

REVISION OF THE ELECTRICITY MARKET DESIGN

E.DSO amendments to the EP position as adopted in September 2023

WHAT WE SUPPORT

- ✓ Additional provisions emphasising the **need for anticipatory investment**
- ✓ The acknowledgment of the **DSO's role in peak shaving** and its limitation to a crisis mechanism
- ✓ Flexibility support schemes including **a locational criterion ensuring new investments in generation to take place in the optimal place**
- ✓ **Geographical limitations of energy sharing determined by MS** to match local generation & local consumption and eventually, to avoid congestion

WHAT IS MISSING

- ✗ **A clear definition of flexible connection agreements**, that takes into consideration ongoing developments in the Member States' realm.
- ✗ It is paramount to establish a **common, industry-wide understanding of Energy Sharing** to ensure an effective implementation.
- ✗ Clarification that **only the main meter must be used for billing and settlement purposes** to avoid variety of sub-standards.
- ✗ Ensuring an **adequate framework for investment assessments** by including also the medium and long term perspective.
- ✗ Introduction of an appropriate timeline for **assessments of flexibility needs** focusing on demand response & storage to ensure consistency among MS.
- ✗ **Geographically differentiated tariffs** go against some Member States' fundamental principle to secure the same tariffs for all customers, independent of their location.
- ✗ We call for **non-binding national objectives** for flexibility, as progress depends on national experiences.

ABOUT US

E.DSO promotes and enables **customers empowerment** and the increase in the use of **clean energy sources** through electrification, the development of smart and digital grid technologies in real-life situations, new market designs and regulation. We gather **35 leading electricity DSOs**, including 2 national associations, cooperating to ensure the reliability of Europe's electricity supply for consumers and enabling their active participation in our energy system. How? By shaping smarter grids for your future.



Detailed amendments

E.DSO Proposed changes appearing as ~~deleted~~ or added (**supported** - **to be improved** - **unwelcomed**)
 EP amendments *highlighted*.

N°	Commission Proposal	European Parliament	E.DSO Recommendations	E.DSO Justification
Recital (16) – Regulation (EU) 2019/943 – Peak shaving				
1	<p>To ensure the efficient integration of electricity generated from variable renewable energy sources and to reduce the need for fossil-fuel based electricity generation in times when there is high demand for electricity combined with low levels of electricity generation from variable renewable energy sources, it should be possible for transmission system operators to design a peak shaving product enabling demand response to contribute to decreasing peaks of consumption in the electricity</p>	<p>To ensure Ensuring the efficient integration of electricity generated from variable renewable energy sources and to reduce reducing the need for fossil-fuel based electricity generation is an objective of the Union, the urgent need for which has been demonstrated in this crisis. Building on lessons learned, ACER should perform an assessment about the possibility for in times when there is high demand for electricity combined with low levels of electricity generation from variable renewable energy, it should be possible for transmission system operators to design procure a peak shaving product in order to</p>	<p>To ensure the efficient integration of electricity generated from variable renewable energy sources and to reduce the need for fossil-fuel based electricity generation in times electricity generation from variable renewable energy sources, it should be possible for transmission system operators, in collaboration with distribution system operator, to design a peak shaving product enabling demand response to contribute to decreasing peaks of consumption in the electricity system at specific hours of the day, in particular during periods of crisis. The peak shaving product should contribute</p>	<p>E.DSO welcomes the recognition of DSOs’ role in procuring products that help reduce peak electricity demand throughout the proposal, including in relevant definitions under Article 2 and Article 7a of this regulation, as well as the limitation of peak shaving products to situations where a regional or Union-wide electricity price crisis is declared in accordance with Article 66a of the [revised EMD Directive] here and in Article 7a.</p>

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	<p>system at specific hours of the day. The peak shaving product should contribute to maximize the integration of electricity produced from renewable sources into the system by shifting the electricity consumption to moments of the day with higher renewable electricity generation. As the peak shaving product aims to reduce and shift the electricity consumption, the scope of this product should be limited to demand side response. The procurement of the peak shaving product should take place in such a way that it does not overlap with the activation of balancing products which aim at maintaining the frequency of the electricity system stable. In order to verify volumes of activated demand reduction, the transmission system operator should use a baseline reflecting the expected electricity consumption without the activation of the peak shaving product.</p>	<p>achieve a reduction of electricity demand and price during peak hours enabling demand response to contribute to decreasing peaks of consumption in the electricity system at specific hours of the day. The peak shaving product should contribute to maximize the integration of electricity produced from renewable sources into the system by shifting the electricity consumption to moments of the day with higher renewable electricity generation. As the peak shaving product aims to reduce and shift the electricity consumption, the scope of this product should be limited to demand side response. The procurement of the peak shaving product should take place in such a way that it does not overlap with the activation of balancing products which aim at maintaining the frequency of the electricity system stable. In order to verify volumes of activated demand reduction, the transmission system operator should use a baseline reflecting the expected electricity consumption without the activation of the peak shaving product. The assessment</p>	<p>to maximize the integration of electricity produced from renewable sources into the system by shifting the electricity consumption to moments of the day with higher renewable electricity generation. As the peak shaving product aims to reduce and shift the electricity consumption, the scope of this product should be limited to demand side response. The procurement of the peak shaving product should take place in such a way that it does not overlap with the activation of balancing products which aim at maintaining the frequency of the electricity system stable. In order to verify volumes of activated demand reduction, the transmission system operator should use a baseline reflecting the expected electricity consumption without the activation of the peak shaving product.</p>	<p>We emphasize the importance of integrating peak-shaving mechanism and the flexibility support schemes for new storage and demand response via an enhanced participation of demand response and storage in all short-term energy markets or ancillary services and in capacity mechanisms, and not via the establishment of separate and non-harmonized mechanisms discriminating among technologies providing flexibility and firmness or between existing and new assets.</p> <p>Please see an example of how this can be put into practice here below.</p> <p>Above that, we support an institutional assessment about the possibility for system operators to procure peak shaving products before introducing them. ACER, with support by NRAs, seems to be the most appropriate entity to conduct</p>

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		<p><i>should take into consideration the need for these products not to distort the functioning of the electricity markets and not to cause a redirection of demand response services towards peak shaving products. The assessment should also take into consideration specific national developments and consider the possibility of procuring these products under normal circumstances and during electricity price crisis. In light of the assessment, the Commission should, where appropriate, submit a legislative proposal to amend this Regulation in order to introduce peak shaving products outside electricity price crisis situations.</i></p>		<p>such an assessment. As this is a new mechanism, it is important to ensure a prudent introduction that makes use of peak shaving products only when needed, and when other mechanisms are not working.</p>

Supporting example of E.DSO justification:

To ensure security of supply in the winter of 2022/2023, the French authorities have asked Enedis to temporarily suspend the automatic heating of electric water heaters in private homes during the lunch time periods. To be more precise, Enedis used its smart meters "Linky" to turn off the automatic heating of water during the day. Consequently, the water heaters were turned on only during the night to save on the consumption of electricity. Despite this intervention, consumers had constant access to hot water. If necessary, the boiler could be turned on manually. This measure, implemented by Enedis, led to a reduction in electricity consumption during peak hours: After one month in force, 2.4 GW could be saved.

