



Brussels, 03.11.2010

TO THE MEMBERS OF THE TASK FORCE FOR SMART GRIDS

Subject: Meeting minutes from the 6th meeting of the Steering Committee of the Task Force for Smart Grids

The sixth meeting of the Steering Committee of the Task Force on Smart Grids took place in Brussels on 27 October 2010.

Main conclusions:

1. Expert Group 3 (EG3) to continue to discuss throughout November and December the need of new legislation for regulating Smart Grid deployment. Preliminary report on the scope and design of the possible legislation will be delivered by end 2010. Report likely to focus on retail market issues and consumer protection.
2. Expert Group 1 (EG1) to complete the analysis of functionalities for smart meters from the perspective of Smart Grids. Functionality No. 5, enabling communication with individual devices in the home/building, should not be applied automatically from the perspective of Smart Grids. Expert Group 1 will revise its draft report on the basis of these recommendations. In addition to this work, the EG1 will continue to work on its input to a single draft mandate together with the EG2 and Joint Working Group of CEN/CENELEC/ETSI by the end of 2010.
3. Expert Group 2 (EG2) will continue to work on the regulatory recommendations for data handling and protection issues, exploring what changes will need to be made to the current legislative framework. A set of deliverables is planned from November 2010 to March 2011. In addition to this work, the EG2 will continue to work on its input to a single draft mandate together with the EG1 and Joint Working Group of CEN/CENELEC/ETSI by the end of 2010.
4. Creation of Expert Group 4 – Smart Grids for Gas. Interested participants should contact the Commission before middle of November. Draft report to be submitted by late March and a final report by early June 2011.
5. All the Task Force members to contribute to the cost/benefit analysis launched by the Commission. The Commission will distribute a template asking for results and lessons learned of previous and ongoing Smart Grids projects. A progress report will be prepared for the next meeting.

The meeting was opened by Mr. HILBRECHT (Dir B, DG ENER). Two new Steering Committee members (ESNA and European Association of Electrical Contractors) were welcomed. An updated Steering Committee member list is in Annex 1. The list of participants is in Annex 2.

1. Approval of the agenda for the 6th meeting

The agenda of the meeting was approved with minor change of order of the points. Mr. Kapetanovic presentation on the EG3 results was delivered before the presentations of EG 1 and 2. Agenda of the 6th meeting is attached as Annex 3.

2. Approval of the minutes for the 5th meeting

CEDEC signalled disagreement with the distinction between private and technical data and page 4 of the minutes were adjusted and adopted accordingly. Final minutes from the 5th meeting are attached as Annex 4.

3. Presentation of deliverables of the Expert Groups

Each of the Expert Groups has sent their final deliverable, agreed within respective Expert Group based on comments received since June 2010. The three final deliverables were distributed with the agenda (see Annexes 5, 7 and 9). Chairman of each expert group presented the draft report, agreed within respective Expert Group.

3.1. Expert Group 3 (EG3)

Tahir KAPETANOVIC (ERGEG) presented the outcomes of EG3 that focuses on the roles and responsibilities of actors involved in the Smart Grid deployment. Mr. Kapetanovic informed that EG3 has contributed to the work of Joint Working Group of CEN/CENELEC/ETSI on Smart Grid standards. Mr. Kapetanovic further explained that initial template for evaluation/cost-benefit analysis has been revised and includes now all relevant actors. List of criteria has been modified slightly in order to simplify them. Comments from the Netherlands, BEUC and from the European Association of Electrical Contractors were recently received and will be taken onboard at the next revision. The EG3 should submit a final document by mid December. The contributions and comments from other Task Force members should be sent by the end of November at latest.

However, this document will not contain final results of the discussion on whether any new legislation for regulating Smart Grids deployment is needed. The discussion on this topic will take place in November and December. By end of 2010 EG3 will provide preliminary suggestion on the scope and design of the possible legislation. Mr. Kapetanovic explained that the proposal is likely to focus on retail market issues and consumer protection. Other aspects can possibly be addressed through Future Framework Guidelines and Network Codes. EURELECTRIC, referring to a recent ERGEG position paper, called on EG3 to focus on regulatory incentives for Smart Grid investments and to clearly distinguish between network regulation and retail market regulation. ERGEG expressed willingness to take other comments onboard, provided that they are submitted in writing by the end of November, at latest.

Mr. SANCHEZ (EC, DG ENER) informed about the ongoing work with the Commission's Joint Research Center (JRC) on establishing a cost-benefit analysis in which EG3 input will be used. An interim report will be ready by December and then the

final one submitted in February 2011. Mr. SANCHEZ called on the Steering Committee members to contribute to this report by submitting results of previous and ongoing Smart Grid pilot projects. A specific request and template for collecting contributions will be sent to the Steering Committee members during the next few days. Contributions, comments and suggestions from the Task Force should be sent to JRC and the Commission before the end of November.

