



Annual Work Plan 2022

About DSO Entity

DSO Entity is mandated means of representation of the Distribution System Operators (DSOs) regarding the development of network codes and guidelines for the European electricity market. Further, it is assigned with tasks related to the transition of the energy system such as the facilitation of the integration of renewables and demand side flexibility as well as the contribution to the digitalisation of DSOs. Membership shall allow to actively contribute to the respective decision-making process.

DSO Entity aims at:

- Reflecting the new central role of DSOs in the energy transition
- Strengthening the cooperation between DSOs
- Creating a forum of expertise and exchange of views between DSOs on a range of topics that relate to their business and the development of network codes
- Facilitating the DSO-TSO cooperation as well as the technical expertise dialogue with other stakeholders



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Preface to the Annual Plan

DSO Entity: a new DSO Platform

2022 will be the first full year of operation of DSO Entity. Building on the 2021 results, we will continue to develop the organisation and deliver results.

Staffing the organisation and forming (additional) expert groups will allow us to fulfill our legal obligations and deliver benefits to our members.

Doing this, we will **build on three pillars**:

- Participating in the drafting of **network codes & guidelines** which are relevant for DSO grids and monitoring related developments at the European level
- Promoting **DSO-TSO cooperation** and coordination
- **Sharing best practices** in the light of the European energy transition developments

We strive that at the end of 2022, after only one year of operation the added value of DSO Entity will be highly recognized by members. DSO Entity will be seen as a credible institution by the European Commission, ACER and ENTSO-E.



Vincenzo Ranieri

President of the Board



Peter Vermaat

Secretary General

1 Context

1.1 Scope and origin of DSO Entity

DSO Entity operates within a clear framework

Growing importance of the EU energy policy

Within the last two decades, the scope and relevance of the European energy policy has immensely grown. Although the origins of the European unification process are rooted in Robert Schuman's energy-related masterplan – the foundation of the European Coal and Steel Community in 1951 – the energy policy was only enshrined as a *shared competence* between the EU and its Member States in 2009 in the Treaty of Lisbon. Nowadays there is hardly any other policy areas that is more Europeanised than energy with repercussions on local actors.

Today, all DSOs are deeply affected by the European legislation which serves as the basis for most of the adopted and implemented energy-related laws in the 27 Member States. While it is difficult to name the exact percentage of national laws deriving from European provisions, the estimates in the energy and environmental area range from 60% to 80%. **Thus, European provisions are highly relevant for DSOs when performing their daily activities – no matter if they are small and local or big and transnational.**

DSOs at the heart of Europe's energy transition

Whilst the liberalisation of the European energy markets in the 1990s with a clear cross-border focus remained at the forefront of the EU's agenda for a decade, the emphasis has incrementally shifted towards the sustainability side of the European energy triangle. The triangle epitomises the EU's three key objectives in energy policy: competitive markets, security of supply and sustainability. The environmental and climate agenda more strongly encroached upon the energy realm and thus, not only policy priorities but also realities began to shift. **The transition of the European energy system was induced with relevant changes for DSOs.**

Developments in the last ten years entailed a closer relationship between DSOs and the European institutions. The EU's decarbonisation objective – leads to more decentralisation, thus, engendering an enhanced importance of the distribution grid and greater responsibilities in strong interaction with the TSO-part of the system. The distribution grid, and thus the role of DSOs, became more relevant regarding the delivery of EU's objectives such as the integration of renewables, the roll-out of e-mobility and the usage of smart flexibility management.

The **Clean Energy Package** finally enshrined the factual importance of DSOs in the EU's energy legislation in Regulation (EU) 2019/943 on the internal market for electricity in the form of the **establishment of DSO Entity**, which was then formally founded in June 2021.

DSO Entity has a **clear mandate as defined in the EU Regulation 2019/973** and serves over **900 members connecting 260 million customers.**



THE FOLLOWING REGULATORY FRAMEWORK PIECES DETERMINE THE ENTITY ACTIVITIES:

- REGULATION (EU) 2019/943 on the internal market for electricity (the institutional base)
- REGULATION (EU) NO 347/2013 on guidelines for trans-European energy infrastructure (currently under revision)
- REGULATION (EU) NO 543/2013 on the submission and publication of data in electricity markets
- REGULATION (EU) 2017/1485 establishing a guideline on electricity transmission system operation ("SOGL"), includes some references to DSOs
- REGULATION (EU) 2017/2195 establishing a guideline on electricity balancing ("EB GL"), includes some references to DSOs

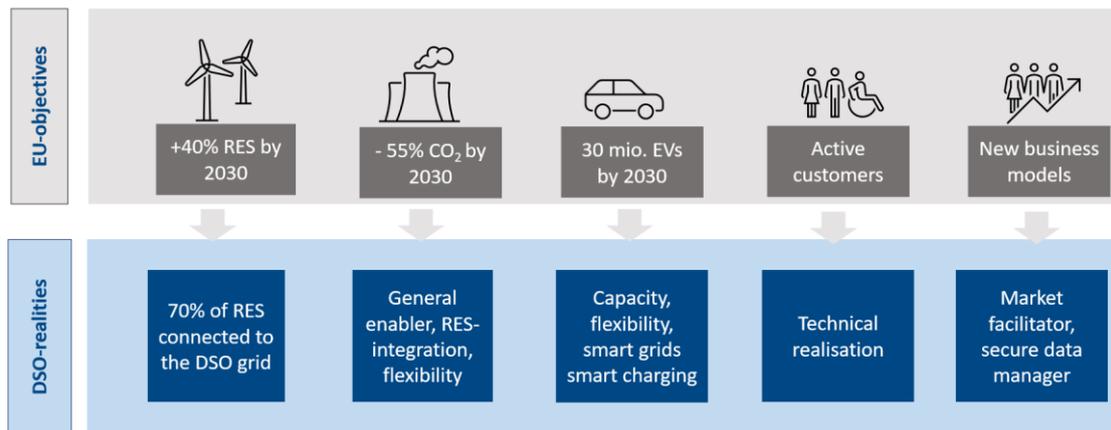
The beginning of a new era: Climate neutrality by 2050 and the role of DSOs

