

# **CEER complementary initiatives to empowering customers and exchanging experience**

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ARIAE-CEER Meeting, Cancun, 26 February 2013

# Presentation outline

- **ACER/CEER complementary approach to energy regulation**
- CEER initiative to build a shared “2020 vision for Europe's energy customers”
- Exchanging regulatory experience at international level

# A complementary approach to energy regulation

- **ACER**: statutory tasks related to **cross-border market development and oversight within the European Union**
- **CEER** works closely with and supports the work of ACER  
Additionally:
  - **broader variety of issues**
    - e.g. customer rights, sustainable development and climate change, technological development of electricity and gas networks
  - **broader vision of Europe's energy landscape**
    - e.g. CEER's international work

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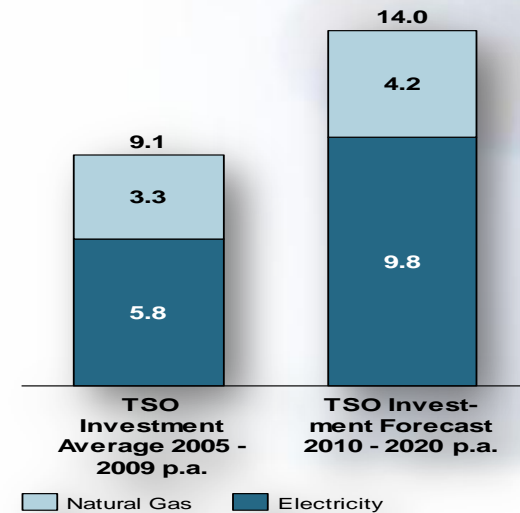
# Challenges by 2020

- **European 20-20-20 environmental goals**
- **A single energy wholesale market by 2014**



**Substantial investments needed with consequences on energy prices**

- Power generation
- Transmission
- Distribution, including roll-out of **smart metering** systems for electricity and gas



# Market development is progressing

- Retail markets have been **fully opened to competition** since July 2007
- **Consumer-focused dispositions** introduced in EU legislative framework applicable since 2011:
  - **Regulators' duty** is to help develop in a cost-effective way a **customer-oriented energy market**
  - **Detailed customer rights**
  - **Monitoring duties shared** among NRAs and ACER

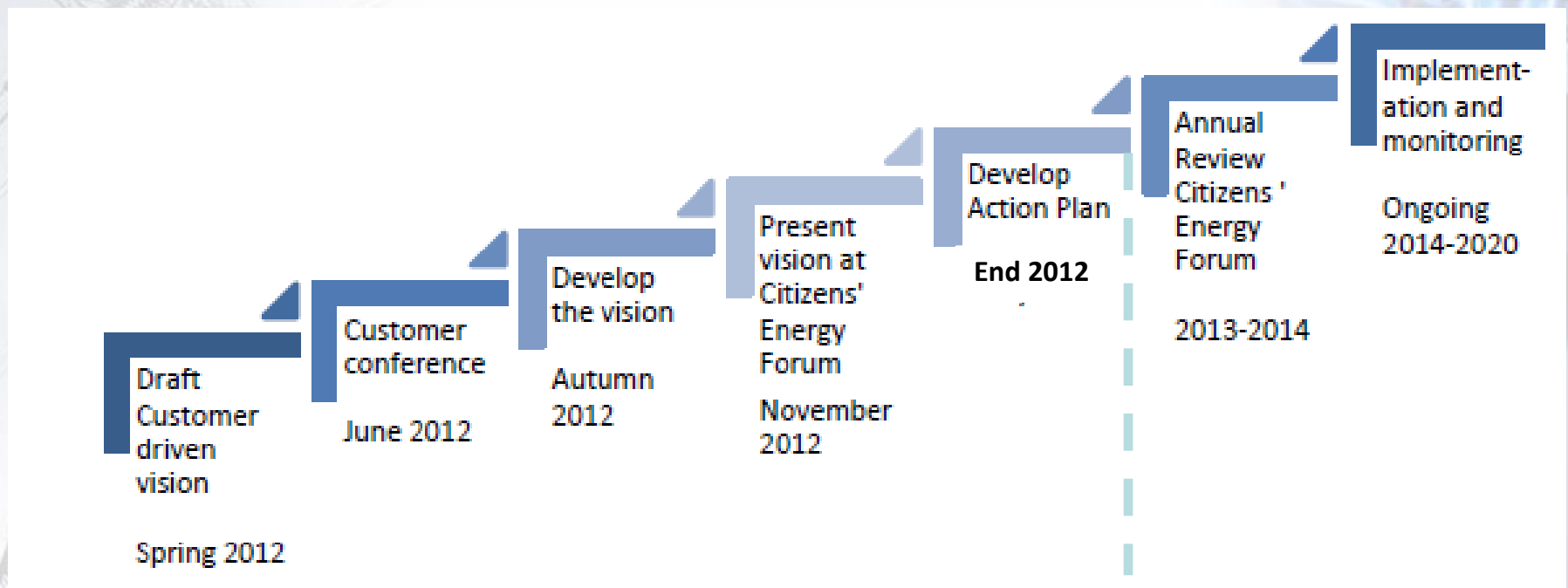
# Key features of EU retail energy markets in 2011

