

To Sonya Twohig, Secretary General of ENTSO-E

Joachim Vanzetta, Board Chair of ENTSO-E

Hervé Laffaye, President of ENTSO-E

Cc Giles Dickson, Chair of the Independent Advisory Committee, ENTSO-E

Open Letter to ENTSO-E on the forthcoming Vision: Integrate more Renewables Now to achieve Net Zero in 2050

Brussels, 12 July 2022

Dear Sonya,

Dear Joachim,

Dear Hervé,

Dear Giles,

We congratulate ENTSO-E for its visionary ambition. This ambition was reflected already in the 2015 Vision on the Energy Union, in the 2030 Vision delivered in late 2021, and now again in the project for an updated Vision, that will be delivered on 10-12 October 2022 for broader stakeholder exchanges.

Such a Vision is even more important in the current context of a simultaneous gas-, oil- and power crisis, while the ambition for reaching Net Zero by 2050 is not only kept, but rightly accelerated. There is a need to act fast. ENTSO-E as an authoritative leader has already shown, through the successful synchronization of Ukraine, that it is capable of adapting fast and delivering results.

It is common sense that power networks are a possible bottleneck for delivering on Europe's low carbon agenda, while they could also be the key energy transitions accelerator and enabler.

currENT is the association of innovative grid technology companies. Our members make power networks more efficient, affordable, secure, timely and sustainable. Our vision is for the European power network to be recognized as the world leader in decarbonization through the efficient use of innovative grid technologies. The combination of different innovative grid technologies is even more efficient, as a recent study by Consentec has shown.¹

¹ [The Benefits of Innovative Grid Technologies \(currenteurope.eu\)](https://www.currenteurope.eu), Consentec 2021

While ENTSO-E has announced that it will discuss its Vision with stakeholders after publication in October, currENT would like to share already now five key points that we believe are crucial.

We also renew our interest to join the Independent Advisory Council of ENTSO-E. Our association naturally belongs there.

Below are five key elements we would like to see incorporated into the Vision

1 Efficiency builds public acceptance for investments

TSOs and DSOs will need to massively invest in grids in the next years and decades. Considering technology solutions in addition - and sometimes even as an alternative - to grid expansion is central to keeping costs under control and to demonstrating to impacted communities that new transmission routes will only be pursued when all other alternatives have been exhausted.

2 Customer and consumer voices, transparency and stakeholder interaction build strength

The customer and consumer voice are very important and need to be incorporated into the Vision by ENTSO-E. If we are to achieve the ambitious Vision, there will be a significant impact on stakeholders. With this in mind, and given the important role of ENTSO-E and the TSO members, we would recommend ENTSO-E to emphasize transparency and stakeholder interaction even more and throughout all its products: from access to the dynamic model that should become open source now, to the TYNDP and the Annual reports, technology choices, as well as this Vision. Finally, we encourage ENTSO-E to launch the Vision as a draft Vision, allowing stakeholders to have their say. The Advisory Council should be the first instance to input and to review, well ahead of publication.

3 Milestones and deliverables make the Vision relevant

In order to take power grids from a potential roadblock to broad and future proof enablers, it is crucial that ENTSO-E in parallel develops a set of milestones and deliverables to take the Vision from promise to practice. This parallel process should be completed with the input of stakeholders.

The milestones must show how grids and technologies deliver against the Net Zero agenda in the short-, mid-, and long term. Technologies have to form part of those milestones and deliverables. A reference to Technopedia as well as to concrete innovation projects that ENTSO-E leads on or contributes to is recommended.

4 Technopedia can be a reference for solutions for NRAs

In order to achieve the Net Zero agenda in time, TSOs must do everything they can, simultaneously, and fast. The grid needs to be reimaged and future proofed.

How to operate the power system of the future? How to come up with a system approach that makes use of every option to solve the challenges of tomorrow? Technopedia, that is set to be expanded to DSOs, has a clear potential to become THE reference across European policy makers, network operators, stakeholders, regulatory bodies, and NRAs alike. The reference should start within ENTSO-E.

5 Time, speed, and enabling regulations are required to reach Net Zero

Since new grids are delayed by 10 to 12 years on average in Europe, since action is needed now, since congestions costs are high, since the IPCC April special report 2022 stated that we have only three years left to reach the peak of emissions, we urge ENTSO-E to devote an appropriate space to grid alternatives, technology solutions, and to describe how the inclusion of technologies should be achieved: what regulation is needed, what can TSOs do individually or collectively.

If regulation or procurement rules are perceived as the bottleneck for the uptake of innovative solutions, ACER and the NRAs should come up with updated regulatory frameworks. The ACER policy paper in November 2021 has provided important insights and recommendations here already.²

currENT believes that there is a need for an output-based approach and incentives for innovative approaches. We equally believe that procurement rules must be reconsidered, lightened, and made more European, starting with the language of submission. Other geographies show what works here.

currENT recognizes a perceived increased risk associated with less mature technologies and therefore supports regulatory mechanisms which offset these risks with innovation allowances and incentives in order to deliver to lowest cost/ highest welfare solutions.

We wish ENTSO-E success with its Vision and look forward to our next discussions.

Kind regards,

Layla Sawyer (Secretary General)

Susanne Nies (Chair of the Board)

Christian Kjaer (Vice Chair of the Board)

Anders Skanlund (Vice Chair of the Board)

Frederic Vassort (Vice Chair of the Board)

² [Infrastructure efficiency: the role of regulation in incentivising smart investments and enabling the energy transition | www.acer.europa.eu](https://www.acer.europa.eu/infrastructure-efficiency-the-role-of-regulation-in-incentivising-smart-investments-and-enabling-the-energy-transition)