

EDITORIAL

European Commission is working in a new Infrastructure Package as energy infrastructure is key for the implementation of 2020 EU targets. Interconnections development, security of supply, enabling renewable energies to existing electricity grid and the development of Smart Grids and Smart Meters are main topics to be addressed through the mentioned Infrastructure Package. GEODE will closely follow the process on the interest of its members.

Carmen Gimeno / Deputy General Delegate

EUROPE

●●● EU COMMISSION WORK PROGRAMME 2010. NEW INFRASTRUCTURE PACKAGE.

Energy and Climate Change remains two of the Commission's very highest priorities. A main topic of the Working Programme will be the "**Energy Infrastructure Package**" that will consist of:

- Communication on Energy Infrastructure Development and Financing for the 2020/30 Horizon, focussing on development of infrastructure and investment based on supply and demand scenarios, and the 10-year network plans of the European Network of Transmission System Operators, gas supply sources and e.g. for oil or CO₂.
- Commission staff working paper on energy infrastructure, evaluating the six-priority infrastructure actions announced in the 2nd Strategic Energy Review, including Mediterranean gas and electricity interconnection.
- Communication on the preparation of a blue print for offshore grids in the Northern Seas of Europe, identifying key regulatory issues to enable a more integrated grid.
- Report on the state of play of smart grids, presenting developments in this field leading to a possible legislative proposal in 2011.
- Proposal on transparency and integrity of wholesale market trading, to establish "proper market conduct rules and a regulatory framework for monitoring and surveillance of these markets".
- A revised Energy Efficiency Action Plan, identifying the key measures to achieve the 20% by 2020 target accepted by the Member States, most notably in the building, utility and transport sectors, with a possible legislative proposals and revision of the energy taxation directive.
- Energy Action Plan 2011-2020, in which the Commission will provide a "holistic strategy document" laying out the priority action points for 2011-2020, followed by a Roadmap for low carbon energy system by 2050.
- Communication on Regional Initiatives, which has the objective of guiding Member States, Regulators and stakeholders on the Regional Initiatives.
- **Legislative proposal for a regulatory framework on smart grids**, which will address the various issues linked with the establishment of smart grids, incl. data protection, electric vehicles and open access to the grids.
- Communication on implementing the biofuel sustainability scheme, which will guide Member States and economic operators on how to implement the sustainability criteria. It will also endorse 'voluntary schemes' and update/add 'default values' related to the sustainability scheme.
- Proposal revising the nuclear waste directive, establishing a common European framework aiming at achieving and maintaining a high level of safe management of radioactive waste and spent fuel throughout the Union.

●●● EU COMMISSION STRATEGY ON CLEAN ENERGY EFFICIENCY VEHICLES

The strategy aims to encourage the development and use of clean and energy efficient vehicles. It promotes research, setting common standards and the development of infrastructure. It contains an Action Plan for green vehicles, with concrete and ambitious measures to be implemented by the Commission. It will be reviewed in 2014.

The measures referred to the following sectors:

- Regulatory framework
- Supporting research and innovation in green technologies
- Market uptake and consumer information: guidelines to promote financial incentives for green vehicles, revision of energy taxation directive and the launch of EU-wide electromobility demonstration project in 2011 within the European Green Cars Initiative.
- Specific actions for electric vehicles: first it recommends establishing common standards to allow electric vehicles communication and charging at every grid in the EU and with any type of charges. Second, it advises to avoid investments in electric charging points based on different standards. Third it urges to establish fast charging points with high voltage, public charging points and to ensure communication between the vehicle and the electricity grid with standardised plug and socket at EU level.
- The Commission will: mandate the European standardisation bodies to develop by 2011 a standardised charging interface, in order to ensure interoperability and connectivity between the electricity supply point and the charger of the electric vehicle. Afterwards the industry should be adapted to those standards. An adequate electric charging network must be set up as well, and it will require significant investment and definition of standards on safety, interoperability and payment. This network should be open to public to meet their needs.
- Energy, Power Generation and Distribution: adapting electricity distribution network, develop smart grids and communication protocols between the vehicle and the grids. It will enable charging to be automatically timed to coincide with off-peaks or excess intermittent renewable electricity, taking in considerations pricing impacts.
- Recycling and transportation of batteries: changes on existing legislation to promote recycling of batteries and vehicles, and will review rules on transporting of batteries.
- Governance: re-launch CARS 21 High Level Group with a revised mandate and extended stakeholder involvement.

