



Brussels, 23.04.2010

TO THE MEMBERS OF THE TASK FORCE FOR SMART GRIDS

Subject: Meeting minutes from the 5th meeting of the Steering Committee of the Task Force for Smart Grids

The fifth meeting of the Steering Committee of the Task Force on Smart Grids took place in Brussels on 22 June 2010.

Main conclusions:

1. Each of the Expert Groups (EGs) presented their report, agreed within respective Expert Group. Steering Committee participants were invited to comment on the content within next three weeks. Comments will be incorporated and a fine-tuned report to be presented middle of October 2010, at latest.
2. Large agreement on the necessity of further standardisation. The Commission asked EG1 to prepare a 1st draft for standardisation mandate in collaboration with relevant standardisation organisations by mid October 2010. Participants called for a cautious approach, avoiding "overregulation". Better part of standards already exists. The final proposal for a mandate to CEN/CENELEC/ETSI should be presented towards the end of 2010.
3. Stakeholders not convinced about the necessity of further legislative action on the EU level. Proper implementation of the existing legislation is the way forward, possibly combined with some "soft law" (guidelines) instruments.
4. Participants invited to take part in the ongoing consultation on energy strategy and related energy infrastructures, at http://ec.europa.eu/energy/strategies/consultations/2010_07_02_energy_strategy_en.htm
5. Possible meeting with Member States scheduled for September 2010.
6. Next Steering Committee meeting set for 27 October 2010, from 14:30 to 17:30.

The meeting was opened by Mr. HILBRECHT (Dir B, DG ENER). For overview of participants, see Annex 1.

1. Approval of the agenda for the 4th meeting

The agenda was adopted as proposed (Annex 1).

The Commission welcomed **Dr. Peter Hug, Managing Director of eu.bac**, the Building Association of Building Automations Systems and Control Manufacturers, as a new member to the Steering Committee.

The list of members has been updated to include the new member. An updated Steering Committee member list is attached (Annex 2)

2. Approval of the minutes of the 4th meeting and

The minutes of the 4th meeting were formally approved by all participants and are attached (Annex 3).

3. Presentation of deliverables of the Expert Groups

Chairman of each expert group presented the final report, agreed within respective Expert Group. Steering Committee members were invited to comment on each report within three weeks (by 15 July 2010). Comments will be incorporated and a fine-tuned report presented by mid October 2010 (in due time before the next Steering Committee meeting). The power point presentations will be distributed to members of the Steering Committee in separate files and will be available at the public web site of the Task Force, at: http://ec.europa.eu/energy/gas_electricity/index_en.htm.

3.1 Expert Group 1 (Functionalities)

Mr. DOULET (DSO Club), chairman of the Expert Group 1 presented the outcomes of the discussion within the group.

The work has been focused on the electricity networks so far. A new separate group to elaborate the functionalities for gas smart grids might be set up in October. Home area network (HAN) is also out of scope but the group did cover the interface between HAN and Local Networks.

Ultimately, the work of the EG1 is to provide a clearly defined framework of necessary services and functionalities that MS can go on deploying Smart Grids even without a positive assessment of the smart meters roll-out, as defined in the Third Package.

Preliminary results.

The group has identified six high level services and about five functionalities linked to each service. It will enable the definition of a future standardisation mandate to the relevant standardisation bodies (CEN/CENELEC/ETSI).

In its conclusions, EG1 remarks that the business model for each identified service is presently not known and that the interest for services among customers will need to be tested.

Regarding the current standardisation activities under CEN/CENELEC/ETSI for smart metering, the EG1 has revised these activities from the "grid perspective" and concluded that the present Mandate to these European standardisation bodies is consistent with the services and functionalities defined.

EUROGAS requested the group to elaborate on which services/functionalities could be applied to the gas sector. ESMIG called on the Group to adopt a prudent approach to standardisation and to run the standardisation process in parallel while complementing the already existing legal basis for the deployment of smart meters. T&D expressed similar views, calling for an agreement on minimum level functionalities and on that basis identification of the "missing" standards. Also ETSI prefers a "minimalist" approach to the standardization. Majority of the necessary standards exists already. A global view on the entire value chain is necessary when identifying the "missing" standards. The Semi Conductor Association sees the need for standards for the interface between HAN and Local Network.

