

## DSO Strategic Vision – From “Pipes-to-Platforms”

The energy sector is going through major changes. The transformation is redrawing boundaries and redefining relationships between customers and utilities. Customers will gain more control over their energy use and benefit from additional services. System operators have access to new tools to manage their grids more efficiently and integrate increasing amount of variable renewables in the system. Interaction between intelligent appliances, smart grids and home platforms – mediated by or on behalf of customer – will usher in a new era.

Europe’s distribution system will need to adapt its role to keep pace with the transformation of the energy world and with changing customer needs. Distribution system operators (DSOs) are committed to this evolution and plan to tackle it in a **timely, cost-effective** and **reliable manner**. While keeping the confidence and support of customers, DSOs will tackle these transformations by:

**Transforming** our business model from ‘pipes’-based to platform-based to meet the expectations of customers and to bring all market parties efficiently together. Notably, this will require reviewing the current revenue models and tariff structures.

**Adopting** new operating and planning techniques, tools and ICT systems, collectively referred to as Active Distribution System Management.

**Upgrading** and **modernizing** network assets and systems so that they remain fit-for-purpose and support electrification of transport, heating and cooling.

**Promoting** the role of the market economy throughout business operations, specifically with the purpose of assisting the market to operate more ‘flexibly’.

**Embracing** and **taking on** new roles, for example managing storage and EV charging infrastructure where there is no market solution. This includes facilitating market and customers, as well as managing the flexibility market.

**Maintaining** high-quality reliable service and defending against all threats, including new threats arising from cyber security.

**Working** in partnership with competent regulators, policy and law makers so that:

- ) The role of the DSO is recognized and understood;
- ) The EU DSO Entity is properly established;
- ) A level playing field is created for micro grids, suppliers, aggregators and other stakeholders;
- ) The regulatory framework is modernised to foster innovation.

In doing this, we are able to increase the grid value for customers and the market. We will be widely seen as a positive modern progressive force, neutral market facilitators, attractive employers to young people, and finally as a great partner for new solutions and innovation.