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ECONOMIC COMMISSION FOR EUROPE

COMMITTEE ON SUSTAINABLE ENERGY

Ad Hoc Group of Experts on Extension of European Electricity Interconnection
Second session, 12 November 1999

REPORT

I. ATTENDANCE

- 1. The second session of the Ad Hoc Group of Experts was attended by representatives of Albania, Belarus, Bosnia and Herzegovina, Bulgaria, Czech Republic, France, Georgia, Hungary, Italy, Poland, Romania, Russian Federation, Slovakia, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland, and United States of America. A representative of the Commission of the European Communities also participated.
- 2. The International Atomic Energy Agency was also represented.
- 3. The following intergovernmental and non-governmental organizations were in attendance: Black Sea Economic Cooperation Permanent Secretariat (BSEC PERMIS) and World Energy Council (WEC).

II. OPENING OF THE SESSION

4. The Director of the Division of Sustainable Energy opened the session.

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III. ADOPTION OF THE AGENDA (Agenda item 1)

5. The agenda was adopted (ENERGY/GE.2/1999/1).

IV. ELECTION OF OFFICERS (Agenda item 2)

6. The elected officers for two years were as follows:

<u>Chairman</u>: Mr. H. Ch. Blanc (France)

<u>Vice-Chairman</u>: Mr. I. Smirnov (Russian Federation)

V. DECISIONS TAKEN AT THE NINTH SESSION OF THE COMMITTEE ON SUSTAINABLE ENERGY OF CONCERN TO THE AD HOC GROUP OF EXPERTS (Agenda item 3)

7. The Director of the Sustainable Energy Division informed the Ad Hoc Group of Experts about the decisions of concern to it taken by the Committee on Sustainable Energy at its ninth session.

VI. EUROPEAN INTERCONNECTION OF ELECTRIC POWER SYSTEMS (Agenda item 4)

- (a) Present situation and extension of European interconnection of electric power systems and related legal and regulatory aspects in the context of the opening up of the electricity market and institutional changes
- 8. The representative of France gave brief information on the Technical Feasibility Study of synchronous interconnection of the west European system and CENTREL (power systems of Czech Republic, Hungary, Poland and Slovakia) with UPS (Unified Power Systems Belarus, Ukraine and Russian Federation). The main target of the study was to determine the geographical and technical limits for the relevant potential interconnection for the year 2005.
- 9. The representative of Turkey informed the Ad Hoc Group of Experts of the results of the feasibility study on the Interconnection of Electric Power Systems of Egypt, Iraq, Jordan, Syria and Turkey and the results achieved for 1999, including the power exchange limits. She explained that the feasibility study on establishing a "coordination control centre" was in progress. It was pointed out that this project was also considered within the global Mediterranean interconnection.
- 10. The representative of the Turkish National Committee of the World Energy Council presented the situation of the interconnection of the Turkish power system with neighbouring countries.

- (b) Summary and outcome of Prague Conference on "Opening up of electricity and gas markets", 21-22 June 1999
- 11. The secretariat informed the Ad Hoc Group of the outcome of the Conference on the "Opening up of the electricity and gas markets", held in Prague, 21-22 June 1999 under the auspices of the Commission and the Gas Centre, by underlining the related issues and the implications of the EU Directive on Internal Electricity Market.
- 12. Mr. S. Aleskerov from the Permanent Secretariat of the Black Sea Economic Cooperation (BSEC PERMIS) informed the Ad Hoc Group of Experts about the progress made to promote the interconnection of the electric power systems of the BSEC countries and of the relevant Memorandum signed by the Energy Ministers in Yerevan on 15 April 1998. It was pointed out that three working groups were set up and a questionnaire was adopted in May 1999 to prepare a relevant feasibility study.
 - (c) Development of the Interconnection of Electric Power Systems of the Southeast European Cooperative Initiative (SECI) Countries
- 13. The secretariat informed the Ad Hoc Group of the participation of ECE in providing technical assistance and support to the SECI project on "Development of Interconnection of Electric Power Systems of the SECI Countries for Better Integration into the European System".
- 14. The Ad Hoc Group of Experts <u>took note</u> of the information provided and expressed the wish to be kept informed of the progress on the extension of European Interconnection.
- 15. Mr. R. Ichord (United States) expressed the interest of US AID in the SECI Project and, more specifically, the possibility of providing financial support to the sub-project on Balkan tele-information systems.
- 16. The Ad Hoc Group of Experts
- (i) took note of the information provided; and
- (ii) <u>expressed</u> its gratitude to the United States Government for the proposed US AID support to the SECI Project on Development of Interconnection of Electric Power Systems of Southeast European Countries.

VII. CIS INTERCONNECTION: RELEVANT LEGAL AND REGULATORY ISSUES; AND POSSIBILITY OF CREATING AN OPEN ELECTRICITY MARKET BETWEEN CIS AND BALTIC COUNTRIES

(Agenda item 5)

17. In the absence of the representative of the Interstate Economic Committee of the Economic Union of the Commonwealth of Independent States (CIS), the Ad Hoc Group of Experts expressed the wish to discuss this item at its next session.

VIII. OTHER BUSINESS (Agenda item 6)

- 18. Mr. M. Greenbaum (United States), Vice-Chairman of the Committee on Sustainable Energy, presented the proposal of his Government to organize, jointly with the Ad Hoc Group of Experts, a seminar and study tour in the United States on electricity interconnection and electricity markets and trading, in the year 2000.
- 19. The Ad Hoc Group of Experts <u>expressed</u> its gratitude to the United States for this proposal and <u>invited</u> countries to communicate their interest to the secretariat at their earliest convenience.

IX. ADOPTION OF THE REPORT (Agenda item 7)

20. The Ad Hoc Group <u>decided</u> that the meeting report be drafted in consultation with members of the Bureau, approved by the Bureau and then circulated to countries.
