Interview Green Power Denmark (translatioN)

The power grid companies' commitment – our strength!

The EU's advisory body for electricity grid companies, DSO Entity, has gathered support from 900 electricity grid companies. A secretariat with ten employees coordinates input from members' experts so that the views of the power grid companies can be heard in Brussels – and the views are heard, states Secretary General Peter Vermaat from EU DSO Entity.

By Jesper Tornbjerg, Brussels

This summer, the European Commission launched new EU rules that harmonize access to meter and consumption data from millions of electricity meters from Finland and Sweden in the north to Greece and Spain in the south. The rules are welcomed by EU DSO Entity, which has over 900 electricity grid companies (DSOs) as members with a total of 250 million grid customers in the 27 EU member states, including Denmark.

DSO Entity emphasizes that the new rules, which are a consequence of an electricity market directive from 2019, have several purposes. In addition to guiding DSOs on data exchange, the rules must both protect consumers/self-producers and make them more active participants in the green transition, e.g. with the help of aggregators and participation in citizen energy communities.

- Digitization is essential to accelerate the transition, states Secretary General Peter Vermaat in an interview with Green Power Denmark.

Read more about the electricity market directive at EUR-Lex - 32019L0944 - EN - EUR-Lex (europa.eu)

Interaction between TSOs and DSOs

DSO Entity was established on the initiative of the EU Commission, which has for several years drawn on expert assistance from ENTSO-E, which has 42 European transmission companies (TSOs) as members. The commission's wish is to get stronger professional input from the local power grid companies when discussing meter data, network codes, cyber security, flexibility and other important topics for the development of a climate-neutral, reliable and economically efficient energy system.

DSO Entity, which was officially founded in June 2021, is expressly not a lobbying organisation: Political interest protection continues to take place under the auspices of, among others, Eurelectric.

The members are mobilized.

Green Power Denmark: What is your biggest success here after approximately the first two years?

- With member input as a sound base, I am quite excited about what we have achieved. We have become a trustworthy and relevant partner, says Peter Vermaat, who as administrative manager has been the prime mover for the development of the DSO Entity for almost two years.

Peter Vermaat points out that he and his now ten colleagues based in Brussels have mobilized many members, continuously provide concrete contributions to the legislative process in the EU and have a good collaboration with ENTSO-E.

- We convey views and analyzes via newsletters, events, website and LinkedIn. Everyone is welcome to follow along, reads the invitation from Peter Vermaat.

DSO Entity has a board that, among other things, counting admin. dir. Jens Fossar Madsen from Netselskaberne Cerius and Radius and director Kristian Tilsted from Netselskabet Elværk in Thy, and more than 160 expert professionals divided into six expert groups and a country network.

- The members' commitment is our strength. We are a member-driven organisation, where we make a point of sharing 'best practice' and drawing inspiration and expertise from all types of companies, says Peter Vermaat from DSO Entity, which has three categories of members: Small (up to 100,000 customers), between (100,000-1,000,000) and large (over a million).

Read more at Europe's electricity grid companies get a stronger voice | Green Power Denmark

The secretariat doubles in size

Green Power Denmark: You have 900 out of several thousand DSOs as members. How do you get more typically small online companies involved?

- In the EU countries there are approx. 2,200 DSOs, and if we include non-EU countries like Norway and Switzerland, we reach just over 2,600. We have a number of organizations such as Green Power Denmark involved, so we cover 95 percent of the grid customers in the EU. We are always open to members, but it is important that we can maintain a meaningful dialogue, points out Peter Vermaat.

Green Power Denmark: The DSO Unit has a rather small secretariat compared to ENTSO-E, which has many experts...

- Yes, we are still a startup. ENTSO-E facilitated us at the start and recognizes our role – and appreciates our contribution. As a network organisation, we can draw on the knowledge and capacity of our members. I expect we will have 20 employees here at the end of the year. We are faced with hiring ten colleagues over the next few months, says Vermaat.

Three priorities for the next 3-5 years

Green Power Denmark: What are your strategic priorities for the next 3-5 years?

- We are of course focused on the decentralized part of the energy transition. We have them based on three pillars, derived from our EU mandate. Firstly, there is the regulatory framework in relation to i.a. expansion of the electricity grid, flexibility markets and involvement of consumers. Secondly, we must continue our collaboration with the TSOs on our shared interfaces. And thirdly, we need to stay close to our members, so that in our network we can continue to share the good experiences from both large and small members, says Peter Vermaat.

A number of elements of the electricity market reform and other legislation that is being adopted under the EU's Green Deal and the RePowerEU plan must be implemented nationally and locally over the next few years so that they can contribute to the EU's target of a minimum of 55 percent less emissions of greenhouse gases by 2030 and reduce dependence on energy from Russia.

More local production from wind and solar

Peter Vermaat from DSO Entity expects, among other things, that the European electricity grid companies will have increasingly important roles in terms of ensuring that more decentralized electricity is supplied to the electricity grid, that the use of meter data is operationalized, and that consumption flexibility is developed as a part of the answer to increasingly fluctuating production from wind and solar.

- All with respect for the electricity network companies' dual task: to operate distribution networks and contribute to facilitating the electricity market, points out Peter Vermaat.

Electricity grid companies have very different starting points

Green Power Denmark: Digitization is, as you say, crucial. What expectations do you have for the development of a digital twin – as agreed between ENTSO-E and DSO Entity – and how is the work progressing?

- At TSO level, there is already an advanced vision for a model of the European electricity system. I expect that we can add value by defining a vision for the DSOs as well. One of our expert groups is busy outlining the task.

Green Power Denmark: The green transition is accelerating, and several power grid companies have already developed digital twins or models that resemble it. Can you move fast enough?

- Yes, it is true that development is fast, but it is important to recognize that the DSOs have very different starting points and that things take time. The vision must include both investments in a continued expansion of the grid and investments in a more digital and thus technologically smarter electricity grid, says Peter Vermaat and points out that the development of tomorrow's electricity grid is not only about transformer

stations and cables, but also about developing market models for consumption - and production flexibility.

The energy sector must be digitalised

Green Power Denmark: What has surprised you most in the past two years?

- I am really happy about the positive reception we have received from stakeholders - i.e. the EU Commission, ENTSO-E, ACER and CEER - as well as the interaction we have created with the members. I am also satisfied that we have succeeded in developing an ability to quickly comment on the EU proposals that are relevant for the electricity grid companies – for example in relation to the rules of the game for cyber security, data and flexibility, says Peter Vermaat.

Harmonized access to meter data is an important part of the EU Commission's action plan for the digitization of the energy sector, which was published in October 2022. Rules for data related to changing electricity suppliers as well as rules for flexible electricity consumption and other services are on the way.

Read more about access to meter data from electricity meters at Implementing Regulation on interoperability requirements and non-discriminatory and transparent procedures for access to metering and consumption data (europa.eu)

Read more about the digitization plan for the energy sector at Actions to digitalise the energy sector (europa.eu)