European Energy Forum
EEF Information Bulletin

Upcoming events

14 November 2017
Retail markets in the Clean Energy Package: The electricity industry and consumers debate

27 November 2017
Distributed Energy: Benefits for Business Customers and the European Energy System

6 December 2017
Citizens’ Energy Drives Local Economies – Current Practice and Clean Energy Package perspective

November 2017

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Securing energy supply with trans-border electricity flows: the view of Central European electricity TSOs
3 October, Strasbourg
EEF dinner-debate hosted by Central Europe Energy Partners (CEEP)

The Clean Energy Package proposes a target model for Regional Operational Centres (ROCs) by 2020, strengthening broader regional cooperation and centralising functions that are now executed by national Transmission System Operators (TSOs). These changes were discussed during a dinner-debate hosted by CEEP. TSOs will continue to be responsible for the daily operation of the transmission systems, as well as data flow and analysis and at the same time they will continue cooperating bottom-up.

The operation of the transmission electricity system is today challenging. Tomasz Sikorski, Vice-President and COO of the Polish Transmission System Operator PSE SA, explained that “the old system is reaching its boundaries while the new one has not yet arrived”. According to Mr Sikorski, competition in the electricity market is disrupted because “not all capacity is offered to the market and a huge part of the cost is socialised among customers through tariffs”. Wholesale prices are based on approximate cross-border capacity, which does not reflect the situation in the system, he said.

Strong cooperation between TSOs, Member states and national energy regulators is crucial. Daivis Virbickas, CEO of Litgrid, Lithuanian grid operator, explained that operation is managed at national level with very close cooperation with the rest of the region. According to the Lithuanian expert, Regional Coordination Centres (RCCs) work very well and the EU does not need Regional Operation Centers (ROCs), as we can cooperate effectively with the existing set up. Mr Virbickas explained that at present markets are integrated and coupled and Member States benefit from cross-border interconnections, but costs are not shared accordingly.

The lessons learned from previous winter crises on energy supply have been helpful to set the future dynamics of cross-border cooperation. Augustijn van Haasteren, who works at the Unit for electricity and gas wholesale markets in DG Energy, acknowledged the importance of voluntary cooperation, although this is not always sufficient to bring all the necessary benefits. On voluntary cooperation, he explained that one agrees on those elements one “can” agree on, but sometimes this is not the same of what one “needs” to agree on. The ROCs will be a clear benefit for certain functions. They will deal with the preparation of the work of TSOs and operational decisions in real time will continue to be managed by TSOs.
**EEF Events**

*Energy market design: keep all doors open to innovation*

11 October, Brussels  
*EEF dinner-debate hosted by EUROGAS*

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With the “Clean Energy for All Europeans” proposals, the European Commission is committed to supporting the market uptake of clean energy technologies. EEF Member Eurogas initiated a dinner-debate to discuss which innovative solutions have the potential to transform the European energy landscape. Eurogas invited a representative of Eurelectric to provide a complementary perspective on the matter.

How to make the European energy system smarter - secure, affordable and sustainable? According to Eurogas’ “Innovative Gas Scenario”, the energy system of the future will rely mainly on innovative gas solutions combined with wind and solar energy. As Sabine Augustin, Chair of Eurogas Strategy Committee, pointed out, the gas scenario foresees the possibility to have 76% of renewable gas in the system by 2050. The most promising gas technologies for decentralised production in homes include fuel cells and micro CHP. Power-to-gas, the production of hydrogen or synthetic gas from excess electricity, is another encouraging technology but which is not yet economically viable.

For Eurelectric, electrification will drive the decarbonization of the European economy. The European electricity sector is committed to providing carbon neutral electricity in Europe by 2050. Alain Janssens, Vice-Chair of Eurelectric Markets Committee, highlighted that 56% of electricity generated in 2015 was carbon-free (from renewables and nuclear). Unlike Eurogas which stands for more compressed natural gas (CNG) in road transport, the Union of the Electricity Industry calls for increased electrification of the transport system. Eurelectric has great hopes in technology developments, such as storage, flexible power plants and demand-response through smart meters and data management.

Driven by gas, electricity or both, decarbonization pathways will require unlocking different flexibility sources depending on the types of resources available in different locations. Matti Supponen from DG Energy encouraged participants to think about the scope of innovation in the *Clean Energy Package*. The session also addressed challenges linked to increased use of gas and electricity, such as gas dependency and the sustainability of batteries.
Further to the UK government’s decision to leave the European Union, the Euratom Treaty will cease to apply in the UK on the date of withdrawal. The EU and the UK will have to cooperate to avoid disruption in the nuclear sector. The impact of this decision was discussed in a dinner-debate hosted by FORATOM, the voice of the European nuclear industry.

Once the UK leaves the European Union, the UK will still be bound by international treaties and conventions as a member of the International Atomic Energy Agency (IAEA). However, according to FORATOM, if the EU and the UK do not reach an agreement before the date of withdrawal of the Euratom Treaty, this is likely to have significant impact on the nuclear market in both the EU and the UK.

**Yves Desbazeille**, the newly appointed Director General of FORATOM, introduced the presentation of the keynote speaker, **Adam Kanne**, who is Senior Advisor at Uniper and Chairman of FORATOM’s Brexit Task Force. Mr Kanne reminded that 80% of energy production is still fossil based and the EU has to reduce emissions by more than 90% by 2050. With that in mind, the Euratom Treaty ensures access to an important amount of nuclear energy in the form of electricity within EU borders.

The Treaty does not only concern access to energy production, it provides a legal framework for civil nuclear operations within the EU. In practice, it facilitates research in the nuclear sector and ensures access to nuclear fuel supplies. It also enables freedom of movement of nuclear components, services and workers or correct disposal of nuclear waste, among other things. The UK is the second largest civil nuclear state in the EU and therefore cooperation disruptions with that country could affect nuclear supplies to Europe, as well as the smooth continuation of research activities, such as the JET programme on nuclear fusion.

**Julie Girling** was invited to offer some comments on the issue in her capacity as British MEP. Ms Girling insisted on the need to push for further progress concerning the cooperation between the UK and the EU after the “Brexatom”. She encouraged the EU side to start making preparations to move on.
The European Energy Forum will move to a new office in Brussels during the fourth week of November. In the meantime, the EEF Secretariat will do its most to guarantee the smooth functioning of the association.

Our email addresses will remain the same. Stay tuned! More information will be provided in the next bulletin.

**MEP Peter Kouroumbashev joins the EEF**

Peter Kouroumbashev, socialist MEP from Bulgaria, has joined the EEF as Active Member.

The political path of Peter Kouroumbashev started in 2007 as a member of the City Council of Sofia. He was then elected MP in Bulgaria for the period 2009-2013. During this time, he was a member of the Environment and Water committee, of the Economic Policy, Energy and Tourism Committee and of the Culture and Media Committee. From 2013 to 2014, he took up the roles of Deputy Chairman of the Parliamentary Group of Coalition for Bulgaria, Chairman of the Environment and Water Committee and member of the Foreign Policy Committee.

On the European scene, Mr. Kouroumbashev has been a member of the European Parliament for the S&D political group since 2017. He is a member of ITRE and Transport committees, of the Delegation for relations with the PRC and Vice-chair of the Delegation to the EU - Montenegro SAPC. Mr. Kouroumbashev holds a Master’s degree in Computer Science from the Technical University in Sofia.

**The EEF will move to a new office in November**