

EDITORIAL

GEODE will host its Autumn Seminar, focused on Smart Grids, next 4th November in Brussels. **GEODE** report on Smart Grids will be presented. We will also learn from current experiences on Smart Grid projects from distribution companies in Austria and Germany. The Commission will present the first outcome of its Task Force for the implementation of Smart Grids, and the regulators will provide us with their view on how Smart Grids should be implemented. We kindly invite all of you to take part.

Carmen Gimeno / Deputy General Delegate

EUROPE

●●● INFORMAL ENERGY COUNCIL

An Informal Energy Council meeting took place on the 7th of September in Brussels. It was focused on three main topics: consumers, energy efficiency and infrastructure investments.

- **Consumers:** the Commission promised to prepare a report before the Energy Council of the 2nd of December; it will establish a framework definition of 'vulnerable consumers'. It will also harmonise statistical methods at EU level to quantify the extent of energy poverty. The Belgian Presidency advised the Commission to set up a panel of energy ombudsmen, to discuss synergies in terms of consumer protection, which could take place within the framework of the London Citizens' Forum.
- **Energy investments:** The Council stressed the importance of working closely with the industry and financial institutions to assure that required investments will be made. Ministers agreed on the need of smoother licensing procedures, with the reduction of administrative burdens and a greater synergy between planning and licensing procedures. There was a debate on the way to finance the massive investment necessary in infrastructure, interconnections and smart grids for the development of a modern European grid.
- **Energy efficiency:** Energy Commissioner, Günther Oettinger, tentatively promised a revamped energy efficiency action plan before the end of the year. The new Plan envisages a major change by removing binding energy efficiency targets. He preferred to wait until 2012 to assess whether the voluntary target is producing results before considering binding goals.

●●● RECOVERY PLAN MONEY TO IMPROVE ENERGY EFFICIENCY IN REGIONS

On the 2nd of September, the Committee of industry, research and energy (ITRE) of the European Parliament, gave its unanimous blessing to the European Commission proposals on the use of unspent money from the European Energy Recovery Programme (EERP). It will be spent on projects to improve energy efficiency in the regions. The initiative will create a financial instrument to support regional and local projects in energy efficiency and renewable energy.

Since its establishment in 2009, with a budget of €3.98 billion, money has been allocated to energy interconnections, offshore wind and carbon capture and storage demonstration plants. The programme allocated €2.35bn for gas and electricity interconnections, €0.565bn for offshore wind and €1.05bn for carbon capture and storage (CCS) demonstration plants.

MEPs strongly criticized the plan for omitting energy efficiency and smart cities. Then compromise deal satisfied their demands by allowing the Commission to propose the use of recovery money

that has not been committed by the end of 2010 for energy-efficiency and renewable projects.

Under the plan, eligible projects will need to have a rapid and significant impact on economic recovery, boost energy security and cut greenhouse gas emissions. Such projects could involve combined heat and power and district heating networks, grid-connected decentralized renewable production and clean public transport and electric vehicles, as well as electricity storage solutions, smart metering and smart grids. The Parliament as a whole will vote the proposal on the 6th October.

Source: *EurActive 7 September 2010*

●●● ELECTRICAL CARS: DEVELOPMENT OF A COMMON CHARGING SYSTEM

The CEN, CENELEC and ETSI as European standardisation bodies, received a mandate from the European Commission to develop a common charging system for electric cars, scooters and bicycles. The new standard will ensure that all types of electric vehicles and their batteries will be safely and easily charged in all EU Member States. The Commission expects that the standard will be ready by mid-2011 at the latest.

In its communication of the 29th of April, the European Commission established a road map for a coherent framework, encouraging the market to launch electrically chargeable vehicles. In this strategy, it announces, among other issues, its intention to take measures aimed to promote common standards, which will enable all electric vehicles to be charged anywhere in the EU, encouraging the installation of publicly accessible charging points, promoting the development of smart electricity grids, and lastly, update the rules and provide research on the recycling of batteries.

The mandate that the Commission has addressed to CEN, CENELEC and ETSI has three objectives:

1. To ensure that electric vehicles can be safely charged by their drivers;
2. To ensure that electric vehicle chargers (including their removable batteries) interoperate with the electricity supply points and with all types of electric vehicles (this would allow users to recharge their electric vehicles anywhere in the EU by using the same charger);
3. To request the standardisation bodies to consider 'smart charging', which allows users to charge vehicles at off-peak times to get the lowest price and most efficient use of energy.

