



1 February 2019

15 January 2019

Nemo Link announces go-live date

The capacity on the Nemo Link interconnector will be available to purchase via the implicit day ahead auction from 30th January 2019, for delivery on 31st January 2019.

This go-live announcement follows a successful testing period where active power transfers have been taking place between Belgium and the UK.

This interconnector is a major event for Elia and National Grid (UK). Not only is it the first interconnector with the UK, but also the first subsea interconnector and the first time the transmission system operator has employed HVDC (High-Voltage Direct Current) technology. HVDC is ideal for this kind of project because the two grids are not synchronized. It also controls flows better. This cable is the first of its kind in the world. Designed in Japan, it is unique due to the voltage involved (400 kV) and its use of XLPE (cross-linked polyethylene) as insulation material.

Testphase successfully completed

In January 2019 the testing-phase was successfully ended. This was the final before the go-live. From 30th January Nemo Link will immediately enter service and play a role in integrating the European power grid. Elia and National Grid are making their infrastructure available to the market operators, i.e. the main players involved in exchanging electricity between Belgium and the UK. This will yield a better energy future for consumers in both countries while encouraging the transition to a sustainable and affordable system. Nemo Link is expected to see 1000 MW in electricity exchanges (equivalent to the capacity of a nuclear reactor), a significant plus in terms of ensuring security of supply.

The culmination of 10 years of work

Nemo Link is a collaborative effort organised by Elia (Belgium) and National Grid (UK), which created a joint venture with a mixed Belgian-British team. The go-live of the Nemo Link interconnector marks the culmination of an enormous project that took nearly 10 years to complete. It never could have succeeded without the determined efforts of the men and women who worked together to complete the project.

Elia
<http://www.elia.be>

17 January 2019

Hitachi shelves plans for nuclear plants at Wylfa and Oldbury

Hitachi has halted work on its plans for new nuclear plants at Wylfa and Oldbury, sparking fears about the UK's future energy security and its ability to achieve greenhouse gas reduction targets.

The multi-national announced this morning, following a meeting of its board in Japan, that its UK subsidiary Horizon Nuclear Power will suspend work on the two plants at Wylfa on Anglesey and Oldbury in South Gloucestershire.

The company's scheme for a new nuclear plant at Wylfa is the most advanced in the UK's nuclear new build planning pipeline after EDF's Hinkley Point C power station currently under construction in Somerset. Hitachi's UK Advanced Boiling Water Reactor received regulatory approval under the Generic Design Assessment process in December 2017.



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The announcement is the second blow to the UK's nuclear new build programme in three months after Toshiba axed its plans for a power station at Moorside in Cumbria in November.

Duncan Hawthorne, chief executive of Horizon, said "We have been in close discussions with the UK government, in cooperation with the government of Japan, on the financing and associated commercial arrangements for our project for some years now.

"I am very sorry to say that despite the best efforts of everyone involved we've not been able to reach an agreement to the satisfaction of all concerned.

"As a result, we will be suspending the development of the Wylfa Newydd project, as well as work related to Oldbury, until a solution can be found. In the meantime, we will take steps to reduce our presence but keep the option to resume development in future."

Greg Clark, secretary of state for business and energy, told the House of Commons that while nuclear power still has an "important role" to play in the UK's future energy mix, it must provide good value for money for taxpayers and consumers.

He said the government had offered to take an equity stake and furnish all of the debt financing for the Wylfa project, which would enable the project's Contract for Difference (CfD) strike price to be set at £75/MWh.

Responding to the announcement, former energy and climate change secretary Ed Davey said: "The UK will face an energy crunch in the next decade and fall behind on climate change targets if the government just continues to sit on its hands.

"The much cheaper opportunity of renewable power backed up by cutting edge technologies like new-generation batteries, interconnectors and tidal lagoons must now take priority over nuclear."

Tim Yeo, former chair of the House of Commons Energy and Climate Change Committee, said the suspension of work by Hitachi posed an "existential threat" to the UK's nuclear industry.