The adoption of the first European Climate Law in 2020 codified the EU's objective to achieve climate neutrality by 2050. The enhanced climate ambition required the revision of large parts of the existing energy and climate legislations to ensure the consistency of the sub-targets on renewables, energy efficiency and greenhouse gas emission reduction. Consequently, the Fit for 55 package was published by the European Commission in July and December 2021 consisting of more than a dozen legislative proposals. These are currently under the scrutiny of the European decision-makers. **Although at a first glance, DSOs might seem not to be at the forefront of the proposals, they remain the invisible enablers of many of the formulated objectives.**

The subsequent diagram illustrates how the successful implementation of the European objectives is closely interlinked with the daily (technical) work of DSOs and why the latter are vital for their achievement. **High-level political objectives will only be reached if the technical preconditions in system and market are right.**

EU's climate neutrality objective relies heavily on DSOs

Connex between broad political goals and technical realities on the ground



DSOs: providing the technical preconditions for the realisation of the EU's climate objectives

The diagram exemplifies that the achievement of the EU's political objectives is only possible if the technical details on the ground are right. DSO Entity strives to actively work together with the European Commission, TSOs and all relevant stakeholders to help reach these goals. Making sure that the right technical conditions exist via the establishment of network codes will take centre stage in the work of DSO Entity. However, DSO Entity will continue to monitor the developments of the more general European energy objectives in order to be prepared to provide the necessary technical input / solutions. Network codes are not a fluid concept but closely connected to the more general European energy policies and objectives.

Characteristics of DSO Entity

The origin of DSO Entity is construed on a triple foundation:

<p>An EU association legally mandated by EU Regulation 2019/943</p> 	<p>A body of cooperation and expertise between all DSO in the EU</p>	<p>A body of cooperation and expertise between all DSO in the EU</p>
<p>“ Art. 52.1: Distribution system operators shall cooperate at Union level through the EU DSO Entity, in order to promote the completion and functioning of the internal market for electricity, and to promote optimal management and a coordinated operation of distribution and transmission systems. ”</p>		<ul style="list-style-type: none"> ○ DSO – TSO cooperation ○ Network Codes & Guidelines ○ Facilitating demand side flexibility and users access to market ○ Facilitating integration of RES ○ Digitalising the DSO systems ○ Data management/cybersecurity

Other benefits:

- Reflecting the new role of DSOs
- Facilitating DSO-TSO cooperation
- Creating a forum of expertise
- Rationalizing the establishment of the European common interest for DSOs

1.2 Mission and vision of DSO Entity

DSO Entity is mandated by the European institutions to represent Electricity Distribution System Operators (DSOs)

As an expert body it will focus on 3 main tasks based on Regulation (EU) 2019/943



The energy transition requires an enhanced role of DSOs

The changes of the energy system are evident ...

- From fossil to renewable, intermittent power sources
- From centralized to distributed and flexible electricity generation
- From analogue to digital power and data management

... those changes lead to an enhanced role of DSOs

- DSOs are integrators of the largest share of renewables (up to 70% average at DSO grid)
- DSOs become active system managers as they face challenges of increased volatility in the energy supply and grid stability
- Holistic DSO-TSO network planning and cooperation needed

DSOs are crucial in the energy transition and highly affected by the EU regulation. They now have formal representation towards the European Commission through DSO Entity.

Relevance of DSO Entity

DSO Entity is mandated by the EU to represent the DSOs in relation to the development of network codes and guidelines. Membership shall allow to actively contribute to the respective decision-making process.

Representing 900 members connecting 260 million customers provides a sound and knowledgeable base to perform its tasks.

Vision of DSO Entity

DSO Entity will support DSOs to actively facilitate the transition to a CO2-neutral energy system in the next decades, ensuring security of supply with future-proof network codes and with enhanced collaboration between TSOs and DSOs.

Mission of DSO Entity

Through an integrated view of the system including customers, DSO Entity aims to strongly contribute to the energy transition, together with the entire energy ecosystem.

DSO Entity will therefore act as a strong and credible platform enabling to:

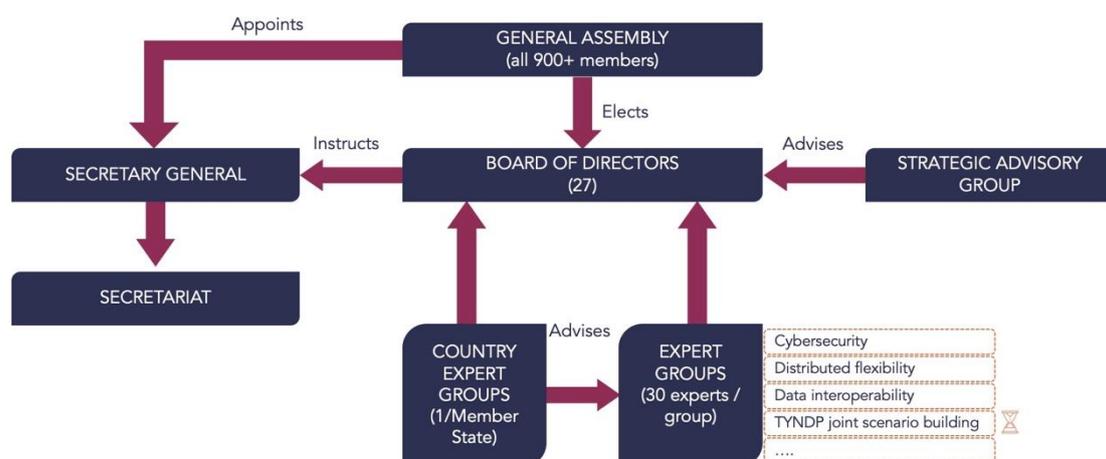
- Develop future proof network codes that reflect the new role of DSOs in the energy transition
- Provide neutral technical guidance on the integration of renewable energy sources, fostering efficient market performance
- Strengthen the cooperation between DSOs and create an interactive forum of expertise for its members
- Facilitate the DSO-TSO cooperation as well as the dialogue with other stakeholders

1.3 Governance of DSO Entity

We will fully implement our governance in 2022

DSO Entity is a member-based organisation, supported by a professional Secretariat in Brussels.

