

## CEDEC Brief News—June 2020

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CEDEC highlights: Florian Bieberbach re-elected as CEDEC's Chairman, publication of 2019 Annual Report, and EUSEW event on district heating and cogeneration

On 24 June, in occasion of the (first-ever virual) General Assembly, Dr. Florian Bieberbach has been re -appointed as CEDEC's president. In his role as CEO of Stadtwerke München (SWM), Dr. Bieberbach has been promoting a sustainable model of local energy company, which will certainly inspire CEDEC's strategy on the growing role of local and integrated energy companies in the energy transition.

On the same occasion CEDEC presented its 2019 Annual Report. For more reading and downloading the report, please follow the link <a href="here">here</a>.

On 18 June, CEDEC together with the European Covenant of Mayors and COGEN Europe organised a EU Sustainable Energy Week <a href="event">event</a> on district heating & cogeneration. You can (re)watch the event <a href="here">here</a>.

#### VIP of the month: Valdis Dombrovskis

Former Prime Minister and Minister of Finance in Latvia, former MEP and former European Commissioner for the Euro and Social Dialogue, Valdis

Dombrovskis got promoted to Executive Vice President of the European Commission for "An Economy that Works for People". A resounding work title that should have been taken as a premonition. In fact he ended up also in coordinating Commission's economic response to the Coronavirus pandemic. So to speak, the future for Mr Dombrovskis will be mainly shaped by designing mechanisms to support European post COVID-19 economy recovery, endless tug-of-war between loancountries and grant-countries to allocate the €750billion bill, and taxes' math explanations. He might need a more optimistic attitude than the one inspiring the following quote: Coronavirus has hit us like an asteroid and left a crater-shaped hole in the European economy".

# Clean Energy Package implementation: Statutes for EU DSO Entity submitted for approval to ACER and EC

The <u>Electricity Regulation (EU) 2019/943</u>, provides that European electricity distribution system operators (DSOs) shall establish an entity of DSOs, and describes precise governance rules. CEDEC, together with the other three EU associations representing electricity DSOs, has worked intensively since more than a year to draft the principle governance rules and procedures of the future EU DSO entity, : the four required deliverables have now been submitted to ACER and the Commission on 24 June.

#### **COVID-19: Adjusted Work Program 2020**

On 27 May the EC has published its <u>adjusted Work Program for 2020</u>, as part of the Recovery Plan for Europe and in response to the COVID-19 pandemic. During the crisis, the EC adopted numerous decisions to address the sanitary and socioeconomic emergencies, almost all of which were neither planned nor part of the <u>former version of its Work Program adopted in January 2020</u>. By adjusting the program, the EC intends to refocus its work and to prioritise actions needed to drive Europe's recovery and resilience, whilst the priorities set back in January remain fully valid. For those initiatives which are of priority for CEDEC, the planning remains unchanged. Beyond that, the following measures will be postponed to a later stage in 2020 or even to next year: European Climate Pact (to Q4 2020), Renewed Sustainable Finance Strategy (to Q4 2020), New EU Strategy on Adaptation to Climate Change (to Q1 2021), Empowering the consumer for the green transition (to Q2 2021) – as part of the European Green Deal – and follow-up of the White Paper on Artificial Intelligence – as part of A Europe fit for the digital age.

#### **Energy infrastructure: Upcoming revision of the TEN-E Regulation**

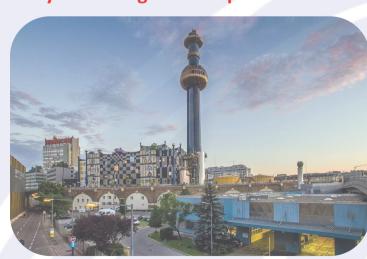
Within the process of revision of the current Trans-European Energy Networks (TEN-E) Regulation, the EC is working towards a legislative proposal by the end of 2020. The revision – which will look more precisely at the Projects of Common Interest (PCI) lists and infrastructure categories – shall ensure consistency with the climate neutrality objectives of the Green Deal and digitalisation priorities.

To gather views on the effectiveness and shortcomings of the current framework, the EC organised a series of stakeholder webinars in June. CEDEC, represented by Secretary General Gert De Block, took the voice of European local energy companies, explaining that the framework contradicts the developments in the European energy systems and the goal of the Green Deal. While more than 90% of renewable energy sources are connected to distribution grids, and TSO-DSO cooperation is more and more structurally addressed, these developments are not reflected in the current framework, with unreasonably low participation rates of DSOs in PCIs. This is due to the fact that the current rules and criteria have a strong TSO focus, requiring cross-borders impacts, the involvement of more than one Member State, making it almost impossible for local DSOs to participate in such projects. Other issues are the high administrative burden and language barriers which make it particularly difficult for smaller DSOs to engage. To speed up the energy transition, the rules need to be given a general overhaul: a shift of focus towards decentralised energy systems, system flexibility, digitalisation and the need to couple electricity, gas and heating, to ensure continued and cost-efficient security of supply.

Already in June 2019 the EC has launched a formal evaluation of the TEN-E guidelines, where CEDEC also engaged. A <u>targeted public consultation</u> is currently ongoing until 13 July.

### From our members: the Vienna Model – system integration in practice

Built on the six cornerstones developed by Wiener Stadtwerke back in the 1960s, the Vienna model today combines the use of waste heat from cogeneration, the generation of energy from 800.000 tonnes of municipal waste, 200.000 tonnes of sewage sludge and 100.000 tonnes of industrial and commercial waste per year, the use of industrial waste heat and the use of renewable energy sources, thereby guaranteeing the supply of electricity, heating and natural gas to around 1.4million customers and saving up to three million tonnes of CO2 annually by maximising efficiency. This model is supported by three different energy networks — gas, electricity and district heating — which guarantee an



optimal interaction between the various forms of energy. All technologies are connected to the networks and to each other, so that energy can be converted, stored or fed directly into the grid in a flexible way and when required.

#### Reading of the month

DG ENER – Towards an inclusive energy transition in the European Union:

Confronting energy poverty amidst a global crisis

global cris

# Ongoing consultations Public consultation on the building "Renovation Wave" initiative - deadline 8 July 2020

Public consultation on the review of the TEN-E Regulation – deadline 13 July 2020

Public consultation on the renewed sustainable finance strategy – deadline 15 July 2020

Public consultation on CEER 2021 Work Programme – deadline 31 July 2020

Upcoming meetings & events

