ACER
Agency for the Cooperation of Energy Regulators

ACER Decision on RAOCM: Annex II

Evaluation of responses to the public consultation on the amendments of the proposal for a methodology for assessing the relevance of assets for outage coordination

1 Introduction

On 14 September 2018, all transmission system operators ('TSOs') submitted the proposal for the *'methodology for assessing the relevance of assets for outage coordination in accordance with Article 84 of Commission Regulation (EU) 2017/1485 of 2 August 2017' (hereafter referred to as the 'Proposal').* The last regulatory authority received the Proposal on 1 October 2018.

All regulatory authorities reached a unanimous agreement to request the Agency to adopt a decision on the Proposal pursuant to Article 84 of Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (the 'SO Regulation'). In accordance with Article 6(8) of the SO Regulation, all regulatory authorities referred the Proposal to the Agency for a decision. In order to take an informed decision, the Agency launched a public consultation on 25 January 2019 inviting all interested parties to express their views on potential amendments of the Proposal. The closing date for comments was 18 February 2019.

More specifically, the public consultation invited stakeholders to comment on the following aspects of the methodology for assessing the relevance of assets for outage coordination ('RAOCM'):

(i) The implementation timeline;
(ii) Further comments on the RAOCM.

2 Responses

By the end of the consultation period, the Agency received responses from five[1] respondents.

[1] One respondent asked to be treated confidentially. Therefore, the respondent answers are out of scope of this annex.

This evaluation paper summarises all received comments and responses to them. The table below is organised according to the consultation questions and provides the respective views from the respondents, as well as a response from the Agency clarifying the extent to which stakeholders' comments were taken into account.

Respondents' views	ACER views
Question 1: Please comment on the Agency's proposal to decrease, in Article 5(8) of the RAOCM, the period for re-assessing the relevance of system elements to 3 years. *(Initial views by the Agency: In Article 5(8) of RAOCM the TSOs propose for all TSOs of each outage coordination region to jointly re-assess the relevance of external grid elements, power generating modules and demand facilities for outage coordination in accordance with paragraph 1 to 6 of Article 5 at least once every 5 years after the first assessment.* *The Agency is minded to decrease this period for re-assessing the relevance of system elements for outage coordination to 3 years in order to allow for coping with the steep increase of the penetration of storage units and the decentralisation of generation.)*	
Five respondents provided an answer to this question.	
Three respondents fully support the approach and proposal of the Agency (E.DSO, BDEW and Eurelectric). One respondent (ENTSO-E) could accept such a reduction but does not see the added-value: *'TSOs underline that, according to their RAOCm proposal, the reassessment of the relevant assets list will be done each year, but only in a qualitative way, for sake of efficiency and to avoid non-proportionate burden task. Nevertheless, a qualitative approach cannot be acceptable in a long range; thus mandatory computation is proposed to be performed every five years; additionally, the owner of a new asset which would be qualitatively identified by a TSO as a relevant asset can require a computation for its specific asset.* *TSOs believe that these rules are well fitted with respect to the pace of evolution of the electrical system. Reduction of this period is acceptable but not meaningful.*	The Agency agrees with the majority of respondents to decrease the period for re-assessing the relevance of system elements for outage coordination to 3 years in order to allow for coping with the changes in the behaviour of the interconnected transmission system stemming from the development of renewable energy sources integration.

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Moreover, TSOs do not believe that small storage units (i.e. with the exception of large hydro-pump installations which have the same influence than a big generator) or decentralized generation will be captured as "relevant assets" for outage coordination with the influence factor thresholds ranges defined in the RAOCm proposal, precisely because they are individually quite small, and they are dispersed. Therefore their possible development and connection to the grid will not request to decrease the periodicity allowed for a qualitative approach. *Additional explanation is provided in the Supporting Document on page 21, subparagraph "Update of the Relevant Asset List".'*	
One respondent (EDF) would prefer a quantitative re-assessment on a more regular basis: *'The reassessment of the relevance of system elements should be done on a regular basis, either to include new elements or to remove others from the relevant assets' list. The frequency of reassessment should be compatible with the Article 93 in SOGL which asks the producer to deliver a planning at least 2 years in advance.In any case, commissioning of new network elements close to a relevant asset should logically lead to reassess the relevance of the assets before the end of the period for reassessing.'*	The Agency disagrees to re-assess the relevance of system elements with a quantitative approach on a regular basis more often than every 3 years. Besides the quantitative approach, TSOs will use a qualitative evaluation on a yearly basis and owners of relevant assets can ask for a computation if they think it is necessary.
Question 2: Please provide any further comment on the CSAM or RAOCM. Please make sure to reference any relevant article in case this is needed.	
One respondent (EDF) provided comments pertaining both to CSAM and RAOCM: '*EDF agrees on the need to reduce the ranges for the thresholds used in Annex 1 of the CSAM proposal. This reduction would help limiting the risk of discrimination.* *The selection of a threshold must primarily be based on the TSO's experience. The use of these methodologies must not lead to dramatic changes in current practices and improvements should be introduced gradually as the scenarios are modified. So the first step is to properly set the ranges in order to reflect how the coordination among TSOs occurs today.*	Agency's responses related to the methodology for coordinating operational security analysis ('CSAM') in accordance with Article 75 of the SO Regulation are listed in Annex II of the Decision on the CSAM.