Observations	Conclusions/recommendations
Still predominant regulated end-user prices	Regulated prices should be removed where a sufficient level of competition is achieved
Upward trend in prices	Crucial role of <b>taxes and levies (including RES support schemes)</b> driving prices up Closer <b>monitoring of wholesale-retail price transmission mechanisms</b> needed
Low switching rates	Suggest that an improved level of <b>competition would provide greater benefits</b> <b>Non-price obstacles</b> requires closer monitoring
Differences in retail market designs	<b>Barriers to entry</b> should be removed <b>Cross-border retail markets development</b> need to be addressed
<b>Complaints</b> concern billing, metering, prices and switching	Practical implementation of legal requirements need to be ensured Greater transparency needed

[ACER/CEER Market Monitoring Report](#)

# Towards a “2020 vision for Europe's energy customers”

- In 2012, CEER launched an **important consultation process** to build a shared “2020 vision for Europe's energy customers”

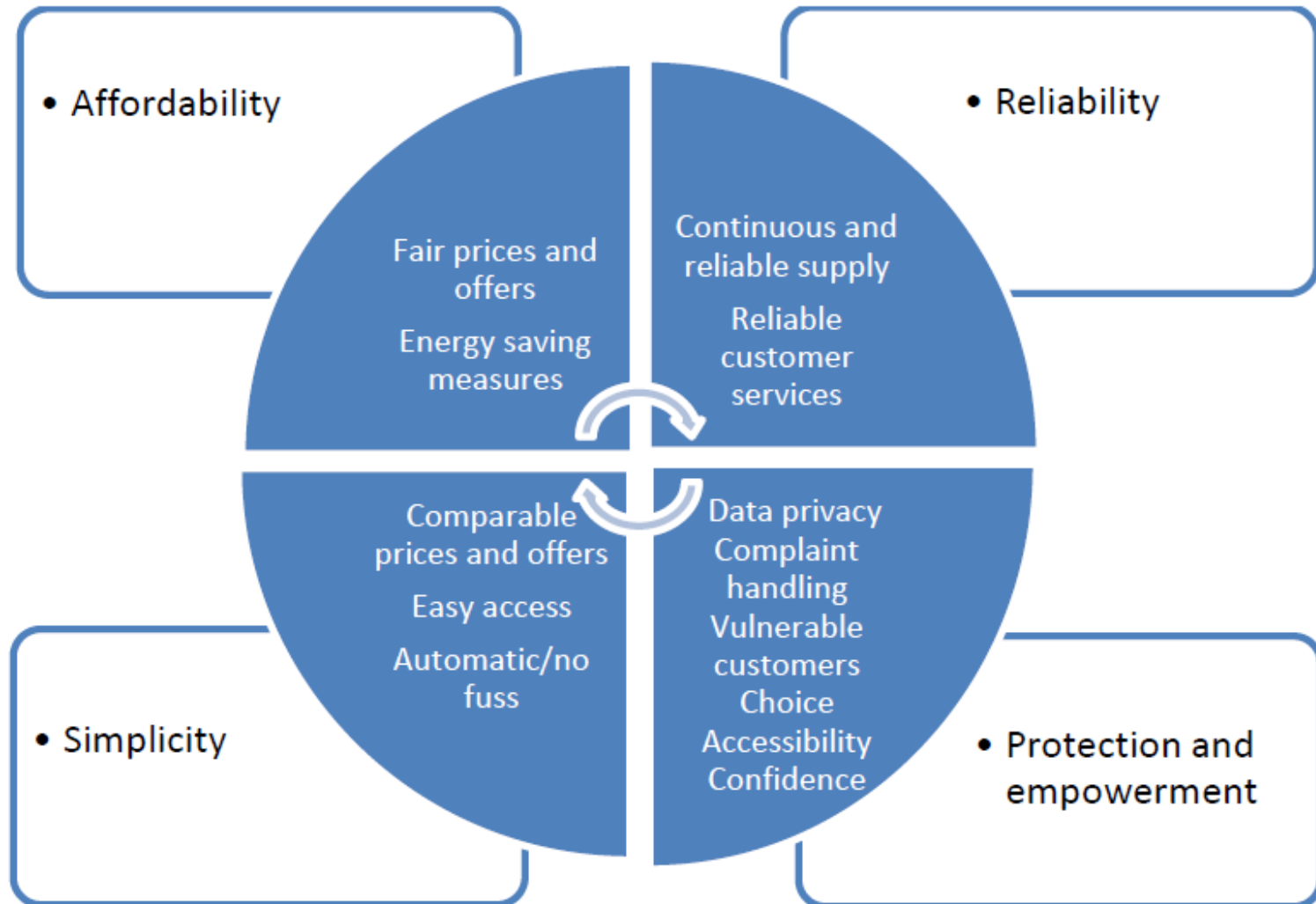




# 2020 vision of the retail market

- A market that
  - puts **smaller customers** first
  - understands the **diverse needs of customers** and delivers **services** that meet those needs
  - anticipates **future needs** and takes steps to **protect** the interests of **future customers**
  - uses **resources efficiently** and offers a **fair deal**

# 2020 vision principles



# 2020 vision supported by many stakeholders

- **Joint statement of CEER and BEUC**, the European Consumer organisation
