

Final BESTGRID Conference **Implementing Projects of Common Interest** Brussels, 23 September 2015

1. Impacts of the regulatory framework on Projects of Common Interest

Leonardo Meeus (Associate Professor in Energy Markets, Vlerick Business School)

Mr Meeus shared his impression that while the infrastructure package still has room for improvement, the sheer illustration of electricity export and import flows at the day-ahead market on a range of “random mornings” is a proof that great achievements have already been made in interconnecting the European market. At the same time, for RES greater connections of intraday and balancing markets are still needed.

Mr Meeus describes that grant giving has moved in focus from supporting feasibility studies to trying to speed up permitting of the most important projects, especially by introduction of the cost benefit analysis as part of the Ten Year Network Development Process.

Looking into the future it is open whether we will see an amendment of the existing package or a 2nd package in 2020. Topics that may be part of a revision or 2nd package are a possible return to the simplicity principle where assets are paid for by the geographic area where they are being built. However, this new simplicity principle could be applied at EU or regional level replacing the current logic of a beneficiary pays principle.

Mr Meeus furthermore suggest that in the future to set priorities, stakeholder involvement could evolve from consultation to commitment, that and that investment planning coordination between TSO and DSO level could evolve from an ex-post to ex-ante timing. To speed up procedures, he proposes stricter provisions for adequate regulatory investment incentives and stricter permit granting procedures and deadlines.

2. Projects of Common Interest: current status and outlook

Kurt Glaeser (Deputy Head of Unit for Networks & Regional Initiatives, DG Energy)

In response to Mr. Meeus suggestion for a regional approach, Mr. Glaeser exemplified that this is already being implemented via the priority corridors introduced as part of the TYNDP.

Explains that from the first PCI list, as of today, two projects have been commissioned, these are both internal lines, one in Italy and one in Austria. There are currently 136 electricity PCI projects, of these 66 shall be commissioned by 2020. Currently of the PCIs, 50% are 'on track' while others are delayed or will be re-transformed to adapt to the market.

The 2nd PCI list will be adopted this year, against rumours not with the winter package. For both electricity and gas, ±215 projects will be elected, reducing the overall number by 15%. Receiving of the label is of high importance to the project promoters as it allows access to additional funding and implies an obligation for Member States to consider the projects with priority. At the same time, it needs to be recognised that on the ground, the label does not yet have much of a value as the vision of a European Energy infrastructure is not in the heads of people. It is clearly one of Mr. Glaeser's hope that via the Energy Union, a joint vision will receive a positive impulse.

3. Pilot project presentations

a. Stevin project

Jeroen Mentens (Elia) and Erik Grietens (Bond Beter Leefmilieu)

Jeroen Mentens and Erik Grietens presented their Lessons Learned from the evaluation of stakeholder engagement activities done as part of the Stevin project, a 380kV, 47km line from Zeebrugge to Zomergem. Insights were generated by analysing existing documents such as a stakeholder mapping, the local inputs, objections and concerns with respect to the project, the reactions to these objections and concerns and the planning and permitting procedures. On this basis, 10 in-depth interviews with most important stakeholders, 2 workshops with NGOs, farmers, the public and local authorities and two focus groups with government representatives, administrations and consultancy offices were organised. BBL generated on the basis of this 25 recommendations and quick wins split into the seven topics participation, use and necessity, transparency, communication, environmental impact, synchronising policy within and between levels of governance and sharing benefits and burdens.

Early participation, to find alternatives in SEA and EIA processes via a participatory approach, e.g. by establishing unofficial guidance groups and the necessity to translate complex matters into comprehensible information to avoid the sensation of intended deceptions were highlighted findings.

