

DSO Entity

Agenda – General Assembly #9, 18 December 2024, 14:00 – 16:00 (CET)

Please, keep ready for the voting!

- **your accountname and password**
- **laptop or smartphone**

1. **Welcome & introduction, establishing agenda and quorum**
2. **Antitrust statement**
3. **Approval of the Meeting Minutes General Assembly #8 (20 March 2024) *)**
4. **Update on work programme 2024 and Expert Groups (EG)**
 - 4.1 **Update** on workstreams and implementation of Annual Plan 2024
 - 4.2 **Update** on integration of gas/H2 DSOs into DSO Entity
 - 4.3 **Overview** of written votes 2024
5. **Governance related topics**
 - 5.1 **Member update:** Admission of new members and acknowledgement of resignation/exclusion of members of EU DSO Entity *)
 - 5.2 Update on Board members, Observers and SAG
 - 5.3 Adoption of the **Annual Work Programme 2025 **)**
 - 5.4 Approval of the **budget 2025 and memberfee 2025**
 - 5.5 Acknowledgement of **indicative budget/member fee 2026/2027**
6. **Any other business**
7. **Closing of the meeting**

*) List attached separately

) Attached separately **Annual Work Programme 2025, full version

2. Antitrust statement



Participants shall not discuss any competitively sensitive information at the meetings

Participants shall not discuss nor exchange competitively sensitive information regarding limiting production capacity or output.

Participants shall not discuss nor exchange issues regarding allocating customers or geographic areas.

Participants shall not discuss nor exchange competitively sensitive information regarding boycotting third parties or discriminating against or excluding other competitors, suppliers or customers.

2. Rules of Engagement in Zoom (and test voting)

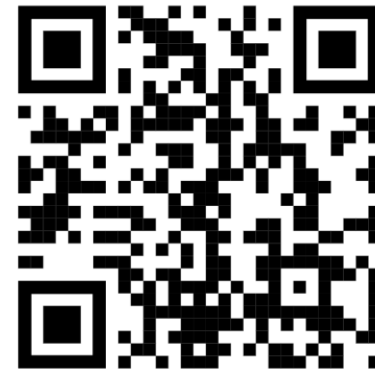
- ✓ **Use the Q&A icon:**
 - To type in your questions on agenda items
 - Questions will be answered at the end of each agenda point

 - ✓ **Use chat function:**
 - For any technical issues
 - To interact with other attendees
- Mail to tommaso.carbone@eudsoentity.eu for urgent issues

USER Guide – member portal and voting system

- **Step-1/ laptop:**
- Please login into your account via the following link:
member.eudsoentity.eu

- **Or Step-1/ smartphone**
- Go to: member.eudsoentity.eu or scan:



On your laptop (1/3)



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EU DSO Entity portal

lima.azhieva@eudsoentity.eu

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DSO ENTITY
DSOs FOR EUROPE

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Documents

- Connected customers **1727**
- Event Registrations **2**
- Invoices & Bills **3**

Details

BLAZQUEZ, S.L., ALFONSO BLAZQUEZ PACHECO

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Account Security

Edit Security Settings

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(Nordic House) 1000 Brussels
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WHO WE ARE
Governance
Secretariat
Our members

LEGAL
Legal note
Privacy statement

WORK WITH US
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JOIN DSO ENTITY
Become a DSO Entity member
Become a DSO Entity Observer
Become a DSO Entity Associate

On your laptop (3/3)

TEST

Do you like chocolate?

State: Waiting Response

--Select your response--

SUBMIT

After 'submit' → refresh to get
new question when posted

CONTACT US

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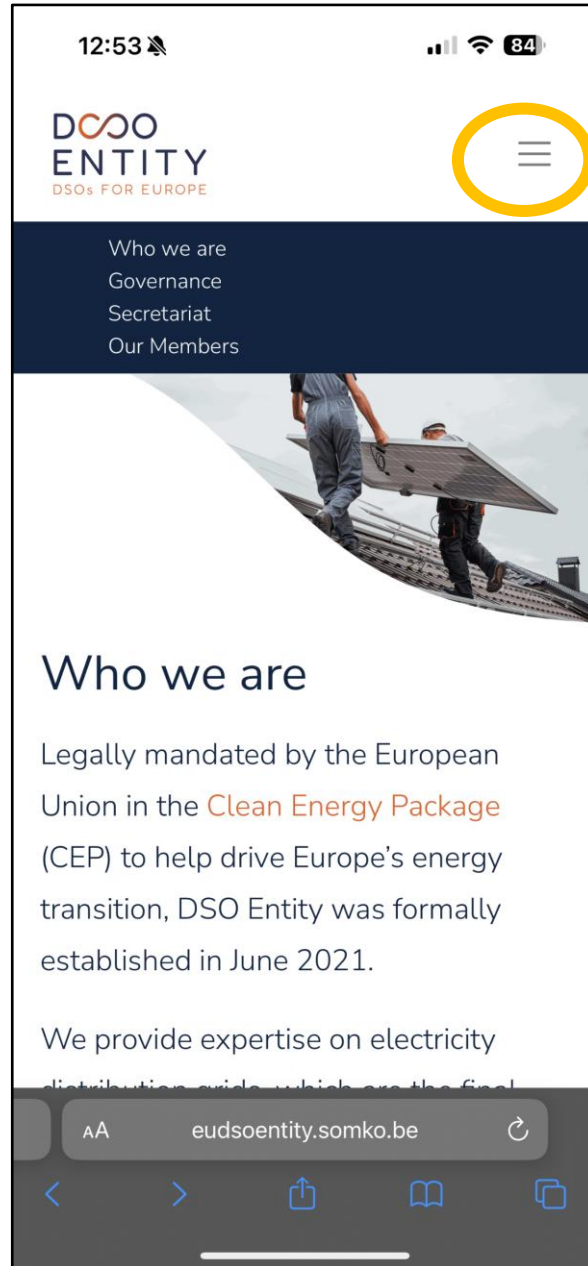
JOIN DSO ENTITY

Become a DSO Entity member
Become a DSO Entity Observer
Become a DSO Entity Associate

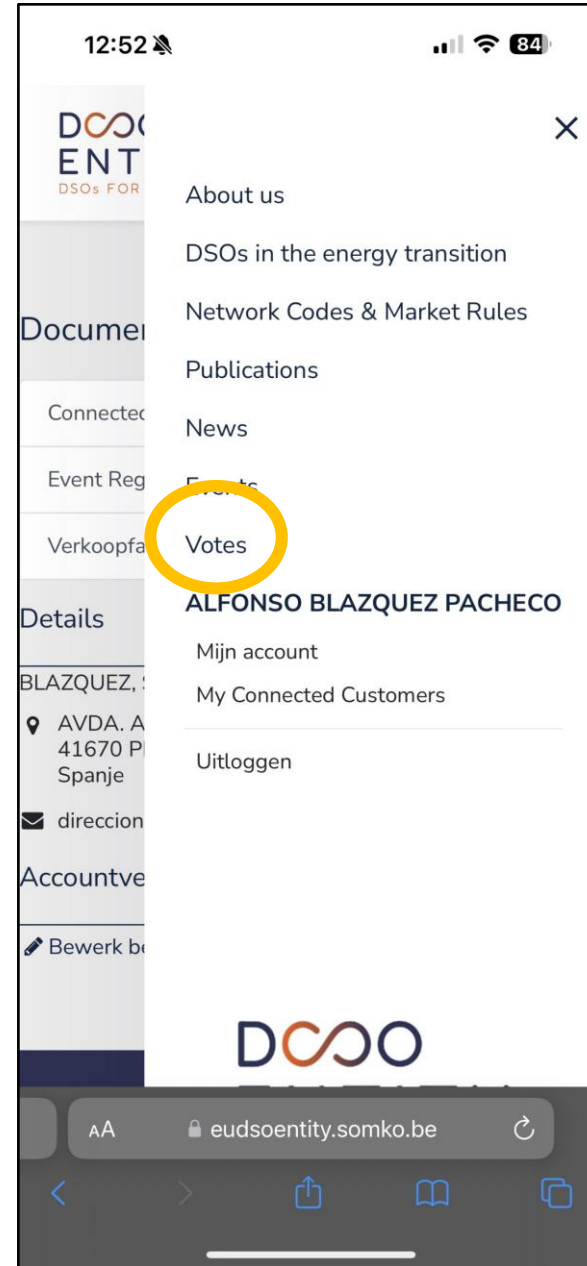




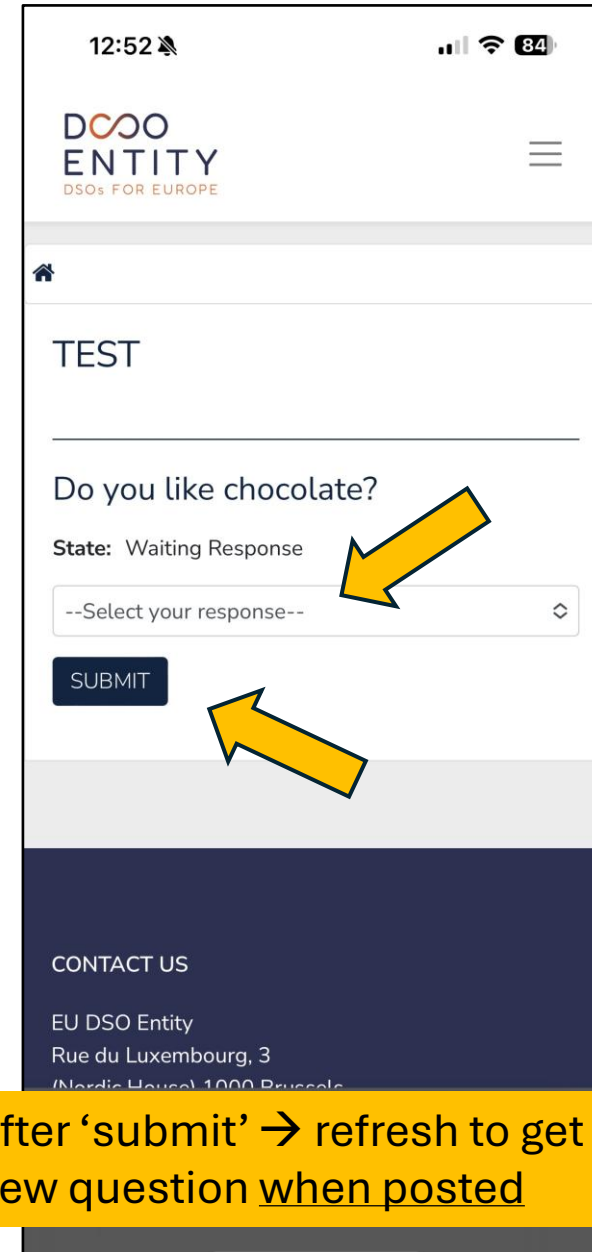
On smartphone (1/3)



On smartphone (2/3)



On smartphone (3/3)



After 'submit' → refresh to get new question when posted

Scan to login

3. Approval of Minutes from General Assembly #8 (20 March 2024)



3. Minutes of meeting, 20 March 2024 (for approval)



INTERNAL

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

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

4. Update on work programme 2024 and Expert groups



4.1 Update on workstreams and implementation of Annual Plan 2024

4.1 Update on workstreams and Annual Plan 2024

AP2024 was based on the three pillars of our mandate,



Network Codes & Guidelines

Participates in the drafting of Network Codes & Guidelines relevant for DSO grids

- **NC Cybersecurity** (in force since May 2024)
- Joint first draft with ENTSO-E of new **NC Demand Response** (Joint Proposal in May 2024)
- **Review of existing NCs** (e.g. Grid Connection Codes)



DSO/TSO cooperation

Promotes optimal & coordinated planning and operation of DSO/TSO networks

- **MoU** with ENTSO-E on general cooperation
- DSO-TSO Joint Work Plans
- Intensive cooperation on all **Network Codes and beyond** (*incl. Grid Action Plan recently*)



Sharing best practices

Provides a forum of expertise enabling exchange of views within the association & Expert Groups

- DSO Entity only association with all DSOs from all sizes & EU-27
- **Knowledge Sharing Strategy**
- **EU DSO map & Grid Connection Paper**
- **Technical Vision** (Dec. 2024)

