

The Eandis logo consists of the word "eandis" in a blue, lowercase, sans-serif font. The letter "e" is stylized with a blue horizontal bar extending to the left. A green horizontal bar is positioned above the letters "a", "n", and "d".

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altijd in uw buurt



Public Hearing on ‘New Energy Market Design’, European Parliament, ITRE Committee, Thursday, 17 March 2016

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The Eandis logo, featuring the word "eandis" in blue lowercase letters with a green horizontal bar above the "a", "n", and "d", and a blue horizontal bar extending from the "e".

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Overview

- **Challenges** the unbundled DSOs can tackle
- **Leading examples:** data hub and operational flexibility market
- **Empowering energy consumers** for system stability

Challenging environment

- Electricity and gas markets face **important challenges**
 - Large shares of renewable intermittent energy resources
 - Shift towards decentralisation
 - Electrification (electric vehicles, heat pumps ...)
- **Diverse efforts** have been made by DSOs in:
 - Activities
 - Fully unbundling the business model
 - Selected technical solutions
- Significant **differences between DSOs** across Europe
 - Degree of unbundling
 - Number, size and geographic dependencies of DSOs
 - Degree of network automation

Evolving role of the DSO (1/2)

- Eandis supports the **CEER position** on the future role of DSOs (C15-DSO-16-03, CEER 2015)
- Importance of **not overlooking the DSO** in the role of:
 - Neutral market facilitator
 - Energy efficiency
 - Smart metering and market faced submetering
 - Independent data management, including settlement
 - Engagement with end consumers
 - Battery storage (as a technical asset)
- There is **no black-and-white approach** to the involvement of the DSO in these activities
 - the ‘shade of grey’ can depend on the degree of unbundling

Evolving role of the DSO (2/2)

- Pros and cons of the involvement of the DSO in these activities

Pros	Cons
Acceleration of the market development	Scope?
Guaranteed infrastructure investments ('the chicken or the egg' problem)	Quality of service?
Uniformity and interoperability of solutions	Innovation?

Important role for unbundled DSOs

- Impact of the **cons drops significantly** with the degree of unbundling
- **Success factors?** The DSO commits to:
 - Respecting clear conditions for the scope
 - Respecting quality of service regulation: functionalities & KPIs
 - Leaving room for market innovations
- Need for **regulatory incentive**
 - The current regulatory framework does not incentivise investment in smart grids and innovation, cf. incentive for CAPEX



Incentive needed for investments in smart projects aimed at promoting innovation that recognizes the inherent uncertainties

Belgium as leading example

ATRIAS data hub in Belgium

- Roles of the DSO
 - Joint effort of all Belgian DSOs
 - Centralised Clearing House
- Roles of the competitive market players
 - New contract types reflecting energy market evolutions
 - Representation in market committee, including the regulator

Operational flexibility market in Belgium

- Roles of the DSO
 - Independent data manager (Central flexibility register)
 - Neutral market facilitator (Prequalification)
- Roles of the TSO / Competitive market players
 - Procurement of flexible response (Lead TSO with the help of aggregators)

Empowering the energy consumer

- **Conscious prosumer**
 - Energy efficient consumer
 - Producer of renewable energy
 - Reduction of consumption peak and production volumes
- **Participation in the market**
 - Free choice of supplier, aggregator and ESCOs
 - Choice of appropriate energy contract type
 - Participation in the flexibility market
- **Consumer participation in emergency situations**
 - Reduced grid access to prevent brownout