



COMMISSION
DE RÉGULATION
DE L'ÉNERGIE

CEER WORKSHOP ON DYNAMIC REGULATION

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Case study of using regulatory sandboxes to support innovative projects in France

French Energy Regulatory Commission / Natalia BAUDRY

METHODOLOGY ADOPTION PROCESS

- **Law of 8 November 2019 on Energy and Climate**

The administrative authority (Ministry of Energy) or the Energy Regulation Commission (CRE) can grant temporary exemptions (4 years, renewable once) to project leaders allowing them to derogate from certain provisions of the Energy Code.

The Ministry and CRE may, each in their respective areas of competence, grant exemptions from the conditions of access to and use of networks and facilities for the experimental deployment of innovative technologies or services in favor of energy transition and smart networks and infrastructures.

Limits: should not interfere with the proper fulfilment of the public service missions of the system operators or affect the security and safety of the networks or the quality of their operation.

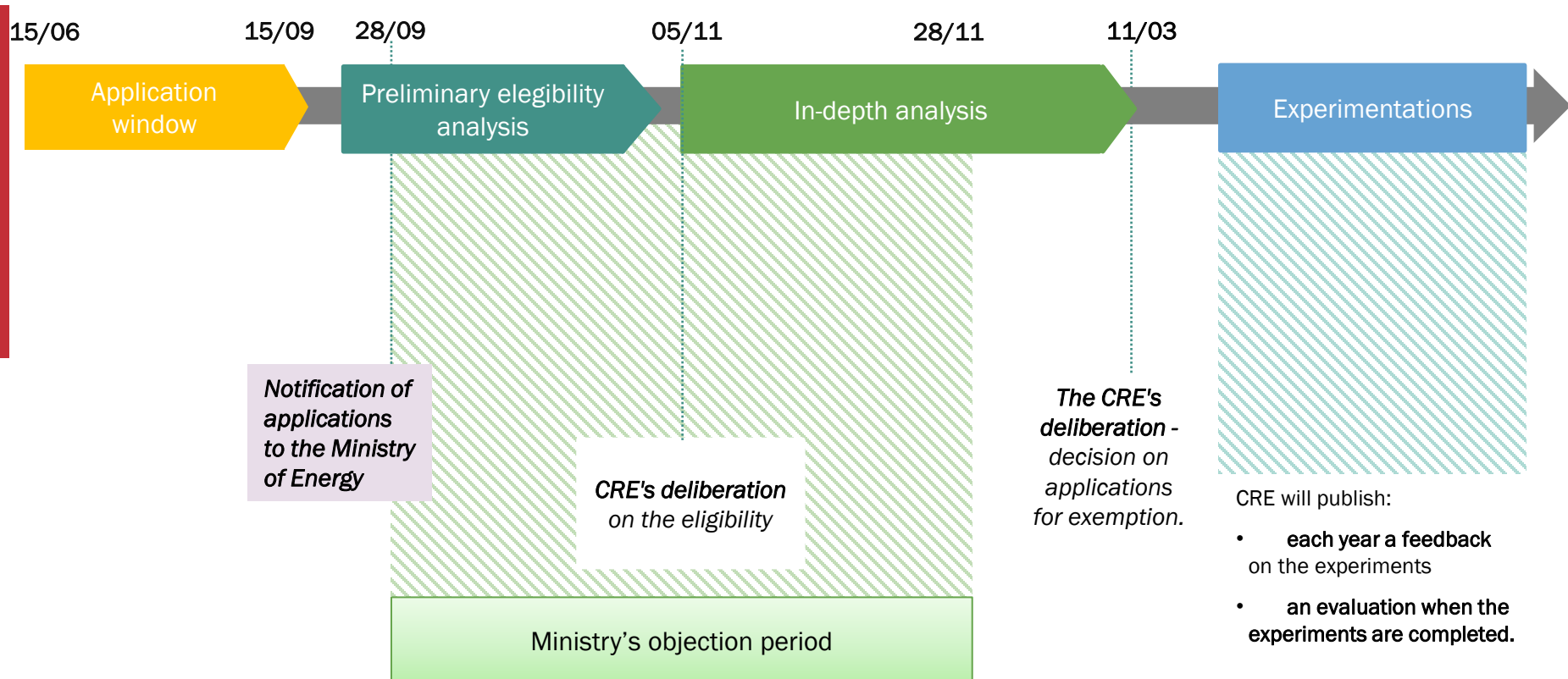
- **CRE deliberation of 4 June 2020 deciding on the implementation of the regulatory experimentation process provided by the Law on Energy and Climate**

Regarding eligibility criteria (cumulative), the projects must:

- contribute to the objectives of the energy policy defined in Article L. 100-1 of the Energy Code
- present an innovative dimension
- face a clearly identified legislative or regulatory obstacle
- present a potential for further deployment, in particular if the experimentation achieves its objectives;
- present a benefit for the community if the solution is ultimately deployed.