ENTSO-E welcomed the outcomes of the group, assessing them as relevant for the TSOs. EURELECTRIC highlighted the importance of educating consumers so that acceptance for new services increases. DIGITAL EUROPE called for more prominent role of "prosumers" in the document. It might be worthwhile to reconsider amendments to the Electricity Directive provisions, replacing "smart meters deployment" with "smart grid deployment" obligation. In this way, the business analysis could include components of smart grid so that they can be deployed without the smart meters. DIGITAL EUROPE also stressed the importance to involve suppliers and traders in the process. CEDEC asked the group not to give any particular market model a preferential treatment and stay neutral.

Next steps

The EG1 will prepare a draft standardisation mandate by mid October 2010 in cooperation with European standardization organisations. A top down approach for standardization process is the preferred option (user-centred instead of component-centred). The final mandate will be ready in December 2010.

It was suggested to create a separate Working Group (possibly in September) to elaborate on functionalities for gas smart grids.

3.2 Expert Group 2 (Data Safety)

Mr. HYLDMAR (ESMIG), chairman of the Expert Group 2 presented the results of the work in his expert group.

The aim of the group is to identify possible risks in the handling of the data generated by Smart Grids and develop a framework in which data can be used. The work so far has been focused to identify the benefits and concerns of customers, as well as provide an

overview of existing European legislation on data protection and identify whether further measures are necessary.

Preliminary results

The main achievement of the group so far is the consensus on a definition of technical (anonymous) data and private (consumer) data and identification of relevant standards for security, data handling and privacy.

Split of data into two main groups allows minimising vulnerability of private data. Consumer data is considered as specific data that can be tracked back to individual consumer whereas technical data is aggregated and anonymous and does not contain explicit references to a concrete person.

The group emphasizes the need to fully take into account data security issues when developing future standardisation mandate. It might be necessary to update, extend or develop new standards dealing specifically with security aspects of the Smart Grids. Experts from EG 2 should be also involved in the development of the new mandate described under EG1.

CEDEC welcomed the distinction between private (consumer) data and technical data but pointed out that these two types of data are "naturally split" between DSO on one hand and the sale on the other. DIGITAL EUROPE called on the Expert Group 2 to use the existing US experience when defining data handling standards. Overall, there was a broad consensus on the chosen approach. The Commission invited the Expert Group 2 to detail out the recommendations by mid October 2010. A final report should be delivered in December 2010.

Next steps

The group has yet not been able to fully assess the extent to which the existing EU legislation covers the privacy and data protection issues arising from using of the Smart Grids. They will continue to work on this issue. In addition, the following topics were identified for further work during the next six months:

- Develop further specifications and recommendations for the split of data (technical and private), security levels and procedures.
- Define a framework for audit on data handling and related standards.
- Encourage involved parties to conduct pilots with a sufficient scale.
- Based on Expert Group findings, elaborate detailed Work Packages to be assigned to the European standardisation organisations under the new mandate for Smart Grids.

A revised report will be presented at the next Steering committee in October. A final deliverable will be issued by the end of the year.

3.3 Expert Group 3 (Roles and Responsibilities)

Mr. KAPETANOVIC (ERGEG), chairman of the Expert Group 3 presented the results of the work.

The EG3 focuses on i) elaborating recommendations on the roles and responsibilities of all involved actors in the implementation of Smart Grids; ii) defining criteria and recommendations for the funding of Smart Grid deployment; and iii) recommending possible further EU-level legislative action.