The governance provides for a balanced representation of the entire variety of our DSO member base, regardless of size, country and specific company characteristics.



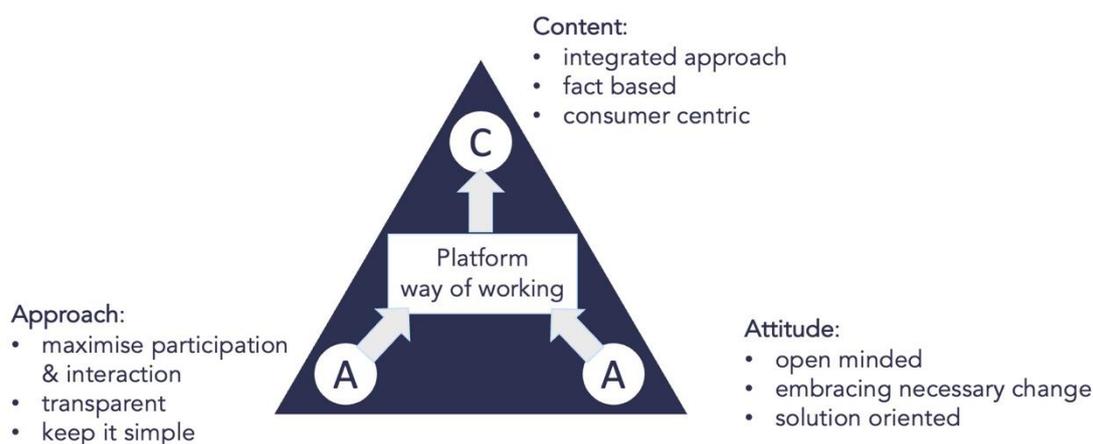
1.4 Way of working

In order to maximise member participation, we will adopt a platform way of working

DSO Entity will fulfill its mandate and serve its members by adopting a **platform way of working**:

- DSO Entity is the structure **facilitating the processes within its member community**. DSO Entity will have limited staff focusing on combing the inputs of the members when drafting the network codes and facilitating knowledge sharing among them. We will frequently reach out to all members, big and small, using modern ICT to reduce traveling time.
- Developing **content** from an integrated approach, we work fact-based and consumer-centric. Thus, we enable customers to play their important role in the energy transition.
- Our **attitude** will be open-minded embracing necessary change, acting, and solution oriented.
- Our **approach** will be transparent, engage maximum participation and strive to limit complexity, seeking inputs from experts and non-experts alike. Thus, we will facilitate our diverse member base with scalable solutions.
- Working at the European level, we will have an **open and neutral** eye for the **feasibility and proportionality** of network codes and country-specific differences. We will pursue applicability for all members, large and small.

This way of working can be visualised as a triangle



2 DSO Entity as part of the European framework

2.1 Established as an expert body, DSO Entity will be part of the EU legislative framework

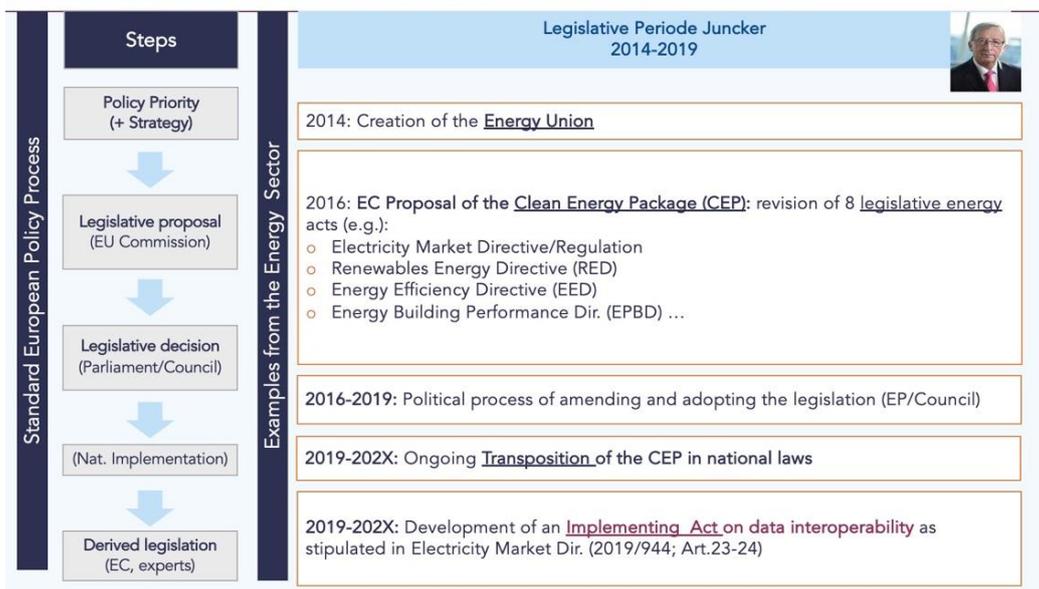
The work programme of DSO Entity is geared towards supporting the objectives of the EU with respect to the creation of a cyber-resilient, digitalised, renewable and decarbonised energy system. This goes hand in hand with the DSO Entity’s mandate to participate in the network codes development and intensify the cooperation with TSOs. The establishment of technical network codes does, however, not take place in the void but is closely connected to broader European strategies and perspective, regarding the digitalisation of the European economy, the creation of a common data market, the EU Green Deal and the climate neutrality objective.

