

ENTSO-E public stakeholder workshop on CBA in context of CNC implementation

Date: 2 March 2017

Location: ENTSO-E premises Avenue de Cortenbergh 100 - 1000 Brussels - Ground Floor

Breakout Sessions notes

Breakout session 1: CBA roles & responsibilities

These notes shall reflect the discussion during the breakout session for further evaluation in the context of providing implementation guidance on CBA. They shall not be considered as a commitment to / acceptance of the positions / statements raised in the discussion.

Use case 1: CBA for retrospective application of CNC requirements

- CBA is one of several criteria for evaluation of retrospective application
- responsibility to process a CBA: relevant TSO
- motivation to initiate a CBA:
 - relevant TSO
 - DSOs
 - NRAs
 - System users (may motivate retrospective application to existing users as an alternative to further requirements to new users)
 - ➔ DSOs, NRAs and system users themselves cannot initiate a CBA, but need to motivate the relevant TSO
- evaluation and approval of CBA: NRA (or Member State)
- payment of CBA: relevant TSO
- scope of CBA should best be defined by consulting relevant stakeholder as soon as possible and should include alternatives to retrospective application, as the case may be
- assistance to CBA, including data provision:
 - plant owners, DSOs, CDSOs to contribute
 - manufacturers are an important source of data, but there no immediate obligations for them to provide data
 - data for retrospective application to existing plant may be difficult to obtain and may require upfront investigations, for which costs may occur (who to carry these costs?)
 - guidance needed on how to proceed with, if relevant data are not provided
 - ➔ lack of data provision is not a showstopper for CBA
 - ➔ TSOs may proceed with own assumptions

Use case 2: CBA for derogations

- CBA is one of several criteria for evaluation of retrospective application
- responsibility to process a CBA: plant owner, network operator in case of class derogations (as a substitute to a manufacturer)
- motivation to initiate a CBA:
 - plant owners
 - network operators to avoid multiple requests for derogations?
 - manufacturers for class derogation for products

- System users (may motivate retrospective application to existing users as an alternative to further requirements to new users)
- ➔ DSOs, NRAs and system users themselves cannot initiate a CBA, but need to motivate the relevant TSO
- ➔ in case where the network operator preforms CBA as a substitute to a manufacturer, the manufacturer – being the motivator – may define the scope and “control” the CBA; in these cases, the content-wise responsibility shall remain with the motivator
- evaluation and approval of CBA: NRA (or Member State)
- payment of CBA:
 - plant owners
 - manufacturers
 - ➔ network operators in case of own studies due to limitations on data provision to plant owners/manufacturers?
- assistance to CBA, including data provision:
 - TSOs, DSOs, CDSOs to contribute
 - ➔ risk that a network operator may be able to provide data (data of system users due to confidentiality and non-discrimination)

Breakout Session 2: CBA Evidence

A. How is evidence validated?

No matter if it is a for retrospective or derogation process, validation of input data shared between the TSO and the third party is needed. How?

- Recognized resources (EU or national)
- A recognized process in place (quality control) to validate the input
- Utilize current knowledge, experience (e.g. agreed value ranges etc.)
- When possible compare with peers (for derogation process)
- Independent advice to validate – list of agreed independent assessors.
- Benchmarking if available

Ultimate responsibility the Regulator.

B. How can all parties be held to account in providing evidence?

- The provider of the information is accountable for the validity (although one group said that also the receiver is)
- Communicate the source of the information (if you are not the owner)

Regulator also hold the oversight and final decision

C. How do you deal with issues of commercial confidentiality?

- Use normalized data when possible to avoid confidential issues
- Data provider’s responsibility to mark part of the data as confidential (and say also why)
- Confidentiality agreement (mostly 3rd party to TSO since TSO data are public)
- NRA to be the hub of all information received/shared in order to avoid possible future changes to drive the results of the CBA

In general the above points could be considered as points to elaborate in a possible update of the CBA IGD.

Breakout Session 3: Next Steps

Unanimous expectation from stakeholders that an expert group is the way forward. Noted that this will need a clear commitment from all parties to work.

What would an expert group deliver?

Two parts to the main deliverables:

1. Update to the IGD. Also stated as 'input to the improvement of the IGD'. Noted that must be very clear on the scope of this.
 - Recognition that the IGD will be limited to the context of the CNCs and cannot go beyond this, so a minimum scope and process.
 - Help to provide more examples and a bibliography.
 - Timescales for this are to deliver in 6 months at the very most – so by Sept 2017. This acknowledges that the first potential derogations are likely to be under consideration by stakeholders from late 2017 onwards once national implementation has progressed to the point at which it is clear what the derogation will be sought for.
 - Also noted that the continuing role of the Expert Group will be to help the IGD to grow organically as more experience is achieved – so adding to learning points and examples.
2. A broader work instruction or similar setting out the detailed requirements for a CBA and how this can be taken forwards under each of the main categories in which costs/benefits can be identified. This could go beyond the CNC provisions in scope or detail although the governance or remit for this work is not entirely clear. Stakeholders proposed that in this context the Expert Group could be a subset of the European Stakeholder Committee.

Other points beyond these deliverables envisage a continuing role for the Expert Group in:

- Providing a pool of knowledge and experience
- Carrying out an annual report and review