

EDITORIAL

The GEODE VIII Spring Seminar will take place in Brussels on the 26th May 2011 under the title "Where We've been – Where We're going. GEODE's 20th anniversary. The future of the European energy sector". Ms. Catharina Sikow-Magny from the European Commission will explain the infrastructure that will be needed in the future, and the Commission Director Ms. Marie Donnelly will present the measures foreseen to achieve the 2020 targets on energy efficiency, contained in the recently published Energy Efficiency Plan. Mr. Olivier Onidi, Deputy Head of cabinet of Energy Commissioner Günther Oettinger will be in charge of the keynote speech. In the evening GEODE will celebrate its 20th anniversary. We hope to see you in Brussels.

Carmen Gimeno / Deputy General Delegate

EUROPE

●●● EC COMMUNICATION ON SMART GRIDS

The Communication was adopted by the Commission on the 12th April 2011, and was presented at the workshop organized last 14th April by the Commission during the sustainable energy week. The Commission describes Smart Grids as an upgraded electricity network to which two-way digital communication between supplier and consumer, intelligent metering and monitoring systems should be permitted. They will enable the integration of vast amounts of renewable energy and electric vehicles. They open up possibilities for consumers to control and manage their consumption patterns, providing strong incentives for energy efficiency use if combined with time-dependent electricity prices. The Commission recognizes the grid operators are expected to bear the burden of investments. The Commission proposes to focus on five key areas to tackle main challenges to achieve Smart Grids deployment:

- **Developing technical standards:** involving communication protocols and additional functionalities, such as assuring interoperability between systems. First deliverables for European standards for Smart Meters are expected by the end of 2012. Commission has issued mandates for standards for the interoperability of chargers for electric vehicles, and for the implementation of high-level Smart Grids services and functionalities.
- **Ensuring data protection for consumers:** developing regulatory regimes that respect consumer privacy, and facilitating consumer access to and control over their energy data processed by third parties, is essential for the acceptance of Smart Grids. Technical standards for Smart Grids taking the privacy by design will be developed.
- **Establishing a regulatory framework providing incentives for Smart Grids deployment:** The Commission proposes to develop regulatory incentives in the revision of the Energy Services Directive, and /or through a network code or implementing act on tariffs. These incentives should encourage network operators to get benefits without the need of additional sales, they should be based on efficiency gains and lower peak investment needs. It means moving from a "volume-based" business model to a quality-efficiency model. The Communication announces the Commission intention to request Member States to produce Action Plans with targets for implementation of Smart Grids. Permitting procedures for

the construction and renewal of energy grids have to be streamlined and optimized.

- **Guaranteeing an open and competitive retail market in the interest of consumers:** The Commission proposes to develop Smart Grids in a transparent and competitive retail market, which will develop services that should encourage consumers to become more active and adapt to smart energy consumption patterns. Demand Response is at the core of this new model.
- **Providing continuous support to innovation for technology and systems:** The Commission will launch the Smart Cities Initiative in 2011 and will propose additional new large-scale demonstration initiatives for Smart Grids deployment.

The Commission intends to develop appropriate initiatives in the course of 2011, in order to address the regulatory aspects identified in the Communication in the context of the Third Internal Energy Market Package, revision of the Energy Services Directive, the Infrastructure package and the mainstreaming of energy policy priorities in different funding programmes.

●●● EUROPEAN COMMISSION PUBLICATIONS

- Communication on Smart Grids. 12th April 2011
- European Energy recovery programme: report on the implementation. 19.5.11

●●● ACER PUBLIC CONSULTATIONS

- Consultation on Framework Guidelines on Capacity Allocation & Congestion Management for Electricity. 11.5.11 – 10.6.11
- Consultation on Framework Guidelines on Gas Balancing in Transmission Systems. 12.5.11 – 12.6.11
- Opinion on the ENTSO-E Statutes, rules of procedure and list of members. 5.11.11
- Opinion on the ENTSO-G Statutes, rules of procedure and list of members. 5.11.11

●●● CEER LATEST PUBLICATIONS

- Consultation on the CEER draft advice on the take-off of a demand response electricity market with Smart Meters. 10.5.11 – 21.6.11
- Consultation on the CEER draft advice on the introduction of a Europe-wide energy wholesale trading passport. 20.4.11 – 17.06.11

SUMMARY

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●●● GEODE VIII SPRING SEMINAR

"Where We've Been – Where We're Going. GEODE's 20th
Anniversary and the Future of the European Energy Sector.
Brussels 26th of MAY 2011. EUROPEAN