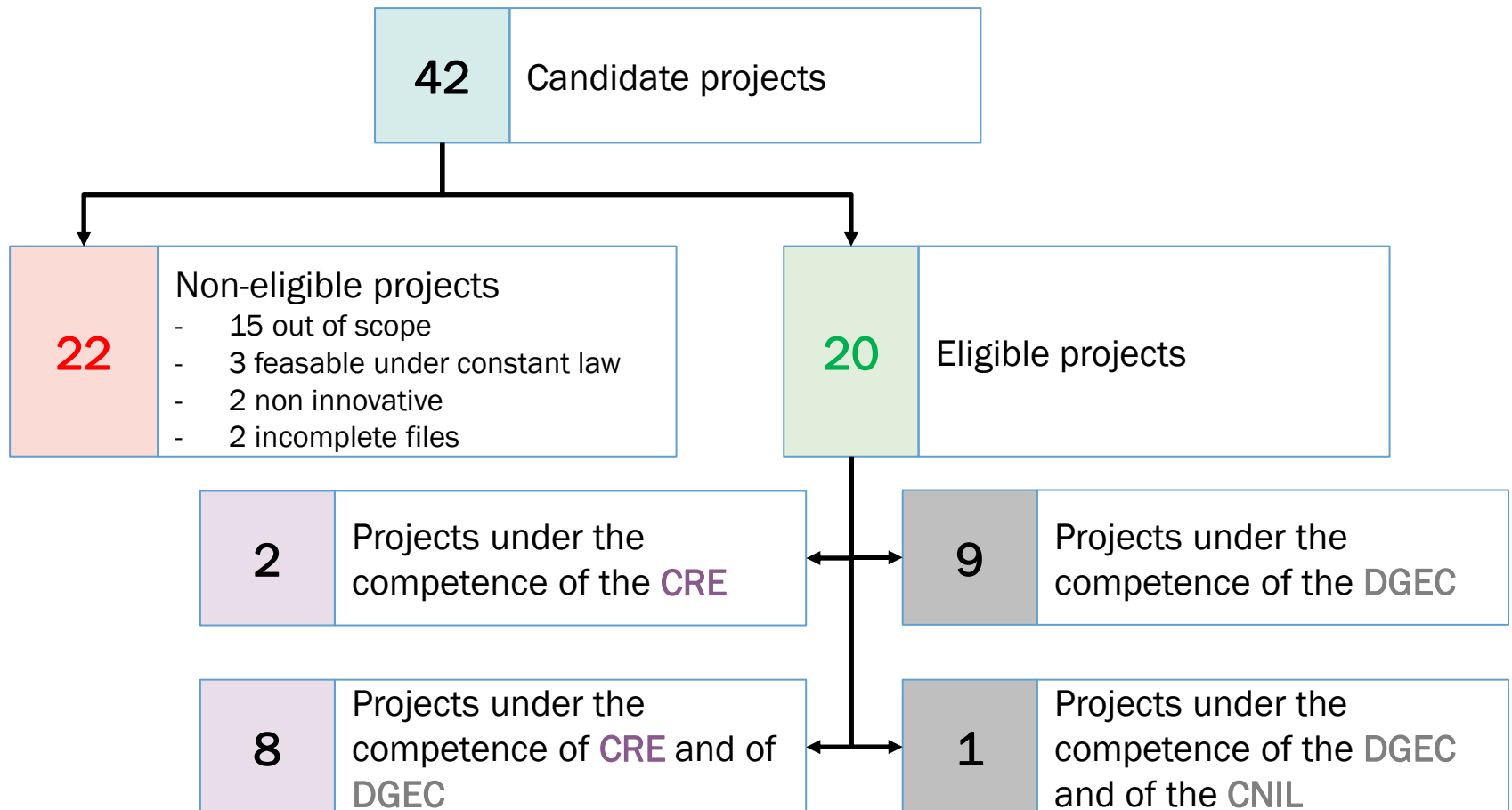
IMPLEMENTATION OF THE REGULATORY SANDBOX BY CRE

In detail, CRE's participation started according to the following agenda:



ELIGIBILITY ANALYSIS - SUMMARY

In a deliberation dated 5 November 2020, the CRE ruled on the eligibility of the applications with regard to the five criteria defined. The applications were then sent to the DGEC and the CNIL when they fell within their competences.



IN-DEPTH ANALYSIS - SUMMARY

CRE published in a deliberation of 11 March 2021 the conclusions of the in-depth analysis of the 10 projects falling wholly or partly within its competence. **9 of them have been granted a derogation.**

Project leader	Subject	Competent authority	Derogation
Company EDF SA	Derogation to facilitate the participation of storage systems in system services	CRE	Granted
Company ENGIE	Derogation to develop local flexibilities	CRE	Granted
7 gas projects	Injection of synthetic methane into the networks (in order to benefit from the same legal framework as biomethane)	CRE & DGEC	Partially granted (CRE)
Company Renault Energy Service	Derogation to facilitate the participation of storage systems in system services and enable on-board counting	CRE & DGEC	Non granted (CRE & DGEC)

REVIEW OF THE FIRST WINDOW

- CRE was pleased with the number and diversity of the players who applied for the scheme and that a variety of issues were addressed.
- It has favoured exchanges and linkages between different actors
- The first sandbox window allowed projects to emerge on three major issues for the future of the electricity system:
 - the participation of storage systems in system services (EDF, Renault);
 - the integration of electric vehicles into the electrical system (Plüm/Renault)
 - the use of data from advanced meters (Engie).
- The other projects selected by CRE during this first window will also make it possible:
 - to accelerate the development of power-to-gas, by allowing the injection of synthetic methane into the networks
 - the experimentation of an economic signal mobilising the flexibility of consumers to serve the local constraints of the distribution networks.
- CRE will assess, each year, the progress of the projects
- CRE will launch a new application window this summer

Useful links :

[Public consultation](#)

[First CRE's deliberation \(June 2020\)](#)

[Candidates' guide](#)

[2nd CRE's deliberation \(November 2020\)](#)

[3rd CRE's deliberation \(March 2020\)](#)

THANK YOU FOR YOUR ATTENTION