

DAILY NEWS to Members: 19/04/2007 by Lara Scarpitta

**EUROPEAN, CIS AND MEDITERRANEAN POWER INTERCONNECTION: JOINT
EURELECTRIC-UCTE REPORT SETS OUT STATE OF PLAY 2006**

As European society and industry become more than ever dependent on the availability of reliable energy supplies -hence on the proper functioning of power transmission networks- a joint working group of EURELECTRIC and UCTE has drawn up a new Report* outlining the state of play in the development of the electricity interconnection on the European and Eurasian continent and the Mediterranean basin. Providing information on existing and potential projects, this report will serve as a valuable aid to all those in industry, business, finance and policymaking circles involved with the challenges of interconnection development in the broad European area.

Updating a 2005 Report, this 3rd edition sets out extensive data and figures from the year 2005–2006. After a brief introduction of the history of electricity interconnections in Europe, the Report provides a comprehensive overview of the current status of the interconnected electric systems in Europe, covering the various power systems - UCTE, UK, NORDEL, CIS-Baltic UPS/IPS - plus Turkey, the South-Eastern and South-Western Mediterranean Blocks and Mediterranean Isolated Systems.

The report summarises the main driving forces behind the development of interconnections, noting that while security of supply was the main catalyst behind the current state of interconnections, the picture is now changing, with both commercial and political motives increasingly coming into play. The report also outlines current and potential projects.

In their conclusions, the authors identify four powerful movements shaping the structure and functioning of the European electricity sector: the recent and ongoing debates on a future Energy Policy for Europe; the liberalisation process, which still requires further reinforcement of the network, especially cross-border transmission capacity; possible expansion of the current UCTE synchronous area eastwards and southwards; and large-scale take-up of renewable energy, especially wind power. The conclusions also look at the numerous challenges still confronting the development of electricity infrastructures.

The annex contains a compilation of 53 individual country contributions, detailing the structure of each country's electricity industry, the main actors, the status of interconnections and envisaged development, and providing basic information on individual electricity market structures.

The report was drawn up by members of the SYSTINT working group, comprising experts from EURELECTRIC and UCTE with a contribution by the EURELECTRIC SYSTMED Working Group, made up of network experts from around the Mediterranean basin.