

**EUSUSTEL: Brussels, September 20<sup>th</sup>, 2005 – 09.00h - 13.00h**  
**Consultative Committee**

**Minutes of meeting**

**Composed by:** Leander Cosijns

**References:**

1. D'HAESELEER, William, "EUSUSTEL Agenda meeting CC Sept 20" (1 page)
2. COSIJNS, Leander & D'HAESELEER, William; "EUSUSTEL", [Project Overview\_WDH].ppt (634kB)
3. COSIJNS, Leander & D'HAESELEER, William; "WP1: Country-wise Analysis EU 25", [WP1\_LC\_v2].ppt (606kB)
4. FARINELLI, Ugo; "WP-2 : Input Data and Energy Demand", [WP-2corretto].ppt (265kB)
5. PAATERO, Jukka; "EUSUSTEL - WP3 Progress report", [WP3\_progress].ppt (169kB)
6. BELMANS, Ronnie & VERHAEGEN, Karolien; "WP 4 : Regulatory and Market Framework of Energy Markets", [EUSustel WP 4 summary].ppt (590kB)
7. VOSS, Alfred; "EUSUSTEL - State of affairs and evolution of WP5", [EUSUSTEL\_190905\_WP5\_Stuttgart].ppt (268kB)
8. COSIJNS, Leander & D'HAESELEER, William; "WP 8.1 Scope, Boundary Conditions & Hypotheses", [WP8\_WDH\_Objectives, BCs & Hyps].ppt (315kB)
9. VOSS, Alfred; "EUSUSTEL - WP8.2: „Development of conceptual framework for sustainable electricity supply“ – Input for discussion", [EUSUSTEL\_190905\_WP8\_Stuttgart].ppt (359kB)

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### **Introduction [1, 2]:**

- Welcome by William D'haeseleer.
- Planning and short overview of the project

### **Welcome by CEU representative:**

- Rossetti:
  - o Present ideas towards policy: science as policy support
  - o Questions to CC:
    - Security/quality of supply?
    - Coal and nuclear option?
    - Price for oil?
    - Dash to gas?
    - RES-targets?
    - Congestion for electricity (trans EU-network)?
    - Energy-savings & -efficiency?
    - RTD-dimension? (as RTD-budget of EU and USA is decreasing)
    - Pan-European dimension
    - What beyond Kyoto?
    - Competitive growth?
    - ...
  - o Priorities of the 7<sup>th</sup> RTD-program:
    - Non-nuclear (9 priorities)
      - Hydro & fuel cells
      - Renewable electricity generation
      - Renewable fuel production
      - Renewables for heating and cooling
      - Energy-saving & -efficiency
      - CO<sub>2</sub> capture and storage

- Clean coal technologies
- Smart energy networks
- Knowledge for energy policy making
- Focus on:
  - New members
  - Medium term problems
  - Look for new ways: new energy carriers, smarter networks...

### **WP8 [8, 9]:**

- D'haeseleer: WP8.1 - Scope, boundary conditions and hypotheses
  - Scope: 2030, reflections on 2050
  - Post-Kyoto:
    - Agreement on **-16%-level (domestic measures)** compared to 1990 level. This is based on Key Drivers report and Gothenburg-forum.
  - Janssens: EUSUSTEL: stress on generation versus CEU: importance of network
    - D'haeseleer: network issue will be treated to some extent in WP4
    - Capros: this is integrated in models as well
  - Bauer: importance of message to policy: outcome should be convincing!
    - D'haeseleer: project has limited means, but all partners try to make the best of it.
    - Rossetti: keep in mind that this is an umbrella/synthesis project: no details!
- Voss: WP8.2 – Sustainability
  - Conceptual framework:
    - Many different interpretations and definitions
    - A lot of different indicators
    - Weak versus strong sustainability; 3-pillar model...
    - Target: common understanding among EUSUSTEL-partners concerning sustainability.

### **WP1 [3]:**

- Cosijns: WP1 – summary of the horizontal energy overviews.
  - Farinelli: Consider possibility to publish it before it become obsolete
    - Bauer: possible interest from VGB
  - Janssens/Bauer: be careful in word choice... “RES – stays marginal share...”

