15 March 2018

The public consultation and participation phase of the electricity interconnection project between Spain and France comes to an end

In Bilbao today, Red Eléctrica de España has concluded the public consultation and participation phase regarding the submarine electricity interconnection project between Spain and France across the Bay of Biscay. The closing event, which was inaugurated by the Government's Deputy Delegate in Bizkaia, Covadonga Aldamiz-echevarría, included an assessment of how this process was managed and carried out in Spain; the first process of this kind to be conducted in Spain for a project of these characteristics.

Dominique Millan, representative of Réseau de Transport d'Électricité, the company responsible for the project on the French side, also took part in the closing session, where he explained how this phase had progressed in France. Representing Red Eléctrica were, among others, the Manager of Construction Area, Andrés Cadenas; the project director, Juan Prieto, and the Regional Delegate, Antonio González, who all highlighted the high level of involvement of all entities, organisations and people who have collaborated on the process.

The event was held in accordance with European requirements regarding public participation process in the initial processing phase of European energy infrastructure and during which Red Eléctrica has transparently provided all possible information to all interested parties and has established communication channels at all levels.

The participation of all stakeholders in this phase is essential for the development of the project, which will receive a grant of €578 million, the largest Connecting Europe Facility-Energy grant ever awarded / the largest electricity interconnection grant ever awarded, as it is considered strategic by the European Union.

Public consultation and participation phase

Since this public consultation and participation period began on 21 September, Red Eléctrica has held a total of 14 meetings, 7 of which have been technical sessions with experts, fishermen's guilds, scientists, universities, etc., and 7 informative talks for residents of the municipalities of Laukiz, Maruri-Jatabe, Mungia, Lemoiz, Bakio and Gatika, towns that also had information booths. In total, more than 700 people attended these informative sessions.

During this public participation process phase, approximately 1,300 people submitted consultations, suggestions and other concerns in writing which were analysed by Red Eléctrica and responded to from a technical and environmental point of view.

The need and justification for the project, the location of the future converter station, the electromagnetic fields or the visual impact of the infrastructure and facilities have been some of the topics that have aroused the interest of the public.

In addition, throughout this closing session it was highlighted that several citizen communication channels have been made available during this phase by means of the following: a specific website associated to the project, the dissemination of documentation and the installation of information booths for consultation and the collection of suggestions.

Having completed this phase, Red Eléctrica will begin drafting the environmental impact study and defining the execution project for its subsequent permitting process, a phase that also includes a public information and consultation process.

The interconnection project across the Bay of Biscay

Declared a Project of Common Interest by the European Commission and by the European Parliament in October 2013, this submarine interconnection will strengthen the electricity interconnection with Europe, increasing the commercial exchange capacity with France up to 5,000 megawatts (MW). In addition, a greater electricity interconnection with countries of the rest of Europe will enable a better integration of renewable energies and an increase in the efficiency of interconnected systems.

The interconnection between Gatika (Spain) and Cubnezais (France), north of Bordeaux, that will link the Spanish and French transmission grids will be 370 kilometres in length and will consist of four cables, two per link, in direct current with a transmission capacity of 2,000 MW. The length of the submarine section will be approximately 280 kilometres, while the land section will be 10 kilometres in Spain and 80 kilometres in France.

REE
http://www.ree.es

15 March 2018

PLN suspends 22 GW of power projects over lower demand

Indonesia state-owned power utility PT PLN has officially cancelled the allocation of around 22,000 MW of power projects, due to sluggish electricity demand in 2017. In the previous version of its 2017-2026 electricity procurement business plan (RUPTL), PT PLN forecast electricity consumption to increase by an average 8.8%/year over this period, requiring the development of 77,900 MW of new power projects. However, electricity sales grew by only 3.6% in 2017, raising concerns over a potential oversupply: the revised version of its 2017-2026 RUPTL now plans the development of 56,000 MW of new power projects, based on an average electricity consumption growth of 6.9%/year over the next decade.

Among the 21,900 MW of power projects removed from the plans, PT PLN scrapped around 10,000 MW of gas-fired and CCGT projects, 6,600 MW of renewable projects and around 5,000 MW of coal-fired power projects. Expansion plans could be revised again if electricity demand suddenly increases later.

