

Submitted to Public Consultation on Flexibility Needs Assessment Methodology
Submitted on 2024-12-06 17:56:52

Introduction

1 What is your name?

First Name:

Elisabeth

Last Name:

Cremona

2 What is your email address?

Email:

elisabeth@ember-energy.org

3 What is your organisation?

Organisation:

Ember

What is your affiliation? :

Other

4 I want my answer to remain anonymous. If you tick this box, we will publish your comments but we will not publish your name and organisation.

I want my answer to remain anonymous :

No

5 Privacy Policy

I agree to ENTSO-E's Consultation Hub Privacy Policy:

Yes

Feedback on Articles between Art (01) to Art (06)

6 Do you have any comments on Article 01 - Subject Matter?

Your comments:

1) Ember suggests that this section provides context to the FNA methodology, namely enabling each Member State to define, on the basis of the report on the estimated flexibility needs, "an indicative national objective for non-fossil flexibility, including through the respective specific contributions of both demand response and energy storage", as specified in Art 19f.

2) This section should also explicitly state that the methodology shall ensure the provision of sufficient data to comply with the objectives listed in Art 19e(2).

Comments on Article 02 - Definitions

1) To include the definition of "operational limits" which includes enhanced operational capacity through the deployment of grid enhancing technologies (such as dynamic line rating), both already existing and planned. (cont.)

7 Do you have any comments on Article 02 - Definitions?

Your comment:

2) To include the definition of "national targets for RES integration". It is currently unclear how this will be derived and it is important to standardise the approach to identifying this figure across the assessments. For instance, does the RES integration target mean reducing curtailment to a specific percentage, or enabling the integration of a specific volume of renewable power? This is not always made explicit in NECPs; therefore, a standardised definition is necessary for clarity and consistency across assessments.

8 Do you have any comments on Article 03 - Roles and responsibilities?

Your comments:

Comments on Article 02 - Definitions

3) The definition for "flexibility network needs" should be amended to better reflect that the resulting metrics represent "additional" flexibility network

needs rather than the total. Given that the starting point of the FNA methodology is the ERAA/NRAA results, all existing flexibility needs would have been already taken into account and the outcomes of the FNA represent “additional to the existing”. Furthermore, Ember strongly recommends that this is renamed to “non-fossil flexibility network needs”, in line with the ultimate objective of this assessment (Art 19f). This maintains technological neutrality while respecting the 2030 and 2050 objectives in line with EMDR Art 19e, sends a clear signal to both policymakers and investors, and reduces the risk of incentivising sunk investments.

9 Do you have any comments on Article 04 - Confidentiality obligations?

Your comments:

We propose that this article states that confidentiality requirements must not compromise the transparency regarding FNA results and outcomes.

10 Do you have any comments on Article 05 - Data needed to run the analysis – General provisions?

Your comment:

1) Ember strongly expresses its disappointment that the draft methodology neglects the crucial aspect of data transparency and accessibility. This section should include a provision that (non-confidential) data will be made public, in line with the EU's commitment to data transparency and following the standard set by the ERAA and TYNDP.

2) The draft methodology obliges TSOs to provide data for “at least one of the time horizons considered in the latest published ERAA and/or NRAA”. Given that the ERAA/NRAA already provide data for each year within a period of ten years, Ember urges that TSOs are required to provide data for all the years covered by the time horizon of the ERAA/NRAA.

11 Do you have any comments on Article 06 - Needs covered – General provisions?

Your comment:

In Ember's view, the approach of the FNA, with its scope limited to reducing RES curtailment resulting from ERAA/NRAA, is not well aligned with Regulation (EU) 2019/943 as it does not sufficiently assess the flexibility needs to decarbonise the electricity system - as stated in Art 19e(1).

Feedback on Articles between Art (07) to Art (12)

12 Do you have any comments on Article 07 - System needs – General provisions?

Your comment:

1) Ember welcomes the clarity provided in this article on the necessary data to run the analysis. We strongly propose that, in addition to the RES generation curtailment time series from the economic dispatch, historical data on RES curtailment is provided for benchmarking purposes and to allow scrutiny, ensuring that the results of the economic dispatch are aligned with historical figures. This should be mandatory at TSO level, and optional for DSOs.

2) Ember strongly expresses its disappointment that the draft methodology neglects the crucial aspect of data transparency and accessibility. The complete list of input data (Table 1) and the results of the assessment should be made publicly available, in line with the EU's commitment to data transparency, and following the standard set by the ERAA and TYNDP.