"Equally serious are the implications for climate change because nuclear provides a big promotion of Britain's low-carbon electricity.

"Unless Britain's older nuclear plants are replaced soon Britain won't meet its legally binding emissions reduction targets."

Yeo, who now chairs the New Nuclear Watch thinktank, urged the government to open urgent discussions with alternative nuclear developers about taking forward the sites at Wylfa and Moorside.

Justin Bowden, national secretary for energy at the GMB union, said: "Hitachi's announcement, coming so soon after the Moorside fiasco, raises the very real prospect of a UK energy crisis.

"As coal is taken out of the equation in the next few years and the existing nuclear fleet reaches the end of its natural life after 50 years, decisions are already long overdue for construction to be completed in time and not leave the country at risk of power cuts or reliant on imported electricity, much of it from unreliable regimes.

"While the government has had its head up its proverbial backside over Brexit, vital matters like guaranteeing the country's future energy supply appear to have gone by the wayside."



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Emma Pinchbeck, deputy chief executive of Renewable UK, called on the government to plug the hole emerging in its carbon reduction plans by allowing onshore wind farms to compete in CfD auctions.

But Jonathan Marshall, head of analysis at the Energy and Climate Intelligence Unit, said the pause in Hitachi's programme should not set alarm bells ringing.

"In recent years, government has quietly cut back its expectations for nuclear new build, and that's looking more and more realistic as the price of renewable generation falls and the benefits of the flexible smart grid become more apparent.

"Filling the nuclear gap with renewables would indeed require an increase in rollout, but one that is well within UK capabilities."

He said that focusing on the rolling out of a smart grid rather than new build nuclear would enable renewable energy to meet the UK's electricity needs.

"With enough focus on smart low-carbon energy, there's no reason why Britain shouldn't achieve all its energy objectives despite the cancellation of these nuclear stations."

Utility Week

<http://www.utilityweek.co.uk>

17 January 2019

EU supports research on power system interfaces

After implementing the network codes and the "Clean Energy for All Europeans" package, the European Commission is now funding INTERRFACE under the Horizon 2020 programme. The aim of this research project is to create new connections/interfaces in the power system. INTERRFACE has now been launched and will run for three years with a budget of €21m. It involves 42 partners from grid and market operators, aggregators, service and technology providers as well as universities.

The consortium includes the European Network of Transmission System Operators for Electricity (ENTSOE) and the two TSCNET shareholders ELES, the Slovenian transmission system operator (TSO), and Transelectrica, the TSO from Romania. Together with their partners, they plan to develop an Interoperable pan-European Grid Services Architecture to serve as an interface between customers and power system operators – TSOs and distribution system operators (DSOs) – to allow seamless, transparent and non-discriminatory exchange of energy services. INTERRFACE is intended to demonstrate the added value of data exchange between all players involved in the value chain of the electricity system, and this from local, regional to EU level. This would be a first in the energy sector. INTERRFACE should also enable TSOs, DSOs and customers to fully exploit and coordinate the potential of decentralised energy resources.

TSCNET Services

<http://www.tscnet.eu>

18 January 2019

Egypt ready to commission power interconnection project with Sudan

The Egyptian Ministry of Electricity and Renewable Energy has announced that the 300 MW power interconnection project with Sudan is moving forward and is slated for activation in February 2019. All the pylons that will be used for the construction of the power line have been completed by the Indian construction firm Larsen & Toubro (L&T). The 220



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kV line will span across 169 km within the Egyptian and Sudanese territories. It may later be upgraded to 500 kV to deliver up to 3,000 MW of electricity.

The project was developed in the framework of the North-South Power Transmission Corridor, an 8,000 km long power connection project, which will spread from Egypt through Sudan, South Sudan, Ethiopia, Kenya, Malawi, Mozambique, Zambia, Zimbabwe to South Africa. Once built, it will connect the East African and Southern African Power Pools (EAPP and SAPP) and in particular transmit the power generated by the Great Renaissance dam in Ethiopia.

