

CEER

**Council of European
Energy Regulators**



AIEE Energy Symposium 2019

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Rome, 11 December 2019

Outline

- Overview of CEER
- CEER's 3D Strategy
- Consumer protection and empowerment (highlights)



Overview of CEER

Council of European Energy Regulators

Voice of Europe's national energy regulators at EU and international level

39 Members and Observers

Not-for-profit organisation

HQ in Brussels



CEER Members and Observers

Members from:

28 EU Member States

Iceland

Norway

Observers from:

Switzerland

Albania

Republic of North
Macedonia

Macedonia

Montenegro

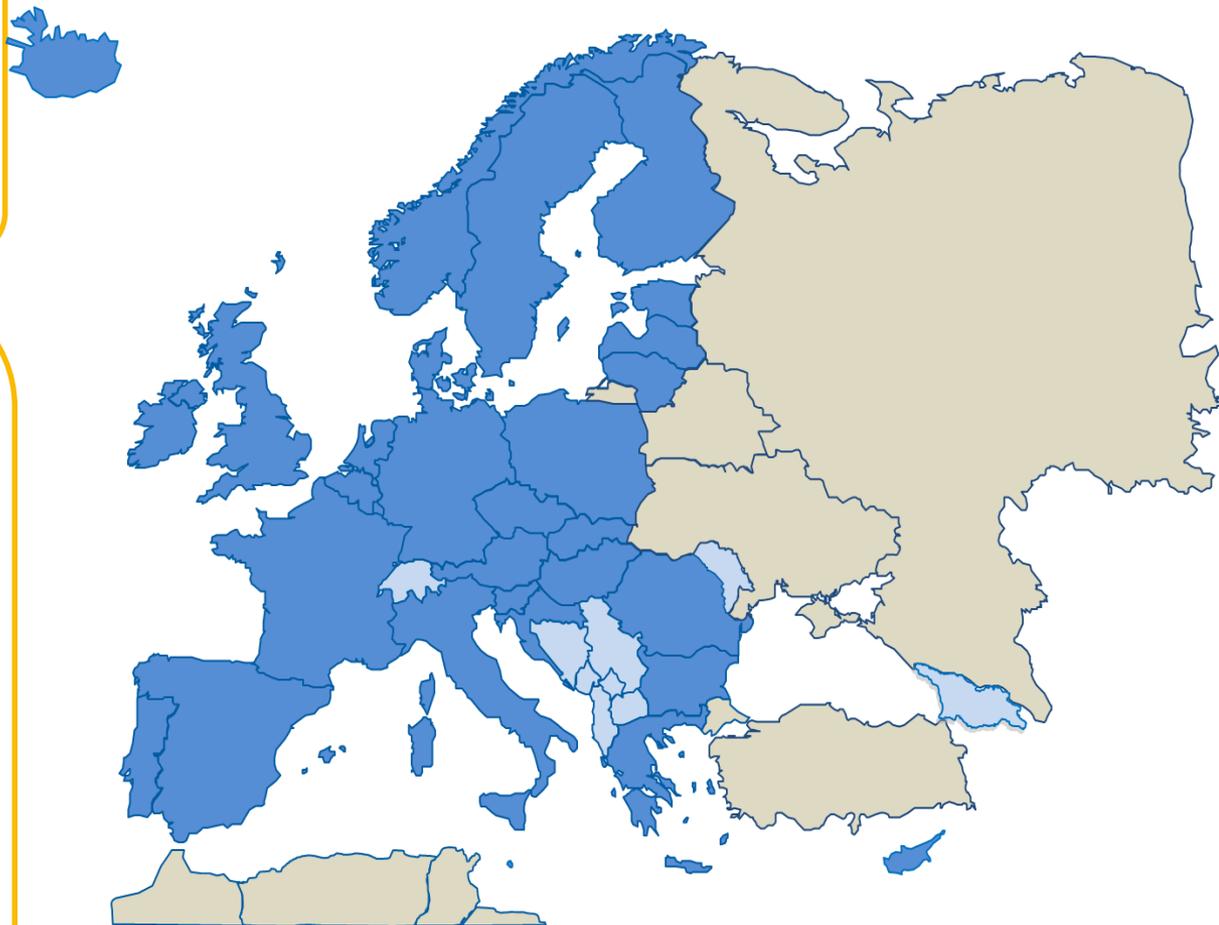
Kosovo

Bosnia and Herzegovina

Moldova

Georgia

Serbia



CEER: Fostering energy markets, empowering consumers

- Independent voice of 39 European energy regulators
- Promotes competitive, secure and sustainable markets for consumers
- Supports NRAs and best practice energy regulation:
 - ▶ Papers and reports
 - ▶ Events and workshops
 - ▶ Advocacy
 - ▶ Training Academy
 - ▶ Capacity-building
 - ▶ Working with ACER



