

Working Group Regulation

Actions & Agreements

Online meeting, 15 March 2024

Participants

Per Everhill	Tekniska Verken Linköping, SE
Tommi Lähdeaho	Elenia, FI
Kjersti Vøllestad	Elvia, NO
Pilar Barrera Gonzales	Netz Burgenland, AT
Ina Lehto	Finnish Energy, FI
Teemu Nurmi	Helen, FI
Alberto Perego	Gasplus, IT
Erdal Bergsten	Kraftringen, SE
Wolfgang Orash	Wiener Netze, AT
Ole Theodor Dønnestad	AEnergi, NO
Carmen Gimeno	GEODE
Federica Bruni	GEODE
Giulia Aluffi	GEODE
Silvia Torres	GEODE
Anna Smičková	GEODE

Guest speakers & Observers

Marina Furdas	BNetzA(DE)
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Actions agreed

Subject	Action	Timeframe	Responsible
Policy Updates	<p>SUMMARY:</p> <ul style="list-style-type: none"> • Federica Bruni presents the latest policy updates, focusing on EU 2040 Targets, and on the High-level Green Transition Dialogues with Maroš Šefčovič (EC Vice-President). • Carmen Gimeno informs the WG Group that GEODE together with other European DSO associations (CEDEC, E.DSO) will take part on the 25th of March in a high-level stakeholder roundtable organized by ENTSO – E with the support of the Commission on the implementation of the Grids Action Plan, GAP. Specifically, the event is deemed as a follow up of the high-level events on Grids which had taken place last September, and centered around three themes: <ul style="list-style-type: none"> ○ Strengthening Supply-Chains for grid infrastructure including standardization and common practices; ○ Financing Grid infrastructure scale up. ○ Regulatory framework to facilitate infrastructure delivery. • She informs that the DSOs associations were coordinating messages, and that the GEODE would be represented by our Chairman Hans Kreisel at the event. <p>DISCUSSIONS:</p> <ul style="list-style-type: none"> • Per Everhill underlines the WG support in preparing the joint messages for the high level meeting and inquires how the European Elections (EP and new Commission appointment) could impact GEODE’s reach and contacts in Brussels. As well as, if there is any future legislation coming the horizon for the new EC mandate. • In reply, Federica Bruni, highlights that the new EC will most likely focus on the implementation of all legislation adopted in this Commission’s mandate (Fit for 55 Package & REPower EU) and on delivering on the Communication on the Industrial Carbon Capture Storage Management which strategy had been presented in the WG Gas and the Grids Action Plan. It is expected that the Parliament composition will move more towards the right and therefore the new Commission might reduce the speed of the energy transition we have seen until Today. 		

	<ul style="list-style-type: none"> Ina Lehto highlights that she noticed that among the participants of the 25th of March, no NRAs are listed. After the meeting it became known that CEER took part as well. Carmen Gimeno mentions that at the EU level, it is clear that there is a need for NRAs to take action. Federica Bruni complements stressing that the EC is aware of the centrality of this and sees its role as a mediating one. Considering separate discussions from EC with NRAs are taking place. Joint meetings are planned for the future EC official has informed the Secretariat. <p>ACTIONS:</p> <ul style="list-style-type: none"> GEODE Secretariat will keep updating Working Group members on the main policy developments and outcomes of the meeting of the 25th of March. 	Ongoing	GEODE Secretariat
<p>CEER Presentation: Regulatory Frameworks for European Energy Networks 2023 Roundtable Discussion:</p>	<p>SUMMARY:</p> <ul style="list-style-type: none"> Marina Furdas (representing CEER from the German NRA) gives an overview of the recently published CEER’s report on Regulatory Frameworks for European Energy Networks in 2023 <p>DISCUSSIONS:</p> <ul style="list-style-type: none"> Per Everhill asks about TOTEX – whether there are any countries using this system – Marina Furdas mentions that in Germany TOTEX is being used, but the discussions currently are that OPEX will be used in the future; In Austria there is TOTEX efficiency benchmark – she also mentions that there are pros and cons of every system. 		
<p>Roundtable Discussion: How to concretely ensure that the actions within the Grids Action Plan & EMD Reform are transposed at National Level?</p>	<p>SUMMARY:</p> <ul style="list-style-type: none"> Carmen Gimeno makes an introduction, presenting an overview of the key topics currently being discussed on the European level and asks WG members for their input, as a guidance and collection of ideas that GEODE can raise at these crucial meetings. <p>DISCUSSIONS:</p> <ul style="list-style-type: none"> Ina Lehto mentions that we need better dialogue with NRAs, so they understand the needs for DSOs investments – she mentions that we need to find the right actions the EC should take in order to support DSOs and NRAs relations and understanding of each other’s needs. Per Everhill mentions that his company has issues with a lot of solar PV connected to the LV grid and therefore there are problems with capacity – he mentions that flexible connection agreements are being used – in this 		