DSOs united in diversity

Enablers of the energy transition



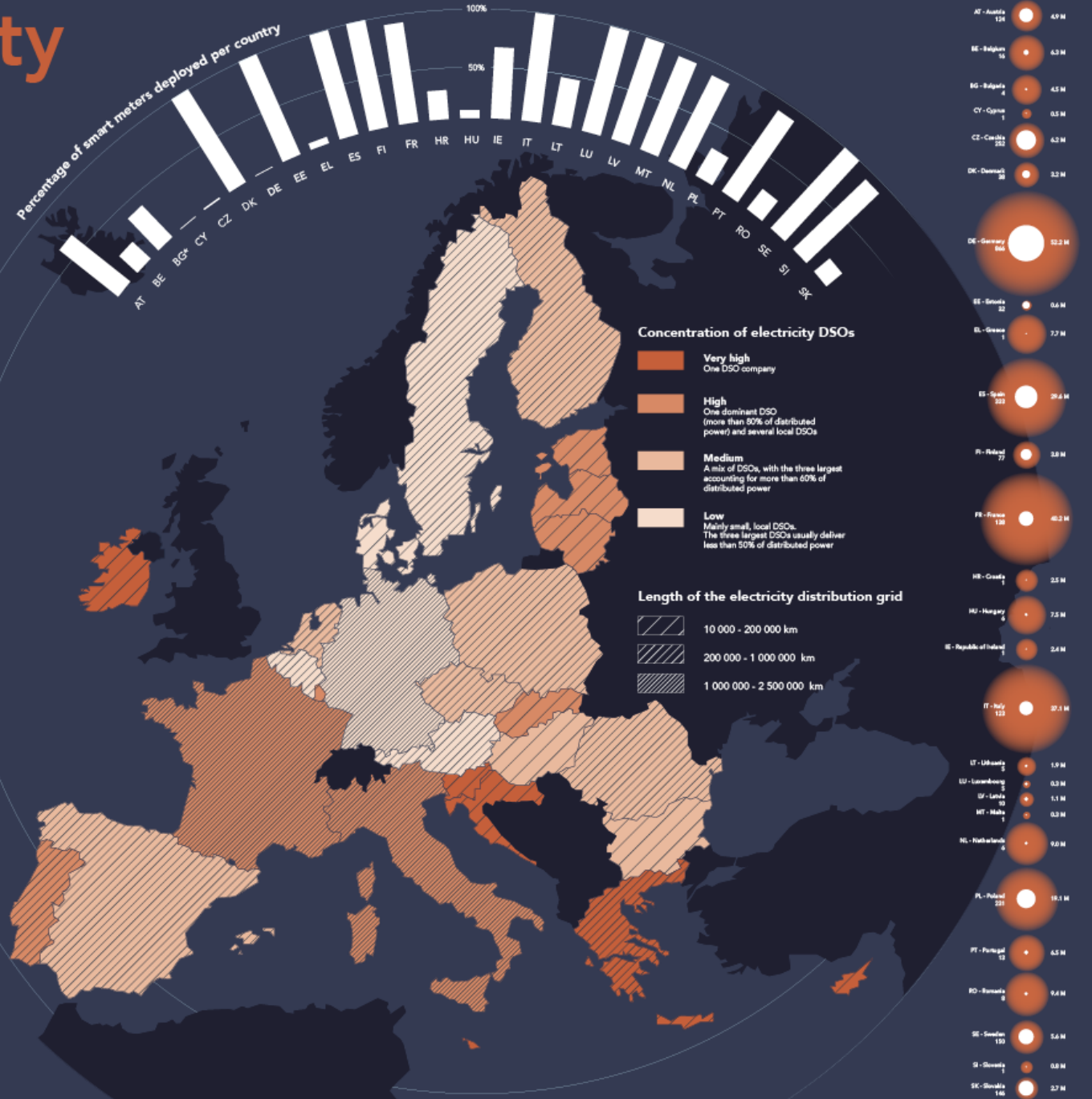
DSO Entity is tasked to **develop future-proof conditions for the electricity system** and to facilitate the energy transition

EU Entity legally mandated by Electricity Market Regulation 2019/943/EU

830 electricity Distribution System Operators (DSOs) of all sizes from all EU 27 Member States

10 million km of power lines (97% of all power lines)
Four million distribution transformers

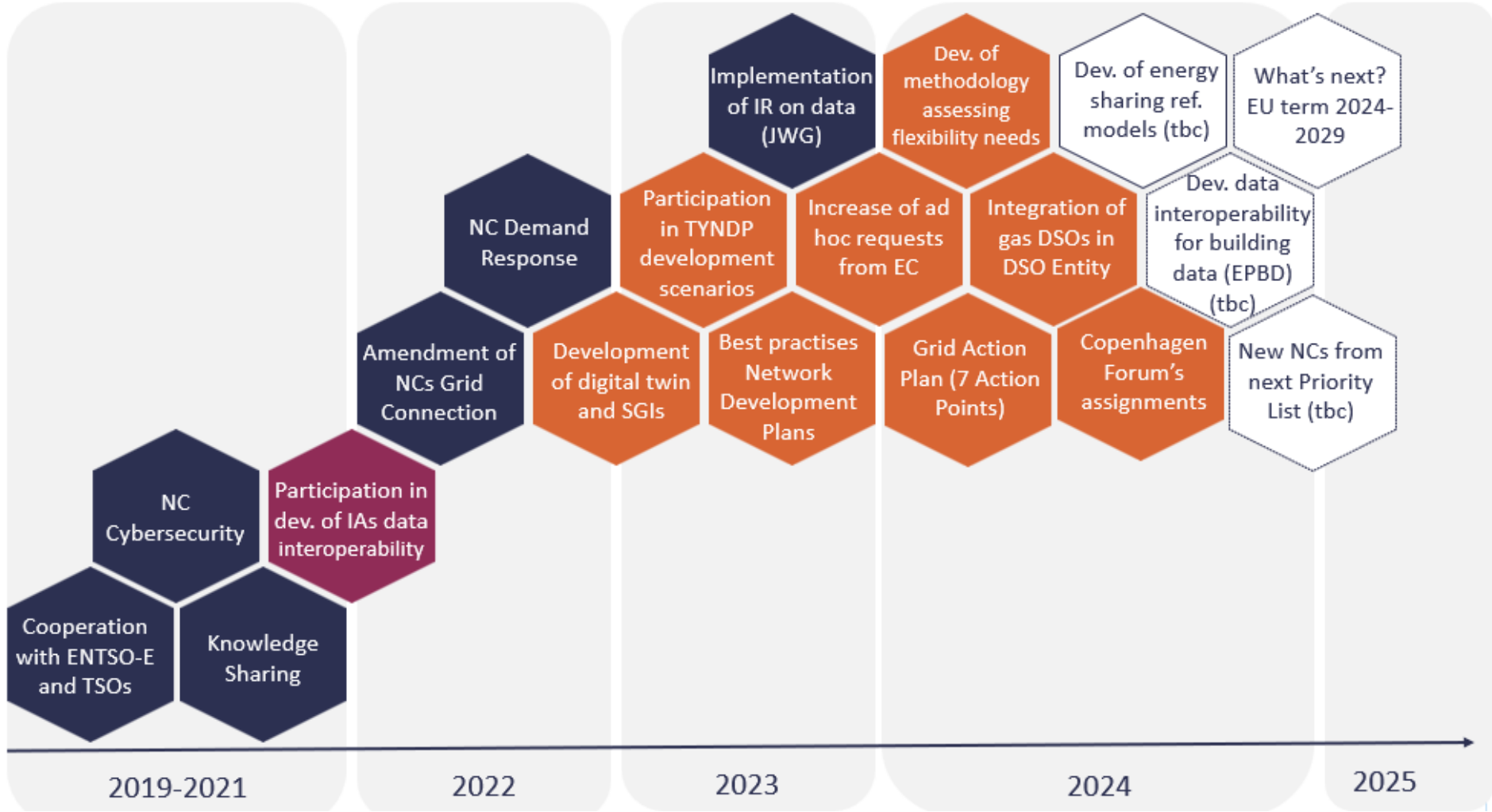
Connecting +250 million European households



From further initiatives by European Commission DSO Entity's mandated tasks are growing to the benefit of DSOs

Legend:

- As provided by DSO Entity's mandate (*Electricity Market Regulation (2019/943/EU) /** Electricity Market Directive (2019/944/EU)/Implementing Regulation)
- As provided by Implementing Regulation under the scope of DSO Entity's mandate
- As assigned by the European Commission in other (non-) legislative acts under the scope of DSO Entity's mandate



Overview of DSO Entity's core activities in 2024:

Three pillars & three extra projects

PILLAR 1



Development of Technical Rules such as Network Codes

Participating in the drafting of Network Codes & Guidelines which are relevant for DSO grids and other technical assignments

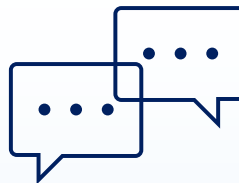
PILLAR 2



Close DSO-TSO Cooperation with ENTSO-E

Promoting the optimal & coordinated planning and operation of DSO/TSO networks

PILLAR 3



Knowledge Sharing (good practices)

Provide a forum of expertise to exchange views on relevant topics relating to the energy transition

Special project with CEG: member map

3 LARGE PROJECTS

Developing of DSO Entity's **Technical Vision** of the energy system



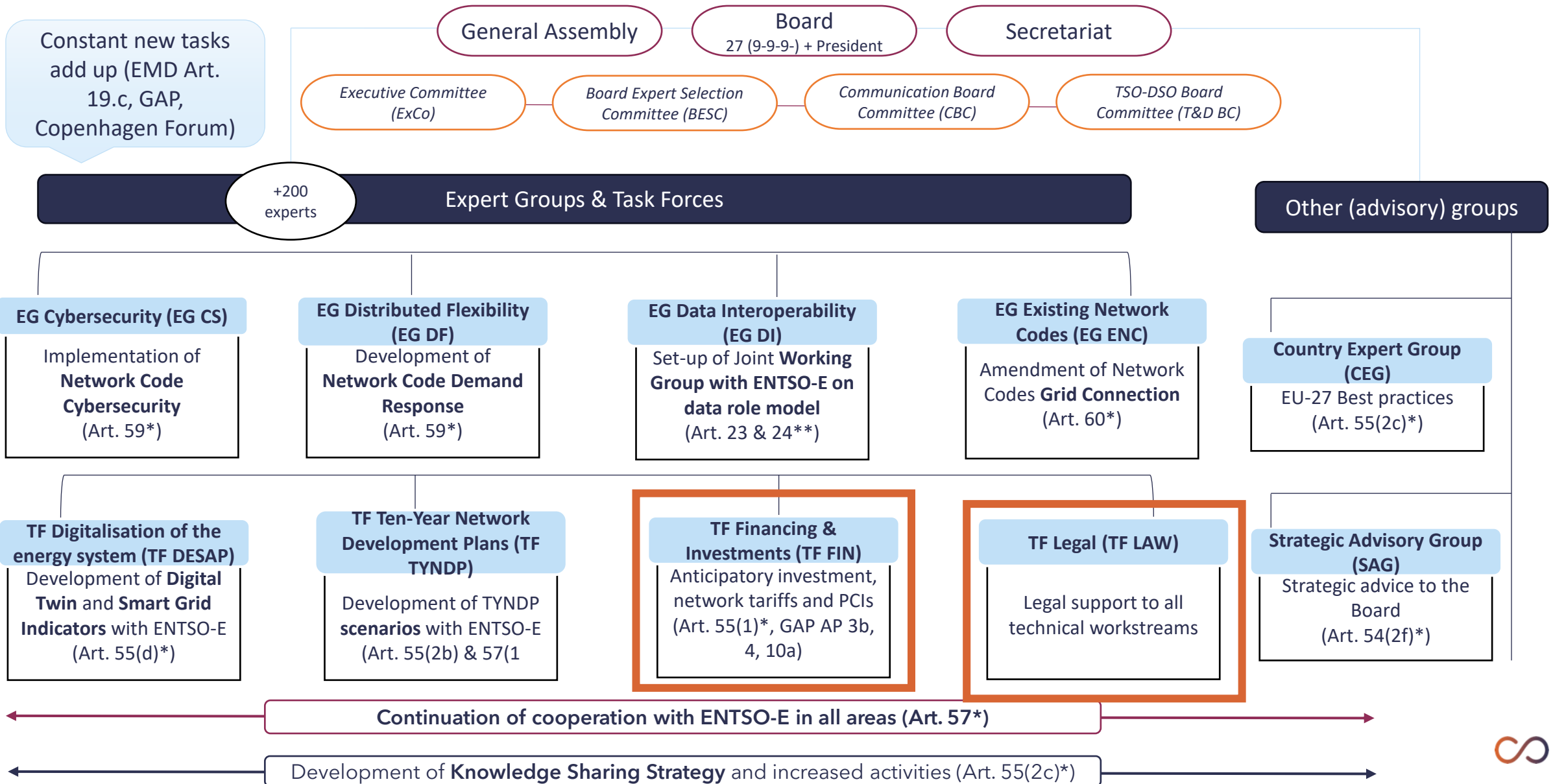
Integration of gas and hydrogen DSOs into DSO Entity



Delivery and monitoring of remaining tasks in **Grid Action Plan**

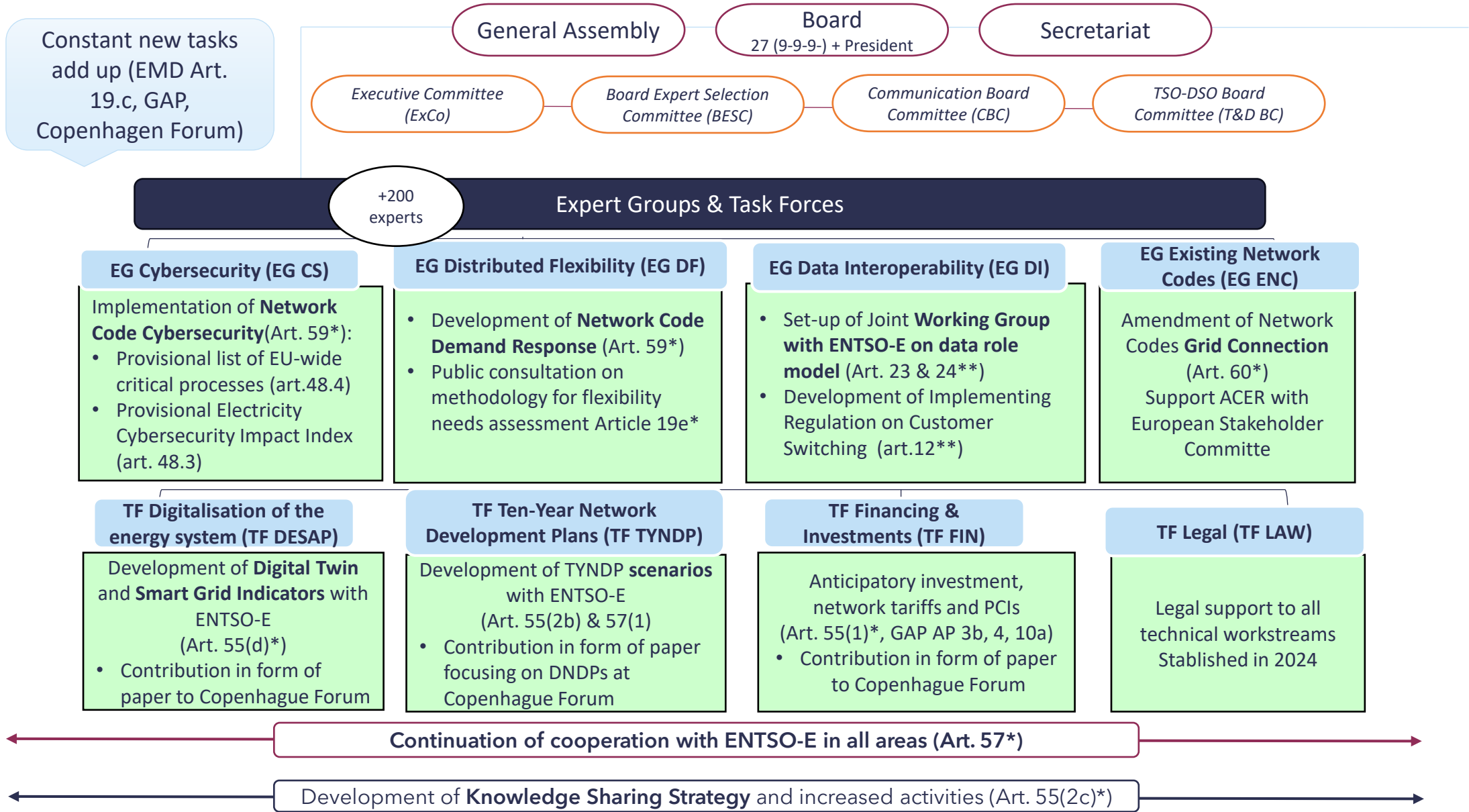


Expert Groups at the core – two new TFs were added



* Electricity Market Regulation (2019/943/EU)
** Electricity Market Directive (2019/944/EU)

