

Minutes General Assembly #7
of the EU DSO Entity AISBL

Held on 12 December 2023, 11:00 – 12:15 (CET) by video conference

1. Opening of the meeting +
2. Antitrust statement and Rules of engagement

Vincenzo Ranieri (Vincenzo) opened the meeting by welcoming the participants and presenting the agenda of the meeting. No comments were made to the agenda.

Anneli Teelahk reminded the participants of the antitrust statement which applied to the meeting.

Lima Azhieva provided an overview of the house keeping rules summarised the voting system via test voting and some further technical explanation on the system. It was confirmed that at least 65% (more than 163,7 connections) of voting power was present or represented upon which Vincenzo concluded that the quorum to hold the General Assembly was met. The voting will have to comply with a double majority before a decision is considered accepted by the membership as is foreseen in the statutes:

- more than 50% of the votes attributed to the Members (number of connections) present or represented, and
- at least 55% of the Members present or represented

3. Approval of the Meeting Minutes General Assembly #6, held 17 March 2023

Vincenzo presented the minutes of the General Assembly of 17 March 2023 and opened the floor for remarks. No comments were made.

Decision

The minutes of the General Assembly of 17 March 2023 were approved with unanimity with no additional comments.

4. Update on Work Programme and Expert Groups (EG)

Referring to the slides as circulated, Peter Vermaat (Peter) gave an overview of recent developments (item 4.1 in the slides) and a wider view of activities in 2023 and anticipated developments for 2024 (item 4.2 in the slides).

Recent developments

Amongst other points, he summarised the following:

- Electricity Market Design (EMD): no material changes for DSOs as compared to earlier versions. Agreement expected later this week.

- Gas Regulation: agreement was reached last week (incl. anticipated integration of gas DSOs into DSO Entity); text not yet available.
- EU Grid Action Plan (GAP): the GAP provides for a good framework for DSO related advancements for improving future conditions to support energy transition. Specific actions are assigned to DSO Entity (together with ENTSO-E). Secretariat will further analyse potential impact for priorities and workload in 2024 and beyond.
- Financial overview: activities can be managed within budget for 2023 (based on efficiency and due to some delays in work because of extension in time at European Commission (EC)).

Vincenzo opened the floor for questions or remarks; no comments were given.

Review 2023 and outlook 2024

Amongst other points, Peter summarised the following as a general frame for the Annual Plan 2024:

- The procedure to further prepare Annual Plan 2024, including consulting the members.
- For 2023, DSO Entity has focussed on the 3 pillars of the strategy that come from the mandate. Good value for members was created by delivering the activities and results from Annual Plan 2023, tuning in to the actions of EC. This could only be achieved by good commitments from all members in the General Assembly, the Board, Country Expert Group and Strategic Advisory Group and a lot of knowledgeable experts.
- For 2024, a continuation of this is pursued, also anticipating on further tasks for DSO Entity coming from EC, whose impact has to be further analyses as aforementioned, like: flexibility methodology from EMD, Grid Action Plan, integration of gas DSOs etc. For the pillar on Knowledge Sharing, activities will go on as arranged per the current strategy, with special mention of a 'DSO technical Vision' that will provide for an integrated view on future DSO tasks and grid-system, as needed for a carbon neutral energy system.

Vincenzo summarised the very high relevance of the work done (also resulting in a better visibility of DSOs as a backbone for energy transition), and thanked everybody from members to Secretariat for their contributions. He opened the floor for questions or remarks; no comments were given.

5. Governance

5.1 Review and approval of member base

Vincenzo introduced the agenda point on membership. As a brief summary, referring to the slides, Peter explained that - after interaction with the Board - the Secretariat elaborated the annual update on number of connections (Art. 15.9 in Statutes) and a correction on the memberbase related to companies that -after 2 years of extensive communication- have not paid their membership fee (meaning that their membership has never become effective). The overall result of the memberbase update is a decrease in companies listed (from 886 to 834) and an increase in connections (from 250.822.841 to 251.830.480).

Decision

The members approved the memberlist being the memberbase:

- In favour: Weighted vote 184,700,456 / total members 305
- Opposed: Weighted vote 7,240,210 / total members 141
- Abstained: Weighted vote 2,654,602 / total members 2

The double majority is respected.

In addition, updates regarding membership were shared: acquisition of Romanian member E-Distributie Muntenia (and related companies) and merger of SODO d.o.o. (Slovenia).

