

Public Hearing

**Towards a Common
Energy Policy
for Europe**

Brussels, 27th February 2007

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After 15 years of experience

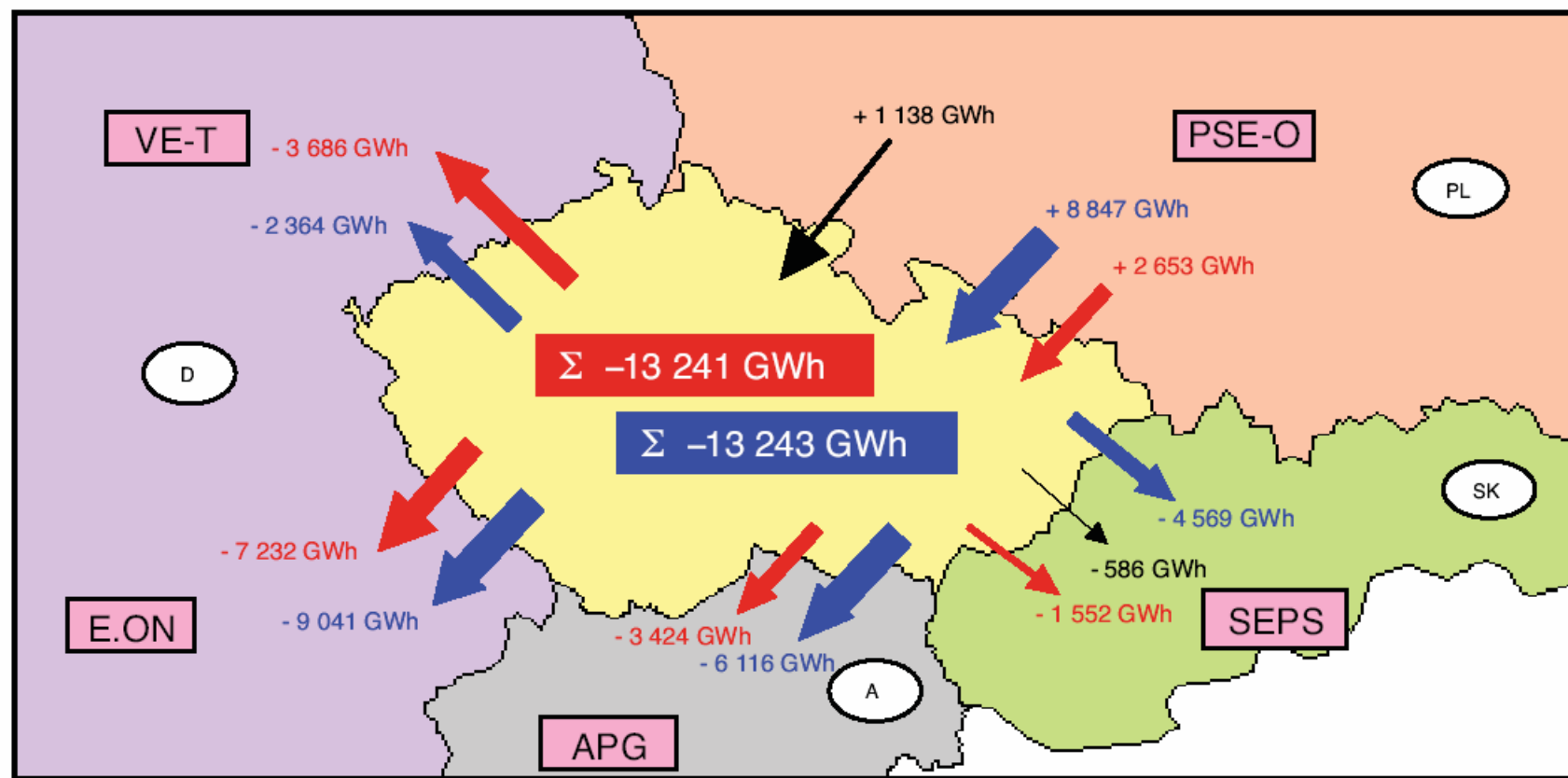
We **must** take “time out” and start to discuss our problems, mainly:




- Legislation for new investments
- Nuclear energy and renewables
- Tariff policy
- Reliability and security of supply

The role of the TSO

- to ensure development of the network transmission services
- to balance services in real time within member states
- to perform management and regulation of international balance
- to provide system services