GEODE VIII SPRING SEMINAR

BRUSSELS
26th MAY 2011
Sofitel Europe Hotel
Place Jourdan 1,
Brussels

WHERE WE'VE BEEN – WHERE WE'RE GOING GEODE'S 20TH ANNIVERSARY AND THE FUTURE OF THE EUROPEAN ENERGY SECTOR PROGRAMME

10:00	WELCOME	Anders Hedenstedt, President of GEODE
10:15	KEYNOTE SPEECH	Olivier Onidi, Deputy Head of Cabinet Commissioner for Energy Günther Oettinger
10:30	LOOKING BACK AND LOOKING AHEAD – THE ROLE OF INDEPENDENT LOCAL ENERGY COMPANIES IN THE EUROPEAN ENERGY SECTOR Anders Hedenstedt, President of GEODE	
11:00	PAST EXPERIENCE AND FUTURE DEVELOPMENTS – CHANGES IN EUROPEAN ENERGY SUPPLY Dr Christine Schwaegerl, Energy Sector, Power Distribution Division, Transmission & Distribution Services, SIEMENS AG	
11:30	THE EUROPEAN WAY: PRESENT AND FUTURE ENERGY INFRASTRUCTURE CHALLENGES Catharina Skow-Magry, Deputy Head of Unit, Energy Policy, Security of Supply and Networks, DG-ENER, European Commission	
12:00	ACHIEVING 20/20/20: THE COMMISSION'S ENERGY EFFICIENCY PLAN 2011 Mario Donnelly, Director New & Renewable Sources of Energy, Energy Efficiency & Innovation, DG-ENER, European Commission	
12:30	LUNCH	
13:30	AFTER FUKUSHIMA, IS THERE A FUTURE FOR NUCLEAR POWER IN EUROPE? Peter Faross, Director Nuclear Energy, DG-ENER, European Commission	
13:45	ROUND TABLE DEBATE: THE ENERGY SECTOR IN THE 20 YEARS TO COME Moderator: Andy Phelps, Director of Regulation, ENA Energy Networks Association (UK) Peter Faross, Director Nuclear, DG-ENER, European Commission; Patrizia de Suzzoni, Chairwoman Retail Markets & Customers, CEER European Regulators; Monique Goyens, Director General BEUC, European Consumers; Reinhard Brehmer, Managing Director, WIEN ENERGIE Stromnetz GmbH, GEODE Vice- President; Antoni Fios, Director Corporate International Affairs, Gas Natural Fenosa; Joan Majó, Chairman of BACLAB Microsystems. Former Minister of Industry and Energy of Spain	
15:15	CLOSING SESSION	CONCLUDING REMARKS Anders Hedenstedt, President of GEODE
15:30	COFFEE BREAK	
16:00	GEODE GENERAL ASSEMBLY	
20:00	GEODE 20 TH ANNIVERSARY CELEBRATION WELCOME DRINKS & DINNER at Palais des Académies (rue Ducale 4)	

The welcoming dinner will take place on the 25th May at 20:00, Restaurant Armand & Co., 16, rue des Chapeliers.

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A Z O O N

●●● GEODE POSITION PAPER ON COMMISSION ENERGY EFFICIENCY PLAN

GEODE welcomes the launching of the Smart Cities Initiative and supports the development of Energy Efficiency Plans at the local level. DSOs should be given a major role in the project management, design, development and implementation of the Smart Cities concept.

GEODE contends that the EC should make every effort to support district heating systems as a key factor in energy efficient heat distribution and consumption. GEODE welcomes and recommends support for cogeneration plants, as well as for research programmes on district cooling. Incentives for building adequate infrastructure should be provided.

GEODE stands for district heating/cooling needs being implemented by vertically integrated companies operating locally.

In GEODE's opinion biogas can make a substantial contribution to a sustainable, efficient and renewable-based transport sector.

Energy services markets vary substantially between Member States. In relation to Energy companies', GEODE believes that one size does not fit all: the method for defining and designing the role played by energy companies on energy saving should be left to the discretion of each Member State. Energy services markets and Energy companies' participation vary substantially between Member States.

GEODE support the deployment of Smart Grids and Smart Meters. It requires significant investment for DSOs, thus national regulators have to ensure that DSOs are fully reimbursed for all their costs.

GEODE also agrees that it is important to give the end-consumer a better understanding of their energy use and time of usage, so that through increased awareness consumers become more efficient in their energy consumption taking advantage of Smart Metering systems.

The Commission should ensure that the DSO is involved in the development and implementation of the Demand Response market. The DSO needs to play an active role to avoid overload on the grid or on parts of it by introducing demand flexibility.

A G E N D A

Electricity Regulatory Forum
Florence, 23rd & 24th of May 2011

Energy Council
Luxembourg, 10th of June 2011

GEODE Board Meeting
4th of July 2011

GEODE Autumn Seminar
Bolzano (Italy) Autumn 2011