Indonesia plans to commission only 20 GW of power plants under the 35 GW capacity programme by 2019.

Enerdata
http://www.enerdata.net

16 March 2018

Saudi Arabia approves nuclear policy

The Saudi Arabia's cabinet has approved the national nuclear policy, aimed at reducing its dependence on oil. Over the next two decades, up to 16 nuclear reactors totalling 17.6 GW - enough to cover 10% of the country's power needs by 2040 - could be built at a cost of around US$80bn.

The Saudi nuclear programme will start with the construction of two reactors, each rated between 1,200 MW and 1,600 MW. The government plans to pre-qualify two or three bidding firms for the construction of its first nuclear project in April 2018. The winners will

then be short-listed by the end of 2018 and a joint venture for the construction of the facility will be signed in 2019. The first nuclear plant is expected to be built by 2027.

Enerdata
http://www.enerdata.net

16 March 2018

Algeria plans to export electricity to Tunisia and Libya

Algeria plans to start exporting electricity to Libya through Tunisia by the end of 2018, when the country expects to become self-sufficient. Negotiations have started with Tunisia, which may import 400 MW, and with Libya.

Algeria recently inaugurated a 421 MW power unit in Khenchela and plans to build another 1,267 MW plant in R'mila, which can be extended to 1,600 MW. Algeria also plans to develop 22 GW of solar capacity by 2020; so far, nearly 400 MW have been commissioned and a tender for an additional 120 MW will be launched by the end of the year.

Enerdata
http://www.enerdata.net

19 March 2018

German grid operator TenneT's cross-border capacity under EU microscope

EU antitrust authorities are investigating whether limits placed by German grid operator TenneT on cross-border electricity capacity with Denmark breaches EU antitrust rules.

The European Commission said it has “constructive dialogue” with German transmission system company TenneT, a subsidiary of TenneT Holding IPO-TTH.AS, the Dutch government-owned operator of electrical grids in the Netherlands and Germany.

“We’ve had several complaints from Danish producers who say they want to supply power to our neighbours but cannot get access,” Europe’s antitrust Commissioner Margrethe Vestager said at a press briefing in Copenhagen on Monday. “We suspect that access is deliberately decreased when too much power is produced.”

TenneT controls 40 percent of the cross-border network capacity of 1800 MW. Vestager added.

TenneT responded with a statement saying that the German-Danish border suffered from transmission bottlenecks, adding that transmission capacities were stretched to the limit because of market liberalisation and the transition to renewable energy. The company said the EU investigation will include calculations on whether capacities approved under European law put foreign providers at an unfair disadvantage. “The examination can therefore set a precedent for all border connections in Europe,” it added.

Power producers in Denmark, Sweden and Norway have long complained of limited access to the power link between Western Denmark and Northern Germany, according to lobby group Danish Energy.

“Germany has for years prevented Danish, Swedish and Norwegian producers in supplying green energy to the rest of Europe,” said Anders Stouge, deputy director of Danish Energy.

In 2016, when access was limited to 200 MW, lost revenue for Nordic power producers amounted to about 500 million Danish crowns ($82.44 million), Stouge said.

A temporary solution was found last year, gradually raising access to 60 percent of capacity until 2020.

“We are pleased that the Commission is looking into this but hope that this won’t be used as a chance to quit the temporary solution agreed last year,” he said.

TenneT said it will submit concrete solutions on Monday, including an extension of the temporary solution agreed last year.

REUTERS
http://www.reuters.com

19 March 2018

TenneT: Wind power in Dutch North Sea possible without subsidies

Holland Coast (South) offshore wind farms to be first non subsidized wind farms in Europe

Dutch tendering system creates opportunities for efficient growth of large-scale power generation in North Sea

TenneT congratulates Vattenfall on winning the call for tenders for the construction of offshore wind farms on Sites I and II in the Holland Coast (South) wind farm zone. Through this development, Vattenfall takes the very first step in non-subsidized green energy generation.

