

## *2<sup>nd</sup> Security of Supply Coordination Group – Electricity Sub-Group Meeting*

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*Energy Community Secretariat, Vienna  
Wednesday, 16 December 2015 – 10:00-16:00*

### ***1. Opening of meeting - Welcome and Introduction of Agenda***

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- 1.1. The meeting was attended by Security of Supply Coordination Group Sub-Group Electricity (SoS CG SG Electricity) representatives of all Energy Community Contracting Parties (EnC CPs), representatives of Observers (Georgia), the European Commission/DG Energy (Chairman), ENTSO-E and TSOs' representatives from EnC CPs (EMS, MEPSO), Observers (GSE) and Participants (APG), as well as representatives of the Energy Community Secretariat (ECS).
- 1.2. ECS welcomed participants in the meeting and presented the draft Agenda organized in two parts, aimed at discussing needs and options for regional cooperation on generation adequacy and operational security issues in the first part, and presenting the security of supply state and prospects for the forthcoming winter season by the Contracting Parties in the second part.

### ***2. Security of Supply – Generation Adequacy and Operational Security regional cooperation***

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- 2.1. The Chairman, Mr. Bartłomiej Gurba, informed of the results of the public consultation process on risk preparedness in the area of security of electricity supply, as a complementary process to the consultation on a new energy market design (a part of Commission's Summer Energy Package). It was explained that the expected increase of share of RES, decentralised production and demand side management need adaptation of the existing market design towards more flexible electricity market, while taking due account of security of supply. The questionnaire was focused on how Member States (MSs) prepare for the risk, how they share responsibilities between Government, NRA and TSO, how they cooperate cross-border etc, however only few MSs responded, while most of the other responses where from the companies and associations. Some of the key points raised where support to common approach to methodology and standards with regard to risk preparedness and emergency planning, more cooperation on EU level, risk prevention (to which extent market shall work and respond to emergency), in case of emergency how MSs cooperate, how customers are protected, rules for compensation, link between national and regional plans and their update, involvement of DSOs, as well as cyber security as the new issue that should be addressed. In addition, on EU level, the Electricity Coordination Group was strongly supported. Mr. Gurba informed that ongoing risk preparedness study shall be ready until April 2016. In the light of this, Mr. Gurba underlined that EnC CPs shall play an important role in this process and provide inputs on their experience and lessons learnt from the emergency situations that took place in the EnC region in the last couple of years (floods, ice storms, cold spell). The intention to incorporate into new legislation EnC dimension and

obligations of EU MSs and EnC CPs towards each other was announced. Mr. Gurba proposed next meeting of the EnC SoS CG SG Electricity meeting in March with a view to provide inputs needed.

- 2.2. ENTSO-E representative in the meeting, Mr. Simone Biondi, presented ongoing work on the ENTSO-E generation adequacy methodology as well as main findings and recommendation from ENTSO-E's policy paper on where markets meet security of supply. It was emphasised that pan-European approach to generation adequacy and more regional cooperation is needed, despite the fact that security of supply is a national issue. ENTSO-E's pan-EU System Adequacy Assessment methodology shall provide a benchmark for European reviews of capacity mechanisms and support schemes, and a consistent approach for more detailed Member States' assessments. The approach to generation adequacy assessment shall capture different risks to the pan-European system in different time horizons. Mid-term adequacy assessment (5 to max 10 years) shall use new probabilistic approach to take into account increasing roles of renewable energy sources. On short-term (up to 1 year), operational planning to be done by RSCI. Risk-preparedness plans shall be based on a common template for each of the risk type, with common definitions and concepts, as developed by TSOs and coordinated at the regional level through the RSCIs.
- 2.3. Future TSO coordination through RSCIs was presented by Mr. Tahir Kapetanovic from APG, who is acting as a project manager for the RSCI and Operational Codes. Mr. Kapetanovic informed that MLA on RSCI was signed on the 10<sup>th</sup> of December by all TSOs, except Slovakian TSO SEPS who is expected to sign as well. Mr. Kapetanovic also informed that System Operation Guidelines are drafted and expected to be adopted by mid 2016. System Operation Guidelines subsume all Operation Codes and shall replace Operational Handbook. RSCIs shall implement all 5 services until beginning of 2018, while security analysis and capacity calculation shall be implemented by end of 2016. The Common Grid Model is already in place, while the project on Common Grid Model Exchange Standard (CGMES) and Operational Planning Data Environment (OPDE) is expected to start in the beginning of 2017. Mr. Kapetanovic also informed about the initiative of Romania, Bulgaria, Greece, Macedonia, Albania and Kosovo to establish an RSCI.
- 2.4. Representatives of Macedonian TSO MEPSO, expressed their position with regard to MEPSO participation in RSCIs. They explained that MEPSO has a legal obligation to launch a tender for choosing RSCI services based on the Public Procurement Law.
- 2.5. Representative of Security Coordination Center, Mr. Tubic, presented the process of establishing SCC which became operational in August 2015. SCC, expressed openness to widening cooperation with SEE TSOs beyond SCC founders, namely CGES, EMS and NOS BiH. Mr. Tubic gave an overview of the currently provided services by SCC (individual and common grid model, N-1 security analysis) as well as plans for development of new services (coordinated capacity calculation, system adequacy, outage planning).