### **WP2 [4]:**

- Farinelli: WP2 – overview

### **WP3 [5]:**

- Paatero: WP3 – overview and progress of work.
  - o More time foreseen, as WP3 was not treated on the partners meeting of September, 19<sup>th</sup>
- Cabal: how is the data gathering status?
  - o Paatero: ongoing
- Bauer: do you use a common methodology for the description of all technologies?
  - o Paatero: yes, use of a template
  - o D’haeseleer: template will be placed on the website
- Farinelli: what about learning curves?
- Morthorst: what about final score of technologies?
  - o Paatero: will be done afterwards by WP-leader
- Morthorst: what about scope for evolutions, how to predict future trends?
  - o Paatero: evolutions not really to predict for all parameters (e.g. materials), focus on main variables (e.g. efficiency)
  - o D’haeseleer: if information is not available, or difficult to predict, work in steps of 10 years. Make a best guess by 2030 and interpolate.
- D’haeseleer:
  - o General call for input in WP3 of all partners
  - o **WP-leader has to push partners!**
  - o 3.1.1:
    - division of work
    - data gathering has started (time evolution of most important parameters)
    - **Bauer: more specific information can be asked for**
  - o Paun: presents initiative of CEU to lance 2 technology platforms
    - Electricity networks
    - Clean coal technologies
    - Could be helpful for project
  - o 3.1.2/3.1.3/3.1.4: ongoing
  - o Environmental aspects on 3.1: CIEMAT is waiting for reports
    - D’haeseleer: make already use of Externe-E reports
  - o 3.2.1: 70% finished
  - o 3.2.2: will be finished in time
  - o 3.3.1: 3 partners involved (SWE – DNK – FIN): WP-leader has to take the initiative
  - o 3.3.1: ongoing
  - o 3.3.2: almost ready
  - o 3.3.3: 3 partners involved (GBR – ESP – FIN): WP-leader has to take the initiative
  - o 3.3.4: well progressed
    - both small and large hydro plants to be included
    - contribution of FR
  - o 3.3.5: ongoing
  - o 3.3.6/3.3.7: 2 partners involved (GBR – BEL): GBR has to take the initiative
  - o 3.3.8: ongoing
  - o 3.3.9: ongoing
  - o 3.4: to be done
  - o **DEADLINE for all first draft reports: end of October, 1<sup>st</sup> week of November**

#### WP4 [6]:

- Verhaegen: WP4 - State of affairs & WP evolution
- Supponen: how to deal with future liberalisation, RES-support (scenarios, assumptions, best guess...)?
  - o D'haeseleer: will be answered in WP5
- Paun: update slides to EU-25
  - o Make use of WP1-reports
  - o Info available on "green week"-website

#### WP5 [7]:

- Voss: WP5 - State of affairs and evolution
  - o Focus on TIMES-EE and PRIMES
  - o Conclusion on scenarios:
    1. Baseline scenario: High prices + no post Kyoto limit + baseline nuclear and other options
    2. Baseline scenario, but post Kyoto
    3. scenario 2, but free nuclear option (no extra promotion on other options)
    4. scenario 3, but promoted energy efficiency and distributed generation.
      - **Promotion measures in scenario 4 have to be further discussed among partners by email.**
    - It is allowed to the partners to analyse some more scenarios with their own budget (e.g. sensitivity analysis on low oil prices)
- Capros:
  - o PRIMES deals with "perfect world" (either perfectly central planned economy or either perfectly liberalised planned economy)
  - o possible imperfections can be implemented
    - e.g.: > 2010 efficiently operating of market; deviations easy to implement by
      - changing discount rates
      - monopoly/oligopoly influences
      - congestion management
    - afterwards: impact of deviations can easily be seen
  - o Voss: TIMES-EE has same basic philosophy
    - Perfect market as a base
    - Implementation possible of market/policy interventions
  - o Concerning RES-schemes:
    - policy is translated in numbers
    - e.g. RES-support by subsidy of capital, decreasing risk on investment, other discount rates...

- Bauer:
  - o Is impact of investments on capital market taken into account in models?
    - Capros/Voss:
      - No, too difficult
      - Neither impact on prices of power plants of e.g. lack of supply capacity...
      - But, risk evolution and issues are brought into account
  - o Is there an optimisation possible between the scenarios?
    - D'haeseleer: explanation of 4 chosen scenarios
  - o Is scenario 1 realistic?
    - D'haeseleer: this baseline scenario is new and has been done by PRIMES for CEU
    - Voss: if budget allows it, perhaps extra scenario with different price scenario

### General remarks

- On the model: Primes works under “perfect world”. After model run, reflection on results and validation.
- Paun: **importance of EU-25-dimension!!**
  - o Report, project = EU-25 → EU-25 dimension needs to be reflected in activities (e.g. by representation of newcomers)
  - o D'haeseleer:
    - Due to history of project (submitted before may 2004)
    - 1<sup>st</sup> proposal EU-15, CEU obliged EU-25 dimension
    - Already reflections of newcomers in country-reports
    - Eurelectric can help with that with contacts in 32 states
  - o Voss: setting up of TIMES and PRIMES EU-25 took a lot of interaction with newcomers
  - o Paun:
    - Really stresses on it
    - Maybe subcontractor (of EU-newcomers) can do extra effort
- Boesmans: In the presentation of Mr. Voss, security of supply was not treated explicitly. Nevertheless, this definitely is an issue for EU, which should be (explicitly) regarded as one of the key performance indicators (KPI) for a sustainable energy system.
  - o Capros:
    - Reliability, safety, short term security of supply is taken into account in models (contributions of POLES-model in PRIMES; a lot of non-linear mechanisms in PRIMES)
  - o D'haeseleer: pay extra attention on strategic security of supply in scenario analysis
- D'haeseleer:
  - o Stresses on confidentiality of website
    - CC-members have full access, but please, don't make abuse of password
    - Website is still a working website
    - Website will be updated with all new provided information of “September-meeting”
  - o Partners/work-meeting at January, 24<sup>th</sup> 2006

- CC-meeting: proposal: March, 31<sup>st</sup> 2006