Source: *EurActive 23rd July 2010.*

SUMMARY

EDITORIAL

EUROPE

- Informal Energy Council
- Recovery Plan money to improve energy efficiency
- Electrical cars interoperability
- EP report on new energy strategy for Europe 2011-2020
- Madrid Gas Regulatory Forum
- ERGEG latest publications

A ZOOM ON

- GEODE Autumn Seminar – Smart Grids
Brussels, 4th November 2010

●●● EUROPEAN PARLIAMENT: REPORT ON A NEW ENERGY STRATEGY FOR EUROPE 2011-2020

The Committee on Energy (ITRE) of the European Parliament recently began discussing a draft report by Lena Kolarska-Bobinska (EPP, Poland) on a new energy strategy for Europe 2011-2020. In her report, she stresses the importance of the implementation of the existing legislation, calling for a second 'energy sector inquiry' in 2012, improving trans-European networks and grids, as well as boosting EU security of energy supply. Other challenges listed are the growing dependency on imports of fossil fuels and the need for major energy investments, notably in new power plants and grids.

According to rapporteur, EU action can be strengthened by better deploying budgetary resources on energy and climate policies. Another idea is to establish more cost-effective ways of supporting the further development and modernisation of pan-European energy grids as well as the development of low-carbon energy systems.

The rapporteur criticises the failure to direct substantial EU funds into energy policy. With energy systems requiring billions of euros of investment, this must change in future energy strategy. The new energy strategy should support the spending of greater EU budgetary resources on energy and climate policy, starting with the post-2013 financial perspective.

Goals for EU financing should be developing strategic EU-wide infrastructure to drive forward integration of EU and regional energy markets and increase renewable uptake. The EU must also look at ways of using the budget to trigger high leverage effects with risk-sharing facilities and public loan schemes supporting energy infrastructure investments.

Support according to rapporteur should go on: 1. aligning EU budgetary priorities with policy priorities; 2. helping newer member states in Central and Eastern Europe with greater potential for emissions reduction and renewable production; and 3. providing incentives in situations of market failure or insufficiency.

●●● MADRID GAS REGULATORY FORUM

The 18th meeting of the European Commission Gas Regulatory Forum will take place in Madrid on the 27th & 28th of September 2010. GEODE will participate. Main topics on the agenda are:

- Transposition & implementation of the 3rd Package
- Security of gas Supply Regulation
- Infrastructure Investment
- Framework Guideline on Capacity Allocation Mechanisms
- Gas Quality
- Congestion Management
- LNG
- Balancing Rules
- Market integrity framework and transparency

●●● ERGEG latest publications

- ERGEG Public Consultation on draft framework guidelines on capacity allocation and congestion management for electricity (2010-11-10)
- ERGEG Public Consultation on draft comitology guidelines on fundamental electricity data transparency (2010-10-28)
- ERGEG Public Consultation on draft pilot framework guidelines on gas balancing (2010-10-29)
- ERGEG Public Consultation on assessment of CAM and CMP for effective access to gas storage (2010-10-09)

A Z O O M O N

GEODE
AUTUMN
SEMINAR
SMART GRIDS

BRUSSELS

4th November 2010
Hotel Le Méridien
3, CARREFOUR DE L'EUROPE
1000 BRUSSELS

PROGRAMME

9:30	WELCOME	Introduction to Smart Grids <i>Anders Hedenstedt, President of GEODE / Chairman WG Smart Grids</i>
9:45	EUROPEAN COMMISSION –	<ul style="list-style-type: none"> • Initial conclusions from the EC Task Force for the implementation of Smart Grids • Next steps <i>Mr. Manuel Sánchez Jiménez, Policy Officer, Unit B.2 Electricity & Gas, EC Task Force Smart Grids Manager, DG-ENER, European Commission</i>
10:30	European Regulators Position on Smart Grids	<i>Mr. Alberto Pototschnig, Director ACER * tbc</i>
11:00	GEODE's Position Paper on Smart Grids	<i>Mr. Tomas Arnewid, Göteborg Energi AB</i>
11:30	COFFEE BREAK	
12:00	The Emergence of the European Smart Grid	<i>Prof. Wolfram Wellssow, General Manager, Siemens AG, Power Distribution Division</i>
12:45	Consumers' perspective on Smart Grids * tbc	
13:15	LUNCH	
	CONCRETE EXAMPLES ON SMART GRID IMPLEMENTATION & PROJECT DEVELOPMENTS	
14:30	Presentation 1 Salzburg Netz (Austria)	<i>DI Mag. Michael Strebl, Managing Director, Salzburg Netz GmbH</i>
15:00	Presentation 2 STAWAG (Germany)	<i>Dr. Christian Becker, Board of Directors, STAWAG, Stadtwerke Aachen Aktiengesellschaft</i>
15:30	EXPERIENCES OUTSIDE EUROPE: The Californian model	<i>DI Reinhard Brehmer, Managing Director, WIEN ENERGIE Stromnetz GmbH / Vice-President of GEODE</i>
16:00	CONCLUDING REMARKS	<i>Anders Hedenstedt, President of GEODE / Chairman WG Smart Grids</i>

A G E N D A

Gas Regulatory Forum
Madrid, 27th & 28th of September 2010

London Citizen's Forum
London, 21st. & 22nd. of October 2010

GEODE Board Meeting
Brussels, 3rd of November 2010

GEODE Autumn Seminar:
Brussels, 4th of November 2010