

**Minutes General Assembly #8
of EU DSO Entity AISBL**

Held on 20 March 2024, 14:00 – 15:25 (CET) by video conference

1. Welcome and introduction, establishing agenda and quorum

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

It was concluded that at least 65% (more than 163,7 million connections) of voting power was present or represented, as it was also confirmed from the voting results later into the meeting, upon which Vincenzo summarised 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

2. Antitrust statement and Rules of engagement

Peter Vermaat (Peter) reminded the participants of the antitrust statement which applied to the meeting. He also covered the housekeeping rules for chat and Q&A.

3. Approval of the Meeting Minutes General Assembly #8, held 12 December 2023

Vincenzo presented the minutes of the General Assembly of 12 December 2023 and opened the floor for remarks. No comments were made.

Decision

The minutes of the General Assembly of 12 December 2023 were approved with unanimity with no additional comments.

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

Review on workstreams and implementation of Annual Plan 2023 (summary presentation to illustrate 5.3) and preview 2024

Review 2023: Referring to the slides, Elisa Schenner (Elisa) illustrated that all planned actions and deliverables were realised in 2023, thus fulfilling the mandate and creating value for the members. Some specific attention was given to the *grid momentum* that emerged in 2023 at the highest political level, thus positively enhancing future perspectives for conditions for DSOs to accelerate the energy transition.

Preview 2024: Elisa summarised the three strategic pillars and the three main projects that constitute the focus for 2024. She made a clear connection to the Grid Action Plan and the (additional) work that it generates for DSO Entity. Related to the work on NC Demand Response (NCDR) Peter introduced the proposal for a ‘written vote by GA’ on NCDR. He illustrated from the Statutes that network codes, after approval by the Board, also require an endorsement by the General Assembly. He explained that the statutory option for a written vote is anticipated to help keep the members fully involved in endorsing the NC (including an information webinar), whilst providing for an efficient voting by allowing the members to cast their vote in the usual voting system without having the burden to organise a full meeting and to collect the quorum at one specific moment. Naturally, the usual double majority will apply.

In addition, Peter introduced the upcoming integration of gas/H2-DSOs, referring to the work structure to bring this forward, the related budget and the anticipated timeline. He explained that the expiration of the term of the current Board on 8 June 2025 should not give major concerns, since under Belgian case law, in order to ascertain the continuity of the association, a tacit extension of 3-6 months is possible without generating additional responsibilities or exposure for the GA and the Board for its day-to-day management. He also illustrated that the Board and GA should aim to provide for the strategic leadership and commitment of availability that is required to adequately manage this integration, from the idea that this will further strengthen the relevance and the visibility of DSO Entity to work on futureproof conditions for DSOs to accelerate energy transition.

In the chat of the video meeting, a question was asked on the potential impact of the gas integration on the member fee. Peter elaborated that this is hard to estimate at the moment, since this will be the combined effect of more work and more governance, but also synergy and new members joining.

No further questions were asked, and Vincenzo concluded this point, summarizing that the Secretariat will keep the GA posted on relevant developments.

5. Governance

5.1 Admission of new members and acknowledgement for resignation of members to EU DSO Entity

Referring to the slides, Vincenzo informed the GA about some changes at the Board: RETELE ELECTRICE MUNTENIA S.A. (former E-Distributie Muntenia) from Romania has introduced Mr. Mihai Peste as a new Board member (replacing Mrs Monica Hodor, who resigned earlier), this has been accepted according to statutory procedures. Mr Grzegorz Dolecki (Poland, PGE Dystrybucja (Cat. 3)) has resigned, in due course, PGE will present a new candidate for the Board. A new Observer from Norway has joined (Renewables Norway).

5.2 Approval of the Annual accounts 2023 (incl. discharge of Board and management)

Referring to the review on 2023 (item 4.) Peter summarized the slides on the topic as follows:

- While the approved budget 2023 was amounting to 2.300k€, the membership fees contributions were set to 1.800k€. This was generating an expected financial loss (for 2023) for 500k€ to be covered by the existing reserves. The actual result for 2023 is slightly better than this: a negative result of -432k€ (provision for losses included), mainly because of lower staffing cost due to delay in hiring (related to later start of work by EC).
- Financial risks: the main risk for DSO Entity is to not being able to collect all member fees. The exposure (payments not received) amounts to 489k€ per year end. Based on an internal risk assessment it was proposed to allocate a provision for potential losses (150k€) into the annual account.
- In line with the indications communicated during the previous Board meetings, the accumulated reserves at the end of 2023 decrease to 972k€ (= 1.404k€ - 432k€). It was emphasized that the available reserves do not represent the 'cash at the bank' as the annual accounts are prepared, by definition, on an accrual basis and not a cash basis. The GA was reminded that in budget-2024 no contingency is calculated and that another 150k€ is anticipated to be a discount to the member fee, retrieved from the reserves (leading to a further decrease of the reserves to 822k€ per end of 2024, which is the absolute minimum for DSO Entity prudent cash and balance management).
- Final accounts have been prepared and supervised by VMW Accountants (chartered accountant, Antwerp), who also prepared a *Confirmation letter* on the *Balance Sheet/ Profit & Loss statement*.

No further questions were asked upon which Vincenzo opened the voting.

Decision (5.2)

The members approved the Annual Accounts 2023, incl. the use of reservations, and granted discharge to the Board of Directors.

- In favour: Weighted vote 190.813.171/ total members 400
- Opposed: Weighted vote 0 / total members: 0
- Abstained: Weighted vote 5.184 / total members: 1

The double majority is respected.

5.3 Adoption of the Annual Plan 2024

Referring to the introduction AP2024 under item 4, Elisa introduced the final steps regarding the preparation and adoption of the Annual Plan 2024 (including the planned external event on 21 March in Brussels to inform external stakeholders about DSO Entity's strategic priorities). No additional comments were made upon which Vincenzo opened the voting.

Decision (5.3)

The members approved the Annual Plan 2024:

- In favour: Weighted vote 190.774.355 / total members 400
- Opposed: Weighted vote 0 / total members: 0
- Abstained: Weighted vote 0 / total members: 0

The double majority is respected.

6. Any other business

No other business was raised by the GA.

Peter informed about two upcoming important dates:

- Webinar on Network Code Demand Response (30 April, timeslot t.b.c.)
- Next GA, 18 December 2024, 14h00 – 16h00 (online)

7. Closing of the meeting

Vincenzo thanks everybody for participating and supporting the activities; he closed the meeting at 15h25.