## Smart grids in the European Union: Assessing energy security, regulation & social and ethical considerations. Possible synergies with Africa

## By Prof. Dr. Rafael Leal-Arcas\*

## **Abstract**

The purpose of this article is to provide an analysis of smart grids in the European Union (EU) as a way forward to reach de-centralized sustainable energy. It does so by assessing the energy security, regulatory, as well as social and ethical aspects of smart grids in the EU. The article represents a significant milestone in the up-scaling of the various aspects of smart-grid technology across the EU. This article deals with smart-grids deployment and their impact on energy security with a view to a stronger role of prosumers in the energy market. It also analyzes smart grids regulation; specifically, it examines the existing legal frameworks that impact smart grids in the EU. It outlines existing EU Directives and assesses the level of implementation of these Directives in various EU Member States. The article also assesses the extent to which the existing legal frameworks facilitate the development of smart grids and proposes areas of further regulatory consideration. The article then explores the social and ethical dimension of smart grids in the context of the collaborative economy, the circular economy, and digital technology, including cyber-security and data-management issues.

**Keywords:** Smart grids; Prosumers; Sustainability; Energy security; Demand response; Electricity storage; Collaborative economy; Circular economy; Cyber security; Data protection

**Corresponding author**: Rafael Leal-Arcas; Email: <u>r.leal-arcas@qmul.ac.uk</u>; Phone: +44-20 7882 8071.

<sup>\*</sup> Jean Monnet Chaired Professor in EU International Economic Law and Professor of Law, Queen Mary University of London (Centre for Commercial Law Studies); Member, Madrid Bar. Ph.D., European University Institute; J.S.M., Stanford Law School; LL.M., Columbia Law School; M.Phil., London School of Economics and Political Science; J.D., Granada University; B.A., Granada University. Some of the ideas in this Article were presented at two roundtables: "The 35th Round Table on Sustainable Development," OECD Headquarters, Paris, France, 28-29 June 2017 and "The Future of International Energy Governance," Vanderbilt University Law School, Nashville, Tennessee, USA, 28-29 April 2017. The financial help from two EU grants is greatly acknowledged: Jean Monnet Chair in EU International Economic Law (project number 575061-EPP-1-2016-1-UK-EPPJMO-CHAIR) and the WiseGRID project (number 731205), funded by Horizon 2020.