Decision

The members approved the continuation of both memberships: the DSO Entity membership transfer from E-Distributie Muntenia to Public Power Corporation and the DSO Entity membership transfer from SODO d.o.o. to ELES d.o.o.

- In favour: Weighted vote 169,034,842 / total members 427
- Opposed: Weighted vote 0 / total members: 0
- Abstained: Weighted vote 25,560,426 / total members: 21

The double majority is respected.

5.2 Proposal to change formal office address of DSO Entity to its existing address

Vincenzo introduced the agenda point, upon which Peter illustrated the change of address.

Decision

The members approved the DSO Entity change of address to Rue du Luxembourg 3 (Nordic House), 1000 Brussels, Belgium:

- In favour: Weighted vote 193,530,589 / total members 446
- Opposed: Weighted vote 0 / total members: 0
- Abstained: Weighted vote 1,064,679 / total members: 2

The double majority is respected.

5.3 Approval of the budget 2024 and memberfee 2024

Vincenzo introduced the agenda point, upon which Peter illustrated the following:

- As presented under point 4.1/4.2 of the agenda, the strategy will not change for 2024. Yet, some new activities from EC are anticipated as well as some additional strategic priorities for 2024. These are included in the proposal that the Board has put for approval to the General Assembly:
 - Some new activities from ongoing regulation and from EMD revision (note: potential impact from EU Grid Action Plan not yet included because of recent launch of the plan; to be analysed by Secretariat)
 - Additional strategic priorities for 2024: The development of a more mature Annual Event, preparation of the integration of gas DSOs and development of a DSO Technical Vision.
- From an analysis of the estimated financial result for 2023 (including a reservation for potentially not paid memberfees), it is proposed to use part of the remaining reservation to give a discount to the memberfee on the budget: budget at 3,0m€, memberfee at 2,85m€. In addition, it is proposed to maintain the fixed fee at 350 €/yr (with a resulting 0,0102 €/yr/connection as a variable fee)

Vincenzo opens the floor for questions or remarks. Through the Q&A function, Remy Garaude-Verdier from Enedis - illustrates his view on the importance of changing both the fixed and the variable fee in a balanced way. Referring to the discussion on the topic in the Board, and to earlier discussions at beginning of 2023, Vincenzo summarises that this topic has been extensively discussed at the Board, resulting in a decision with a majority (close to unanimous) for the current proposal.

Decision

The members approved the level of the budget at 3,0m€ and the level of the memberfee at 2,85m€:

- In favour: Weighted vote 148,800,246 / total members 425
- Opposed: Weighted vote 38,181,475 / total members 2
- Abstained: Weighted vote 7,613,547 / total members 21

The double majority is respected.

Decision

The members approved the allocation of the memberfee at 350 €/yr plus 0,0102 €/yr/connection as a variable fee):

- In favour: Weighted vote 146,217,908 / total members 439
- Opposed: Weighted vote 40,723,591 / total members: 4
- Abstained: Weighted vote 7,653,769 / total members: 5

The double majority is respected.

5.4 Approval of the indicative budget/memberfee for 2025/2026

Vincenzo introduced the agenda point, upon which Peter illustrated the following (referring to the slides):

- A gradual, but steady growth in mandated tasks from EC to DSO Entity
- The anticipated integration of gas-DSOs into DSO Entity

Vincenzo opens the floor for questions or remarks. Through the Q&A function, a question was posted on the priority of gas-integration. On this one, Vincenzo elaborated that this is a natural priority coming from EC regulation, which will require good preparation and generates a specific and large workload. For this, the Secretariat is preparing, also balancing this with other priorities for 2024. Another question was posted on the impact of new members for budget and memberfee. On that one, Peter summarised that it should be expected that budget as such will increase (also depending on the organisational/governance format) and that it is hard to estimate now what the impact on the average memberfee will be, since it is not known how many members will join. Obviously, in any case, the budget will be shared by more members.

The members approved the indicative budget and memberfee for 2025/2026:

- In favour: Weighted vote 139,595,963 / total members 284
- Opposed: Weighted vote 38,181,475 / total members 2
- Abstained: Weighted vote 16,781,830 / total members 161

The double majority is respected.

6. Any other business

No other topics were discussed.

7. Closing of the meeting

Vincenzo closed the meeting at 12h15 by thanking all members for their participation.