Overview of key deliverables in 2024 by Expert Groups and Task Forces



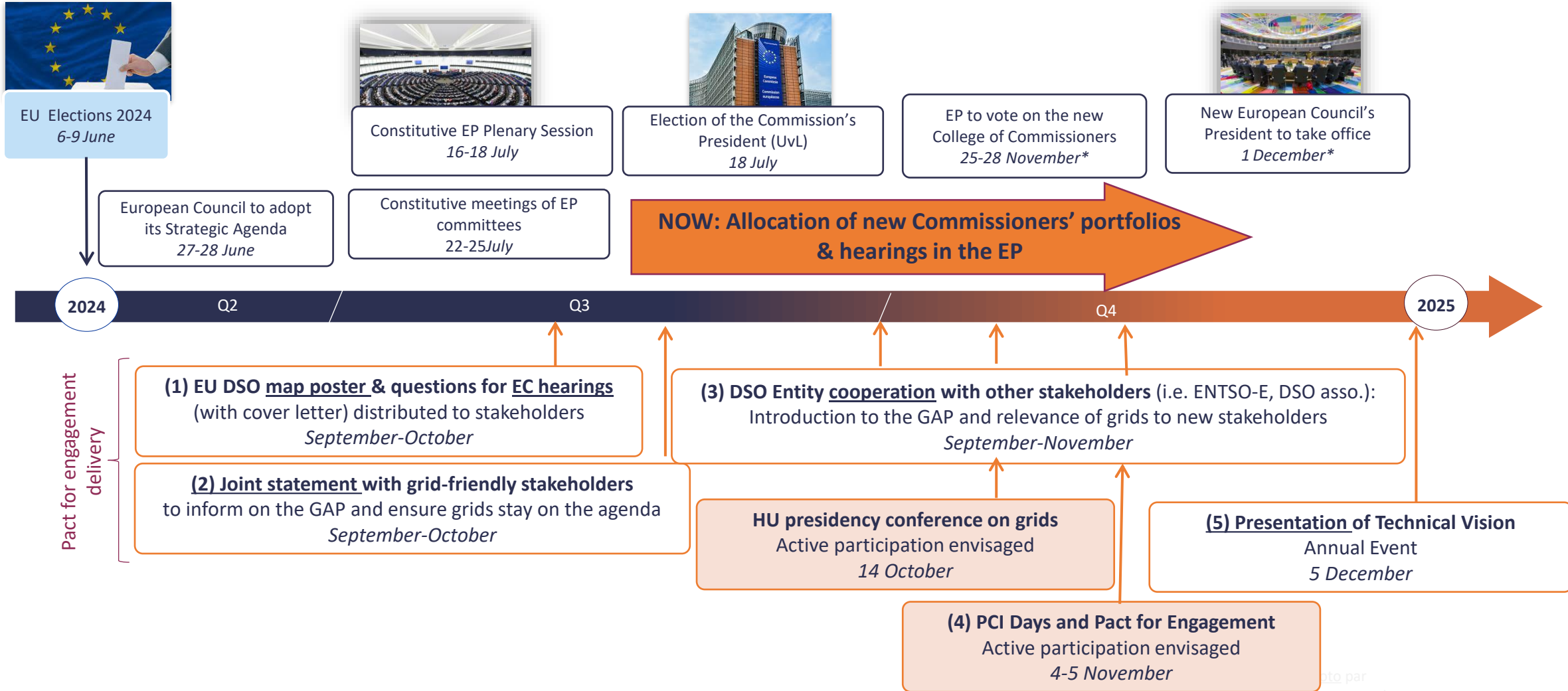
Constant new tasks add up (EMD Art. 19.c, GAP, Copenhagen Forum)

* Electricity Market Regulation (2019/943/EU)
 ** Electricity Market Directive (2019/944/EU)

EU timetable linked to DSO Entity's Knowledge Sharing activities (general overview)

New EU term 2024-2029

DSO Entity ideas to build on
GAP momentum



* Expected date, TBC

Overview of DSO Entity's core activities in 2024: Zooming in on three main projects

PILLAR 1



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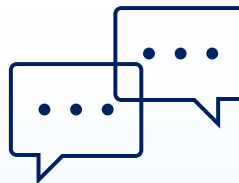
PILLAR 2



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Delivery and monitoring of remaining tasks in **Grid Action Plan**



Refer to point 4.2

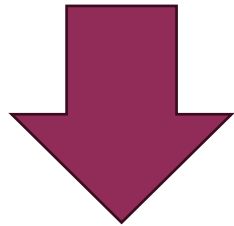
Zoom in: Project I - Technical Vision



A TECHNICAL CUSTOMER-CENTRIC VISION

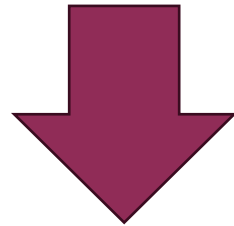


True objective & storytelling



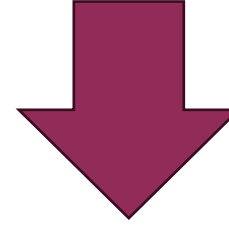
- Show how DSOs facilitate the **customers' needs** in the context of a societal revolution that needs to be made technically feasible.
- **Make it easily understandable** in a concise language with pictures.

Key messages



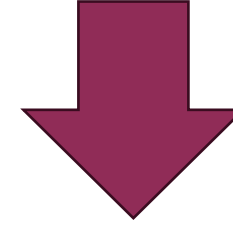
- Sketch the future energy system, which will be **more volatile, decentralised, customer-driven**, dynamic and flexible, **electrified but also more sector-integrated**.
- Show how it **builds on DSOs** in need of the right conditions to deliver.

Core work areas



- **Clear, concise** and not too many work areas.
- Options: **future operations, investments, regulatory framework, market facilitation and data management, resilience** (incl. emergency management).

Recommendations



- Technical depiction must lead to **European recommendations** to guide the term 2024-2029 in the right direction for DSOs from a technical viewpoint.

DSOs core development areas to reach net-zero and serve customers in Technical Vision



Serving Customers



Planning & Investment

Closely integrated with below areas to maximize value delivery to customers



i. Unlocking investments

ii. Network development plan

Market facilitation & Prosumers engagement

i. Flexibility

ii. Energy sharing and behind-the-meter services

Operations & Maintenance

i. Active system management

Resilience & Sustainability

i. Climate adaptation via observability and reinforcement

ii. Cybersecurity

Data & Digitalization

Digitalising the grid improves system performance and drives innovation, boost industrial growth, and strengthen Europe's competitive edge

Zoom in: Project III - Grid Action Plan (1/2)

Published on 28/11/23 by the European Commission



Objective

- **Support** for grids during implementation
- Grids as EU-success story but now **challenges for the delivery of energy targets**
- Especially, challenges of **high investment needs for DSOs** are highlighted



Contents

- **Non-legislative initiative** of the European Commission with measures meant to support the grid during the implementation phase of existing energy legislation
- The Action Plan describes **7 challenges and 14 Action Points** that should support **implementation in the next 18 months**



Assessment

- **DSOs** and the decentralised level **are in the focus** like never before
- **Right challenges** are identified, and meaningful measures proposed, often specific measures are mentioned for DSOs (e.g. permitting, funding)
- **DSO Entity appears as a key-actor** and is responsible for the delivery of **7** out of 14 Action points (often together with ENTSO-E)



“The EU is bringing grids to the centre of its agenda”

Zoom in: Project III - Grid Action Plan (2/2)

Clustered Action Points

The Grid Action Plan follows an institutional approach with:



1



Grid capacity and planning

- Distribution Network Development Plans
- Overview of grid hosting capacity

2



Grid smartening

- Promotion of smart grid uptake
- Promotion of PCIs for smart grids

3



Grid investment and financing

- Regulatory framework
- Anticipatory investments
- Access to funds (PCIs)

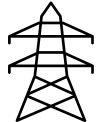
4



Grid permitting and the Public

- Pact for Engagement (stakeholder, permitting)
- Faster processes and streamlining of permitting

5



Grid Supply Chains

- More visibility of grid project pipelines
- Development of common technology specifications (standardisation)

In sum – on track to create value for all members by performing according to plan in 2024

Three pillars & three extra projects

PILLAR 1



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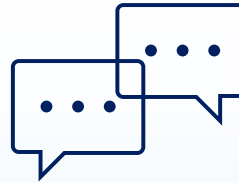
PILLAR 2



Close DSO-TSO Cooperation with ENTSO-E

Promoting the optimal & coordinated planning and operation of DSO/TSO networks

PILLAR 3



Knowledge Sharing (good practices)

Provide a forum of expertise to exchange views on relevant topics relating to the energy transition

Special project with CEG: member map

3 LARGE PROJECTS

Dissemination of DSO Entity's **Technical Vision** of the energy system



Integration of gas and hydrogen DSOs into DSO Entity



Delivery and monitoring of remaining tasks in **Grid Action Plan**



4.2 Update on integration of gas/H2 DSOs into DSO Entity

4.2 Update on Integration of gas & H2 DSOs

New EU regulation was adopted in Q2/2024

In December 2021, the European Commission proposed the **revision of the gas/H2- market directive/regulation**

In Art. 36f of the regulation, the EC proposed the cooperation of gas DSOs through DSO Entity, i.e. **one DSO Entity for electricity and gas (not H2).**

Council and Parliament reached a deal in 12/2023; the Regulation **entered into force in 05/2024. DSO Entity must integrate gas &H2 DSOs** in a fair and balanced way.



Internal DSO Entity timeline for the integration of gas/H2 DSOs

Q4/24

- Principles for draft statutes are ready
- Starting campaigning for new members

Q1/25

- Documents ready for EC & ACER
- Working on website and Secretariat structure

Q2&3/25

- EC & ACER reviewing the Documents
- Preparation for Board Elections and entry of new members

Q4/25

- Adoption by Board/GA
- Entry of new members, Board Elections

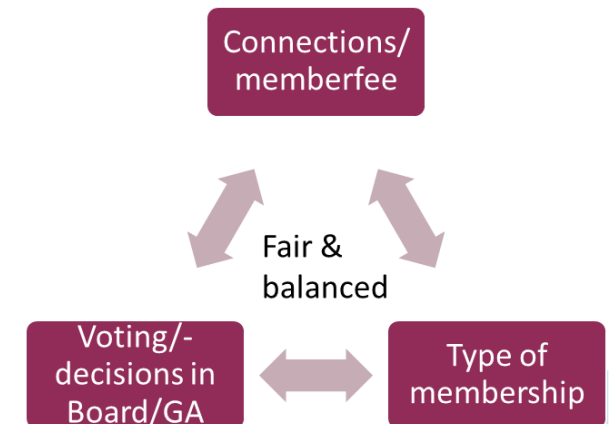
Q1/26, Operational 'launch**

* incl. a code of conduct, a list of registered members, updates rules of procedures and financing rules

**estimated date

Together with the Board and with the associations of incoming gas/H2-DSOs, a joint way of working was established