	<p>case, the connected PV is not able to send the energy into the grid, but can be connected – he mentions that the consumers are happy, but he’s not sure whether they are allowed to do this from the legal perspective – he mentions that a European wide guidance would be helpful for DSOs in this regards</p> <ul style="list-style-type: none"> • Carmen Gimeno mentions that in Spain there have been discussions and it’s expected that very soon there will be a legal framework for the flexible connection agreements.; Carmen Gimeno mentions that there is still a question mark whether this should be a temporary or a permanent solution. • Ina Lehto mentions that from the supplier’s point of view this is a big issue – there is a fear that allowing DSOs to have these flexible connections agreements would completely stop the development of the flexibility markets – we should take this perspective into account – we should have all the solutions and tools available. • Per Everhill mentions that it would be interesting to see different examples of these agreements – for different sources, different time-limitations. • Kjersti Vollestad mentions that they are currently working with generators and companies with these agreements and it is a lot of work for the DSO , as there has to be a single agreement for each case and therefore this is adding a lot of administrative work for the DSO – the fear is that there will be many requests, which will need to be solved by DSOs – there should be some regulation in this regards, which could help; she also mentions that it is hard to forecast the future and therefore decide whether these agreements would be temporary or permanent • Wolfgang Orash mentions that in Austria they will have a regulation this summer, allowing these flexible connection agreements, the rules should be very strict – NRA has a very strict view on this, which would be good for DSOs – currently DSOs in Austria are not allowed to have flexible connection agreements. • Erdal Bergsten (SE)– they are currently discussing that in case there is currently no bottleneck, but will appear after connecting one more customer, whether this could be used as the flexible connection agreement – Kjersti Vollestad mentions that this is exactly the way they are using these agreements in Norway. • Per Everhill also raises a question whether this should be a solution as a “last resort” or this should be used regularly • Kjersti Vollestad mentions that the flexible connection agreements are voluntary for people – the customer can either agree with the flexible connection agreement or 		
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	<p>decide to wait until the grid is ready to be connected fully without any restrictions.</p> <ul style="list-style-type: none"> • Carmen Gimeno mentions that GEODE aims hosting a webinar on the topic of Flexible connection agreements in the coming months, including some best practices. • Ina Lehto mentions regarding the anticipatory investments there is a fear from the NRAs that DSOs would invest too much, but we should keep our position, since it's less dangerous to overinvest our grids than having no capacity in the future and therefore causing that the grids will be the blocker. • Per Everhill mentions that there is the opinion of the politicians that we should build more grids, but they do not see that there are also benefits of other services such as batteries and flexibility, which can actually be more efficient in the long run. • The Discussions also tackled the question of OPEX or CAPEX and TOTEX. Kjersti highlights that in Norway a TOTEX approach is taken where the CAPEX and OPEX division is taken into consideration by the DSOs. Per complemented by informing that the Swedish model is focused on CAPEX at the moment but is aiming to move towards a TOTEX approach. • Financing: Ina Lehto highlights that the GAP presents as a financing solution via the use of PCI, however DSOs investments should be mainly made via the regulatory model, rather than via grants. • Carmen Gimeno agrees with Ina that this is something that needs to be underlined, as PCI are mostly something of interest at TSOs level rather than DSOs. <p>ACTIONS:</p> <ul style="list-style-type: none"> • For GEODE to undergo a mapping of Flexible Connection Agreement practices across its members in form of a position paper, underlining best practices and challenges. • For GEODE to elaborate on CAPEX and OPEX (not TOTEX) in the GEODE paper on DSO's revenue regulation. • For GEODE to discuss on the question of Financing of the grids. 	<p>To be rediscussed after Webinar of the 24th May</p>	<p>GEODE Secretariat and WG Members</p>
<p>Debriefing: Advancement Position Paper on Revenue Regulation</p>	<p>SUMMARY:</p> <ul style="list-style-type: none"> • Per Everhill summarized the process of drafting the new GEODE Position Paper on Revenue Regulation and mentions the main points tackled in this paper 		

	<ul style="list-style-type: none"> • Per Everhill mentions that this paper will be proof-read and graphically finalized before the GEODE Spring Seminar taking place on 3rd June 2024 in order to be presented there • Teemu Nurmi mentions that DSOs that are already advanced should be also rewarded for their current state, this should not only be aimed at the DSOs that are planning the investments. • Tommi Lahdeaho mentions that there are differences between DSOs and a benchmarking for DSOs should be developed at the EU level – more factors are needed to group DSOs. <p>ACTIONS:</p> <ul style="list-style-type: none"> • Per Everhill mentions that if someone of GEODE members have further comments to this paper, they are welcome to share them with the GEODE Secretariat and Per Everhill via email to fbruni@geode-eu.org 		Interested WG members
Fact Sheet on Energy Sharing	<p>SUMMARY:</p> <ul style="list-style-type: none"> • Carmen Gimeno mentions the concern that this topic is so new, that many of GEODE members do not have a clear view and therefore they are not in a position to draft a factsheet or position paper on this topic. <p>ACTIONS:</p> <ul style="list-style-type: none"> • The decision is to wait after the summer break and see whether the approach of this topic for GEODE is more clearly defined. 	September 2024	GEODE Secretariat and WG
Next WG meeting	<p>ACTIONS</p> <ul style="list-style-type: none"> • Secretariat to send out a Doodle for the next meeting. 	ASAP	GEODE Secretariat

Brussels, 15 March 2024