

CEER Draft Advice on the take-off of a demand response electricity market with smart meters

Evaluation of responses

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INFORMATION PAGE

Abstract

On 10 May 2011, ERGEG launched a public consultation on CEER Draft Advice on the take-off of a demand response electricity market with smart meters (Ref: C11-RMF-31-03). The draft advice posed questions to stakeholders, in order to provide CEER with input on recommendations that will enhance the implementation of demand response.

The recommendations aim to present guidance regarding the roles and responsibilities for the different stakeholders in order to implement demand response. This document accompanies the final advice on the take-off of a demand response electricity market with smart meters and provides the evaluation of responses to the public consultation on the draft advice. Annex 3 provides a list of the respondents and a detailed evaluation of the responses received.

Target Audience

Energy suppliers, traders, those that both generate and consume electricity, electricity customers, electricity industry, customer representative groups, network operators, Member States, academics and other interested parties.

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Related Documents

CEER/ERGEG documents

- CEER Advice on the take-off of a demand response electricity market with smart meters, Ref: C11-RMF-36-03, <u>http://www.energy-</u> regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Cu stomers/Tab2/C11-RMF-36-03_DemandResponse-with-SM_01-12-2012.pdf
- CEER Draft Advice on the take-off of a demand response electricity market with smart meters. A CEER Public Consultation Paper. Ref: C11-RMF-31-03, <u>http://www.energy-</u> regulators.eu/portal/page/portal/EER HOME/EER CONSULT/CLOSED%20PUBLIC%20



<u>CONSULTATIONS/CUSTOMERS/PC-</u> 62%20CEER%20Draft%20advice%20on%20the%20takeoff%20of%20a%20demand%20response/CD/C11-RMF-31-03_advice%20demand%20response%20smart%20metersforPUBLIC%20CONSULTATION.pdf

- GGP on Regulatory Aspects of Smart Metering for Electricity and Gas, February 2011. Ref: E10-RMF-29-05, <u>http://www.energy-</u> regulators.eu/portal/page/portal/EER HOME/EER PUBLICATIONS/CEER PAPERS/Cu stomers/Tab2/E10-RMF-29-05 GGP SM 8-Feb-2011.pdf
- GGP on Indicators for Retail Market Monitoring for Electricity and Gas, October 2010, E10-RMF-27-03, <u>http://www.energy-</u> regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Cu stomers/Tab1/E10-RMF-27-03_final%20GGP%20IRMM_12-Oct-2010.pdf
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- European Energy Regulators' 2011 Work Programme, December 2010, Ref. C10-WPDC-20-07, <u>http://www.energy-regulators.eu/portal/page/portal/EER_HOME/C10-WPDC-20-07_public%20WP2011_15-Dec-2010-Clean.pdf</u>
- ERGEG Status Review on Regulatory Aspects of Smart Metering (Electricity and Gas) as of May 2009, October 2009. Ref. E09-RMF-17-03, <u>http://www.energy-</u> regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Cu stomers/Tab/E09-RMF-17-03_SmartMetering-SR_19-Oct-09.pdf

External documents

- Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC, http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0055:0093:EN:PD E
- Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC, <u>http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:140:0016:0062:EN:PDF</u>



- Directive on energy end-use efficiency and energy services 2006/32/EC of the European Parliament and of the Council of 5 April 2006 on energy end-use efficiency and energy services, <u>http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:114:0064:0064:EN:PD</u> F
- Directive 2002/91/EC of the European Parliament and of the Council of 16 December 2002 on the energy performance of buildings, http://eur-lex.europa.eu/LexUriServ.do?uri=OJ:L:2003:001:0065:0071:EN:PDF
- Mandate M/441: DG ENTERPRISE initiative, Standardisation mandate to CEN, CENELEC and ETSI in the field of measuring instruments for the development of an open architecture for utility meters involving communication protocols enabling interoperability, 12 March 2009, <u>http://www.cen.eu/cen/Sectors/Sectors/Measurement/Documents/M441.pdf</u>
- 2010 Assessment of Demand Response and Advanced Metering, Staff Report, Federal Energy Regulatory Commission, February 2011 (USA), <u>http://www.ferc.gov/legal/staff-reports/2010-dr-report.pdf</u>
- Interpretative note on Directive 2009/72/EC concerning common rules for the internal market in electricity and Directive 2009/73/EC concerning common rules for the internal market in natural gas - retail markets, 22 January 2010, <u>http://ec.europa.eu/energy/gas_electricity/interpretative_notes/doc/implementation_notes</u> /2010_01_21_retail_markets.pdf



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EXECUTIVE SUMMARY

With the CEER Advice on the take-off of a demand response electricity market with smart meters, CEER aim at enhancing the implementation of demand response with household customers and small and medium sized businesses. CEER believes that through offers reflecting actual consumption patterns and a meter equipped with an open gateway - interface with the home - the customer will be able to execute demand response. Home automation could be a means to accomplish this. To enable these services, there needs to be clearly defined roles and responsibilities for the stakeholders in the electricity market.

A draft advice was open for public consultation from May to June 2011, and contained 21 questions, along with explanatory texts. A total of 45 respondents provided comments to the draft advice and these included: consumer associations, energy companies, grid operators, industry associations, metering equipment and consultancy firms.

In the main respondents were in agreement with the proposals set out by the CEER. However in a few areas there were a number of respondents who disagreed with the CEER draft proposals. The areas where respondents raised the largest number of concerns were with regards to the role of the DSO and the possibility of developing a national point of contact for metering values.

The concern from a number of respondents was that the DSO should have more of a role and emphasised the potential impact demand response could have on the distribution network. While the CEER notes the respondents' comments and recognises the importance of the DSOs role as a market facilitator, it is also clarified that the focus of the document is on the customer and retail market perspective and not network management; however the final advice has more clearly outlined the role of the DSO in this context and in addition has set out how aggregators could possibly be a key mediator in ensuring that network constraints will not impose unexpected consequences for the customers and that demand response is enhanced as much as possible.

With regards to the national point of contact a number of respondents raised concerns around the data privacy and security risks associated with such a structure. The final decision document has been amended in response to the issues raised by respondents and in recognition of the fact that there is uncertainty around what is the optimum solution. CEER is of the view that further work is required to examine the issues associated with a national point of contact and as a result no recommendation on this issue has been included in the final advice document. The consultation document also asked respondents which stakeholder should be responsible for operating the national point of contact and the two stakeholders which respondents proposed were an independent agency acting as a neutral market facilitator and the DSO, however there were other stakeholders proposed.

The final two consultation questions covered privacy and security of data with regards to demand response asked respondents to comment on whether they think that there are any recommendations missing to be able to launch demand response. A number of issues were raised with regards to privacy and security and the increase in the volumes of data on individual customers demand response would generate. The final advice document has addressed some of these concerns and has included a recommendation that when making a decision to install smart metering systems, privacy and security measures have to be considered. With regards to other recommendations

respondents views covered a number of areas including: customer's motivation, publication campaigns, the role of the DSO, grid tariffs reflecting constraints on the distribution system, among others.

Also the final advice document includes some additional text customer trust. CEER recognises that in an increasingly complex market with more stakeholders to deal with than before and new offers to consider there is an increased need for the customer to be and feel secure and trust the market and its' participants. CEER states four recommendations in the advice paper, as a basis for the take-off of demand response:

- 1. **Customer trust:** Stakeholders should aim to give appropriate information to customers on offers, with the goal of creating customer awareness of how changes in lifestyle or occupancy can impact on household consumption patterns and therefore their final electricity bill.
- 2. **Privacy and security**: When making a decision to install smart metering systems, privacy and security measures have to be considered.
- 3. **Offers reflecting actual consumption patterns**: Sets out what needs to be in place for the stakeholders to be able to reach full potential of offers reflecting actual consumption patterns. Table 2 in the final advice document lists the prerequisites.
- 4. **Interface with the home:** Sets out what needs to be in place for the stakeholders to be able to reach full potential of the Interface with the home. Table 3 in the final advice document lists the prerequisites.

Finally, Annex 3 of this document provides a summary of respondent's comments and CEER views on all the issues raised.

Background

Intelligent metering systems are promoted for several reasons in the 3rd Package; firstly with the aim to promote energy efficiency and demand-side management measures; and secondly with the aim to ensure active participation of customers in the market. In the definition of "active participation", CEER has chosen to include the possibility for the customer to be also a producer of electricity (micro generator), which is reflected in this document. Furthermore, this is in line with the aim of the 3rd Package to promote the development of smart grids, with one of the goals being an increase in the use of renewable energy sources.

The ERGEG Smart Grids Position Paper¹ lists a high number of functions that smart metering systems can perform, concluding that: smart grids encompass a much wider area of technologies and solutions and are by no means restricted or strictly limited by the introduction of smart metering. One of the drivers for smart grids from a technical perspective identified in the ERGEG Smart Grids Position Paper is active participation of customers in the electricity market, with dynamic electricity pricing. It is evident that the absence of smart meters will not guarantee such an active participation that implies, as a minimum, a frequent² availability of metering data and a deep awareness of both consumption and injection behaviours that are not possible through electromechanical meters.

To reach active participation the customers must, in some way or other, be able to react to appropriate signals and adjust their consumption or to be able to choose when to inject electricity. Demand response is the tool for adjusting consumption and injection.

CEER recognises that innovations in energy services and pricing can contribute to a reduction in consumption and more efficient use of energy across the system and at peak times. Increased knowledge by customers of their consumption and possibly injection will help them to adjust their use of electricity.

In February the CEER held a workshop for all stakeholders in order to receive stakeholder input at an early stage of the process. On 4th May 2011 CEER published a Public Consultation Paper on Draft Advice on the take-off of a demand response electricity market with their comments.

The consultation paper focused on two core services identified in a previous report published by CEER: Final Guidelines of Good Practice on Regulatory Aspects of Smart Metering for Electricity and Gas (E10-RMF-23-03). The two core services, listed below, were identified as being of particular relevance for demand response (the letter E stands for Electricity, to separate these recommendations from the ones on gas):

- E 6. Offers reflecting actual consumption patterns
- E 12. Interface with the home

The draft advice was open for public consultation from May to June 2011, and contained – alongside explanatory texts – 21 questions. 45 stakeholders sent their comments (which in a summarised form are found in this CEER Evaluation of Responses document).

Objective and Purpose of this paper

One of the primary objectives of the final advice paper is to promote demand response and facilitate the functioning of competitive retail electricity markets. The consultation document was based on the customer perspective and assumes a roll-out of smart meters applied in an open and competitive electricity market. Where this report refers to customers, they are to be

¹ E10-EQS-38-05

² More frequent than monthly, preferably hourly, see E10- RMF-23-03



understood as household customers and those customers that are deemed to be covered by Annex I of the 2009 Electricity Directive of the 3rd Package.

The Public Consultation Paper on Draft Advice on the take-off of a demand response electricity market with smart meters had a total of 21 questions embedded in order to elicit the views of interested stakeholders. Respondents had the opportunity to agree or disagree to these questions as well as providing a comment on the rational for their position.

A total of 45 respondents (of which one was confidential) provided comments to the draft advice and these can be divided into the following groups:

- 1 response from consumer associations (1 EU),
- 10 responses from energy companies,
- 10 responses from grid operators (2 EU),
- 12 responses from industry associations, (4 EU),
- 5 responses from metering equipment and IT-providers (1 EU),
- 7 responses from research and consultancy firms.

Table 1 below shows the breakdown of the respondent's country of origin. As can be seen there were responses from several countries, as well as from European groups. However there were a couple of countries, namely Germany and the UK, which had a large number of responses.

