

## **EURELECTRIC believes that the Commission Communication on Smart Grids addresses the main regulatory elements currently hampering the implementation of smart grids**

- **Investments must be delivered**
  - Appropriate regulatory incentives should be put in place for investments
- **New market models (including new contractual agreements) should be developed and build on clear roles and responsibilities**
  - Supplier as major point of contact to customer
  - DSO as neutral market facilitator
- **Customers must be engaged in the market**
  - Privacy and data confidentiality should be ensured
  - End-user price regulation should be removed: customers need to become aware of the value of (shifting) their consumption

**EURELECTRIC considers that missing incentives in national regulation are slowing down DSOs in their smart grid investment efforts. This should be addressed.**

**Our recommendations:**

- **Regulatory models applied to DSOs must be revised.**
- **They should create incentives for efficient delivery and must provide DSOs with the necessary financial resources to invest in R&D, demonstration and implementation of smart grids**

***This is the result of a EURELECTRIC report on Regulation for Smart Grids which has been published in February 2011***

## EURELECTRIC supports the idea of asking Member States to develop action plans on Smart Grids

- This is an adequate and proportionate tool which acknowledges that the need for intelligence will largely depend on the existing conditions of the current European distribution grids.
- EURELECTRIC recently published its Roadmap “10 Steps to Smart Grids in 10 Years”. The document provides a common guidance to Member States on Smart Grids Deployment; a sound basis for their action plans.