3.2. Expert Group 1 (EG1)

Substituting Mr. DOULET, Mr. VILLA from the ERGEG presented the outcomes of the EG1. Almost all comments received from different stakeholders were incorporated into the June 2010 report version. A revised version will take onboard comments from CENELEC (asking for the inclusion of description of the recent created Joint Working Group of CEN/CENELEC/ETSI on standards for Smart Grids), CEDEC (regarding the definition of metering operator), CECED (change in wording on additional functionalities) and BEUC (suggestion to make reference to its report). In general, consensus was achieved for a definition of Smart Grids, for the definition of six high level services and their functionalities.

Mr. SANCHEZ and DG INFSO representatives informed that functionality 5 (communication with individual devices in the home/building), as defined for smart meters, should not be applied automatically to the Smart Grids. Adding such functionality to Smart Grid entails risks of foreclosing the "home devices/end user" market. Smart meter functionalities should be analysed from the Smart Grid point of view. Against this background, EG1 agreed to review its report so that it can be adopted by the next Steering Committee (17 December).

In addition to the above, Mr. GUISE (Schneider) reported on progress work for the EG1 contribution to the mandate for standards (Annex 6). The EG1 will continue to work on its input to a single draft mandate together with the EG2 and Joint Working Group of CEN/CENELEC/ETSI by the end of 2010.

3.3. Expert Group 2 (EG2)

Mr. HYLDMAR presented the outcomes of the EG2. He welcomed the comments from the stakeholders and the cooperation that was initiated with the European Data Protection Supervisor (EDPS). A formal meeting between EG2-Chairman and EDPS should be organised within shortly by the Commission. DIGITALEUROPE welcomed the involvement of EDPS as well as the reference to "Privacy by Design". References to specific MS solutions should not feature in the report, according to ESMIG. Final EG2 document will be submitted within the first two weeks of November 2010 so that it can be adopted by the next Steering Committee (17 December).

EG2 will continue to work on the regulatory recommendations for data handling and data protection issues, exploring what changes will need to be made to the current legislative framework. A set of ten deliverables are planned from November 2010 to March 2011 (Annex 8).

In addition to this work, Mr. HYLDMAR explained that EG2 will continue to work on its input to the draft mandate for standards (also in Annex 8). EG2 needs to ensure that their contribution to the mandate is in line with the M441, other areas of standards (e.g. ICT, banking) and take into account the work done around the world, particularly in US.

EG2 input will then be merged with the EG1 contribution and present a single draft mandate by the end of 2010. Close collaboration between EG1, EG2 and the Joint Working Group of CEN/CENELEC/ETSI will be ensured in order to exploit synergies and avoid duplication of work.

3.4. Expert Group 4 (EG4)

On the initiative of EUROGAS and MARCOGAZ, a new Expert Group -EG4- was created. EG4 is to deal with smart grid aspects related to gas (Annex 11). The Task Force welcomed the initiative, acknowledging that gas sector requires different approach and set of rules. EG4 will deliver its draft report by late March 2011 and a final report early June 2011.

Mr. Jos DEHASELEER has been named EG4 chair. Following similar procedures as for the creation of previous Expert Groups, interested members were asked to contact the Commission and the EG4 Chairman before middle of November and propose experts. ENTSO-G and COGEN already declared their interest to join this group.

4. Information from the Commission and Conclusions

M. SANCHEZ informed about the cost-benefit analysis launched together with the Joint Research Centre (JRC). The study will take stock of results of SET-Plan Information System (SETIS, <http://setis.ec.europa.eu/>) and use the expected services and functionalities defined for Smart Grids under the Task Force for Smart Grids. The study should deliver:

1. qualitative/quantitative analysis of past and currently running pilot projects;
2. comparative assessment of cost/benefits for each Smart Grid's user;
3. assessment of data protection and data security issues.

He asked all participants in the Task Force to contribute with results from other studies, data from previous/running projects, lessons learned, etc. A template will distribute in a few days to collect data and information before end of November.

He further informed about the outcomes of the London Forum and the Smart Grid information day for the Member States in which Member States agree on the need of setting technical standards and support revision of the existing legislation.

Mr. HILBRECHT informed about the fact that Smart Grids will feature among the priority initiatives in the Commission's Work Program for 2011. He further informed about the forthcoming Infrastructure Package due to be published on November 17 and follow-up in 2011.

Next meeting

Next meeting is taking place in **Brussels on 17 December 2010, from 10:00 to max. 13:00**. Deliverables of each Expert Groups should be distributed in advance.

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