Respondents' views	ACER views
EDF wishes also the ranges used in Annex 1 of the RAOCM to be reduced in the same way. RAOCM will define the relevant assets which need a coordination more intense between TSO. It would be more appropriate to have a common criteria or at least a reduced range to select relevant assets. Otherwise a discrimination among producers will occur which could impact the competition between generators. In EDF's view, in order to initialize in a proper manner the methodology, TSOs should select threshold for the RAOCM to pick out only the production units whose activities need coordination among TSOs. EDF understands that some assets need coordination even though incompatibilities are rare. It would be inefficient if production units that have never needed coordination among TSOs become relevant assets. EDF wonders whether the selection of a threshold value by each TSO would lead to unequal treatment for the same situation in different countries. In any case, EDF considers it is essential that TSOs justify their choice.	The Agency does not agree, because the proposed range reflects the heterogeneity for outage coordination among TSOs. Reducing the range could lead to the envisaged negative effects that the respondent described, where an asset would be included in the outage coordination list although it was not part of outage coordination before the RAOCM was implemented. Moreover, any interoperability issues and changes aiming at improving effectiveness and efficiency in the system operation coordination shall be reported by ENTSO-E pursuant to Article 17 of the SO Regulation.
For the choice of a relevant power flow influence threshold, ENTSOE explains in its supporting document that it shall be "low enough to minimize the risk that outages of not relevant grid could treat the security of neighbouring control areas; and high enough to avoid too long relevant asset lists that are not compatible with time requirements of the outage coordination process". The choice of a relevant threshold is also used in the formula proposed to estimate the power flow influence. This formula consists in calculating the asset maximum influence among all the possible combinations of scenarios and disconnected network elements. In this case, a high threshold range should be associated in order to avoid too long relevant asset lists. In case of a lower threshold range, a quantile method would to be more appropriate.'	The topic of power-flow influence thresholds concerns the CSAM. Therefore, the Agency evaluated this comment in Annex II of the Decision on CSAM along with other stakeholders' comments on this topic.

Respondents' views	ACER views
' About CSAM and RAOCM as well, EDF considers that before the operational window, and as long as the potential of remedial actions (costly or not) could be sufficient and economical to restore secure operation, N-1 contingencies could be disregarded. EDF also considers that the proposed methodology for "influence computation" should be less conservative and not systematically take into account N-2 situations (simulation of the loss of both the asset analyzed and the outage of all elements).' *'EDF recognizes that an IT infrastructure and process must be developed to allow for an efficient coordinated security assessment. In addition to setting a deadline for full implementation of the methodology, EDF believes it could be relevant to promote a stepwise approach, with faster developments for simple yet relatively efficient solutions to be assessed through CSA, such as countertrading for example.'*	The Agency disagrees. In accordance with Article 35(4) of the SO Regulation, a TSO shall not be required to comply with the (N-1) criterion during switching sequences and time periods required to prepare and activate remedial actions. Nevertheless, in accordance with Article 35(5) of the SO Regulation, unless a Member State determines otherwise, a TSO shall not be required to comply with the (N-1) criterion as long as there are only local consequences within the TSO's control area. The Agency agrees. This topic concerns the CSAM, which addresses the coordination on remedial actions including for example the countertrading.

3 List of respondents

Organisation	Type
BDEW Federal Association of the German Energy and Water Industries	Association
EDF SA	Energy company
E.DSO for Smart Grids	Association
ENTSO-E	Association of Transmission System Operators
Eurelectric	Association