Enerdata

<http://www.enerdata.net>

18 January 2019

Federal judge links PG&E's uninsulated power lines to California wildfires

The federal judge overseeing Pacific Gas & Electric's probation related to the 2010 San Bruno pipeline explosion issued a preliminary finding on Thursday concluding the utility's equipment was a factor in sparking wildfires in 2017 and 2018 that devastated parts of Northern California.

The ruling could lead to additional scrutiny or oversight for the utility, which announced Jan. 14 that it would file for bankruptcy protection due to mounting wildfire liabilities. U.S. District Judge William Alsup gave PG&E and the U.S. Justice Department until Jan. 23 to reply to concerns that uninsulated PG&E equipment caused "electrical sparks [to] drop into the vegetation below," creating "an extreme danger of igniting a wildfire."

Utility Dive

<http://www.utilitydive.com>

18 January 2019

TEPCO and Ørsted sign MOU to work jointly on offshore wind projects

Tokyo Electric Power Company Holdings, Inc. (TEPCO), the largest power company in Japan, and Ørsted A/S (Ørsted), the world's leading offshore wind developer, announced today that they have signed a memorandum of understanding to work jointly on offshore wind projects.

TEPCO has been exploring offshore wind business opportunities in Japan and overseas. Ørsted, which has been leading the global offshore wind industry since it built the world's first offshore wind farm in 1991, has constructed more than 25 offshore wind farms in Europe and has several large-scale offshore wind development projects in Europe, the US and Taiwan.

TEPCO and Ørsted will work jointly on the Choshi offshore wind project near Tokyo, for which TEPCO has been carrying out a seabed survey to examine its feasibility (announced on November 1, 2018) and towards a strategic partnership for broader collaboration.

"TEPCO Representative Executive Officer and President, Tomoaki Kobayakawa, commented: "We are confident that the partnership combining TEPCO's extensive expertise in the Japanese power business and Ørsted's unparalleled track record in the offshore wind business will lead to success in the Choshi project. We hope that this first step paves the way for expansion beyond the coastlines of Japan for the development, construction,



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operation and ownership of offshore wind projects. TEPCO is aiming to make renewable energy a core generating source by developing 6 to 7 GW of renewable energy projects in Japan and overseas. The partnership with Ørsted will provide us with a very strong platform to scale up our renewable energy business as one of our main pillars of business growth.”

Ørsted CEO and President, Henrik Poulsen, remarked: “Our vision is to create a world that runs entirely on green energy, and we look forward to expanding our presence in the Asia-Pacific region and bringing over two decades of offshore wind knowledge into this partnership for the Choshi project. As the largest player in the Japanese electricity industry, TEPCO has deep insights into the local power market and the regulatory requirements. This MOU is the first step in Ørsted and TEPCO’s aspirations to deliver on Japan’s ambitions for domestic renewable power generation at a large scale and contribute to making Japan a leading offshore wind market in the Asia-Pacific. We welcome this first opportunity to work with TEPCO and look forward to strengthening our relationship further.”

TEPCO

<http://www.tepco.co.jp>

22 January 2019

Texas regulators direct higher plant payments amid capacity crunch concerns

Texas utility regulators last week directed the state's power market operator to boost payments to generators during periods of high electricity demand amid growing concerns that the state could run short of capacity this summer.

The Public Utilities Commission of Texas (PUCT) directed the Electric Reliability Corporation of Texas (ERCOT) to make changes to the Operating Reserve Demand Curve (ORDC), a market mechanism that governs how power prices respond during times of grid stress. The shift in the ORDC will mean higher prices for power plants and demand-side resources that can respond during peak demand periods.

The move came after ERCOT reported its 2019 reserve margin had dropped to 7.4%, well below the state's target of 13.75%. Power generators, who floated similar changes to the ERCOT market in 2017, praised the proposed changes.

