

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.**