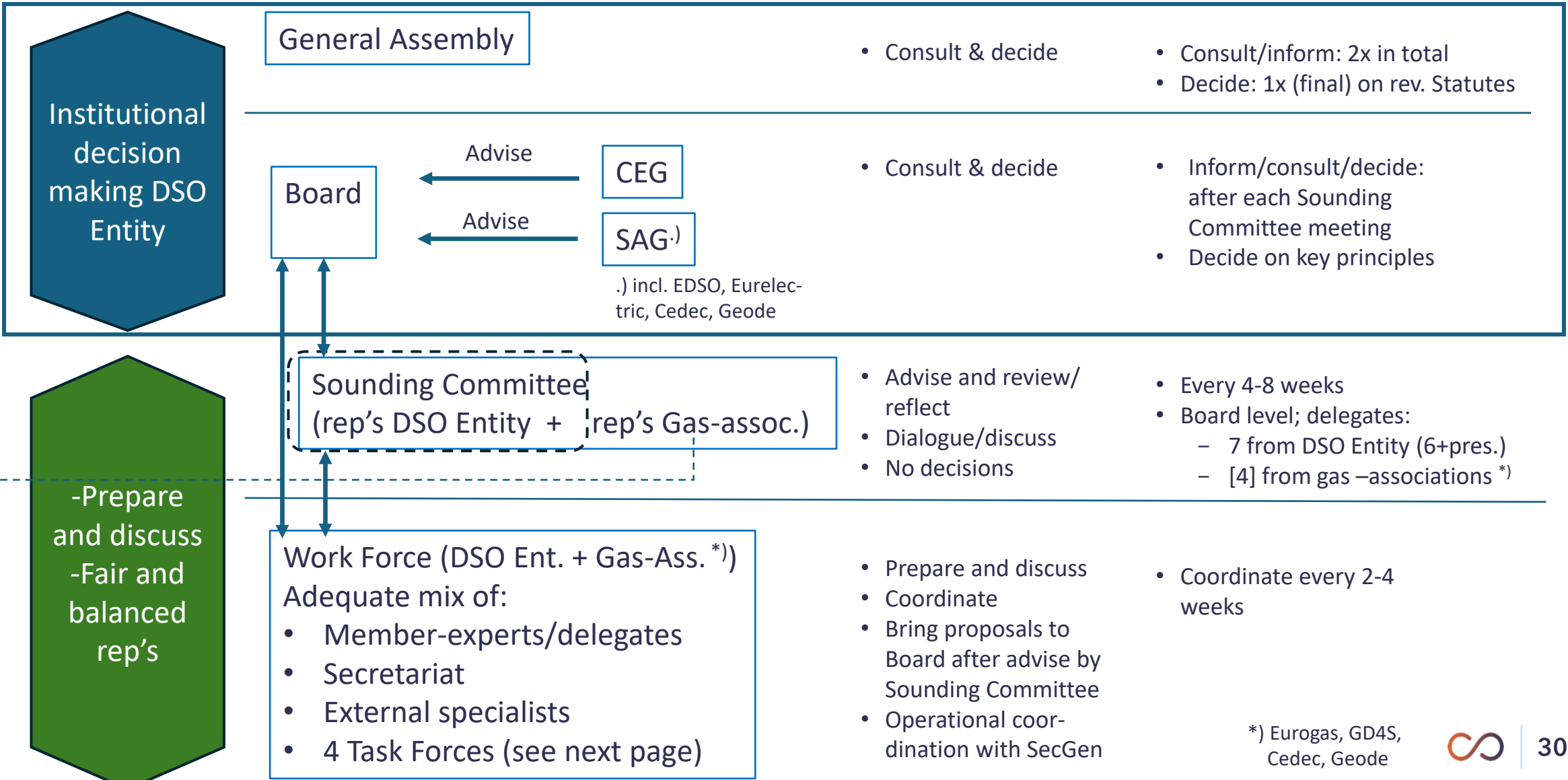
- The **keywords** and principles that characterize this **joint way of working** are:
 - **Balanced** (E/G and DSO Entity/ gas-associations)
 - **Efficient** (TFs not too large, but still complete and capable; anticipating a challenging timeline)
 - **Coordinated** ((i) for working within/across TFs and Sounding Board, and (ii) for (joint) decision making)
 - **Timeline** (TF1 and TF2 (+TF4) are a priority, TF3 can start a little later)
- On **coordination of the work**, the gas-associations proposed that TFs can mostly coordinate themselves, so they do not see a need for a joint coordinator. Consequently, Mr Gunnar Lorenz will coordinate on behalf of DSO Entity (for our part of the work).
- To ensure that all participants have **good and common understanding** on the many dimensions that determine the future structure of 'DSO Entity 2.0', multiple exchanges at Task Forces, Sounding Committee and Board were conducted, keeping an open mind for options that best serve the criteria as identified, also anticipating a good balance on the level of (in)dependence between E and G (and H2)
- To create a structure that generates a **'fair and balanced' governance**, it is needed to connect the dots on the following areas:
 - Type of membership (single E/G, combined E-G how to count the votes, put in categories etc.)
 - Definition of connections and memberfee (E/G/E-G)
 - Voting/decision-making in Board and GA



The working structure will facilitate statutory decision making whilst accommodating a fair and balanced process

Activity/ role

Frequency



Bring proposals to Gas.-Ass. Boards

-Prepare and discuss -Fair and balanced rep's

^{*)} Eurogas, GD4S, Cedec, Geode

Further future steps

The advanced Quarterly Planning of Milestones ensures that EC and ACER receive the documents in time and the structure is prepared

Q4/24

- New drafts reflecting Board considerations
 - Starting campaigning for new members

Q1/25

- Documents ready for EC & ACER
- Working on Web-Site and Secretariat structure

Q2&3/25

- EC & ACER reviewing the Documents
- Preparing Board Elections and entry of new members

Q4/25

- Adoption by Board/GA
- Entry of new members, Board Elections
- Q1/26, Operational 'launch'

Workforce - Indicative Task Force Structure:

- 1) TF Updating Statutes, Rules of Procedure, Consultation rules etc.
- 2) TF Budget & Financing, anticipated new members
- 3) TF Communication
- 4) TF Implementation preparation (Phase 2)

4.3 Overview written votes 2024

4.3 Overview written votes 2024

In 2024, DSO Entity used the statutory option for a “written vote” in an efficient way for the Network Codes

- **Written vote Network Code Demand Response**

- Voting open 30 April 2024 – 6 May 2024
- **Decision adopted:** The GA has endorsed the decision of the Board of Directors to submit the proposal of the Network Code on Demand Response to ACER on 8 May 2024.

| Response | Connected Users | Companies |
|----------|-----------------|-----------|
| Yes | 195,400,432 | 395 |
| No | 0 | 0 |
| Abstain | 79 | 1 |
| TOTAL | 195,400,511 | 396 |

- **Written vote Customer Regulation on Implementing Regulation**

- Voting open 16 October 2023 – 23 October 2023
- **Decision adopted:** The GA has endorsed the decision of the Board of Directors to submit the proposal of the Implementing Regulation on Customer Switching to the European Commission on 25 October 2024.

| Response | Connected Users | Companies |
|----------|-----------------|-----------|
| Yes | 179,404,870 | 400 |
| No | 0 | 0 |
| Abstain | 57000 | 1 |
| TOTAL | 179,461,870 | 401 |

5. Governance related topics



5.1 Admission of new members and acknowledgement of resignation/ exclusion of members of DSO Entity

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

| Country | New members | Connected Customers | Cat. |
|---------|--|---------------------|------|
| Romania | Distribuție Energie Electrică Romania (DEER) *) | 3.817.449 | 3 |
| France | Régie Municipale d'Electricité de Saint Paul Cap de Joux | 342 | 1 |

DECISION

The General Assembly **approves the membership** applications of:

- Distribuție Energie Electrică Romania (DEER) (cat.3), and
- Régie Municipale d'Electricité de Saint Paul Cap de Joux (cat. 1)

Based on Statutes in Article 15.2.C – for approval

The Assembly needs to **formally admit** the new members and acknowledge the resignation of the members who have requested a cancellation.

*) For administrative reasons, the membership of DEER requires a renewed confirmation

5.1 Admission of new members and acknowledgement of resignation/exclusion of members to the EU DSO Entity

In the 2nd half of 2023 and the first half of 2024, some members have informed us about their decision to **resign** from DSO Entity. In line with art. 9.1 and 9.2 (see below) of the Statutes, these resignations will take effect **as from 31 December 2024**.

In total, there are 21 members resigning, representing 292,000 connections, as referred to in the Annex, page 1.

Based on Statutes in article 9.1 and 9.2 – for acknowledgement

Members need to give written notice of their intention to resign to the Secretary General at least six (6) months prior to the end of the calendar year.

Their resignation becomes effective the last day of the year and members cannot claim reimbursement of any membership fee. They do remain liable for their membership fee of 2024.

DECISION

The General Assembly **acknowledges the resignation** of the members in annex, whose membership will end on 31 December 2024

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

The Secretariat was informed of the following:

- Stadtwerke EVB Huntetal GmbH created 3 subsidiaries and the grid section is now called **Stadtwerke EVB Huntetal Netz**. For DSO Entity, this is only an administrative change without consequences for the membership
- Various DSOs within **Iberdrola** (members cat. 1) merged into current member Anselmo León Distribucion S.L.U., which now comprises approx. 26.000 connected customers

DECISION

- The General Assembly **confirms** the continuation of Anselmo León Distribución S.L.U. as a member of category 1 after the merger of 8 DSOs within Iberdrola Group into Anselmo León Distribución, S.L.U. with 26,374 connected customers.
- The General Assembly **acknowledges** that the merging DSOs will end their membership as individual members to DSO Entity as they will be considered as part of Anselmo León Distribución, S.L.U.

| Merging DSOs | Resulting DSO |
|---|-----------------------------------|
| Distribuidora de Energía Eléctrica Enrique García Serrano, S.L.U. | Anselmo León Distribución, S.L.U. |
| Empresa Eléctrica del Cabriel, S.L.U. | |
| Electro Distribuidora Castellano Leonesa, S.A.U. | |
| Distribuidora Eléctrica Navasfrías, S.L.U. | |
| San Cipriano de Rueda Distribución, S.L.U. | |
| Herederos de María Alonso Calzada Venta de Baños, S.L.U. | |
| Sociedad Distribuidora de Electricidad de Elorrio, S.A | |
| Anselmo León Distribución, S.L.U. | |

Update on memberbase 2024

Evolution in (outstanding) membership fees collection 2021-2022-2023 (1/2)

- **Introduction:**

- For some time, we have been trying to get in **contact with ‘silent’ members** with the goal to **retain membership**
- The procedure for this, as illustrated earlier, applies the principle of **flexibility** which allows more time for members to pay the invoice than anticipated by the Statutes, whilst also respecting the commitment of other members that correctly pay their fee
- In the 18 September 2024 the Board meeting unanimously decided to **work towards a clean member base for 2025**; on 9 December 2024 **the Board unanimously approved to proceed** with the relevant next steps, bringing this to the GA.

- **Update:**

- With help of Board members and national associations a **focused communication** was organised to update ‘silent’ members’ **contacting details** and **get invoices paid**. This last step of communication was added to the many iterations that were performed before, including time that was given to remedy any omission of paying the member fee.
- These actions have given **clear results**: both in getting invoices paid or in confirmation of cancelling the membership (mostly from smaller DSOs that indicate to feel well-represented through their national associations)
- What we are **looking at now**, is the following:
 - After many iterations, a **substantial number of members was reached and confirmed their membership** (though payment is still outstanding, but with a positive outlook)
 - Although some members are still deliberating, it can now be **concluded as follows**:
 - **From 2021-2023**: 14 members will be excluded on the statutory ground of not paying memberfees (which, in fact, is indicating that they do not wish to continue). This comprises 14 members in category one (from Spain and France), representing 80,000 connections) → GA decision required
 - **In 2024**: some *other* members have communicated that they are re-considering their membership, which means that some 1.5 – 2.0m connections still need confirmation → Secretariat will follow up
 - All this results in an **exposure for the financial result of 2024 of c. 185k€** (105k€ potentially write-off for years 2021-2023, 80k€ potentially missing income for 2024 for the very same group of members)

Update on memberbase 2024

Evolution in (**outstanding**) membership fees collection 2021-2022-2023 (2/2)

- **Next steps:**
 - GA to approve the exclusion of the 14 respective members *)
 - Secretariat to follow-up on outstanding payments and on members that are re-considering

- **For approval by General Assembly**
 - Exclusion of the 14 members as listed in the Annex, page 2

DECISION

The General Assembly approves the end of membership (exclusion) of the 14 silent members as listed in the Annex.

*) A list of names is provided separately

OUTSTANDING FEES 2021-2022-2023

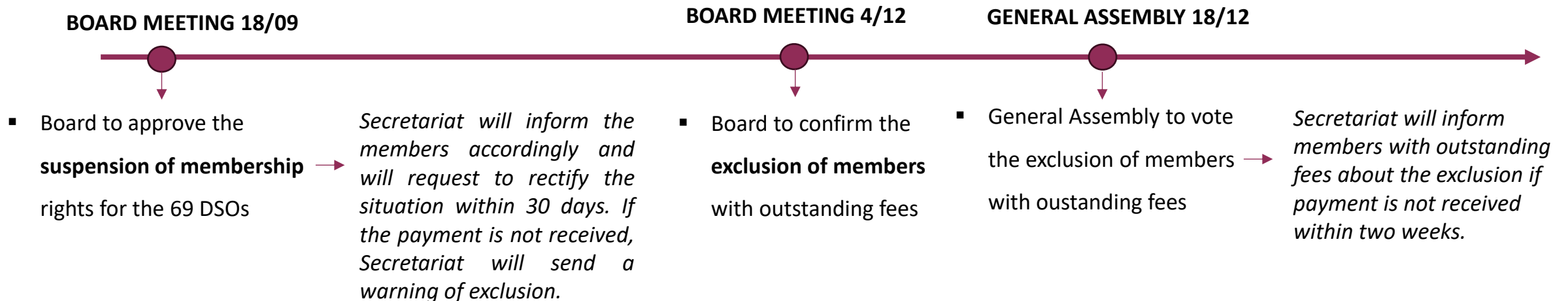
Status as of 10 December 2024 (total outstanding, incl. 14 outgoing members),
In general exposure is down from 325 invoices (226 members) to 50 invoices (31 members)

| | March | April | May | June/July | August | October | November | December |
|---|-----------------------|-----------------------|----------------------|---------------------|---------------------|---------------------|--------------|---------------------|
| Total number of Outstanding invoices | 325 | 233 | 159 | 135 | 102 | 93 | 78 | 50 |
| # connection at stake | 29 501 221 (226 DSOs) | 23 390 197 (163 DSOs) | 19 907 633 (106DSOs) | 8 794 763 (86 DSOs) | 7.352.359 (69 DSOs) | 6.090.202 (63 DSOs) | 50 DSOs | 5.204.830 (31 DSOs) |
| Total exposure in EUR | 354.699,27 € | 273.842,35 € | 211.665,40€ | 169.652,87€ | 123.777,45 € | 107.345,46 € | 100.355,70 € | 87.040,68 € |

| | | | | | | | | | |
|-------------|-----------------------|--------------|--------------|-------------|------------|-------------|-------------|-------------|-------------|
| 2021 | Total Invoices | 5 | 4 | 4 | 4 | 3 | 3 | 3 | 1 |
| | Total exposure in EUR | 2.025,34 € | 1.516,94 € | 1.516,94 € | 1.516,94 € | 1.164,93 € | 1.164,93 € | 1.164,93 € | 353,27 |
| 2022 | Total Invoices | 106 | 75 | 55 | 49 | 32 | 30 | 27 | 18 |
| | Total exposure in EUR | 137.763,31 € | 103.539,50 € | 86.740,84€ | 76.317,88€ | 55.797,89 € | 49.811,88 € | 48.651,60 € | 44.950,48 € |
| 2023 | Total Invoices | 214 | 154 | 100 | 82 | 67 | 60 | 48 | 31 |
| | Total exposure in EUR | 214.910,62 € | 168.785,91 € | 123.407,62€ | 91.818,05€ | 66.814,63 € | 56.368,70 € | 50.539,17 € | 41.736,93 € |