Utility Dive

<http://www.utilitydive.com>

23 January 2019

Energy Union: EU invests a further €800 million in priority energy infrastructure

Today EU Member States voted on a Commission proposal to invest almost €800 million in key European energy infrastructure projects with major cross-border benefits. The EU funding comes from the Connecting Europe Facility (CEF), the European support programme for trans-European infrastructure.

Priority is given to projects that increase competitiveness, enhance the EU's security of energy supply through the promotion of safe, secure and efficient network operation, and contribute to sustainable development and environmental protection. Creating a connected, modern energy grid represents a crucial element of the Energy Union, one of the political priorities of the Juncker Commission.

Commission Vice-President in charge of the Energy Union, Maroš Šefčovič affirmed: “CEF is one of those instruments that prove the EU's added value. Today's



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approved list showcases that Energy Union is an efficient tool to modernise and green our economies, to make them future proof in line with climate and environmental goals.”

Commissioner for Climate Action and Energy, Miguel Arias Cañete said: “As a crucial element of our overall energy and climate strategy, we need to ensure that our energy infrastructure is sustainable, goal-oriented, and operational. With almost two thirds of today's investment decision devoted to electricity, we are delivering on our promise to align EU funding with our political ambition to deliver the clean energy transition. We continue to invest in the right energy infrastructure projects which are essential to the EU's clean energy transition and security of supply. I am particularly pleased by the support given to the Baltic electricity synchronisation project, which will help materialise the Baltic States' ambition to integrate their electricity system with continental Europe and improve security of supply in the Baltic region.”

Today's vote concerns CEF financial aid for studies and works for a total of 14 projects: 7 for electricity, 2 for smart grids, 2 for CO₂ cross-border transportation and 3 for gas. The proposed CEF-Energy funding amounts to almost €800 million, with electricity and smart grids accounting for €504 million, €9.3 million to support studies on the development of a CO₂ transport infrastructure; and €286 allocated to the gas sector. This current call for proposals (2018-2) was launched in June and closed on October 11th 2018.

In the electricity sector, a €323 million grant is awarded to the Baltic electricity synchronisation project. The Baltic States remain synchronously connected to the central dispatch facility of Russia, hindering their full integration into EU electricity markets. The project aims to increase the security of supply and reliability of the power systems in the region through their synchronous connection to the Continental European Network (CEN). In June of 2018, EU leaders agreed the political roadmap for completing the synchronisation.

On smart grids, support has been approved for the ACON SG project to modernize and improve the power grid between Czechia and the Slovak Republic. The €91 million grant will now contribute to the setting up of smart grids in the border region.

Moreover, €6.5 million in funding will be allocated to a study on the development of a CO₂ infrastructure in the Port of Rotterdam. The objective is to establish an open access, cross-border, carbon dioxide network in North-West Europe, with its core located in the Port of Rotterdam.

Finally, in the gas sector, the CEF will support, with nearly €215 million, the Baltic Pipe project, a new, bi-directional offshore gas interconnection between Poland and Denmark. This pipeline will be crucial for security of supply and market integration of the region.

Background

The CEF envisages a total budget of €5.35 billion for trans-European energy infrastructure for the period 2014-2020. In order to be eligible for a grant, a proposal has to be 'a project of common interest' (PCI). When completed, the projects will each result in significant benefits for at least two Member States, enhance security of supply, contribute to market integration, and enhance competition, as well as reduce CO₂ emissions.

The Union-wide list of Projects of Common Interest is updated every two years. The latest PCI list was published by the Commission in November 2017. The CEF-Energy already granted €647 million to 34 projects in 2014, €366 million to 35 projects in 2015, €707 million to 27 projects in 2016, and €873 million to 17 projects in 2017.



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In the next long-term EU budget 2021-2027, the European Commission has proposed to renew the Connecting Europe Facility, allocating €42.3 billion to support investments in European infrastructure networks, including €8.7 billion for energy.

