



## **Moving towards the creation of the EU DSO Entity: statutes submitted for approval to ACER and European Commission**

On 24 June 2020, the statutes, containing the governance rules of the EU DSO Entity, were formally submitted to the Agency for the Cooperation of Energy Regulators (ACER) and to the European Commission.

The Electricity Regulation (Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity) establishes a new European body for DSOs at EU level the so-called "EU DSO Entity". It is intended to be an expert entity working for the common Union interest and to increase efficiencies in the electricity distribution networks in the Union while ensuring close cooperation with transmission system operators (TSOs) and the ENTSO for Electricity (ENTSO-e). Notably, the EU DSO Entity will be a genuine counterpart to ENTSO-e on the drafting of EU regulation in the form of Network Codes affecting distribution matters.

The creation of the EU DSO Entity is warmly welcomed by the DSOs, which are taking centre stage in the energy transition that couples decentralisation and digitalisation with decarbonisation. This meaningful step contributes to the coordinated planning and operation of distribution and transmission systems in the electricity sector.

The governance of the future EU DSO Entity will have to take into account the large number and diversity of electricity DSOs in the European Union: more than 2500 with substantial differences in scale, scope, shareholder type and activity portfolio.

Within two months of receipt ACER shall provide an opinion to the European Commission on the statutes and accompanying documents. On this basis the European Commission will deliver its own opinion within the three following months.

The DSOs and the European associations that represent them, are now eagerly awaiting the opinions of ACER and the European Commission to finalise the creation of the EU DSO Entity. The Entity is expected to become operational by spring 2021.