

# The Grids Package: Unwrapping the Permitting Proposal

## Executive Summary

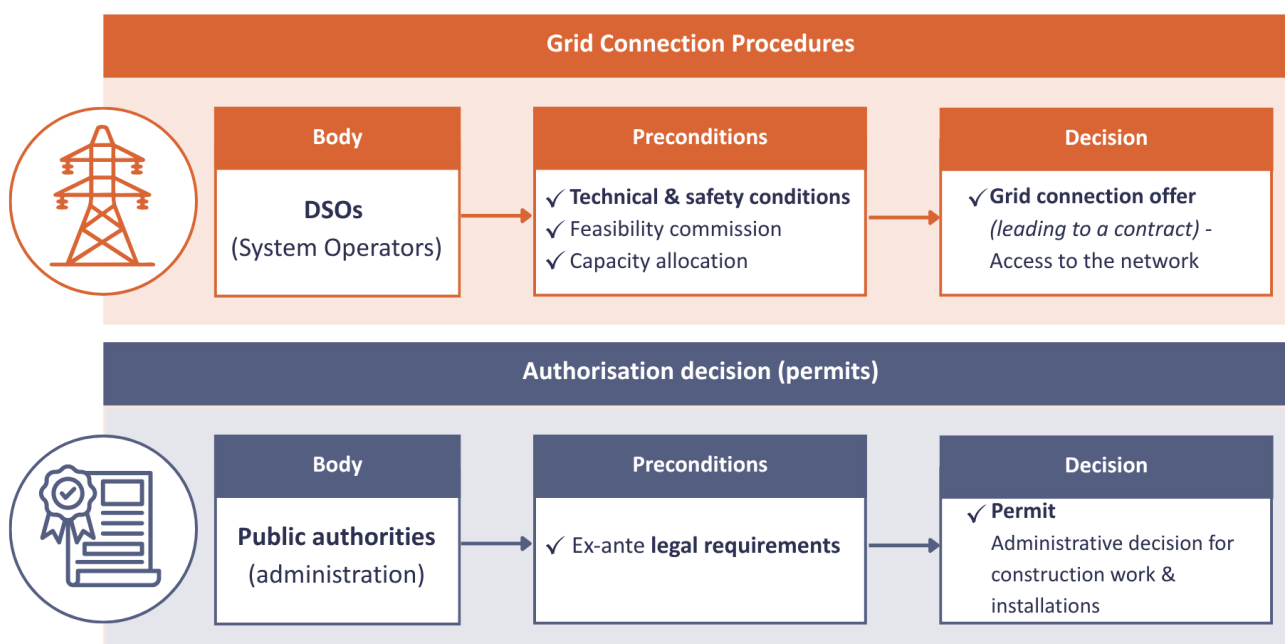
DSO Entity welcomes the proposal on the acceleration of permit-granting procedures under the Grids Package as a key milestone to the deployment of EU grid infrastructure. The legislative proposal amending the Renewable Energy Directive (RED) and the Gas and Electricity Market Directives (EMD) is of high significance for Distribution System Operators (DSOs). However, further adaptations to Art. 16 and 17 of the RED are needed to acknowledge that procedures for grid connection differ from permit-granting procedures facilitated by public authorities, and that efforts to accelerate procedures must not compromise safety or technical requirements. Furthermore, in the next steps of the legislative process, it will be key to ensure the consistency of the whole framework and avoid complexity considering the proposal is composed of various provisions laid out in different directives and articles.

## A key step towards faster permitting for electricity grid projects

DSO Entity welcomes the proposal as it closes gaps in the existing EU framework and establishes the right conditions for grid operators. It **identifies and addresses remaining challenges to accelerate permitting procedures** beyond solely permits for RES projects but also for grid infrastructure projects, storage and recharging station projects, which is positive.

It establishes a **permitting regulatory framework for electricity grids at the EU level** with a new **authorisation system for grid projects in Art. 8 of EMD** and **recognises the decentralised level** with dedicated simplified measures for DSOs such as the **designation of DSO infrastructure as of overriding public interest**. The introduction of **streamlined environmental assessments** and **one-stop shops** for permitting as well as measures addressing administrative burden (i.e. tacit approvals in case of lack of reply from public authorities) are also significant to accelerate the deployment of energy infrastructure in the EU.

## How grid connection procedures differ from authorisation permits



## Key recommendations on the Permitting Proposal

### 1 Amend the definition of 'grid connection permits' (Art 2(10f)):

The Grid connection procedures differ from the administrative authorisation granted by a public authority and are not 'permits'. The definition should be amended as follows: *'procedure for grid connection application ~~permit~~'*. The definition of permit-granting procedures (Art. 16(1)) and other references (Recitals 1, 13 and 14 and Art. 16d(2), 16h(1-3) and 16i(2-3)) should be adapted accordingly, and overall consistency ensured with relevant legislation.

### 2 Align all grid connection deadlines on the 3-month deadline (Art 17(1)):

From a DSO perspective, a 1-month deadline for grid connection set under point (a) is too challenging and cannot be supported. It should be therefore aligned with those of point (b) to 3 months for all renewables and storage regardless of their size. It is key to recognise grid connection procedures are subject to technical and safety assessments but also depend on studies and assessments from system operators operating higher voltages (i.e. often TSO) and other third parties (e.g. railways, road, etc.) and thus require sufficient time. Furthermore, while smaller installations may in some instances have a limited impact on the distribution grid, the effect of the cumulative amount of capacity applying for connection can be significant and should not be considered as negligible.

### 3 Introduce further safeguards in Art 17(1), point (a), and delete tacit approvals (Art 17(4)):

The Grid operators are responsible for guaranteeing that necessary technical and safety conditions are met to ensure the connection is safe before granting access. Tacit approvals in the absence of DSO response are hence viewed as a risk for the power system and Art. 17(4) should be deleted as a result. Safeguards for justified safety concerns and technical incompatibility under Art. 17(1), point (b) should be extended to point (a), and duly justified derogation should be provided for where circumstances beyond the DSO's control prevent the validation of the grid connection procedure.

### 4 Make optional the flexible connection agreements (FCAs) (Art 17(2(b)) and (3)):

The FCAs can help connect more installations to the grid, but such connections should only be granted at the explicit request of the applicant who should assess the suitability of this type of connection to their specific needs. FCAs should remain a right and not an obligation for the DSOs. The precondition stating only *'where technically possible'* is key and needs to be kept. Art. 17(2), point (b) should be amended as follows: *'where there is insufficient grid capacity, **may** propose, where technically possible, a flexible connection agreement in accordance with Article 6a of Directive (EU) 2019/944'*.

### 5 Add a time-limit to the preferential treatment granted to some technologies (Art 16, 17 of RED):

Art.17 of RED should be time-limited until EU energy objectives and climate neutrality are reached and allow flexibility in national transposition, as preferential treatment is politically difficult to adjust once established.

### 6 Amend the single digital portals at national level – Art 16(3a):

One-stop shops are a welcome step in simplifying permit-granting procedures for grid projects. However, grid connection procedures are not permits and DSOs implement their own individual platforms to manage grid connection requests. Art. 16(3a) should, therefore, be amended to clarify that grid connection procedures do not fall within the scope of the single digital portals, as follows: *'Member States shall set up a single digital portal at national level for all steps of the permit-granting procedures for renewable energy, storage and grid projects, **with the exception of the procedures for grid connection**'*.