European Commission
<http://www.europa.eu>

23 January 2019

Department of Energy Announces \$38 Million for Improving Existing Coal-Fired Power Plants

The U.S. Department of Energy (DOE) today announced up to \$38 million in federal funding for cost-shared research and development (R&D) projects enhancing technologies that improve the overall performance, reliability, and flexibility of the nation's existing coal-fired power plant fleet.

Coal is vital to the Nation's energy security and provides around 30 percent of U.S. electricity. DOE is funding research to modernize the grid and improve the existing coal-fired power plant fleet under the Office of Fossil Energy's (FE) funding opportunity announcement Improving Efficiency, Reliability, and Flexibility of Existing Coal-Based Power Plants.

"Utilizing all of our energy resources to ensure the reliability and resiliency of our nation's electricity is a top priority for the Department of Energy," said Under Secretary of Energy Mark Menezes. "Modernizing and advancing the existing coal fleet is imperative to this mission. By improving the efficiency of our baseload generation, we are strengthening the reliability of all our electricity generation."

"Along with the Department's Coal FIRST initiative, modernizing the existing coal-fired fleet is critical to our effort to allow existing coal plants to load, follow and operate more efficiently. This research and development will lower emissions and foster new technologies beneficial to our electric grid," said Assistant Secretary for Fossil Energy Steven Winberg.

This FOA will develop advanced technologies that improve the overall performance, reliability, and flexibility of the nation's existing coal-fired power plant fleet. Projects will support DOE's Transformative Power Generation Program and Crosscutting Research Program. R&D funded under this FOA will also benefit FE's efforts to advance the coal-fired plant of the future as part of the Coal FIRST initiative. The National Energy Technology Laboratory (NETL) will manage these projects. Read more details of the FOA [here](#).

DoE
<http://www.energy.gov>

23 January 2019

German regulator clears 1st section of Ultranet HDVC power line project

The German Federal Network Agency (Bundesnetzagentur or BNetzA) has approved the route for the first section (60 km) of the 340 km long Ultranet high-voltage direct current (HVDC) power line that will stretch between Osterath in North Rhine-Westphalia to Philippsburg in Baden-Württemberg (south-west Germany), transmitting wind power from the North Sea to the southern German market.

The approved 60 km section will be built between Riedstadt in Hesse and Mannheim-Wallstadt in Baden-Württemberg. The construction will be implemented by the German



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power grid operator Amprion, which will lay DC and AC cables along existing lines, in order to speed up delivery and avoid transmission losses.

The 380 kV DC link is scheduled for completion in 2023 and will transmit 2,000 MW of electricity. It will help to meet the electricity needs created by Germany's phase-out of nuclear reactors by 2022, including in particular the Philippsburg nuclear plant.

Enerdata

<http://www.enerdata.net>

23 January 2019

Every little helps...big boost for smaller electricity providers: National Grid creates dedicated distributed energy desk

National Grid's electricity control room has this week introduced a new 'Distributed Resource' Desk that enables power system engineers to give instructions much faster to smaller generators, battery storage operators, and demand side response providers - in the first 24 hours of operation, the number of bids and offers accepted by the control room from these aggregated providers was 87MWh, up 113% on average.

As the Electricity System Operator (ESO) the control room receives bids and offers daily from generators detailing the amount of power they can provide, the time they can provide it, and at what price. The control room accept or reject these bids based on what is needed to manage the network, while always opting for least cost, where it can.

Last year the system operator reached a significant milestone when it opened up the GB Balancing Mechanism Market, to enable small generators, battery storage and demand side response providers to compete with larger power plants to offer power and services to the grid.

Aggregators such as Limejump and Flexitricity act on behalf of several energy providers whose power in isolation is small but in total (or aggregated) meets the requirement for entry into the GB Balancing Mechanism Market. In combination, these providers have 52 Megawatts (MW) of power available within the GB Balancing Mechanism Market.

Staff managing the distributed resource desk focus entirely on optimising the use of these new assets and help them develop their capabilities to keep facilitating the growth of the market. By April 2019, National Grid expects market growth in this area will be up 179% to 145MWs, made up of batteries, combined heat and power, demand side response and gas reciprocating engines (heat power).