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Recital (17) - Regulation (EU) 2019/943 – Dedicated Measurement Device				
2	<p>In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems. However, in a number of Member States the roll-out of smart metering systems is still slow. In those instances where smart metering systems are not yet installed and in instances where smart metering systems do not provide for the sufficient level of data granularity, transmission and distribution system operators should be able to use data from dedicated metering devices for the observability and settlement of flexibility services such as demand response and energy storage. Enabling the use of data from dedicated metering devices for</p>	<p>In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems. However, in a number of Member States the roll-out of smart metering systems is still slow <i>so it is imperative to make sure that Member States improve the conditions for the installation of smart metering systems, with the objective of reaching a full coverage as soon as possible (EPP 232). However, consumers should have the right to use or request the use of a dedicated measurement device, (Rapp 9) so that they can engage with their flexible loads in demand response, independently from being already equipped with a smart metering system. In addition to the use of data from smart metering systems (RE 231), in—in those instances where smart metering systems are not yet installed and in instances where smart metering</i></p>	<p>In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems, where observability and the settlement of flexibility services are better metered. Smart meters that are deployed by distribution system operators provide accurate billing information based on actual and certified electricity consumption while preserving data privacy. However, in a number of Member States the roll-out of smart metering systems is still slow. Independently of the current stage of smart meters roll out, connecting transmission and distribution system operators should additionally be able to access and use data from dedicated metering measurement devices for the observability and settlement of flexibility services such as demand</p>	<p>E.DSO welcomes the EP's ambition to further push for the completion of smart meter roll outs all over Europe, as established by the Clean Energy Package.</p> <p>We welcome the distinction between metering and measurement devices and further clarifications on the use of measurement devices. As correctly stated, measurement devices should only be allowed for observability purposes or the settlement of the demand response and flexibility services, however, they should not be used for billing purposes. The usage of dedicated measurement devices must serve overall system efficiency, which is why flexibility must materialise at the main meter.</p>



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	<p>observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated metering devices should be accompanied by quality requirements relating to the data.</p>	<p>systems do not provide for the sufficient level of data granularity, transmission and distribution system operators, <i>upon customer consent, (Greens 235)</i> should be able to use data from dedicated metering measurement devices for the observability and settlement of flexibility services such as demand response and energy storage. Enabling the use of data from dedicated metering measurement devices for observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated metering measurement devices should be accompanied by quality requirements relating to the data. (Rapp 9)</p>	<p>response and energy storage. Enabling the use of data from dedicated metering measurement devices for observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated metering measurement devices should be accompanied by quality requirements relating to the data and meet the compatibility requirements of the EU Measuring Instruments Directive as well as the Network Code on Demand Response [available in 2024].</p>	<p>To ensure that all metering devices meet the same requirements and standards (same technical, metrological, and legal requirements) as the main meter provided by the DSO, we further propose to include a direct link to existing legislation on this same issue.</p>

Example supporting E.DSO justification:

To ensure security of supply in the winter of 2022/2023, the French authorities have asked Enedis to temporarily suspend the automatic heating of electric water heaters in private homes during the lunch time periods. To be more precise, Enedis used its smart meters "Linky" to turn off the automatic heating of water during the day. Consequently, the water heaters were turned on only during the night to save on the consumption of electricity. Despite this intervention, consumers had constant access to hot water. If necessary, the boiler could be turned on manually.



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Recital 22 a (new) – Grid Investments (Regulation (EU) 2019/943)				
3		<p><i>The energy transition requires a rapid acceleration in the deployment of renewables, onshore and offshore, and electrified demand promoting sector coupling. Such a prompt ramp-up of installations, together with the inherent complexities of managing an electricity system with variable and distributed resources, is posing substantial challenges to the grids. In general, the transmission grid will incorporate large amounts of onshore and offshore renewable capacities and transmit the electricity to demand areas, further interconnect Member States and enable flows from distributed renewables to other demand areas. The distribution grid will incorporate most new onshore renewable capacities and electrified and smart household demand. National regulatory authorities will play a central role in ensuring that enough investment goes into the necessary grid development, expansion and reinforcement.</i></p>		<p>E.DSO welcomes the additional incentives for Member States to provide anticipatory investments, especially with respect to the role of distribution system operators in enabling the integration of most distributed energy resources.</p>

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		<p><i>Regulatory authorities should promote the utilisation of anticipatory investments, encouraging the acceleration of grid development to meet the accelerated deployment of renewable generation and smart electrified demand such as electric vehicles and heat pumps. This may be the case in particular for designated renewables acceleration areas where anticipatory investments will be instrumental in ensuring that grids become enablers and not bottlenecks. (Rapp 13, EPP 259, RE 590, Left 254)</i></p>		
Recital 46 – Dedicated Measurement Device (Regulation (EU) 2019/943)				
4	<p>Consumers should be able to choose the supplier which offers them the price and service which best suits their needs. Advances in metering and submetering technology combined with information and communication technology mean that it is now technically possible to have multiple suppliers for a single premises.</p>	<p>Consumers should be able to choose the supplier which offers them the price and service which best suits their needs. Advances in metering and sub-metering technology combined with information and communication technology mean that it is now technically possible to have multiple suppliers for a single premises. If they wish <i>so</i>, customers should be able to use these possibilities to choose a</p>	<p>Consumers should be able to choose the supplier which offers them the price and service which best suits their needs. Advances in metering and submetering technology combined with information and communication technology mean that it is now technically possible to have multiple suppliers for a single premises. If they so wish,</p>	<p>In line with comments made above, E.DSO supports the use of several metering devices for different connection and billing points, that are covered by a single connection point in the customer’s premisses, and which is installed, operated, and managed by the DSO.</p>

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	<p>If they so wish, customers should be able to use these possibilities to choose a separate supplier notably for electricity to power appliances such as heat pumps or electric vehicles which have a particularly high consumption or which also have the capability to shift their electricity consumption automatically in response to price signals. Moreover, with fast-responding dedicated metering devices which are attached to or embedded in appliances with flexible, controllable loads, final customers can participate in other incentive-based demand response schemes that provide flexibility services on the electricity market and to transmission and distribution system operators. Overall, such arrangements should contribute to the increased uptake of demand response and to consumer empowerment allowing them to have more control over their energy use</p>	<p>separate supplier, <i>in particular (Rapp 34)</i> for electricity to power appliances such as heat pumps or electric vehicles which have a particularly high consumption or which also have the capability to shift their electricity consumption automatically in response to price signals. <i>To that end, customers should be allowed to have more than one metering and billing point covered by the single connection point for their premises. Some smart metering systems may directly cover more than one metering point and therefore enable customers to have more than one electricity supply contract at the same time (Rapp 34).</i> Moreover, with fast-responding dedicated metering measurement devices which are attached to or embedded in appliances with flexible, controllable loads, final customers can participate in other incentive-based demand response schemes that provide flexibility services on the electricity market and to transmission and distribution system operators. Overall, such arrangements should contribute to the increased uptake of</p>	<p>customers should be able to use these possibilities to choose a separate supplier notably for electricity to power appliances such as heat pumps or electric vehicles which have a particularly high consumption or which also have the capability to shift their electricity consumption automatically in response to price signals. <i>For this purpose, customers should be allowed to have more than one metering and billing point covered by the single connection point for their premises. The rules for the allocation of the associated costs should be determined at national level. Some smart metering systems may directly cover more than one metering point and therefore enable customers to have more than one electricity supply contract at the same time.</i> Moreover, with fast-responding dedicated measurement devices which are attached to or embedded in appliances with flexible, controllable loads, final customers can participate in other incentive-</p>	<p>Dedicated measurement devices should only serve as additional means of observability or the settlement of the demand response and flexibility services. We reiterate that only the main metering device, installed and managed by the DSOs, should be qualified for billing purposes.</p> <p>See a concrete example supporting our perspective here below.</p>