The work on concrete network codes and an intensified cooperation with TSOs and other European stakeholders will be the main focus of DSO Entity. In order to be well-prepared for the EU requests and to select strategic priorities, immediate related EU’s energy developments will be closely monitored. Ongoing and new European initiatives, which might affect the development of the network codes and guidelines on cybersecurity, flexibility management, network planning and TSO-DSO cooperation, will be followed.

Additionally, developments in areas explicitly mentioned in the Regulation 2019/943 (Art. 55), as official tasks of DSO Entity, will be observed to comply with the assigned mandate: such as facilitating the integration of renewable energy sources and demand-side flexibility and response, contributing to the digitalisation of DSOs including deployment of smart grids and intelligent metering systems, supporting the development of data management, cybersecurity and data protection.

This way, DSO Entity will efficiently and effectively cover the key elements of energy-related activities within the European legislative framework in the depiction below the standard process of the formulation of European policies is sketched and exemplified by the most important energy-related package of the former European Commission, the so-called Clean Energy Package (CEP 2016-2019).

EUROPEAN FRAMEWORK
EU POLICIES ALWAYS FOLLOW THE SAME LOGIC/PROCEDURE: EXAMPLE OF CEP

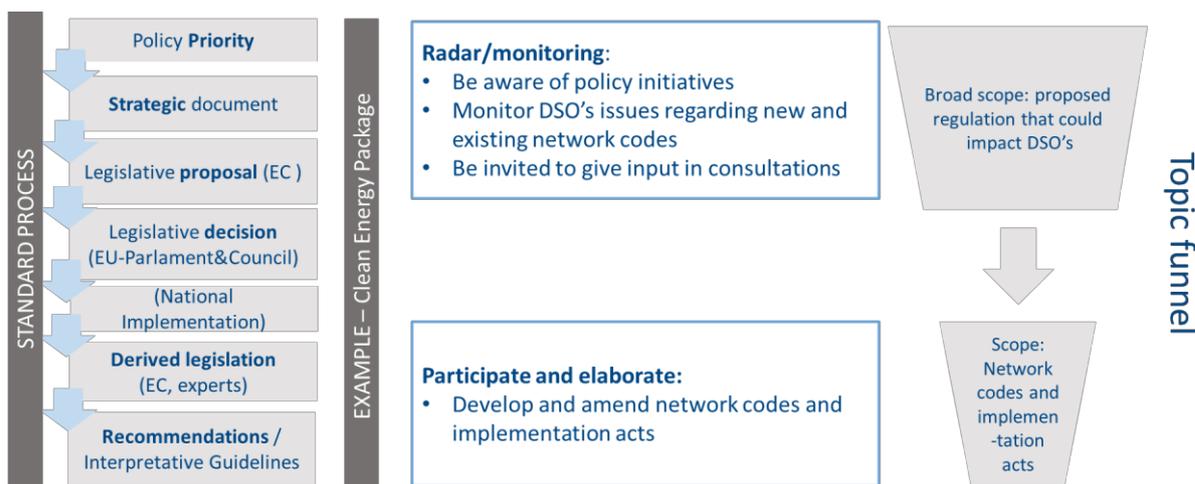


2.2 Following-up on this, DSO Entity adopts a two-step approach to EU policies

Like elaborated before, monitoring relevant developments and context is important for adequately performing the DSO Entity’s tasks. From that perspective, DSO Entity will adopt a 2-step approach.

As a first step, the radar function will monitor the DSOs’ issues regarding new and existing network codes and other EU developments. In order to be able to prioritize and focus, the initiatives will be assessed on urgency and impact. This way, the radar will help DSO Entity initiate, be aware of and be prepared for upcoming discussions on the network codes and related topics.

The second step is the actual drafting of network codes and implementation acts. This process, constituting most of the work, will run using specific expert groups, supported by the Secretariat. The Secretariat will facilitate the expert groups and the decision-making process. Taking special care that the network codes are useful and feasible for all members, large and small. Proportionality and minimizing complexity will be top of mind.



From earlier and current legislative processes, the following relevant initiatives will be monitored

2020 Proposals still under negotiation:

- TEN-E Regulation (EU) No 347/2013 (revision)
- Critical entities Directive (EU) No 2008/114 (revision)
- NIS II Directive (EU) No 2016/1148 (revision) - Cybersecurity

2021 Proposals still under negotiation:

- Artificial Intelligence Regulation (EU) No 2021/0106 (AI)
- Corporate Sustainability Reporting Directive (EU) (CRSD) - Taxonomy-related

Fit for 55 I (key-files):

- Renewable Energy Directive (EU) No2018/2001 (RED III revision)
- Energy Efficiency Directive (EU) No 2012/27 (EED recast)
- Alternative Fuels Infrastructure Regulation (AFIR replacing Directive (EU) No 2014/94)

Fit for 55 II:

- Gas and hydrogen Package - Regulation No 715/2009/EC (revision) and Directive No 2009/73/EC (revision)
- Energy Performance of Buildings Directive (EU) No 2010/31 (EPBD recast)

2022 (Expected) proposals:

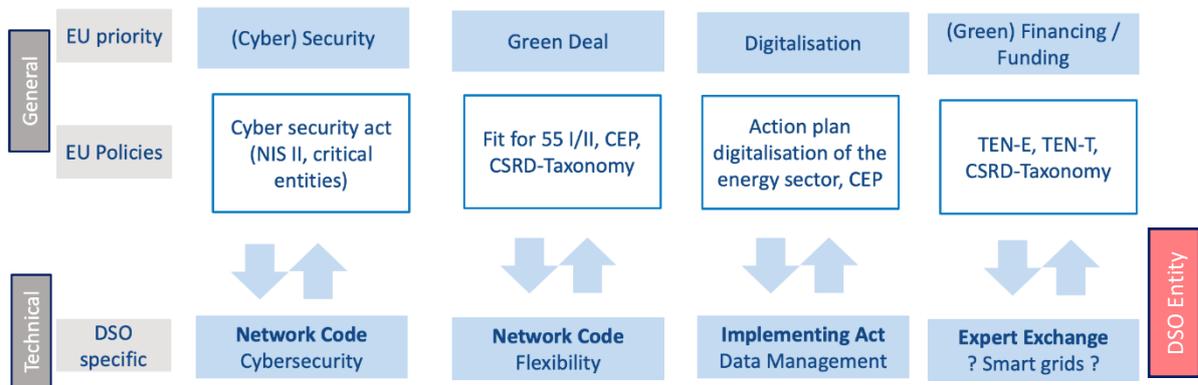
- Data Act Regulation (EU) No 2022/0047
- F-Gas regulation (upcoming)
- Digitalisation of energy system Action Plan (upcoming)
- Cyber-resilience Act (upcoming)

