Position EU Grids Package

1. **Misleading Concept of a "Grid Connection Permit" – Necessity of a Clear Distinction Between Permit Granting and Contractual Grid Connection**

The term "permit" is misleading, since grid connection procedures result in a bilateral contract rather than an administrative authorization. These procedures are inherently two-sided and therefore fundamentally different from public-law permitting processes handled by authorities. It is essential that the Grids Package clearly differentiates contractual grid-connection processes from other authorization procedures falling under the responsibility of Member States or NRAs. These are distinct processes involving different actors, timelines, and legal responsibilities. A single harmonized maximum duration cannot apply to both, as Member States cannot guarantee coordination with project developers' timing decisions, nor should one procedure be considered to begin with or include the other. The definition of "permit-granting procedure" must remain clearly limited to administrative processes handled by competent public authorities, excluding grid connection requests managed by system operators.

E.ON proposal for amendment:

- **Article 1, Article 2 (10f), Article 16(1**): Replace the term "permit" with "request".
- Individual Recitals **(see Recitals (1), (13), (14))** as well as some of the newly proposed standards (see for example, **Article 16 b(3), 16d (2), Article 16h (1) and (2) and (3), Article 16i (1), (2))** give the impression that the grid connection procedure is part of an administrative ("permit granting procedure") procedure, which is not the case and contradicts the proposed definition in Article 2 (10f), see above.
- **Article 16**: Delete "grid connection permits" from 16b para 3., Art. 16d, 16h and 16i
- **Article 16 (3a):** The national digital portal shall cover all steps of the permit granting procedure; however, the grid connection procedure shall be explicitly excluded and must remain outside the scope of the digital one stop shop. Additionally, some system operators have already invested in fully digital end-to-end grid connection processes, in their area of responsibility and Member States are individually moving toward requiring exactly these digital processes from all system operators individually. Introducing an additional central public portal would contradict this approach and create unnecessary administrative back-and-forth and would not be cost-efficient for operators.

2. **Grid connection**

We welcome the Commission's guidance on grid connections, which rightly recognizes the urgent need to adapt the existing grid connection regime to the realities of an increasingly electrified energy system marked by rising demand and accelerating clean-energy deployment.

DSOs must retain a clear right and responsibility to accept or reject grid connection requests. Decisions should be based on available grid capacity, technical compatibility, grid stability, reliability, safety, and other technical and economic conditions defined by Member States in close cooperation with transmission and distribution system operators. These

technical and economic conditions should also include project-specific maturity criteria and/or criteria reflecting the locational flexibility of connection requests - particularly their grid-friendly characteristics in relation to grid expansion needs and local system conditions.

All grid users must be treated equally, without privileged access for specific asset classes. A blanket prioritization as proposed in the Grids Package misses the reality on the ground. In certain grid areas, the DSOs connect predominantly renewable assets, but insufficient load exists. In such cases, a measure could be the prioritization of consumer connection to lower system costs.

Articles 16 and 17 of the proposal introduce preferential treatment for hybrid and co-located installations, creating a differentiated regime for these technologies compared to all other applicants. The assumption in Recitals (10) and (13) that small solar or co-located storage installations (<100 kW) have negligible grid impact is to be questioned: Experience from Germany's solar booms in 2011–2012 and 2023–2025—when several gigawatts of PV capacity were added annually—demonstrates that large numbers of small installations can impose substantial strain on grids. Irrespective of size, every installation requires documentation, registration, metering, and administrative processing. Even very small units therefore add to the workload of network operators who are already overstretched by rapidly growing volumes of connection requests. For these reasons, tacit approval must not apply to grid-connection procedures for small-scale assets and a uniform deadline for answering connection requests must be applied. Granting preferential treatment to these installations risks incentivizing project splitting or the deliberate structuring of projects as hybrid or co-located—an easy and technically feasible practice given the modular nature of PV and battery systems—while still requiring identical administrative processing regardless of size. EU law should set the principles for introducing prioritization criteria while leaving their details and national weighting to the Member States themselves. Detailed, uniform EU-wide rules that automatically prioritize certain system user groups allowing them to move ahead in the queue to the detriment of others - such as loads which may be more beneficial in a certain grid area - should not be introduced.

<u>E.ON proposal for amendment:</u>

- **Recital 10** should be deleted, as the assumption that small-scale solar energy equipment and co-located energy storage do not pose any challenges for the grid is questionable.
- **Article 16d**: Explicitly clarify that the obligation for Member States to remove regulatory and non-regulatory barriers for plug-in mini solar systems up to 800 W does not affect registration requirements with system operators, which are necessary to maintain visibility over electricity flows and to ensure the safe and reliable operation of the grid.
- **Article 17 RED**: Eliminate the distinction between solar energy systems and co-located energy storage above or below 100 kW and ensure equal treatment of their grid connection requests, including a uniform three-month response deadline for grid operators.
- Remove the provision on tacit approval for small-scale solar energy equipment and co-located energy storage and introduce an explicit requirement for network operators to actively approve or reject grid connection requests.
- Add prioritization criteria: Specify that decisions to accept or reject grid connection requests should also rely on technical and economic criteria set by Member States together with transmission and distribution system operators, including criteria on project maturity and on the locational flexibility of the connection request (alongside grid capacity, technical compatibility, grid stability, reliability and safety).
- Introduce reservation fees.

On **TEN-E Regulation**, we would highlight that Smart Electricity Grid (SEG) projects are still not eligible to become Projects of Mutual Interest (PMI). This remains an important gap, especially for countries which are geographically close to several third countries where PMI projects could bring clear added value. SEGs must be eligible for PMI status under the TEN-E Regulation. Although SEGs are explicitly recognised in the TEN-E framework, they are excluded from PMI eligibility, unlike hydrogen and CO2 infrastructure, which have far more limited systemic impact on energy affordability and industrial competitiveness. If SEGs are recognised as priority infrastructure in the TEN-E Regulation, their eligibility should extend to all relevant categories, including PMIs. Aligning SEG eligibility with the rest of the TEN-E framework would strengthen TEN-E's internal logic and ensure it delivers on its intended objectives. It would also send a clear signal that the EU values the infrastructure that delivers affordable, clean energy to consumers and industry not just emerging technologies with narrower scope.

E.ON Proposal for amendment:

- **Article 2 (6) should also mention category (g) in Annex II.**
- **For Annex IV (2)(a), category (g) should also be added**.