

PRESS RELEASE: GEODE Unveils Key Principles for Anticipatory Investments to Future-Proof Europe's Electricity Grids

Brussels, 11 March 2025 – **GEODE, the voice of local energy distributors across Europe, is proud to present its latest publication “GEODE’s Key Principles for Anticipatory Investments”.** Developed by experts from the **GEODE Working Group Regulation**, this paper explores the concept and role of **anticipatory investments in enabling DSOs to stay ahead of customers’ needs.** To support this, it outlines **eight key principles that DSOs and regulators can apply to facilitate efficient anticipatory investments.**

As the EU moves toward a fully decarbonised energy system, distribution grids face unprecedented pressure from the integration of renewable energy sources, changing demand behaviours, and evolving consumption patterns. With 30% of EU grid infrastructure over 40 years old, significant reinvestments are required to maintain and expand capacity. To prevent bottlenecks and delays in the energy transition, anticipatory investments can play a pivotal role to stay ahead of customers’ needs. However, anticipatory investments remain constrained by limited resources, investment capacity, profitability and cash flow.

To address these barriers, GEODE’s new paper outlines **eight key principles** that National Regulatory Authorities (NRAs) and DSOs can apply to support anticipatory investments:

1. **Using Distribution Network Development Plans as a guideline** to identify needed anticipatory investments, align them with national energy and climate plans, and incorporate input from regulators and stakeholders.
2. **Ensuring that anticipatory investments are treated as ordinary ones** avoiding long and complex approval processes.
3. **Including anticipatory investments in the DSOs regulatory asset base** as they will benefit customers in the long run.
4. **Securing a sufficient cash flow** to enable DSOs to finance anticipatory investments over time.
5. **Prioritising mandatory technical requirements** while incorporating anticipatory investments that are crucial for the long-term development of the electricity system.
6. **Improving municipal planning** to enable DSOs to make anticipatory investments based on a higher degree of certainty.
7. **Including anticipatory investments related to Renewable Acceleration Areas in the DSOs regulatory asset base**, despite the risk that connections will not be utilised for some time.
8. **Developing best practices** for anticipatory investments via cooperation between DSO associations, local municipalities, and representatives of customer groups.

To access the full paper, click [here](#).

About GEODE:

GEODE is the premium European association representing local electricity and gas distribution networks across the continent committed to sustainable, efficient and reliable management of the



backbone of the energy system - the grids. Thanks to the technical expertise of its members, GEODE's mission is to pilot the energy transition towards decentralised, decarbonised and digitalised energy systems.

Contact:

Giulia Aluffi

Communication and Event Coordinator

galuffi@geode-eu.org

www.geode-eu.org