European Commission

SGTF – EG3
Expert Group 3
Regulatory issues

Manuel Sánchez, Ph.D
Team Leader Smart Grids
Directorate General for Energy
European Commission

SGTF - Steering Committee meeting
2 April 2014

EG3-Proposed PoW

European Commission

	WP I	WP II	WP III
	Flexibility	Regulatory and commercial arrangements	Incentives, mechanism & structure
Issues:			
Topics to cover:			
Deliverables:			

"Regulatory and commercial challenges of smart grids in energy markets"
To be structured into three sequential phases

WP I

WP II

WP III

?

Proposed PoW

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Regulatory and commercial challenges of smart grids in energy markets

Flexibility

- System services needed and consumer opportunities/requirements
- Potential flexibility and best practices for system and consumer segments
- List of products and services per consumer segments

Regulatory and commercial arrangements

- Evolution of regulatory activities and competitive markets and services
- Roles & responsibilities of stakeholders vs. commercial and regulatory arrangements
- Description and design of new products and regulatory challenges

Incentives, mechanisms and structure

- Uncertainly for investors, limited transparency of investments and general misunderstanding of smart grids
- Topics to cover and deliverables to be defined

Objectives

The final EG3 report will focus on identifying and analysing the issues per topic, drawing concrete conclusions and providing clear regulatory recommendations.

Process

- EG3: Providing input and reviewing drafts
- ET: Processing input + issuing new drafts and Overall responsibility for delivering the final report
- Approval of report by EG3 on consensus basis
- The report will build on existing studies and material available, an initial document reference list is available
- Potential recommendations will be included in each chapter, this will be finalized after the completion of all 3 chapters

Implementation

Duration: 2014

Structure:

- Editorial Team: 2 Commission + 6 rapporteur

Flexibility	Dora Guzeleva (CEER)	Peter Hermans (CEDEC)
Commercial arrangements	Gunilla Abdrant (CEER)	Jessica Strombach (SEDC)
Incentives	Werner Friedl (CEER)	Gunnar Lorenz (Eurelectric)

- 40 Experts from industry (2 each member)

Key dates

	Date	Team	Agenda
15th	January	ET	Kick off of ET: structure and responsibilities; general time table
5th	February	EG3/ET	Kick off EG3 overall: agreeing on objectives, table of content & process; kickoff flexibility chapter
19th	February	EG3	Input from EG3 members on flexibility chapter
5th	March	ET	Issue of first release of flexibility chapter
19th	March	EG3	Input/comments of EG3
2nd	April	ET	Issue of second release of flexibility chapter
16th	April	EG3	Input/comments of EG3
16th	April	ET	Status update & next steps on flexibility chapter; launch structure of commercial & regulatory arrangements
30th	April	ET	Issue of third release of flexibility chapter (final draft)
7	May	EG3	Final comments from EG3 on final draft of flexibility chapter, as input for 14th May meeting
14th	May	EG3/ET	Final draft discussed on flexibility, Kick off of commercial & regulatory arrangements
2nd	July	ET	Status update & next steps on commercial & regulatory chapter; launch structure of incentives
3th	September	EG3/ET	Final draft discussed on commercial & regulatory arrangements, Kick off of incentives
5th	November	ET	Status update & next steps on incentives chapter
15th	November		Final draft report ready for circulation in EG3
17th	December	EG3/ET	Final meeting; Final approval of the report & recommendations of EG3

Chapter 1: Flexibility

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Section 1: Introduction	❑ How flexibility can achieve overall efficiency of the grid and active consumer participation
Section 2: Definition	❑ Adoption of Eurelectric (Jan 2014) definition of flexibility with linkages to DSR, DSM, DR and Storage
Section 3: Rational	❑ Flexibility can help match supply and demand in a more complex energy system (increase in renewables, peak demand, variable generation)
Section 4: Flexibility services	❑ Description and matching analysis of users (and their requirements) and providers (and the services they can offer) of flexibility services, investigation of 'enablers'
Section 5: Value of flexibility	❑ CBA of flexibility and investigation of how to share benefits across the value chain
Section 6: Maximising the value	❑ Examination of principles, processes, pricing/tariff structure and technology and standards in order to assess potential barriers
Section 7: Conclusions	❑ Comprehensive description of the future state
Section 8: Recommendations	❑ Initial recommendations on flexibility

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http://ec.europa.eu/energy/index_en.htm

http://ec.europa.eu/energy/gas_electricity/smartgrids/taskforce_en.htm