TenneT CEO Mel Kroon commented: “I am very pleased that this first non-subsidized call for tenders has been successful. No subsidies means lower costs for society. And that’s absolutely necessary if the Netherlands wants to make sure that further development of offshore wind energy remains affordable. My compliments go out to the Ministry of Economic Affairs and Climate Policy for facilitating the quick introduction of non-subsidized wind farms. This success will establish a solid foundation for the continued roll-out of offshore wind energy projects after 2023. To realize the internationally agreed climate change targets, it is essential to implement policies that support the efficient large-scale development of offshore wind energy, now and in the future. The offshore wind energy industry also deserves praise. They have developed innovations that will contribute to the affordability of large-scale offshore wind energy. I have every confidence that we have found a good partner in Vattenfall. For its part, TenneT will do its utmost to ensure that the wind farms in the Holland Coast (South) zone will be connected to the onshore grid in time.”

National Energy Agreement

The National Energy Agreement (Nationaal Energieakkoord) stipulates that renewable energy sources must account for at least 16% of the overall ‘energy mix’ by 2023. To achieve this target, the Netherlands must generate more wind energy, both on land and at sea. The government has designated three areas in the North Sea where new offshore wind farms are to be constructed. TenneT is responsible for building the infrastructure (known as the ‘offshore grid’) that will transport this energy onshore and feed it into the national high-voltage grid. The new offshore wind energy capacity to be developed in the period until 2023 will total 3,500 megawatts (MW). That is approximately equivalent to the annual electricity consumption of 3.5 million homes, almost half of all

Dutch households. The offshore grid will therefore make a significant contribution to rendering the Dutch energy supply more sustainable.

Offshore Grid – Holland Coast (South)

The wind farms will be connected to the yet-to-be realized offshore platform Holland Coast (South) Alpha, based on a standardized concept whereby a 700 MW Alternating Current (AC) offshore grid connection will be taken into operation every year. TenneT designed this concept in close consultation with the wind farm developers. The Ministry of Economic Affairs and Climate Policy has determined that this component of the offshore grid must be completed and delivered by 30 June 2021.

The cable route to Maasvlakte North has been selected as the preferred alternative for transporting wind energy from the Holland Coast (South) zone to the onshore grid. This decision was based on the outcome of the Environmental Impact Assessment and the preferences of local government authorities. The National Coordination Scheme (Rijkscoördinatieregeling, RCR) applies to the 'Offshore Grid – Holland Coast (South)' project. Draft version of the permits and the Integration Plan were published in October 2017. The Integration Plan is expected to be adopted in the first quarter of 2018 by the Minister of Economic Affairs and Climate Policy and the Minister of the Interior and Kingdom Relations. The calls for tenders for the onshore transformer substation, the subsea and onshore cables and the offshore platform are also scheduled for this year.

TenneT
http://www.tennet.eu

21 March 2018

Scottish Power proposes capacity market rule change for storage cloaked as DSR

Scottish Power has called for a change to the capacity market rules to lower the de-rating factor for demand side response (DSR) provided by storage.

The proposals submitted to Ofgem would extend the recent cuts to de-rating factors for shorter duration batteries to behind the meter storage bidding as DSR.

To do this, DSR would be separated into different classes with corresponding de-rating factors based on the underlying technologies from which it is derived.

DSR aggregator Kiwi Power has dismissed the proposals as "completely unworkable" and accused Scottish Power of trying to "entrench" its position as an incumbent.

In December, the Department for Business, Energy and Industrial Strategy (BEIS) lowered the de-rating factors for most batteries bidding into the capacity market on the basis they would be unable to meet their obligations during stress events lasting for longer than their minimum discharge duration.

They were divided into eight classes, with only longest-range batteries (four hours plus) retaining the 96 per cent de-rating factor which all had previously received. Those with the shortest range (30 minutes plus) were allocated a de-rating factor of just 18 per cent, thereby slashing their revenues per megawatt of nameplate capacity by around four fifths.

In its submission to Ofgem, Scottish Power noted that DSR sourced from behind the meter storage is not subject to the same duration dependent de-rating factors under the current arrangements.

