distribution system operator

Distribution system operator (DSO) means a natural or legal person responsible for operating, ensuring the maintenance of and, if necessary, developing the distribution system in a given area and, where applicable, its interconnections with other systems and for ensuring the long term ability of the system to meet reasonable demands for the distribution of electricity or gas. That definition is provided for by art. 2 n. 6 Dir 2007/72/EC with regards to electricity and by art. 2 (6) Dir 2007/73/EC with regards to gas.

In the electricity sector distribution means the transport of electricity on high-voltage, medium-voltage and low-voltage distribution systems with a view to its delivery to customers, but does not include supply according to art. 2 (5) Dir, 2007/72/EC. Accordingly, distribution in the gas sector means the transport of natural gas through regional pipeline networks with a view to its delivery to customers, but not including supply.

DSOs have to act according to art. 25, 26, 27 Dir. 2007/72/EC (with regards to electricity) and to art. 25, 26, 27 Dir. 2007/73/EC (with regards to gas). The aforementioned provisions provide the tasks and duties of DSOs.

One of the main characteristics of the DSO is that it shall be independent at least in terms of its legal form, organisation and decision making from other activities not relating to distribution within a vertically integrated undertaking. Unlike the transmission system operator, the DSO is not affected by ownership unbundling.