



**BUSINESS
SCHOOL**

EMERGING REGULATORY PRACTICE FOR EMERGING BUSINESSES AT THE EDGES OF DISTRIBUTION GRIDS

**PROF LEONARDO MEEUS, VLERICK & FLORENCE SCHOOL
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**BASED ON ONGOING JOINT WORK WITH SAMSON HADUSH
WITH SUPPORT FROM DSO CHAIR @ VLERICK BUSINESS SCHOOL**

GREY AREAS

CEER

Council of European
Energy Regulators



Fostering energy markets, empowering consumers.

We propose to use a regulatory toolbox for NRAs to address a number of non-core activities, or “grey areas”, where DSOs may participate in activities but where there are concerns. These grey areas include energy efficiency advice, the extent of involvement in flexibility and storage, and engagement with end consumers². The more that DSOs are involved in non-core activities, the greater the need for regulatory control or unbundling. Moreover, the more the market is developed, the less DSOs are likely to be directly involved in carrying out the new activity.

Ref: C15-DSO-16-03
13 July 2015

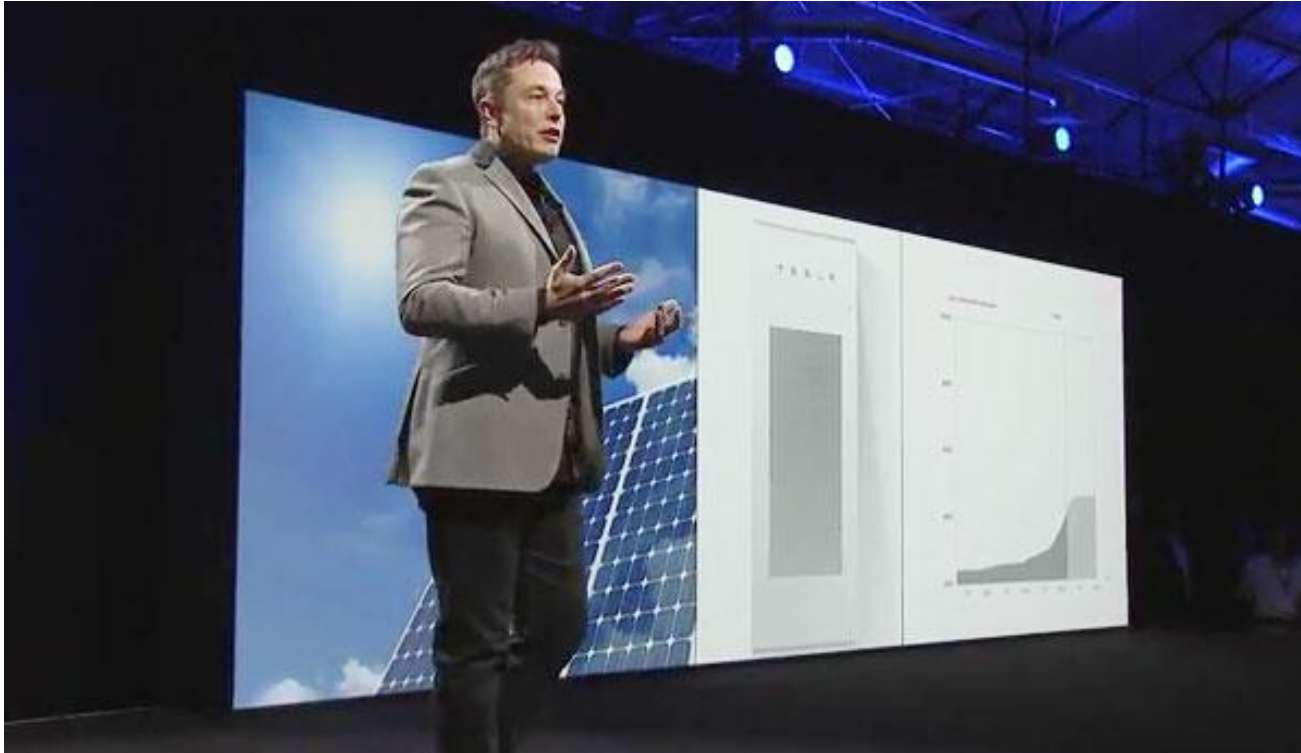
1

MARKET VERSUS DSO

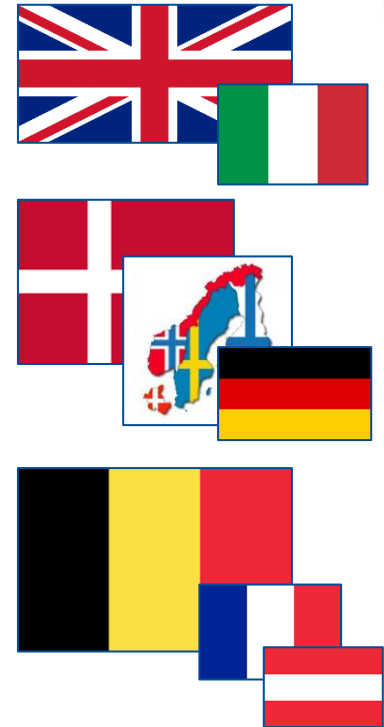
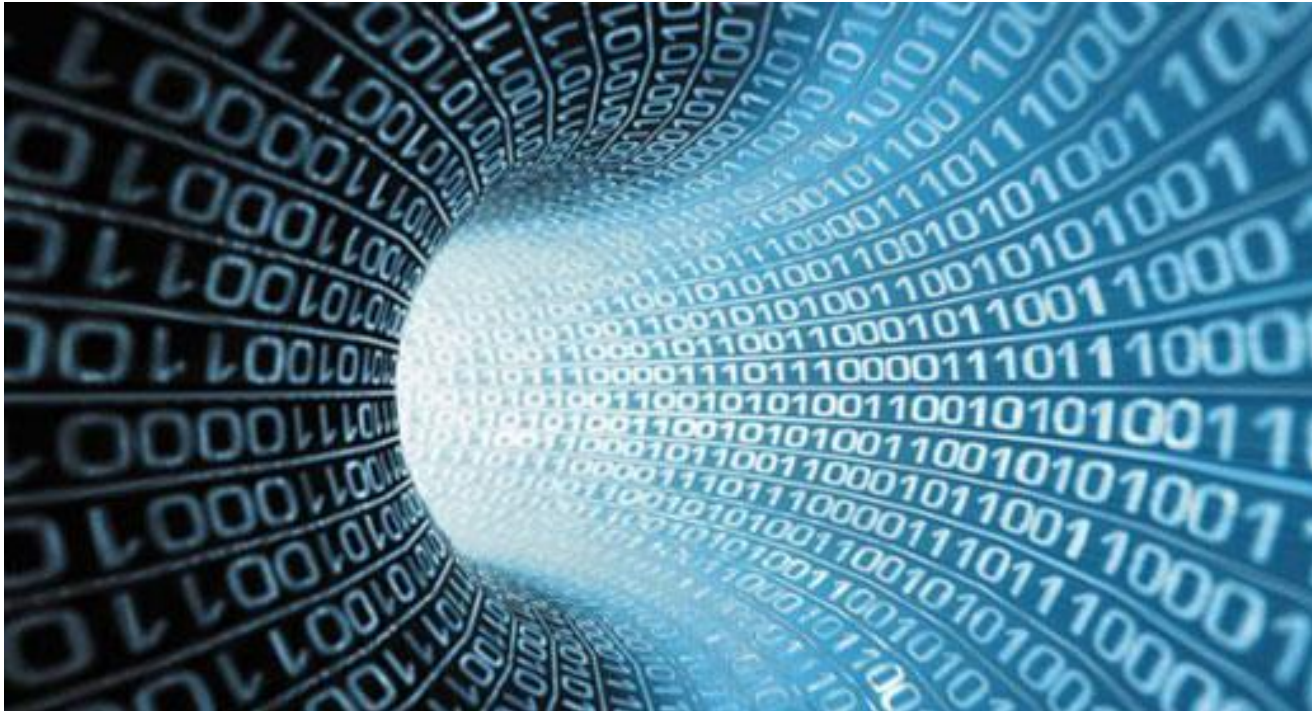
ELECTRIC VEHICLE CHARGING



