

DSO Entity and ENTSO-E submit Joint Network Code on Demand Response

Brussels, 8 May 2024

Today, the European Distribution System Operators Entity (EU DSO Entity) and the European Network of Transmission System Operators for Electricity (ENTSO-E) submitted to the European Union Agency for the Cooperation of Energy Regulators (ACER) a joint proposal for the Network Code on Demand Response.

This new Network Code on Demand Response will be key to ensure the integration of demand-side flexibility resources into the energy system needed for the decarbonization of the power system. The Network Code includes further common rules to facilitate aggregation of resources, demand response rules and energy storage across the European Union.

This proposal for the Network Code on Demand Response has been prepared through transparent and active interactions with all stakeholders. The stakeholders' input was consolidated with an early public consultation, two public workshops and the continuous and valuable support of the Drafting Committee.

The Network Code on Demand Response will facilitate the integration of technology-neutral demand-side flexibility into related transmission and distribution system services for the overall benefit of consumers. This new Code:

- (I) facilitates access to electricity markets for all resources,
- (II) sets principles for the development of harmonised rules, and
- (III) defines market-based processes for selecting the most cost-efficient resources.

Background Information:

The submitted proposal for the Network Code Demand Response was initiated by the European Commission in a letter to the EU DSO Entity and ENTSO-E dated 9 March 2023. Based on Article 59 (9) of the EU Regulation 2019/943 of 5 June 2019, the European Commission requested both associations to cooperate in submitting the proposal to ACER in accordance with the relevant framework guideline which ACER has developed.

Next Steps:

ACER has now six months to review and amend the proposal in line with the framework guideline before submitting it to the European Commission. During this period EU DSO Entity and ENTSO-E will continue to collaborate with ACER and all stakeholders.

Peter Vermaat
EU DSO Entity, Secretary General

Sonya Twhoig
ENTSO-E, Secretary General

About EU DSO Entity

EU DSO Entity is a technical expert body mandated by the Electricity Market Regulation (2019/943/EU) to promote the functioning of the electricity market and to facilitate the energy transition. DSO Entity is representing more than 900 diverse Distribution System Operators (DSOs) connecting 250 million households to the electricity grid in 27 Member States.

More information on EU DSO Entity can be found on our website www.eudsoentity.eu or contact info@eudsoentity.eu.

About ENTSO-E

ENTSO-E, the European Network of Transmission System Operators for Electricity, is the **association of the European transmission system operators (TSOs)**. The 40 member TSOs, representing 36 countries, are responsible for the **secure and coordinated operation** of Europe's electricity system, the largest interconnected electrical grid in the world. In addition to its core, historical role in technical cooperation, ENTSO-E is also the common voice of TSOs.

More information on ENTSO-E can be found on our website www.entsoe.eu or contact media@entsoe.eu.