Sustainability (management) within the DSOs (Connex to best practices, exchange)

DSOs are not only important enablers of the energy transition but also active contributors to emission abatements and environmental improvements in their own operations and facilities. In this context, they are confronted with new European provisions on which best practice exchanges with colleagues from other countries might be useful. Currently, new challenges are to be expected in the area of corporate sustainability reporting (CSRD) in the context of the Taxonomy Regulation and through the revision of the Regulation on fluorinated greenhouse gases (F-gases), which are widely used by DSOs in switchgear.

Please refer to Appendix for further elaboration.

Illustration of Connex between broader EU legislation and DSO-specific work



3 Work Programme 2022

Three pillars are at the core of the work of DSO Entity – One page summary 2022

Summarised in 1 diagram, DSO Entity will work on the following priorities in 2022; these are elaborated in the next sections.



DSO Entity has a formal role in all stages of drafting network codes

DSO Entity shall participate in the development of network codes and amendments to new or existing ones which are relevant to the operation and planning of distribution grids and the coordinated operation of the transmission networks and distribution networks pursuant to Article 59 of the Electricity Regulation.

Main elements of DSO Entity's work are related to:

- developing **proposals** for methodologies,
- considering **stakeholders' feedback** and
- **implementing** the methodologies once approved by the relevant bodies.

The activities will be delivered by the Secretariat and the members, who provide the required expertise through expert groups, where appropriate in close collaboration with ENTSO-E.

The successful implementation of this work program is also influenced by the input provided by stakeholders i.e. via the Strategic Advisory Group and the Country Expert Groups and via the consultation process.

In 2022, **at least 2 new network codes** will be developed:

- The EU Network Code on Cybersecurity (NCCS)
- The EU Network Code on Demand-Side Flexibility

DSO Entity will actively contribute to the actions of the Commission in 2022

From the EU's schedule and procedures above, we can determine the **following priorities for 2022**:

1. **Two new network codes** will be developed in 2022:
 - The EU Network Code on Cyber Security (NCCS)
 - The EU Network Code on Demand Side Flexibility
2. The Commission will draft the **Implementing Acts on data** [interoperability] as provided for in Article 24 of the Electricity Directive (EU) 2019/944; DSO Entity should be prepared to contribute.
3. It is anticipated that some **revisions of existing network codes** as provided by TSOs will take place. DSO Entity will investigate how it can contribute to ACER's European Stakeholder Committees.
4. It is expected that the Commission will open a targeted consultation of relevant stakeholders on the **priorities for the development of network codes** and guidelines for electricity for the coming year and may invite DSO Entity to **participate in some task forces**.
5. Any other priority that might follow from our '**radar-scan**' like any "**Commission expert group**". DSO Entity will closely monitor it.

DSO Entity considers setting up expert groups to give input on reviewing network codes aligned with ACER's European Stakeholders Committees

ENTSO-E regularly reviews the **existing 8 network codes**. These reviews are not covered by the MoU between ENTSO-E and DSO Entity. The main forum of discussion on the network codes however are **three European Stakeholder Committees** chaired by ACER.

DSO Entity, together with the existing DSO associations, will investigate the appropriate way in which DSO Entity can fulfill the DSO-stakeholder function in these committees:

- Operation Network Codes
- Market Network Codes
- Connection Network Codes

DSO Entity anticipates the start these expert groups in Q2 2022.

European Stakeholder Committees (Chaired by ACER)

Operation Codes:

- Emergency and Restoration (ER)
- System Operation (SOGL)

Connection Codes:

- Demand Connection (DCC)
- Requirements for Generators (RFG)
- High Voltage Direct Current
- Connections (HVDC)

Market Codes:

- Capacity Allocation & Congestion management (CACM)
- Electricity Balancing (EBGL)
- Forward Capacity Allocation (FCA)

DSO Entity will anticipate that the European Commission may invite DSO Entity to participate in the ‘Commission expert groups’ as they are established from time to time by the Commission

Although the Commission has considerable in-house expertise, it seeks specialist advice from outside experts as a basis for sound policymaking. This may be provided by groups of experts or external consultants or take the form of studies.

A ‘**Commission expert group**’ is:

- a consultative body,
- set up by the Commission or its departments to provide them with advice and expertise,
- composed of public and/or private sector members,
- which meets more than once,
- gathering expertise from various sources and may include gathering the views of various stakeholders.

There are 2 types of Commission expert groups:

- formal – set up by Commission’s decision,
- informal – set up by an individual Commission department that has obtained the agreement of the Commissioner and Vice-President responsible and of the Secretariat-General.

As a relevant example, reference could be made to the ‘**INFORMAL COMMISSION EXPERT GROUP SMART GRIDS TASK FORCE (E02892)**’ in which a lot of DSO-related topics are covered.

Expert Groups in 2022

Expert groups from the basis of DSO Entity's input for network codes and other



EG Cybersecurity: DSO Entity uses transition period to prepare implementation

At the beginning of 2022 the draft Network Code Cybersecurity (NCCS) was jointly submitted to ACER by ENTSO-E and DSO Entity.