Respondent Country	Number
Austria	4
EU	8
France	2
Germany	9
Hungary	3
Italy	1
Netherlands	3
Spain	2
Sweden	4
Switzerland	1
United Kingdom	8

Table 1 - Origin of Respondents

The purpose of this paper is to summarise the views expressed by the respondents. In addition this paper provides the CEER evaluation of the comments received and indicate where changes have been made in relation to the draft advice.

CEER would like to point out that the respondents' views presented in Annex 3 are a reflection and summary of the comments given. A list of the respondents and an evaluation of the



responses is also found in Annex 3. The exact comments from each stakeholder can be found at CEERs website: <u>www.energy-regulators.eu</u>, under Closed Public Consultations.

List of Consultation Questions

As mentioned above a total of 21 questions were embedded in the consultation document in order to elicit the views of interested stakeholders. These questions were based around the two core services set out above and this was not intended to hinder or limit other roles for stakeholders, with regard to demand side management. The 21 questions presented were as follows:

Question 1 – Stakeholders

For the purpose of this document, we have chosen to focus on the following stakeholders: customers, micro generators, DSOs, metering operators, suppliers, ESCO and NRAs. When describing the role of the metering operator CEER recognises that the DSO in the majority of the European countries is responsible for this activity.

Question - Do you agree to the stakeholders chosen as the focus of CEER's advice?

Question 2 - Definition

CEER does not intend to establish an exclusive definition for demand response, but for the relevance of this advice document, we have chosen the following:

Changes in electric usage by end-use customers/micro generators from their current/normal consumption/injection patterns in response to changes in the price of electricity over time, or to incentive payments designed to adjust electricity usage at times of high wholesale market prices or when system reliability is jeopardized. This change in electric usage can impact the spot market prices directly as well as over time.

Question - Do you agree with CEER's definition for demand response?

<u>Question 3</u> - Market monitoring

Issues raised in the text:

- Complaint handling
- Customer information on their rights
- Customer complaints monitoring

Question - Do you see a need for extra measures in this area?

<u>Question 4</u> - Customers role regarding offers reflecting actual consumption patterns



Role: The customer is the key stakeholder in order for the full potential of demand response to be realised. Ultimately, he/she must make use of the services provided drawing from available information and an understanding of his/her consumption.

CEER believes that the following is needed in order for the customer to take full advantage of offers reflecting actual consumption patterns:

- a. A reliable price comparison website to view the relevant offers;
- b. Information on consumption and cost at least monthly free of charge, in a clear and concise manner;
- c. Access to information on consumption and cost data on customer demand;
- d. Information should be provided through a choice of at least **two** communication channels, for example an in home display, website, SMS, via smartphones etc. and;
- e. Easy- to-launch complaint and solid redress schemes in place.

The level of detail and frequency of access to information will depend on the offer the customer has chosen.

Question - Do you agree with the above?

<u>Question 5</u> - Micro generators role regarding offers reflecting actual consumption patterns

Role: The micro generator contributes to demand response by regulating consumption and injection to reflect wholesale prices.

To fulfil this role, the following needs to be in place:

- a. Possibility to sell electricity;
- b. A regulatory scheme on how to deal with payment/settlement for micro generation (feed in tariffs, net payment etc.);
- c. Micro generator to be provided information on consumption and injection data and costs, at least monthly free of charge, in a clear and concise manner;
- d. Access to information on price data, on demand; and
- e. Information should be provided through a choice of at least two communication channels, for example an in home display, website, SMS, via smartphones etc.

Question - Do you agree with the above?

<u>Question 6</u> - Metering operators role regarding offers reflecting actual consumption patterns

Role: The metering operator offers services to provide, install and maintain metering equipment with functionalities that enable demand response. The metering operator is also responsible for carrying out the meter reading.

To fulfil this role, the following needs to be in place:



- a. A minimum set of functionalities (hourly metering or three registers, remote reading, remote power capacity reduction/increase, software to be upgraded remotely);
- b. Inter-operable communication standards; and
- c. A duty to deliver accurate metering data in a timely manner to relevant stakeholders, for example communicating with DSO's for balancing matters.

Question - Do you agree with the above?

<u>Question 7</u> - DSOs role regarding offers reflecting actual consumption patterns

Role: Increasing demand response places new challenges on balancing local grid networks. The DSO must manage these challenges while ensuring that the distribution network does not constrain the development of demand response.

To fulfil this role, the following needs to be in place:

- a. Information on metering values regarding consumption and injection;
- b. A distribution network system capable of dealing with fluctuation in usage resulting from increased demand response; and
- c. A regulatory scheme on how to deal with payment/settlement for micro generation.

Question - Do you agree with the above?

<u>Question 8</u> - Suppliers role regarding offers reflecting actual consumption patterns

Role: The supplier has the key role in developing innovating pricing formulas that reflect actual consumption, to enable the take-off of demand response.

To fulfil this role, the following needs to be in place:

- a. Timely and easy access to information on customers' metering values regarding consumption and injection;
- b. Timely and easy access to information on wholesale prices;
- c. An interface enabling communication on consumption and data between the customer and supplier;
- d. Capacity to analyse large volume of data quickly, and;
- e. A regulatory scheme on how to deal with payment/settlement for micro generation.

Question - Do you agree with the above?

<u>Question 9</u> - ESCOs role regarding offers reflecting actual consumption patterns

Role: ESCO's offer services and products that will ensure that customers and micro generators can benefit from offers reflecting actual consumption/injection patterns, such as home energy management systems, in home displays, smart appliances, software applications, energy storage devices etc.

To fulfil this role, the following needs to be in place:



- a. Timely and easy access to information on relevant data according to the offer between the customer/micro generator and the supplier;
- b. Access to relevant metering data, and;
- c. Possibility to aggregate consumption from different customers in a demand response programme.

Question - Do you agree with the above?

<u>Question 10</u> - NRAs role regarding offers reflecting actual consumption patterns

Role: The NRA establishes a regulatory framework that enables demand response, as well as implementing appropriate monitoring measures. The NRA clearly defines stakeholder roles and responsibilities and develops appropriate incentives for relevant stakeholders, including grid tariffs that stimulate energy efficiency, to facilitate implementation of demand response and remove potential barriers.

Question - Do you agree with the above?

<u>Question 11</u> - Customers role regarding interface with the home

Role: The customer can use the information available through the gateway to adjust consumption.

To fulfil this role, the following needs to be in place:

a. A means to access to the metering values from the gateway

Question - Do you agree with the above?

<u>Question 12</u> - Micro generators role regarding Interface with the home

Role: The micro generator can use the information available through the gateway to adjust injection.

To fulfil this role, the following needs to be in place:

a. A means to access to the metering values from the gateway

Question - Do you agree with the above?

Question 13 - Metering operators role regarding interface with the home

Role: The metering operator is responsible that the meter is equipped with or connected to an open gateway.

To fulfil this role, the following needs to be in place:

a. Open standards for interfaces which enable interoperability two-way communications, so that any stakeholder wanting to connect to a device should not be hindered.

Question - Do you agree with the above?



<u>Question 14</u> - DSOs role regarding Interface with the home

Role: The DSO has no role in this matter unless the DSO is responsible for metering, in which case the role of the metering operator is applicable.

Question - Do you agree with the above?

<u>Question 15</u> - Suppliers role regarding interface with the home

Role: The supplier develops innovating pricing formulas, enabled by means of easy access to metering values after customer consent.

To fulfil this role, the following needs to be in place:

a. Interfaces which enables interoperability.

Question - Do you agree with the above?

<u>Question 16</u> - ESCOs role regarding interface with the home

Role: The ESCOs develop energy management services, by means of easy access to relevant metering values, after customer consent.

- To fulfil this role, the following needs to be in place:
 - a. Interfaces which enable interoperability.

Question - Do you agree with the above?

<u>Question 17</u> - NRAs role regarding interface with the home

Role: The NRA monitors the electricity market with special regard to customer confidence, privacy and security.

To fulfil this role, the following needs to be in place:

a. Clearly defined data protection rules applicable for electricity data communication.

Question - Do you agree with the above?

<u>Question 18</u> - National point of contact (1/2)

Text from the PC document: *It is feasible to expect each national electricity market to establish a national point of contact, for example a database or a hub, to which the metering operator transmits relevant metering values, and to which the relevant stakeholder can then turn to in order to get metering data, after customer consent*

Question - Is there a need for such a national point of contract?

<u>Question 19</u> - National point of contact (2/2)

Text from the PC document: It is feasible to expect each national electricity market to establish a national point of contact, for example a database or a hub, to which the



metering operator transmits relevant metering values, and to which the relevant stakeholder then can turn to in order to get metering data, after customer consent

Question - Which stakeholder should be responsible for this?

Question 20 - Privacy and security

Do you see a conflict between issues of privacy and security of data with regards to demand response?

Question 21 - Recommendations missing?

Do you think that there are any recommendations missing to be able to launch demand response? If so, please formulate and if possible according to the relevant stakeholders.

Analysis of Responses

CEER has evaluated the responses provided in the public consultation, principally in terms of applicability and consistency. For each comment, the following evaluation template has been used:



Agree/ Disagree/ Noted/ Not Applicable

Respondents had the option of agree or disagreeing with the questions posed in the consultation document and in addition they could insert a short comment on the rationale for their position. Some respondents also attached additional documents setting out their views or providing supporting published documents.

This document summarises the respondent's views and the CEER evaluation of the comments received. Where the issues raised prompted a change to the final decision document the CEER has reflected this in the comments. In cases where respondents have requested amendments, but the CEER does not feel that changes are necessary an explanation of our reasoning has been included.



Outcome of the Public Consultation

As stated above a total of 45 written responses to the consultation document were received. In addition to the written responses the CEER hearing on Friday the 2nd September 2011 also provided stakeholders with the opportunity to communicate their views to the CEER. In the main respondents were in agreement with the proposals set out by the CEER. However in a few areas there were a number of respondents who disagreed with the CEER draft proposals. The three main areas were with regards to market monitoring, the role of the DSO and the possibility of developing a national point of contact for metering values.

The consultation document asked respondents whether there was a need for further market monitoring measures with regards to demand response. Respondents felt that, as other document addressed the requirements for market monitoring and given the fact that the services around market monitoring were still developing, there is not a requirement for further market monitoring measures to address demand response. It was stated that any requirements would emerge incrementally over time as demand response and the associated services develop.

With regards to the role of the DSO a number of respondents stated that the DSO should have more of a role and emphasised the potential impact demand response could have on the distribution network. CEER notes the respondents' comments and recognises the importance of the DSOs role as a market facilitator. The focus of the document is on the customer and retail market perspective and not network management; however the final advice has more clearly outlined the role of the DSO in this context. In addition the final advice document sets out how aggregators could possibly be a key mediator in ensuring that network constraints will not impose unexpected consequences for the customers and that demand response is enhanced as much as possible.

In addition a number of respondents raised concerns regarding the proposal for the creation of national point of contact. The primary concern was around the data privacy and security risks associated with a national point of contact. The final decision document has been amended in response to the issues raised by respondents and in recognition of the fact that there is uncertainty around what is the optimum solution. CEER is of the view that further work is required to examine the issues associated with a national point of contact. Therefore CEER does not intend to make a recommendation on this issue in the final advice document.

The consultation document also asked respondents which stakeholder should be responsible for operating the national point of contact. An independent agency acting as a neutral market facilitator and the DSO were the two stakeholders proposed by the largest number of respondents, however there was a number of other stakeholders proposed including the NRA, Energy Ministry, TSO and the customer and its service companies. In addition some respondents suggested that it should vary in member states or that there should not be a national point of contact and therefore there should not be any stakeholder responsible

The penultimate question asked respondents whether they saw a conflict between issues of privacy and security of data with regards to demand response. While some respondents felt that there would be no conflict a number of issues were raised by respondents concerning, among other things, issues around the large volumes of data on individual customers demand response would generate, concerns around consumer consent and how it must be clear and understandable in order for meaningful consent to be realised and the need for appropriate regulatory frameworks based on data protection legislation. The final advice document has addressed some of these concerns and has included a recommendation that when making a decision to install smart metering systems, privacy and security measures have to be considered.