### **3. Security of Supply Update**

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- 3.1. Ms. Karolina Cegir from the Energy Community Secretariat presented SoS CG Gas Subgroup activities in 2015. Ms. Cegir informed of the process of revision and adaptation of Regulation 994/2010 for the Energy Community to create a fully operational framework for SoS and cover cross-border cooperation between EU MSs and EnC CPs. Ms. Cegir informed that the Energy Community Secretariat is a

member of Gas Coordination Group. An overview of CESEC (Central-South Eastern Gas Connectivity) regional initiative in gas sector was given as well as main finding of the first monitoring report which has been published by the Energy Community Secretariat.

- 3.2. The Energy Community Secretariat's representative Mr. Simon Uzunov invited Contracting Parties which have still not fulfilled their obligation to submit their Security of Supply Statement to do that as soon as possible.
- 3.3. The ENTSO-E Winter Outlook Report 2015-2016 was presented by the ENTSO-E Secretariat representative Mr. Simone Biondi, who highlighted the assessment has been provided both for individual countries and for the whole ENTSO-E, including Albania, Turkey, Burshtyn Island and Malta. The analysis showed that Great Britain, France and Belgium might face potential problems under severe conditions. All available cross-border capacities into Poland are saturated in this situation, and being aware of this situation, TSOs within TSC have agreed on the set of Multilateral Remedial Actions (MRA) needed to ensure enough import capacity on the common synchronous profile.
- 3.4. Representative of Bosnia and Herzegovina, Mr. Sasa Scekcic informed that positive power balance is expected in the winter season 2015-2016 without generation adequacy problem envisaged. He announced entering into operation of the new power plant Stanari with 262 MW and application of the market rules as of 1.1.2016.
- 3.5. Representative of the Ministry of Economy of Macedonia Mr. Viktor Andonov informed of the potential short-term and mid-term security of supply risks. On short-term, having in mind huge dependency on import (30%), potential problems might arise in case of very cold winter. On mid-term, lack of coal for TPP Oslomej and TPP Bitola might have a negative impact on maintaining security of supply in Macedonia. Representative of MEPSO, Mr. Aleksoski informed of the newly commissioned interconnector between Macedonia and Serbia and a new project for interconnector between Macedonia and Albania for which the loan was signed with EBRD. With regard to the state-owned CHP Negotino (oil-fired) it was explained that due to the high price of fuel it is used only as a cold reserve. On the other side, gas-fired CHP Skopje is acting as an independent producer on the free market and have no contract for reserve.
- 3.6. Representative of Moldova, Ms. Mariana Botezatu informed that for the winter season 2015-2016 electricity supply is ensured through the supply contract signed between JSC Energocapital from Transnistria region and Moldovan operator JSC Energocom valid until 31<sup>st</sup> March 2016. However, challenges to security of supply still remain due to high import dependency, lack of electricity generation capacities on the right bank of Nistru river to cover local consumption, insufficient capacity of interconnections, especially Romania, and obsolete transmission network.
- 3.7. Representative of Montenegro Ms. Radmila Damjanovic informed of operational preparedness of production, transmission and distribution concluding that they are ready for the forthcoming winter season and that there are no expected problems with regard to security of supply.
- 3.8. Representative of Serbia, Mr. Vladimir Ilic from EMS informed of the increased security of supply due to the large investments into the transmission system (new TS, increased capacity of existing TS, reconstruction of damaged lines and new interconnector with Macedonia commissioned on 17 November 2015). Security analysis detected only some local problems in distribution network. Preparedness of winter season included also revision of load shedding and UFLS plans, coordination

with DSO, mobile towers readiness and development of procedure on how to act in emergency situations.

- 3.9. Representative of Kosovo\*. Mr. Luan Morina reported that no problems are expected with regard to security of supply in the winter season.