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	and bills, while providing to the electricity system additional flexibility in order to cope with demand and supply fluctuations.	demand response and to consumer empowerment allowing them to have more control over their energy use and bills, while providing to the electricity system additional flexibility in order to cope with demand and supply fluctuations.	based demand response schemes that provide flexibility services on the electricity market and to transmission and distribution system operators. Overall, such arrangements should contribute to the increased uptake of demand response and to consumer empowerment allowing them to have more control over their energy use and bills, while providing to the electricity system additional flexibility in order to cope with demand and supply fluctuations.	
<p>Example 1 supporting E.DSO justification:</p> <p>DSOs face situations where a customer has one connection with two parallel meters on their household. It is nowadays very easy to connect all electrical gear of the household behind both meters and have a spot-price driven switch selecting which meter to use. Two contracts with suppliers: one fixed price contract and one spot price based (hourly dynamic price) contract.</p> <p>Every time the spot price is lower than the fixed price, the switch connects the meter with the spot price contract and vice versa. This leads to a massive volume risk for the supplier offering the fixed price contract and a higher margin for fixed price contracts.</p>				
<p>Article 1 – Subject matter and scope (Regulation (EU) 2019/943)</p>				
5		<p><i>(eb) ensure that sufficient investments are made in the grid and storage capacities to meet the challenges posed by the increasing</i></p>		<p>E.DSO's welcomes the initiative of putting additional weight on the need to ensure appropriate</p>

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		<i>share of intermittent electricity generation and the overall increase in electricity use. (Left 375)</i>		investments in the grid infrastructure.
Article 2 – Definitions (Regulation (EU) 2019/943)				
6	(8) ‘active customer’ means a final customer, or a group of jointly acting final customers, who consumes or stores electricity generated within its premises located within confined boundaries or self-generated or shared electricity within other premises located within the same bidding zone , or who sells self-generated electricity or participates in flexibility or energy efficiency schemes, provided that those activities do not constitute its primary commercial or professional activity.”;	(8) ‘active customer’ means a final customer or a group of jointly acting final customers, who consumes or stores electricity generated within its premises located within confined boundaries or, <i>where permitted by a Member State, self-generated or shared electricity within other premises located within the same bidding zone (Rapp 139, Greens 1047)</i> , or who sells self-generated electricity or participates in flexibility or energy efficiency schemes, provided that those activities do not constitute its primary commercial or professional activity;	(8) ‘active customer’ means a final customer, or a group of jointly acting final customers, who consumes or stores electricity generated within its premises located within confined boundaries or self-generated or shared electricity within <i>geographically confined boundaries to be identified by Member States</i> other premises located within the same bidding zone, other premises located within the same single DSO area , or who sells self-generated electricity or participates in flexibility or energy efficiency schemes, provided that those activities do not constitute its primary commercial or professional activity.”;	E.DSO’s welcomes the to focus for energy sharing on small and non-commercial market actors in a relatively close area. And the acknowledgment that this area should not automatically be limited to the bidding zone, but it must be up to the member states to evaluate the most suitable geographical delineation.

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7		<p><i>(78a) 'settlement' means a payment that is made and received between counterparties, against delivery and receipt of electricity where applicable, in fulfilment of the counterparties' respective obligations pursuant to one or more clearing transactions.</i></p>	<p>[Delete paragraph]</p>	<p>As mentioned, measuring devices should only be allowed for observability and flexibility purposes, not however, for the purpose of billing.</p>
			<p>[new xx]</p> <p>"Flexible connection agreement" refers to an agreement between a producer or consumer and a distribution system operator or transmission system operator, which serves to alleviate the need to reinforce their network, further optimize the grid capacity and allows to curtail this producer or consumer. These agreements may specify a timeframe to achieve full firm capacity or of unlimited duration. Customer may be offered the choice between a flexible or firm connection, or a mandatory flexible connection framework may be defined by a Member State. In cases where customers can opt for either</p>	<p>Connected the new provisions included in Article 8a and the EP's intention to limit flexible connection agreements to be temporary solutions only, E.DSO must underline the risk of prematurely excluding the option of these agreements becoming permanent.</p> <p>Flexible Connection Agreements, through network optimization, facilitate a smarter, more cost-effective, and expeditious integration of new renewable energy installations into the electricity grid. They empower network operators to deviate from connection agreements that would otherwise guarantee a</p>



SHAPING SMARTER GRIDS FOR YOUR FUTURE

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			<p>connection type, they may bear a portion of the costs associated with enabling a firm connection. The Connection Agreement must outline compensation mechanisms for curtailed energy and compensation procedures for the Balancing Responsible Party (BRP), as well as potential deviations from the contracted firm capacity, if specified.</p>	<p>100% continuous injection of energy, resulting in an improved overall cost-benefit balance. Europe faces the challenge of connecting renewable energy sources and electric vehicles; thus, all means must be employed to connect producers or consumers more swiftly and affordably while avoiding disproportionate investments and costs for marginal gains. Flexible connections conserve resources, mitigate the environmental impact of infrastructure upgrades, and may yield a superior cost-benefit ratio compared to firm connections.</p> <p>See concrete examples below illustrating instances where prematurely excluding the possibility of permanent flexible connection agreements could be detrimental to ongoing national initiatives.</p>



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<p>Flexible connection agreements, facilitated by grid optimization, enable a more intelligent, cost-effective, and expedited integration of new renewable installations into the electricity network. They grant network operators the flexibility to deviate from connection agreements that guarantee 100% energy injection at all times, thereby achieving a superior overall cost-benefit balance.</p> <p>Example 1 supporting E.DSO justification:</p> <p>Since July 2021, within the regulatory sandbox project known as "ReFlex," Enedis has been connecting more renewable energy producers to existing assets using flexible connection agreements while curtailing energy to a minimal extent. This framework enjoys the support of French producer federations and the Union Française de l'Electricité (ufelectricite.fr).</p> <p>The French National Regulatory Authority (NRA) now mandates Enedis to expand this connection framework across its entire network. Significantly, this framework is projected to yield a 30% reduction in required capital expenditures (CAPEX) on primary substations until 2035, all while enabling more than 99.94% of renewable energy output. In other words, without flexible connection agreements, an additional 30% CAPEX would be necessary to facilitate less than 0.06% additional production from new producers. Producers receive compensation on a no-gain, no-loss basis when their energy is curtailed, and their Balancing Responsible Parties (BRP) are similarly compensated. In the case of the ten primary substations in the sandbox area, ReFlex adds over 210 MW of connection capacity while avoiding the need for two 80 MW transformers, two 36 MW transformers, and the upgrade of two 36 MW transformers.</p> <p>Example 2 supporting E.DSO justification:</p> <p>Since October 2021, Enedis has been offering, upon request of medium-voltage renewable producers (those exceeding 250 kVA), flexible connection agreements that guarantee firm capacity while allowing curtailment within predefined limits. French regulations stipulate that Enedis shall propose a 100% guaranteed capacity (the "reference connection") and, upon the producer's request, a flexible connection (provided it complies with curtailment limits established by the national framework). The producer makes the ultimate decision.</p> <p>This framework is the result of seven years of collaborative effort involving the French Ministry of Energy, the national energy regulator (CRE), and various stakeholders, including producers and network operators. While a definition and common principles for flexible connection agreements may be established at the EU level to foster the development of alternative grid connection offerings, the framework's implementation should remain at the national level.</p>				