"This risks over-rewarding such storage and increasing costs to consumers," the firm argued. "It is also contrary to the capacity market policy of technology neutrality and unfair to other market participants."

Scottish Power said in the absence of a rule change "the new de-rating approach can be circumvented by storage developers locating their projects behind the meter and participating as DSR".

"We are aware that some other forms of DSR may also have duration limits," it added. "In due course, duration de-rating and appropriate testing should be extended to all applicable DSR technologies."

A spokesman for the company told Utility Week: "We believe that the same duration de-rating should apply to batteries whether they are behind or in front of the meter.

"In the longer term, if other forms of DSR can only deliver for periods less than that of a typical system stress event, then it should be de-rated accordingly so as to ensure that security of supply is maintained."

Reaction from aggregators

Jonathan Ainley, head of public affairs at Kiwi Power, described the rule change as "completely unworkable".

"The whole point of DSR is to unlock flexibility to provide the greatest benefit to the system," he explained. "This approach would effectively spell the end of unproven DSR, as DSR capacity market units would have to be assigned a technology type at the point of prequalification, which is the exact opposite of what DSR is there to do.

"Clearly, such an outcome would be deeply undesirable for Great Britain's electricity system."

He said DSR is already at a "huge disadvantage" as it is only able to secure one-year contracts in the four-year-ahead (T-4) auction, whilst other all other new-build technologies can secure contracts of up to 15 years in length.

Ainley continued: "Ofgem should focus its efforts on reforming the capacity market rules to remove these disadvantages and level the playing field for DSR, rather than wasting time on proposals from formerly nationalised incumbents seeking to further entrench the position they inherited in the market."

Nick Heward, head of energy storage at fellow DSR aggregator Origami Energy, was less critical of the proposals: "We develop and operate behind the meter storage projects, alongside other types, and we were expecting to be able to put some storage assets into DSR capacity market contracts at some stage.

"The Scottish Power proposal could have a detrimental impact on storage projects, but it could be argued that the changes fall in line with the original intentions of the capacity market to secure security of supply.

"When the capacity market legislation was put in place, there was no such thing as energy storage on a commercial scale, and like the ancillary services market, both were designed with generation in mind. It is natural in an evolving market that there will be changes to value opportunities".

He said, whilst capacity market contracts are a valuable source of revenue for storage assets, the balancing mechanism and wholesale market are likely to become "increasingly important components of the investment case".

Earlier this month, Utility Week reported that Limejump had already secured a DSR capacity agreement for the Leighton Buzzard battery storage facility which it operates on behalf of UK Power Networks in the latest T-4 auction.

Utility Week
http://www.utilityweek.co.uk

23 March 2018

Kaliningrad Power System successfully undergone full-scale tests to ensure reliable isolated operation

Inter RAO Group, SO UPS, Interautomatika and Yantarenergo, with the support of the administration of the Kaliningrad Region, successfully completed field tests to determine the feasibility of generating units of the Mayakovskaya and Talakhovskaya TPPs for restoration of the Kaliningrad Power System after total blackout and for frequency regulation in case of isolation.

The tests confirmed that the gas turbine units (GTUs) of the Mayakovskaya and Talakhovskaya TPPs were fully capable of providing automatic frequency regulation as well as effectively participating in restoration procedures if operated as part of the isolated Kaliningrad Power System.

The experts of the national system operator's Interregional Dispatch Office of North-West (North-West IDO) and Regional Dispatch Office of Kaliningrad (Baltic RDO) in order to carry out the tests supervised the interaction of all the industry entities and regional authorities involved and held responsibility for the required operational security measures. By the decision of the Kaliningrad Regional Headquarters for power supply safety, the supply reserves were ordered fully operational and the community awareness was provided by schedule.

The tests included the actual disconnection of an island within the Kaliningrad Power System for asynchronous isolated operation. At the first stage, the load was partly dropped and after that gradually re-connected to an isolated GTU, thus restoring the power supply of the disconnected network. At the second stage, the isolated areas were unbalanced to create frequency deviations and further automatic primary and secondary frequency regulation ensured the restitution of 50 Hz in the area – either by one or by two GTUs. Also, in accordance with the test program, the possibility of frequency regulation with set-point frequency other than 50 Hz was checked.

