

## *MINUTES for external meeting*

### **Meeting TYNDP/CBA 2015 SJWS #1**

**22 January 2014, from 10:30 to 17:00**

**At ENTSGO Offices, Brussels**

Company	Name	Company	Name
ACER	Boyko Nitzov Damjan Zagozen	Frontier Economics Limited	Aria Rodgarkia-Dara
Amprion GmbH	Klaus Wewering	Gasunie Transport Services B.V.	Piet Nienhuis
Anre	Mihai Ramniceanu	GAZ-SYSTEM S.A.	Artur Woźniak
bayernets GmbH	Björn Thiele	GRTgaz	Nathalie Cale
BNetzA	Stefan K.	Hungarian Gas Transit Ltd	Lajos Butosi
Bord Gais Networks	Rodger O'Connor	Infrastrutture Trasporto Gas Spa	Fabio Talenti
Bruxinfo - Hungarian news agency	Judit Zegnál	Latvijas Gaze	Andra Jesinska
Chair of Eurogas Infrastructure Task Force (Total)	Christophe Miaux	Malta Energy Attaché	Daniel Azzopardi
Commission for Energy	Barry Hussey	Ministry For Energy and the	Simon Scicluna

Regulation		conservation of water (MT)	
CRE	Carole Mathieu	Ministry of Energy, Commerce, Industry and Tourism of Cyprus (MECIT)	Michalis Chrysaphis
CREG	Chris Cuijpers	Ministry of Industry and Trade (CZ)	Jiri Filippi
DESFA S.A.	Joseph Florentin	National Control Commission for Prices and Energy (LT)	Justas Černiauskas
DG ENER	Adam Romanowski	NET4GAS, s.r.o.	Zuzana Procházková
E-Control	Carola Millgramm Karoline Entacher	Ofgem	Bethany Hanna
Edison	Lavinia Biffi	Open Grid Europe GmbH	Volker Schippers
Elengy	Jacques Rottenberg	Permanent Representation of Lithuania to the EU	Justina Ratkeviciute
Enagas	Luis Ignacio Parada	Plan Energy Ltd	Heikki Lehtimäki
Energinet	Johnny Thomas Holst	Plinacro	Florijana Djedovic
Energy Solutions	Giuliano Basso	Plinovodi d.o.o.	Darko Weiss Marko Ileršič Tomaž Petriček

ENTSO-E	Chris Thackeray	Reganosa	Laurent Moriceau
ENTSOG	Adam Balogh Adela Comanita Carmen Rodriguez Olivier Lebois René Döring	Snam S.p.A.	Marco Gazzola
Epsilon International SA	Andreas Kandiros Marc Bonazountas	Storengy	Marta Kamola- Martines
Eurogas	Tim Cayford	The Brattle Group	MarcellaFantini
FGSZ Ltd	Róbert Fehér Sándor Bogoly	TIGF	Laetitia Mahenc
FLUXYS	Geert Smits	Trans Adriatic Pipeline AG	Cristiano Francese

## Main inputs from stakeholders

In italic are mentioned the comments made by ENTSG during the session. Such comments do not represent any form of acceptance or rejection of stakeholders' input.

### 1. Structure of the CBA

- > CBA should take into account some local specificity such like the role of oil in power production in some Baltic states.

*The right balance has to be reached between detail and homogeneity of the data set. In any case it has to ensure the comparability of projects.*

*This point will be further discussed during the 2 SJWSs dedicated to input data.*

- > Is the PS-CBA to be applied with the same methodology and input dataset by each project promoter?

*Yes, the same methodology and dataset shall be used by every promoter in order to ensure comparability especially for the PCI selection stage. The qualitative part of the methodology offers to the promoters the opportunity to comment on their view on data and make the link with the sensitivity-analysis.*

- > How the methodology deals with competing projects?

*The PS-CBA enables the identification of interaction between projects through the comparison of assessment between the high and low infrastructure scenarios. Therefore Regional Groups will be able to ask for specific investigation of competing project (e.g. application of the PS-CBA to a cluster of competing projects).*

- > The results of the PS-CBA will differ under the low and high infrastructure development scenarios showing the interference with other projects.

