

IFIEC Europe thanks ACER for this consultation and for the opportunity to provide input on this issue.

IFIEC Europe represents the interests of industrial energy users in Europe for whom energy is a significant component of production costs and a key factor of competitiveness in their activities in both Europe and throughout the world.

IFIEC Europe has no specific comments on the proposed documents and welcomes this step forward towards a more efficient, transparent and harmonised organisation of DSO activities throughout Europe. We would like to point out, though, that an important category of Distribution System Operators is not recognised by nor represented in this new EU DSO Entity. Indeed, industrial sites throughout the EU have, for different reasons, organised themselves the distribution of electricity, natural gas and several other utilities to some or all of their underlying clients (essentially other businesses) on their sites. These electricity grids, if they comply with certain specific criteria, are called “closed distribution systems” (CDS) and, according to Article 38.2 of Directive (EU)2019/944 “(...) shall be considered to be distribution systems (...)”. IFIEC Europe therefore insists on the need to recognise the existence of closed distribution system (operators) and, to the extent that CDSs are to be considered DSs, to allow CDS operators to be represented and even play an active role in the new EU DSO Entity, as all roles, rules, procedures etc. that will be approved by the new EU DSO Entity are likely to also apply to CDSs unless a specific exemption is decided in every case. Furthermore, the tasks of the new EU DSO Entity as outlined in Article 55.1 of Regulation (EU) 2019/ 943, such as facilitating demand side flexibility and integrating renewable energy sources, are best achieved with consideration of the role of CDSs.