

**Internet - based Consultation
in View of the Revision of the TEN-E Guidelines:**

CONTRIBUTION

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1. Support Measures

a) concerning administrative support (e.g. authorisation)

Authorisation procedures for infrastructure projects are mostly very lengthy and often protracted by local authorities. It would be welcome to

- harmonise public procurement procedures for goods, work and services regardless to sources of financing (public, state, EU, private)
- harmonise public procurement procedures in all Member states to create similar conditions for projects of common interest
- speed up authorisation procedures generally and secure that excessive environmental oppositions will not lead to slow down or even stop new infrastructure projects

b) concerning financial support

- Long term pay back periods (mostly more than 10 years) make electricity infrastructure projects less attractive than projects in other business. These “less attractive projects” (from the point of cash flow or net present value analyses view) are **vital projects** (from the point of the system security view) and have to be supported by special means that do not distort fair and transparent access to network. Possible measures we suggest would be to:
 1. get from EU funds higher portion than 10% of total project investment costs. Without higher financial support (at least 40%) the list of TEN projects is only a proclamatory list and not the projects list with real support.
 2. provide **guarantees on the level of Member state or on the level of EU** for financial means getting from banks would be useful. On the level of EU a mechanism within the European Investment Bank (like e.g. Euratom loans or decommissioning support funds for old NPPs) for investments into transmission infrastructure would be one option

c) concerning the scope of the Trans European Energy networks

The scope of TEN should be focused not only on interconnectors between states but also on intra-state lines supporting interconnectors due to avoiding future congestions. So internal lines have to be considered as projects of common interest.

2. Triggering investments

Guidelines for new investments rewarding and renovations are essential for triggering investments. Stability and transparency of legal framework including a well formulated comprehensive regulatory framework for new infrastructure rewarding is a necessary prerequisite for speeding up new infrastructure development to secure reliable operation of the grid. Without clear rules for remuneration of all costs investors will hesitate to devote financial means to those projects, that seem to be risky due to a foggy pay back period in the future.

Several proposals on financial reward structure have been presented by CEER in the “Principles on regulatory control and financial reward for infrastructure” paper. Regulated and non-regulated approaches as well as merchant approach have been described. For those projects that are part of the meshed system (including TEN projects) the regulated reinforcement with regulated tariffs approach would be desirable.

Approval of rewarding rules in a short time is very needed because for grid operators it is decisive whether long-term investments in grid infrastructure and grid extension, which are made on the basis of medium-term demand, are reflected in tariffs.

There are concerns that from the long-term point of view, different stakeholders’ optimisation targets, especially their different financial policy priorities could lead to the incoherent system development and cause system un-compatibilities and deeper distortions. Reduction of reliability requirements and operation security could finally follow this.

A harmonisation of priorities, goals and interests among stakeholders is seen as a high importance for proper infrastructure renovation and development in a right way and time.

3. Priority projects

Due to some bottlenecks that have been recognised in central Europe it would be useful to enlarged the list of priority axes adding the axes EL.8: Interconnection across Central - Eastern Europe (Germany - Poland - Czech Republic - Slovakia - Austria - Hungary - Slovenia: increasing electricity interconnection capacity) together with relevant inter-state infrastructure.

It is very appreciated that the TEN projects list - Axes for priority projects as defined in Article 7 EL.2 and EL.7 contains interconnection capacity for integration of offshore wind energy.

We ask for including following project to the TEN list:

New Interconnectors:

- 400 kV line between Slovakia and Hungary
- 400 kV line between Slovakia and Austria

Internal connections:

- 400 kV Medzibrod - Sucany (reconstruction and reinforcement)
- 400 kV line Medzibrod - Liptovska Mara (reconstruction and reinforcement)
- 400 kV line Lemesany-USS Kosice - Moldava (new line and reinforcement)
- reinforcement of 400 kV line Velke Kapusany- State border with Ukraine
- reinforcement of 400 kV line Lemesany- Velke Kapusany
- 400 kV line Velky Dur - Gabčíkovo

4. Oil pipelines

(not relevant)

5. Results of lack of appropriate energy supply

Recently, there were not published any consolidated quantitative usable information about evaluation of non-delivered MWh. Only some qualitative information that one non-delivered MWh is many times “costly” (direct and non-direct losses on the side of customers) is known as well as some national evaluations of economic damages caused by breakdowns on the national levels and have been published. Unfortunately, the consistency and comparability of them are pure.

So it would be useful to initiate a benchmarking study among Member states to quantify real values of electricity breakdown and rolling blackout impacts to all stakeholders.

6. Indicators

Energy infrastructure differs a lot country-by-country strongly depending on natural and geographical conditions often regardless to its economy performance. Indicators would provide us with similarities and/or differences.

As standards of energy infrastructure could be: a total amount of transported electricity, a total length of transmission line, a total cross-border capacity, exports, imports. Although the link between these values and economic performance in terms of GDP, employment etc. could be interesting because a real message would have to be analysed very carefully to avoid misunderstandings and confusions.