

Brussels, 14 October 2013

Press Release

**European Commission adopts lists of Projects of Common Interest (PCI)–
Neglecting need for smart grid deployment at distribution level**

Brussels, 14th October 2013. Today, the European Commissioner for Energy, Günther Oettinger presented the final list of energy infrastructure priority projects until 2020. The list features 248 so-called Projects of Common Interest (PCI), which will profit from faster planning and permitting procedures and the possibility for funding, including the €5.85 billion earmarked for energy projects in the Connecting Europe Facility (CEF).

CEDEC welcomes the Commission's initiative to facilitate and foster the development of Europe's energy infrastructure, but deplores the almost exclusive attention for transmission infrastructure. The final list of 248 projects grants PCI status to only 2 smart grids projects on distribution level, one project between France and Italy and another one between Ireland and Northern Ireland.

"As was to be expected only very few smart grid projects for distribution networks are on the list. The selection criteria such as the number of users and especially the cross-border aspect and the mandatory involvement of TSOs, de facto excluded most distribution system operators, the large majority being small-to-medium-sized", said **Gert De Block, CEDEC Secretary General**.

The small number of smart grids projects receiving priority status and consequently chances for funding is neglecting estimations by the International Energy Agency (IEA) in its World Energy Outlook: The investments in distribution networks will amount for about two thirds of all investments in energy infrastructure (transmission and distribution) in 2020 and the share will continue to rise to three quarters in 2035.

"The list does not reflect future developments in the energy sector, where the vast majority of new generation capacity from renewable sources is connected to the distribution networks. Therefore, investments are urgently needed in local distribution grids in order to optimally integrate energy from renewables and to enable demand-side management for Europe to meet its energy and climate targets cost-effectively", **De Block** continued.