The final question asked respondents to comment on whether they think that there are any recommendations missing to be able to launch demand response. Respondents views covered a number of areas including: it was suggested that further analysis of customer's motivation was required to increase predictability and also that there would be a need for publication campaigns to inform customers about demand response. A number of respondents felt that greater emphasis needed to be placed on the role of the DSO and proposed that there should be grid tariffs reflecting constraints on the distribution system. One respondent suggested that electricity meters validation times should be harmonised across member states and other respondents raised concerns around privacy and security. Annex 3 of this document provides CEER views on all the issues raised.

Following the responses received, one issue that the final advice document has thought to cover more extensively is around customer trust. CEER recognises that in an increasingly complex market with more stakeholders to deal with than before and new offers to consider there is an increased need for the customer to be and feel secure and trust the market and its' participants. Therefore the advice paper includes a specific recommendation on the provision of information to customers with the aim of creating customer awareness of consumption patterns and how they impact the final electricity bill.

Other minor amendments and clarification have been made to the final decision document to reflect the issues and concerns raised by respondents. The evaluation of responses in Annex 3 lists all cases where respondents' comments have prompted a change in the final decision document.

Following the public consultation the final advice paper defines demand response as the following:

Changes in electric usage by end-use customers/micro generators from their current/normal consumption/injection patterns in response to changes in the price of electricity over time, or to incentive payments designed to adjust electricity usage at times of high wholesale market prices or when system reliability is jeopardized. This change in electric usage can impact the spot market prices directly as well as over time.

CEER states four recommendations in the advice paper, as a basis for the take-off of demand response:



- 1. **Customer trust:** Stakeholders should aim to give appropriate information to customers on offers, with the goal of creating customer awareness of how changes in lifestyle or occupancy can impact on household consumption patterns and therefore their final electricity bill.
- 2. **Privacy and security**: When making a decision to install smart metering systems, privacy and security measures have to be considered.
- 3. **Offers reflecting actual consumption patterns**: Sets out what needs to be in place for the stakeholders to be able to reach full potential of offers reflecting actual consumption patterns. Table 2 in the final advice document lists the prerequisites.
- 4. **Interface with the home:** Sets out what needs to be in place for the stakeholders to be able to reach full potential of the Interface with the home. Table 3 in the final advice document lists the prerequisites.



Annex 1 - Evaluation of responses

Responses received

Responses were received from the following organisations:

	Organisation	Abbreviated name	Country of Origin
	Respondent Group – Consumer Associations		
1	The European Consumers' Organisation	BEUC	EU
	Respondent Group – Energy Companies ³		
2	British Gas Trading Ltd	BRGAS	UK
3	EDF	EDF	FR
4	EDF DÉMÁSZ Halozat	EDF DEMASZ	HU
5	EDF Energy	EDF EN	UK
6	Edison S.p.a.	EDISON	IT
7	Energie Versorgung Niederösterreich	EVN	AT
8	MVKE	MVKE1-X	HU
9	Oberoende Elhandlare (Federation of Independent Electricity Traders in Sweden)	OBERO	SE
10	Stadtwerke München GmbH	SWM	DE
11	VERBUND AG	VERBUND	AT
	Respondent Group – Grid Operators		
12	BEWAG NETZ GmbH	BWAG	AT
13	E.ON AG	E.ON	DE
14	E.ON Hungária- DSO companies	E.ON	HU

³ For the purpose of this classification supply companies have been included under energy companies.



15	Électricité Réseau Distribution France	ERDF	FR
16	European DSO Association for Smart Grids	EDSO-SG	EU
17	Göteborg Energi Nät AB	GOTEB-C	SE
18	Groupement Européen des Entreprises et Organisations de Distribution d'Ènergie	GEODE	EU
19	Netbeheer nederland(Liander/Enexis/Stedin/Cogas)	ALLIANDER	NL
20	Red Eléctrica de España	REE	ES
21	RWE Deutschland AG	RWE	DE
	Respondent Group – Industry Associations		
22	Asociación de Comercializadores Independientes de Energía	ACIE	ES
23	Bundesverband der Energie- und Wasserwirtschaft e.V German Association of Energy and Water Industries	BDEW	DE
24	Bundesverband Neuer Energieanbieter e.V Federal Association of New Energy Suppliers	BNE	DE
25	EURELECTRIC	EURELECTRIC	EU
26	European Federation of Local Energy Companies	PC-62-CEDEC-4:	EU
27	EXELON Limited	ELEXL	UK
28	General Electric	GE	EU
29	Österreichs Energie- Weirtschaft	OESTW	AT
30	Smart Energy Demand Coalition	SEDC	EU
31	Svensk Energi – Swed Energy	SVENR-E	SE
32	Thuega AG	THEUG-R	DE
33	Verband kommunaler Unternehmen - German Association of Local Utilities	VKU	DE
	Respondent Group – IT Providers		
34	Echelon Corporation	ECHEL	UK



35	eMeter	EMETER	UK
36	European Smart Metering Industry Group	ESMIG	EU
37	Landis+Gyr AG	LANDIS+GYR	СН
38	PANASONIC EUROPE	PANASONIC+F25	DE
	Respondent Group – Research and Consultancy Firms		
39	Electricity Efficiency	ELEFF	UK
40	EnBW Energie Baden-Württemberg AG	ENBW	DE
41	Rdaboud University	RU	NL
42	Sustainability First	SUST1-X	UK
43	Utility Partnership Ltd	UTILI-K	UK
44	Vereniging Energie-Nederland	VENNL-L	NL
45	Wireless Maingate	WIREL-6	SE

Table 2 - List of Respondents



Evaluation of responses

General Comments

This is the first time that CEER has used the on-line questionnaire format to collect responses. As set out above respondents had the option of agreeing or disagreeing with the questions posed in the consultation document and in addition they could insert a short comment. While there were a total of 45 respondents most respondents did not answer every question. Overall the majority of respondents expressed agreement with the CEER position, as set out in the consultation document. It is worth noting that those who agreed with the CEER position were less inclined to include a written comment and therefore the evaluation section is somewhat disproportionately represented by respondents that disagreed with the CEER position and included additional comments setting out the rationale for their position.

The new on-line format allows us to total the number of respondents that agreed or disagreed with the proposals set out in the consultation document. However, it is worth noting that in a number of instances respondents selected the disagree option on the web format, but in their additional text actually supported the CEER proposal with some minor amendment or suggestion – similarly there were cases where respondents ticked agree, but their comment contradicted this. Therefore any summary of responses show be viewed only as an indicative.

The first seven questions and question 18 were the only questions where more than a few respondents disagreed with the CEER position. For questions 1,2,4,5 and 6 approximately one third of respondents disagreed. There were only two questions in which the majority of respondents disagreed and these were Question 3 on market monitoring and Question 18 addressing a national point of contact. One other question that a large number of respondents disagreed with the CEER was question 7, which covered the role of the DSO.

Please find a summary of CEER responses below:

Question	Agree	Partly Agree	Disagree	No comment	Total	CEER View
Q1	23	1	11	5	40	Decision - no change
Q2	22	0	11	6	39	Decision – no change
Q3	11	0	26	1	38	Decision - No requirements for additional market monitoring



Q4	22	0	10	7	39	Decision – minor amendment to role
Q5	19	0	11	5	35	Decision – minor amendment to the requirements to fulfil role
Q6	20	0	14	5	39	Decision – clarifications and minor amendment to the requirements to fulfil role
Q7	17	0	14	7	38	Decision – minor amendment to role
Q8	25	0	5	8	38	Decision – minor clarification
Q9	26	1	5	5	37	No change
	27	2	2	4	35	No change
Q11	27	2	6	5	40	Decision – clarification to role
Q12	32	1	3	2	38	Decision - no change
Q13	27	5	4	3	39	Decision – minor amendment to the requirements to fulfil role
Q14	23	1	9	6	39	Decision – no change
Q15	30	0	2	4	36	Decision – minor clarification of role
Q16	31	0	1	5	37	Decision – minor clarification of role
Q17	28	0	3	7	38	Decision – minor amendment to the requirements to fulfil role
Q18	15	0	19	6	40	Decision – no recommendation made. Further investigation required.
Q19	N.A.	N.A.	N.A.	N.A.	N.A.	Decision – no recommendation made. Further investigation required.



Ref: C11-RMF-36-03a CEER draft advice on demand response with smart meters - Evaluation of Responses

Q20	N.A.	N.A.	N.A.	N.A.	N.A.	Decision – CEER recognises that privacy and security aspects always are important to take into consideration especially regarding demand response. When making a decision to install smart metering systems nationally privacy and security has to be addressed when making the economical assessment. Therefore there is no need to make specific recommendations with regards to demand response.
Q21	N.A.	N.A.	N.A.	N.A.	N.A.	Decision -

Table 3 - Summary of CEER evaluation of responses



Consultation Question 1: Do you agree to the stakeholders chosen as the focus of CEER's advice?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (BDEW) stated that the selection of stakeholders shouldn't discriminate against future market players and new market roles.	Noted	CEER recognises that different models apply in different member states and that over time new roles may emerge. As such CEER does not intend to discriminate against future market players.
2	Two respondents (BEUC, VENNL-L) highlighted the important role that Member state Governments and the relevant ministries play in supporting regulatory frameworks	Noted	CEER recognises that Governments will certainly play an important role in supporting the framework for DR but are not viewed as key stakeholders within the scope of this document.
3	Two respondents (BEUC, EDF EN) thought that standardisation bodies played an important role and could help remove barriers to trade and competition.	Noted	CEER recognises and supports the work of such bodies, but does not view them as key stakeholders for demand response in relation to the scope of this doc.
4	One respondent (BEUC) stated that member states should review legislation to ensure customers are informed and aware of their rights.	Partly Agree	CEER agrees that there needs to be a review of legislation on e.g. selling methods, contracts and information. This review would ensure customer trust and should be a prerequisite for demand response.
5	One respondent (BNE) highlighted that different member states may have different market roles to the set of stakeholder roles set out in the consultation document.	Noted	CEER recognises that different models apply in different member states
6	One respondent (BRGAS) stated that in the customer stakeholder role focus should be also given to Industrial & Commercial customers as they account for a large percentage of energy use.	Noted	CEER recognises that the involvement of industrial and commercial customers is important for the take off of demand response, however it believes that it is other stakeholders who must offer the services and schemes to involve these customers in demand response.
7	Three respondents (BRGAS, EURELECTRIC & PC-62-CEDEC-4) sought to highlight the role of the supplier as the main point of contact and suggested suppliers role in terms of consumer engagement and understanding should be emphasised.	Noted	CEER's view, as stated in the consultation paper, is that when looking at the particular service of offers reflecting actual consumption and the stakeholder roles with regard to this, the main point of contact for the customer is with the supplier, ESCO and the metering operator.
8	Two respondents (PC-62-CEDEC-4, VKU) asked that storage system	Noted	CEER recognises the role such groups will play in the



