



PRESS RELEASE: GEODE and E.DSO welcome ITRE Committee adoption of the report on Electricity Grids: The Backbone of the EU Energy System

GEODE and E.DSO warmly **welcome the ITRE Committee vote on 13 May 2025 to adopt** the Parliament's own initiative report on **Electricity Grids: The Backbone of the EU Energy system**.

We commend the report's strong recognition of the essential role that distribution grids play in enabling Europe's energy transition. This report sends a timely and powerful message, particularly as the European Commission prepares its upcoming **European Grid Package**. It represents long-awaited momentum to mainstream electricity distribution grids in EU energy policymaking. Importantly, the report acknowledges that **70% of new renewable energy sources and electricity consumers are connected at the distribution level**—highlighting the central role of distribution system operators (DSOs) in ensuring the resilience, reliability, and security of the energy system.

As the report underlines, strengthening grids infrastructure is imperative to keep pace with Europe's growing electrification demands.

Electricity DSOs Highlight Key Priorities Reflected in the Report:

- **Regulatory Stability:** Clear, stable, and predictable regulatory frameworks, alongside full and timely implementation of existing legislation, are crucial to unlocking large-scale investment.
- **Mobilising Capital:** Future-proofing Europe's distribution grids requires the mobilisation of both **public and private capital**, supported by **targeted public funding and dedicated funding instruments to support decentralised and innovative grid projects**.
- **Grid Expansion and Efficiency Go Hand-in-Hand:** While energy efficiency and grid-enhancing technologies are important, they cannot substitute the need for significant grid reinforcement and modernisation.
- **Cost-Reflective Tariffs:** Network tariffs must strike a balance between **affordability for consumers** and **fair, investment-friendly remuneration** for system operators.
- **Anticipatory Investments:** Proactive, forward-looking grid investments are essential to enable the timely integration of renewables and support the energy transition.

- **Access to EU Funding:** DSOs must be granted **simplified and direct access** to EU funding mechanisms. Alarming, only **4.7% of CEF-E investments** between 2014 and 2020 were allocated to grid projects—a figure that must significantly improve.
- **Accelerated Permitting and Procurement:** Streamlining **permitting procedures** and adapting **procurement rules** to operational realities is key to avoiding costly delays in grid deployment.
- **Workforce in the energy sector:** The recognition of the need to address labour shortages in the energy sector, by expanding training opportunities, fostering mobility, and promoting diversity.

About GEODE:

GEODE is the premium European association representing local electricity and gas distribution networks across the continent committed to sustainable, efficient and backbone of the energy system - the grids. Thanks to the technical expertise of its members, GEODE's mission is to pilot the energy transition towards decentralised, decarbonised and digitalised energy systems.

About E.DSO:

European Distribution System Operators (E.DSO) is the association representing Europe's leading electricity distribution system operators (DSOs), responsible for managing electricity distribution grids throughout Europe, with some 200 million connected customers. E.DSO works to enable the energy transition, foster innovation, and ensure a reliable and sustainable electricity supply for all European citizens.

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