The test results allowed choosing optimal settings for generating units of the Mayakovskaya and Talakhovskaya TPPs which participated in frequency and power regulation when the Kaliningrad Power System operated in isolation from the Unified Power System of Russia. The test results will also be analyzed and used for development and implementation of further measures to improve the Kaliningrad Power System reliability under various operational conditions.

The tests for isolated operation of the Kaliningrad Power System are necessary due to the EU plan to synchronize the Baltic States with the continental Europe. At present the Baltic States' power systems are operated in a synchronous mode with the Russian and Belarusian systems.

The Mayakovskaya TPP with installed capacity 157.35 MW is located in Gusev (city in the Kaliningrad Region), and the Talakhovskaya TPP with installed capacity 159 MW – in Sovetsk (likewise). Both power plants were put into operation in March 2018.

In 2018-2020 Inter RAO Group plans to build two more TPPs – Primorskaya and Pregolskaya – with total capacity 651 MW.

SO UPS
http://www.so-ups.ru

23 March 2018

Elia has decided to acquire an additional 20% stake in German TSO 50Hertz

Elia System Operator SA/NV ('Elia'), the Belgian transmission system operator, has decided to exercise its pre-emption right to acquire an additional 20% stake in Eurogrid International SCRL ('Eurogrid'), the holding company above the German TSO 50Hertz Transmission GmbH ('50Hertz'). Through this transaction, Elia will own 80% of Eurogrid. The additional stake will reinforce Elia's position as a leading TSO in Europe and strengthen the Elia Group with the two affiliated TSOs in Belgium and in Germany in supporting the energy transition in Europe and the concerned countries.

After the transaction, Elia will continue to have a strong focus on both Germany and Belgium by fully implementing previously agreed CAPEX-plans valued at € 2.3 billion in Belgium and € 3.3 billion in Germany over the next five years. Elia's rating is not expected to be impacted by the transaction.

Elia
http://www.elia.be

27 March 2018

NTPC commissions 800 MW unit at Lara coal-fired power project

The Indian state-owned power generation company NTPC has commissioned the first 800 MW unit of the 1,600 MW Lara supercritical coal-fired power project in the Indian state of Chhattisgarh. The RUP300bn (US$4.62bn) project will be made up of two units with a capacity of 800 MW each and could be later expanded to 4 GW. The facility will source coal from the Talaipalli coal block located in the Mand Raigarh coal field.

Earlier in March 2018, NTPC completed the first phase of the RUP132.05bn (US$2.91bn) Kudgi supercritical coal-fired power plant project (4 GW as well) in the Bijapur district of the south Indian state of Karnataka. The facility also comprises five units of 800 MW each and three units (2,400 MW) have been completed so far.

Enerdata
http://www.enerdata.net

27 March 2018

PJM clears the closure of 1.3 GW Pleasants coal-fired power plant

The US regional transmission organization PJM has approved FirstEnergy's plan to shut down the 1,300 MW coal-fired Pleasants power plant in Willow Island, West Virginia (United States) in January 2019. The closure was announced in February 2018 as the facility was labelled as uneconomic and unable to stay competitive with low natural gas prices and newer coal plants. FirstEnergy was considering selling Pleasants to another company that would keep it running but the US Federal Energy Regulatory Commission (FERC) rejected a bid to sell the plant to its company's subsidiaries Mon Power and Potomac Edison for US$195m.

The power plant has been in operation for nearly 40 years and includes two coal-fired units of 650 MW each, completed at a cost of US$677m. The sale fits into a broader plan: in 2016, FirstEnergy announced the sale or closure of 2,471 MW of power generation operated in Ohio, Pennsylvania and Virginia. Once the decommissioning of the Pleasants power plant is done, FirstEnergy will own 14,795 MW of power generation capacity across several US States (Ohio, Pennsylvania, West Virginia, New Jersey, Virginia and Illinois).

Enerdata
http://www.enerdata.net