

CEER Training on the Growing Role of DSOs and DSO-TSO Cooperation

15 October 2019

CEER Office, Cours Saint-Michel 30a (5th floor), 1040 Brussels

DRAFT COURSE PROGRAMME

There are significant changes happening at distribution level in both gas and electricity in Europe such that the traditionally passive role of the DSO is increasingly no longer the case. The Clean Energy Package proposes new roles for DSOs. DSOs are also looking to enter into new activity areas and regulators will need to understand those areas and consider where regulation might be necessary. Regulators have a role in ensuring that DSO-TSO cooperation evolves in a beneficial way for energy markets and ultimately for consumers. Governance of how DSOs and TSOs interact and engage in network planning, as well as arrangements to facilitate effective coordination for system operation, including for flexibility, are the key regulatory concerns in this area.

This CEER tailor-made 1-day course will address the emerging and changing roles of DSOs, their potential new activities and how regulators deal with these changes to ensure market-based solutions and optimal and future-proof regulatory framework for DSOs. It will give an overview of the DSOs' roles in the Clean Energy Package. It will include how the cooperation between DSOs and TSOs has evolved and will evolve and the regulators' role in ensuring the proper governance framework and arrangement to facilitate effective coordination for network planning and system operation, including enabling flexibility. Practical experience on DSO-TSO cooperation in the gas sector and how to ensure the proper governance, balance between European vs. national regulation, local specificities and a whole-system approach will be presented and discussed.

Tuesday, 15 October 2019

10:30–17:00

WELCOME AND INTRODUCTION

10:30-10:45 Opening remarks, including why the growing role of DSOs and DSO-TSO cooperation are of growing importance for regulators and round-table introduction of the participants.

- **CEER Secretariat**

SESSION 1 THE GROWING ROLE OF DSOs AND THE REGULATORY FRAMEWORK

Given the changing and expanding role of DSOs, as well as their interest in entering new types of activities, regulators need to ensure market-based solutions and optimal and future-proof regulatory framework that work for regulating DSOs. In the Clean Energy Package, new roles are proposed for DSOs regarding managing flexibility and procuring non-frequency ancillary services and consultation for the development of network plans. The

regulatory framework and specific considerations for DSOs' activities such as data management, unbundling as well as incentives for DSOs to encourage innovation and improved system flexibility will be discussed in this session. Finally, there will be a forward-looking view to understand new services and associated activities that regulators will need to take account of.

10:45-11:30 New roles for DSOs in the Clean Energy Package, regulating DSOs in the new environment, including their new services and associated activities, the regulatory oversight framework at the European and national level.

- **Mr Manuel Sánchez Jiménez, DG Energy, European Commission**

Q&A

11:30-12:15 Facilitating the energy transition through network price controls – early thinking for RIIO-ED2.

- **Mr Christoph Alexander Gräfe, Ofgem**

Q&A

12:15-13:15 *Lunch Break – CEER Office*

SESSION 2 REGULATORY ARRANGEMENTS FOR DSO-TSO COOPERATION

The relationship between DSOs and TSOs has evolved and will continue to evolve in the future. In light of the changes occurring in the energy sector and in the electricity and gas sector, regulatory arrangements need to evolve in order to ensure efficient system solutions and the cooperation necessary to adapt to future changes in the sector. Practical experience on DSO-TSO cooperation in the gas sector and how to ensure the proper governance of how DSOs and TSOs interact and engage in network planning and system operation, balance between European vs. national regulation, local specificities and a whole-system approach will be presented and discussed.

13:15-14:15 Key aspects and challenges of the DSO-TSO relationship and practical approach to deal with those challenges.

- a) Key aspects of the DSO-TSO relationship
- b) Challenges for the DSO-TSO relationship in a changing energy landscape
- c) Cooperation and tasks of each stakeholders, how to deal with conflicts

- **Prof. Tomás Gómez, Universidad Pontificia Comillas**

Q&A

14:15-15:00 Group discussion on key aspects and challenges of the DSO-TSO relationship and practical approach to deal with those challenges.

- **Prof. Tomás Gómez, Universidad Pontificia Comillas**

15:00-15:15 Coffee break

15:15-16:00 How DSO-TSO cooperation works in the gas sector and how it should evolve to facilitate new gases in the system.

- **Ms Eva Hennig, Thüga**

Q&A

16:00-16:45 Practical experience on regulatory approaches to optimise DSO-TSO interaction.

- a) Governance arrangements
- b) Revenue recovery
- c) Network planning and optimal investment levels
- d) System operation and regulatory arrangements to encourage effective coordination

- **Lecturer tbc, NRA**

Q&A

16:45-17:00 Wrap-up of the course.

- **CEER Secretariat**

- END OF THE COURSE -