Claire Spedding, Balancing Programme Director, for National Grid Electricity System Operator said:

"I am delighted that, after facilitating the access of a number of new parties into the Balancing Mechanism Market last year, we are now able to take this next exciting step forwards. Putting a dedicated 'Distributed Resource' desk into the control room means we can create expertise in really understanding how these assets can contribute to balancing the nation's electricity system."

This development comes at a time when National Grid is in the final stages of preparations for transitioning to a legally separate system operator from 1 April 2019. Through legal separation, it is creating a trusted, impartial Electricity System Operator (ESO) that will make it easier for a wider range and variety of customers to connect to the network.



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During this transition, it's critical that the ESO business continues to operate the electricity system safely and securely.

Claire added, "Who would think that a community energy scheme with a back-up generator in the North East, or a battery in the East Midlands could be helping you make a cup of tea when you get home from work in Reading?"

National Grid
<http://media.nationalgrid.com>

26 January 2019

Germany agrees to end reliance on coal stations by 2038

Germany has agreed to end its reliance on polluting coal power stations by 2038, in a long-awaited decision that will have major ramifications for Europe's attempts to meet its Paris climate change targets.

The country is the last major bastion of coal-burning in north-western Europe and the dirtiest of fossil fuels still provides nearly 40% of Germany's power, compared with 5% in the UK, which plans to phase the fuel out entirely by 2025.

After overnight talks, the German coal exit commission of 28 members from industry, politicians and NGOs, which has worked since last summer to thrash out a timetable for ditching coal power, agreed an end date of 2038. A review in 2032 will decide if the deadline can be brought forward to 2035.

Hans Joachim Schellnhuber, a member of the commission and an adviser to the German chancellor, Angela Merkel, said: "This is an important step on the road to the post-fossil age – a step that also opens up new perspectives for the affected regions through innovation-driven structural change." But he said it had been difficult to reach a consensus on how quickly to phase out coal.

Stefanie Langkamp, a coal expert at the Climate Alliance Germany network, cautiously welcomed the decision. She said: "It is good that the long-overdue entry into the coal phaseout is now beginning and that new perspectives are being developed in the regions. Measured against the climate crisis, however, the coal phaseout should have been much more ambitious."

However, RWE, which runs many of the country's coal plants, said the 2038 date was "far too early" for the company and said the 2032 review would be a chance to extend the final end date. In a statement the firm said the proposals: "would have far-reaching consequences for the German energy sector and in particular for RWE." Rolf Martin Schmitz, RWE's chief executive, warned the plan would have "serious consequences" for the company's lignite, or brown coal, business.

Coal union members greeted a meeting of the coal exit commission in Berlin on Friday with a demonstration urging against a hasty phaseout.

The final 336-page document agreed by the coal commission, seen by the Guardian, shows Germany plans to reduce its 42.6GW of coal power capacity to about 30GW by 2022, falling to around 17GW by 2030. The deal will be formally published next Friday.

Greenpeace has called for an end date of 2030, but other environmental groups in the country supported a 2035 cut-off. Almost three quarters of Germans believe a quick exit from coal is important, according to a poll of 1,285 people by the broadcaster ZDF.



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Dave Jones, a power analyst at the London and Brussels-based thinktank Sandbag, said: “2035 is really the ambitious solution. The bigger question is about how quickly it happens [for example, interim goals].”

The commission said that gas would become Germany’s backup power of choice, rather than coal, which would make it more similar to the UK energy system.

Merkel, speaking in Davos last week, said that, as the country ditches coal and closes its last nuclear plants in 2022, “we will need more natural gas, and energy needs to be affordable.” Her government has a goal of increasing the share of renewables in electricity supply from 38% today to 65% in 2030.

One of the most contentious issues has been the cost of compensating energy firms for shutting coal plants before the end of their lifetime.

About €40bn will be awarded under the commission’s plans; the industry had hoped for €60bn. The German energy secretary, Thomas Bareiß, has said the move away from coal was necessary but would be a “very expensive transition”.