- **Supported by**
  - the **Citizen's energy forum**, which gathers Member State governments, the European Commission, energy consumers and stakeholders as well as regulators annually to discuss implementation of competitive, energy-efficient and fair retail markets
  - **Stakeholders group**, including alternative dispute resolution bodies, suppliers, DSOs, TSOs, IT industry
- **Translated** into multiple languages, including [Spanish](#)

# CEER contribution to achieve the vision

- **Engaging with policy-makers** to ensure appropriate consideration of customer interests into technical decisions
- Improving our own effectiveness in
  - **engaging** with customer organisations
  - **analysing** and **understanding** customer impacts
- Identifying and sharing **best practice**
- Ensuring that issues are identified early, analysed objectively and evidence is **clearly communicated**
- Developing **advice** and **guidance**

# CEER action plan

2012

- Status review of **EU's legislation implementation**
- Benchmarking report on **meter data management**

2013

- Advice on **data management** for better retail market functioning
- Advice on **green electricity offers**
- Status review of **smart metering regulation**
- Status review of customer **access to the cost & sources of energy and efficiency schemes**

## Wider measures

- Setting future work in relation with **EU legislation developments**
- Developing new forms of **communication / Better use of available information**
- Developing **new approaches to customer engagement**
- Supporting **capacity building**

