ENTSO-E & DSO ENTITY KEY RECOMMENDATIONS ON THE REGULATION FOR FUTURE-PROOFING ELECTRICITY BILLS

3 November 2026

Delivering Affordable Electricity Through Investment, Flexibility and Resilient Networks

ENTSO-E and DSO Entity welcome the **Commission's proposal on Future-Proofing Electricity Bills** as an important contribution to Europe's decarbonisation, competitiveness and energy security goals. Lowering system costs through better grid utilisation, digitalisation and flexibility is essential. Short-term measures should remain compatible with the unprecedented network investment that delivers long-term benefits.

Grids are more than a cost component of electricity bills – they are **strategic infrastructure** that enable the integration of renewable energy, electrification of industry, transport and heating, security of supply, and Europe's long-term competitiveness. The final legislation should therefore establish **a framework that simultaneously promotes affordability, investment, resilience and innovation**.

1. Put investment and financability at the heart of the proposal to deliver societal value

Europe's electrification ambitions require massive investment in energy infrastructure. Regulatory frameworks focused predominantly on short-term cost efficiency risk increasing connection delays, undermining resilience and ultimately raising costs for consumers. Investment today lowers system costs tomorrow.

Therefore, we recommend:

- Expand Article 18 incentive provisions to reward outcomes that create societal value, including grid resilience, physical and cyber-security digitalisation and integration of flexibility and renewables.
- Ensure remuneration frameworks provide adequate, risk-reflective and internationally competitive returns.

2. Preserve cost-reflective tariffs and respect subsidiarity

Electricity systems differ significantly across Member States in terms of geography, network topology, generation mix, customer structure and decarbonisation needs. Better coordination and harmonisation should support cost-reflectivity and build on regulators' ability to respond to national circumstances.

Therefore, we recommend:

- Maintain general European principles for tariff methodologies while keeping tariffs cost-reflective, transparent, non-discriminatory and simple.
- Delete Article 61(5a) empowering the Commission to adopt delegated acts on tariff methodologies.
- Support National Regulatory Authorities (NRAs) responsibility for detailed tariff methodologies.

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3. Leave sufficient flexibility for benchmarking rules

One-size-fits-all benchmarking would fall short in taking into account of the diversity of European electricity networks. Mandatory comparisons risk creating misleading conclusions and discourage necessary investments.
Therefore, we recommend:

- Revise Article 18(7) and opt for flexible national performance frameworks.
- Where benchmarking is used, ensure it is proportionate, context-specific and focused on outcomes rather than costs alone.
- Smart Grid Indicators (SGIs) are meant to measure and compare the uptake of innovation and digital technologies and should not be conflated with efficiency KPIs for benchmarking.

4. Establish a practical framework for grid data exchange

Digitalisation is one of the most effective ways to reduce future system costs and improve network utilisation. Data sharing can improve grid planning, operation and flexibility where not compromising security or creating unnecessary administrative burdens.
Therefore, we recommend:

- Support voluntary EU cooperation on data exchange.
- Build on existing TSO and DSO initiatives.
- Guarantee cybersecurity, data protection and cost recovery.

5. Ensure efficient grid connection processes

Timely grid connections are key to accelerating electrification, and system operators are already handling unprecedented volumes of connection requests. The proposal should help connect genuinely viable projects more quickly, leveraging on successful national approaches under development.
Therefore, we recommend:

- Support measures that speed up connection processes while allowing national flexibility.
- Prioritise mature projects, strategic electrification investments, efficient network use and alignment with network development plans.

Conclusion

Lower electricity costs will be best achieved through investments in infrastructure, flexibility and digital solutions required for electrification. The final text should combine **affordability with financability**, **cost-efficiency with resilience**, and **European coordination with national flexibility** to deliver a competitive, secure and decarbonised electricity system.

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