The Guardian
<http://www.theguardian.com>

28 January 2019

Le gouvernement dévoile la programmation pluriannuelle de l’énergie

Après bien des retards, le gouvernement français a rendu public son projet de programmation pluriannuelle de l’énergie. Relativement audacieuse, cette politique décennale souffre pourtant de nombreux défauts. Un article de notre partenaire, le Journal de l’environnement.

La France rentre dans le dur. Près de deux mois après en avoir dévoilé les grandes lignes, le gouvernement a publié le vendredi 25 janvier, le projet programmation pluriannuelle de l’énergie (PPE). Institué par la loi sur la transition énergétique, cet exercice de planification énergétique porte sur les périodes 2019-2023 et 2024-2028. Il est la déclinaison opérationnelle de la stratégie nationale bas carbone (SNBC).

Le nouveau paquet Énergie Climat 2030 européen demande d’ailleurs aux 27 membres de l’Union européenne de fondre ces deux documents en un plan national intégré Energie Climat (Pniec). À charge ensuite pour les services de la Commission européenne de vérifier que les orientations des Pniec soient conformes aux objectifs Energie Climat assignés à chaque pays membre.

La PPE fixe avant tout un grand objectif, qui détermine le reste. Dans dix ans, la France ne devra pas émettre plus de 227 millions de tonnes de CO₂ issues de la combustion de fossiles: 43% de moins qu’en 1990 (année de référence pour la comptabilité carbone de l’ONU).

EURACTIV
<http://www.euractiv.fr>

28 January 2019

Russia clears US\$29bn upgrade programme for 41 GW of thermal power plants

The Russian Ministry of Energy has approved a RUB1,900bn (US\$29bn) programme for the modernisation of the domestic thermal power plants for the 2022-2031 period.



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Approximately 41 GW of power generation capacity - i.e. around 1/4 of the total thermal power capacity in Russia - is concerned, of which 2 GW in the Far East region.

The modernisation projects will be selected through auctions, with the first one for 11 GW expected in April-May 2019 to start power supply in 2022-2024. The main criterion that will determine what kind of equipment falls into the modernisation programme is the lowest cost of kWh. Winners will sign 16-year agreements; they will receive increased payments from the energy market for 15 years, with a guaranteed rate of return on investment of 14% in the first stage. The costs will pass on to customers, arousing fears from large electricity consumers such as steel plants.

Even though the selection of applicants for modernisation plan will be conducted on a competitive basis, the government will prioritise domestic equipment and a 100% "local content" rate is targeted in order to avoid potential sanctions on the Russian economy and decrease the reliance on foreign imports.

Enerdata

<http://www.enerdata.net>

29 January 2019

European Commission appeals against capacity market court ruling

The European Commission has lodged an appeal against the court ruling that resulted in the recent suspension of the capacity market, the boss of Tempus Energy has confirmed.

Back in November, the European Court of Justice (ECJ) upheld an appeal by the company against the commission's decision in 2014 to approve the capacity market under state aid rules. The judgement rendered the scheme illegal, forcing all auctions and payments to be halted.

A new case has appeared on the ECJ website naming the European Commission and Tempus Energy as the parties involved. The only other information listed is the date of the filing (25 January).

Tempus Energy chief executive Sara Bell told Utility Week the posting refers to an appeal against the court's ruling. Bell expressed confidence that Tempus Energy will win the case and chastised the commission for wasting taxpayers' money. "Electricity customers are being forced to subsidise dirty, polluting fossil fuel when alternative, cheaper technologies already exist," she said. "The ECJ recognised electricity customers had been ripped off and ordered the commission to do their job properly and follow their own rules. European children have a right to breathe clean air and benefit from the new innovation jobs of the future instead of being forced to subsidise dirty, old and anti-competitive technologies. We will keep fighting for these rights and no shameful politician will get away with this."