Preliminary results

All the above actions were achieved during the last six months. In particular, the group has achieved consensus on:

- Key actors, rules and interfaces. Users of the Smart Grids are split in three broad categories – grid operators, grid users and energy market place. There are also providers of technologies, products and services and those, who influence the smart grid deployment (regulators, standardisation bodies, financial sector undertakings). The group agreed on nine recommendations for cooperation between TSOs and DSOs.
- Criteria to quantify the Smart Grids' benefits based on measurable key performance indicators, such as reliability available, generation capacity, peak demand, share of electricity generated by renewable sources, etc.
- Criteria and recommendations to support pilot projects by regulatory mechanisms. The group agrees that the basic Smart Grid functions need to be provided by the DSOs or TSOs within the scope of the applicable regulation and tariffs; supplementary functions can also include within the scope of the applicable regulation and tariffs under the conditions that the overall benefits are passed to all customers paying those tariffs. If some additional funding beyond the regulated tariffs is used, potential cross-subsidies should be avoided.
- Proposal of a template for evaluation of Smart Grid deployment to be used in future cost assessment. The template is based on the an optimisation of the expected benefits.

Finally, the EG3 has also concluded that no further legislation at EU-level is needed as regards the deployment of Smart Grids. Instead, a harmonised and effective implementation of the 3rd package is requested on Smart Grids along with its transposition by MSs.

ESMIG would welcome a clearer distinction between standards and interoperability. Standards do not automatically lead to interoperability and this should be addressed when developing further standards. DIGITAL EUROPE asked the group to avoid too much "DSO centrism" and assign clear roles to retailers and suppliers. When discussing funding, the EEGI roadmap document¹ should be taken into account. EURELECTRIC agreed that the main role in Smart Grid deployment will be with DSOs. In this context, it is important to spread the costs and benefits evenly. The initial costs for DSOs might be high while the consequent benefits might spread over others. EURELECTRIC stressed the need of continuing to work on a business model for Smart Grids. Electric cars should play a more prominent role in the Smart Grid framework.

¹ http://www.smartgrids.eu/documents/EEGI/EEGI_Implementation_plan_May%202010.pdf

Next steps

The group will further reflect on cost/benefits of Smart Grids and how the regulators should deal with it (cost are short term, benefit long term). The final deliverable should be revised in order to define more explicit on whom the recommendations are addressed to the split of tasks (i.e. who, what and when). I should be ready by middle of October.

4. Other business and next meeting

Frigyes Reisch, on behalf of ANEC – the European consumer voice in standardisation, presented some reflections regarding the interests of consumers in Smart Grids and Smart Meters under two environments: i) islanding in Smart Grids to assure consumers' electric supply and ii) Smart Meters usage to reduce consumers' expenditures and save the environment.

The Commission invited participants to submit their possible comments on the three reports by 15 July. The reports should take the comments onboard and be finalized in time for the next Steering Committee meeting, no later than mid October 2010.

Next Steering Committee meeting was set for 27 October 2010. Deliverables of each Expert Groups should be distributed in advance.

December 2010, February and May 2011 were quoted as possible dates for future Steering Committee meetings.

The Commission announced a possible meeting with Member States for September 2010 and invited the Steering Committee members to participate. At the meeting, results of the Smart Grid Task Force would be presented.

Participants were also invited to share their views on the Energy Infrastructure Package which is currently under preparation. Commission discussion paper is available at: http://ec.europa.eu/energy/strategies/consultations/2010_07_02_energy_strategy_en.htm

Manuel SANCHEZ JIMENEZ, ☎ 02 2992063
Kristian TAKAC, ☎ 02 2952303

LIST OF PARTICIPANTS**European Task Force for Smart Grids. 5th Steering Committee on 22 June**

