assumptions used in the scenario development process?



34 responses in total, 12 of them suggested open source models and transparency on (cost) assumptions.

Through the last poll, ACER asked the participants what are their expectations on transparency of the final product of the scenario development (e.g. the report, the numbers).



The 21 responses indicated a diverse set of expectations as the most cited response had three votes.

Stakeholders continued the debate on the expectation:

- Energy flows are the main driver for building infrastructure across Europe and it is expected that the scenario building must serve the purpose of supporting the TYNDP exercise.
- Resilience testing of the network was indicated as a main purpose of the TYNDP so scenarios must contribute to that purpose; decarbonisation may be one objective, but also security.

- ENTSOs noted that some stakeholders may not distinguish the different products that are the scenarios, the TYNDP and CBA processes.
- More data regarding the CBA and decision making.
- Include other decisive inputs, except demand and supply, like system assumptions, the reference grids, hydrogen and different technologies.
- Greater understanding of the energy flows is required, making clear on where the grid needs reinforcement and infrastructure to be build.
- The use for the scenarios by ENTSO's and others will help defining the transparency requirements, and allow the best inputs to be provided from stakeholders.
- There is a need to better forecast the future product and service volume required to enable the scenario (e.g. how many transformers MV/LV in 2030,35 are required) in the TSO/DSO TYNDPs in particular in ambitious energy efficiency targets are included.

3. CLOSING SESSION

During the closing session of the workshop, the topics for the remaining workshops were presented based on the schedule:

- 2/8: scenario(s) alignment with NECPs, REPowerEU (incl. central scenario and variations);
- 5/8 considering efficiency, demand-side, hydrogen etc.

Stakeholders were reminded that they could still submit written views