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<p>Europe confronts the formidable challenge of connecting renewable energy sources and electric vehicles, necessitating all available means to expedite and economize the connection of producers and consumers while avoiding disproportionate investments and costs for marginal benefits. Flexible connections offer resource savings, reduce the environmental impact of infrastructure upgrades, and can yield a superior cost-benefit balance compared to firm connections.</p> <ul style="list-style-type: none"> Flexible connections should be made available within various frameworks, including those without temporal restrictions, to ensure reliable connections wherever they represent intelligent solutions. Member States or relevant national authorities should be empowered to authorize and define limits on flexible connection agreements, particularly with respect to whether flexible connections are mandatory or left to the discretion of customers. In cases where customers have the choice between firm and flexible connections, they should share in the cost of their decision. 				
<p>Article 7b - Dedicated measurement device (Regulation (EU) 2019/943) [AMENDMENT 66]</p>				
<p>8</p>	<p>[1] Member States shall allow transmission system operators and distribution system operators to use data from dedicated metering devices for the observability and settlement of demand response and flexibility services, including from storage systems.</p>	<p>[1] <i>Without prejudice to Article 19 of Directive 2019/944</i>, Member States shall allow customers and market participants, including independent aggregators, with explicit consent from the owners and users, transmission system operators and distribution system operators to have access and use data from dedicated measurement devices for the observability, settlement and flexibility services and energy sharing, including from demand response and energy storage systems in accordance with the applicable Union data protection and privacy rules, notably under</p>	<p>[1] Member States shall allow connecting transmission system operators and distribution system operators to use data from dedicated metering measurement devices for the observability and or the settlement of demand response and flexibility services, including from storage systems.</p>	<p>E.DSO supports the additional differentiation between measurement and main metering devices.</p> <p>Regarding the necessity of explicit consent by users and owners, E.DSO emphasises, that this is not possible when legitimate interests are in question, in accordance with the applicable Union data protection and privacy rules. E.DSO would like to point out that consumer consent about access and use of data from dedicated measurement</p>

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		<p><i>Regulation (EU) 2016/679. [The use of those data as aggregated for research purposes shall be allowed.]</i></p>		<p>devices should be implicit if the DSO is tasked with the obligation of collecting the data, or if the customer uses the resource being measured to take part in any flexibility service provided to the DSO.</p>
9	<p>[2] Member States shall establish requirements for a dedicated metering device data validation process to check and ensure the quality of the respective data.</p>	<p>[2] Member States shall establish <i>harmonized (Rapp 68, RE 509) requirements for a dedicated measurement (Rapp 68))</i> device data validation process to check and ensure the quality and consistency (RE 509) of the respective data, and also the interoperability of new dedicated measurement devices installed after [entry into force], in compliance with Article 23 of Directive (EU) 2019/944 and the procedures set out in the network code adopted pursuant to Article 59(1), point (e), of this Regulation and taking into account the relevant Union legislation on measurement instruments (Rapp 68, EPP 511, RE 509)</p>	<p>[2] Pursuant to Directive (EU) 2014/32 [Metering Instruments Directive] and the new Network Code for Demand Response [available from 2024] Member States shall establish requirements for a dedicated metering measurement device data collection and validation processes to check and ensure the interoperability and quality of the respective data, including guiding principles for the certification of data and methods to ensure consistency of measurement activities.</p>	<p>E.DSO cannot support, that energy sharing is included under the activities measurable via dedicated measurement devices. Energy Sharing activities should only be metered by main meters. It will guarantee that the balance between parties sharing energy is correctly metered at the connection points. As mentioned before, measuring devices should only be allowed for observability and flexibility purposes, not however, for the purpose of billing.</p> <p>As pointed out above, E.DSO supports the inclusion of a reference to Directive (EU) 2014/32 [Metering Instruments Directive] and the new Network Code on</p>



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				Demand Response [available 2024] , as it ensures measuring and main metering devices to follow essential principles guaranteeing system efficiency, data accuracy and the secure use of customer data.
<p>Example 1 supporting E.DSO justification:</p> <p>Let's imagine a scenario where a customer has a heat pump equipped with a dedicated measurement device that verifies their participation in demand response. The heat pump has a COP (Coefficient of Performance) of 4.5. The customer receives an offer to be financially compensated for reducing their electricity usage by turning off the heat pump. In case of cold weather, this reduction in heat production is offset by regular electric heaters with a COP of 1.0. In this case it can be observed that while the customer is engaged in demand response, their overall electricity consumption is actually increasing. Only the main meter for the connection can verify this, but these meters measure (with high reliability) only kilowatts on an hourly basis and it is questionable if the measurement fulfils demands of aggregators buying demand response. In our view there might be a need to verify if an appliance has been on or off (dedicated metering device), combined with information what the actual change in consumption has been (DSO meter at connection point).</p>				
<p>Article 18 - Charges for access to networks, use of networks and reinforcement (Regulation (EU) 2019/943)</p>				
10	<p>[2] Tariff methodologies shall reflect the fixed costs of transmission system operators and distribution system operators and shall consider both capital and operational expenditure to provide appropriate incentives to transmission system operators</p>	<p>[2] Tariff methodologies shall reflect the fixed costs of transmission system operators and distribution system operators, <i>shall consider both capital and operational expenditure, or an efficient combination of both, (RE 590)</i> to provide appropriate incentives to transmission system operators and</p>	<p>[2] Tariff methodologies shall be based on recognized techno-economic principles and reflect the fixed costs of transmission system operators and distribution system operators and shall consider both capital and operational expenditure to provide appropriate and reliable</p>	<p>E.DSO welcomes the EP's proposal for timely investments and the priority of the energy efficient first' principle, as well as the supplementary weight the EP has placed on measures to foster renewable energy capacity, the enabling of</p>



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	<p>and distribution system operators over both the short and long run, including anticipatory investments, in order to increase efficiencies, including energy efficiency, to foster market integration and security of supply, to support the use of flexibility services, efficient investments including solutions to optimise the existing grid and facilitate demand response and related research activities, and to facilitate innovation in the interest of consumers in areas such as digitalisation, flexibility services and interconnection”;</p>	<p>distribution system operators over both the short and long run, including anticipatory investments, in order to invest in network infrastructure reinforcement to facilitate the energy transition (EPP 593, RE 590) and in the additional physical and digital network elements needed to reach the objectives set out in the national energy and climate plans, while at the same time (EPP 593) increase efficiencies, to foster market integration, renewable energy production capacity and security of supply, to support the use of flexibility services, enable the use of flexible connection arrangements, efficient and timely investments, including solutions to optimise the existing grid and ensure the development of a smart grid (RE 590) and facilitate energy storage, demand response and related research activities, to reduce environmental impact, to promote acceptance, and to facilitate innovation in the interest of consumers in areas such as digitalisation, flexibility services and interconnection, more specifically to develop (RE 590, RE 592) the</p>	<p>conditions and incentives to transmission system operators and distribution system operators over both the short, medium and long run, including anticipatory investments, in order to incentivise investing in both the additional physical as well as digital network elements needed while at the same time increasing overall system efficiencies, as required including energy efficiency, to foster market integration and security of supply, to support the use of flexibility services, to support the further increase of the ability to connect renewable capacity to the grid, to support efficient investments and network infrastructure reinforcement to facilitate the energy transition including innovative solutions to optimise the existing grid and facilitate demand response and flexibility services, to support related research activities, and to facilitate innovation in the interest of consumers in areas such as digitalisation, flexibility and demand response services and</p>	<p>flexible connection arrangements, energy storage and the required infrastructure reinforcement needs.</p> <p>We strongly believe, that in the long run, the most sustainable solutions for a successful energy transition are investments and grid reinforcements, complemented by the use of available flexibility provided by new plants connected to the grid. In this vein, national grid tariffs should provide the right incentives by considering the timing of investment needs to reinforce and expand the grid infrastructure parallel to the expansion of renewable energy generation.</p> <p>To avoid a narrow focus on the short-term marginal impact of investments on network tariffs and to widen the focus of NRAs to consider the medium and longer-term benefits of achieving decarbonization, in terms of</p>