No.	Respondents' Comments	CEER Position	CEER Explanation
	operators should also be included as stakeholders, given their potential role buffering fluctuating peak loads and creating equilibrium between power generation and consumption are required.		broader area of demand side management but notes that this document is focused on the customer perspective and as such are not viewed as key stakeholders within the scope of this document.
10	Given the potential role that automation could play four respondents (EDF, EDISON, SEDC, WIREL-6) stated that electrical appliances manufacturers should be included as a stakeholder. In their view this would increase customers' flexibility and increase overall economic performance of the transmission of orders for consumption renouncement or postponement through end to end interoperability, from the central control system through the meter and equipment to the customer.	Noted	CEER recognises that automation has a key role to play in demand response and as such electrical appliances manufacturers are stakeholders in the demand response environment as well as being enablers of demand response. However CEER's view is that while they may have a role as enablers of demand response, electrical appliances manufacturers should not be considered as a primary stakeholder.
11	One respondent (EDSO-SG)stated that in looking at the particular service of offers reflecting actual consumption, the metering operator should not be considered as a main point of contact for the customer	Noted	CEER's view, as stated in the consultation paper, is that when looking at the particular service of offers reflecting actual consumption and the stakeholder roles with regard to this, the main point of contact for the customer is with the supplier, ESCO and the metering operator.
12	The role played by Microgrids, Virtual Power Pools and ESCOs in ensuring Transmission Security is maintained and the Generation- Demand match is correct was highlighted by one respondent (ELEFF) who sought their inclusion as a stakeholder.	Noted	CEER recognises the role such groups will play in DSM, but in this document we have chosen not to focus separately on the TSOs since the primary focus is the customer perspective and the direct contacts the customer needs to have. As such those stakeholders are not viewed as key stakeholders within the scope of this document.
13	Two respondents (ELEXL, ERDF) sought the addition of aggregators to the stakeholder list.	Noted	CEER does not view the aggregator as being a key stakeholder, however CEER recognises the role aggregators will play in DSM and realise that they would be a key mediator once capacity markets are established in Europe. This mediation can be performed by new actors but also of course within an already existing body like a supplier or an ESCO. The role of the aggregator with regards to demand response has been elaborated on in the final advice document.
14	Three respondents (EMETER, LANDIS+GYR, SEDC) highlighted the role that hardware and software providers perform and sought their inclusion as a stakeholder	Noted	CEER recognises the role such groups will play in demand response but this document is focused on the customer perspective and as such are not viewed as key



No.	Respondents' Comments	CEER Position	CEER Explanation
			stakeholders within the scope of this document.
15	One respondent (EURELECTRIC) stated that ancillary service providers will play a crucial role in demand response and sought for them to be given greater coverage in the document	Noted	This document is focused on the role of smart meters and demand response and does not deal with market design issues.
16	Two respondents (GEODE , OESTW) sought the removal of micro- generators from the list of stakeholders. Another (MVKE1-X) stated that micro-generators should only be included if the definition is restricted to domestic customers.	Disagree	CEER disagrees with this statement as in accordance with the 3 rd package CEER promotes the development of Smart Grids, with one of the goals being an increase in the use of renewable energy sources and distributed generation.
17	Six respondents (GEODE , GOTEB-C, OESTW, REE, SVENR-E, VENNL-L) sought the inclusion of TSOs in the list of stakeholders given	Noted	CEER recognises the role such groups will play in DSM, but in this document we have chosen not to focus separately on the TSOs since the primary focus is the customer perspective and the direct contacts the customer needs to have. As such those stakeholders are not viewed as key stakeholders within the scope of this document.
	their role in grid management and system balancing.		CEER recognises that in those cases that capacity markets exist the TSO may be a key player. Further to this CEER recognises that balancing and
			settlement arrangements could incentivise suppliers to develop TOU offers, however this doc is focused on the customer perspective.
18	One respondent (THEUG-R) highlighted the fact that the ESCO role does not exist in the German energy market, as seen from a regulatory point of view.	Noted	CEER recognises that different market models may apply in member states.
19	One respondent (UTILI-K) sought the inclusion of Data Collectors as they are an accredited industry role in the UK.	Noted	CEER view the role of data collectors, as being covered under the supplier role since data collectors are sub- contracted by suppliers in the UK.
20	One respondent (VENNL-L) suggested that micro-generators be added to the definition of 'customers.	Noted	CEER recognises that micro-generators are already included as customers that use and/or produce energy. Therefore no amendment is required.



Consultation Question 2: Do you agree with CEER's definition for demand response?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	Fourteen respondents (ALLIANDER, BWAG, EDF, EDF EN, ENBW, E.ON, ESMIG, EVN, GEODE, GOTEB-C, LANDIS+GYR, OESTW, SEDC, SWM) stated that the definition should incorporate elements of system management by the DSO including system balancing and investments in network capacity.	Noted	CEER would like to emphasise that this document, and thus CEER's definition of demand response, is not focused on the network system perspective of demand response/ demand side management.
2	One respondent (BDEW) sought the inclusion of other aspects of energy efficiency, grid remodelling and the further development of energy markets in the CEER definition.	Noted	CEER would like to emphasise that this document, and thus CEER's definition of demand response, is not focused on the network system perspective of demand response/ demand side management.
3	One respondent (ECHEL) wanted the definition to differentiate between price induced demand response which is voluntary and system reliability needs which are typically mandatory.	Noted	CEER would like to emphasise that this document is focused on the customer perspective, not the network system perspective of demand response.
4	One respondent (EDSO-SG) sought clarification on what was meant by current/normal consumption patterns.	Noted	In this context current or normal consumption patterns are those that would have been in place had there been no TOU price incentives to encourage a change in consumption patterns.
5	One respondent (ELEFF) stated that the definition needed to differentiate between tariffs (all or partial, by device type) and 'trading' mechanisms to barter blocks of power.	Noted	CEER would like to emphasise that this document, and thus CEER's definition of demand response, does not address wholesale markets.
6	One respondent (EMETER) said that the definition should be expanded to add changes in usage in response to detailed energy information and include automation in the definition as consumers could set up programs that react automatically to pre-established signals.	Noted	In CEERs view the current definition does not exclude automation or changes in use in response to detailed energy information.
7	One respondent (E.ON) advocated for a definition that does not preclude development of unforeseen services. In their view the definition should clearly aim to fit with the market model in which customers have a choice.	Noted	CEER does not view the current definition as precluding services that may develop and CEER recognise that customer choice is key in any definition of demand response.
8	One respondent (EURELECTRIC) stated that the definition should capture the fact that demand response is an instrument which will be used for a wider goal of moving towards a low carbon economy with a	Partly Agree	CEER agrees that the wider goal of demand response should be captured and will reflect the overall purpose of demand response in the final decision document.



No.	Respondents' Comments	CEER Position	CEER Explanation
	high share of distribution power generation, more energy efficient consumption and where customers' choice will be crucial		
9	One respondent (ACIE) highlighted that Directive 2009/72 establishes in its Annex 1, paragraph 1, that "() No additional costs shall be charged to the consumer for that service". In their view the provision of this service free of charge for customers should be probably included within the definition	Noted	The CEER regards the recovery of related costs as being dependent on the model adopted in each market and ultimately a decision for each member state.
10	One respondent (PANASONIC) stated that demand response should not force customer to change its behaviour. Instead the definition should focus on the promotion of energy storage battery in conjunction with renewable energy equipments as this would remove customer inconvenience, which is important for the take-off of demand response.	Noted	CEER recognises that such systems have a role as enablers of broader demand side management programmes however this is not a primary role and therefore should not be incorporated into the customer focussed demand response definition.
11	One respondent (RU) stated that it is questionable whether direct commands from the network should be included in the definition	Agree	CEER has not included direct load control in its definition and would emphasise that consumers should always have a choice in the level of participation in demand response schemes.
12	One respondent (SVENR-E) stated that demand response should reflect the activities of customers in the formation of prices. They further stated that this requires meter values to be available close to real time for bidding in to the power exchange. Whereas just registration of values is not necessary for the customers to react, since prices are available the day before delivery.	Noted	CEER views this as already being reflected in the current definition.
13	One respondent (THEUG-R) requested the definition be adjusted to incorporate; "Changes in electric usage by end-use customers/micro generators from their current/normal consumption/injection patterns in response to ** incentive payments designed to adjust electricity usage ** to the needs of a certain market role."	Disagree	CEER does not view that the needs of a market role should be the basis for demand response and therefore no adjustment is required to the definition.



Consultation Question 3: Do you see a need for extra measures in the area of market monitoring?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (ALLIANDER) stated that a system should be in place to prevent unexpected high costs for customers due to price fluctuations, which were not predicted.	Noted	CEER recognizes the need for NRA market monitoring to make sure that the market is well-functioning.
2	One respondent (BEUC) stated that there should be systematic monitoring of consumer protection measures. And in particular stronger protection measures should be put in place for vulnerable customers.	Noted	The NRAs in each member state must monitor the market in line with the requirements set out in the 3 rd package and address issues around customer protection and vulnerable customers in this context.
3	One respondent (BEUC) stated that suppliers should contact NRAs in advance of rolling out new tariffs offerings in order to discuss and ensure consumer rights and benefits are safeguarded	Noted	CEER view customer rights as imperative in all markets, however suppliers operating in a competitive market are free to set their own commercial offerings.
4	Two respondents (BEUC, ACIE) highlighted the requirement in the 3 rd Package for consumers to have an effective means of dispute settlement and that there must be "speedy and effective complaint handling procedures". The respondents stated that clarity is needed to ensure that this applies equally to not just the supply of energy but also wider products and services provided by energy companies. Further to this the respondent recommended that member states review their regulatory frameworks to ensure that the customer experience of energy services market is simple and effective.	Noted	CEER agrees with the importance of having an appropriate complaint handling and redress scheme in place. CEER sees bundled packages as part of product diversification and should be handled in accordance with normal customer complaint procedures and contract law applies. For more information on the CEERs view please see the GGPs on customer complaint handling, reporting and classification published in June 2010 (Ref: E10- CEM-33-05)
5	One respondent (BEUC) stated that the introduction of high quality displays was likely to see long-term contracts being introduced. Their concerns centre around the ultimate costs for consumers, the impact on their ability to switch and roll over contracts. The respondent urged member states to address these issues and ensure that suppliers provide customers with the information they need before signing up to new deals and to prevent unfair contract termination fees.	Noted	Suppliers operating in a competitive market are free to set their own commercial offerings. Therefore CEER does not view this proposal as being in line with a functioning competitive market. Regarding roll-over contracts the CEER's view is that it is absolutely essential that customers are provided all necessary information, but this is not specific to demand response and therefore not within the scope of this



No.	Respondents' Comments	CEER Position	CEER Explanation
			document.
6	One respondent (BEUC) stated that the three week switching period is irrelevant and therefore call for significant shortening of this process (24 hours) as this would be beneficial both for customers and market competition.	Noted	CEER notes the respondent's comments, but is of the view that the requirements for switching fall outside the scope of this document. Switching will be dealt with by CEER as part of the report for GGPs on Market design (C11-39-03.)
7	One respondent (BWAG) stated that additional costs around providing consumers with information on actual electricity consumption and costs frequently enough to enable them to regulate their consumption should be socialised.	Noted	The requirement to provide frequent information in order to enable customers to regulate consumption is from the 3^{rd} package. CEER recognises that there might be costs in relation to this; however the decision around how these costs are recovered is a matter for each member state.
8	One respondent (PC-62-CEDEC-4) noted that the goal of supportive framework should not be in conflict with competition rules and that the regulation of the end-customer market should be strictly limited to corrections needed to address social and environmental objectives.	Noted	CEER agrees that demand response schemes should not be in conflict with competition rules or impact negatively on competitive markets. However, demand response schemes have a potential role beyond social and environmental objectives.
9	Two respondents (EDF, EDF EN) highlighted that the issue of market monitoring have been addressed in other regulatory documents.	Noted	CEER recognise that other work streams have addressed the issue of market monitoring. The purpose of this question was to gauge whether there was a need for any additional measures not previously covered within those work streams.
10	One respondent (EDISON) stated that the development of the services around demand response was at an early stage and that as it is difficult to predict what issues may arise around customer protection, there should not be prescriptive approach at this stage with regards to the indicator best suited to monitor retail markets with demand response.	Noted	CEER recognise that demand response and the relevant services are at an early stage of development and that changes or additional market monitoring measures may be needed in time.
11	One respondent (EDSO-SG) stated that additional measures should be implemented at the start-up phase of demand response in order to increase the number of customers involved and to ensure market transparency.	Agree	CEER agrees that measures to ensure customers have sufficient information from an early stage are necessary. This will be reflected in the text of the final advice document.