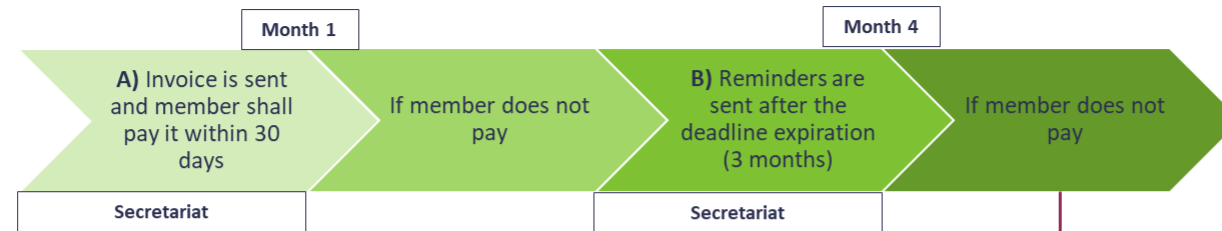
Timeline of steps as projected earlier (situation per September)

Since multiple reminders have been sent to all members and no feedback has been received from 69 DSOs with outstanding membership fees, the following actions are suggested, in line with the procedure approved by the General Assembly on September 14, 2023 (see annex):

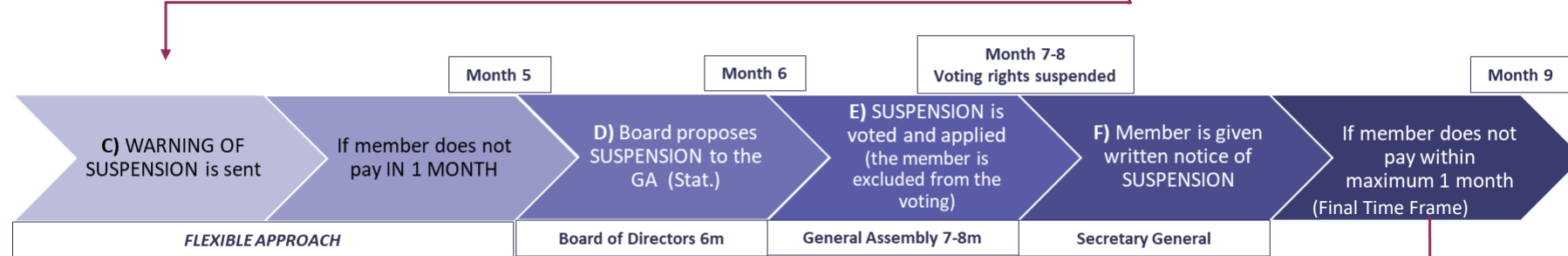


Annex - Procedure approved by the Board on 14/09/2023

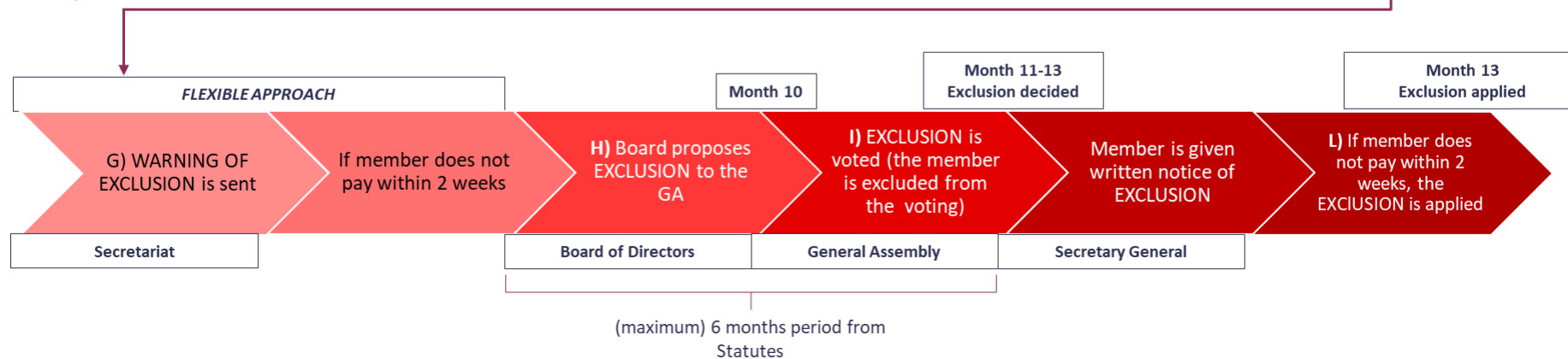
1. Membership fee payment - Regular process



2. Much Delayed Payment – Suspension Procedure (Art. 10 of Statutes)



3. Non Payment – Exclusion Procedure (Art. 11 of Statutes)



5.2 Updates on Board members, Observers and SAG

5.2 Updates on Board members, Observers and SAG

For information to GA on developments in 2024

- The following developments on the **Board** can be summarised:
 - Following the resignation of Mr Grzegorz Dolecki (**Poland, PGE Dystrybucja (Cat. 3)**) as announced in the GA of 20 March 2024, PGE Dystrybucja has introduced Mr Thomas Małecki as a new Board member. This has been accepted according to statutory procedures.
 - Mr Kristian Tilsted (**Denmark, Netselskabet Elvaerk A/S (Cat. 1)**) has resigned. Netselskabet Elvaerk A/S has introduced Mr Lars Peter Christiansen as a new Board member. This has been accepted according to statutory procedures.
- The following developments on the **Strategic Advisory Group (SAG)** can be summarised:
 - Mr Erik Landeck stepped down and is replaced by Ms. Eszter Szentirmai (**E.ON Hungary**). This has been accepted according to statutory procedures.
 - Mr Tasos Gregoriou (**Electricity Authority of Cyprus**) stepped down and is replaced by Mr Petros Mina. This has been accepted according to statutory procedures.

5.3 Adoption of the Annual Work Programme 2025

5.3. DSO Entity's 2025 Annual Plan: Basic information



Legal obligation in Art. 55 (2d) (2019/943/EU) for DSO Entity to adopt:

- an **annual report** (delivery of mandated tasks)
- an **annual work program** (planned activities)

Incl.
Knowledge
sharing

Scope / level of detail:



- The annual plan is an **external document**, i.e. publicly available and accessible, therefore, **no details are provided** on the budget or internal work aspects of the EGs.

Objectives:

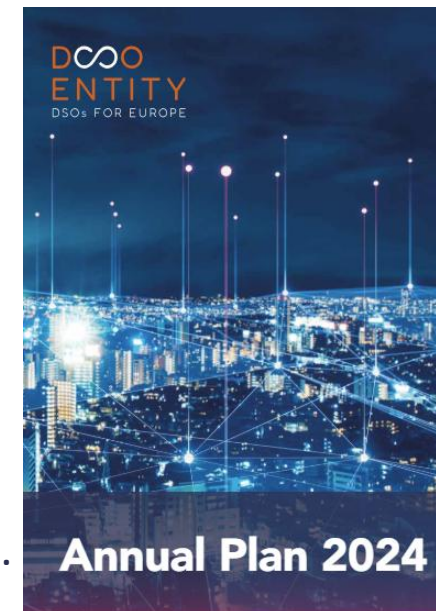


- Fulfilment of **legal requirements and information for members** about DSO Entity, its role, activities and relevant EU developments

External consultation and scrutiny:



- DSO Entity is **not explicitly obliged to organise an external consultation**, but voluntarily holds informal consultations with key-stakeholders (EC, ENTSO-E, ACER)
- **ACER has the right to issue an opinion** and has requested to receive the Annual Plan in its drafting state as well as separating the planning from the reporting



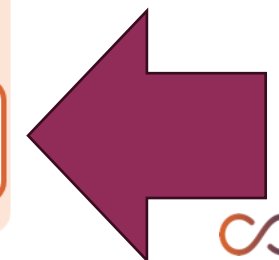
5.3. Planning the AP25 : Different timelines

| | | 2024 | | | | | 2025 | | |
|----------------------------|--|--------|-----------|---------|----------|----------|-----------------------|----------|-------|
| | | August | September | October | November | December | January | February | March |
| Annual Work Programme 2025 | Preparation of content by the EGs/TFs and ST&R | | | | | | | | |
| | Information of the BoD on process | | | | | | | | |
| | Consultations on 1st ideas | | | | | | | | |
| | Finalisation of 1 st draft | | | | | | | | |
| | Round of external and internal consultations | | | | | | | | |
| | Approval by BoD (4/12) and GA (18/12) | | | | | | Publication Dec. 2024 | | |

| | | | | | | | | | |
|----------------|--|--|--|--|--|--|--|--|------------------------|
| Reporting 2024 | Finalisation of 1 st draft by EGs/TFs | | | | | | | | |
| | Consultation of and approval by BoD | | | | | | | | Publication March 2025 |

5.3. The Annual Work Program (AWP25): Overview of consultations

| | September | October | November | December |
|---|--|---|---|---|
| Board of directors (BoD) | Start of the internal consultation process | | Enhanced consultation and information with dedicated webinar | Approval to submit AWP25 to GA 04/12 |
| DSO Entity members (830) | | | Written consultation of all members on final draft | |
| Strategic Advisory Group & Country Expert Group | | Consultation of SAG and CEG, including on the KSS25 | Enhanced consultation and information with dedicated webinar | |
| Institutional Stakeholders | | | Submission of draft AWP25 to ACER | |
| External stakeholders (voluntary consultation) | | | Targeted consultation of external stakeholders (DG ENER, CEER, ENTSO-E) | |
| General Assembly (GA) | | | | Approval of the AWP25 18/12 |



5.3. The Annual Work Program (AWP25): Structure

Table Of Contents

Foreword by the President and Secretary General

1. Introduction

2. DSO Entity's architecture: Objectives, mandated tasks, governance and guiding principles

2.1 *Background of DSO Entity's establishment: Role, objectives and mandated tasks*

2.2 *Structure, governance and Expert Bodies*

3. Horizontal aspects of the Annual Work Program 2025

3.1 *General and Strategic EU energy developments expected to affect DSO Entity's work*

3.2 *Overview of horizontal work priorities 2025*

3.3 *Knowledge Sharing and Communication Strategy 2025*

4. Specific Work Programs of the Expert Groups and Task Forces 2025

4.1 *EG Cybersecurity*

4.2 *EG Distributed Flexibility*

4.3 *EG Data Interoperability*

4.4 *EG Existing Network Codes*

4.5 *TF Digitalisation of the Energy System*

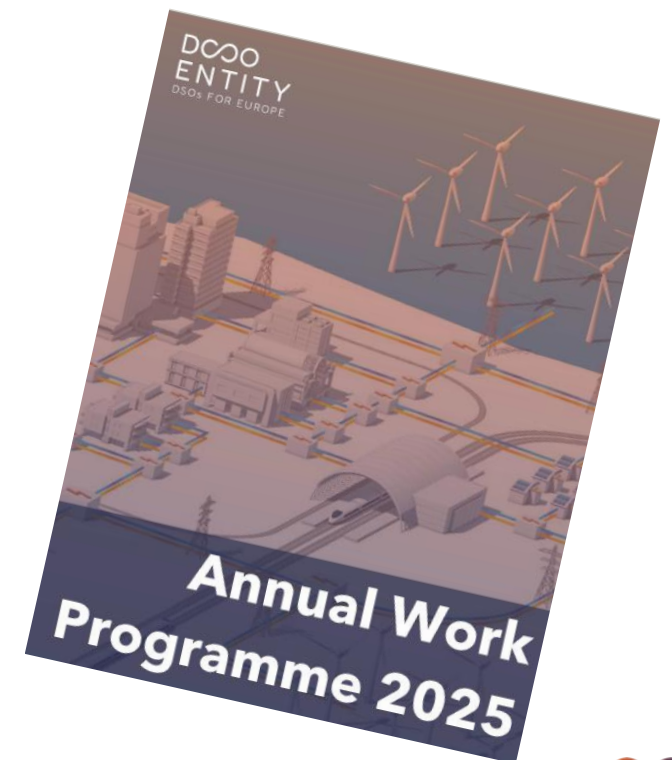
4.6 *TF Distributed System Development (former TYNDP)*

4.7 *TF FIN*

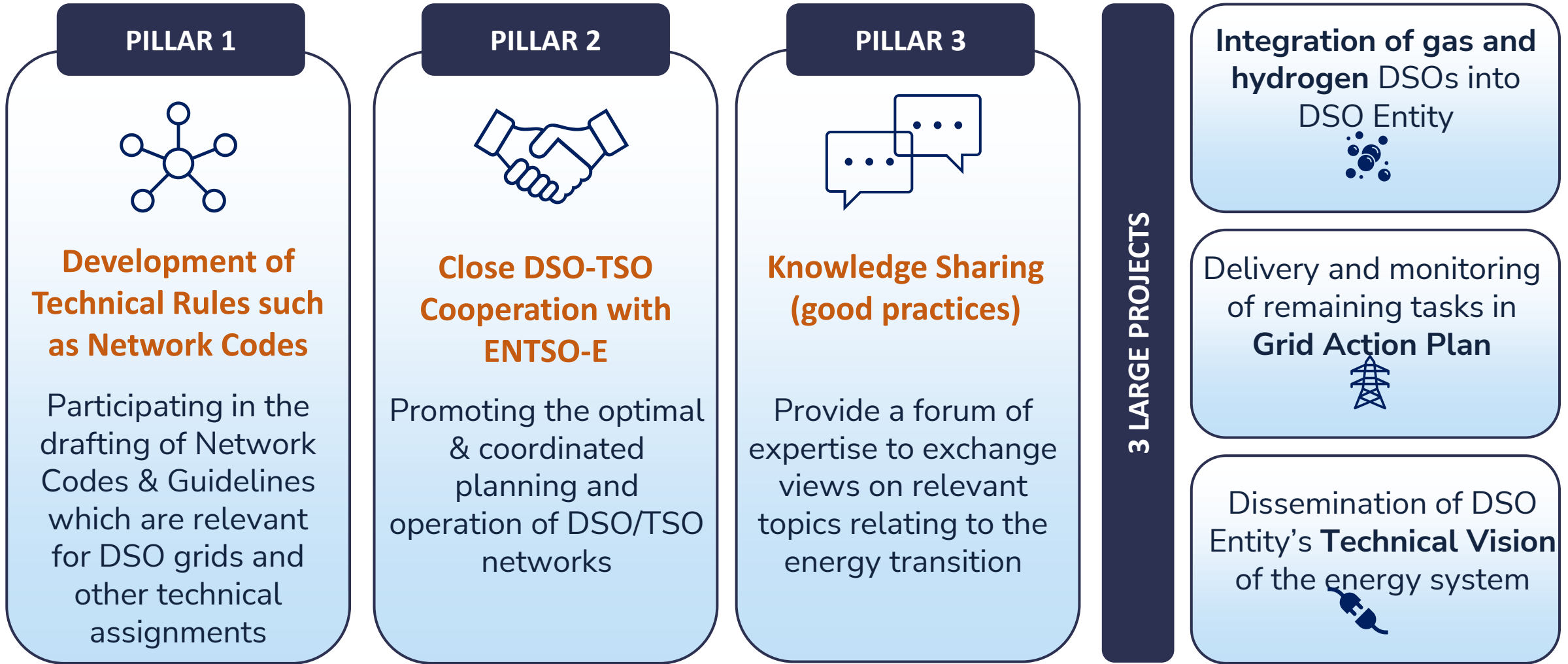
4.8 *TF Legal*

5. Summary and conclusion

List of Abbreviations



5.3. Overview of DSO Entity's core activities in 2025: Three pillars & three extra projects



5.3. Zoom-in: The Grid Action Plan (GAP):

- The GAP was published in November 2023 and stipulated 14 Action Points to be delivered **within 18 months, i.e. June 2025 the latest.**
- **DSO Entity** was assigned with the delivery of more than 7 out of the 14 Action Points, often together with ENTSO-E. Every task was assigned to a specific EG/TF and included in the WP.
- While some Action Points have already been delivered, others need to be finalised in June 2025 (see next slide).
- Further, some **already delivered Action Points were extended** (e.g. via the Copenhagen Forum) and will have to be delivered in 2025 as « new » assignments.