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		<p><i>required infrastructure to reach the minimum 15 % electricity interconnection targets set out in Article 4, point (d)(1), of Regulation (EU) 2018/1999 (Rapp 85, RE 590, Greens 591).</i></p> <p><i>The regulatory authorities in collaboration with transmission and distribution system operators, including other relevant stakeholders, shall develop a framework to assess whether transmission and distribution system operators adequately consider in their network development plans all types of anticipatory investments, such as investments for the development of grids linked to renewables acceleration areas, electric vehicle charging infrastructure or heat pump deployment, and adequate cost-benefit analysis methodology for assessing the impact of such investments (RE 590).</i></p>	<p>interconnection. National grid tariffs should be designed to provide the right incentives by combining timely recognition of necessary grid investments, including grid infrastructure reinforcement, and adequate returns from the share of flexibility services in operating costs, and taking into account the necessary grid expansion and reinforcement which should take place in parallel with the expansion of renewables.</p>	<p>overall cost of electricity, energy independence, sustainability and more, E.DSO calls for the explicit mentioning of the medium-term benefits in this paragraph.</p>

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11		<p>[3] Where appropriate, the level of the tariffs applied to producers or final customers, or both shall provide locational investment signals, e.g. incentives via tariff structure, to reduce redispatching and power grid reinforcement costs, at Union level, and take into account the amount of network losses and congestion caused, and investment costs for infrastructure.</p>		<p>E.DSO supports locational investment signals, however, would like to use the opportunity to point out that Co-legislators should not make any obligations about geographically differentiated tariffs, as it goes against some Member States' fundamental principle that everyone, independent of their location, should pay the same tariff.</p>
12	<p>[8] Transmission and distribution tariff methodologies shall provide incentives to transmission and distribution system operators for the most cost-efficient operation and development of their networks including through the procurement of services. For that purpose, regulatory authorities shall recognise relevant costs as eligible, shall include those costs in transmission and distribution tariffs, and shall</p>	<p>[8] Transmission and distribution tariff methodologies shall provide incentives to transmission and distribution system operators for the most cost-efficient operation and development of their networks including through the procurement of services. For that purpose, regulatory authorities shall recognise relevant costs as eligible, including those related to anticipatory investments (Rapp 86, RE 600, Greens 597), shall include those costs in transmission and distribution tariffs, and may where applicable, shall introduce</p>	<p>[8] Transmission and distribution tariff methodologies shall provide incentives to transmission and distribution system operators for the most cost-efficient operation and development of their networks including through the procurement of services. For that purpose, regulatory authorities shall recognise relevant costs as eligible, shall include those costs in transmission and distribution tariffs, and shall introduce performance targets, in order to provide positive incentives to</p>	<p>In line with arguments outlined above, E.DSO holds that the focus of NRAs should be explicitly include the medium-term when it comes to assessing grid investment, to ensure a narrow focus on the short-term assessment.</p>



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	<p>introduce performance targets in order to provide incentives to transmission and distribution system operators to increase efficiencies in their networks, including through energy efficiency, the use of flexibility services and the development of smart grids and intelligent metering systems.</p>	<p>performance targets in order to provide incentives to transmission and distribution system operators to increase efficiencies overall system efficiency, quality and security of supply (EPP 598) in their networks, including through energy efficiency by applying the “energy efficiency first principle” pursuant to the Article 3 of [Revised EED Directive], the use of flexibility services and demand response (EPP 598) services and the development of smart grids and intelligent metering systems in accordance with the features of the given electricity system and climate policy objectives (EPP 598).</p>	<p>transmission and distribution system operators to ensure the necessary investments in a short, medium and long term to increase efficiencies in their networks, including through energy efficiency, network infrastructure reinforcements, the use of flexibility services and the development of smart grids and intelligent metering systems.”</p>	
13		<p>[8a] Transmission and distribution system operators shall offer the possibility of establishing flexible connection agreements in those areas where there is limited or no network capacity availability for new connections, which shall be published in accordance with Article 50(4a)(1) and Article 31(3)</p>	<p>[8a] Transmission and distribution system operators shall offer the possibility of establishing flexible connection agreements in those areas where there is limited or no network capacity availability for new connections, which shall be published in accordance with Article 50(4a), first subparagraph,</p>	<p>In line with comments made to Article 2 and the proposition for the inclusion of a new definition to ensure a common understanding of flexible connection agreements, E.DSO states that if grid capacity is scarce and local flexibility markets are not yet available,</p>

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		<p>of Directive (EU) 2019/944. Such flexible connection agreements shall specify the following:</p> <p><i>(a) the maximum firm import and export of electricity from and to the grid, as well as the additional flexible import and export capacity that can be connected and differentiated by time blocks throughout the year;</i></p> <p><i>(b) the network charges applicable to both the firm and flexible import and export capacities;</i></p> <p><i>(c) the probabilities of curtailment if the maximum firm capacity is exceeded;</i></p> <p><i>(d) the agreed duration of the flexible connection agreement and the agreed date for granting connection to the entire requested firm capacity. (RE 1009)</i></p> <p><i>The system user requesting a flexible grid connection shall be requested to install a power control system that is certified by a national</i></p>	<p>of this Regulation and Article 31(3) of Directive (EU) 2019/944. Such flexible connection agreements shall specify the relevant information to the clients necessary for them to assess the impact of curtailment on their project.</p> <p>The system user requesting a flexible grid connection shall install a power control system or a generation control system that is certified by a national standardisation body.</p> <p>National regulatory authorities shall enable the free choice of customer with respect to permanent firm or non-firm connection, and that each customer bears the costs induced by their choice relative to firm compared to non-firm connection.</p> <p>When non-firm connection is a needed temporary solution to connect customer without delay, national regulatory authorities shall ensure that the needed</p>	<p>flexible grid connection agreements can be a valuable alternative to facilitate grid connection of renewables.</p> <p>Excluding all the specifications described from (a) to (d) would impose excessive burdens. While the EU can establish common principles, it is more appropriate for Member States to define guidelines for these agreements.</p> <p>Flexibilities can take various shapes. Sometimes local flexibilities can prove efficient to connect several installations and mutualise gains. Therefore, local flexibilities can be established at an aggregated level if it is established that there are benefits for the whole community. In that case, the solution is not a temporary alternative. We included other, concrete examples, under Article 2 and the new definition for flexible</p>

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		<p><i>standards body. (Rapp 87, partially RE 1242)</i></p> <p><i>National regulatory authorities shall ensure that flexible connection agreements are not used as a permanent alternative and thus do not delay approved network reinforcement in the identified areas.</i></p>	<p>reinforcements are realised in a timely manner.</p>	<p>connection agreements for your reference.</p> <p>As stated above, the exclusion of the possibility of a permanent alternative is premature and could undermine ongoing regulatory sandboxes.</p> <p>As there can be technical and economic benefits for the consumer to opt for a flexible connection agreement, NRAs shall ensure that consumers can make an informed choice with regards to firm vs. non-firm connection. While we support the definition of flexible connection agreements at the European level, we believe it should be up to MS to define the regulatory frameworks for their individual needs.</p>
<p>Article 19c - Assessment of flexibility needs (Regulation (EU) 2019/943)</p>				