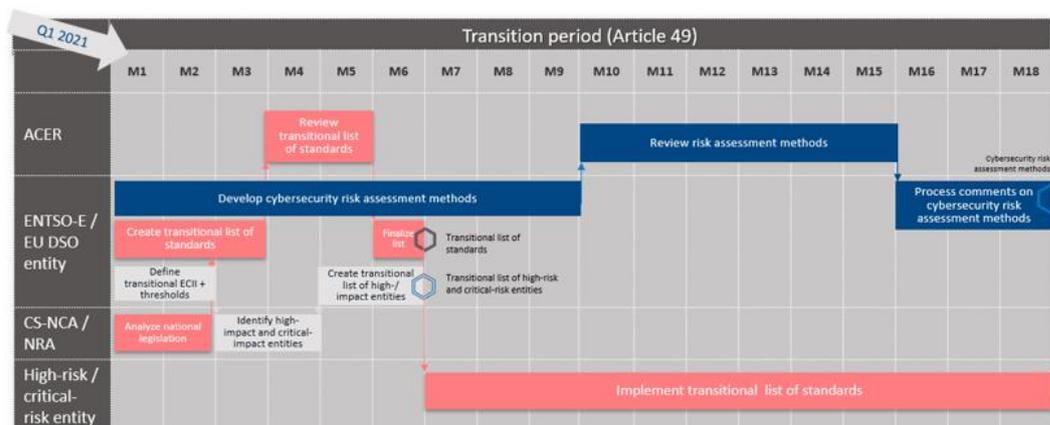
The NCCS establishes a strong governance framework with a clear definition of the roles and responsibilities of the different actors. The main areas covered are:

- Cross-border risk management
- Certification/verification of cyber hygiene measures
- Sharing of technical information
- Product certification

As a next step, ACER will review the NCCS in the first part of the year, followed by an impact assessment by the European Commission. According to schedule, the subsequent procedure to adopt the delegated act by DG ENER will be finished in Q1 2023.

Our Expert Group Cybersecurity is ready to be involved in any steps where appropriate. In parallel, a lot of attention will be paid to prepare for an efficient and effective implementation during the 'transition period' of the delegated act once it is finished.

Draft timeline for Network Code Cybersecurity (implementation phase)



EG Distributed Flexibility: Work on the Network Code will start in 2022

Our EG Distributed Flexibility will a.o. work on the Network Code (NC) on Demand-Side Flexibility, including rules on aggregation, energy storage and demand curtailment rules (Article 59.1 (e) Electricity Regulation).

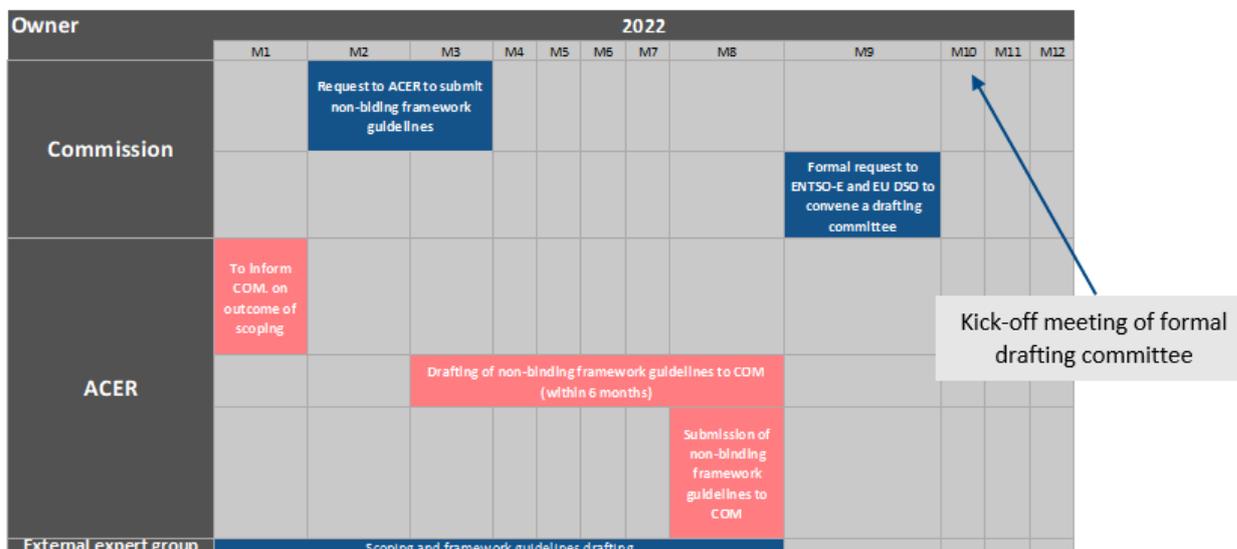
At the moment the scoping exercise, performed by ACER, is about to be concluded. As a next step the preparation of non-binding framework guidelines will be prepared later this year.

It can be anticipated that the following topics will be covered:

- Markets and services:
 - Forward/ day-ahead/ intraday markets
 - Balancing
 - NFAS
 - Congestions management
- Processes
 - Procurement
 - Coordinated access
 - Data management and information flows
- Providers/ assets:
 - Demand response
 - Aggregators
 - Storage
 - Distributed generation

Our Expert Group Distributed Flexibility is ready to be involved in any steps where appropriate.

Draft timeline for Network Code on demand side flexibility (DSF)



Expert Group: Data interoperability in 2022

The European Commission has placed the initial elaboration of the implementation acts under the Smart Grid Task Force (SGTF). The SGTF has been active for some time, but only Group 1 (EG1) 'data access & interoperability' is still active¹. Within EG1, the committee has formed an editorial team of TSOs, DSOs and, for phase 1, also the (smart) meter manufacturers (ESMIG). For the other phases, it remains to be seen whether ESMIG will remain part of the editorial team or not. The four European DSO associations are part of the SGTF. DSO Entity is looking for an appropriate way to become involved in the next steps.

In 2022 work on the drafting of the Implementing Acts on data, as provided for in Article 24 of the Electricity Directive (EU) 2019/944, will continue.

