

## **Energy Post & PKEE debate - "40% RES by 2030: EU's latest investment challenge to DSOs"**

**Discussing the matters relating to access to funding support, especially in countries starting from a lower baseline, and support for DSOs in implementing innovations and new technologies were the main objectives of the debate organised by Energy Post in cooperation with the Polish Electricity Association (PKEE). The meeting, attended by the European Union officials, think tanks and representatives of the European energy sector companies took place on the 30<sup>th</sup> of June 2022.**

During the high-level panel, the participants - Pablo Riesgo Abeledo, Policy Officer in Unit B5, DG ENER; Louise Rullaud, Head of Distribution & Market Facilitation, Eurelectric; Arina Anisie, Analyst, Renewable Energy Innovation IRENA and Piotr Ordyna, Management Board Advisor for Regulation, Tauron Dystrybucja - discussed challenges for distribution system operators related to energy transformation. Moreover, the debate focused on dedicated funds to support DSOs.

Piotr Ordyna, Management Board Advisor for Regulation, Tauron Dystrybucja has stressed that power grids are critical to enabling the energy transition because they're critical to the integration of renewable energy sources. "This means distribution system operators face enormous challenges from integrating renewables. Distribution grids will play a crucial role in ensuring the integration of renewable energy and developing innovative solutions for sectors such as transport and buildings," he added.

Mr Ordyna also mentioned that the solar revolution is already taking place in Poland. "We have around 10 GW of capacity from photovoltaics installed, up from app. 200 MW four years ago. Mainly these are very small installations. In a short period of time, prosumer PV installations have become an important energy source for the whole system," he said. "In 2021 Tauron Dystrybucja connected more than 127,000 micro installations with total capacity close to 1 gigawatt. It is an almost fivefold increase compared to 2019 when about 30,000 micro installations with a total capacity of about 200 megawatts were connected," he pointed out.

During the discussion, Mr Ordyna indicated that the cost of DSO investments according to the law should be reflected in customer bills. "The final energy price increase cannot be too radical, or it will escalate energy poverty. So, the pace of transition must be reasonable, especially in countries with a difficult starting point like Poland" - he clarified. "It is worth mentioning that investments by DSOs are crucial for the development of the whole economy. EU financial frameworks should ensure equal access to funding, regardless the size of investors," he explained.

Commenting on this statement, Pablo Riesgo Abeledo from DG ENER stressed that there will be national differences, and actions must ensure that national specificities are taken into account, for example when we define common smart grid indicators to direct investments in the best way possible. "The whole idea of REPower EU is to provide support to the main actors. We are working to map the existing opportunities and how we can help actors in the transition," he underlined.



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Louise Rullaud, Head of Distribution & Market Facilitation, indicated that Eurelectric welcomes the fact that the European Commission is thinking of increasing access to information. "In an internal survey of members last year, we found that even the largest companies have a service dedicated to just understanding where they can find support. The processes are extremely long and sometimes not fit for smart grids to be funded. Receiving public funds can help secure extra private funds," she added.

Following the discussion, Arina Anisie from IRENA said that "DSOs and networks are natural monopolies and are incentivised traditionally to invest in reinforcing the grid, and they will be paid back later by consumers. But they don't have incentives to innovate, for example trying to find other flexibility solutions that could replace the costly reinforcements of the grid," she noted.

Event page: [https://us02web.zoom.us/webinar/register/4016548708263/WN\\_A7b1ZXKSR5WJziWzlw-cAg](https://us02web.zoom.us/webinar/register/4016548708263/WN_A7b1ZXKSR5WJziWzlw-cAg)

Summary of the debate: <https://energypost.eu/event-summary-45-res-by-2030-eus-latest-investment-challenge-to-dsos/>