No.	Respondents' Comments	CEER Position	CEER Explanation
12	Two respondents (E.ON,EURELECTRIC) stated that the need for additional market monitoring may emerge incrementally over time and that excessive monitoring is unlikely to provide significant added value.	Noted	CEER acknowledges that additional requirements for market monitoring in relation to demand response may emerge over time.
13	Four respondents (GEODE, GOTEB-C, SVENR-E, VKU) stated that price signals are the main bearer of information and as a result it is necessary that customers receive these signals. In order to achieve true demand response, the abolition of end user price regulation is necessary	Noted	In the consultation paper CEER stated that the end of price regulation was one of the prerequisites for demand response.
14	One respondent (MVKE1-X) said that a reporting obligation should be considered in order to assist market monitoring	Noted	The 3^{rd} package set out requirements for reporting and the CEER view is that reporting requirements in each member state should be in line with those set out in the 3^{rd} package.
15	One respondent (RU) noted that in some models larger customers may receives direct instructions from the network. The respondent questioned whether this is a good solution, but stated that it shouldn't be defined away.	Noted	CEER recognises that in some member states schemes may exist where some customers receive direct instructions from the network and such schemes may exist for reasons of system security.
16	One respondent (VKU) stated that two ToU registers is sufficient for the moment and that hourly recording of consumption will suffice.	NA	The number of ToU registers and frequency of data recording is not applicable to this question.
17	One respondent (UTILI-K) stated that as an important part of ensuring customers have information on their rights , they should have the right to choose their service provider	Agree	CEERs view is that the customer should have choice in all aspects of demand response, including being able to choose their service provider.



Consultation Question 4: Do you agree with the customers role regarding offers reflecting actual consumption patterns?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (ALLIANDER) emphasised the need for user-friendly, high quality communications channels.	Partly Agree	CEER has stated that customers should have a choice of at least two communication channels and that information provided should be done so in a clear and concise manner.
2	One respondent (BDEW) emphasised the central role of the customer and stated that there was a need for greater levels of information in order to create acceptance.	Partly Agree	CEER recognises the central role of the customer and the need for sufficient levels of information to be provided. Each member state must decide how best to inform customers.
3	One respondent (BEUC) stated that price comparison websites should be impartial, accurate and support customer switching. Further to this, as not all customers have internet access alternative means to access price comparison must be provided.	Agree	CEER has set out the need for a reliable price comparison website. For further information on CEER position on price comparison websites, please see CEER consultation document (C11-CEM-45-05, 11 October 2011)
4	One respondent (BEUC) stated that in addition to the provision of information on consumption being provided at least monthly, this information must be delivered in a way that consumers can understand and use to make price comparisons.	Agree	The CEER agree that information provided should be clear and concise and each member state should set out the parameters for the appropriate format for their market.
5	One respondent (BEUC) stated that customers should have access to real time data on energy usage as well as historic data, free of charge.	Noted	CEER set out in its GGP document on SM that customers should be able to access information on their up to date consumption and injection data and costs. This information should be provided free of charge and through a choice of channels. For more information on the CER position see E10-RMF-29-05
6	Two respondents (BEUC, E.ON, VENNL-L) stated that more should be done in order to protect customers from miss-selling, misleading advertising, etc and to ensure that all customers benefit from demand response. In addition customers should have the choice to opt out of demand response schemes.	Noted	CEERs view is that all customers should benefit from demand response and they should have the choice as to the level of participation in demand response. For more information on CEERs position on the roll-out of SM, please see- E10-RMF-29-05.
	Another respondent (BNE) stated that while there is a need to		



No.	Respondents' Comments	CEER Position	CEER Explanation
	guarantee consumer protection, there is no need for more protection than in comparable areas.		
7	Three respondents (BEUC, EMETER, MVKE1-X) emphasised the need to inform customers on all aspects of demand response. Customers should be provided information and projected bills in advance of the implementation of any demand response schemes. Customers should have the merits of the various offers clearly explained to them and understand how changes in consumption may impact lifestyles.	Noted	CEER finds that this is part of the prerequisites for demand response - that customers are sufficiently informed in advance of any demand response program. In a competitive market the CEER expects there to be a range of offers and customers should be free to choose the offer that suits their needs best. With the help of smart metering services customers will have the opportunity to regulate their consumption of energy.
8	Two respondents (BEUC, SUST1-X) stated that consideration should be given to the impact demand response may have on different groups of customers, in particular vulnerable customers who may not be able to react to TOU tariffs. This should apply to all aspects of demand response including TOU tariff offerings, direct load control, new appliances and the terms and conditions attached to all.	Noted	CEER agrees the demand response schemes should take account of the impact on all customer groups and in particular vulnerable customers. Customer protection measures may need to be put in place, depending on the nature of demand response schemes, however this is a matter for member states.
9	One respondent (BEUC) asked NRAs to ensure that pro-competitive policies are pursued and that there is transparency. Further to this there should be a regulatory framework that would monitor demand response to ensure customers' rights are well-protected.	Noted	The monitoring of demand response will be incorporated in line with monitoring activities set out in the 3 rd package. For more details on CEER view see document on Market Monitoring, Ref. E10-RMF-27-03.
10	One respondent (BWAG), addressing the issue of frequency of access to information stated that where a customer requires a printed monthly version of their data, then the costs involved should be socialised.	Noted	CEER stated that customers should receive information on consumption and cost at least monthly free of charge. The relevant stakeholder in each market should provide this information and how any costs are recovered will be decided by each member state.
11	Two respondents (BNE, ENBW) stated that price comparison websites should be provided by commercial bodies.	Noted	CEER has set out the need for a reliable price comparison website. For further information on CEER position on price comparison websites, please see CEER consultation document (C11-CEM-45-05)



No.	Respondents' Comments	CEER Position	CEER Explanation
12	Seven respondents (BRGAS, E.ON, GEODE, GOTEB-C, ACIE, OESTW, THEUG-R) stated that suppliers have strong commercial incentives to develop offerings tailored to customers' needs that there should be no requirements around providing information through at least two channels, except in the case of vulnerable customers.	Disagree	CEER set out in it GGP document on SM that information should be provided free of charge and through a choice of channels. For more information on the CEER position see E10-RMF-29-05
13	Four respondents (PC-62-CEDEC-4, THEUG-R, VKU, WIREL-6) highlighted the increased complexity of tariffs and the difficulty in making comparisons. It was stated that a price comparison website should be adequate to allow customers compare tariff products. In order to support this, consumers should have access to information in line with the requirements set out in the 3 rd package.	Agree	CEER acknowledges that there is likely to be an increased diversity in the range of tariff offerings which will pose new challenges for price comparison services. CEER sees a reliable price comparison tool as enabling customers to take full advantage of offers reflecting actual consumption patterns. CEER also agrees that customers should have access to information in line with the requirements of the 3 rd package.
14	One respondent (ECHEL) stated that the customer is the key stakeholder except when there are system reliability issue, in which case the DSO becomes the key stakeholder.	Noted	In the context of this document the CEER view the customer as always being the key stakeholder.
15	Two respondents (EDF, SEDC) stated that where suppliers are required to provide information free of charge the cost will ultimately be paid by customers.	Noted	CEER recognise that provision of information to customers may result in additional costs being incurred by suppliers. However in a competitive market there will be downward pressure on such costs and suppliers ability to reduce these costs will create competitive advantage.
16	Two respondents (EDF, E.ON) stated that while customers should receive sufficient information to allow them to adjust their consumption patterns this information does not necessarily have to be very detailed and suppliers should attempt to tailor the information provided to be understandable and in line with customers wishes.	Noted	CEER recognise that providing access to information on consumption and cost data does not have to necessarily mean complicated or detailed data. However customers should be provided with sufficient data to allow them to understand and adjust consumption patterns. As stated in the consultation paper the level of detail and frequency of access to information will depend on the offer the customer has chosen.
17	Three respondents (EDF DEMASZ, E.ON, EURELECTRIC) stated that there should not be a requirement for two-way communication channel.	Noted	For clarification CEER means that there should be two separate channels for customers, not that there should



No.	Respondents' Comments	CEER Position	CEER Explanation
			be two-way communication. This will be reflected in the final advice document.
18	One respondent (ELEFF) stated that a flow should be added to capture a situation where the customer has responded to a request to change Import/Export by a given amount for an agreed price. This is needed so that the customer can distinguish normal and traded activity when looking at new tariffs and services.	Noted	CEER notes the respondents comments, but does not agree that this is needed in order for customers to take full advantage of demand response
19	One respondent (EDF EN) noted that due to the likely complexity and variances between different supplier offers customers will need to allow price comparison websites access to their consumption data in order for accurate comparisons to be made.	Noted	CEERs view is that the customer is in charge of their data and should be able to provide this data to 3 rd parties at their own discretion.
20	One respondent (EDISON) highlighted that information required by customers with higher frequency than monthly shouldn't be free of charge, but the cost should reflect its actual market value.	Noted	CEER stated that customers should have access to information on consumption and cost on demand. The CEER recognises that the provision of this service may incur costs and how these costs are recovered will depend on the market model adopted in each member state.
21	Two respondents (EMETER, SEDC) stated that two registers would be preferable to three registers.	Noted	CEER has previously stated in its SM GGP that three registers or hourly is the recommended approach. For more information on the CEER position see E10-RMF- 29-05
22	Two respondents (ESMIG, SEDC) stated that issues of network stability should be included: there should be alerts to end-customers in relation to network stability as an important part of Demand Response and both Critical Peak Pricing and Critical Peak Rebates should be included.	Noted	While this document is focused on the customer perspective and not focused the network system perspective of broader demand side management programmes, the CEER agrees that Critical Peak Pricing and Critical Peak rebates are part of the the range of demand response offers to customers
23	One respondent (EURELECTRIC)highlighted that the existence of regulated tariffs was a barrier to the development of demand response	Agree	CEER included the absence of end-user price regulation as a prerequisite for the taker off of demand response.
24	One respondent (EURELECTRIC) called for the adoption of price reflective grid tariffs in order to incentivise customers to change their consumption patterns	Noted	This document, is focused on the customer perspective and is not focused on the network system perspective of demand response


No.	Respondents' Comments	CEER Position	CEER Explanation
25	One respondent (EVN) stated that this is not part of Demand Side Management; the described topic is part of the 3 rd liberalization package.	NA	
26	Two respondents (LANDIS+GYR, SEDC) stated that at least one of the two communication channels should provide information in real time. Their rationale is that websites and monthly billing will not have the same impact in encouraging customers to change their consumption patterns.	Noted	The service provider should provide a choice of different channels for customers. The CEER is not prescriptive as to whether one of these channels should be in real time.
27	One respondent (RU) stated that the issue of how to appropriately get consumer consent should be given more attention and highlighted the example of the IT world where customers are too easily pushed into giving consent.	Agree	The CEER agrees that the issue of consent is of the utmost importance and this will be addressed in the final advice document.
28	One respondent (REE) stated that in addition to the customer roles listed they may also be interested in providing ancillary services to the system.	Noted	CEER disagree as this is not needed in order for customers to take full advantage of demand response. In addition this document, is focused on the customer perspective and is not focused on the network system perspective of demand response
29	One respondent (WIREL-6) set out the technical requirements for the implementation of automation including the need for instant two-way communication.	Noted	This document does not deal with the technical specification required.