The full report can be accessed at

[http://www.bestgrid.eu/uploads/media/D3.3 BESTGRID Summarising analysis of stakeholder engagement_EN.pdf](http://www.bestgrid.eu/uploads/media/D3.3_BESTGRID_Summarising_analysis_of_stakeholder_engagement_EN.pdf)

b. SuedLink

Marius Strecker, Andrea Thiel (TenneT); Elke Meier (NABU – BirdLife Lower Saxony)

Marius Strecker presented the activities undertaken to improve local public acceptance on the SuedLink pilot, a 500kV HVDC line, reaching from the very North to the very South of Germany to be commissioned in 2022. TenneT organised communal info-marts in more than 30 locations along the proposed corridor addressing the overall population. These were partially facilitated by the NGO German Environmental Aid. In addition, TenneT sought personal discussion with national and regional MPs, local councillors and mayors, specialist discussions with public agencies or district assemblies, parliamentary breakfasts and round tables. Overall, TenneT reached roughly 6.000 people through these activities and received around 3.000 queries and suggestions.

Andrea Thiel and Elke Meier then reported about their collaboration to work towards a new approach for an ecologically optimized expansion of the grid, the goal of this being to reach new standards in planning and implementing transmission routes. The region analysed was a German low mountain region, investigations to minimize environmental impacts and facilitate positive effects on flora and fauna were taken. For Nabu, getting involved in this project was not self-evident and required internal and external justifications to members for collaborating directly with an infrastructure developer on how this project was in line with Nabu's role as a lawyer of nature.

Two site visits, early involvement of local environmental expertise and two round table events on "Biotope linkage and ecological transmission line planning" and on "Nature conservation and technique" were part of the effort taken to develop the joint recommendations which included the early integration of the NATURA 2000 network into the planning phase, a summative planning approach, combining overhead lines and underground cables and getting to a higher flexibility with respect to the width of power line corridors.

You can find the full report at [http://www.bestgrid.eu/uploads/media/NABU Lower Saxony Final-report_BESTGRID.pdf](http://www.bestgrid.eu/uploads/media/NABU_Lower_Saxony_Final-report_BESTGRID.pdf)



c. Bertikow-Pasewalk

Olivier Feix (50Hertz); Rotraud Haenlein (Germanwatch)

Olivier Feix and Rotraud Haenlein presented their insights gained at the pilot project Bertikow-Pasewalk in the north-Eastern part of Germany. The project developer 50Hertz is planning to upgrade an existing 220kV powerline to 380kV to increase the power transmission capacity in the region. The TSO cooperated with three NGOs during BESTGRID: Germanwatch, German Environmental Aid (DUH) and NABU (BirdLife Germany). Issues of the collaboration spanned from feedback regarding the different participation measures, to the joint organisation of stakeholder events, and concrete input on avifauna and nature conservation issues for the route planning.

In the pilot project, 50Hertz realised numerous additional information and participation measures that go beyond its standard approach for grid development project. Most prominent means was a tour with a mobile citizen office along with eleven stops along the proposed line. Together with scientists from the University of Duisburg-Essen, 50Hertz measured magnetic fields at household devices and under the existing power line in order to explain the effects and to range threshold with other fields people are exposed to in their daily lives.

Regarding the reduction of environmental impacts, 50Hertz organised four stakeholder roundtables in cooperation with NABU and DUH and entered a continuous dialogue on critical nature issues along the proposed corridor with NABU. Among others, this led to an alternative corridor route that was included in the official application documents by 50Hertz.

For both Germanwatch and 50Hertz, the main lesson learned was that long-term commitment is necessary in order to improve the quality and acceptability of new grid development. Therefore, early and continuous offers for different target groups are key.

d. NemoLink

Phil Pryor (National Grid); Ivan Scrase (RSPB)

Mr Pryor presented National Grids Nemo Link pilot project. The focus was to “Develop recommendations on how to apply better practices in **marine focussed/interconnector** projects” this was done through: An evaluating desk top study of the process and the identifying of important stakeholders who were engaged in the process, and the holding of a set of interviews and workshops to analyse what went right and wrong with the process with a range of identified stakeholders.



Mr Pryor went through the key lessons learnt from the analysis undertaken. The first being that both the developers and NGOs face resource constraints, this was evident by the fact that NGOs do not always have the resources to engage in every project process as deeply as they would like, as the project specific funding was not their. Secondly, better education through face-to-face engagement is crucial. Thirdly, there needs to be limited consultation with stakeholders at the strategic development phase. This builds broader trust in the process. And finally, information of past projects should be made available in a clear and free to use resource.