N°	Commission Proposal	European Parliament	E.DSO Recommendations	E.DSO Justification
14	Assessment of flexibility needs	Assessment of flexibility needs	Assessment of demand side response and storage needs	We welcome the increased timeframe for Member States to conduct the first assessment on flexibility needs. In line with this argument, we further propose that the date in Art. 19c(6) should be adjusted from « by 1 March 2024 » to « 12-months after a day of entering into force of this regulation ».
15	<p>[1] By 1 January 2025 and every two years thereafter, the regulatory authority of each Member State shall assess and draw up a report on the need for flexibility in the electricity system for a period of at least 5 years, in view of the need to cost effectively achieve security of supply and decarbonise the power system, taking into account the integration of different sectors. The report shall be based on the data and analyses provided by the transmission and distribution system operators of that Member State pursuant to paragraph 2 and using the methodology pursuant to paragraph 3.</p>	<p>[1] Within 12 months from the publication of the adopted proposal by the Agency referred to in paragraph 6 (EPP 810), By 1 January 2025 and every two years thereafter, the regulatory authority of each Member State shall assess and draw up a report on the estimated needs for flexibility at national level (RE 816), including flexibility needs in a future net-zero in-the electricity system, for a period of at least 5 10 years (Rapp 108, EPP 828, RE 816, Greens 809), in view of the need to cost effectively achieve security of supply and decarbonise the power system, contribute to the stability and reliability of the system and the efficient management and development of electricity networks, (Rapp 108, partly Greens 809) taking into account the integration of the renewable energy sources and different sectors including the sector coupling potential (EPP 813). The</p>	<p>[1] Within 12 months from the publication of the adopted proposal by ACER as per paragraph 6 and every two years thereafter, Member State shall assess the needs (and may ask NRAs) and draw up a report on the need for flexibility demand side response and storage in the electricity system for a period of at least 10 years, in view of contributing to the stability and reliability of the system and the efficient management and development of electricity networks, and taking into account the integration of RES and of different sectors. The report shall be based on the data and analyses provided by the transmission and distribution system operators of that Member State pursuant to paragraph 2 and using the methodology pursuant to paragraph 3.</p>	<p>E.DSO argues that flexibility issues concern many possible mechanisms and depend mostly on national experiences and specific circumstances (including specific level of smart grid development).</p> <p>Therefore, the flexibility needs should only be assessed towards demand side response and storage needs. Narrowing the scope to DSR and storage will increase the unified approach of assessment of needs at EU level, as flexibility mechanisms may vary significantly from</p>

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		<p>report shall be based on the data and analyses provided by the transmission and distribution system operators of that Member State, after conducting a public consultation, including with all relevant stakeholders (Greens 809) pursuant to paragraphs 2 and 3 of this Article (Rapp 108, EPP 810, 821) and using the methodology pursuant to paragraph 4 of this Article. The report shall include an assessment of the available cross-border flexibility, including the progress made towards the 15 % electricity interconnection target set out in Regulation (EU) 2018/1999 (Rapp 108). The report shall take into account the European Resource Adequacy assessment and national adequacy assessments pursuant to Article 20 of Regulation (EU) 2019/943 (EPP 810, Greens 809, ECR 817).</p>		<p>member state to member state (especially when taking into consideration flexibility as defined in Article 2).</p> <p>Flexibility is developing at a very different pace throughout the different member states. DSR and storage, however, are the basic common element. Above that, Art. 19(d) does only refer to DSR and storage, which is why we consider it useful to further align the proposal in this respect.</p>
16	[2] The report shall include an evaluation of the need for flexibility to integrate	[2] The report reports referred to in paragraphs 1 and 1a (Rapp 110) shall include an evaluation	[2] The report shall include an evaluation of the need for flexibility demand side response	

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	<p>electricity generated from renewable sources in the electricity system and consider, in particular, the potential of non-fossil flexibility such as demand side response and storage to fulfil this need, both at transmission and distribution levels. The report shall distinguish between seasonal, daily and hourly flexibility needs.</p>	<p>assessment (Rapp 110) of the different types of needs (EPP 823) need for flexibility to integrate electricity generated from renewable sources in the electricity system and consider, in particular, the potential of non-fossil flexibility such as demand side response and energy storage, to fulfil this need, both at transmission and distribution levels. The report reports shall distinguish between flexibility needs within all relevant timeframes (EPP 823, RE 831) and, at least, interannual, seasonal, daily and hourly flexibility needs, and between zonal flexibility needs, ensure that all ancillary services are considered, consider congestion within a bidding zone and renewable energy curtailment levels. The reports shall include, inter alia, a high fossil fuel electricity price crisis scenario and a business-as-usual scenario and suggest minimum levels that will ensure system efficiency and resilience in line with the Union's energy and climate objectives (Rapp 110, Greens 822).</p>	<p>and storage to integrate electricity generated from renewable sources in the electricity system and consider, in particular, the potential of non-fossil flexibility such as demand side response and storage to fulfil this need, both at transmission and distribution levels. The report shall distinguish between seasonal, daily and hourly flexibility demand side response and storage needs.</p>	

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17	<p>[4](b) develop a methodology for the analysis by transmission and distribution system operators of the flexibility needs, taking into account at least all existing sources of flexibility and planned investments at interconnection, transmission and distribution level as well as the need to decarbonise the electricity system.</p>	<p>[4](b) develop a methodology for the analysis by transmission and distribution system operators of the flexibility needs to achieve optimisation of the grid and security of supply (RE 854) and, taking into account at least all existing sources of flexibility in a cost-efficient manner (RE 854) and planned investments at interconnection, transmission and distribution level, the needs and level of flexibility of the rest of the directly interconnected Member States (Rapp 114) as well as the level of renewable energy sources in the electricity mix needed to achieve the target set out in Article 3(1) of Directive (EU) 2018/2001 and (Rapp 114) the need to decarbonise the electricity system in compliance with the Paris Agreement and the objective of climate neutrality by 2050 at the latest (Rapp 114, Greens 860);</p>	<p>[4] (b) develop a methodology for the analysis by transmission and distribution system operators of the flexibility demand side response and storage needs, taking into account at least all existing sources of flexibility demand side response and storage and planned investments at interconnection, transmission and distribution level as well as the need to decarbonise the electricity system and possible solutions alternative to flexibility like upgrade or development of the power grid as defined in Network Development Plans.</p>	



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	Article 19d (new) - Indicative national objective objectives for demand side response and <i>energy</i> storage (Rapp 120) (Regulation (EU) 2019/943)			
18	Indicative national objective for demand side response and storage	Indicative national objective objectives for demand side response and energy storage	Voluntary national objectives for demand side response and storage	<p>E.DSO strongly opposes any intention to introduce obligatory, national objectives for DSR and storage.</p> <p>We strongly believe that this must be decided individually by Member States and should rather be an encouragement as these will be based on data from DSOs/ TSOs and potentially cover future system operators' actions (in relation to DSR and storage).</p> <p>Above that, some Member States have already introduced individual flexibility targets in their NECPs which would clash with an obligation in the framework of this revision. The proposal should align with existing obligations and targets already set out by EU legislation.</p>