Consultation Question 5: Do you agree with micro generators role regarding offers reflecting actual consumption patterns?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	Two respondents stressed (ALLIANDER, BEUC) the need for micro generators to have regular access to information and it should be through a reliable and user-friendly communication channel.	Noted	CEER has stated that micro generators should be provided information in a clear and concise manner.
2	Two respondents (BEUC, EMETER, E.ON) emphasised the need for a regulatory scheme to govern payments while another (ELEFF) stated that there is a need for a tariff and trading type mechanisms to be put in place. One further respondent (VENNL-L) sought clarification on clarify how regulators will handle price components of supply that are rooted in tax regulations.	Noted	CEER does not intend to propose a regulatory scheme on how to deal with payment settlement; however CEER does want to emphasise the need to have one.
3	One respondent (BEUC) stated that the data provided monthly must be relevant and understandable in order to allow micro generators benefit from making changes to their behaviour or tariffs. The granularity of data provided must be of sufficient detail for the customer to understand the impact of switching to an export tariff.	Partly Agree	CEER acknowledges the respondent's comments and the term relevant will be reflected in the text of the final advice document.
4	Two respondents (BNE, PC-62-CEDEC-4) stated that the provision of information on consumption and injection should be left to the market. Another respondent (VERBUND) stated that information should be provided more frequently than monthly.	Partly agree	Micro generators are to be provided information on consumption and injection data and costs, at least monthly free of charge, in a clear and concise manner. However, such information could be provided more frequently.
5	Four respondents (BNE, EURELECTRIC, THEUG-R, VKU) stated that the requirement to provide a choice of at least two communication channels was unnecessary and the decision on information channels should be left to the market.	Disagree	CEERs view is that information should be provided through a choice of at least two communication channels.
6	Two respondents (PC-62-CEDEC-4, VKU) stated that when establishing new rules for boosting micro generation, the rules should not render inefficient already established and efficient co-generation plants.	Partly Agree	CEER agrees that network management should be carried out in the most efficient way possible.
7	Two respondents (ECHEL, PC-62-GENEL-U) stated that a grid solution should be deployed to enable DSOs to know the actual load conditions for each substation and neighbourhood transformer.	Noted	CEER stated in the consultation document that DSO requirements include; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response.



No.	Respondents' Comments	CEER Position	CEER Explanation
8	One respondent (EDF,) stated that where suppliers are required to provide information free of charge to micro generators the cost will ultimately be paid by customers.	Noted	CEER recognise that provision of information to customers may result in additional costs being incurred by suppliers. However in a competitive market there will be downward pressure on such costs and suppliers ability to reduce these costs will create competitive advantage.
9	One respondent (EDF, E.ON) stated that while micro generators should receive sufficient information to allow them to adjust their consumption/generation patterns this information does not necessarily have to be very detailed and suppliers should attempt to tailor the information provided to be understandable and in line with customers wishes; the provision of data and usage statements should not be an objective in itself	Agree	CEER recognise that providing access to information on consumption and cost data does not have to necessarily mean complicated or detailed data. However micro generators should be provided with sufficient data to allow them to understand and adjust consumption patterns. As stated in the consultation paper the level of detail and frequency of access to information will depend on the offer the customer has chosen.
10	One respondent (EDF DEMASZ) stated that wholesale prices were not relevant to consumption and injection for micro generators in their country	Noted	CEER recognises that different models may apply in member states.
11	One respondent (EDISON) stated that information on market prices should be provided by the subject in charge of withdrawing the electricity injected by the micro-generator and not by the supplier whose role is limited to the provision of consumption data and costs.	Noted	CEER recognises that different models may apply in member states, but that in many instances the supplier will also be the stakeholder providing tariffs/rates to micro generators for electricity injected.
12	One respondent (E.ON) stated that the growth of micro-generation could cause issues with the distribution networks and controlling production and injection from micro generation is one of a set of tools, which DSOs might use to optimise the operation of the grid via suppliers/ESCOs.	Noted	CEER stated in the consultation document that DSO requirements include; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response. However, micro-generators should retain control over their production and injection and must opt in to any schemes where the relinquish control.
13	Three respondents (ESMIG, LANDIS+GYR, SEDC) stated that micro- generators should be adequately informed about any issues related to system reliability as demand response can help to better distribute and use/store energy generated by micro-generators.	Noted	CEER stated in the consultation document that DSO requirements include; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response.
14	Three respondents (EVN, GEODE, OESTW, SVENR-E) disagreed with	Disagree	CEER disagrees with this statement as in accordance



No.	Respondents' Comments	CEER Position	CEER Explanation
	the role of the micro-generator set out in the consultation document and stated that micro-generators potential output was either too small or inconsistent to contribute.		with the 3 rd package CEER promotes the development of Smart Grids, with one of the goals being an increase in the use of renewable energy sources and distributed generation.
15	One respondent (RU) stated that micro-generators should be fully aware of who accesses their data, and how it is used. They called for transparency on new functionalities as well as security and privacy policies of the other stakeholders. Further to his they stated that an impact analysis should be undertaken and published where consumer data is involved	Agree	CEER believes that the customer or micro generator should be in control of metering data and full transparency on existing customer data should be the general principle. For further information on CEERs position, please see the SM GGP Ref. E10-RMF-29-05.
16	One respondent (REE) stated that one of the roles performed by micro- generators could be the provision of ancillary services	Noted	CEER would like to emphasise that this document is focused on the customer perspective, not the network system perspective of demand response.
17	One respondent (THEUG-R) stated that micro-generators level of injection in the distribution network should not follow wholesale prices. Instead it should be dictated by the demand requirements of the local distribution network or to incentive payments given by the DSO.	Disagree	CEER would like to emphasise that this document is focused on the customer perspective, not the network system perspective of demand response. However, the system should not put a constraint on micro generators receiving prices related to the wholesale market price. According to CEERs definition of demand response the incentives should come from wholesale market prices and therefore this approach contradicts CEERs view.
18	Two respondents (SWM, WIREL-6) set out detailed information about the flow of information regarding price signals to and from the micro- generator.	Noted	These responses are noted, however the CEER does not intend to address this level of detail as part of the scope of this report.



Consultation Question 6: Do you agree with metering operators role regarding offers reflecting actual consumption patterns?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	Eight respondents (ALLIANDER, ELEXL, ESMIG, EURELECTRIC, EMETER, LANDIS+GYR, OESTW, WIREL-6) commented on the frequency of meter readings. Some respondents stated that there may be a requirement in future for metering on a more frequent basis than the hourly minimum set out and advised against setting a frequency at this stage. Specifically one respondent stated that metering should be capable of performing readings on the same interval basis as applied in the wholesale market. It was also stated that TOU periods should be in addition to, not instead of, collecting hourly or finer information and also that hourly reading may not be sufficient for Demand Response programs.	Partly Agree	CEERs view is that hourly metering is set out as a minimum and this does not prevent more frequent metering. For more information on the CEER position see the GGP on SM Ref. E10-RMF-29-05.
2	Five respondents (BWAG, GEODE, GOTEB-C, PC-62-SAUES, SVENR-E) disagreed with the inclusion of remote power capacity reduction/increase as a functionality, emphasising that the DSO should be responsible for this and stating that looking at countries that already had experience in operating smart meters shows that there is no need to include remote power capacity reduction as part of the minimum set of functionalities.	Noted	When a customer wishes to reduce or increase power capacity, he/she can contact the relevant market actor who will remotely perform this service, thus reducing the time to perform such operations (i.e. a remote action rather than sending personnel on site). In cases where this is initiated by someone other than the customer, the regulatory framework should describe in detail the procedures and timeframes to be applied when undertaking power capacity reduction. In any event, customer protection and public service rights and obligations should be respected to ensure this service is used correctly.
3	Two respondents (BNE, ENBW) stated that the customer is the most important stakeholder and it is the customer which decides who can use which extracts of his data for which purposes.	Agree	CEER agrees that it should always be the customer who chooses in which way metering data shall be used and by whom, with the exception of metering data required to fulfil regulated duties and within the national market model.
4	Two respondents (BNE, ENBW) said the functionalities around frequency of metering or TOU registers should be subject to competition and market-based choice.	Noted	CEER does not intend to address issues of market design in this document. For further information on the CEER position see GGPs on SM Ref. E10-RMF-29-05.



No.	Respondents' Comments	CEER Position	CEER Explanation
5	One respondent (BNE) stated that interoperability needs to be guaranteed so that any metering operator can operate any meter without prohibitive transaction costs.	Agree	CEER agrees that there should not be prohibitive transaction costs and that there should be interoperability.
6	One respondent (ECHEL) was of the view that a solution should be implemented that would inform the DSO the actual load conditions for each substation and neighbourhood transformer	Noted	CEER stated in the consultation document that DSO requirements include; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response.
7	One respondent (EDF, PC-62-SAUES) highlighted the need to address measurement of non consumption as a demand response action. It was stated that the TSO should be able to retrieve all relevant data of a demand response action to control and ensure that all stakeholders' rights and obligations are respected.	Noted	CEER would like to emphasise that this document is focused on the customer perspective, not the network system perspective of demand response.
8	Three respondents (EDF DEMASZ, E.ON, GEODE, ACIE) stated that the meter operator should be the DSO, or is the DSO in some member state markets.	Noted	CEER recognise that in many member states the role of meter operator is performed by the DSO, however since states differ in market design concerning the DSO and the metering operator, we have chosen to separate them.
9	Two respondents (ELEFF, ENBW) stated that there should be flexibility in what data can be carried and there should be a standards framework for the data system and standardized processes between the different market players.	Noted	CEER view this issue as being covered in point b) of the Metering operators role in the consultation document which set out the need for inter-operable communication standards.
10	Three respondents (ELEXL, SEDC, UTILI-K) stated that the role of the metering operator, as set out in the consultation document is not aligned with the role in their national market. One highlighted the fact that in their market the supplier is responsible for meter reading and therefore there may not be a role for meter operators.	Noted	CEER recognises different models may apply in member states.
11	One respondent (EMETER) stated that the meter operator should also have a duty to deliver specifically outage alerts and voltage data.	Noted	CEER notes the respondents comments, but does not intend to reflect this in the final decision paper as data on outage alerts and voltage data are not necessary for demand response.
12	One respondent (E.ON) stated that it is essential for the DSO to receive the relevant data free of charge to allow for the proper operation and planning of the grid.	Noted	CEER stated in the consultation document that DSO requirements include; b) a distribution network system capable of dealing with fluctuation in usage resulting from



No.	Respondents' Comments	CEER Position	CEER Explanation
			increased demand response.
13	One respondent (ESMIG) stated that inter-operable communication standards are a necessary, but not a sufficient precondition for interoperability. Thus, standards should help to create interoperability and should preferably be set at least at European level.	Agree	CEER agrees and will reflect these comments in the final advice document.
14	Two respondents (ESMIG, LANDIS+GYR) stated that in order to fulfil the role a bi-directional communication gateway/interface needs to be in place	Agree	CEER will clarify in the final advice document what the required functionality of the open gateway is.
15	Two respondents (GEODE, GOTEB-C) stated that metering should only be responsible to deliver the metering values on time and with the correct resolution to the market.	Noted	CEER recognises different models may apply in member states.
16	One respondent (LANDIS+GYR) stated that the term "interoperable communication standards" is misleading.	Agree	The functionalities set out in the document are a minimum set and this does not rule out further functionalities. This will be reflected in the document text.
17	Two respondents (LANDIS+GYR, SEDC) stated that standards are a necessary, but not sufficient precondition for interoperability. Specifications within open standards, such as those produced in the Interoperable Device Interface Specifications (IDIS) are necessary for interoperability.	Agree	CEER agrees that there is a need to expand the text to incorporate the requirements around standards and this will be reflected in final advice document,
18	One respondent (RU) requested that 'accurate metering data' should be replaced by 'accurate data as necessary for the specified use case'. Their rationale is that this formulation allows for strong privacy guards in implementation.	Agree	CEER recognises the need for the privacy of customers to be protected and this change will be reflected in final advice document
19	Two respondent (SEDC, SVENR-E) highlighted the fact that in their market the supplier is responsible for meter reading and therefore there may not be a role for meter operators.	Noted	CEER recognises different models may apply in member states.
20	One respondent (SWM) noted that only cost-efficient smart metering enables a consumer-friendly implementation and that the full costs involved in smart metering should be considered.	Noted	CEER is aware that the decision to roll out smart meters is to be made by member states and also that this decision is subject to a full cost benefit analysis in most countries.
21	One respondent (VKU) stated the relevant stakeholder should be specified with regards to who metering data is to be delivered.	Agree	The relevant stakeholders are to be defined by the customer; it should always be the customer who chooses



