

CIGRE Study Committee N° C1

PROPOSAL FOR CREATION OF A NEW WORKING GROUP

WG C1-22	Name of Convenor: Olivier Herz (FR)
Title of the Group: New investment decision processes required to deal with changing economic drivers.	
Background: At its meeting in Paris on Saturday 23 rd August and Sunday 24 th August 2008, SC C1 adopted the following overarching theme: "System planning and asset management in a low carbon future" There is no doubt that the "low carbon future" environment will deeply change the economic drivers of energy policies and, notably, grid investments schemes. Thus, there is a need to review investment processes in order to adapt to this changing environment. It must be noted that all three preferential subjects for 2010 Session will need to address this issue to a certain extent: <ul style="list-style-type: none">- PS1 (What are the solutions for planning power systems in a low carbon energy future?) will focus on new technology, stakeholder management and impacts,- PS2 (What new business processes are necessary to support / facilitate power system design in a low carbon energy future?) will address alternative security standards and grid operational flexibility,- PS 3 (What are the asset management challenges/strategies in a low carbon energy future?) will deal with asset management and integration of new technology.	
Scope: The aim of the WG is to review present decision processes in the perspective of a changing environment (low carbon scenario, new economic drivers, etc...) and to propose orientations for future processes. A particular focus will be made on: <ul style="list-style-type: none">- Consequences of increasing network and system costs (requirement for increased use of cables and offshore assets, effects on losses of longer-distance transmission, effects of volatile commodity prices and of the associated cost uncertainties, increasing ancillary services costs due to wind and solar integration),- Consequences of increasing generation costs (more -expensive- renewables, carbon capture systems -CCS-, gas-related uncertainties including price vs coal and oil, including gas storage sites, changing generation patterns e.g. by CCGT),- Taking into account new load balancing options (such as storage),- The changing competitive situation of electricity vs. other forms of energy,- The impact of a changing mix of renewable and conventional energy generation	
Deliverables / Time Schedule: - Launch of WG: April 2009 - Interim report: April 2010 - Final Report due : April 2011	
Comments from Chairmen of SCs concerned :	
Approval by Technical Committee Chairman : Klaus Fröhlich Date : 03/06/2009	