BATTERIES



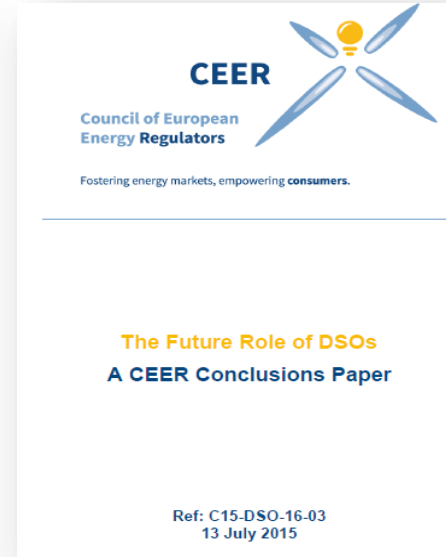
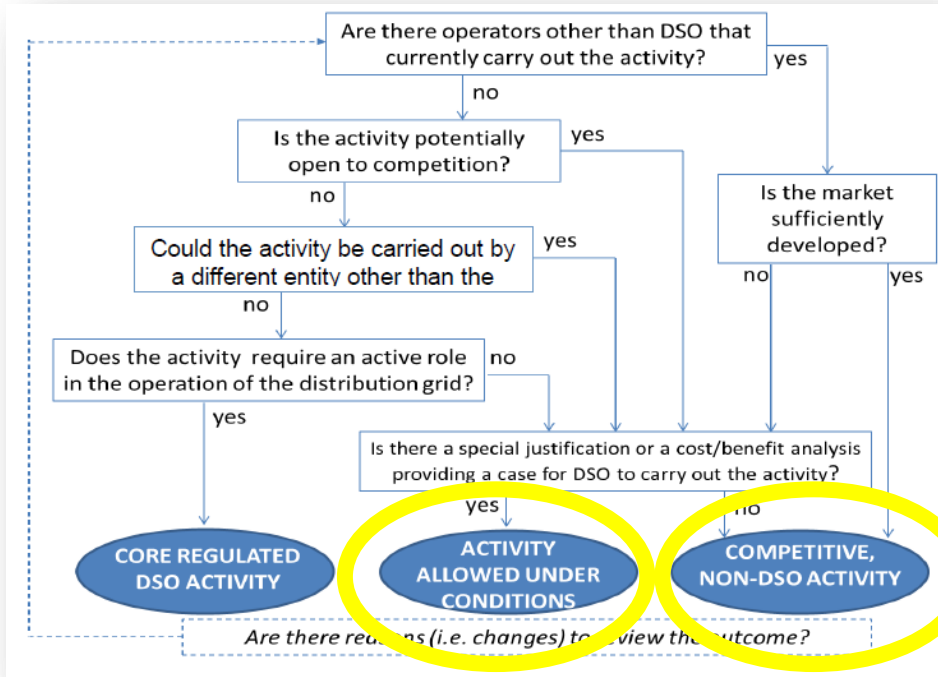
MARKET FACILITATION



2

ROLE OF THE REGULATOR

CONDITIONS



ROLE REGULATOR, IF MARKET BASED APPROACH

Market structure

- Commercial business by unbundled DSO in emerging businesses at the edges of distribution grids



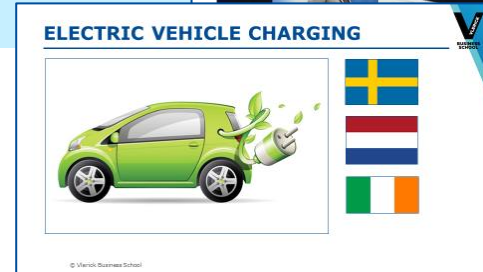
Market design

- Competition in the market
- Competition for the market



Market correction

- Universal service obligation
- Technology deployment incentives
- DSO involvement



ROLE REGULATOR, IF DSO APPROACH

Scope of DSO involvement

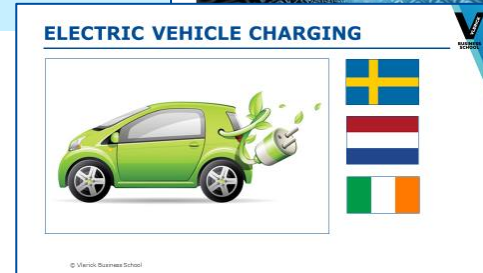
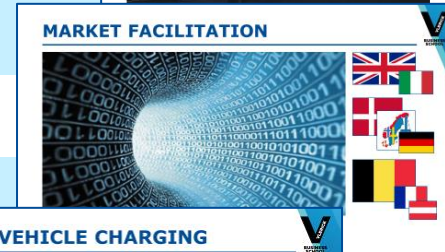
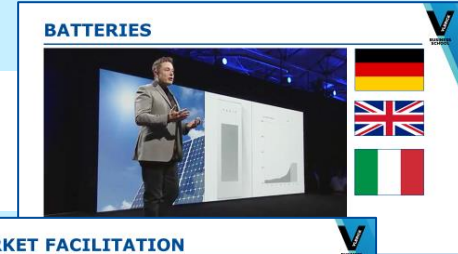
- Infrastructure dimension of EBA's
- Service dimension of EBA's

Quality of service regulation

- Functionalities & KPIs

Innovation incentives

- Regulatory incentives
- EU & national funding
- Company strategy



THANK YOU!
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