

E.DSO reaction to ITRE proposed amendments to **Renewable Energy Directive (RED)**

On 20 April 2022, the ITRE Committee held a debate on the tabled amendments to RED. The MEPs welcomed the direction of the amendments in general, whilst the Commission announced that the impact assessments on RED and EED are being reviewed considering the current energy prices.

E.DSO sees the recast **Renewable Energy Directive (RED)** as a unique opportunity to accelerate and to modernise the current legislative framework for renewable energy in Europe's energy system.

Electricity is one of the most efficient energy carriers, making clean direct electrification the most cost-effective way of decarbonising Europe and reaching the 2030 and 2050 climate targets.

Legislative framework should therefore allow electricity to compete on a truly even footing and under the same rules and conditions as other energy options. RED is cramped with around a hundred alternative amendments, with some critical comebacks and reformulations of existing proposal.



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Considering the complex geopolitical situation in Europe presently combined with rising energy prices, which only speeds the need for greater action in less time. Necessary flexibility has to be given to all actors to reach their sub-targets given the varying conditions they face.

The **principle of technological neutrality** is key considering the speed of innovation by 2050. A complementary analysis of the RED and EED impact assessments is being done by the European Commission considering the increasing of the renewable energy target to 45% and in light of rising energy prices.

As negotiations progress in Council and in the Parliament are progressing, **E.DSO would like to react to ITRE committee and propose the below amendments:**



E.DSO assessment of ITRE amendments to RED

Provision	ITRE proposed amendments	E.DSO Comments
<p>Article 3 – paragraph 4a “Support schemes for flexibility” + “Priority treatment for some TN” (AM 496)</p>	<p>“(…) permitting procedures, to a high level of renewable electricity supply, including those related to permitting procedures and the development of the necessary power transmission networks and Energy Transition Strategic Facilities. Renewable energy projects and the associated transmission networks which are of strategic interest shall receive priority treatment through a simplified permit-granting process. When (...)”</p>	<p>The future development of RES will rely in great part (approx. 70%) on the Distribution Network, therefore, <u>only considering</u> Transmission Network developments as strategic, should be revised. It is not sufficient to increase capacity in the connection points, a structural approach should be done.</p> <p>We stress the importance of streamlining the permitting process to minimise the steps required and establish a single point of contact. Some renewable energy projects should be supported only if they are economically sustainable and feasible, especially high impact projects such as offshore wind.</p>
<p>Article 4, paragraph 4 “Support mechanisms with locational signals” (AM 510)</p>	<p>(ca) Article 4 is amended as follows: in paragraph 4, the third subparagraph is replaced by the following: Member States shall establish mechanisms to ensure the efficient system integration of the renewable electricity plants. In particular, support schemes shall be designed so as to integrate locational price signals which incentivise the geographical development of RES plants, including offshore RES, compatibly with the electricity grid potentialities.”</p>	<p>E.DSO suggests considering proximity criteria in the support scheme allocation.</p>
<p>Article 15a (new) – paragraph 2 – subparagraph 2 “RES proximity” (AM 622)</p>	<p>“(…) use of minimum levels of energy from renewable sources <u>on-site or nearby</u> in buildings for any residual energy demand, in line with the provisions of Directive 2010/31/EU together, where applicable, with demand side flexibility measures. Member States shall allow (...)”</p>	<p>RES from the grid should be accounted <u>not only</u> on-site or nearby generation. E.DSO is against this amendment on that part.</p>
<p>Article 15a (new) – paragraph 4 “Promoting smart measures” (AM 631)</p>	<p>“4. In order to achieve the binding share of renewable energy set out in paragraph 1 and facilitate their efficient integration, (...) and equipment for the given local context,</p>	<p>E.DSO considers that the smart management shall be accompanied with the network supervision and coordination mechanisms. E.DSO however does not comment upon the</p>

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	including smart and renewable based electrified heating and cooling systems and equipment, complemented, where applicable, with smart management of all decentralised energy resources in buildings, through Building Energy Management System capable of interacting with the energy grid. To that (...)"	nature of the RES target.
Article 16a (AM 642)	‘Fit for 55 projects of special public interest’ label 1. Member States shall create a new category of projects labelled ‘Fit for 55 projects of special public interest’ for renewable energy projects and the associated transmission networks that are of strategic interest. Competent national authorities shall prioritise and apply a simplified permit-granting process to applications for that label.	We believe that actors of strategic interest shall be ‘system operators’ since it encompasses both TSOs and DSOs. Proposal for rewording: “...energy projects and the associated electricity networks that are of strategic interest.” We consider that the criteria of societal and cost-effectiveness aspects of the investments shall be included when granting the Fit for 55 projects of special public interest.
Article 16 (1b) (new) “FF55 projects of special interest”(AM 600)	[NEW] “1b. Member States shall create a <u>new category called ‘Fit for 55 projects of special public interest’</u> for renewable energy and grid infrastructure projects that are of strategic interest Projects falling under the category <u>would benefit from a prioritisation of the permitting procedure</u> by the competent authority and a simplification of the permitting process in the Member States.”	
Article 20a – paragraph 1 “Data exchange requirements” (AM 725)	“(…) as close to real time as possible but in time intervals of no more than one hour, with forecasting where available. <u>For distribution system operators, this information shall, if available, also include anonymised and aggregated data on the renewable electricity generated by consumers with on-site generation and injected into the distribution grid.</u> This information shall be made available digitally in a manner that ensures (...)” “(…) recharging points, heating and cooling systems and building energy management systems. Transmission	We propose a reformulation: “(…) datasets to fulfil this task, including the use of relevant platforms, while ensuring the right interoperability solutions.” We suggest removing the reference to CIM and the ENTSO-E transparency platform since the data shall be accessible.

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	<p>system operators and distribution system operators, where applicable, <u>shall deploy the necessary coordination to access and harmonise their datasets to fulfil this task, including with the use of the ENTSO-E transparency platform, including the Common Information Model (CIM) standards.</u></p> <p>Member States shall incentivise upgrades of smart grids in order to make the information available to the distribution system operators to better monitor grid balance or make available real time information. Member States shall ensure that, until 2030 at the latest, <u>the required data are available to the distribution system operators</u>”</p>	
<p>Article 20a – paragraph 3 “Retrofitting existing CP to be smart”</p>	<p>“(…) where appropriate based on assessment by the regulatory authority, bidirectional charging functionalities.</p>	<p>We believe that smart charging shall be articulated in conjunction with network operation needs.</p>
<p>Article 20a (new) – paragraph 4 b (new) “Bidirectional charging potential” (AM 764)</p>	<p>“4 b. Member States shall require their regulatory authority to assess, within one year of the [transposition deadline] of this Directive and periodically every 3 years thereafter, the <u>potential contribution of bidirectional charging to the penetration of renewable electricity</u>, system optimisation of their electricity grids and security of supply. Based on the results of the energy regulator's assessment, <u>Member States shall take measures to adjust the availability and geographical distribution of bidirectional charging infrastructure, in both public and private areas.</u></p>	<p>This assessment and adjustment on the geographical distribution of bidirectional charging should be done in compliance with the needs of DSOs.</p>
<p>Article 24 – paragraph 8 – subparagraph 2 (AM 944) “Report & justify non-fulfilment”</p>	<p>“(…) infrastructure development in their respective territories <u>subject to regulatory oversight</u>. In case results are only partly taken into account, this shall be duly justified by transmission and distribution operators as part of a public report.”</p>	<p>There is no need for forcing regulatory oversight in this provision. The activity is already regulated.</p>