

Reflections on Energy Storage

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- Holistic approach to support market flexibility is needed; not exclusive to DSOs
- DSOs to procure flexibility, not to operate or own it
- DSOs should be required to act in a non-discriminatory manner when procuring and using flexibility
- CEER divides the models enabling DSOs to access flexibility into four categories:
 - ▶ Rules-based Approach: codes and rules, which impose detailed flexibility requirements
 - ▶ Network Tariffs: tariff structures may be designed to encourage network users to alter their behaviour for a more efficient use of the distribution network
 - ▶ Connection Agreements: DSOs could reach arrangements with new customers for the provision of flexibility
 - ▶ Market-based Procurement: DSOs can explicitly procure flexibility that benefits the grid services from the market



Barriers to be Overcome: Recommendations and Future Work

- Barriers to the use of flexibility that should be overcome:
 - ▶ Customers should be more deeply involved: communicate/educate customers, engage them on why flexibility is needed
 - ▶ Lack of incentives: Framework should incentivise DSOs/TSOs and customers
 - ▶ Lack of smart meters and the ability to measure the amount of flexibility being used
- Key recommendations on regulation:
 - ▶ The regulatory framework for DSOs should be non-discriminatory and not hinder or disincentivise DSOs from facilitating flexibility
 - ▶ The regulatory framework should enable the development of a full range of flexibility services while ensuring that it delivers the best outcomes for consumers
 - ▶ All sources of flexibility should be treated in a non-discriminatory manner by network operators; regulatory incentives should be technologically neutral
- CEER future work:
 - ▶ Public Work Programme 2019 to go to public consultation in June
 - ▶ Flexibility Use at Distribution Level, a CEER Conclusions Paper
 - ▶ CEER Report on Smart Technology Development

