

Specialised Committee on Energy – Minute of the Meeting

28 September 2022, 10.00 to 15.00 BST / 11.00 – 16.00 CEST (Hybrid/UK host)

1. Opening remarks by the co-Chairs and adoption of the agenda

The co-chairs adopted the agenda as published. Both Parties noted the extraordinary context of the energy crisis resulting from the Russian invasion of Ukraine, in which this meeting took place. They stressed the need to ensure stable energy supplies while continuing to build energy independence away from Russian fossil fuels. They stressed the need to continue exchanging information on security of supply.

The EU expressed its wish for a positive, stable and constructive EU-UK relationship, including on trade-related energy matters, based on trust and on the full respect of the agreements concluded by the Parties, in particular the Withdrawal Agreement including the Protocol on Ireland/Northern Ireland and the Trade and Cooperation Agreement. The UK also stressed that the current geopolitical context demonstrated UK-EU cooperation is important to support UK and EU energy system resilience.

2. State of play – electricity trading arrangements and offshore renewable energy cooperation

The Parties updated on the implementation of the Energy Title of the EU-UK Trade and Cooperation Agreement.

Both Parties welcomed the completion of the negotiations on the text of the Memorandum of Understanding (MoU) between the North Seas Energy Cooperation (NSEC) and the United Kingdom, noting the importance of cooperation under this Memorandum for decarbonisation and energy security. The EU informed that its internal processes of validation of the MoU are being initiated, to pave the way for its signature. The UK expressed its desire to sign the MoU as soon as possible. The UK requested that this should be done by the end of October. The EU took note of the UK request and confirmed its intention to proceed with the internal procedures as quickly as possible.

The UK noted its continued concern about delays to the implementation of new electricity trading arrangements. Both Parties noted their commitment expressed at the March 2022 meeting of the Specialised Committee on Energy (SCE) to develop and adopt a Recommendation requesting further analysis from Transmission System Operators (TSOs) on the implementation options. The UK set out its expectation that it would be adopted by the end of October so that the Parties' respective transmission system operators could resume working together on this as soon as possible. The UK proposed that the SCE should meet within two months of the additional analysis being received, as requested at the SCE in March 2022. The EU took note of these requests, highlighting that the draft Recommendation was almost agreed by both sides at technical working level and once finalised, could be submitted to undergo the respective internal validation procedures. The EU reconfirmed its continued engagement to cooperate to implement these next steps at pace.

Both parties reiterated their commitment to discharging the SCE's obligations under TCA Articles 312 and 317(2), as well as Article 321 as a matter of priority.

3. Cooperation on security of supply and safety of offshore oil and gas operations – exchange of views

In the introductory remarks, the Parties exchanged views on the current energy situation in Europe. The Parties welcomed the technical cooperation and dialogue on security of supply in the lead up to the meeting and the presence of TSOs to discuss the winter outlook preparations.

The UK asked about progress on a draft SCE Decision concerning guidance to TSOs and national regulatory authorities on new frameworks for cooperation between the i) the UK TSOs and the ENTSO-E and ENTSOG, respectively, and ii) the UK regulatory authority and ACER, as set out in Article 318(1) of the Agreement. The EU confirmed that the draft SCE Decision had been agreed at technical working level with the UK and its internal procedures are ongoing for its validation. The UK reiterated its expectation that the new TSO cooperation arrangements would be approved and enter into force soon after the SCE adopts the Decision. The EU took note of the request.

3.1. Gas: exchange of views on winter preparedness

The Parties received presentations on the latest analysis and scenario planning, modelling assumptions and preliminary findings for their respective winter outlooks from their respective grid operators for gas.

Technical discussion ensued on each presentation by grid operators, following which the grid operators left the room. The Parties discussed the findings, bearing in mind that the winter outlooks were still incomplete at the time of the meeting while further work was planned or ongoing in this regard. The EU elaborated on the demand reduction measures it already took this year, noting their importance in order to manage security of supply the coming winter and enquired about the UK plans in this respect. The UK noted that improving energy efficiency, by reducing the amount of energy that households and businesses need, forms a crucial part of the British Energy Security Strategy.

The Parties agreed that continued exchange of information was essential and that government-level technical discussions should continue on gas security of supply on a regular basis over the 2022/2023 winter period and looking ahead to next winter. The EU informed that it was considering inviting the UK to a meeting of the Gas Coordination Group later this autumn. The UK responded positively while noting that regular technical cooperation involving the TSOs and the Parties was required through this winter and beyond and recommended this happen on a monthly basis. The Parties also agreed to exchange the contact details of the officials in the European Commission and the UK Government who are responsible for early warning and energy crisis response.

The finalised winter outlooks would be published online later on the websites of the respective TSOs of the Parties.

3.2. Electricity: exchange of views on winter preparedness

The Parties received presentations on the latest analysis and scenario planning, modelling assumptions and preliminary findings for their respective winter outlooks from their respective grid operators for electricity.

Technical discussion ensued on each presentation by grid operators, following which the grid operators left the room. The Parties discussed the findings, bearing in mind that the winter outlooks were still incomplete at the time of the meeting while further work was planned or ongoing in this regard. The EU noted the importance of taking demand reduction

measures in order to manage security of supply the coming winter and enquired about the UK plans in this respect. The UK noted that improving energy efficiency, by reducing the amount of energy that households and businesses need, forms a crucial part of the British Energy Security Strategy.

The Parties agreed that continued exchange of information was essential and that government-level technical discussions should continue on electricity security of supply on a regular basis over the 2022/2023 winter period and looking ahead to next winter. The EU informed that it was considering inviting the UK to a meeting of the Electricity Coordination Group later this autumn. The UK responded positively while noting that regular technical cooperation involving the TSOs and the Parties was required through this winter and beyond and recommended this happen on a monthly basis. The Parties also agreed to exchange the contact details of the officials in the European Commission and the UK Government who are responsible for early warning and energy crisis response.

The finalised winter outlooks would be published online later on the websites of the respective TSOs of the Parties.

3.3. Safety of offshore oil and gas operations

Parties exchanged and updated each other on their sectors' safety performance of offshore oil and gas operations, decommissioning plans, emergency exercises and enforcement actions undertaken since the withdrawal of the UK from the European Union. Additional information, in the format of the latest reports of the European Commission and of the Health and Safety Executive for the UK, are available on their respective websites. The UK agreed to consider whether further technical dialogue was needed. The EU noted that this Committee is competent to hold the dialogue on the subject matter under the TCA.

4. Concluding remarks by the co-Chairs

The Parties agreed to reflect the conclusions in the Minutes.

*Approved by the Joint Secretariat of the
Specialised Committee on Energy.*

Annex 1 – Participants of the Third Meeting of the Specialised Committee on Energy

UK Delegation (15)

- UK Co-chair of the Specialised Committee on Energy
- UK Government Officials from BEIS, FCDO
- UK Mission to the European Union Official
- Scottish Government Officials
- Northern Ireland Executive Officials
- Welsh Government Officials

EU Delegation (30)

- EU Co-chairs of the Specialised Committee on Energy
- European Commission Officials
- European External Action Service Official
- Delegation of the European Union to the UK Officials
- Representatives of EU Member States

Invited technical experts (10)

- Experts representing UK transmission system operators for gas and electricity
- Experts representing EU transmission system operators for gas and electricity