No.	Respondents' Comments	CEER Position	CEER Explanation
			in which way metering data shall be used and by whom, with the exception of metering data required to fulfil regulated duties and within the national market model



Consultation Question 7: Do you agree with the DSOs role regarding offers reflecting actual consumption patterns?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	Six respondents (ALLIANDER, EDF EN, E.ON, GEODE, OESTW, THEUG-R) stated that the DSO should be able to set price conditions or incentives in order to prevent demand response from requiring increased network capacity. The view was expressed that grid tariffs, which correctly reflect the constraints on the distribution system are needed to allow suppliers/ESCOs to develop offers which better reflect this cost in customer's products and services. The tariffs would relate to the actual/predicted grid usage at given time periods or dynamically.	Disagree	 It is important to note that pricing, for example time-of-use pricing, is a part of the decisions made in the competitive market and should reflect the access to - and need for - energy at any given time. For the suppliers to be able to give customers offers that reflect actual consumption patterns, DSOs/metering-operators have to enable smart metering systems capable of recording consumption on a configurable time basis. If the DSO was responsible for incentivising demand response this would have to be through differentiation of network tariffs. This would lead to a number of consequences, including; Customer confusion Difficulties in setting network tariffs – increased complexity for NRAs and reduced transparency Increased complexity in network tariffs for suppliers and ESCOs – creates difficulties in formulating tariffs reflecting actual consumption; particularly in member states with multiple DSOs The customer has no power in negotiating network tariffs – it is important to minimise the extent of the areas in the electricity that the customer has no/limited choice compared to the competitive market.
2	One respondent (BWAG) thought that the DSO should be responsible for system stability and intervene with DSM before the system is jeopardized. They felt that this should be included in the list of	Noted	In its decision document CEER has states that one of the DSO requirements includes; b) a distribution network system capable of dealing with fluctuation in usage



No.	Respondents' Comments	CEER Position	CEER Explanation
	requirements.		resulting from increased demand response;
3	One respondent (BNE) stated that the DSO does not have contact with the end customer and should have no direct access to metering values. Another respondent (BRGAS) stated that while there is no need for the DSO to have access to individual customers data they should have access to aggregate consumption and injection data to enable them to balance local networks.	Noted	CEER recognises different models may apply in member states.
4	Five respondents (PC-62-CEDEC-4, EDF, EDISON, EDSO-SG, E.ON, EURELECTRIC, VKU) stated that increased fluctuation in demand will require investments to manage the grid and maintain stability. This will require investment by the DSO and these costs should be taken into account in the regulatory framework, through appropriate incentive mechanisms.	Noted	In its decision document CEER has states that one of the DSO requirements includes; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response. How any additional cost arising from this are to be recovered will be a decision for member states.
5	Two respondents (ECHEL, ESMIG) stated that there should be a solution deployed that enables the DSO to know the actual load conditions for each substation and neighbourhood transformer in order to properly manage and maintain the local grid.	Noted	In its decision document CEER has states that one of the DSO requirements includes; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response
6	One respondent (EDF) stated that in their view point b. is somehow paradoxical and that demand response should help reduce fluctuations caused by micro-generators and not increase these fluctuations	Agree	CEER believe demand response should help manage fluctuations caused by micro-generators and the text in the final decision document has been amended to reflect this.
7	One respondent (EDSO-SG) requested that "d)Localisation of Demand Response on the electricity grid" be added	Noted	
8	One respondent (ELEFF) stated that the DSO need to be informed if a trade is being set up which has the potential to compromise Network security and the DSO would then decide whether the trade can proceed.	Disagree	CEER does not agree that the DSO needs to be informed of trades being set up.
9	One respondent (ELEXL) suggested that DSO's should be asked whether they require an aggregated or individual form of metered data.	Noted	CEER recognises different models may apply in member states.
10	Two respondents (EMETER, LANDIS+GYR) stated that the DSO should also have a duty to receive and process data from the meter	Agreed	CEER agree with the respondents comments, however this is not relevant to demand response.



No.	Respondents' Comments	CEER Position	CEER Explanation
	beyond consumption, specifically outage alerts and voltage data as this would improve efficiency and reliability of the distribution network.		
11	One respondent (ENBW) stated that the DSO is only responsible for the grid load, not for the "last mile" and the direct contact to the customer.	Noted	This is an issue of market design and will be dealt with a separate document on market design to be published during 2011.
12	One respondent (E.ON) stated that the DSO has the responsibility to maintain security and reliability of supply within set power quality standards and therefore the DSO needs a secure means to deliver on this. The DSO will need to have a closed and secure communication and control system, and within this have access to all the data necessary for optimum management of the network.	Noted	In its decision document CEER has states that one of the DSO requirements includes; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response. This may include the necessary information on metering values regarding consumption and injection.
13	Two respondents (E.ON, SVENR-E) stated that DSOs should not have a role in payment/settlement for micro generation as they are not active in energy business but only in grid management. Load /production management of micro-generation should be organised through market processes.	Noted	In the consultation document it was stated that in order for a micro generator to fulfil their role a regulatory scheme on how to deal with payment/ settlement for micro generation, needs to be in place.
14	One respondent (PC-62-ERDF1-I) stated that the DSO should have a capacity to analyse large volume of data quickly to be able to drive the network with flexibility	Agree	CEER agrees that since DSO requirements include; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response;
15	One respondent (PC-62-ERDF1-I) stated that the DSO should have an interface enabling communication on consumption and data between the DSO and all stakeholders to send useful signals for the sake of the network	Disagree	CEER see no need for such an interface enabling communication on consumption and data between the DSO and all stakeholders, but recognises different models may apply in member states. In addition the issue on interface is related to market design and will be dealt with a separate document on market design to be published during 2011
16	One respondent (EURELECTRIC) suggested that DSOs should be put in a position to benefits from Smart Grids and demand response by directly performing demand side management actions when grid stability is at risk and/or by relying on flexibility resources provided on a market basis.	Partly Agree	CEER agrees that in certain situations where grid stability is at risk then DSM by the DSO is needed as long as this does not constrict market functioning.



No.	Respondents' Comments	CEER Position	CEER Explanation
17	Six respondents (EURELECTRIC, GEODE, OESTW, SWM, THEUG-R, EURELECTRIC) stated that in order to develop the grids necessary to facilitate demand response a new regulatory financing model is required to incentivise DSOs to invest in smart grids. Such models need to be based on a clear-sighted and broad analysis of the benefits of DSOs' investments, both in terms of customer services that will be offered by suppliers and in terms of environmental benefits, to guarantee a fair long-term return on invested capital.	Noted	CEER agrees that as the market facilitator the DSO needs to ensure robustness of the grids, however the incentivisation of this should be decided on a national basis.
18	Three respondents (EURELECTRIC, GEODE, OESTW) pointed out that the consultation paper implied that demand response could require the expansion of the distribution network systems, whereas in their view demand response should limit the need for new lines. In addition they felt that demand response would bring benefits to the electrical system by optimizing both Renewable Energy Sources (RES) and other local generation and storage sources. The respondent went on to stress that DSOs, who are responsible for system stability at the distribution level, should be given the tools to perform demand side management actions when grid stability is at risk and before system security is jeopardized	Noted	 CEER intends to reflect the conflicting points of view in the final document It is important to note that pricing, for example time-of-use pricing, is a part of the decisions made in the competitive market and should reflect the access to - and need for - energy at any given time. For the suppliers to be able to give customers offers that reflect actual consumption patterns, DSOs/metering-operators have to enable smart metering systems capable of recording consumption on a configurable time basis. If the DSO was responsible for incentivising demand response this would have to be through differentiation of network tariffs. This would lead to a number of consequences, including; Customer confusion Difficulties in setting network tariffs – increased complexity for NRAs and reduced transparency Increased complexity in network tariffs for suppliers and ESCOs – creates difficulties in formulating tariffs reflecting actual consumption; particularly in member states with multiple DSOs The customer has no power in negotiating network tariffs – it is important to minimise the extent of the areas in the electricity that the



No.	Respondents' Comments	CEER Position	CEER Explanation
			customer has no/limited choice compared to the competitive market.
			CEER finds that for the reasons stated above the DSOs role with regards to demand response should be restricted to the basic requirements necessary to facilitate demand response
19	One respondent (EVN) stated that it is the voltage and load flow that are relevant for distribution grid stability, not the measured values (energy).	Noted	CEER would like to emphasise that this document is focused on the customer perspective, not the network system perspective of demand response/ demand side management.
20	Three respondents (GEODE, GOTEB-C, OESTW) stated that the DSO has a central role in demand response, not only as a market participant but also as a facilitator of that market and as such DSOs need to be more strongly involved when demand response is carried out, otherwise security and quality of supply are jeopardized.	Noted	CEER recognize the important role the DSO plays in demand response and the text of the final advice document will reflect on this role.
21	One respondent (ACIE) stated that DSOs should provide suppliers with appropriate access to a sort of open gateway to all the data issued by the smart meters.	Partly agree	In the GGP on smart meters the CEER states that the customer should have control over metering data and that there should be an open standardised interface n the meter.
22	One respondent (REE) means that the DSO needs to coordinate with the TSO in order to maximize the demand response potential.	Noted	CEER recognise that the TSO is important when considering the system, but would like to emphasise that this document is focused on the customer perspective, not the network system perspective of demand response/ demand side management.
23	One respondent (SEDC) pointed out that the provision of information on metering values regarding consumption and injection is not the responsibility of the DSO in all markets. Each market can have quite different roles for DSOs.	Noted	CEER recognises that there may be differences in different member state markets. Also information on metering values regarding consumption and injection is not necessarily something the DSO must provide, but which must be in place in order for the DSO to fulfil its role.
24	One respondent (UTILI-K) expressed the view that the development of new commercial arrangements between the DSO's and suppliers to	Noted	CEER recognises that new systems and processes may need to be developed in order to deliver effective demand



No.	Respondents' Comments	CEER Position	CEER Explanation
	reflect system (as well as generation) constraints and costs remained a significant risk. The respondent stated that such arrangements do not exist at the moment and will require substantial development within balancing and settlements practices		response programs and that these may involve investments and costs. The decision around what systems to develop will be made by member states.
			In its decision document CEER has stated that one of the DSO requirements includes; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response.
25	One respondent (WIREL-6) suggested that there should be a solution in place for islanding in the cases where communities are set to go together with a larger view on Demand Response.	Noted	CEER recognise that there may be specific requirements for such unique cases.
26	One respondent (VENNL-L) stated that local balancing by DSO's is not necessary as long as the grid connection to the higher grid is robust and if not, congestion could occur. They further stated that this is not a balancing issue and DSO's should be able to exercise demand management, but through a congestion mechanism that does not affect program responsibility.	Noted	CEER would like to emphasise that this document is focused on the customer perspective, not the network system perspective of demand response/ demand side management.