The Department for Business, Energy and Industrial Strategy (BEIS) has yet to respond to a request for comment. Earlier this month the department announced its intention to resume collecting market payments from suppliers during the current standstill period to enable them to be promptly redistributed to contract holders if the scheme is reinstated. BEIS has also revealed plans to hold a T-1 auction over the summer and a T-3 auction next year to replace those previously scheduled for early 2019.

Utility Week

<http://www.utilityweek.co.uk>



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29 January 2019

G&E files for 2nd bankruptcy, ignoring investor pleas

Pacific Gas & Electric (PG&E) filed for bankruptcy on Tuesday morning, capping a months-long debate over how the utility could manage tens of billions in potential wildfire liabilities. It is the second time the utility has filed for Chapter 11 bankruptcy in less than two decades — unusual for any company, but particularly for a highly-regulated public utility.

PG&E officials say they have lined up \$5.5 billion in debtor-in-possession financing, to keep operations running while the bankruptcy proceeds. The utility has warned the proceeding could take two years, or potentially longer. But the company also says it expects to make significant changes in the process.

"To be clear, we have heard the calls for change and we are determined to take action throughout this process to build the energy system our customers want and deserve," John Simon, interim CEO of PG&E Corp., which owns the utility, said in a statement.

PG&E could be facing up to \$30 billion in liability related to the devastating 2017 and 2018 wildfire seasons, but investors were clearly not on board with the utility's decision. The company signaled it was planning to file for bankruptcy protection in a Jan. 21 8-K filing, prompting several investor groups to plead with the utility to change course.

Utility Dive

<http://www.utilitydive.com>

29 January 2019

Dutch grid operators launch GOPACS: a smart solution to reduce congestion in the electricity grid

Grid operators TenneT, Stedin, Liander, Enexis Groep and Westland Infra are working together on GOPACS. This new platform is now launched. It is an important step to mitigate capacity shortages in the electricity grid (congestion) and thus contribute to keeping the Dutch grid reliable and affordable. GOPACS is a unique initiative in Europe and has resulted from active collaboration between the Dutch national grid operator (Transmission System Operator, TSO) TenneT and the regional grid operators (Distribution System Operators, DSOs).

The energy transition and economic growth require capacity increase of the electricity grid. The grid operators are working hard on increasing this electricity grid capacity to be able to meet the growing demand. However, this cannot be realised overnight. Making use of flexible power from the market can contribute to solving (expected) congestion in the electricity grid. This is where the new GOPACS platform comes in.

How does GOPACS work?

Imagine that congestion is expected somewhere in the electricity grid. To solve this congestion, the grid operators would like to see a reduction in electricity production or an increase in consumption in this part of the grid, for example. Next, through GOPACS, a request for bids is sent to market parties. Market parties with a connection in this area can then place a suitable buy order on a connected electricity market platform. However, a negative impact on the national balance of the electricity grid is to be avoided due to this action to solve congestion. This is why the reduction of electricity production in the congestion area is combined with an opposite order from a market party outside the congestion area. GOPACS quickly checks if that order will not cause any problems



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elsewhere in the electricity grid of any of the participating grid operators. If all lights are green, the price difference between the two orders will be paid by the grid operators. In this way, the two orders are matched on the market platform and congestion can be solved

Easily accessible

GOPACS works in a way that is consistent with key European directives that relate to market-based mitigation of grid congestion and offers large and small market parties an easy way to generate revenues with their available flexibility and contribute to solving congestion situations. The collaboration among the grid operators also prevents congestion in one part of the electricity grid from causing problems elsewhere in the electricity grid at one of the other grid operators.

For GOPACS the grid operators collaborate with the intraday market platform of ETPA. They are currently having talks with other market platforms to connect these to GOPACS as well. The other Dutch DSOs Enduris, Coteq and Rendo, support this initiative and are investigating how they can participate in GOPACS.

Market parties that want to offer their flexible energy supply or demand (with the proper location data) for use via GOPACS can contact the account manager of their grid operator. More information is provided on the website of GOPACS.

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