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19	<p>[1] Based on the report of the regulatory authority pursuant to Article 19c(1), each Member State shall define an indicative national objective for demand side response and storage. This indicative national objective shall also be reflected in Member States' integrated national energy and climate plans as regards the dimension 'Internal Energy Market' in accordance with Articles 3, 4 and 7 of Regulation (EU) 2018/1999 and in their integrated biennial progress reports in accordance with Article 17 of Regulation (EU) 2018/1999.</p>	<p>[1] Based on On the basis of (Rapp 121) the report of the regulatory authority pursuant referred to in Article 19c(1), each Member State shall define an indicative separate quantifiable (Rapp 121, Greens 902) national objectives (Rapp 121, Greens 902) for demand side response and energy storage based on available capacity and develop a plan for delivering these objectives (Rapp 121), considering all non-fossil flexibility sources with (RE903) the most cost-efficient solutions, all time frames, and the availability of cross-border capacity (RE 903) and including roadmaps and concrete measures to reduce barriers for the participation of flexibility such as demand response and energy storage in the market (EPP 897). The Those indicative national objective objectives shall take into account ACER's opinion and recommendations referred to in Article 19c(7), shall include a quantification of actual available and forecasted capacity and energy content, and (Rapp 121) shall also be</p>	<p>[1] Based on the report of the regulatory authority pursuant to Article 19c(1), each Member State shall is encouraged to define an indicative national objective for demand side response and storage. This indicative national objective shall might also be reflected in Member States' integrated national energy and climate plans as regards the dimension 'Internal Energy Market' in accordance with Articles 3, 4 and 7 of Regulation (EU) 2018/1999 and in their integrated biennial progress reports in accordance with Article 17 of Regulation (EU) 2018/1999.</p>	<p>E.DSO would like to stress that the use of DSR and storage depends mostly on national/regional experiences and specific circumstances. To this end Member States should not be obliged but rather encouraged to define an indicative national objective.</p> <p>The added timeline to deliver a plan to deliver the first flexibility evaluation is considered unrealistic and should at least be aligned with E.DSO's suggestion to include a 12-months period instead as suggested under Article 19c.</p>



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		<p>reflected in Member States' integrated national energy and climate plans as regards the dimension 'Internal Energy Market' in accordance with Articles 3, 4 and 7 of Regulation (EU) 2018/1999 and in their integrated biennial progress reports in accordance with Article 17 of Regulation (EU) 2018/1999, as well as in the European resource adequacy assessments in accordance with Article 23 (3) of Regulation (EU) 2019/943, and inclusion of the objectives in the TYNDP and the DSOs network development plans (Partly EPP 897). The plan to deliver the first flexibility evaluation shall be incorporated into the 2024 integrated national energy and climate plans as an addendum upon completion (Rapp 121). Member States that have already defined objectives for demand response and storage in their integrated national energy and climate plans before the entry into force of this Regulation, may use these objectives until they are updated according to the report defined in Article 19c(1). (RE 898)</p>		

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20		<p><i>[1b] Transmission and distribution system operators shall include in their network development plans the national objectives for demand side response and energy storage set out in paragraph 1. (Rapp 123)</i></p>	<p>[1b] Transmission and distribution system operators shall may include in their network development plans the national objectives for demand side response and energy storage set out in paragraph 1. (Rapp 123)</p>	
Article 19f (new) - Design principles for flexibility support schemes (Regulation (EU) 2019/943)				
21	<p>Flexibility support scheme for non-fossil flexibility such as demand response and storage applied by Member States in accordance with Article 19e(2) and (3) shall:</p>	<p>Flexibility support scheme for non-fossil flexibility flexible resources (RE 963) such as demand response and energy (Rapp 125) storage applied by Member States in accordance with Article 19e(2) and (3) (Rapp 125) shall:</p>	<p>Flexibility support scheme for non-fossil flexibility such as demand response and storage applied by Member States in accordance with Article 19e(2) and (3) shall:</p>	<p>E.DSO welcomes the inclusion of existing investments in DSR and storage to be allowed to participate in flexibility support schemes along with new investments if special support is needed in order to further develop these products.</p>
22	<p>(b) be limited to new investments in non-fossil flexibility such as demand side response and storage;</p>	<p>(b) be limited to new investments in (Rapp 127) non-fossil flexibility flexible resources (RE 978) such as demand side response and energy (Rapp 127, EPP 965) ,</p>	<p>(b) be limited to new investments in non-fossil flexibility such as demand side response and storage;</p>	<p>E.DSO argues, that the situation of flexibility support schemes under Article 19f should not only concentration on DSR and storage as different flexibility mechanisms might be considered essential for capacity mechanism in this</p>

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				<p>regard. It is a different scope and other related actions than in Art. 19c and 19d, where – for the reasons stated above – only DSR and storage should be targeted.</p> <p>We would like to underline the differences in flexibility development in European Member States. Regulation at this stage, should not add too much complexity and provide MS with support, rather than additional burden.</p>
23		<p><i>(ba) take into consideration locational criteria to ensure that investments in new capacity take place in optimal locations (Rapp 128, Greens 982)</i></p>	<p>See below: E.DSO suggestions under to add instead under Art. 19f(f))</p>	<p>We welcome the inclusion of locational criteria under EP Amendment 129, which will ensure that new investments in generation take place in optimal locations that do not create or worsen congestion in the grid.</p>
24	<p>(f) provide incentives for the integration in the electricity market in a market-based and market-responsive way, while avoiding unnecessary distortions of electricity markets as well as taking into</p>	<p>[read in conjunction with AMENDMENT 129]</p>	<p>(f) provide incentives for the integration in the electricity market in a market-based and market-responsive way, while avoiding unnecessary distortions of electricity markets as well as taking into account possible</p>	

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	account possible system integration costs and grid stability;		system integration costs and grid stability, including allowing for locational criteria to ensure that new investments in generation take place in optimal locations that do not create or worsen congestion in the grid;	
25	(g) set out a minimum level of participation in the market in terms of activated energy, which takes into account the technical specificities of storage and demand response;	(g) set out a minimum level of participation in the market in terms of activated energy, which takes into account the technical specificities of energy storage and demand response assets (Rapp 129);	(g) set out a minimum level of participation in the market in terms of activated energy, which takes into account the technical specificities of storage and demand response assets flexibility mechanisms;	As mentioned above, we argue that the situation does not require a focus only on DSR and storage.
Article 15a - Right to energy sharing (Directive (EU) 2019/944)				
26	[1] All households, small and medium sized enterprises and public bodies have the right to participate in energy sharing as active customers.	[1] All customers, in particular households, small and medium sized enterprises and public bodies have the right to participate in energy sharing as active customers, within the same bidding zone or a more limited geographical area determined by Member States. The		In line with comments to Article 2(8) and the definition of an active customer, E.DSO welcomes the proposal for energy sharing to focus on small and non-commercial market actors in a relatively close area, within a bidding

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		<p><i>right to participate in energy sharing shall not apply to private enterprises or undertakings whose participation in energy sharing constitutes part of their primary commercial or professional activity (Rapp 150, Greens 1115).</i></p>		<p>zone or a more limited geographical area determined by member states.</p>
27	<p>[1](h) are informed of the possibility for changes in bidding zones in accordance with Article 14 of Regulation (EU) 2019/943 and of the fact that the right to share energy is restricted to within one and the same bidding zone.</p>	<p>(h) (f) are informed of the possibility for changes in bidding zones in accordance with Article 14 of Regulation (EU) 2019/943 and of the fact that the right to share energy is restricted in accordance with paragraph 1 (based on EPP 1153, ECR 1152).</p>	<p>[1](h) are informed of the possibility for changes in bidding zones in accordance with Article 14 of Regulation (EU) 2019/943 and of the fact that the right to share energy is restricted to within one and the same bidding zone single DSO zone a geographically confined area to be identified by Member States.</p>	
28	<p>[1] (i) Member States shall ensure that relevant transmission or distribution system operators or other designated bodies monitor, collect, validate and communicate metering data related to the shared electricity with relevant final customers</p>	<p>41 (j) 6. Member States shall ensure that relevant transmission or distribution system operators or other designated bodies:</p> <p>(j) (a) monitor, collect, validate and communicate metering data related to the shared electricity with relevant final customers and market participants at least every month, and</p>	<p>[1] (i) Member States shall ensure that relevant transmission or distribution system operators or other designated bodies monitor, collect, validate and communicate metering data related to the shared electricity with relevant final customers and market participants</p>	<p>The addition of such a timeline like here is unrealistic as it poses an unproportioned burden and high costs on system operators to implement an appropriate IT infrastructure within one year only. We consider the</p>