	Last name	Name	email	Organisation
1	Arrigo	Domenico	domenico.arrigo@st.com	EECA-ESIA
2	Chebbo	Maher	maher.chebbo@sap.com	EMEA
3	Cosgrave	Bridget	Bridget.Cosgrave@digitaleurope.org	DIGITALEUROPE
4	Daebritz	Jessica	jessica.daebritz@ec.europa.eu	DG JLS/D5
5	De Block	Gert	gert.deblock@cedec.com	CEDEC
6	Doulet	Alain	alain.doulet@erdfdistribution.fr	DSO
7	Falcioni	Paolo	paolo.falcioni@cedec.eu	CECED
8	Giordano	Vincenzo	vincenzo.giordano@ec.europa.eu	EC - Joint research center
9	Graziano	Tony	Tony.Graziano@digitaleurope.org	DIGITALEUROPE
10	Harris	John	john.harris@landisgyr.com	LANDIS+GYR
11	Harris	Adrian	Adrian.Harris@ORGALIME.ORG	ORGALIME
12	Hillmann	Thomas	t-hillmann@ti.com	EECA-ESIA
13	Hug	Peter	peter.hug@eubac.org	European Building Automation&
14	Hyldman	Frank	Frank.Hyldmar@elster.com	ESMIG
15	Iacono	Maria Carmela	mariacarmela.iacono@senebs.it	Selene SPA Gruppo A2A
16	Kapetanovic	Tahir	tahir.kapetanovic@e-control.at	E-CONTROM
17	Karskens	Michiel	mkarskens@consumentenbond.nl	CONSUMTENBOND
18	Lorenz	Gunnar	glorenz@eurelectric.org	EURELECTRIC
19	MacDonald	Kirsty	kirsty.macdonald@intel.com	INTEL
20	Majlathova	Ludmila	ludmila.majlathova@ec.europa.eu	EC
21	Mallet	Pierre	pierre.mallet@erdfdistribution.fr	ERDF Distribution
22	McLoed	Zoe	-	CONSUMER FOCUS
23	Mendiluce Villanueva	Joaquin	jmendiluce@gasnatural.com	GAS NATURAL
24	Monizza	Giuliano	giuliano.monizza@it.abb.com	T&D Europe

25	Muth	Josche	Muth@erec.org	EREC
26	Nietvelt	Levi	Levi.Nietvelt@beuc.eu	BEUC
27	Potocnik	Agnes	Agnes.Potocnik@orgalime.org	ORGALIME
28	Prat	Joan	jgbaxter@geode-eu.org	GEODE
29	Ranscombe	Heidi	-	CONSUMER FOCUS
30	Reisch	Frigyes	frigyes.reisch@fatburen.org	ANEC
31	Sanchez-Fornié	Miguel Angel	msanchezf@iberdrola.es	EUTC
32	Spät	Martin	MSpaet@eeca.be	ESIA
33	Van Den Berghe	Luc	lvandenberghe@cencenelec.eu	CENELEC
34	Villa	Ferruccio	FVILLA@autorita.energia.it	ERGEG
35	Weigel	Walter	Jeanne.Lancry-Gulino@etsi.org	ETSI
36	Gonzalez	Vicente	vgonzalez@ree.es	ENTSOE
37	Riddoch	Fiona	fiona.riddoch@cogeneurope.eu	COGEN
38	Darmois	Emmanuel		ETSI
39	Axt	Klaus-Dieter	Klaus-dieter.axt@esmig.en	ESMIG

Participants from the European Commission		
Last Name	Name	Directorate General
Hilbrecht	Heinz	ENER
Hoss	Eva	ENER
Sandro	Nieto	ENER
Sánchez Jiménez	Manuel	ENER
Takac	Kristian	ENER
Hanekuyk	Daniel	ENTR
Jarvilehto	Pekka	CLIMA
Majlathova	Ludmila	CLIMA
Griera-I-Fisa	Mercé	INFSO
Gialoglou	Kyriakos	SANCO
Zaletel	Petra	RTD