These are anticipated to cover a.o. the following aspects:

- metering and consumption data (under “Phase 1” – close to finalisation)
- demand response (overlap with new NC DSF)
- data required for customer switching

Our Expert Group Data Interoperability will be formed early in 2022 and will prepare to be ready to be involved in any steps where appropriate. Experts will look at all aspects above and will elaborate key issues like:

- DSO Entity will liaise with the Commission on the topic of the EU Advisory Body for Interoperability that will be installed.
- The IA will have a lot of structural and organisational consequences. DSOs need structures in place when flexibility, switching and other services are under consideration.



¹ A 'new' EG3 might be launched later this year

3.2 DSO-TSO cooperation

The energy transition and the introduction of smart appliances have a fundamental impact on the energy system. The traditional one-way system with centralized production and autonomous demand will steadily change towards a two way, decentralized and smart energy system. This also means that close cooperation between DSOs and TSOs is essential to enable the energy transition.

Both DSOs and TSOs have their respective, distinct role, but only through cooperation an optimal system will evolve. Therefore, DSO Entity has signed a cooperation agreement (MoU) with ENTSO-E in order to structure the cooperation on drafting network codes and related activities.

In this agreement, the two associations have stated their willingness to generally cooperate from equal to equal, with a result-driven, consensus-seeking, and full system view. This cooperation will materialise in regular meetings (also on the Board level), the creation of joint task forces with a balanced representation of TSO and DSO experts, and an alignment of their annual work programmes on shared priorities.

WE WILL KICKSTART DSO TSO COOPERATION

Both from the mandate in Regulation EU 2019/943 and as a basis for successful design of qualitative Network Codes it is clear that **close co-operation between DSO and TSO is key**.

We will kickstart DSO TSO cooperation on various tracks:

- Work jointly on **Network Codes** as requested by EC (refer to previous chapter), like:
 - NC Cybersecurity
 - NC Distributed flexibility (start announced by EC)
- Initializing the activities as mentioned in the **MoU** (including first TSO/DSO-Annual Program)
- Install a **Board Committee** on TSO-DSO co-operation
- Setting up an expert group on **TYNDP Joint Scenario Building**
- Setting up a project group working towards a joint **knowledge sharing event August 2022**

Launch of Expert Group TYNDP (Ten Year Network Development Plan) will enable closer cooperation on joint scenario building

Since the publication of the European Green Deal (2019), it has been envisioned that DSOs will be more closely involved in the ENTSOs' TYNDP scenario building, from the perspective of system operators. In a changing energy system that becomes more decentralised, with variable renewable energy sources and new loads connecting primarily at distribution level, a joint approach to scenario building is needed.

In the conclusions of the 2019 Copenhagen Forum, the European Commission asked both the ENTSOs as well as the DSO associations to develop a common roadmap towards scenario building and coordination principles.

DSOs are committed towards a more coordinated network development planning between TSOs and DSOs, as required in Article 57 of the Regulation 2019/943.

From this perspective DSO Entity will install an Expert Group TYNDP. In close cooperation with ENTSO-E the following issues will a.o. be covered:

- Clear definition of objectives of TYNDP
- Coordination mechanisms between DSO-TSO scenario planning
- Integrated view on conditions and assumptions on economic and technical domain, acknowledging differences between DSOs and TSOs and differences between Member States
- Granularity of scenarios for general picture of European infra investments
- Project cost benefit analysis and project selection

*The Forum agrees on the need to strengthen the interlinkage between DSOs and TSOs on coordination and grid planning in gas and electricity. The Forum acknowledges that **a good cooperation between the TSOs and DSOs is based on mutually respecting each other's responsibility and tasks**, will allow a proper dimensioning and use of the system flexibility. Future EU DSOs entity for electricity and gas would further facilitate the cooperation. **The Forum invites the ENTSOs and the DSO organisations to further elaborate on this topic and present a concrete roadmap, starting with the scenarios building and coordination principles, for the TSO-DSO cooperation in grid planning included possibly in the next ENTSOs' TYNDPs. The Forum invites the ENTSOs and DSO organisations to present the outcome of the exercise in the next Forum.***

[Conclusions of the 2019 Copenhagen Forum]

3.3 Sharing best practices

We will investigate options for knowledge sharing in four streams

The best road to both generate and implement effective network codes is an interactive way of **knowledge sharing**.

During 2022, DSO Entity will set the first steps in promoting and facilitating the sharing of knowledge among the members. Sharing of knowledge will also strengthen the European network of DSOs. Building on our platform way of working, DSO Entity will start with several forms of knowledge sharing to see what form fits the members.

This will be done by using **project teams** as a flexible and light structure to do work with members and experts on certain projects and events, e.g. for knowledge sharing (reinforcing engagement). **Project teams** will be set up for a specific task and a specific time, normally rounded-up with an event/webinar.

As a starting point, we envisage a range of different formats, ranging from well prepared, in-dept, low frequency to light and high frequency:

DSO radar report:

Delineates topics and trends in the energy transition relevant for DSOs. Providing insights on upcoming events and relevant developments. Well prepared, in-dept, 1-2 times a year.

Knowledge sharing events:

Well prepared 1-day events on specific topics. Presentations and panel discussions among members (potentially: external stakeholders)

Well prepared, in-dept, 2-4 times a year

Expert tables

Topics can be requested by members.
6-12 times a year

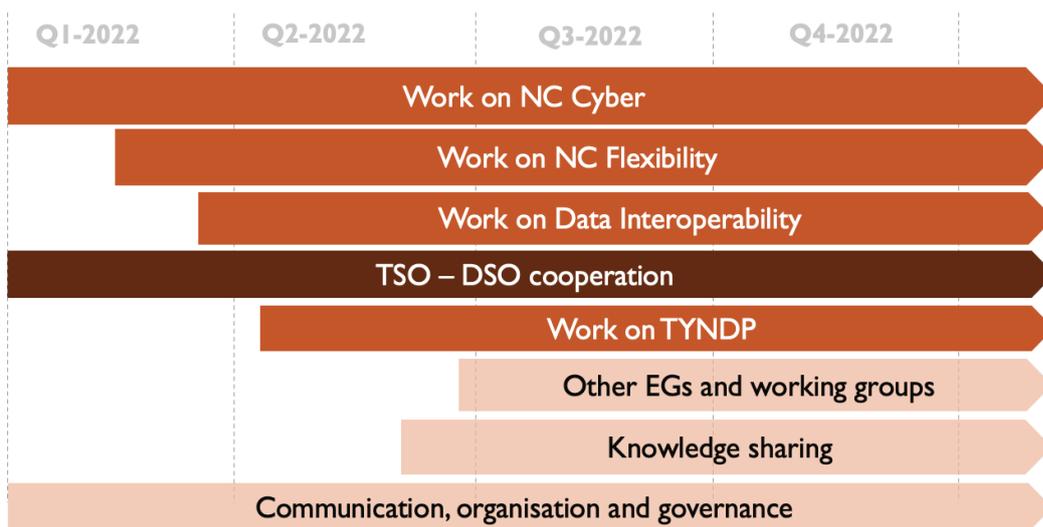
Ask a friend/Help a friend

Possibility to post questions and answers in a digital forum

We will start by initiating knowledge sharing regarding network codes. Doing this we will closely monitor the member's wishes and adapt our approach.

3.4 Summarising overview and timeline

All in all, it can be concluded that DSO Entity faces a focussed but challenging programme in 2022 and beyond. Naturally, an adequate organisation must be built at the Secretariat to facilitate that. Hence, a phased approach will be taken, in which organisational development and growth of activities are carefully synchronised.



Appendix to Annual Plan 2022

DSO-related developments to be monitored

This Appendix gives an overview of the European legislative and other developments with relevance for DSOs.

2020 (legislative process still pending*)

E-Privacy Regulation (from 2017): *E-Privacy Regulation on the use of electronic communications services within the EU repealing Directive 2002/58/EC*

- DSO: personal data & e-communication - need for exemption for smart meters

TEN-E Regulation: *Proposal for a regulation setting guidelines for trans-European energy infrastructure and repealing Regulation (EU) No 347/2013*

- DSO: Definition of requirements for projects of common European interest; funding possibilities for smart grids projects

NIS II Directive: *Proposal on measures for a high common level of cybersecurity across the Union, repealing Directive (EU) 2016/1148*

- DSO: Rules for critical entities (incl. energy) regarding cybersecurity risk management measures and reporting obligations

Critical Entities Directive: *Proposal for a directive on the resilience of critical entities, repealing Directive (EU) 2008/114*

- DSO: Rules and obligations for critical entities (incl. energy) in a broader security sense (cyber, catastrophes, crime etc.)

- 2021 (legislative process still pending)

AI Regulation (February): *Proposal for a regulation laying down harmonised rules on artificial intelligence*

- DSO: relevance for high-risk AI-applications

CSRD Directive (April): *Proposal for a directive as regards corporate sustainability reporting (Taxonomy related)*

- DSO: Sustainability reporting standards – sustainability / funding of grid depended on connected source

Fit for 55 package, Part I (July): *Proposal of 13 legislative files on climate and energy*

- DSO: key-files are the Renewable Energy Directive, Energy Efficiency Directive, Alternative Fuels Infrastructure Regulation (replacing Directive No 2014/94)

Fit for 55 package, Part II (December): *Proposal of three files on gas/hydrogen, methane-emissions and the energy performance of buildings:*

- DSO: creation of a DSO Entity for gas and its integration in DSO Entity, integrated network planning

2022 – (Expected) Legislations

Data Act (February): Proposal of regulation:

- DSO: Possibly new data sharing requirements (B2B, B2G).

F-Gas Regulation (Q2): Review of the regulation (EU) No 517/2014 on fluorinated GHG:

- DSO: Possible prohibition of SF6 switchgear.

Action plan for the digitalisation of the energy system (Q3):

- DSO: possibly new requirements for interoperability, cybersecurity, data provision/consumers, creation of a common energy data space → connex to IA data interoperability.

EU Cyber-resilience Act (Q3):

- DSO: affected by intention to establish common standards for cybersecurity products.

The Fit for 55 Package

- Fit for 55 package parts I and II intend to increase the European energy targets and to streamline the policy measures in accordance with the new goal of climate neutrality by 2050.
- Primarily indirect impact for DSOs whilst DSOs will be the technical enablers of the EU's vision of a more decentralized, decarbonised and digitalised energy system.
- But also, direct impact from specific references to energy efficiency and suggestion to install a similar entity for gas, possibly to be integrated in DSO Entity.

Renewable Energy Directive (RED III)

Review of the Directive (EU) No 2018/2001:

- New obligation for DSOs to provide near real-time information on RES and GHG-intensity in grid for every bidding zone (Art. 20a).
- Obligation of smart, bi-directional charging functionalities in all private e-charging stations (Art. 20).

Energy Efficiency Directive (EED)

Recast of the Directive (EU) No 2012/27:

- Several uncertainties in wording in Art. 25 (2,3,7), e.g. "no investments in stranded assets", "need to reduce network losses", "reliance on energy efficiency rather than overall efficiency as primary target criterion for network infrastructure".

Regulation on the internal markets for renewable and natural gases and for hydrogen

Review of the regulation (EU) 715/2009 and the Directive No 2009/73/EC:

- Creation of a DSO Entity for gas and its integration in the EU DSO Entity, integrated network planning (Art. 36-38).

New Alternative Fuels Infrastructure Regulation (AFIR):

Proposal of regulation replacing Directive (EU) No 2014/94:

- Relevance of DSOs in successful e-mobility roll-out still underestimated (although mentioned).
- Obligation of smart, bi-directional charging functionalities in all public e-charging stations (Art. 5(7-8)).

Energy Performance of Buildings Directive (EPBD):

Recast of the Directive (EU) 2010/31

- New requirements for the installation of e-charging points in buildings (Art. 12).

The timeline below gives an overview of DSO-related developments in the years to come