SUMMARY

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EUROPE

- EU Commission Work Programme 2010. New Infrastructure Package.
- EU Commission Strategy on Clean Energy Efficiency Vehicles
- EU Energy Regulator's New Agency (ACER)
- EU Commission Public Consultation on the EU's New Energy Strategy 2011- 2020
- ERGEG Latest Publications

A ZOOM ON

- Geode Position Paper on Smart Metering – Annex II Meeting Consumers Concerns
- Geode position Paper on Energy Efficiency
- Geode Position Paper on Electric Vehicles

●●● EU ENERGY REGULATOR'S NEW AGENCY (ACER)

Las 4th and 5th of May, ACER (the Agency for the Cooperation of Energy Regulators), held the inaugural meeting of its Board of Regulators in Brussels. It should become fully operational in March 2011. It will be located in Ljubljana, Slovenia. It will play a key role in the integration of the EU's markets in electricity and natural gas, providing a framework at EU level for national regulators to cooperate and providing greater clarity and regulatory certainty. ACER's existence redresses the regulatory gap on cross-border issues and will provide regulatory oversight of the cooperation between transmission system operators. At the inaugural meeting, Lord Mogg was elected the first Chair of ACER's Board of Regulators and Mr. Walter Boltz the Vice Chair, each appointed for a 2.5 year (renewable) period, and the Administrative Board designated Alberto Pototschnig as its first Director.

●●● EU Commission Public Consultation on the EU's New Energy Strategy 2011-2020

The proposed new strategy should be endorsed by European Council in March 2011 and it would replace the first EU "Energy Action Plan" endorsed by European Council in March 2007.

The key components of a new strategy are: exploitation of full potential of energy savings

- promotion of low-carbon innovation
- a fully functioning internal energy market
- secure and sustainable energy networks
- greater cooperation and solidarity within EU

Commission notes the greater emphasis that will be needed on investments in new technologies, infrastructure and energy efficiency, and cities and regions will play a key role in developing local integrated solutions.

The paper contains detailed policy goals to be considered as:

- the development of smart grids/meters as well as energy networks
- improving framework conditions for investments in renewing power generation and infrastructure
- developing local, integrating solutions for energy, waste management and sustainable transport and housing
- implementation of SET-Plan

The Commission would like to have stakeholder's views on this document by 2 July 2010.

●●● ERGEG latest publications

- International Confederation of Energy Regulators (ICER) 2010-2012 Work Plan (2010-05-24)
- European Energy Regulators 2009 Annual Report (2010-05-07)
- ERGEG Public Consultation on draft GGP on indicators for retail market monitoring (2010-04-21)
- ERGEG Status Review 2009 on CAM and CMP for gas storage (2010-04-20)

A Z O O M O N

●●● GEODE POSITION PAPER ON SMART METERING – ANNEX II MEETING CONSUMERS CONCERNS

GEODE report on Smart Metering published on November 2009 has been updated with an Annex on Consumers Concerns. GEODE believes it is essential that consumers are involved in the new opportunities that arise and have a clear view of the benefits of Smart Meters. The paper addresses the follow main points:

- Consumer Concern on the obligation/force of the installation of Smart Metering
- Consumer Concerns on the cost of Smart Metering that will be transfer to consumer

- Consumer Concern on data handling
- Consumer Concern over privacy issues and integrity
- Consumer Concern on security issues
- Consumer Concerns on the accuracy of meter reads
- Consumer Concerns over time of use tariffs

●●● GEODE POSITION PAPER ON ENERGY EFFICIENCY

Presented GEODE Spring Seminar containing its position in regards distributors' key role on Energy Efficiency aspects. Energy Efficiency will contribute to a reduction of CO₂ emissions, strengthen security of supply and counteract the dependence of the EU. It also welcomes the introduction of legally binding energy efficiency targets at Member State level that will lead to political and social awareness of energy efficiency. It calls for European Law to be revised to enable and support the promotion of energy efficiency by the DSOs and local energy supply companies. GEODE believes DSO is the right market partner to collect and process these new data, but this process will need an adequate legal framework. It would like the Commission to support municipalities to establish local Energy Efficiency Action Plans (LEEAPs), with legal obligation on Member States to ensure that each city adopt LEEAPs. GEODE supports Smart Grid and Smart Metering, but demands incentives to DSO to pursue innovative and smart solutions. Standardisation is another important issue in this process. It believes that the production, distribution and consumption of heat are the key issues in the field of energy efficiency, to crucial to use heat from industry and electricity production, which would otherwise be wasted. It recommends support for cogeneration plants as well as for research programmes on district cooling.

●●● GEODE POSITION PAPER ON ELECTRIC VEHICLES

It was presented at GEODE Spring Seminar last 11th of May 2010. According to GEODE EVs can help to reach the EU's energy 20-20-20 target, but certain conditions has to be met: availability of EVs for the mass market, customers mobility needs have to be satisfied, a close-knit network of charging stations has to be set up, standardisation and an adequate legal framework must be develop. DSOs represented by GEODE, advises the need of development intelligent solutions to meet the mobility requirements of the customers and to minimise the impact on the grid (smart / controlled charging respectively intelligent load management). It is also recommended to set up monetary incentives through grid tariffs (e.g. day vs. night, etc.) and power quality aspects have to be taken into account. A key element of success is that DSOs are part of the process to install charging stations, the development of intelligent solutions, business and market models in good time to be able to set up electricity grids optimally and in a cost effective way.

A G E N D A

**GEODE Board Meeting:
Costa Brava, 29th of June 2010**

**Electricity Regulators Forum
Florence, 10th and 11th of June 2010**

**GEODE Autumn Seminar:
22nd of September 2010**