CEER's 3D Strategy (2019- 2021)

- Digitalisation
(in consumer interest)

- ▶ Protect and empower consumers
- ▶ Cost saving opportunities
- ▶ New business models

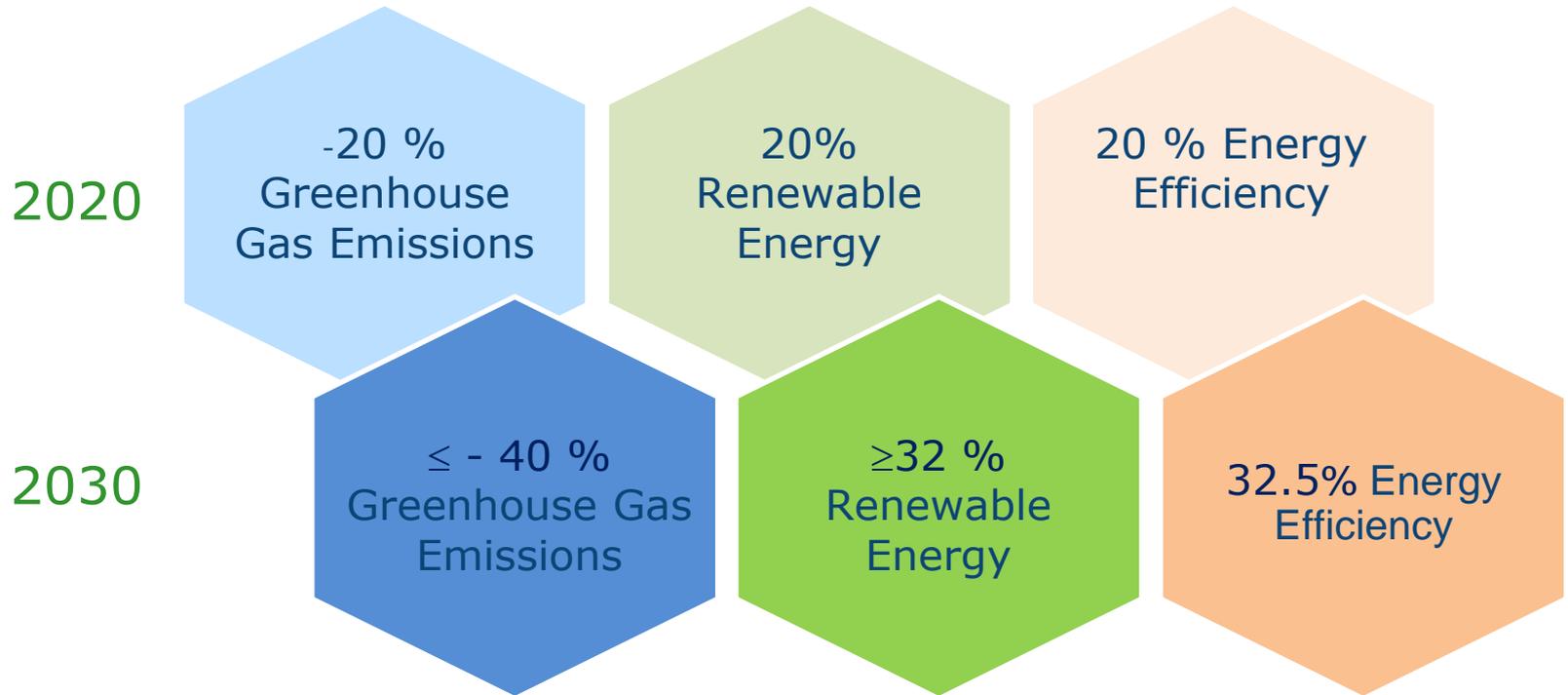
- **Decarbonisation
(at least cost)**

- ▶ Promotion of flexibility, integration of renewables fully into the grid and market
- ▶ Whole system approach
- ▶ Market based solutions

- Dynamic regulation

- ▶ Coherent and adaptive regulatory framework with European solutions oversight to ensure trust in the market
 - ▶ Future proofed regulatory framework that enables the energy transition and digitalisation
 - ▶ Cross-sectoral cooperation
- 

