

IFC – ECS Interactive Workshop

Obstacles for grid connection of new renewable energy capacities as obstacle for renewable energy deployment in North Macedonia

Hybrid event:
Hotel Limak (Meeting room – Limra 6th Floor) Skopje, North Macedonia and Webex
12 November 2021

The workshop will be in a hybrid form, of both physical and virtual participation. For those attending physically, please note that spaces are limited and a vaccination certificate will be required. To join the workshop, please register on the [Energy Community website](#). Dial-in details for connection to the event will be provided upon a successful registration.

09:00 **Opening**

Janez Kopač | Director, Energy Community Secretariat
Ary Naïm | Regional Manager, Central & South-East Europe, IFC

Core topic of the event: Connection of RES to the transmission network (approx. 2h)

The Macedonian Government is announcing big plans for new RES projects. Many of those are based on the Law for strategic investments. All those new power plants will need to be connected to the grids and will have impact on the transmission network. This session aims at discussing the grid potential to accommodate (big) RES in the transmission network, the expected impact, but also the envisaged needs for investment and covering the costs for such investments. Some of the topics that shall be covered in this session relate to:

- Plans for (strategic) investments based on Law for strategic investments (and beyond) - information from the Government in more details which investments have been approved based on this law and what is planned
- Grid potential to accommodate (big) RES and impact on MEPSO for connecting all those new capacities including system balancing issues (balancing responsibility, ancillary services and balancing providers)
- Potential needs for investments and plans for covering those investments – tariffs, loans, state guarantees...
- Issues with connection – procedure, problems (from past and envisaged)

- Studies done by the private sector investor, site and project specific static and dynamic studies; compliance with grid code; battery storage
- Potential for VRE in North Macedonia, benefits of regional integration, role of storage
- PPPs and auctions as transparent investment option.

Viktor Andonov | Energy Advisor to the Prime Minister
Kushtrim Ramadani | Director, MEPSO
Alasdair Miller | Senior Energy Specialist, IFC
Manuel Jose Millan Sanchez | Senior Energy Specialist, World Bank

Coffee break – 20'

Electricity Interconnection Targets (45')

The Electricity Interconnection Targets in the Energy Community study of February 2021, observes the electricity interconnectivity level of the Energy Community Contracting Parties with respect to the EU 2020 (10% of net transfer capacity/total production capacity) and 2030 criteria (wholesale prices difference, nominal cross-border transmission capacity related to the peak load and installed renewables capacity), in order to estimate further needs and opportunities with respect to power transmission. The transmission networks in the region are more strongly interconnected than those of the majority of EU Member States today (in relation to the peak load and installed generation capacity). However, efficient usage and full exploitation of interconnectors is unfortunately still an issue due to low net transfer capacity values at the borders, leading to restricted market activities in the observed regions.

The NTC values related to the borders of North Macedonia are in a range between 14 % and 27 % of nominal transmission capacities meaning that a very small portion of transmission capacities is given to the market participants. By observing all borders and the sum of NTCs over them, only up to 22 % of the nominal transmission capacity on average is given to the market for the electricity import direction and up to 20 % for the electricity export direction. This session aims at discussing the following issues:

- Net Transfer Capacities available, reasons for limitation
- Potential for increase, regulatory involvement, 70% target in the EU and potential to reach this target in North Macedonia
- Problems / issues
- Plans for improving

Davor Bajsi | Energy Community Secretariat
Kushtrim Ramadani | Director, MEPSO
Marko Bislimoski | President, Energy Regulatory Commission of North Macedonia

Awareness raising - Missing transposition and implementation of energy *acquis*: Transparency Regulation, Regulation 347 (15')

The Transparency Regulation (EU) 543/2013 provides a comprehensive set of definitions of the data to be published, prescribes roles and responsibilities and establishes a central platform for the publication of that data. It is partially implemented in North Macedonia but publication of missing data on the ENTSO-E Transparency Platform requires a new market management system, which is currently being procured by MEPSO.

North Macedonia was also under an obligation to implement the Infrastructure Regulation (EU) 347/2013 by 1 January 2017. The Law on Strategic Investments incompletely and incorrectly transposes this Regulation partially. However, the law is used for national projects (not even complying with the State aid *acquis*), but legal framework compliant with the *acquis* for PECEI and PMI projects is still missing.

The last session shall cover these topics, will aim at identifying the problems and a way forward for reaching compliance.

Rozeta Karova | Energy Community Secretariat

Replies from Ministry of Economy, MEPSO, ERC

Roundtable – Electricity crisis in Europe and North Macedonia: status quo, issues and problems, financial viability of MEPSO (approx. 30')

Janez Kopač | Energy Community Secretariat

Kushtrim Ramadani | Director, MEPSO

Marko Bislimoski | President, Energy Regulatory Commission of North Macedonia

13:30 **Close of the workshop**