



Electrification Action Plan

Position Paper

ESMIG, the European association of smart energy solution providers, welcomes the upcoming Electrification Action Plan as a critical step towards accelerating the energy transition.

The Commission rightly highlights electrification as key to decarbonization, security of supply and long-term affordability. However, these goals can only be achieved through smart electrification, supported by digitalization and active demand-side participation. Without this, electrification risks adding costs and pressure to the energy system, missing its full potential. A smart, flexible, and consumer-oriented approach is therefore essential to ensure that electrification delivers its full benefits across the energy system.

To address existing barriers and enable an increasingly electrified and flexible energy system, ESMIG recommends the following:

- **Advancing electrification as a cornerstone of Europe's energy security**

Electrification should be seen as a cornerstone of Europe's energy and economic security agenda. By replacing imported fossil fuels with domestically produced clean electricity, Europe can reduce its dependencies and strengthen resilience against external supply shocks. At the same time, accelerating electrification should support European excellence in technologies and solutions to ensure that European jobs, innovation, and value chains benefit from the transition. Finally, smart and connected components of the electricity system must meet the highest cybersecurity standards, ensuring that Europe's critical energy infrastructure remains secure and under European control.

- **Setting an EU electrification target**

EU targets, if mandatory, have proven meaningful and effective, as targets for the share of renewable energy have shown in the past. A clear EU-level target for electrification would send a strong investment signal, align Member State ambition, help track progress and support the implementation of smart meter rollouts. ESMIG supports setting a target for the share of electricity in final energy use as part of the broader energy system transition. Such a target should be in sync with smart meter rollout to ensure effective monitoring and integration across the energy system.

- **Accelerating smart meter rollout and establishing harmonized minimum requirements**

Smart metering is essential to support and fully capture the benefits of electrification for consumers, market players and system operators. By the end of 2024, only 63% of consumers in the EU27+3 had a smart meter.¹ The Electrification Action Plan should, therefore, set a clear and ambitious EU-wide target for smart meter deployment of at least 80% by 2030, while also striving for full rollout across all Member States. Alongside an ambitious rollout target, the EU should establish harmonized minimum performance standards to ensure that smart meters deliver the required functionalities and performance, serve as a corner stone in a smart grid, and are used to their full potential, benefiting all players and overcoming the current fragmentation.

- **Ensuring access to real-time metering data**

Consumers and authorized third parties (e.g. aggregators or suppliers) must have access to (near) real-time, high-frequency consumption and grid-status data. This is a prerequisite for delivering flexibility services, accurate price signals, and

¹ Berg Insight. Smart electricity meter penetration rate in Europe reached 63 percent at the end of 2024. Berg Insight, March 2025. Available at: <https://www.berginsight.com/smart-electricity-meter-penetration-rate-in-europe-reached-63-percent-at-the-end-of-2024>

supporting consumer empowerment as well as enabling resilient network operation. Interoperable data access frameworks should be supported at EU level.

- **Enabling market access and remuneration for flexibility**

Regulatory barriers to the participation of demand-side flexibility must be addressed. The Electrification Action Plan should ensure access to markets, fair remuneration mechanisms, and standardized processes for participation. This will help unlock flexibility, consumer participation, while supporting system efficiency and decarbonization.

- **Implementing tariff structures that reward flexibility**

Network tariffs should better reflect system costs and encourage consumers to shift demand away from peak periods. Time-of-use and dynamic tariffs can reduce pressure on the grid and lower overall system costs, while incentivizing use of flexibility technologies.

- **Enabling customer participation and control of local flexibility**

Smart meters must enable the control of flexible loads and generation in order to facilitate efficient and resilient market and grid integration. Smart meters are an important component of network operation in a smart grid.

In conclusion, achieving the Electrification Action Plan's objectives requires more than scaling clean electricity generation. It demands deploying the smart grid infrastructure and a flexible energy system approach that puts consumers at the centre. Smart metering, data access, remote control and digital infrastructure are all core enablers of electrification. Unlocking demand-side flexibility and aligning energy use with decarbonization goals will be key to making electrification affordable, efficient, and secure.



About ESMIG

ESMIG is the European voice of the providers of smart energy solutions. Our members provide products, information technology and services for multi-commodity metering, display and management of energy consumption and production at consumer premises.

Our activities are focused on systems for smart metering, consumer energy management and safe and secure data transfer.

We work closely with EU policy makers and other EU associations to make Europe's energy and water systems cleaner, reliable, more efficient and the European consumer informed, empowered and engaged.