



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

Network Codes Stakeholder Forum

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A Bridge to 2025

- Energy Regulation ‘A Bridge to 2025’



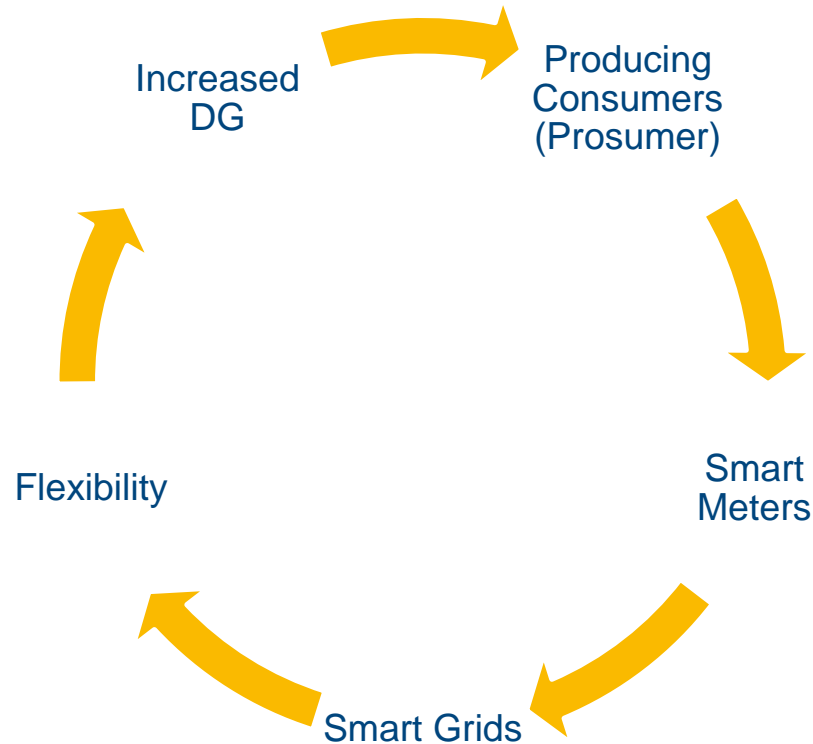
- Aims to identify key challenges to 2025 and regulatory responses to those challenges

CEER DSO Working Group

- CEER highlighted DSO Regulation as a priority for its 2014 work programme.
- DSO WG Group established by CEER in November 2013
- Co-chaired by Garrett Blaney (CER) and Valeria Termini (AEEGSI)
- Co-ordinates CEER voice on DSO issues (gas and electricity)
- Oversees Smart Grid Coordination Task Force and Electricity Quality of Supply Task Force

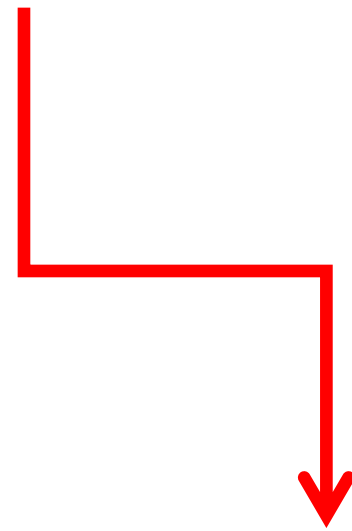
The Future Regulation of DSOs

Key drivers pushing the DSO to be an 'active' grid manager



Key Issues being addressed by the Group

1. The role of the DSO and unbundling
2. Distribution Tariffs
3. Data Management & Smart Metering
4. Smart Metering
5. Incentives
6. DSO/TSO Co-ordination



**CEER DSO CONSULTATION
PAPER**

(October 2014)

The Role of the DSO and Unbundling

- Unbundling requirements clear for traditional DSO role
- Proliferation of new energy services: storage EV's, flexibility services
- Is DSO acting as neutral market facilitator?
- Can the DSO help drive infant technologies, or policies that may benefit society? e.g. electric vehicles



The Role of the DSO and Unbundling (2)

- Are current unbundling arrangements sufficient vis-à-vis new DSO tasks and services?
- De Minimis Rule (100,000)
- Full implementation of 3rd package or further steps required?
- Are there arguments not to unbundle?

DSO Tariff Setting

- Cost reflective distribution network tariffs
- Use of tariffs to signal capabilities of local network
- Correct allocation of network costs among grid users
- Treatment of micro-grids and prosumers
- Should the DSO offer dynamic TOU tariffs?
- Are EU- wide principals required?

Data Management

- Metering data
 - ▶ access crucial for new service providers
 - ▶ Non-discriminatory access to suppliers
 - ▶ useful for DSO to improve efficiency (smart grids)
- System management data vs market related data
- Balance of privacy vs innovation
- Is there any concern with DSO collecting the data? (link with unbundling)
- Risks of malware could affect privacy and security of supply



Incentives for Smart Grids

- Incentives to promote smart grid development
- Cost effective solutions – beneficial to society
- R&D incentives: dissemination of information important for small DSOs
- Input vs Output based incentives
- European or National Approach

DSO-TSO Coordination

- Clear governance structure and definitions of roles & responsibilities
- Controllability
- Congestion Management
- Balancing
- Co-ordination to avoid procurement of same resource
- DSO to DSO co-ordination
- National or European Approach?



Increasing role for DSO



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Thank you

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