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	and market participants at least every month, and in accordance with Article 23.	in accordance with Article 23. <i>To this effect, Member States shall ensure that relevant operators implement the appropriate IT infrastructure within one year of the entrance into force of this Directive (Greens 1159);</i>	at least every month, and in accordance with Article 23	Commissions original proposal as sufficient.
29		<i>[11] Member States shall promote the introduction of plug-in mini-solar systems of up to 800 W capacity in and on buildings, for example on balconies, and remove technical and administrative barriers for consumers. Active customers sharing electricity from a plug-in mini-solar installation of up to 800 W capacity shall be entitled to have the shared electricity injected into the grid deducted from their total metered consumption within a time interval no longer than the imbalance settlement period and without prejudice to applicable non-discriminatory taxes, levies and cost-reflective network charges. Member States may consider</i>		E.DSO would like to point out, that the introduction of an exemption in network charges for up-to 800W plug-in mini solar systems is discriminatory and against the general rule of “without prejudice to applicable non-discriminatory taxes, levies and cost-reflective network charges”. See a concrete example supporting our position here below.



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		<p><i>exempting the resulting shared electricity from those taxes, levies and cost-reflective network charges. (Based on Greens 1166)</i></p>		

Supporting example of E.DSO justification:

The Finnish Safety and Chemicals Agency (Tukes) has banned the use of plug-in mini solar panels in Finland due to safety concerns. These solar panels are advertised as being easy to use via a plug and directly supply electricity through the apartment's usual socket.

The main reasons for the ban are:

1. Violation of Safety Standards: The use of a plug connection for photovoltaic systems goes against the safety requirements of the Finnish installation standard and the Electrical Safety Act. Electrical installations that do not comply with safety standards or the use of such devices can pose a fire and electric shock hazard to residents, electrical workers, and even the distribution network.
2. Overloading Risk: The electrical networks in properties are designed to have electricity fed from the general electricity distribution network through protected circuits and sockets. If solar panels are connected directly through a socket, the overcurrent protection may not work as intended, leading to potential overloading of cables and circuits.
3. Safety of Distribution Network: When connecting a solar power system to a property's power grid, proper procedures must be followed to ensure safety. The PV system must be able to be separated from the distribution network, and the disconnection device must be constantly available to the DSO. In addition, warning signs must be in place to protect the property's electrical network maintenance and rescue professionals.
4. Lack of Inspection: Authorities do not inspect or approve electrical devices before they enter the market. Manufacturers and importers are responsible for ensuring that products meet safety requirements.

N°	Commission Proposal	European Parliament	E.DSO Recommendations	E.DSO Justification
Article 31 - Tasks of distribution system operators (Directive (EU) 2019/944)				
30	(3) The distribution system operator shall provide system users with the information they need for efficient access to, including use of, the system.	(3) The distribution system operator shall provide system users with the information they need for efficient access to, including use of the system. <i>In particular, the distribution system operator shall publish in a clear and transparent manner information on the capacity available for new connections in its area of operation, including the criteria used to calculate such available capacity (SD 134, EPP 1012, Greens 1013) such as curtailment assumptions (Rapp 133, EPP 1012), the level of self-consumption capacity installed (Rapp 133), topological and electrical characteristics of the grid, the demand and generation (Rapp 133, EPP 1012) for the next five years and [Rapp 133], in congested areas if flexible energy storage connections can be accommodated temporarily until the decided network reinforcements have been accomplished (RE 1240), and</i>	(3) The distribution system operator shall provide system users with the information they need for efficient access to, including use of the system. In particular, the distribution system operator shall publish in a clear and transparent manner information on the capacity available for new connections in its area of operation, including the criteria used to calculate such available capacity such as curtailment assumptions, the level of self-consumption capacity installed, topological and electrical characteristics of the grid, the demand and generation for the next five years and in congested areas if flexible [renewable generation and] energy storage connections can be accommodated temporarily until tthe decided network reinforcements have been accomplished, and update	E.DSO suggest keeping the previous text and leave updating requirements of information on efficient access on a “ quarterly ” basis. The frequency for updating the information quarterly, as proposed by the EC in its proposal, seems more realistic taken into account the variability in sizes and structures of the existing DSOs.

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		<p><i>update that information regularly, at least quarterly monthly (Rapp 175, Greens 1241).</i></p> <p><i>Distribution system operators shall also provide clear and transparent information to system users about the status and treatment of their connection requests including a timeline of procedures and cost estimates for needed grid reinforcements (Greens 1243). They shall provide such information within a period of three months from the submission of the request and, where the connection is neither granted nor permanently rejected, update that information regularly, at least monthly (Based on RE 1242).</i></p> <p><i>Distribution system operators shall provide system users the option to request grid connection and submit relevant documents exclusively in digital form. The Commission shall review the national standards by ... [12 months after the date entry into force of this amending Regulation] and shall submit a proposal for harmonised standards. (Rapp 176)</i></p>	<p><u>that information regularly, at least quarterly.</u></p>	

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Article 33 – Integration of electromobility into the electricity network (Directive (EU) 2019/944)				
31	<p>[1] Without prejudice to Directive 2014/94/EU of the European Parliament and of the Council, Member States shall provide the necessary regulatory framework to facilitate the connection of publicly accessible and private recharging points to the distribution networks. Member States shall ensure that distribution system operators cooperate on a non-discriminatory basis with any undertaking that owns, develops, operates or manages recharging points for electric vehicles, including with regard to connection to the grid.</p>	<p>[1] Without prejudice to Directive 2014/94/EU of the European Parliament and of the Council, Member States shall provide the necessary regulatory framework to facilitate the connection of publicly accessible and private recharging points with smart charging functionalities and bidirectional charging functionalities in accordance with Article 20a of Directive (EU) 2018/2001 (Rapp 177) to the distribution networks. Member States shall ensure that distribution system operators cooperate on a non-discriminatory basis with any undertaking that owns, develops, operates or manages recharging points for electric vehicles, including with regard to connection to the grid. Member States shall ensure that distribution system operators connect system users within six months when no grid reinforcement is needed, and one year, if reinforcement is needed (Greens 597), without prejudice to the relevant public consultation and</p>	<p>[1] Without prejudice to Directive 2014/94/EU of the European Parliament and of the Council, Member States shall provide the necessary regulatory framework to facilitate the connection of publicly accessible and private recharging points with smart charging functionalities and bidirectional charging functionalities in accordance with Article 20a of Directive (EU) 2018/2001 to the distribution networks. Member States shall ensure that distribution system operators cooperate on a non-discriminatory basis with any undertaking that owns, develops, operates or manages recharging points for electric vehicles, including with regard to connection to the grid. Member States, taking into account individual circumstances, shall ensure that distribution system operators connect system users within six months when no grid reinforcement is needed, and one year, if reinforcement is</p>	<p>The obligation for DSOs to connect system users (recharging point operators) within one year, if reinforcement is needed, is considered unrealistic und thus should be extended. Depending on the kind of reinforcement needed, a deadline of 12 months might pose considerable problems to system operators, as such reinforcement obligations could include the building of new substation or similar bigger investments.</p> <p>Depending on the size and complexity of the substation, regulatory approvals, site preparation, equipment procurement and construction methods, this can take up to several years. 12 months are very tight for DSOs to react.</p>



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		<i>environmental impact assessments where applicable (The Left)</i>	needed, — an appropriate timeline, as defined by the Member State, without prejudice to the relevant public consultation and environmental impact assessments where applicable.	