

## Re-setting of ECDSO-E

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Location: Energy Community Secretariat, Vienna, Am Hof 4

Date: 17 April 2018,

### **Opening address**

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The meeting of ECDSO-E on the higher executive level was initiated by the Director of the Energy Community Secretariat Mr. Janez Kopač in order to obtain the position of the management for the proposed new setup of the ECDSO-E in the Energy Community structures.

The meeting was attended by high-level representatives of DSOs from Albania, Bosnia and Herzegovina, Georgia, FYR of Macedonia, Serbia and Ukraine. DSOs from Moldova, Kosovo\* and Montenegro did not attend. Director of CEDIS, Montenegro sent a support letter with expressed readiness to take part in the further activities.

Director Kopač welcomed participants and explained the intention of the Secretariat to support operation of the ECDSO-E group. He explained the background of the PHLG decision related to the proposed status of ECDSO-E within the structures of the Energy Community, as a subgroup of the existing Security of Supply Coordination Group (SoS CG) established under Titles III and IV of the Treaty. He praised the achievements of the ECDSO-E Group so far, from developing toolbox on DSO unbundling to proposing recommendations for integration of prosumers and in particular in the context of the Policy Guidelines on distribution network tariffs developed through support from the Group. These Policy Guidelines have already been used during the recent assessment of the tariff methodology of Moldova and currently of Ukraine.

Director Kopač invited the ECDSO-E to continue contributing to the processes in the Energy Community as a part of its structures within the framework of the Security of Supply Coordination Group.

### **Ad 1. Update on the progress - report**

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Following the Conclusions from the 9<sup>th</sup> ECDSO-E meeting of 23 January 2018, the Secretariat informed on the progress regarding integration of ECDSO-E in the formal structures of the Energy Community, with the focus on the objectives and needs of the established DSO cooperation.

During the round table discussion, the participants welcomed the finalization of activities initiated by the ECDSO-E (Policy guidelines for integration of prosumers and Policy guidelines for distribution network tariffs). The participants emphasized the need to engage more in the matters of DSO unbundling, relying on the previously developed instructions (Guide and toolbox for DSO unbundling, 2016).

Participation of all DSOs at executive levels in the work of ECDSO-E is emphasized again as crucial, as well as the specialized expertise in the work of the task forces.

The participants reiterated the need to kick-off the work of the TF for quality of service and TF for market facilitating without delay. The DSOs shall check their nominations of the TF members and provide update, where necessary. ECS is invited to provide the latest update of the TF membership.

### **Ad 2 Role of ECDSO-E in SoS CG**

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The Secretariat presented the proposal to the PHLG and conclusions of the 49<sup>th</sup> PHLG (attached) related to the ECDSO-E setup. PHLG concluded that ECDSO-E should be integrated as a sub-group within the Security of Supply Coordination Group, as its integral and constituent part, while preserving its own identity as a sub-group.

Following these conclusions, the Secretariat drafted the document defining the mechanism for cooperation of ECDSO-E within the Security of Supply Coordination Group, the terms of reference covering, among others the role of ECDSO-E, structure, forms of cooperation and scope of activities, as well as its separate DSO related functionality and its envisaged governance structure (attached).

All participating DSO explicitly agreed with this approach to integrate ECDSO-E in the SoS CG.

The participants concluded to provide their comments on the draft ECDSO-E Cooperation Mechanism within two weeks, via e-mail.

### **Ad 3 New governance structure of ECDSO-E**

ECS presented the structure and objectives of the SoS CG and the expected benefits from the integration of ECDSO-E. As priority areas of common interest between the SoS CG and ECDSO-E, security of supply and cybersecurity are proposed. The Secretariat presented a proposal of a platform for cooperation between TSO and DSO (so-called TSO2DSO initiative) i. Involvement of DSOs experts via ECDSO-E is envisaged in TSO-DSO interface, communication and planning, establishing a specialized expert Working Group TSO2DSO. The domain for cooperation in the area of cybersecurity was identified primarily among the activities related to practical implementation of the NIS Directive.

As regards drafting of the rules of procedure, in accordance with PHLG conclusion, the proposed mechanism for cooperation of ECDSO-E within the SoS CG is envisaged to be an annex to the Procedural act of the SoS CG.

To ensure active a permanent involvement of DSO in the process, the ECS proposed to designate an Acting Chair of the ECDSO-E until formal set up of the governing structures and invited Mr Sasho Saltirovski to take over this responsibility. After the unanimous consent, Mr. Saltirovski accepted the role of the Acting chair of ECDSO-E.

The current Moderator and Acting chair shall closely cooperate to facilitate envisaged tasks of ECDSO-E in the following period, until appointment of the new governance structure.

### **Ad 4 Unbundling - compliance officers networking**

Regarding the unbundling and compliance, all participants expressed interest to improve their knowledge and to build capacities to implement the unbundling obligations. Numerous questions were raised and finally it was agreed that DSOs will submit their question, requests and proposals related to unbundling without delay, with the aim to prepare a draft for structured discussion already in May 2018. Management and compliance officers of unbundled DSOs, as well as management of the unbundled DSOs are invited to take part. Consultations will be facilitated by the ECS.

Compliance officers shall be invited to attend the ECDSO-E meeting in June 2018 back to back with Athens forum, in a separate session, in order to identify their priorities, logistics requirements and operation mode and present to the ECDSO-E. DSOs where this function has not been established yet are also encouraged to assign an expert to stay informed about the topics.

### **Ad 5 Follow up**

In accordance with the conclusions of the 9<sup>th</sup> ECDSO-E meeting of 23 January 2018, the next meeting shall take place in Athens, with all efforts invested to ensure representation of DSOs from all Contracting Parties.

Secretariat shall prepare and present at the next meeting the web based communication tool for consultations and data collection.

The network of compliance officers shall meet in Athens. The preparations for the first meeting will be facilitated by the Secretariat.

The list of members of Task forces shall be updated and advanced with the new dedicated experts, wherever necessary. The task forces shall meet in Athens before the meeting of ECDSO-E to prepare their plan of work and report to ECDSO-E.