Joint Statement E.DSO – Solar Power Europe

Extraordinary measures are needed to accelerate connection of solar PV to distribution grids ahead of next winters.

Together with electrification, locally produced electricity, such as solar PV, are an irreplaceable part of a successful energy transition. They are needed to replace fossil fuels in the energy landscape of the future and to meet the Paris climate targets. Among them, solar PV represent a high share. By 2040, solar will expectedly become the top source of power generation and by 2050 the energy sector is expected to be fully decarbonised.

Since March 2022, the energy crisis has changed the picture, and requires an even more acceleration of this growth pace.

In its REPowerEU Plan, the European Commission already sets the bar at 400 GWdc of solar PV installed on EU soil by 2025, against a 167 GWdc installed at the end of 2021: this means more than doubling the installed capacity in three years. Out of these kWhs, all solar kWhs that can be deployed together with electrified appliances that replace gas consumption, before next winters 2022 and 2023, must be deployed.

Connecting this additional capacity to the grid will represent a challenge for electricity DSOs. Yet, it is also an opportunity to fast forward the transition towards a more decentralised, more resilient energy system, closer to the customer.

The solar PV industry and the European distribution operators, represented respectively by SolarPower Europe and E.DSO, stand ready to respond to the extraordinary energy challenge.

Together, we also acknowledge that the emergency situation requires extraordinary measures from the European Union, in order to accelerate the parallel deployment of solar PV and its integration to European distribution grids.

We therefore call on the European Union to adopt extraordinary measures to accelerate the grid connection and integration of solar generation in European distribution grids before the next winter 2022 and 2023. Such measures may be adopted, if applicable, under article 122 of the TFUE. We suggest the following measures, limited to the time of the crisis:

- **Require national member states to present "REPowerEU grid development plans"**, evaluating the needs for extraordinary grid reinforcement, extensions and modernisation at transmission and distribution level, short and long-term use of flexibility, and listing the

planned investments necessary to accommodate for additional solar PV capacity to be connected by December 2023.

- **Enhance existing transparency on available grid capacity** for project developers to efficiently choose the location of projects.
- **Allow the mobilisation of state aid, including from the REPowerEU Chapter of the Resilience and Recovery Fund to finance investments in grid reinforcement, extensions or modernisation, as well as the use of flexibility,** necessary to connect additional solar PV capacity, during the period of the crisis.
- Recognise grid infrastructure projects required to meet the REPowerEU objectives in the **overriding public interest**, during the period of the crisis.
- **Streamline and set binding limit periods for authorisation processes**.
- **If grid capacity is scarce and local flexibility markets are not yet available, flexible grid connection agreements can be a valuable alternative to facilitate grid connection of solar PV projects.** In such cases, it is critical to ensure economic incentives for managing the risk for the solar PV generator or the solar prosumer to flexibilise their PV export and for the DSO.
- **Closely monitor the swift implementation of the Electricity Market Design Directive** by Member States to fully empower local flexibility markets and ensure a minimum of congestion and curtailment.
- **Ensure that regulation provides DSOs the right remuneration and incentives to build grid reinforcements and new grid infrastructures for additional solar PV.** This includes removing regulatory barriers preventing an increase of CAPEX investment by DSOs in a given year, as well as a level playing field with OPEX investments for the efficient use of flexibility, in order to accommodate for an accelerated integration of renewables.

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