Energy and Climate Targets



2050: Reduction of greenhouse gas emissions 80-95%

Sustainability at the heart of EU economic energy regulation

Major consumer issues



- ▶ Risk of disconnection
- ▶ Incomparability of offers
- ▶ Inaccessible and biased information
- ▶ Powerful energy service companies
- ▶ Confusing contract terms and conditions
- ▶ Aggressive marketing strategies
- ▶ Complex bills
- ▶ Slow and difficult switching

Consumers' needs and wants also captured neatly in **CEER-BEUC's 2020 Vision/RASP** principles of **reliability, affordability, simplicity and protection and empowerment.**



ACER-CEER Consumer Empowerment Volume 2018

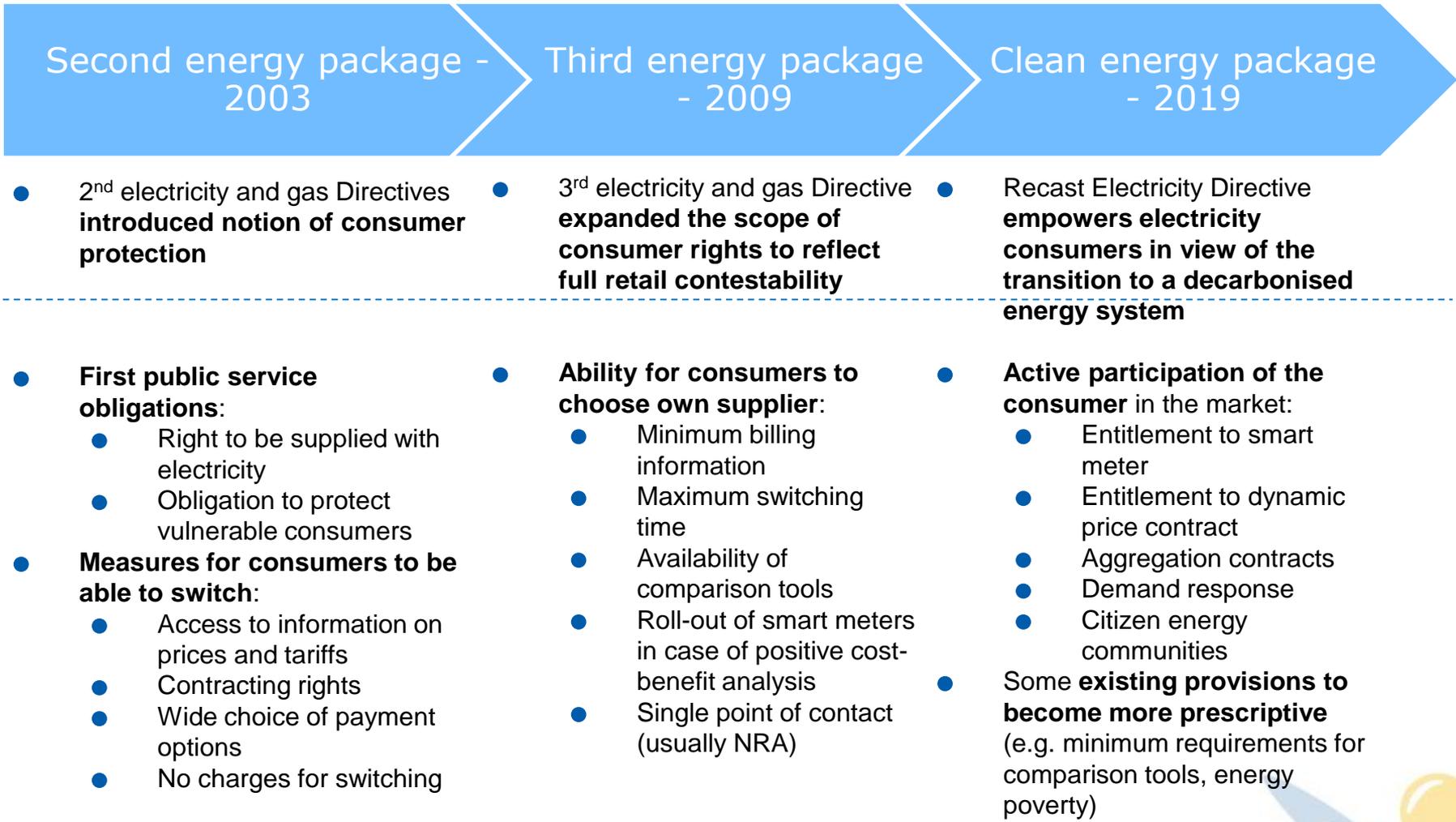
- It reviews the **levels of consumer protection and engagement in the European electricity and gas markets** from the perspective of the **final household consumer (implementation progress + explore new monitoring challenges)**
- The Volume covers:
 - » Public service obligations
 - » Protection of vulnerable customers
 - » Consumer rights
 - » Smart metering
 - » Consumer choice
 - » Complaint handling and Alternative Dispute Resolution (ADR)
- **NEW!** A brief **historical outline** to illustrate that the European Union has come a long way **since the first set of energy-specific consumer protection** rules were introduced in the Second Energy Package.