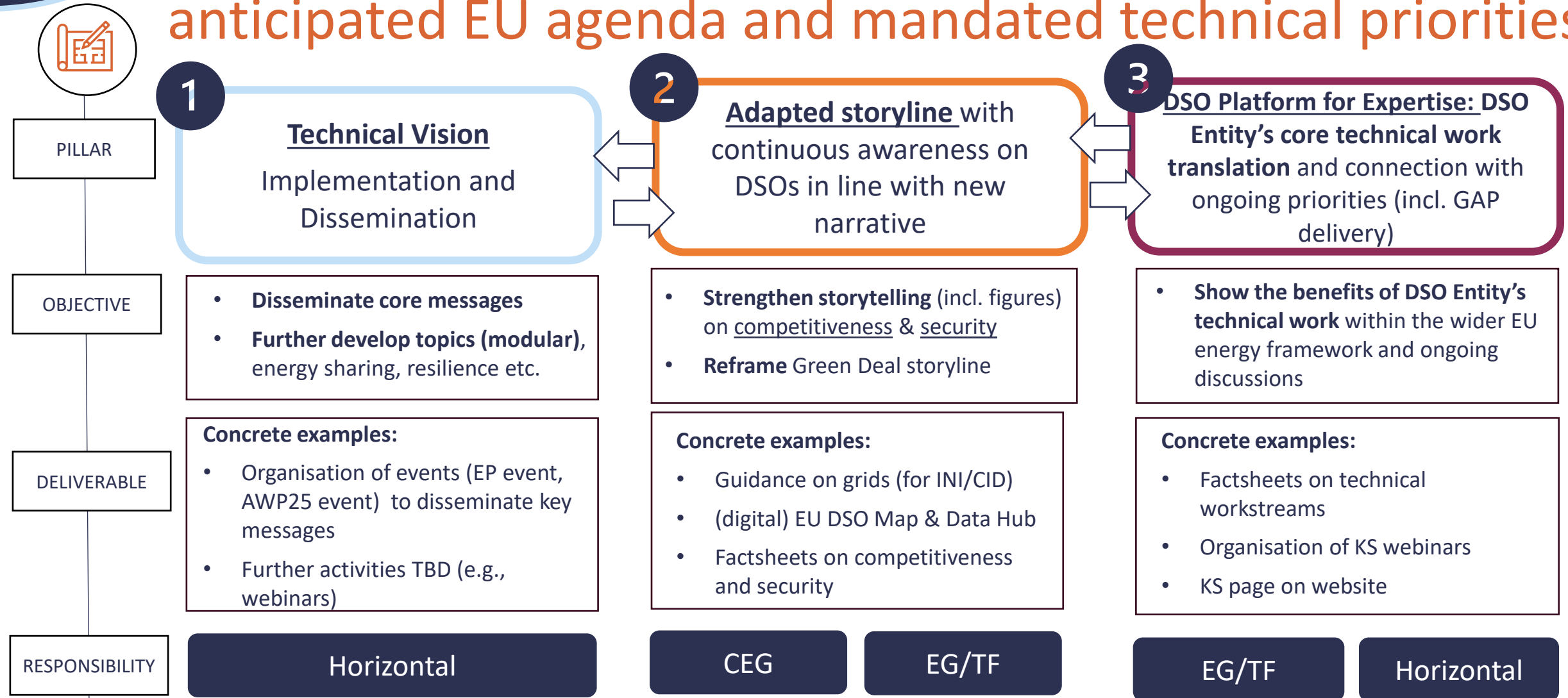
In general, it is visible that several Action Points will continue well beyond 2025 and develop into permanent workstreams of EG/TFs increasing the already existing workload.

5.3. Overview of core deliverables of the GAP:

Green = delivered by end 2024; orange = deadline 2025

| | Grid Action Plan – Tasks assigned to DSO Entity (mostly in cooperation with ENTSO-E) | Action | Lead |
|--|---|-------------------------|-----------------|
| Grid Planning and Grid Capacity | <ul style="list-style-type: none"> Support DSO grid planning by mapping DSO development plans; by improving best practices and recommendations Develop mechanisms for providing increased visibility to manufacturers into their upcoming procurement plans | Action 3a Action 13b | TF TYNDP |
| | <ul style="list-style-type: none"> Provide harmonized definitions for available grid hosting capacity for system operators and to set a pan-EU overview | Action 6a | EG DF |
| | <ul style="list-style-type: none"> Issue recommendations to digitalise and streamline procedures for grid connection requests | Action 6b | TF DESAP |
| Grid Smartening | <ul style="list-style-type: none"> Promote smart grid uptake, network efficiency and innovative technologies, e.g. technopedia | Action 7 | TF DESAP |
| Grid Investment and Financing | <ul style="list-style-type: none"> Raise awareness on the available options to increase funding applications for DSOs (PCIs) | Action 3b,10a | TF FIN |
| | <ul style="list-style-type: none"> Support the EC in proposing guidance for conditions to approve anticipatory investments | Action 4 | TF FIN |
| Grid Permitting and the Public | <ul style="list-style-type: none"> Facilitation of the Pact for Engagement to reinforce stakeholder engagement and permitting | Action 12 | CEG |
| Grid supply chains and Standardization | <ul style="list-style-type: none"> Collaborate with technology providers to develop standard technology specifications [TSO-focus] | Action 13a | All EG/TF |
| | <ul style="list-style-type: none"> Develop mechanisms for providing increased visibility to manufacturers into their upcoming procurement plans (see also grid planning) | Action 13b | CEG TF TYNDP |
| | <ul style="list-style-type: none"> Promotion of technical requirements for generation & demand connection (revision NC RfG/DC) | Action 14 | EG ExNC |

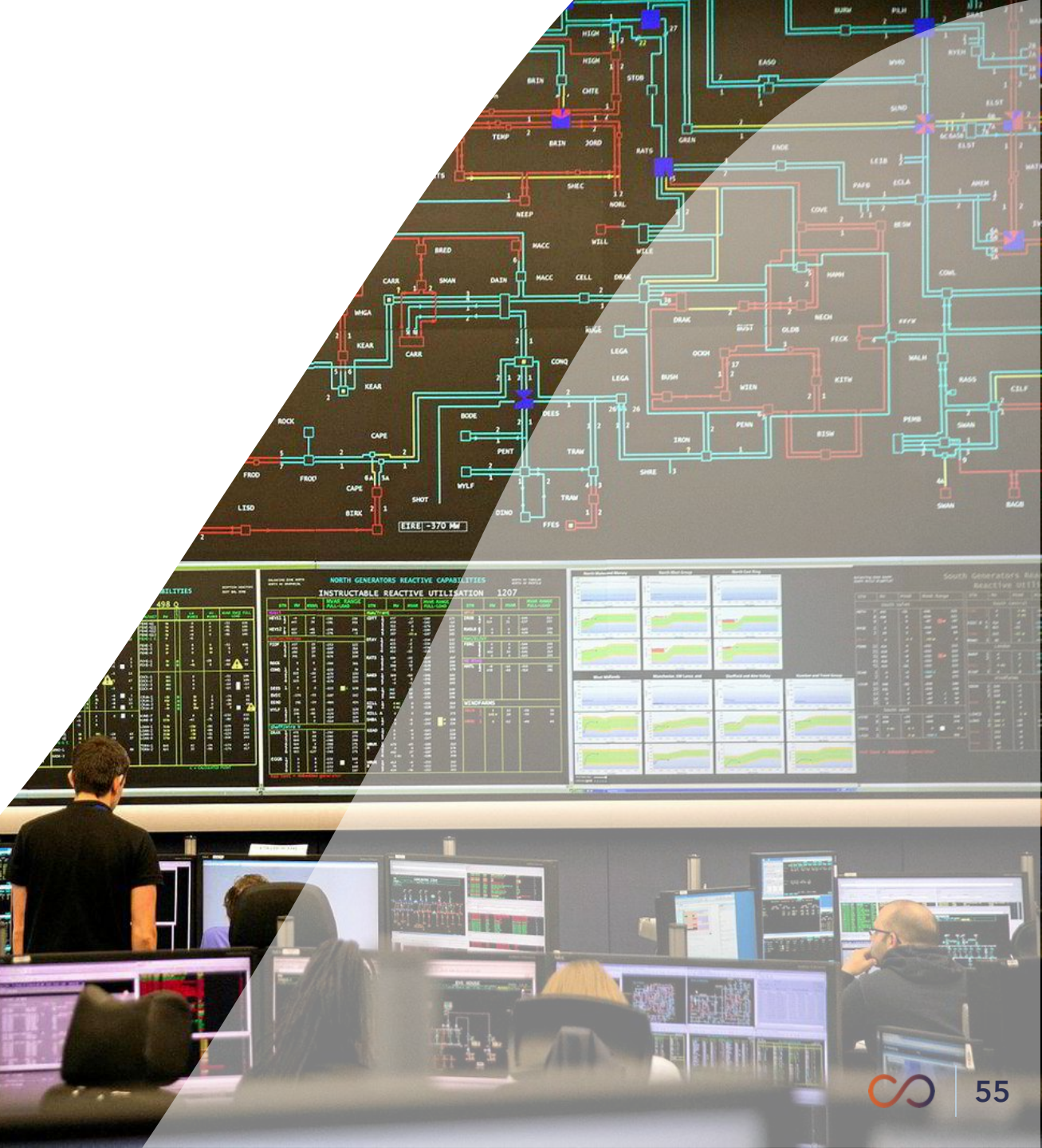
5.3. Zoom-in: Knowledge Sharing Strategy 2025 based on anticipated EU agenda and mandated technical priorities



Flexible adaptable to needs in Q3-4

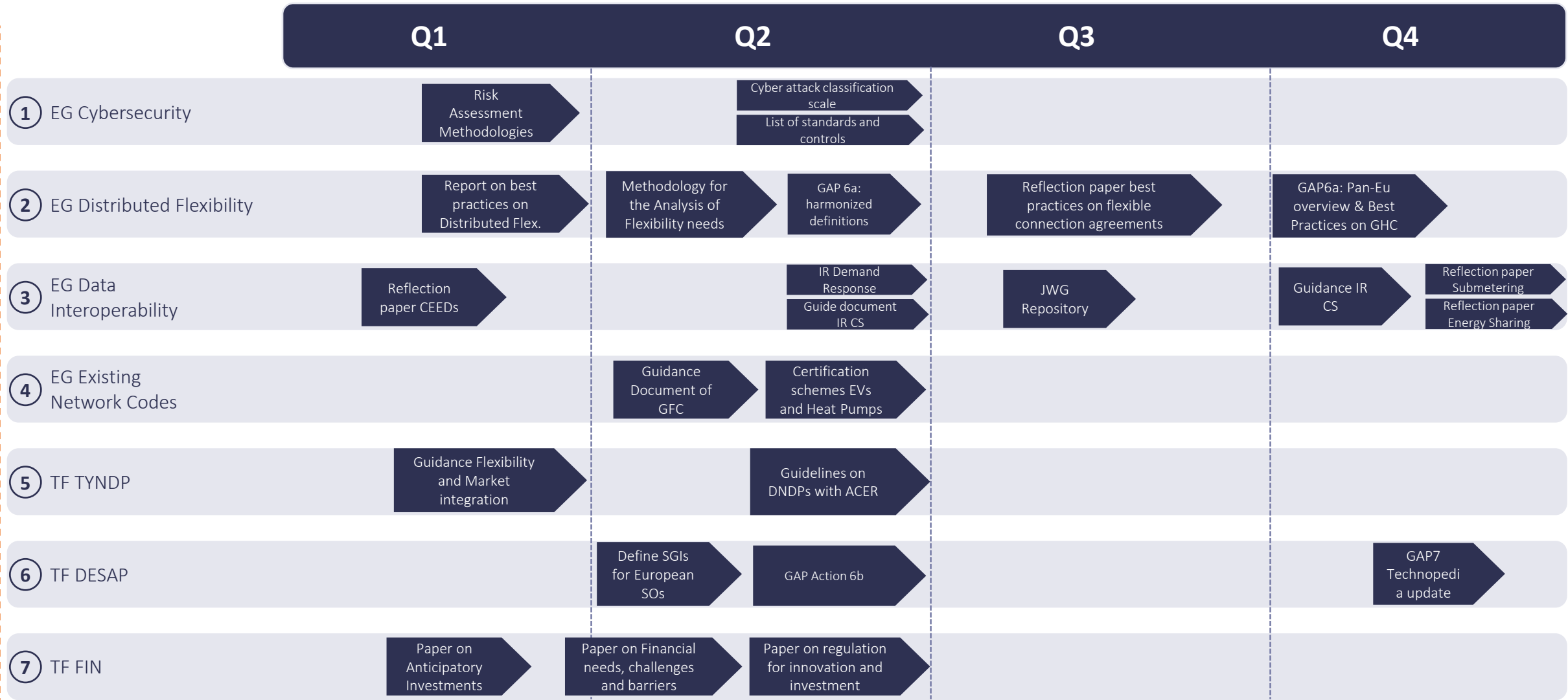


Overview of Expert Groups & Task Forces' Work Programs for 2025



5.3. Comprehensive overview of core deliverables 2025

Task Force Legal – support and advise on core workstreams



+ Knowledge Sharing activities supporting the further development of the Technical Vision (add-ons) and beyond

5.3. TF Legal: Work program 2025

WORK AREA

I. Network Code on Cybersecurity (NCCS)

DSO Entity and ENTSO-E collaborate **implementing NCCS** through a joint Working Group.

