**RESPONSE TO THE CONSULTATION ON ENTSO-E WORK PROGRAM 2011-2012**


**GENERAL COMMENTS – stronger DSO involvement and improved TSO-DSO cooperation**

EDSO for Smart Grids welcomes the consultation on the ENTSO-E work program 2011-2012, since it addresses areas – key network codes, the 2012 Ten Year Network Development Plan, the form and need for electricity highways, public acceptance of electricity infrastructure, research and development towards stronger and smarter grids, regional TSO cooperation and significant IT projects – that will significantly impact a broad range of stakeholders.

EDSO for Smart Grids recognises this program as fully compliant with EC Regulation 714/2009 and the provisions thereon but calls for a stronger DSO involvement, in particular regarding drafting network codes. In addition to improving the TSO to TSO regional cooperation EDSO for Smart Grids calls for an improved TSO-DSO cooperation.


**SPECIFIC COMMENTS**

2. Developing Network Codes

*Progressing key network codes*. Connection criteria are a valuable response to face the challenge of integrating the vast amount of distributed renewable energy resources. An intelligent and remotely manageable connection interface will tackle issues like over-voltage due to reverse power flow, undesired island operation etc., and as such represent a step forward towards the smart grid. DSO operations are severely impacted by regulations involving fine-grained automatic network control up to the introduction of dispatching in DSO grids. Due to this, DSO involvement and close DSO cooperation in the creation of these connection and operational criteria must be ensured, allowing DSOs to exploit fine-grained control in order to dispatch energy inside their own network while ensuring run-time requirements provided by TSOs. Hence, an even more reliable balancing market (including ancillary services market) can be realized.

In particular EDSO for Smart Grids welcomes the explicit inclusion of DSOs in the drafting process of DSO and Industrial Load Connection. EDSO for Smart Grids believes this cooperation should be extended to the Network Code on Generation Connection, the Network Code on Operational Security and the Network Code on Load Frequency Control & Reserves, resulting in a broader regulation and ancillary services market crossing the boundaries of TSOs' and DSOs' networks. This is in accordance with the ACER Framework Guidelines, aiming for clear and objective principles for the development of network codes pursuant to EC Regulation 714/2009.

## 5. Public Acceptance of new infrastructure projects and investment incentives

*Championing public acceptance of electricity infrastructure.* EDSO for Smart Grids fully shares ENTSO-E's view that slow permitting procedures are huge obstacles to streamline the implementation of projects of European interest. EDSO for Smart Grids would also like to point out that beyond the need to streamline the implementation of Transmission European Networks (TEN-E) also national infrastructure projects would benefit from streamlined procedures. Provided that they are conducive to cross-border projects they should qualify as projects of European interest.

To increase the transparency and predictability of permit granting procedures EDSO for Smart Grids suggests that the legislative framework should clearly state powers and objectives and monitor the compliance with deadlines.

Regarding investment incentives, EDSO for Smart Grids has a strong commitment to collaborate in developing appropriate financial and regulatory mechanisms supporting the required European grid infrastructure investments.


## 6. The Research and Development Plan

*Pursuing research and development towards stronger and smarter grids.* EDSO for Smart Grids fully supports the ENTSO-E intent to closely link its R&D plan to the objectives of the SET Plan with particular reference to the European Electricity Grid Initiative (EEGI) so to achieve synergies, avoid overlaps and duplication of work.


## 7. Enhancing TSO Cooperation

*Identifying subjects for regional TSO cooperation and significant IT projects.* EDSO for Smart grids fully recognises the role that ENTSO-E has played to foster transparency of the European electricity market. However in order to deliver reliable information from European networks to the market additional efforts to develop the ENTSO-E Transparency Platform are needed. Here EDSO for Smart Grids fully supports the European Commission Consultation on ERGEG's Comitology Guidelines on fundamental data transparency, creating a common EU transparency platform to improve availability of data and enhance competitiveness in European wholesale markets.

Nevertheless, clearer definitions and responsibilities should be provided, in particular when others then the TSOs are providing information and other services. The draft guidelines underrate the role that DSOs can play in this regard and it should be highlighted that DSOs are responsible for large data volumes and the data security and privacy provisions that need to be put in place when dealing with the information. While DSOs' core business is to manage energy delivery on the distribution grid, after the introduction of the smart-grid

concept DSOs will have extend activities on other topics like energy storage systems or Distribution Management Systems. These systems will provide advanced services and huge amounts of data in order to improve the overall quality of the European electrical system.

EDSO for Smart Grids invites ENTSO-E to further examine the role that DSOs could play and to further investigate the responsibility for collecting specific sets of data, considering the different conditions in different member states and the fact that a large proportion of data is provided by DSOs to TSOs.

Coherence and coordination between the already existing platform and national rules should be ensured to avoid inconsistencies and overlaps that could endanger the performance of the system as well as the information exchange. EDSO for Smart Grids recognises the leading role ENTSO-E could play in running a central European information platform but it must be ensured that all stakeholders are involved.