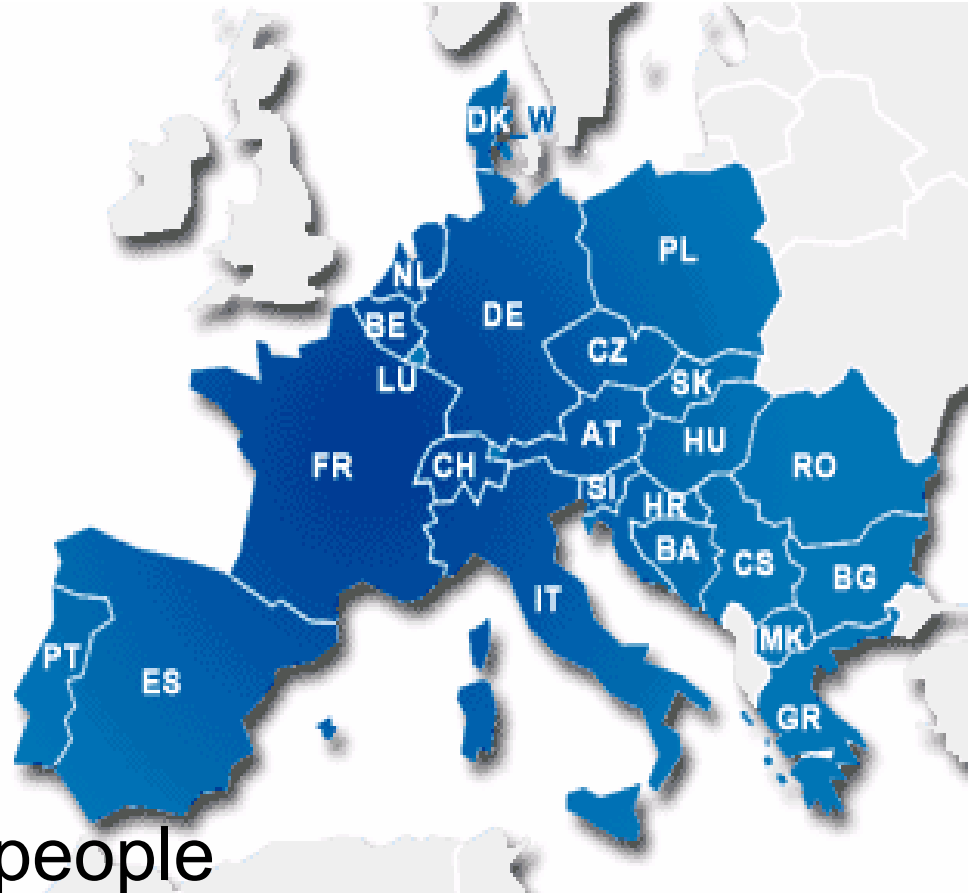
The international co-operation - annual energy flows



-  Planned exchanges through the transmission system (controlled by the Central Control Centre)
-  Real exchanges through the transmission system (controlled by the Central Control Centre)
-  Real exchanges through 110 kV and lower voltage lines (not controlled by the Central Control Centre)

UCTE

Management of SoS



- 23 European States
- More than 450 million people
- 2500 TWh: 16% of world consumption

Do limits exist for common synchronised zones ?

UCTE

Analysis of synchronous connection with:

• Mediterr. Ring

• Baltics, CIS...



TSO regulation tools

- Consumption regulation
- State of emergency
- Black-out

New aspects of UCTE system operation

- increasing wind capacity (esp. in Germany)
 - reconnection of 2 UCTE synchronous zones
 - commercial use of the transmission grid to the maximum (more deficit regions, transport of electricity remains **free of charge**)
- => critically endanger security of the UCTE system (Benelux, Germany, Central Europe).
- Eastern interconnections being investigated

International tariff policy

- Regulated tariff
- European post stamp
- Is still the time to support market by the 0 tariff?

Initiatives: EU / DG TREN

- Security of electricity supply / deficiency is a political issue (legislative initiatives)
- Efforts to **unify the “TSO world”**: harmonisation of powers of national regulators, stress on system-wide enforceable standards, stress on regional approach.

Council conclusions on Energy Policy for Europe, 15 Febr.

- The Council invites the Commission to elaborate measures on
 - a new mechanism for TSOs to improve co-ordination of network operation and grid security
 - a more efficient and integrated system for cross-border trade and grid operation

ERGEG on 6th February 2007

- „A pan EU-grid must be identified by greater integration of national grids than there is today“

...by what means?

Operations & Coordination Centre

WHY and HOW?

- Basic purpose: an independent service for the benefit of all participating TSOs
- Mission: to ensure an exchange of operational information, in real and near real time, that is relevant to the security of the synchronous system, under fully transparent conditions
- Creation of OCC as a legal entity

Activities of the Operations and Coordination Centre (OCC)

- Maintenance (coordination of methods and execution of planned system element lay-offs in order to prevent congestion and bottlenecks at cross-border interconnections)
- Day ahead congestion forecast - DACF
- Information service for states of emergency
- Structural development of transmission systems in order to prevent bottlenecks and to strengthen electricity trade capacity with regard to the UCTE interconnected system
- Real-time operation monitoring of the UCTE interconnected system, its evaluation, information transparency and dissemination to TSOs

Where is a good place for CC?



OCC potential location: Prague.

WHY?

- Prague is located between “old” and “new” Europe, an unique crossroads of the UCTE system
- Excellent air links (fastest-growing airport in the Central Europe)
- Tradition: Prague hosted the CDO for over 40 years
- Large multinational community in the city

Support of the Operations and Coordination Centre

- Czech Republic authorities support the initiatives in the frame of UCTE on future establishment of a coordination center
- If approved and implemented, coordination center would mean a cornerstone of future secure operation of the pan EU-grid as a platform for a pan EU-electricity market

Thank you for your attention

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