

Union for the Coordination of Transmission of Electricity

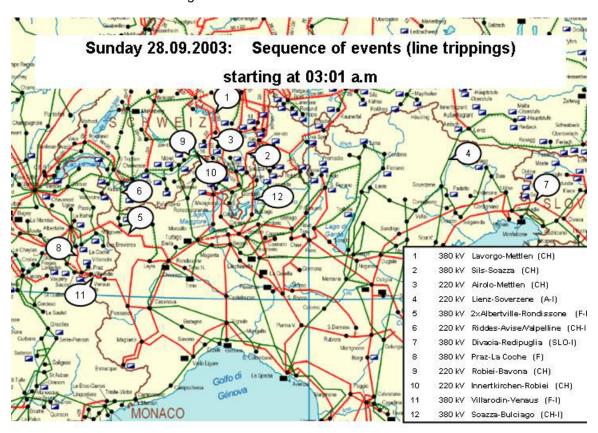
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AFTER THE ITALIAN NATION-WIDE BLACK-OUT ON 28 SEPTEMBER 2003

Since Gestore della rete di trasmissione nazionale S.p.A. (GRTN), the Italian Network Operator, is currently investigating in close co-operation with neighbouring TSOs the event sequence that led to the black-out, UCTE will comment more in detail the technical background of the event itself when consolidated investigation results will be available.



What happened?

The initial failure of an inner-Swiss line was a normal operational problem (a tree falling on the line). 20 mn later, a second line in Switzerland tripped and this second event caused the almost immediate tripping of all lines between Italy and the rest of Europe. According to UCTE rules, immediate actions were taken in <u>all</u> UCTE countries (e.g. generation curtailment of appr. 3500 MW in Germany and appr. 3200 MW in France) to reduce the frequency overshoot on the European networks.

 Whether there was an infringement of UCTE rules or the regional co-ordination between TSOs failed or not - is under investigation.



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 Concerning the question as to whether this kind of black-out is exceptional or likely to happen again in Europe, UCTE will need to set-up a "risk catalogue" of the European networks describing more concretely the problems faced by TSOs, the possible consequences and the measures that will need to be taken.

But the Italian nation-wide black-out on 28 September (largest black-out in Europe since WWII) also results from already well-known and still unsolved structural issues transmission system operators (TSOs) are facing in Europe.

Structural issues and regulatory frameworks for TSOs

• Generation adequacy

The UCTE system adequacy reports have repeatedly warned over the especially tense situation in Italy with a structural dependency on bulk electricity imports.

More generally, UCTE (together with ETSO, the TSO association in charge of regulatory and market issues for the TSO business) called already for regulatory framework that should rely on a sound design for economic signals in order to avoid catastrophic technical backfire.

If national energy policies would continue to give wrong or even contradictory investment signals and lead more countries to also rely on imports instead of own local generation and transmission infrastructure, this would lead to the concentration of generation in a few areas and to long-distance bulk electricity transits (as in North America from Canada to the New York area), which would be detrimental to the reliability of the European grids.

• Transmission Infrastructure issues

It is more and more difficult to build new interconnection 380 kV facilities. Authorization procedures tend to be longer and longer, leading to a risk in terms of transmission adequacy and security issues. In this respect, easier procedures for top priority electric transmission infrastructures would be most welcome. Especially projects labeled by EU "of common interest" in the field of trans-European networks should swiftly be prioritized at national level.

As a conclusion, UCTE calls again for:

- An European-wide harmonized regulatory framework providing a.o. adequate investment signals in both generation and transmission infrastructures;
- Removing administrative barriers for the construction of transmission infrastructure;
- The continued support by EU and regulators concerning the transformation of UCTE rules into a set of <u>enforceable</u> common security and reliability standards, to be observed by TSOs and network users.