

To the kind attention of **Christian Ehler MEP** and **Ebba Busch Swedish Minister for Business and Industry**

*CC: Thierry Breton, Commissioner for Internal Market
EU27 Permanent Representations to the EU
ITRE Committee Members of the European Parliament*

Flexible management solutions: a must-have in the Net Zero Industry Act

Brussels, 6 June 2023

Dear Minister Busch,
Dear Mr Ehler,

smartEn – Smart Energy Europe, the European business association for digital and decentralised energy resources, welcomes the Net Zero Industry Act to enhance the European Union’s competitiveness in net-zero technologies, key to decarbonise our economy and strengthen our energy independence.

As of now, several crucial strategic net-zero technologies are being listed, mostly focussing on hardware and manufacturing components. Such technologies are needed to ensure that the EU clean energy transition is achieved in relying as much as possible on domestic resources.

Nevertheless, some digital and decentralised energy solutions which empower consumers are missing.

Such solutions can be described as **‘flexible management solutions’** and would encompass a broad spectrum of solutions, such as dedicated metering devices, building energy management systems, smart/bidirectional charging points for EVs, Virtual Power Plants, blockchain technologies, platforms to enable seamless data flow communication, etc.

We urge you to include flexible management solutions in the Net Zero Industry Act: this would be consistent with the ongoing revision of the Electricity Market Design, which also aims at stimulating flexible demand.

Thanks to these solutions, consumers of all types, from households to large industrial consumers, can play a crucial role in supporting the increasingly variable energy system by adapting their consumption and on-site generation patterns in a time-dependent way, to increase or reduce them (automatically) and avoid peaks or high costs, both for individuals and for the entire energy system.

As highlighted in a 2022 report¹, flexibility management solutions are key in activating consumers’ flexibility and achieve the following benefits in 2030 in the EU:

- Reduce renewable energy curtailment by 15.5 TWh
- Save 37.5 million tonnes in GHG emission/year
- Avoid investments in 60 GW of peak generation capacity, saving €2.7 billion/year
- Save €11.1–29.1 billion/year in grid CAPEX investments

These systemic efficiency improvements would allow all consumers to benefit of over €300 billion/year.

If the EU aims to become a global leader in digital and smart solutions, the role of flexible management solutions needs to be properly recognised and incentivised as a strategic asset.

We remain at your disposal for any question you may have.

Your sincerely,



Michael Villa
Executive Director, smartEn

¹ https://smarten.eu/wp-content/uploads/2022/09/SmartEN-DSF-benefits-2030-Report_DIGITAL.pdf

ABOUT smartEn - Smart Energy Europe

smartEn is the European business association integrating the consumer-driven solutions of the clean energy transition. We create opportunities for every company, building and car to support an increasingly renewable energy system. Our membership consists of the following companies:

