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# Industrial network tariffs: points of orientation

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22 April 2026

## AgNes determination proceedings (GBK-25-01-1#3)

### 1. Introduction

The Bundesnetzagentur's Grand Ruling Chamber for Energy opened proceedings for the determination on the general electricity network tariff system (AgNes) for the period once the Electricity Network Tariffs Ordinance (StromNEV) has ceased to be in effect in accordance with section 29(1) in conjunction with sections 21 and 21a of the Energy Industry Act (EnWG) on 12 May 2025 [GBK-25-01-1#3]. The proceedings on the reform of the industrial network tariffs previously opened by Ruling Chamber 4 were then integrated into AgNes. In summer 2025, a discussion paper on the design of the general network tariff system was consulted on and discussed in a workshop on 2 and 3 June 2025. Subsequently, from September 2025 to March 2026, the Grand Ruling Chamber published points of orientation detailing its progress on various aspects. Discussions were also held in expert workshops on these topics.

This paper brings together the current considerations on the general network tariff system and on the special network tariffs for industry and business and looks at their effects as a whole.

## 2. Summary

- The AgNes basic model is in principle intended to apply for business customers and electricity-intensive industry as well. Capacity-based and energy-based prices and dynamic network tariffs are generally planned to apply to these sectors in the future.
- With the tariff with a financing function, industrial final consumers with a constantly high level of consumption will initially tend to try to keep just below the selected capacity by employing permanent load behaviour. The capacity selected is likely to be just above the expected peak load. A change in behaviour is not to be expected but is not the intended aim of the tariff with a financing function anyway.
- The effect, and therefore the necessity of applying, a tariff with an incentive function for electricity-intensive industries needs to be re-examined. Whether the positive or negative dynamic network tariff leads to a burden or a relief for industrial customers depends largely on their location. Before finally introducing the dynamic network tariffs, therefore, it must be clarified whether they are necessary and what their effect on the production and services markets will be. There is time enough to do so since the Grand Ruling Chamber intends to introduce dynamic network tariffs in stages.
- The Grand Ruling Chamber's model for cost cascading based on final consumption will already lead to some considerable reductions in tariffs for current permanent load customers, as costs previously allocated to these customers will be borne to a greater extent by customers at the low-voltage level. This will bring the general high-voltage network tariffs down by between 20% and 80%. Tariff cuts are largely to be expected at the high to medium-voltage transformation level and at the medium-voltage level as well, which needs to be taken into account when setting the level of discount for a future special network tariff for electricity-intensive industrial customers. The aim of the industrial network tariffs is not to achieve a discount of a particular percentage. Rather, it is to use the prospect of a generally appropriate financial relief to set sensible incentives.
- It is specifically not intended to create a provision succeeding the atypical network use pursuant to section 19(2) sentence 1 StromNEV. However, the Grand Ruling Chamber is prepared to discuss a temporary extension for existing companies with a minimum consumption of 10 GWh with certain modifications.
- The Grand Ruling Chamber has launched a series of pilot projects intended to supply additional findings for setting the parameters for the planned special network tariff to incentivise flexibility among electricity-intensive industrial customers. In the pilot projects, first two alternative models were tested, one alternative focusing on reactions to network signals and the other on reactions to electricity market signals.
- The Grand Ruling Chamber's efforts to test a third variant are taking shape but considerations for it had not been finalised at the time this paper was published.
- Based on the preparatory work for the pilot projects and the consultation on the discussion paper from September 2025, the Grand Ruling Chamber has developed an approach that removes the weaknesses of the models presented in September 2025 and unites their strengths in a single model. It is planned to create a special arrangement setting an incentive for flexible use for the benefit of both the network and the system. Flexible use will not have to occur daily but rather at times when there is congestion or a particular burden on the system caused by very high or very low demand to generation ratios, as indicated by correspondingly low or high prices.

- Pooling often plays a major role in the current system, especially in the industrial context. In a system with capacity-based prices, pooling in its current form will not be possible. However, an adequate subsequent regulation is conceivable. A combined selection and use of capacity at various withdrawal points of the same network user seems a logical solution.

### **3. General network tariff system for electricity-intensive industry**

The basic model for the general network tariff system was presented in the points of orientation on network tariff components of 20 November 2025 and in the points of orientation on the dynamic network tariff component of 17 December 2025. This basic model is essentially intended to apply for all network users, including businesses and electricity-intensive industrial customers. If these customers do not agree an individual network tariff, the basic model will determine the network tariffs they have to pay. If they agree an individual network tariff, whether it is a tariff pursuant to section 19(2) StromNEV (in the transition period until it ceases to be in effect) or a future special network tariff yet to be determined for industrial customers, the basic model is still just as relevant because the level of discount in these cases is linked to the general network tariff set in accordance with the basic model. The consequences of the basic model for electricity-intensive final consumers are presented against this backdrop.