*Yes and it is how the methodology identify project interaction (positive in case of synergy and negative in case of competing projects).*

- > How many scenarios will be used for gas demand for power generation, CO<sub>2</sub>/Coal/gas cost? And which consistency with the ones use by ENTSO-E?

*As both ENTSGs have not influence on the data themselves and have to consider feedback from gas and electricity markets, consistency is a common task with stakeholders.*

*Depending SJWS feedback, the World Energy Outlook from the AIE will certainly be a common source for part of the data set.*

- > Will a change in input data for the CBA impact the result of a potential CBCA?

*Yes, an allocation of cost based on the estimation of the location of benefits as deriving from a CBA will be very sensible to the input data.*

- > Will ENTSG use a scenario approach or a +/-X% sensitivity-analysis approach?

*It depends of the type of data (CO2/Coal/Gas price are likely to be based on a scenario approach in order to preserve internal consistency when for project costs a +/-X% may be more appropriate) and it will be on the agenda on the second SJWS dedicated to data.*

- > What is the definition of the FID used by ENTSG?

*The definition provided by the former Regulation (EC) 617/2010 on the notification of investment projects:*

*'final investment decision' means the decision taken at the level of an undertaking to definitively earmark funds towards the investment phase of a project, the investment phase meaning the phase during which construction or decommissioning takes place and capital costs are incurred. The investment phase excludes the planning phase, during which project implementation is prepared and which includes, where appropriate, a feasibility assessment, preparatory and technical studies, obtaining licences and authorisations and incurring capital costs;*

- > How the methodology deals with the fact that the 20-year time horizon of the analysis will differ from the longer economic lifetime of certain assets?

*This difference will enter the calculation of the residual value of the project which is one of the inputs of the PS-CBA.*

- > Which data of the ESW-CBA will be made available in order to support the PS-CBA?

*As for TYNDP 2013-2022, ENTSG aims at the highest transparency regarding data used in the report. All input and output data of the ESW-CBA will be published as part of the report and the ones to be used in the PS-CBA will be published in a format easing their utilization.*

- > Will ESW-CBA results be made available per country or balancing zone?

*Yes where such results are used to identify the net impact at country level and therefore necessary to apply the incremental approach part of the PS-CBA.*

- > Market-based project should be able to only run a lighter version of the PS-CBA and in any

case methodology should be as user-friendly as possible.

*The applicability of lighter version is out of the scope of methodology drafting but ENTSG does consider user-friendliness as an important element even if CBA is complex by nature.*

## 2. Modelling principles

- > How to ensure that project promoters will be able to carry out the part of the PS-CBA requiring the use of a modelling tool? Especially for non-mature projects.

*ENTSG is currently investigating the different technical solutions that could be used. Transparency and user-friendliness are key criteria in this analysis.*

*According to Regulation, non-mature projects are not supposed to carry out a CBA but methodology drafted by ENTSG is technically applicable to any project with cost, capacity increment and commissioning date. Project maturity is rather a question of data accuracy than availability.*

- > The selected solution for modelling within the PS-CBA should be transparent and user-friendly.

*See above.*

- > How the ENTSG topology deals with IPs like Baumgarten where entry capacity is dedicated to certain routes?

*In such case a specific node is introduced in the topology in order to consider such fork.*

## 3. TYNDP 2015, beyond the ESW-CBA

- > Are projects of national relevance (without cross-border impact) to be included in the Union-wide TYNDP in order to ensure consistency with national plan?

*Transmission projects without cross-border relevance should not be submitted to the Union-wide TYNDP. The consistency check carried out by NRAs between European and national plan should focus on those projects.*

- > Will TYNDP and ESW-CBA contain and use project costs?

*Project costs are only introduced at the PS-CBA stage. This approach takes into account that TYNDP/ESW-CBA is a public report requiring transparency on all input data when costs are commercial sensitive data for most project promoters.*