



Aligning with policy targets-4th workshop

Aligning with policy targets(1/3)

- How to build scenarios from NECPs (extending the horizon, bridging the gap with updated EU energy and climate objectives)
 - Downside of using NECPs- the current version of NECPs are not complete nor sufficiently robust. When focusing too much on declared political ambitions, one could lose sight of reality.
 - Additionally, successful breakthrough innovations can drive investments in certain technologies. This is hard to predict.
 - Hence, building a robust scenario out of NECPs is challenging
 - National Trend (NT) scenario in the TYNDP based on NECPs are not meeting the long-term climate goals. Therefore, unless NECPs are complemented with credible and effective policies, NT scenario should not be considered as the central policy scenario. This should not be used for selection of the PCIs

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- Requirements for achieving meaningful, manageable and understandable (range of) scenarios for TYNDP assessments.
 - Global Ambition & Distributed Energy scenarios are extreme ones and not very realistic, either decentralized or centralized development of the energy system, covering a wide range of possible pathways for the decarbonisation process.
 - DE scenario that builds upon a very decentralised production and consumption patterns, requires the realization of millions of investment/consumption choices at decentralised level and might be therefore be very difficult to achieved in practice.
 - Hence, a more meaningful, balanced scenario (mix of the extreme ones) is needed to get a more probable picture of the future. An example for such a balanced scenarios is the MIX scenario of EC's 2030 climate target impact assessment.

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- Requirements for robust scenario building that is agile enough to include trend changing information in a reasonable timeframe
 - Including sensitivity analysis for volatile drivers would be the key to make the scenario building agile.
 - A 2-way sensitivity analysis (pessimistic/optimistic) is needed. The variations of electrification, demand and other technologies could be used.
 - The trend in energy landscape has changed a lot since the last year. The Russian war has caused the highly ambitions RePowerEU plan. EU must be now in the direction of energy independence. According to RePowerEU plan there is ambition on accelerated electrification. This ambition should be reflected in the TYNDP scenarios.
 - Need to have long term visibility in the model for investment decisions: When selecting investment candidates at a given moment (eg: 2030), the tool has only limited degree of visibility on the evolution still required (eg: electricity demand up to 2037)