

INTERVIEW WITH CHRIS PEETERS CEO OF THE ELIA GROUP

IN 2016 ELIA CLOSELY EXAMINED TRENDS AND DEVELOPMENTS IN THE ENERGY SECTOR, AS WELL AS THE STRATEGIC COURSE THE COMPANY WILL FOLLOW IN ORDER TO OPTIMALLY ANTICIPATE THE IMPACT OF THE ENERGY TRANSITION. IN A RAPIDLY CHANGING CONTEXT ELIA SEES A FUNDAMENTAL ROLE FOR THE TRANSMISSION SYSTEM OPERATOR IN DEVELOPING AND ENHANCING INFRASTRUCTURE, OPERATING THE ELECTRICITY SYSTEM AND FACILITATING AN EVOLVING MARKET.



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IN WHAT WAY HAS ELIA'S STRATEGIC COURSE BEEN ALTERED?

Chris Peeters, CEO Elia – We not only analysed market events, but we also examined our social role. As the transmission system operator we are at the heart of the transition. Our activities influence the country's socio-economic prosperity. As a result, we made two important changes of emphasis to our mission: the social interest and safety. This is reflected in our new strategy structured around six domains.

WHAT ARE THE SIX DOMAINS?

Chris Peeters – The first three cover our core business: operating the electricity system, maintaining and developing infrastructure, and market facilitation. There is also an additional focus on cooperation and dialogue in order to strengthen our position as a system operator. This involves, among other things, improved stakeholder management and better alignment and coordination with the various market parties and system operators at both national and European level. Lastly, we are keeping an eye out for new innovations and developments that could influence the energy landscape in general and our role as system operator in particular. To successfully deploy this strategy, we've defined new values to help steer a cultural shift within Elia.

WHAT DOES WORKING ON THE SOCIAL INTEREST LOOK LIKE IN PRACTICE?

Chris Peeters – Security of supply is a condition for a prosperous society. We are aiming for a reliable, sustainable and affordable energy system. Developing our grid infrastructure is critically important to this goal.

How this development happens is something we will decide in alignment with our many stakeholders after a thorough analysis of needs. For instance, in 2016 Elia conducted an extensive study commissioned by Federal Energy Minister Marie-Christine Marghem on the need for adequacy and flexibility in the Belgian electricity system 2017-2027. If we correctly anticipate trends, we can resolve the energy trilemma in one or two generations: plenty of affordable, sustainable energy for everyone. And that means Europe would not be dependent on the rest of the world for its energy supply.

WHAT IMPACT WILL THE ENERGY TRANSITION HAVE ON THE TRANSMISSION SYSTEM?

Chris Peeters – In the light of ongoing decentralisation, the rapid growth of renewable energy and rising supranational cooperation, we see a need for long-distance transmission and international interconnections. There is also a need for more flexible balancing products in order to improve the reliability of the system. Elia is working towards a market platform that promotes competitiveness. We will continue to ensure that all market parties are able to take part and that they have transparent, non-discriminatory access to the grid. In other words, we're not only shaping the infrastructure, we are also developing the system of tomorrow. The market coupling initiatives in the Central-West Europe region show that the transmission system operators are working constantly to facilitate market operation internationally too.

WHAT OPPORTUNITIES CAN THE ENERGY TRANSITION OFFER?

Chris Peeters – Our infrastructure enjoys a major benefit: Belgium lies at the crossroads between France, the Netherlands, Germany and the UK. For the Belgian market this offers opportunities in terms of security of supply and exports. As a crossroads in the heart of Western Europe we can attract investments in flexible electricity generation, provided we are able to continue enhancing our network, not only at border crossings but also within the country. The Elia grid is quite old, yet reliability requirements are continually rising.

WHAT CHANGES ARE WE SEEING IN ELIA'S INVESTMENT PROGRAMME?

Chris Peeters – Over the next five years, Elia Group will invest €5 billion in grid enhancements. Belgium saw major progress in 2016 with the Brabo project (phase 1) and the Boucle de l'Est project. The Stevin project is on track. Construction work began on the Nemo Link, Elia's first DC interconnector with the UK. In addition, the first contracts were signed to build ALEGrO, the interconnector with Germany. Our colleagues at 50Hertz have also been deploying their ambitious investment plan year after year.

HOW DOES ELIA KEEP ALL THESE INVESTMENTS UNDER CONTROL?

Chris Peeters – That is why we launched the Infrastructure 3.0 project in 2016. Not only will it be a benchmark for managing infrastructure projects, it will also take a social approach that enables public acceptance of our investments. This kind of approach requires a different way of working. And let's not forget the greater focus on safety. Everyone who works at or for Elia must be fully aware of just how important safety is. Working with high voltages is still a dangerous business.



Chris Peeters
CEO of the Elia Group

MEANWHILE, HOW ARE THINGS GOING WITH ELIA GRID INTERNATIONAL (EGI), THE CONSULTANCY FIRM JOINTLY OWNED BY ELIA AND 50HERTZ?

Chris Peeters – With Elia Grid International we are very much continuing to capitalise on the renewable energy expertise we have amassed in Germany and our experience with cross-border electricity connections in Belgium. We have narrowed our focus to concentrate on consulting for other system operators in Europe, the Middle East and Asia. EGI is important for developing our talent. We give our top performers the chance to work in an international environment. They bring this expertise back and integrate it into Elia Group. After all, even consultants continue to learn.

LOOKING BACK AT 2016, WHAT COMES TO MIND?

Chris Peeters – I was yet again utterly delighted by the passion and expertise shown by our teams and how much the Elia Group is valued on the international energy market. Thanks to our thorough market analysis and updated strategy I am looking forward to the future with every confidence. We analysed our ideas with various market players via personal discussions and external events, such as the Users' Group and our annual Stakeholders' Day. Our partners are now more aware of what Elia stands for. We will continue this approach based on dialogue and solid cooperation in 2017.

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