II. Flexibility needs methodology

DSO Entity and ENTSO-E are developing the **flexibility needs methodology** that the TSOs and DSOs in each Member State have to provide to the designated authority or entity to prepare the report of flexibility needs.

III. Joint Working Group on Data: IR on Demand Response

Advising the JWG on Data drafting a proposal for the IR on Demand Response and provide support in drafting other proposals for legislative acts.

IV. Public Procurement Directives revision and Grid Action Plan (action 13)

DSO Entity with ENTSO-E in work to deliver the task for action point 13 and discussions for **revision of existing Public Procurement Directives** have arised.

V. Revision of the Grid Connection Network Codes

Support for EG Existing Network Code on the questions arising from implementation of the revised network codes on RfG and DCC.

VI. Proposal for Network Code on Demand Response

ACER is reviewing the DSO Entity and ENTSO-E submitted proposal and submit to the Commission by March 2025.

VII. Advising EG/TF upon request

DELIVERABLES



Participate in the **NCCS legal group**:

- advising drafting TCMs;
- conducting legal reviews of the TCMs.



Through dedicated TF members:

- conduct a **legal review of methodology**,
- prepare legal assessments.



Through dedicated TF members:

- **conduct a legal review**,
- prepare legal assessments.



TF Legal investigates the **need to engage and develop a proposal** outlining legal challenges.



Deliverables in detail to be defined



Deliverables in detail to be defined

Deliverables in detail to be defined

5.3. EG Existing Network Codes: Work program 2025

- **WP1. 2025 Follow-up on the amendments to Grid Connection Network Codes (NC RfG and NC DC)**
- **WP2. Follow-up on a DSO Entity Guidance Document of GFC in DSO networks, subject to the timeline of RfG entry in force**
- **WP3. Lead the Development of Certification schemes for EVs and Heat Pumps - DSO Entity is the Chair and in the lead under ESC**
- **WP4. Continuous Interaction within the European Stakeholder Committees on GC and SO topics**
- **WP5. Review of other existing NCs or GLs, especially considering the implications of new NC on Demand Side Response**
- **WP6. Possible re-opening of existing NCs or GL, or chapter such as (GLDPM, KORRR, System Operation Guideline and Balancing Guidelines**
- **WP7. Continue the collaboration with relevant EU Stakeholders (namely Renewable Generation, EVs, Heat Pumps, Storage Associations), alongside ENTSO-E and ACER, on defining the technical rules/ NCs**

Main Grid Connection topics for RfG NC and DC NC



Note: Graphs from ACER

5.3. EG Data Interoperability: Work program 2025 (JWG) (1/3)

| Deliverable name | Outcome |
|--|---------------------------------|
| A draft proposal for the European Commission of an Implementing Regulation on Demand Response as required in Implementing Regulation (EU) 1162/2023 | Document for EC* |
| A draft proposal for the European Commission of a Guidance document on Implementing Regulation on Customer Switching (to be mandated once the European Commission approves this implementing regulation) | Document for EC* |
| A draft proposal for the system operators of a guide document for the Implementing Regulation on Customer switching aimed at facilitating the implementation of this implementing regulation by system operators | Document for KS |
| A new version of the Harmonised Energy Market Role Model (with DSO Entity taking the role previously done by ebIX) | Public external document for KS |
| A repository where, among other things, the JWG will publish the reference models being submitted by Member States in compliance with the Implementing Regulation 1162/2023 | Public repository* |

* Mandated in IR 1162/2023

5.3. EG Data Interoperability: Work Program 2025 – Preparatory work (2/3)

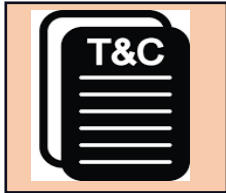
| Deliverable name | Outcome |
|--|-----------------|
| Internal reflection paper considering the most recent information on submeters (including DMDs) and the technical requirements that should be considered for those sub-meters to ensure the necessary quality of information | Document for KS |
| Support work in the sub-groups of the Smart Energy Expert Group – including CEEDS | As appropriate |
| Reflection paper on data interoperability of Energy Communities | Document for KS |

5.3. TF FIN: Work program 2025 (1/2)

| Work Area Title/Deliverable | Outcome |
|---|---------------------|
| Work area 1: Regulation and tariffs | |
| Paper on anticipatory investments | Public paper for KS |
| (High-level) reflection paper on regulation for innovation and investment | Document for KS* |
| Ad hoc topics on regulation | Document for KS* |
| Paper(s) identifying good practices for tariff design on ad hoc topics | Document for KS* |
| Work area 2: Finance and funding | |
| Reflection paper on financial needs, challenges and barriers for different types of DSOs | Document for KS* |
| Develop knowledge sharing material and activities in the area of European funding | Document for KS* |
| Support the DSO Entity in the provision of relevant input for the Investors' Dialogue (ID) meetings | As appropriate |

* Documents to be used to engage with European Commission and ACER in delivery of GAP tasks

5.3. EG Cybersecurity: Work program 2025 (1/2)



NCCS Implementation: Drafting key supporting documents and deliverables, including TCMs (Terms, Conditions, and Methodologies) that will be used within the NCCS.



Knowledge sharing:

- The EG CS will hold a “workshops about different TCMs” with focus on the approved NCCS
- Internal workshops on Business Continuity Management



- Develop Supporting documents for NCCS implementation and BCM
- Preparation of the inputs for standardization as part of the agreement with CEN/CENELEC related to cybersecurity standards.
- Monitoring the implementation phase of the Cybersecurity Resilience Act and advising members on potential impacts and compliance requirements.



Communication material concerning NCCS:

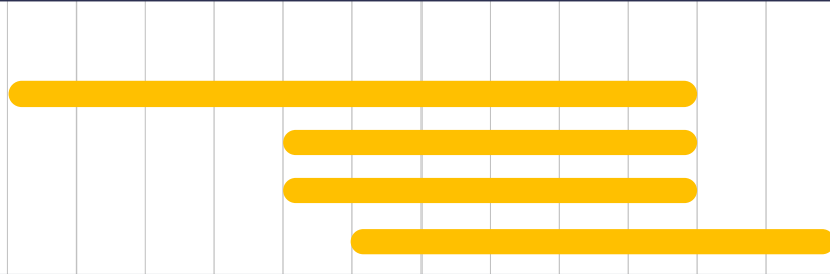
- EG CS will provide communication materials (including dedicated videos) on the final approved NCCS to:
- Members
- Other stakeholders
- National authorities

5.3. EG Distributed Flexibility: Work program 2025

2025 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

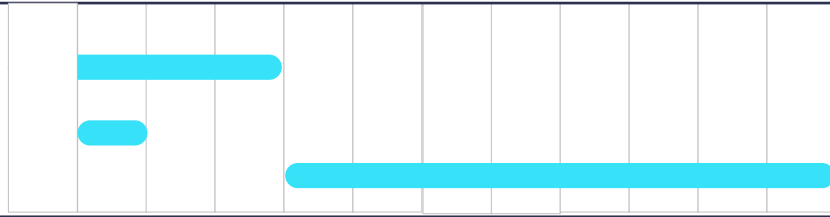
EG DF WP 1 Network Codes on Demand Response

- Deliverable 1.1** Monitor the completion of the legal process for the development of the NC DR.
- Deliverable 1.2** Preparation of an Action Plan for the NC DR.
- Deliverable 1.3** Preparation of a Communication Plan for the NC DR.
- Deliverable 1.4** Cooperation with ENTSO-E in the Development of the proposals for the Union-Wide Methodologies defined in the NC DR.



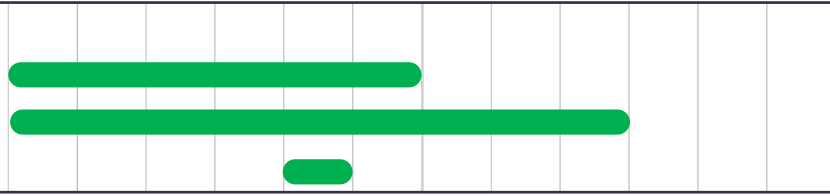
EG DF WP 2 Flexibility Needs Assessment Methodology

- Deliverable 2.1** Development of a Methodology for the Analysis of the Flexibility Needs by SOs and Submission to ACER
- Deliverable 2.2** AMA Webinar on Flex. Methodology
- Deliverable 2.3** Cooperation with ENTSO-E to Coordinate TSOs and DSOs in providing the Data and Analysis Defined in the Methodology



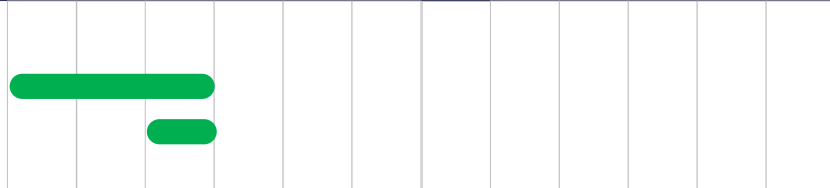
EG DF WP 3 Implementation of Action 6

- Deliverable 3.1** Harmonized Definitions on Available Grid Hosting Capacities
- Deliverable 3.2** Pan-EU overview of Available Grid Hosting Capacities
- Deliverable 3.3** AMA on Harmonized Definitions on Grid Hosting Capacities



EG DF WP 4 Communication & Knowledge Sharing

- Deliverable 4.1** Report on Best Practices on Distributed Flexibility
- Deliverable 4.2** AMA on Best Practices Report on Distributed Flexibility



EG DF

Support to Other EGs & TFS on topics related to Distributed Flexibility

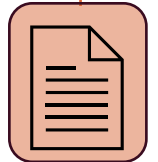
- Implementing Regulation on Demand Response (EG DI)
- Energy Sharing and Common Energy Data Spaces (EG DI)
- Implementation of Action Plan for Grids (other EGs/TFs)
- Existing Network Codes
- Technical Vision (Updates)



5.3. TF DESAP: Work program 2025

Outlook for 2025:

- Continuing the **joint project** on Digital Twins with ENTSO-E.
 - TF DESAP will continue its work on Digital Twins, which focuses on developing use cases on Digital Twins.
- In cooperation with ACER, CEER, & ENTSO-E, TF DESAP will prepare a document that will outline a set of indicative input and output indicators for Smart Grid Indicators via a Catalogue, for which a first deliverable is set to be presented at the next **Energy Infrastructure Forum 2025 (Copenhagen Forum)**.



Grid Action Plan Deliverables

- TF DESAP will launch its work/concept in early 2025 to **support system operators to digitalize and streamline connection requests**.
- TF DESAP will work with ENTSO-E and relevant stakeholders to **promote the uptake of innovative grid technologies**. This will take shape via an **online platform**, in which stakeholders may submit technology applications. DSO Entity and ENTSO-E will be jointly responsible.