After outlining the identified lessons, Misters Scrase and Pryor gave a brief of the action plan that was developed to address such issues. The action plan concluded with several general points of action, including “Knowing your stakeholder” outside the project process, keeping tight project and meeting discipline and making documents on similar projects available in one resource. Both speakers concluded that the BESTGRID project has been beneficial on several levels, with “putting a face to the organisation” as one of the more general positive outcomes.

The full report can be found here: http://www.bestgrid.eu/uploads/media/D6.1_Marine_action_plan.pdf

4. Table discussions

a. The relationship between biodiversity and social acceptance – how can one influence the other?

Simon de Voghel (Elia); Theresa Schneider (RGI)

During the table discussion, participants shared many good examples for a) a successful cooperation between industry and environmental organisations and b) other environmental initiatives of industry that helped improve both the quality and the acceptability of projects. These examples showed that achieving the two goals of improving biodiversity and the support for a project can indeed go hand in hand. Examples included the Life project that Elia is currently running together with RTE and other stakeholders to improve the ecological corridor management under existing power lines (more info: <http://www.life-elia.eu/en/The-project>), and a continuous cooperation Terna has with the environmental NGO WWF Italy. Participants shared stories that sometimes the cooperation or project was not initially planned, but rather a result of random occasions that was seen as opportunity by those involved.

However, biodiversity projects are not always without risks and challenges. It was reported that sometimes biodiversity arguments are misused by people affected by new projects or that industry doesn't stick to the promises made and trust thereby jeopardised.

b. Financial framework for a successful cooperation of grid operators with stakeholders, such as NGOs and associations

Antonella Battaglini, Antina Sander (RGI)

This table discussion looked into the idea of establishing a foundation which manages a fund out of which NGOs can obtain financing to cooperate on the ground with TSOs on grid development projects. The fund should feed itself by automatically receiving a small share of investment costs for new assets. This set-up would allow NGOs to obtain funding from a neutral source and hence remaining independent of TSOs, which is a must-criterion for many NGOs.

Feedback from the group included that setting this up did not necessarily need a foundation but that an association would do and that RGI itself was in the position to manage such a funding source. In addition, it was stated that further funding sources should be considered, but also that some of the evident options such as the Connecting for Europe Facility needed a revision in their Terms of Reference to allow NGOs to apply. Overall, the group agreed that finding stable financing for direct involvement of NGOs in grid projects was desirable and that in a next step, more concrete propositions on the governance structures of such a tool should be developed.

c. Table 3: "Possible impacts of compensation on the acceptability of projects and challenges of differing compensation schemes for cross border interconnectors"

William Mongey (EirGrid); Andrew Carryer (RGI)

The roundtable looked to discuss how compensation measures can positively or negatively impact permitting procedures in grid development projects across Europe, with a special focus on how the differing of compensation schemes "cross-border" could cause a challenge in this regard. The discussion started with a definition of the word "compensation", making clear that it does not refer to "land owner compensation" or "environmental schemes" in this context, but rather broader compensation to non landowning members of the community made through an official body.

While some participants were concerned that this was "bribery" and that offering communities money in this way was cynical. However, others countered that across Europe there are severe problems with

acceptance and permitting. If people did not feel like they are gaining from a project they often would try and block it. Payments of this kind could be said to properly represent the value of communities hosting nationally important infrastructure.

Many members of the group representing TSOs were working on non-landowner compensation schemes of some sort. EirGrid's package of community gain measures includes a proximity allowance and financial package made available to communities for a diverse range of projects. Non-TSO members of the roundtable accepted that TSOs can do more for local communities impacted by lines, but were also sceptical that any type of payments may bring up the issue of bribery.

