« The evolution of the electricity grid within the energy transition »

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The distribution networks: At the heart of the energy transition

- Integration of 95% of renewable installations
- Integration of new uses like Electric Vehicles
- Development of smart grids
- Digitalisation and smart meters
A huge need of investments in energy sector

European Commission: «*Energy infrastructures will need almost 1,1 billion € in the next decade*»

- 500 bn € for Generation
- 400 bn € for Distribution networks
- 200 bn € for Transmission networks

The networks represent the biggest part of the needs
The multiple needs of the networks

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- Contribution to the economic growth
- Modernisation and better quality
- Replacement of infrastructures
  - Energy security of supply
  - Achievement of European Energy Policy
- Energy transition and digitalisation
  - Smart grids and smart meters
  - Consumer empowerment and protection
- Promotion of European innovation

Promotion of European innovation
What are the barriers to investment?

Too many actors, not well coordinated:

- Regulators (governments, TSO’s, Independant regulators, etc.)
- Decentralised Political authorities (Europe, States, Regions, municipalities, etc.).
- Transport system operators, Distribution system operators

Therefore, the investments imply:

- Regulatory evolution to reduce capital costs and risk premium
- To improve coordination for better economies of scale and efficiency
- New fundings (ie: the Juncker Plan)

There is a need for an evolution in regulation:
more stabilization and visibility, new incentives, securing tariffs
What can we do to secure and optimize investments in networks?

**ACTIONS**

- Support cross-boarders cooperations
- Promote regulatory coordination
- Reintroduce long-term perspective to funding
- Pool the European efforts of R&D and smart grids
Focus: the opportunities for distribution networks

→ Encourage cross-border cooperation between distribution system operators.

→ Interconnect the pioneers of local energy governance. Create a European Forum of the territories.

→ Pool the European efforts of R&D with respect to smart grids.

→ Create a European energy data platform.

→ Map out European corridors for innovative mobility.

→ Establish a Europe Energy College.
The Winter « Clean Energy » Package

On 30th November 2016, the European Commission published the Winter « Clean Energy » Package on Energy Union, which:

→ Acknowledges the role of DSOs as important actors at the heart of the energy transition

→ Associates DSOs as key players in the European governance, through the introduction of a European Entity for DSOs

→ Affirms the importance of distribution networks reinforcement

→ Instructs DSOs to own, develop, manage or operate recharging points for electric vehicles

→ Approves DSOs as neutral data managers