#### **Network tariffs with a financing function**

The network tariff with a financing function is composed of a capacity-based and an energy-based component. The network user is free to choose the amount of capacity. If the user's load remains within the selected capacity, the lower energy-based price (AP1) applies. When the selected capacity is exceeded, the higher energy-based price (AP2) comes into play. The aim of this model is to increase the opportunity for flexibility compared to the current system made up of power-based and energy-based prices. Exceeding the selected capacity does not lead to an increase of the capacity-based price, meaning that flexibility is not "punished". However, the higher AP2 incentivises careful use of capacity. The network user can optimise their behaviour in this system.

#### **Use of capacity by electricity-intensive production facilities**

Consumers from the chemical, paper, metal, steel and glass industries are generally considered electricity-intensive. Plastics production is another example of this group. In recent years, increasing numbers of data centres, which also have very high consumption, have been connected to the network. Section 19(2) StromNEV sets out that electricity intensiveness is measured on annual consumption. Users with an annual consumption of more than 10 GWh at an offtake point can make use of the permanent load privilege under section 19(2) sentences 2 to 4 StromNEV. However, the electrification of processes is causing consumption to rise steadily and it is now in some cases well above the threshold. In any case, these sectors have in common that their "natural" production processes mean that they tend to have a rather constant consumption behaviour with some, not very large, fluctuations. Larger changes in load are often avoided to prevent wear or damage to production facilities or a worsening of product quality. Moreover, the permanent load privilege has encouraged many of the companies in these sectors to seek to maintain a very rigid consumption behaviour for years.

It may therefore be assumed that electricity-intensive final consumers will select their capacity in the new system in such a way that they do not exceed it if possible but rather keep just below it across the year with their production-related constant load. The steel industry might be an exception: its processes are sometimes characterised by very high peak loads and comparatively low annual usage hours, which is why steel companies

cannot usually benefit from the permanent load privilege. It stands to reason that they will select a capacity that does not fully meet the sometimes very high peak loads of their electric arc furnaces. It is generally to be expected that the tariff with a financing function will not cause any changes in the consumption behaviour of electricity-intensive final consumers. Network tariffs with a financing function are not primarily intended to set incentives anyway. They are “merely” supposed to avoid the current flexibility-inhibiting incentives of power-based prices.

### **Industrial networks**

In practice, industrial final consumption is often not connected directly to the general supply network. The final consumption of various network users is often located in “industrial networks”, which are sometimes operated as closed distribution systems or customer facilities. Generating installations and storage facilities, in addition to final consumers, are often connected to them. It needs to be possible to bill the tariff with a financing function separately for the consumption of different network users. At the same time, there are withdrawal points of the same network user that are currently pooled and, as mentioned above, could optionally be combined in future as well. There are also situations today in which network users optimise their consumption profile from a commercial/economic perspective by feeding in electricity from their own generating installation. It should be ensured that these arrangements can be reflected in the future tariff system as well using appropriate metering concepts.

### **Bundling of withdrawal points after the introduction of capacity-based tariffs**

A characteristic feature of industrial sites is that they often have multiple withdrawal points. Pooling plays an important role in the current network tariff system, particularly – but not only – in this context. Pooling arrangements are set out in section 17(2a) StromNEV, which envisages that, under certain conditions, multiple withdrawal points are grouped together as one offtake point for the calculation of the power-based price. Otherwise, the full power-based price would have to be paid for a reserve withdrawal point at which load was only transferred for a short time due to maintenance or other reasons. Withdrawal points are typically supplied from different network nodes, partly for insurance reasons. Bundling them in this way reduces the burden of the power-based price for these withdrawal points if their concurrent annual peak load is lower than the sum of their non-concurrent annual peak loads. Companies use pooling to optimise their tariff burden, especially at industrial locations. This logic cannot simply be applied “as is” to a system using capacity-based prices because there, it is the selected capacity that is decisive for the power-based pricing, and not the annual peak load. This makes pooling as set out in the StromNEV difficult in the AgNes model. However, in the AgNes basic model, it would be possible to allocate a joint capacity order to multiple withdrawal points under similar conditions as for pooling. This might give rise to greater flexibility to optimise the respective load profiles in the system made up of capacity-based prices, AP1 and AP2 than if each withdrawal point were regarded separately.

Example: a final consumer reaches loads of up to 10 MW at withdrawal point A and loads of up to 20 MW at withdrawal point B. So as not to incur the AP2 price, the consumer would have to order a capacity of 10 MW for one of the two withdrawal points and 20 MW for the other, 30 MW in total. The loads of A and B never, or very rarely,

simultaneously exceed 25 MW. If the two withdrawal points were considered together, therefore, it would suffice to order 25 MW not to “slip” into AP2.

However, final consumers should not be allowed to bundle withdrawal points with no restrictions. The AgNes model addresses the effect of usage behaviour on the network, both with the financing and the incentive tariffs. As with pooling, therefore, it should only be possible to bundle withdrawal points if a joint capacity can sensibly be assigned to them. This is the case, in line with the technical principle of section 17(2a) StromNEV, if they are part of the same network node or, where there is a galvanic connection on the customer’s side, they are connected to the electricity supply network. In such cases it would be no problem to just consider the load/consumption at the network connection point. But at industrial sites there is often not just one final consumer but many withdrawal points of multiple final consumers that cannot be bundled. A joint consideration of the effect on the network does not necessarily only have to be useful for withdrawal points connected to the same network node, however. Rather, the question arises of whether it would be more appropriate to develop a system that departs from the logic of section 17(2a) StromNEV.

#### **Use of storage facilities at industrial sites**

A similar line of reasoning could be taken for a cumulative consideration of the load profiles of storage facilities and consumption units. Under the current network tariff system, storage facilities are sometimes used to smooth out consumption, that is to say, to prevent peak loads that would cause the power-based price to go up. They could be used in a similar way in the industrial context under the AgNes basic model, for example to prevent the ordered capacity from being exceeded and the AP2 coming into play. It must be ensured that storage consumption used to optimise load profiles can be allocated to this kind of usage for tariff purposes. The same goes for storage facilities used to meet flexibility requirements in a possible future special arrangement. If there were to be a strict separation of the volumes of final consumption and storage facilities allocated to the same network connection point, it would no longer be possible to optimise the load profile of final consumption using storage facilities.

#### **Questions**

- What kind of limitation of a provision based on pooling would make sense in the AgNes model?
- How could such limitations be recorded with as little bureaucracy as possible?
- Would regionalisation be a functional replacement for the current pooling model?
- Are there other solutions that would make it easier to avoid an unwanted increase of the network tariffs in the event of a move to capacity-based tariffs and loss of power-based pricing?
- What challenges do you see in setting tariffs for different network users in industrial networks?

#### **Network tariffs with an incentive function**

The network tariff with an incentive function is conceived as a dynamic, positive or negative energy-based price that is aggregated with the tariff with a financing function. It is intended to incentivise responses to congestion situations leading to usage behaviour

that reduces network costs. The signal is only given and only effective when necessary at a particular time and place. Behaviour that worsens congestion leads to a positive tariff, while behaviour that reduces congestion leads to a “negative” tariff. “Negative” tariffs are payments by the network operator to the network user and thus revenues for the user. The Grand Ruling Chamber is open to suggestions for a more intuitive wording.

To achieve the desired effects on the network, the tariff with an incentive function has to be set at as short notice as possible and certainly before the day-ahead spot market prices in order to avoid distortions of the electricity markets, with their different timings, and gaming effects. A 15-minute interval is conceivable, depending on the network requirements.

The question of when network operators will be able to balance out this kind of incentive tariff precisely for all customer groups has not yet been answered. The Grand Ruling Chamber continues to hold the view that it should first be introduced at the highest network levels and for storage facilities and then later extended to the network levels down to medium voltage and to producers. Only after that would it be expanded to include consumers. The first step is planned for 2029 at the earliest, more likely 2030. The time frame for the subsequent steps will probably be around 2033 to 2035. While this is not ideal, it is a result of the realities of the German energy system and its highly fragmented nature, which leads to a great deal of work needed to provide the necessary software and make it interoperable.

There is, therefore, sufficient time to deal with the issue of whether dynamic network tariffs can be sensibly applied to electricity-intensive consumers. Reactions to a short-term, fine-grained dynamic network tariff could be difficult, even if the available potential for flexibility is exploited, because industrial production processes are generally technically and cost-effectively optimised and only have a certain amount of scope for flexibility, which is certainly related to their specific sector and company. Lead times are necessary to plan changes in load and there must be enough time to make adjustments to protect machinery and products. Even with the use of storage facilities, it would usually only be possible to increase the flexibility of, at most, a small part of the load. These points have already been examined in detail in the discussion on a special network tariff for industrial customers to set an incentive for more flexible behaviour.

Moreover, the practical outcome also depends on the past choice of location. An electricity-intensive consumer located in front of a site of horizontal congestion would tend to generate revenue from the tariff with an incentive function. An electricity-intensive consumer located behind an area of horizontal congestion, meanwhile, would usually incur additional costs from the tariff with an incentive function. This could be accepted as a “natural” consequence of a network-oriented dynamic network tariff, particularly considering that the location and extent of congestion will change constantly as the network expands, generating installations are connected and new loads are also added in the course of the electrification of the energy system. The fact that the tariff burden will be greater for all those not responding to an incentive is, after all, inherent to the idea of a dynamic network tariff incentive. Nevertheless, there are weighty arguments in favour of making an exception for energy-intensive consumers. In particular, the consequences of the dynamic network tariff caused by the coincidence of location could

lead to a significant burden that could conflict with the objective of maintaining an appropriate network cost level in the form of industrial network tariffs.

As stated above, this question needs to be borne in mind but will not be decided on until 2031 at the earliest.

### **Relationship of the special network tariff to the basic model**

Similarly to the logic of section 19(2) StromNEV, a future special network tariff is intended to enable a percentage discount on the general network tariff. The basic model regulates the calculation of the general network tariffs and is therefore also relevant for the network tariff burden on the consumers that will make use of this special network tariff, provided it is applied to them as detailed above.

### **Level of discount for a new provision**

The size of the percentage discount will primarily depend on the value of the contribution required under this arrangement for the energy supply system. It is essential under State aid rules for there to be an appropriate relationship between these requirements and the legal consequences of fulfilling them. The principle of cost-reflectiveness set out in Article 18 of Regulation (EU) 2019/943 also requires that no discount be granted without a sufficient contribution in return. This ensures, among other things, that other network users are not disproportionately burdened by a special arrangement.

Atypical network users pursuant to section 19(2) sentence 1 StromNEV can currently get a discount of up to 80%. The discount can even reach 90% for permanent load customers within the meaning of section 19(2) sentence 2 StromNEV. Similar discount levels are possible for a future special network tariff as well. In determining the size of the discount, however, any changes in the setting of the calculation basis from the status quo of the StromNEV to AgNes must be taken into account. The Grand Ruling Chamber presented a concept for cost cascading using final consumption volumes in its points of orientation on this topic published on 5 March 2026. If this concept were to be implemented, there would be a significant redistribution of costs compared to the current situation (see points of orientation on cost cascading, pages 12-13).

### Von Letztverbrauchern zu tragende Kosten absolut



As shown in the graph, the proportion of costs at the high-voltage level, in particular, would drop clearly across the country, by around 20% to 80%. Of the 555 withdrawal points where the permanent load privilege is currently made use of, 68 of them are at the high-voltage level.<sup>1</sup> The reduction in tariffs from the permanent load privilege is likely to amount to about €242mn for these 68 withdrawal points in 2026. The average percentage discount for this group is about 76% owing to the combination of the usage hours rule and the physical path. If it were decided to reduce the network tariff by creating a new special arrangement of a size comparable in percentage terms to the provision of section 19(2) sentence 3 StromNEV, there would naturally be changes from the status quo. Calculations show that in the event of the reference value falling by 20% to 80% for current permanent load customers at the high-voltage level due to the new cost cascading, the current average of 76% would rise by between eight and 22 percentage points to 84% to 98% owing to the cumulative effect of a special network tariff and discount stages as in section 19(2) sentence 3 StromNEV. For an example calculation, it is assumed that

- only those currently using the permanent load privilege will be able to make use of a future special network tariff,
- the average reduction of costs at the high-voltage level from the planned cost cascading will amount to 50% of the status quo and
- the average network tariff discount from the new provision will be 85%.
- The general network tariffs (before discounting) for the 68 companies in question amount to a total of €317,357,345 according to network operator forecasts.

<sup>1</sup> Source for this and below: TSOs' data submission to the Bundesnetzagentur for the surcharge for special network use in 2026.

Based on the network tariff level in 2026, this would result in an additional tariff reduction of about €69mn.

$$\frac{317,357,345}{0.76} * 0.165 = 68,899,945$$

The companies at the high-voltage level would thus receive significant additional relief, as even smaller industrial companies would in many cases pay less than under the current system because there would be a reduction in the proportion of costs in most regions, down to the medium-voltage level. The majority of current permanent load privilege users are connected to the medium-voltage level (283) or the high to medium-voltage transformation level (149), but the planned cost cascading would not lead to an (additional) tariff reduction for all of them. The effects will also be much less than at the high-voltage level. These results are not coincidental but are in fact appropriate as they arise from a cost-reflective cascading between network levels by withdrawn final consumption, which determines the dimensioning of the network.

The changes brought about by the amended cost cascading must be taken into account in determining the size of the discount for a special network tariff. The aim is not to achieve a particular percentage discount in comparison to the current situation but rather to set sensible incentives with the prospect of a generally appropriate financial relief. Against this background, and in view of principles of European law such as consumer protection and the affordability of energy supply, it must be ensured that private households and small businesses, in particular, are not disproportionately disadvantaged by the granting of industrial discounts. This is especially relevant since the additional burden caused by a (possible) expansion of the potential group of those affected by a new special network tariff could be much greater than under the permanent load privilege provision. However, the Grand Ruling Chamber is not ruling out discounts of a comparable size to those arising from section 19(2) StromNEV. The objective remains for the special network tariff to provide noticeable financial relief. The effects of different discount levels will be examined.

### **Future of atypical network use**

The lack of effectiveness of section 19(2) sentence 1 StromNEV has been explored in various publications by the Bundesnetzagentur.<sup>2</sup> In most cases, it no longer achieves an effect that is beneficial to the network. One reason for this is that there is an increasing penetration of renewable energies in the medium-voltage networks to which a significant proportion of atypical network users are connected. Offtake loads do not drive costs there. Moreover, deadweight effects occur for a significant proportion of the

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<sup>2</sup> See key elements paper on the future design of industrial network tariffs for electricity of 24 July 2024 (in German), available at: [https://www.bundesnetzagentur.de/DE/Beschlusskammern/1\\_GZ/BK4-GZ/2024/BK4-24-0027/BK4-24-0027\\_Eckpunktepapier\\_24072024.pdf?\\_blob=publicationFile&v=4](https://www.bundesnetzagentur.de/DE/Beschlusskammern/1_GZ/BK4-GZ/2024/BK4-24-0027/BK4-24-0027_Eckpunktepapier_24072024.pdf?_blob=publicationFile&v=4)

Bundesnetzagentur report on the network tariff system 2015 (in German), available at: [https://www.bundesnetzagentur.de/SharedDocs/Downloads/DE/Sachgebiete/Energie/Unternehmen\\_Institutionen/Netzentgelte/Netzentgeltsystematik/Bericht\\_Netzentgeltsystematik\\_12-2015.pdf?\\_blob=publicationFile&v=1](https://www.bundesnetzagentur.de/SharedDocs/Downloads/DE/Sachgebiete/Energie/Unternehmen_Institutionen/Netzentgelte/Netzentgeltsystematik/Bericht_Netzentgeltsystematik_12-2015.pdf?_blob=publicationFile&v=1)

approximately 6,000 benefiting companies as they fit the conditions through their “natural” consumption behaviour but, owing to their low loads, do not have a noticeable effect on the concurrent annual peak load of all withdrawals of their network level. In light of this criticism by the Bundesnetzagentur, the question arose from various quarters of whether a successor provision was planned to prevent negative economic consequences for atypical network users. In this context, the principle applies that special arrangements in network tariffs for the sole purpose of promoting the economy are not allowed.

The Grand Ruling Chamber will examine whether the atypical network use could continue to apply for an appropriate transition period, at least for existing customers from the industrial sector. An obvious option would be an extension until such time as the tariff with an incentive function for consumers is introduced. The transition periods are discussed in more detail in section 4.

Clearly incorrect incentives and effects are to be avoided. For example, the Grand Ruling Chamber has become aware of situations in which companies make great effort to change their production to shift their load into low-load phases that then become high-load windows in the following period and so the load shift has to be changed again. Such phenomena do not make sense either for companies or for network operators and should be ruled out in future, as should pure deadweight effects. A possible solution to be discussed would be a temporary use of a rigid time-variable model like the one practised in the Netherlands as a dynamic network tariff.

It should also be discussed whether the high and low load windows should be defined not within the distribution network, meaning they can be changed by load shifts, but rather by the high and low load windows of the upstream level.

#### **Question**

- Which transitional arrangement would be appropriate for the current industrial atypical network use?

## **4. Special network tariff**

### **Discussion paper of September 2025**

On 24 September 2025, the Grand Ruling Chamber published and put out for consultation its discussion paper on tariffs for business and industry, which contained proposals for the continuation of the industrial network tariffs. The Grand Ruling Chamber also held an industry workshop on the content of the discussion paper on 30 September 2025.

The Bundesnetzagentur received about 90 responses to its consultation. Businesses from different sectors welcomed the Bundesnetzagentur’s approach and unanimously declared the long-term importance of network tariff discounts for electricity-intensive industry. As the energy system is increasingly being electrified and relying on renewable sources, the continuation of network tariff discounts for industry and business is of particular significance and essential to sustainably reinforce Germany’s competitiveness in the

global economy, it was argued. While the focus on flexible consumption was necessary and forward-looking with a view to increasing the long-term efficiency of the electricity networks, it must also be remembered that individual sectors could not consume flexibly, or could only do so to a limited extent.

With regard to model A, “spot market-based flexibility incentives”, it was emphasised that using electricity prices as a foundation was necessary and future-oriented. Yet it must be borne in mind that a focus on market signals alone, not taking account of the needs of the network, could end up worsening congestion.

The reduction of actual network congestion was an argument in favour of option B, “increasing flexibility for the benefit of the network”. It was generally agreed that bringing down redispatching costs was important for the energy system. At the same time, the network signal should not completely eclipse the market signal.

The majority of responses were critical of model C, “network-beneficial flexibility requirements from network operators”; in particular, it was maintained that a direct order from the network operator constituted too great an intervention in the autonomy of the companies. On the other hand, the large beneficial effect on the network was viewed positively.

The Grand Ruling Chamber reassessed its model approaches in light of these responses to the consultation and the discussion at the workshop on 30 September 2025. It decided not to pursue model C any further in the form laid out in the discussion paper. The background to this is that remaining with a reference load in certain time windows specified by the network operator could also be achieved by constant consumption at this reference load. There would not be sufficient incentive for flexibilisation. A noticeable discount would not be achievable or would cause significant problems under State aid rules. Having considered the consultation results, the Grand Ruling Chamber has decided to pursue models A and B for now.

### **Pilot projects**

In the view of the Grand Ruling Chamber, concrete practical experience is also necessary to properly assess the situation. To this end, findings about the technical possibilities of industrial flexibility and the flexibility at the network connection point should be gathered. In addition, the organisational processes should be tried out, from the finding of forecast values through to the organisation of communication between final consumers and network operators, the planning of load profiles and the effects of more flexible usage on balancing group management. In light of this, the Grand Ruling Chamber published its concept paper on pilot projects for industrial network tariffs on 19 February 2026, which fleshed out models A and B for practical tests. The Grand Ruling Chamber has now launched six pilot projects that are testing how industrial flexibility can contribute to the stabilisation of the electricity system under real world conditions and where the operational limits are.

Model A is being tested in various forms. The participating companies are UPM GmbH (with swa Netze GmbH and EWE Netz GmbH), Currenta GmbH & Co OHG (with netcur GmbH), Wacker Chemie AG (with Bayernwerk Netz GmbH) and Pilkington Deutschland

AG (with Bayernwerk Netz GmbH). In another project, WEPA Deutschland GmbH is testing a hybrid of models A and B with the municipal utility Mainzer Netze GmbH and Amprion GmbH. If the network operator sends no signal for a day, the company follows the electricity price signal in line with model A. The Grand Ruling Chamber was not able to implement its original plan to test models A and B separately for various reasons. The distribution system operators (DSOs) involved did not (yet) consider it technically possible to send out the relevant signals daily at short notice. It was discussed whether to resort to signals from the upstream transmission system operator (TSO), which is happening in the project of WEPA Deutschland GmbH. However, in this specific case the TSO saw no need for signals that were given daily or several days a week to adjust load for the purpose of congestion management at the transmission network level. This pilot project would thus have exposed itself to accusations of generating a much easier way of getting network tariff reductions.

In the course of the discussions about the pilot projects, the four TSOs presented their proposals for a modification of model C, which the Grand Ruling Chamber considers suitable to correct any weaknesses from the original model. The Grand Ruling Chamber has therefore decided to make model C in the version put forward by the TSOs, with additional modifications, the subject of another pilot project. This project is being undertaken by TRIMET Aluminium SE and its connection network operator, Amprion GmbH.

With the six companies mentioned here, the Grand Ruling Chamber was able to get participants involved from the traditional branches of industry – chemicals, paper, aluminium and glass. In all cases, the flexibility is generated from the processes themselves and without the additional use of storage facilities. Of course, the companies are not representative of their respective, very diverse sectors. Still, the Grand Ruling Chamber believes that the participants are very well suited for the gathering of empirical data.

The Grand Ruling Chamber has also set up a discussion group with the pilot project companies and the industry umbrella organisations DIHK and BDI with the aim of conferring regularly on the organisation and progress of the projects and drawing conclusions together from the results. The kick-off meeting was held on 19 February 2026 ahead of the launch of the first projects. No difficulties have so far arisen in the practical implementation of the projects. Nevertheless, their progress will continue to be discussed regularly with the associations. For obvious reasons, it is still too early to talk about results and findings.

### **Industrial tariff with a flexibility incentive**

The Grand Ruling Chamber continues to see the need for a provision to succeed the permanent load privilege of section 19(2) sentences 2 to 4 StromNEV in order to set an incentive for electricity-intensive final consumers with rather rigid consumption patterns to use electricity more flexibly. On the basis of the findings from the consultation on the discussion paper of September 2025 and the structuring and clarification of details of the contractual arrangements upon which the pilot projects are based, the Grand Ruling Chamber has developed a concept following on from previous suggestions. It has removed the weaknesses identified in the options previously discussed and united their

strengths in a single model. It goes without saying, however, that the Grand Ruling Chamber is open to adjustments arising from the results of the pilot projects and responses to the consultation.

The following aspects are to be taken into particular account in the enhanced model.

- Neither solely network nor solely market signals should be considered.
- Flexibility requirements should only be made in tense and critical network or system situations and flexible behaviour otherwise not blocked where possible.
- The contribution made in return for the special network tariff must be appropriate in scope so as to justify a discount through cost reflexivity.
- Network and market signals must be provided in accordance with transparent and uniform criteria, where possible centrally.
- It should be possible to represent different conditions, processes and connection situations of electricity-intensive consumers by varying the requirements.

The new, enhanced model essentially aims to combine signals from the market and from the network, which electricity-intensive final consumers will respond to by adjusting their load. In contrast to the previous discussions, the load flexibilisation will not necessarily take place daily. Instead, only particularly tense and critical situations in the system will be relevant. The aim is to link behaviour benefiting the network as a response to forecast network congestion with behaviour benefiting the system as a response to high price fluctuations and to concentrate on times when the benefit for the energy system is the greatest. It will also avoid making daily uses of flexibility – which could be inefficient for the economy and businesses – a prerequisite for achieving the discount.

The current status of considerations on the main parameters of the provision is presented below. Over the coming months, the arrangements will be formulated based on the considerations to date, taking into account the experiences from the pilot projects and any written comments submitted in these proceedings.

#### **Signal for load flexibilisation**

The signal to trigger a flexibilisation of the load of an electricity-intensive consumer should, where possible, be given centrally and according to transparent criteria so as not to give rise to uncertainty. In the communicated time period, the final consumer must increase or reduce its load in such a way that at least the agreed deviation (in percent) from the reference load is achieved. The signal does not require a reference load to be maintained but rather to be deviated from. Depending on the design, the agreed deviation could be a threshold depending on the reference load that cannot be exceeded or fallen below in the provision period or it could be an average load deviation from the reference figure across the period without fixed limits.

The signal that always has to be observed in this enhanced model is the network signal. Criteria must be set to define a tense/critical network situation, also depending on the location of the final consumer in relation to the congestion. These criteria could logically be based on forecast redispatching amounts or the need to use grid reserve power plants. If the defined criterion appears in the forecast for a day in the future, the network

operator sending the signals transmits the start time, duration and direction of the necessary load adjustment.

In view of the discussions about the dynamic network tariff, the Grand Ruling Chamber considers it sensible for the four TSOs to initially be given the task of sending the signals for the special network tariff. In the event that connection DSOs also see the need in their networks and have the necessary tools at hand to send such signals, they could be given the option of sending signals in the future as well. However, the sending of contradictory signals would have to be avoided, so there would have to be coordination across network levels.

In contrast to earlier considerations, this modified model is also planned to incentivise a reaction to market signals as well. The trigger for the market signal should be strains on the system, generally reflected in especially high or low wholesale prices. A looming surplus or shortfall is not the focus here, as such situations would require a reaction that was too short notice and too intense. Restricting the signal to tense situations could therefore occur through setting thresholds for high and low prices from which a load flexibilisation would be beneficial to the system. A restriction to days with particularly high within-day price spreads is another possible option. The latter would have the advantage that no nominal price thresholds would have to be set that would probably have to be adjusted regularly in line with market developments. Whatever the specific implementation, the data basis should generally be the results of the EPEX Spot day-ahead auction.

In conclusion, there are three possible scenarios:

- a strain on the system with a tendency to surplus or shortfall occurs and a response is necessary,
- the TSO sends a network-related signal that has to be responded to,
- there is no network signal from the TSO and no strain on the system with a tendency to surplus or shortfall; no response is necessary.

The frequency of flexibility usage will of course depend on the parameters applied. Findings on this topic are being gathered in the course of the pilot projects, in particular.

#### **Questions**

- Which relative minimum price spreads in the day-ahead prices should occur for a response to be necessary? Alternatively, should hourly windows be published based on the EPEX Spot prices?
- Should DSOs have the option of sending network signals or should this role initially remain centrally with the TSOs? Are there other entities that could do this?

#### **Lead times**

Current findings indicate that the lead times necessary to respond to a load adjustment signal vary among electricity-intensive consumers for various reasons. Apart from the limitations of different production processes, it may also be relevant how the consumers have positioned themselves with regard to energy in the past.

It does not seem expedient to define a rigid deadline for the signals from the network and market, although the effort required to set up and transmit the signals needs to be taken into account. It would be possible, for example, to provide network signals for the relevant day with a certain amount of lead time and continual updating. Correspondingly, consumers requiring longer lead times should be able to refer to price forecasts more than a day in advance. At the same time, electricity-intensive consumers that can respond within a day should be able to refer to prices on the intraday market as well as the day-ahead auctions.

Lead times should be **a factor in the calculation of future discount levels** so as to encourage responses that are as effective and swift as possible. Short-term reactions tend to benefit the system more as they are usually more accurate.

Example 1: the TSOs first send a network signal for day  $t$  on day  $t-3$ . The response time window for day  $t$  is slightly adjusted on days  $t-2$  and  $t-1$  on the basis of updated forecasts. Final consumers A and B make use of the special arrangement but have registered different lead times. A implements its load for  $t$  based on the publication on  $t-3$ , while B can adjust its load for  $t$  to the publication on  $t-1$ . Both get a discount but final consumer B gets a larger one owing to its greater flexibility.

Example 2: as example 1 but no signal from the TSOs for day  $t$  on days  $t-3$  and  $t-2$ . On day  $t-1$  the forecasts cause the TSOs to send a signal for day  $t$ . A does not respond because it has registered a lead time of  $t-3$ . B responds. A is not classed as missing its flexibility goal for day  $t$  but B gets a larger discount owing to its greater flexibility.

#### **Provision period**

The criteria discussed so far for the triggering of network and market signals are not essentially subject to any limits for a daily provision period. Both congestion and extremely high and low price phases can theoretically exist for a long time, so where possible unlimited provision periods as a response to these situations would be helpful.

At the same time, potential load responses by electricity-intensive consumers are often only possible for a limited time, for example when daily targets have to be met or the load response is achieved with the use of storage. The Grand Ruling Chamber does not consider it useful to introduce a rigid limit of a certain number of hours a day.

The possibility of **a longer response should also be able to justify a higher discount**. It might be possible to stagger the daily limits to be determined and take them into account in the calculation of discount levels.

#### **Amount of flexibility provided**

There is currently a mixed picture on the question of the possible amount of flexibility to be provided. While some electricity-intensive consumers can implement several percentage points of load flexibility via their core or ancillary processes, other consumers only have very limited options to do this or would have to make additional investments, for example in storage solutions.

In addition, it is often the case that flexibility cannot be provided symmetrically in both directions, for example if there are capacity limits to consumption units or network connection capacity. The load adjustment should not necessarily have to be symmetric. However, for **asymmetric responses** in just one direction, the necessary amount of flexibility provided should be adjusted to justify the same level of discount as for symmetrically responding consumers.

Here, too, a **staggered approach that is factored into the calculation of the discounts is necessary** to address the different requirements. Current findings indicate that the starting point could be a flexibilisation of about three percentage points of load.

To ensure that no misunderstandings arise, as they did in a few discussions on the ground with companies, it should be repeated here that the point is not to reduce or increase energy consumption by three percentage points. It is the **load** that has to be changed. Of course, a figure for energy can be calculated using this in combination with the provision period but, from today's perspective, the two should be dealt with separately.

### Questions

- How could a staggered discount be designed, taking account of the relevant load flexibility, the possible provision period and the necessary lead time for the response?
- How much leeway should network operators be given to design the response requirements and the discount stages?
- Should it be possible to have a larger range of the discount to allow for lower discounts for lower flexibility (such as longer lead times, lower percentage change in load, non-symmetric flexibility)?

### Provision of forecast data

In the course of the consultation on the discussion paper, the TSOs proposed considering the possible transmission of planning data in the context of the special network tariff, similar to that which occurs in the dispatch process (KWEP), in addition to the load flexibilisation.<sup>3</sup> This would be a valuable addition to the data base for network operations management and congestion management and would therefore benefit the network, they maintained. The Grand Ruling Chamber agrees that this could be a sensible complement to the requirements so far discussed. It would also be further justification for the size of the possible discount.

### Reference load to calculate the load responses

A central question is what will be the starting point for measuring response to the relevant signal. Every conceivable model thus requires a reference load. Various possible

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<sup>3</sup> "KWEP" is the dispatch process in which producers provide binding information to TSOs in advance about when which power plants will be available and those that are not available.

options are up for discussion, with the main difference being whether an ex post or ex ante approach is taken.

The **ex ante** approach is characterised by the fact that the reference figure and the size of the necessary load deviation are already known to the network operator when the signal is given. In that case, the network operator can specify limits, depending on the reference load, that have to be achieved in the provision period or must not be exceeded/fallen below. This approach has the advantage of permitting the network operator to better anticipate the consumer's response.

One design of this variant would be based on planning data transmitted by the final consumer to the network operator. The above-mentioned dispatch reports would be particularly suitable. If a flexibility signal is sent, the planned load profile must be changed. However, this design harbours a certain risk of gaming that has to be dealt with. Companies could anticipate possible signals and "optimise" their data on the planned load profiles so that they could achieve the deviation without actually providing much flexibility. Another possible design would be based on past load profiles. For example, the reference load could be calculated on the basis of the load profiles of past days or weeks, although it would also be possible to take account of specific behaviour, eg for certain days of the week.

A completely different design would be based on past load profiles in which the deviation from the past reference value is assessed **ex post** as the provision of flexibility. For example, the reference load could be determined on the basis of the load profiles of past days or weeks, although it would also be possible to take account of specific behaviour, eg for certain days of the week. In this version, the consumption behaviour of final consumers during or after the transmission of the signal is factored in. Past load profiles could also be used, such as from the time before the flexibility incentive was introduced, but this would cause two problems. First, it would lead to an incentive for electricity-intensive final consumers to continue their previous rigid consumption and only to deviate from it when they received a signal, contrary to the intended purpose. Second, there would be no reference figures for loads installed later or for companies that expanded, reduced or restructured their production for operational reasons.

A different version of the ex post approach is to form average loads for the consumption behaviour of consumers outside the load deviations. For example, the average load in periods with a flexibility requirement could be compared to the average load at other times to measure the relative flexibility. This is the approach being taken in a series of pilot projects.

#### **Question**

- Which approach is the most suitable to form the reference load?

#### **Tolerance periods**

Downtimes caused by inspections, damage or company holidays can prevent companies from fulfilling the criteria. It is intended to allow tolerance periods within which missing the target would not cause the network tariff discount to be lost. The number of

tolerance days will depend on the overall parameters of the arrangement and how often the flexibility is to be made use of.

### **Monthly approach**

The section 19(2) StromNEV system is based on the calendar year, with objectives being defined for the whole year. Not achieving them, therefore, means losing the discount for the whole year. The Grand Ruling Chamber intends to move from this approach to a monthly one. The objectives will need to be achieved for a calendar month. If the objective is not achieved in one month, it is still possible to get a discount for the other months.

### **Timescale**

The special network tariff for electricity-intensive industry is part of the AgNes process. Its introduction and transitional arrangements will be set out in the AgNes framework determination at the end of 2026. However, its specific design will be detailed in a separate methodology determination. The plan is to hold a consultation on this methodology determination in the second quarter of 2027. The final determination of the special network tariff is to be issued in the third quarter of 2027 at the latest. The provision is planned to enter into force in 2029.

The permanent load privilege and atypical network use will cease to be in effect when the StromNEV expires at the end of 2028. The Grand Ruling Chamber intends to extend the permanent load privilege for existing customers for a transition period. This should enable companies to adjust to the new network tariff system without disproportionate economic disadvantages and, where applicable, to take the necessary measures to transition to the system of the new special network tariff. The transition period is planned to last until 31 December 2031.

No general transition period is intended for atypical network use. The Grand Ruling Chamber is considering a transition period for existing customers with a minimum consumption of 10 GWh/a, as this group could be expected to have noticeable effects on the network and the chance of windfall profits is remote. The transition period should bridge the gap until the dynamic network tariff for consumers is introduced.