



FOSG Comments on the ENTSO-E procedure concerning the “Inclusion of 3rd party projects in the 2014 release of the TYNDP”

Brussels, 31 January 2013

The draft establishes that a ***number of groups*** are responsible for the consistency of the integrated modeling and the content of the Plans for each geographical area according to ENTSO-E Regional Groups (North Sea, Baltic Sea, Continental South West, Continental Central South, Continental Central East, Continental South East). These groups are not aligned with the Priority Electricity Corridors set up in the upcoming Regulation 2011/0300 on guidelines for trans-European energy infrastructure (NSOG, NSI West Electricity, NSI East Electricity, BEMIP Electricity). **In FOSG’s opinion ACER and the EC should ensure full coordination among the different regional groups so that there is coherence between the Regulation and ENTSO-E’s structures in order to avoid unnecessary conflicts or delays in the decision-making process.**

The legal criteria established for ***non-TSO promoters*** to be considered eligible implies that every project must have the support of the concerned TSOs, Ministries or NRAs. However, such a requirement will make it difficult for these promoters to achieve eligibility in those countries where the relevant authorities delegate decision making to TSOs instead of providing another option, independent from the TSOs.

This option makes no real progress compared to the current situation where investing in new interconnectors depends on the financial capability of the TSOs and on the willingness of the national governments to approve new investments. **FOSG considers that, without prejudice to the role of the TSOs as part of the planning and/or operation of the grids’ process, the procedure under discussion, as well as the future Regulation, should open a wider door for the development and financing of new interconnection projects, either on a merchant basis or in a regulated or semi-regulated basis, with mechanisms such as the “cap & floor” that is being presently envisaged by OFGEM in the UK. From a market perspective there should be no difference between projects.**