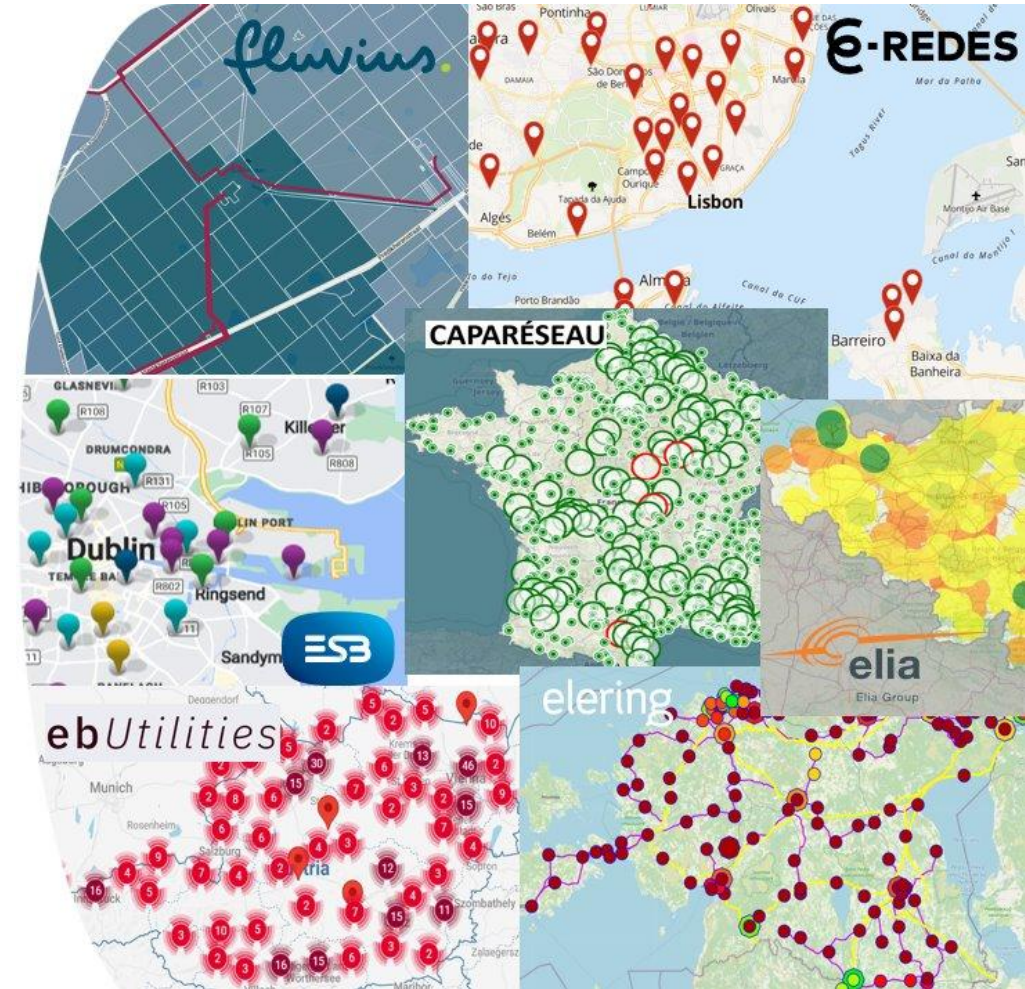
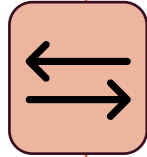
| TF DESAP Annual Plan 2025 | Q1 | | | Q2 | | | Q3 | | | Q4 | | |
|--|----|---|---|----|---|---|----|---|---|----|----|----|
| 2025 TF DESAP Work Package Timeline | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| Define Smart Grid Indicators for the European Grid Operators | | | | | | * | | | | | | |
| Define a concept for a Digital Twin of the European electricity grid | | | | | | | | | | | | |
| Support system operators in digitalizing and streamlining procedures for grid connection requests | | | | | | | | | | | | |
| Define a concept to promote the uptake of smart grid, network efficiency, and innovative technologies for system operators | | | | | | | | | | | | |
| Knowledge Sharing | | | | | | | | | | | | |

*Key deliverable to be showcased at the European Commission’s Energy Infrastructure Forum (Copenhagen Forum).

5.3. TF TYNDP: Work program 2025

Outlook for 2025:

- TF TYNDP seeks to enhance the transparency, reliability, and forward-looking nature of Distribution Network Development Plans (DNDPs) to support a sustainable and resilient distribution system. Therefore, the Task Force will focus on **mapping existing DNDPs, identifying good practices, and establishing guidelines to support DSOs of all sizes and present them to the Energy Infrastructure Forum (Copenhagen Forum) in 2025.**
- Given the interconnected nature of Europe's energy networks, TF TYNDP will continue to **exchange with ENTSO-E and TSOs on network development topics**, including TYNDP, ERAA, and DNDPs.
- TF TYNDP will grant guidance to EG DF within the **development of a methodology to assess flexibility needs** in collaboration with ENTSO-E.



5.3 Approval of Annual Work Programme 2025*

The Board proposes the GA to approve the Annual Work Programme 2025 (separately attached in full)

Decision:

The General Assembly approves the Annual Work Programme for 2025



*see accompanying PDF-file.

Please note that this PDF-file is a “raw version” of the AWP25 and is still subject to improvements by a designer

5.4 Approval of the budget 2025 and memberfee 2025

5.4 Budget and memberfee 2025, proposal for GA

Proposal for Budget 2025, based on Annual Plan 2025

Introduction

- In September 2024 the Board approved a **budget framework for 2025 of 3.250 - 3.300k€**
- This was **based on the initial review** of activities in 2024, extrapolating them to 2025, and anticipating a certain workload on Grid Action Plan (etc.) and integration of gas/H2

Update for GA (based on unanimous Board decision per 9 December 2024)

- The Secretariat elaborated a final, more detailed budget that comprised also some recent observations:
 - **Regular work in Annual Work Plan 2025:** this is slightly higher than anticipated earlier, we will prioritise our capacity allocation throughout the year to accomodate that
 - **Additional work from Grid Action Plan** and anticipated work from **incoming new EC/Parlement** (like ITRE report): this requires more capacity than earlier anticipated (which need to be temporarily/partly hired)
 - **Integration of gas/H2:** preparing this integration requires more resources than earlier anticipated (senior/ legal level)
 - **Higher meeting cost:** increased number of EGs/TFs, more in-person meetings and lower availability of our own (shared) meeting rooms result in high cost (ca. 4-5.000 Euro/mtng incl. hybrid facilities; will look for better office location in 2025)
 - Suggestion to **re-schedule an Annual Event 2025** to early 2026 (upon integration of gas/H2 and 5-years existence) compensates some 50k€ in earlier budget framework

Proposal from Board – from the above, the Board unanimously brings the **budget 2025** for approval to the GA as follows:

- A budget for **regular/mandated activities** of 3.300k€ (base for memberfee)
- An additional budget for **gas/H2 integration** of 150k€ (to be funded from reserves, 50% of total integration cost to be recollected from incoming members upon integration)
- **Separate budget** for DESAP-activities 200-250k€ (**grant by EC**, fully dedicated for specific work on DESAP, conditions to be investigated)

Budget proposal 2025 (detailed info, 1/2)

Elaboration of developments compared to 2024

General developments and mandated activities (based on Annual Work Plan 2025)

When composing the **budget for 2025, evaluating 2024**, the following was taken into account:

- Keep strong focus on 3 pillars as **based on mandate**: NC & guidelines, TSO-DSO cooperation, Knowledge Sharing
- Develop activities on **implementation** of NCs like Cyber and Data (this requires specific expertise)
- Develop way-of-working to improve **support to EGs** (e.g. legal), also evaluating best way to cooperate with ENTSO-E
- Anticipate on **increased workload from Grid Action Plan (GAP), EMD and gas/H2 integration** (150-250k€ anticipated in budget, partly from reserves); Technical Vision should be ready in 2024 (some additional modular steps anticipated)

Specific activities under DESAP grant (refer to agenda item 7 on Egs/TFs)

- A specific '**grant for identified beneficiaries**' has been confirmed to DSO Entity (total of 750k€ in three years; some **200-250k€** anticipated for 2025, which can be considered to be 'external funding')
- Grant is **dedicated to a specific project**, with a focusing to boost the uptake of Digital Twins, smart grid, and innovative grid technologies. TF DESAP now explores the exact planning and scope, so as to align them with current activities.
- The project will start per January 2025; the spend of money is strictly limited to the scope. Financial control to be closely monitored by secretariat.

Developments of staffing capacity and staffing cost (anticipating balanced mix of temporary/ permanent/seconded):

- The **current staffing capacity** amounts to **21.4 FTE** (incl. 2 trainees, but apart from outsourced activities)
- The following developments are anticipated, expecting to go to **25-28 FTE in 2025** (stepwise):
 - 1-3 FTE permanent staff (for legal support, general support at secretariat and senior support for EGs/TFs)
 - 1-2 FTE for preparing gas/H2 integration (temporary/ seconded)
 - 2-4 FTE to elaborate DESAP (mix temporary/seconded/outsourced, related to project/grant)

Budget proposal 2025 (detailed info, 2/2)

Extrapolating from 2024, and incorporating recent insights, a **budget of 3. 300k€ if proposed**; an indicative amount of 150-250k€ is included for preparing integration of gas-H2 (for **150 k€ financed from reserves**)

Based on the usual cost categories, the following **indicative breakdown** is anticipated for budget 2025

| Proposed Budget framework for 2025 | Budget 2023 | Outlook 2024 | Frame for budget 2025 | Trend for 2025 (no contingency included) |
|--|----------------|------------------|-----------------------|--|
| 1 Staff (21.4 FTE by end of 2024) | 1.615.000 | 2.140.000 | 2.420.000 | Increase because of indexation and to improve support to EGs/TFs; anticipate work on gas integration; also: staff was hired stepwise in 2024, but are now hired for the full year 2025 |
| 2 Governance and meeting-support/venues | 110.000 | 105.000 | 120.000 | Increase because of more meetings/meeting rooms (higher workload, more EGs/TFs) |
| 3 Contractors & external advisors | 298.000 | 360.000 | 370.000 | ≈ equal; main work on Technical Vision is ready, but external support needed for gas integration |
| 4 Representation and communication | 131.000 | 170.000 | 150.000 | Slightly lower, since DSO-map resp. website/-memberportal is ready; shift Ann. Event to 2026 |
| 5 Facilities (office, IT, etc.) | <u>146.000</u> | <u>195.000</u> | <u>240.000</u> | Higher (a.o. higher IT cost and indexation of office rent and more meeting rooms) |
| TOTAL budget | 2.300.000 | 2.970.000 | 3.300.000 | To be added: - 150k€ from reserves to cover for integration gas/H2 - 200-250k€ for DESAP-grant (external funds) which makes a total of 3.700.000€ |
| Base for memberfee | 1.800.000 | 2.850.000 | 3.300.000 | |

Memberfee 2025 (allocation fixed/ variable)

Introduction

- In September 2024 the Board unanimously tasked the Secretariat to prepare a proposal for the **allocation between fixed and variable fee**:
 - Anticipating the end of the 4-year freeze on the fixed fee
 - Applying the respective conditions per the Statutes and Rules of Procedure (RoP)
- The main guidance follows **from RoP, 3.2**: if the budget is higher than the initial budget (2021), a revision should be based on the principle of ‘ ... an **identical increase** in both the fixed fee and the variable fee in terms of **percentage** ...’

Update for GA (based on Board, 9 December 2024)

- The Secretariat illustrated that the above principle is clear and can be applied to the numbers as shared before, summarized as follows: Initial budget for 2021 was 1.5m€, budget for 2025 is 3.3m€ (multiplier: 220% or 2.2x)
- An estimate for the memberfee-2025 is prepared:
 - Based on the budget above
 - Anticipating an *estimated* revised memberbase^{*)} for 2025: 800 members (from 830) and 248m connections (from 250m)

Proposed from Board – from the above the Board unanimously brings **membership fee 2025** for approval to the GA as follows:

- Fixed fee: 770 € /yr/member
- Variable fee: 0.01084 € /yr/connection

^{*)} Refer to agenda item 5.1/ outstanding memberfee

Illustration of Memberfee 2025 (allocation fixed/ variable)

Illustration of proposal - Anticipating an *estimated* revised memberbase for 2025: 800 members (from 830 in 2024) and 248m connections (from 250m in 2024)

| | 2021 | 2022 | 2023 | 2024 | 2025- proposal |
|------------------------------------|-------------|-------------|-------------|-------------|--------------------|
| Memberfee | 1.500.000 € | 1.500.000 € | 1.800.000 € | 2.850.000 € | 3.300.000 € |
| Budget | 1.500.000 € | 1.500.000 € | 2.300.000 € | 3.000.000 € | 3.300.000 € |
| Increase % Fixed fee | | | | | 20,00% |
| Fixed fee per DSO | 350 € | 350 € | 350 € | 350 € | 770,00 € |
| Variable fee per connection | 0,0048 | 0,0048 | 0,00594 | 0,0102 | 0.01084 |

| 2025- proposal (rounded) | | |
|--------------------------|-----------|-----------|
| # connections | Fee'24 | Fee'25 |
| 10.000 | 452 € | 878 € |
| 50.000 | 860 € | 1.311 € |
| 100.000 | 1.370 € | 1.852 € |
| 1.000.000 | 10.550 € | 11.593 € |
| 10.000.000 | 102.350 € | 108.996 € |
| 20.000.000 | 204.350 € | 217.222 € |
| 30.000.000 | 306.350 € | 325.447 € |

5.4. Approval of the Budget 2025 and memberfee 2025

The Board proposes the decisions below to the GA

Decisions: (4 votes)

The General Assembly approves:

1. a **budget** for regular/mandated activities of 3.300k€ (*base for membership fee*);
2. an additional **budget for gas/H2 integration** of 150k€ (*to be funded from reserves, 50% of total integration cost to be recollected from incoming members upon integration*); and
3. **separate budget for DESAP-activities** 200-250k€ (*grant by the European Commission, fully dedicated for specific work on DESAP, conditions to be investigated*).
4. a **membership fee** 2025 consisting of:
 - A fixed fee of 770 €/yr/member, and
 - A variable fee of 0,01084 €/yr/connection

5.5 Acknowledgement of indicative budget/member fee 2026/2027

5.5 Budget/memberfee mid-term outlook - Proposal for GA meeting

The following **mid-term development** can be anticipated as a **first estimate for the budget 2026-2027**:

- Gradually extrapolating the existing level of **current activities at DSO Entity**; we keep staff levels more or less equal, which is tight but manageable. It cannot be excluded that bigger steps are required from new mandated tasks by EC.
- Anticipating the **integration of gas/H2 DSOs**: In the task forces, a first estimate was prepared with a range of **5.5 – 6.0m€** for 2026 and onwards (note: some specific start-up cost should be anticipated, but are not included)
- **New gas/H2-members** to enter by 2026; so, impact on allocation of cost for integration and on the **memberfee** cannot be indicated by now

| (x 1.000 €) | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|-------------------------------|-------|-------|-------|--------|---------|-----------|---------|
| Budget | 1.500 | 1.500 | 2.300 | 3.000 | 3.300 | 5.5-6.000 | > 6.000 |
| Memberfee base | 1.500 | 1.500 | 1.800 | 2.850 | 3.300 | 5.5-6.000 | > 6.000 |
| Allowance for gas integration | | | | 50-100 | 150-250 | t.b.e. | |

- Anticipating that the impact of gas/H2 integration can only be roughly estimated at the moment, the **Board unanimously proposes for endorsement** by the General Assembly:
 - Acknowledgement of indicative budget above** for 2026-2027
 - Acknowledgement of indicative memberfee** for 2026-2027 to be at level of budget

5.5. Acknowledgement of indicative budget/memberfee 2026/2027

The Board proposes the decisions below to the GA

Decision:

The General Assembly endorses:

- the indicative budget for 2026/2027; and
- the indicative membership fee for 2026/2027 to be at the level of budget.



6. Any other business

- **Next General Assembly:** 19 March 2025, 14:00 – 16:00 CET (online)

7. Closing of the meeting

Thank you for your participation!

