



E.DSO reaction to EP Political Groups Manifestos

As the European Parliament elections grow closer and election fever grows higher in Brussels, the political families within the EP have slowly released their manifestos, in order to give their electorate a better picture of what the groups stand for. E.DSO has already reacted to the Green's/EFA manifesto a couple of weeks ago which you can [find here](#). On a similar vein, this publication presents E.DSO's reactions to the manifestos of the **Party of European Socialists (S&D)** the **European People's Party (EPP)**, and **the Left**.

E.DSO evaluation of the manifesto of the Party of European Socialist / Socialists & Democrats (S&D)

The S&D statements seem to be well aligned with a context in which grids could play a relevant role, despite the fact that they are not explicitly mentioned. The manifesto has a clear goal of modernizing EU energy infrastructure and strengthening Europe's strategic autonomy (under the headline **A new Green Social Deal for a just transition**).

E.DSO commends this point and would like to specifically highlight the importance of electricity grid investments. The text reads: *"We strive for the reform of the energy market to guarantee price stability and affordability, to modernise our infrastructures and strengthen Europe's strategic autonomy"* E.DSO emphasizes the much-needed electricity grid investments across Europe for DSOs. Specifically, incentives in the regulatory framework for grid operators to invest in the reinforcement, expansion, digitalisation and flexibility of the grids must be ensured.

A robust and **fit-for-purpose electricity network** is a matter of European and national competitiveness, sustainability and security. As E.DSO, we advocate for a balanced approach in the regulatory framework, one that offers clear incentives for grid operators to invest. This approach is essential for building a resilient and future-ready infrastructure capable of meeting the evolving demands of customers and the economy, while also facilitating the integration of RES and enhancing energy security. For Europe to maintain and strengthen its role as climate leader and respond to the global competition and security environment, investments in its decarbonised economies' backbone, electricity grids, need to ramp up.

Both the Commission and the International Energy Agency (IEA) have estimated in their recent reports that electricity grids are currently the missing link in the energy transition. The reports recognise introducing a supportive and enabling regulatory framework as a key challenge for grid build-out, highlighting the renumeration of anticipatory investments. IEA sees the need for regulatory reform as one of the strongest barriers to grid development in Europe.

- In its [Grid Action Plan](#), the Commission estimates the need for electricity grid investments to be 584 billion euros in this decade.
- The IEA estimates in its [report](#) that by 2040, more than 80 million kilometers of electricity grid should be added or refurbished worldwide.



E.DSO evaluation of European People's Party Manifesto

Moving on to EPP, the latter emphasised their commitment to invest more in the development of **electricity and gas networks interconnections** between EU Member States to create a more united and efficient energy Union. In this regard, E.DSO recognises the importance of interconnections between EU Member States. It is however essential not to overlook the importance of decentralisation. DSOs play a crucial role in promoting sustainable, community-driven solutions, with a vast majority of renewable electricity generation to be connected at the decentralised level.

The manifesto continues to make a comment about the Electricity Market Design and how it has been reformed in a way to give priority to renewables and give long term contracts and improve investment conditions and mentioned how *'We are using EU funds - REPowerEU- to mobilise close to 300 billion euros in resources.'*

E.DSO is of the view that the critical need for ensuring that electricity grids receive proportionate support and investment to effectively integrate renewable energy assets. This strategic focus is essential to prevent scenarios where investments in renewable resources cannot be fully used due to limitations within the current grid infrastructure.

This entails significant enhancements in grid reinforcement, expansion, and digitalisation, alongside the adoption of technologies that allow for greater flexibility and efficiency in energy distribution.

E.DSO advocates for a regulatory and policy framework that actively promotes and facilitates these necessary investments. Such a framework should prioritise the seamless integration of renewable assets, ensuring that the energy generated from these sources can be effectively distributed and used, without being hindered by existing infrastructural constraints.

Regarding **infrastructure**, EPP expressed its stance, noting that they. *"Want to further strengthen rules to make sure that strategic infrastructure such as ports, telecommunication and energy facilities as well as our most innovative companies are shielded from takeovers by third countries, notably China."* E.DSO finds it encouraging to observe that energy infrastructure is considered in the manifesto. After the Grid Action Plan (GAP), we welcome the inclusion of energy infrastructure in the Manifesto, which would lead to better consideration in the new legislature.

The EPP further commits *"to strengthen Europe's resilience to droughts, which jeopardise our farmers' jobs and our food security, with a **European Resilience Scoreboard** to better prevent natural disasters and make regions, cities, and villages more resilient in agriculture and food production, and with a European plan for water use, reuse and storage. Climate adaptation and sustainable management are core European tasks. To this end, we want to find examples of best practices, particularly in coastal and flood protection measures."*

E.DSO wants to voice that DSOs are also **exposed to the consequences of climate change**, as could be clearly seen through the various presentations given during E.DSO's webinar on how DSOs handle customers during a crisis. E.DSO wishes to highlight the omission of climate adaptation and resilience in the Grid Action Plan, considering the critical nature of these issues. Echoing the European Environment Agency's assessment on European Climate Risk, E.DSO emphasises the necessity for a more comprehensive integration of climate change adaptation strategies within energy policies.



E.DSO evaluation of The Left Manifesto

In their manifesto, the Left brought forth an intriguing perspective, highlighting that they *'are seeking to change the EU's Common Agricultural Policy with the aim of gradually abolishing the system of allocating funds according to area and redirecting them towards environmentally friendly, sustainable agriculture.'*

This perspective is compelling since it centres on **reallocating resources**. For such reallocation to occur, amendments to the **Common Provisions Regulation (CPR)** or its underlying regulations) would be necessary, a move that E.DSO endorses.

Consequently, E.DSO advocates for extending the principle proposed by the Left for agriculture, to include energy and electricity networks as well. We recognise the forthcoming revision of the Common Provisions Regulation (CPR) in the next Multiannual Financial Framework (MFF) as an excellent chance to redirect funds towards the critical need for grid investments.

Another major point the Left propose, is that **public control** and ownership of common goods such as water, sanitation, and the companies that provide them, should be established, this would also include energy production **including distribution services**. E.DSO, however, wishes to emphasise that private sector ownership of distribution grids fosters efficiency and innovation via competitive practices. This approach not only enhances service quality and technological progress but also encourages investment in infrastructure improvements and the adoption of smart grid technologies. Such developments optimise energy distribution and fulfils customer needs in a more cost-effective manner.

The Left mentioned transforming the **Recovery and Resilience Facility (RRF)** into a permanent EU mechanism.

E.DSO considers the concept of a permanent Recovery and Resilience Facility (RRF) to be an appealing proposition. Direct support to large corporations via the RRF is seen not just as a means to drive innovation and job creation, but also as a strategy that indirectly supports small and medium-sized enterprises (SMEs) by strengthening the wider economic environment. This method guarantees that large firms' investments in sustainability, research, development, and innovation (R&D&I) play a significant role in promoting overall economic stability and expansion, positioning it as a key strategy for rapid economic recovery.

As a final point, E.DSO welcomes the fact that **all the parties** identify the energy transition as a vector of employment. The DSO ecosystem is no exception and anticipates massive recruitment needs. To achieve this, skills development is essential (upskilling and reskilling). It is thus very encouraging that all parties have proposed to strengthen and widen Erasmus+.