The areas of consumer protection and empowerment have expanded over time

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Key Recommendations

- To avoid possible disparity of treatment between gas and electricity consumers: **improvements in consumer rights and information introduced by the CEP should be somehow “mirrored” in EU gas legislation**, regardless of new EU legislation to be issued in the future.
- To design **SOLR mechanisms** in ways that enable and promote consumer engagement in liberalised energy markets
- To consider the main gaps between the current and the future situation regarding the implementation of the **Recast Electricity Directive**:
 - » **Electricity smart meter roll-out**: challenging timeline
 - » **Comparison tools** (CTs) for electricity: minimum requirements for electricity CTs now mandatory. Offers for dynamic electricity price contracts to be included
 - » **Definitions and monitoring of energy poverty**
 - » **Citizen energy communities**: EU countries to provide an enabling regulatory framework according to the provisions of Article 16
 - » EU countries **to adapt complaints treatment procedures** to reflect Article 26, which implies that the participation of energy suppliers in dispute settlement procedures is mandatory

CEER Monitoring Report on the Performance of the European Retail Markets 2018 (3rd ed. since 2017)

- **Complementary to ACER-CEER Retail Volume:** it provides **further analysis** in order to better understand competition dynamics
- The data used stems entirely from NRAs' input to **CEER's National Indicators Database**, no external sources
- **Main topics** covered in the report:
 - ▶ Market structure
 - ▶ Customer switching activities and offers
 - ▶ 2 case studies on switching and offers (Spain, France)
 - ▶ Intervention in price setting and price regulation

CEER Monitoring Report on the Performance of the European Retail Markets 2018 (3rd ed. since 2017)

Main findings:

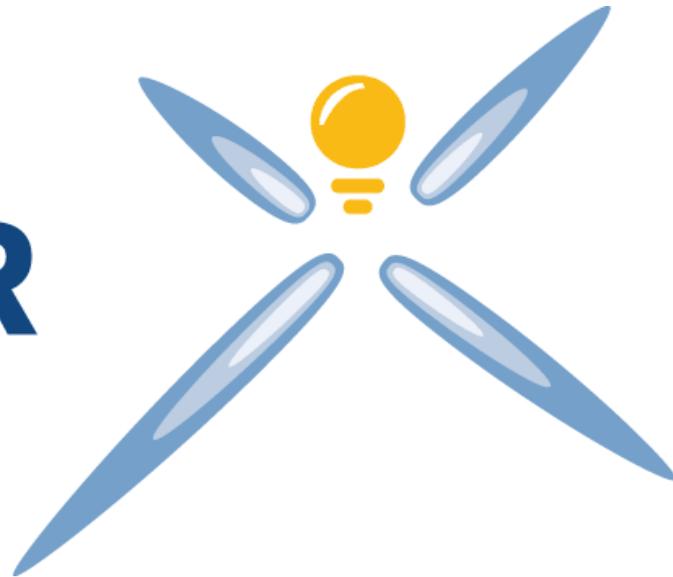
- ▶ Regarding **market concentration**, there has been an overall improvement across the past six years in both electricity and gas markets for household consumers across Member States (MS). Overall, household markets for gas and electricity are more concentrated than non-household markets and further effort is still required to improve the market structure.
- ▶ **Supplier switching rates** for household and non-household customers still differ significantly across MS.
- ▶ There is a positive trend in terms of **offer variety in Europe**: electricity consumers in 22 out of 27 MS have five or more options which is four more than last year. Usually, variety of offers and liberalisation go hand in hand.
- ▶ For the first time, data on the availability of **bundled products** have been collected: in the electricity sector bundled products are more disseminated than in gas. 18 out of 27 regulators indicated the existence of bundled products in the electricity segment.
- ▶ Some kind of **price intervention** is still in place for household customers in almost half of the responding countries in electricity and in gas. In the non-household segment, the trend for all countries is the decrease of the share of non-household customers under regulated prices and their future removal.



Thank you for your attention!

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