RGI is currently working on a briefing paper that gives an overview of different practices in Europe. If you are interested in this work, please contact Andrew Carryer (Andrew@renewables-grid.eu).

d. Table 4: Overhead lines and underground cabling: Criteria for the use of underground cable technology on the extra high voltage level

Volker Wendt (Europacable); Guido Axmann (RGI/Bourbaki)

The initial discussion identified the need for innovative solutions as approx. 32% of all current grid projects across Europe are delayed and over 100 bottlenecks have been identified – mainly due to 'public opposition' and 'lengthy permitting procedures'. Partial underground seems to become an additional instrument in the operator's toolbox to overcome social resistance in grid projects in close proximity to citizens' livelihoods. The group focussed three **practice cases**:

- 1) Amprion's 380kV AC Raesfeld Project (Germany), 181 kilometres from Meppen to Wesel with 3 underground sections, double circuit 380kV with a transmission capacity of 2x 1.800 – 2.300 MVA. The project has a special focus on soil treatment and refillment, eg. with cables laying in pipes
- 2) TenneT's 380kV AC Randstad Project (Netherlands), 85 kilometres linking Rotterdam, Amsterdam and The Hague, double circuit 380kV with a transmission capacity 2x 2.635 MVA. The project shows two innovative approaches: new pylon design "Wintrack" and partial undergrounding on total length of 20 kilometres in two sections (10.8 kilometres already operational, another 9.5 kilometers build in 2015-2017)
- 3) REE/RTE's 320kV HVDC INELFE Interconnector (France/ Spain), 65 kilometres fully undergrounded with a transmission capacity of 2GW. Specialties: XLPE HVCD cable with VSC



converter, 8.5 kilometres tunnel under the Pyrenees, EUR 700 million with EUR 225 EU funded

Looking at these cases (and others) the group identified and clustered **different national approaches** to undergrounding, some examples:

- Criteria-based approach in Switzerland
- Full undergrounding for < 275kV projects in Denmark
- Systematic technology assessment in the UK
- Project specific policy approach in Germany

In a next step the group look deeper into criteria-based approaches in different member states and tried to identified commonalities:

- Distance to population
- Technical feasibility
- Environmental parameters
- Spatial considerations
- Economics/ business case

Concluding remarks of this exciting round table discussion:

- Different EU Member States pursue different approaches/ options for undergrounding – or varying combinations thereof
- All stakeholders involved – TSOs, Regulators, local communities, industry and civil society – need sound, waterproof criteria to justify technology decisions to create/ enable higher public acceptance
- To accelerate cross-border projects, notably PCIs, Europe needs cross border harmonisation / alignment for partial undergrounding



5. Panel discussion: looking ahead – role of the European institutions in making PCIs a success

Kurt Glaeser (Deputy Head of Unit for Networks & Regional Initiatives, DG Energy), Christophe Gence-Creux (Head of the Electricity Department, ACER), Dr. Robert Schroeder (Manager System Development, ENTSO-E), Roland Jöbstl (Policy Officer Energy and Climate, European Environmental Bureau)

- Panellists agreed that all actors should focus on the implementation of PCIs currently and a thorough monitoring of the success and possible hindering factors is needed.
- ACER is the institution to fulfil the monitoring task, but continuous feedback from stakeholders, such as NGOs is indispensable.
- In this respect, the importance of transparent procedures was underlined. It was confirmed, that good steps have been taken in comparison to the beginning of establishing these tools, but also that there is still further room for improvement. NGO support for the TYNDP and PCIs is dependent on this.
- Along similar lines, that in case that projects which are highly critical from a local perspective receive a PCI label may do harm to the reputation of the PCI label overall.
- Audience confirmed that a stronger involvement of national regulators (and ACER) in ongoing stakeholder discussions/ fora/ platforms like BESTGRID, Renewables Grid Initiative et al. would improve relations, co-creation and potentially accelerate concrete grid projects
- Panellists saw room for improvement regarding the current procedure of the TYNDP in integrating more visionary scenarios, but also pointed out current existing initiatives that go into this direction – e.g. the e-Highway 2050 project (<http://www.e-highway2050.eu/e-highway2050/>)