Agenda

**Task Force Smart Grids
5th Steering Committee meeting**

Tuesday 22 June 2010, from 14:30-17:30

**European Commission
Conference Centre CCAB - Meeting Room 0D
Rue Froissart 36
1040 Brussels**

- 1. Adoption of the agenda for the 5th SC meeting of the Task Force**
- 2. Adoption of the minutes of the 4th SC meeting**
- 3. Presentation of deliverables of the Expert Groups (EGs) by each EG-Chairman and discussion with participants.**
 - **EG1: Functionalities for Smart Grids, by Mr. Alain Doulet (DSO club)**
 - **EG2: Regulatory recommendations for data safety, data handling and data protection, by Mr. Frank Hylmar (ESMIG)**
 - **EG3: Roles and responsibilities of actors involved in the Smart Grids deployment, by Mr. Tahir Kapetanivich (ERGEG).**
- 4. Open discussion on the way forward**
- 5. Any other business:**
 - **Frigyes Reisch**, ANEC - European consumer voice in standardisation, will present some views regarding consumers' interests in Smart Grids and Smart Meters.
 - **Dates for the next SC meetings in Brussels:**
 - **October 2010**
 - **December 2010**
 - **February 2011**
 - **May 2011: Final Task Force meeting**

Task Force Smart Grids Steering Committee Members

Name	Position	Email
Mr. Heinz Hilbrecht	Director, European Commission DG ENER	Heinz.hilbrecht@ec.europa.eu
Mr. Frigyes Reisch	ANEC, European consumer voice in standardisation	frigyes.reisch@fatburen.org chiara.giovannini@anec.eu
Mr. Levi Nietvelt	Economic Official, European Consumer's organisation, BEUC	do@beuc.eu Nietvelt@beuc.eu
Ms. Asta Sihvonen-Punkka	CEER Vice President, EWG Chair, Director General of Finish Regulatory Authority	asp@emvi.fi Asta.Sihvonen-Punkka@energiamarkkinavirasto.fi
Mr. Paolo Falcioni	Vice Director General CECED European Committee of Domestic Equipment Manufacturers	Paolo.falcioni@cedec.eu
Mr. Gert de Block	Secretary General European Federation of Local Energy Companies, CEDEC	gert.deblock@cedec.com
Mrs. Elena Santiago	Director General CENELEC Central Secretariat	esantiago@cenelec.eu direction@cenelec.eu
Dr. Fiona Riddoch	Managing Director COGEN	fiona.riddoch@cogeneurope.eu
Mrs. Bridget Cosgrave	Director General, IGITALEUROPE	bridget.cosgrave@digitaleurope.org
Mr. Alain Doulet	Secretary General of DSO club	alain.doulet@erdfdistribution.fr
Mr. Patrick Clerens	Secretary General EPPSA Power Plant Suppliers Association	p.clerens@eppsa.org
Dr. K. Staschus	Secretary General European Network of Transmission System Operators, ENTSO	Konstantin.staschus@entsoe.eu
Mr. Josche Muth	Policy Adviser at European Renewable Energies Council EREC	muth@erec.org
Mr. Martin Spät	Director ESIA European Semiconductor Industry Association	secretariat.gen@eeca.be
Mr. John Harris	Head Regulation and Policy Group of European Smart Metering Industry Group (ESMIG)	john.harris@landisgyr.com
Mr. Walter Weigel	General Director, ETSI	Walter.weigel@etsi.org
Mr. Peter Hug	Managing Director Eu.bac, European Association of Building Automations Systems and Controls Manufacturers	peter.hug@eubac.org
Mr. Hans ten Berge	Secretary General Union of the Electricity Industry – EURELECTRIC	hntenberge@eurelectric.org
Mr. Joaquin Mendiluce Villanueva	Chairman of the Committee of Gas Distributors, EUROGAS	mailto:jmendiluce@gasnatural.com
Mr. Miguel Angel Sánchez Fornié	Chairman of the Board of Directors, European Utilities Telecom Council (EUTC)	msanchezf@iberdrola.es
Mr. Joan Prat	General Delegate Groupement Européen del entreprises et Organismes de Distribution d'Energie, GEODE	info@geode-eu.org
Mr. Adrian Harris	Director General ORGALIME	adrian.harris@orgalime.org
Mr. Giuliano Monizza	Vice-President of T&D Europa's Executive Committee	giuliano.monizza@it.abb.com