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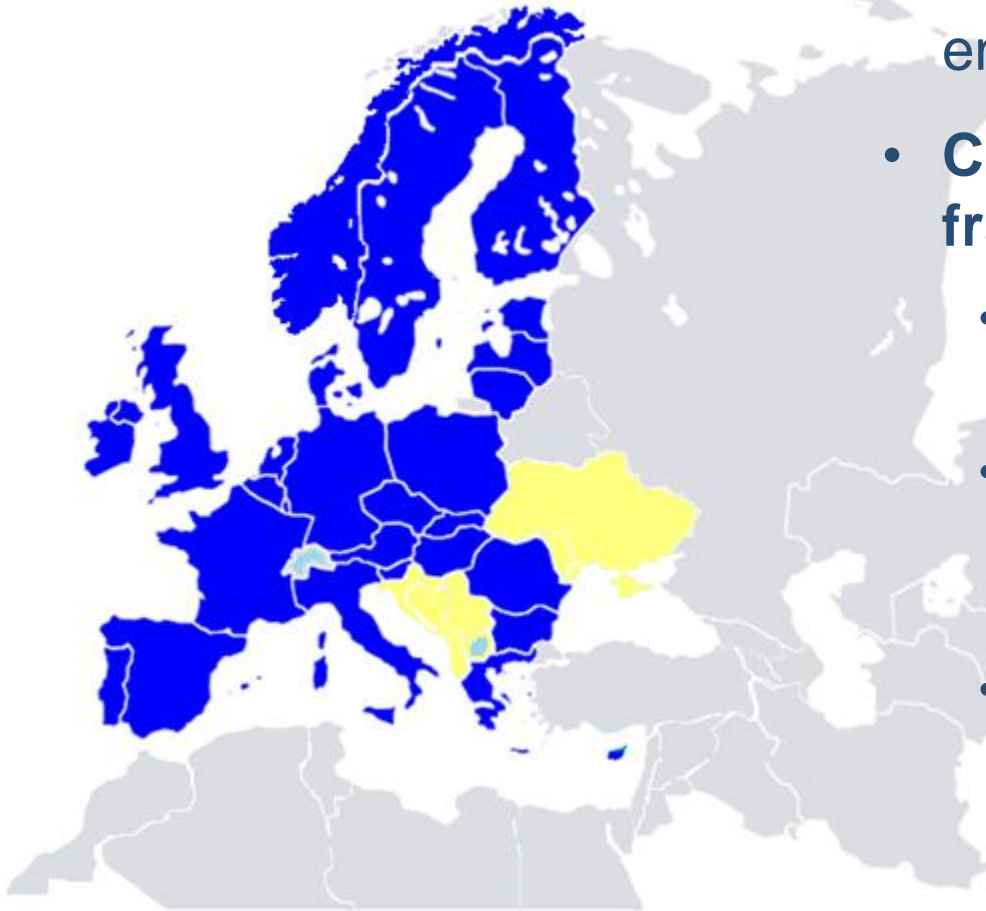
# CEER international dimension supports 2020 vision

## Key principles and objectives

- **Strengthening mutual understanding and learning further from the experience of fellow regulators** and authorities
- **Exchanging best practices** with regulators and regional regulatory associations around the world
- **Providing experience and assistance** to interested counterparts worldwide
- **Participating in the wider global energy discourse** to raise awareness of regulation and its role in **tackling energy security and climate change challenges**

# Working with our nearby neighbours

## The Energy Community



- **Energy Community** to apply EU energy legislation by 2015
- **Comprehensive cooperation framework** in place:
  - Longstanding ties established between regulators
  - Common good practices guidelines (e.g. on voltage quality regulation) and monitoring methodologies
  - Joint workshop targeting consumer protection and empowerment soon, together with ERRA



# Working with our nearby neighbours

## The Eastern Partnership

- **2-year programme** launched with regulators and authorities from **Eastern European and Southern Caucasian states**
  - 2012 focus on regulatory decision making and regulators' role towards consumers
  - 2013 focus on regulatory tools in support of **infrastructure development, interconnection and diversification of supplies**



# Working with our nearby neighbours

## The Mediterranean

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- A map of Europe and the Mediterranean region. The landmasses are shown in light grey. The Mediterranean Sea is highlighted in blue. The countries bordering the Mediterranean are shaded in orange with diagonal lines. The rest of Europe is shaded in solid blue.
- **Ongoing dialogue with MEDREG as a key principle:**
    - Institution / capacity building at national and regional levels
    - Electricity and gas infrastructures promotion
    - Regulation in support of renewable energy sources' development

# Considering the wider context of international energy markets trends

- **Bilaterally with regulators and/or regulators associations from**
  - **Asia** on overall regulatory framework and market arrangements
  - **Africa** on regulatory decision-making, infrastructure development and regional integration
  - the **Russian Federation** on infrastructure and market developments, transparency, capacity markets
  - the **USA** on regulatory incentives, market monitoring, long-term perspectives such as cyber security and shale gas development
  - **Latin America** on renewable energy and infrastructure development, market development and consumer protection
- Globally through **important international energy initiatives** (e.g. **WFER, Regulators' G20**) and through **ICER**

The background of the slide is a light blue gradient with a faint, semi-transparent image of a high-voltage electricity pylon on the left and a gas burner with blue flames on the right.

Thank you for your attention!

[www.energy-regulators.eu](http://www.energy-regulators.eu)