13 Do you have any comments on Article 08 - System needs – RES integration?

Your comment:

The need for flexible capacity differs across time horizons - daily, weekly and seasonal. To reflect this and provide the correct information for policy-makers, the FNA methodology should require differentiation of the dummy flexibility variables according to the assessed timeframes.

14 Do you have any comments on Article 09 - System needs – Ramping needs?

Your comment:

15 Do you have any comment on Article 10 - System needs – Short-term flexibility needs?

Your comment:

16 Do you have any comments on Article 11 - DSO flexibility network needs (DFNN)?

Your comment:

17 Do you have any comments on Article 12 - TSO network flexibility needs?

Your comment:

Feedback on Articles between Art (13) to Art (17)

18 Do you have any comments on Article 13 - Delegation - DSOs?

Your comment:

Comments on Article 14 - Guiding criteria

While Ember understands the reasoning behind maintaining technological neutrality for expressed flexibility needs, we strongly emphasise:

1) This should be renamed to “non-fossil flexibility needs”, in line with the ultimate goal of the FNA which is to enable Member States to define an indicative national objective for non-fossil flexibility (Art 19f). This maintains technological neutrality while respecting the 2030 and 2050 objectives in line with EMDR Art 19e, sends a clear signal to both policymakers and investors, and reduces the risk of incentivising sunk investment.

(cont.)

19 Do you have any comments on Article 14 - Guiding criteria?

Your comment:

(cont.)

2) The need for the guiding criteria to take into account the cost element of different technologies, in line with Article 19e of the EMDR which notes the methodology must take into account flexibility “in a cost-efficient manner”. This is crucial for policymakers and regulators, as the currently proposed list of metrics are highly technical and relate exclusively to system operation, without consideration of system cost and its implications for consumers. One such indicator, which is already used in the ERAA, is the Cost of New Entry (CONE) for Loss of Load Expectation (LOLE) calculations.

3) Ember remains available to offer feedback once the missing article is proposed at a later stage.

20 Do you have any comments on Article 15 - Derogations?

Your comment:

21 Do you have comments on Article 16 - Implementation of the regulation at national level ?

Your comment:

22 Do you have any comments on Article 17 - Updates/refinements of the methodology?

Your comment:

This article should set out a particular timeframe by when the FNA methodology shall be revised, ensuring that lessons learnt since its initiation are incorporated and the methodology refined. Ember proposes that this is carried out following the first cycle of assessments (2026/2027), and every five years after that. Furthermore, the article should specify that updates to or revisions of the FNA methodology must include a public consultation to collect feedback and recommendations from stakeholders.

General comments:

1) Ember expresses its disagreement with the fundamental objective of the proposed methodology, that is, addressing “surplus” renewable power. This is not well-aligned with EMDR Art 19e which states the FNA’s objective is to estimate flexibility needs to “decarbonise the electricity system”. The methodology should shift from merely addressing surplus renewable energy to (cont.)

General feedback

23 Do you have any general feedback on the draft methodology?

General feedback:

(cont.) covering RES undersupply by shifting demand or RES surplus generation, better reflecting that decarbonisation is not only about flexibility capacities but about shifting energy or demand to better align with RES generation patterns.

2) The proposed methodology does not consider the trade-offs in system benefits and costs between existing fossil flexible assets (such as OCGTs) and possible non-fossil alternatives (the proposed dummy flexibility variables). The ex-post “RES surplus” from the ERAA/NRAA already assumes the dispatch of fossil assets for the provision of flexibility - which could have been met in a more optimal fashion by other flexibility assets. The results of the FNA and subsequent indicative national objectives (Art 19f) will have significant implications. Ember considers that the FNA methodology, as currently set out, heavily risks sending incorrect signals to policy-makers, project developers and system operators on the need, use case and investability of (1) storage and flexibility technologies - which would likely be underestimated; and (2) Flexible fossil assets - which may be overestimated, risking investments in stranded assets. To address this important issue, we propose that the FNA is incorporated into the ERAA/NRAA process, as an ex-post modelling exercise using the same framework and models. The “dummy flexibility variables” would be divided into generators, DSR and storage - the costs of which are already defined for the ERAA/NRAA (in line with Article 7) - and the models run again to determine the flexibility capacities used across the various clusters of technologies. This sequence allows optimised dispatch between fossil assets (existing and planned) and non-fossil assets (existing, planned and dummy) for the provision of flexibility.