Consultation Question 8: Do you agree with the suppliers role regarding offers reflecting actual consumption patterns?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (ALLIANDER) stated that supplier should also make offer depending on the generation type.	Noted	CEER see that such an idea may have appeal for some customers, but does not see it as necessary for the take off of demand response.
2	One respondent (BWAG,) stated that an interface enabling direct communication between the customer and the supplier was not necessary. It was stated that the supplier should have access through the DSO data base and to the meter only where the customer has agreed. The importance of the customers always being clear who has access to their data and for what purpose was also highlighted.	Noted	CEER recognise that different market models may apply in member states. Also CEER's view is that the customer is in control of the metering data and they decide who shall have access to this data.
3	Four respondents (BNE, PC-62-CEDEC-4, ELEFF, ENBW) commented on c. An interface enabling communication on consumption and data between the customer and supplier. One stated that this should be subject to the consumer having chosen a product necessitating the transmission of this information while the second felt that this contradicted CEER's statement on page 7 paragraph 2 (development of demand response successful in markets without smart metering).	Noted	CEER would like to clarify that what is meant in point c). CEER does not mean an interface on the meter, instead we mean a channel of communication.
4	Three respondents (BRGAS, ELEXL, E.ON, ACIE) stated that in order for suppliers to develop appropriate demand-side response offers for their customers they need to have access to consumption data at a sufficient level of granularity in order to evaluate consumers reaction to demand response schemes. In addition access to information must be non-discriminatory between suppliers.	Noted	CEER has stated in the document that in order for suppliers to fulfil their role they must have a. Timely and easy access to information on customers metering values regarding consumption and injection. This should be provided in a non-discriminatory manner.
5	One respondent (ECHEL) stated that suppliers should have some type of contract in place with customers regarding their usage amounts, curtailment, etc.	Noted	The exact contents of contracts will depend on the market design adopted in each member state.
6	Four respondents (EDF, ENBW, E.ON , VKU) expressed the view that requirements on suppliers to analyse large volume of data quickly impact on supplier's ability to properly conduct its business activities and will inevitably incur additional costs, which will ultimately be passed on to customers Therefore the decision to develop such capabilities should be a commercial decision made by suppliers themselves.	Noted	CEER recognises that there will be costs associated with demand response; however we also recognise that there will be benefits. CEERs view is that in order to facilitate the take off of demand response and fulfil their role suppliers should have the d. Capacity to analyse large volumes of data quickly.



No.	Respondents' Comments	CEER Position	CEER Explanation
7	Three respondents (EDF, E.ON , SEDC) commented on the separation of the supplier and ESCO roles and stated that suppliers should also be able to pursue the activities set out under the ESCO role.	Partly agree	CEER recognises that in some markets suppliers may also have the opportunity to undertake ESCO activities.
8	One respondent (EDF DEMASZ) pointed out that the need to have timely and easy access to information on wholesale prices was not relevant in their country and could only be accessed with risks of delay and mark-ups.	Noted	CEER recognises that different market models in member states may restrict access to wholesale prices.
9	Three respondents (EDF EN, EDISON, EDSO-SG) stated that suppliers should be able to encourage the take up of demand response by aggregating customers consumption profiles and offering it to the DSO. One respondent highlighted that there are constraints around this in their market due to additional costs imposed by the DSO for settling customers demand by central market systems on a half-hourly basis.	Noted	The option to aggregate customers' consumption profiles is up to individual suppliers/markets. CEER recognises that there may be barriers to demand response due to the different market models applied in member states.
10	One respondent (E.ON) expressed the view that while consumers may initially change their consumption patterns following the introduction of innovative tariffs, over time the incentives will not be sufficient and they will regress to previous consumption patterns.	Noted	CEER recognises the challenge in creating appropriate incentives to change customers' consumption patterns over the long term.
11	One respondent (EURELECTRIC) stated that in addition to the list provided in the consultation document well-functioning wholesale markets with transparent price mechanisms are also essential for the take off of demand response as they send price signals to the retail market.	Agree	CEERs view is that in order to facilitate the take off of demand response and fulfil their role suppliers should have the b. Timely and easy access to information on wholesale prices. Therefore wholesale markets that provide the appropriate price signals are essential.
12	One respondent (EURELECTRIC) highlighted the fact that end-user price regulation still exists for domestic customers in 19 out of 27 EU Member States and this hinders customers ability to benefit from market-reflective prices. Further to this they expressed the view that regulated tariffs are likely to be an obstacle to the development of demand response markets.	Agree	CEER agrees with the view that regulated tariffs are likely to be an obstacle to the development of demand response markets.
13	One respondent (EVN) disagreed with the consultation paper and stated that customers load and energy profiles are needed for energy wholesale and are solved with synthetic load profiles now.	Noted	In the consultation document CEER stated that suppliers need timely and easy access to information on customers metering values regarding consumption and injection as well as access to information on wholesale prices. This should allow suppliers to build/adjust energy



No.	Respondents' Comments	CEER Position	CEER Explanation
			profiles.
14	Two respondents (GEODE, OESTW) stated that the DSO, not the supplier was the key enabler for the take-off of demand response. They stated that suppliers offering innovative tariffs that reflect wholesale prices may conflict with DSOs sending price signals to customers to optimize the utilization of the local grid and secure system stability.	Disagree	 It is important to note that pricing, for example time-of-use pricing, is a part of the decisions made in the competitive market and should reflect the access to - and need for - energy at any given time. For the suppliers to be able to give customers offers that reflect actual consumption patterns, DSOs/metering-operators have to enable smart metering systems capable of recording consumption on a configurable time basis. If the DSO was responsible for incentivising demand response this would have to be through differentiation of network tariffs. This would lead to a number of consequences, including; Customer confusion Difficulties in setting network tariffs – increased complexity for NRAs and reduced transparency Increased complexity in network tariffs for suppliers and ESCOs – creates difficulties in formulating tariffs reflecting actual consumption; particularly in member states with multiple DSOs The customer has no power in negotiating network tariffs – it is important to minimise the extent of the areas in the electricity that the customer has no/limited choice compared to the competitive market.
			restricted to the basic requirements necessary to facilitate demand response
15	One respondent (ACIE) stated that the functions of smart meters should be flexible and subject to analysis.	Noted	The exact functionalities to be incorporated into smart meters is up to national markets, the CEER do not



No.	Respondents' Comments	CEER Position	CEER Explanation
			propose a one size fits all approach with regards to the device
16	One respondent (RU) requested that "metering values' should be replaced by 'accurate data as necessary for the specified use case'. Their rationale is that this formulation allows for strong privacy guards in implementation.	Agree	CEER recognises the need for the privacy of customers to be protected and this change will be reflected in final advice document
17	Two respondents (SWM, SVENR-E) disagreed with the need for a regulatory scheme on how to deal with payment/settlement for micro generation. They stated that regulatory schemes should only be used for DSO's or metering operators and not for suppliers.	Disagree	CEER believes that e), A regulatory scheme on how to deal with payment/settlement for micro generation, is important in order to facilitate micro generation as part of the development of demand response. For clarification regarding regulatory schemes for micro generation, CEER does not intend to go into propose a regulatory framework that goes into detail.
18	One respondent (THEUG-R) stated that when collecting and distributing information on customers' metering values data security and privacy must be taken into account.	Agree	CEER recognises that security and privacy should always be a priority with regards to customer data. Also CEER's view is that the customer is in control of the metering data and they decide who shall have access to this data.
19	One respondent (VENNL-L) stated that a regulatory scheme for nomination/allocation and reconciliation for customers should also be in place. This means that markets should be organised so that the pattern of metering data from smart meters is equal to that in the system used for settlement. Otherwise the supplier or ESCO cannot buy and trade energy for residential customers according to the same ToU patterns that are used for supplying it to those customers.	Noted	When there is a roll out of smart meters nomination/allocation and reconciliation processes have to be in place and so it is not specifically for DSM that they have to change, they already have to change for SMs
20	One respondent (VKU) stated that a joint interface has to be defined and established for any user, containing specified communication standards and access time.	Noted	CEER believes that e. A regulatory scheme on how to deal with payments/settlement for micro generators is important in order to facilitate micro generation as part of the development of demand response. CEER does not intend to go into propose a regulatory framework that goes into technical detail.



Consultation Question 9: Do you agree with ESCOs role regarding offers reflecting actual consumption patterns?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	Nine respondents (BNE, PC-62-CEDEC-4, EDF, EDF DEMASZ, ENBW, E.ON, GEODE, RU, SVENR-E, VKU) stated that data belongs to the customer and the provision of this information to ESCOs should be subject to the consumer's consent. One respondent stated that in case of the consumer's consent, it is important for ESCOs to face non-prohibitive conditions of access to metering data. Another respondent stated that the most appropriate method for giving consent was within the framework of a contract.	Partly Agree	Consumer is in control of the metering data and they decide who shall have access to this data. CEER agree that ESCOs access to information should be subject to consumer consent. With regards to the framework for consent CEER's view is that the appropriate framework will differ in national markets
2	Two respondents (BRGAS, EURELECTRIC) stated that suppliers are the stakeholder best placed to offer demand response services to customers. In their view where ESCOs do offer demand response services they should be subject to the same rules and regulations that apply to suppliers.	Noted	CEER's view is that the rules and regulations governing ESCOs are a matter for member states to decide.
3	Two respondents (ECHEL) stated that a grid solution should be deployed to enable DSOs to know the actual load conditions for each substation and neighbourhood transformer.	Noted	CEER stated in the consultation document that DSO requirements include; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response.
4	Two respondents (EDF, EDF EN) commented on the separation of the supplier and ESCO roles and stated that suppliers should also be able to pursue the activities set out under the ESCO role.	Noted	For the purposes of clarity CEER has chosen to separate each stakeholder role. CEER notes that it is important for NRAs to monitor to ensure a level playing field.
5	One respondent (EDISON) noted that suppliers and ESCOs need to coordinate the exchange of information and that when carrying out demand response services for customers ESCO's should avoid any actions that will impose additional burdens on suppliers.	Noted	CEER agrees where possible the services provided by ESCO's should not impose additional burdens on suppliers. The exact system for exchange of information between ESCO's and suppliers will depend on the market model.
6	One respondent (EDSO-SG) asked for "d) Localisation of Demand Response on the electricity grid" to be included in the decision paper.	Noted	CEER notes the respondents comments.
7	One respondent (ELEFF) stated that timely and easy access to information on relevant data needs to be through a flexible interface which will be capable of accommodating different data structures as they evolve over time.	Noted	CEERs view is that ESCOs should have timely and easy access to information on relevant data and therefore the systems in place to provide this information will need to continue to develop over time in line with market



No.	Respondents' Comments	CEER Position	CEER Explanation
			changes.
8	Three respondents (EMETER, REE, WIREL-6) said that in addition to the measures set out by CEER ESCOs should also offer other services to consumers. This could include assisting consumers in understanding and responding to their detailed energy information or providing information by appliance (cost and usage) and suggestions for appliance replacement with higher efficiency devices. ESCOs could also play the important role of aggregation in order to connect the consumers with the network operators and give the possibility to smaller consumers to provide system services. Finally it was proposed that ESCOs could offer access meter functionality such as lowering number of amperes during certain time periods or even switch power off and on.	Noted	CEER expects that ESCOs will be capable of providing a wide range of innovative services related to demand response, however we do not intend to specify the specific services which ESCOs will provide.
9	Two respondents (EVN, OESTW) stated that ESCOs will get their data from the customer and as a result the central data hub would therefore be redundant.	Noted	CEER recognises that the market model may differ in member states. However other stakeholders then ESCOs may need access to information and therefore the central hub may provide the means to access this information.
10	Two respondents (GEODE, OESTW) stated that this segment of the market is competitive and therefore there is no need for further regulation.	Noted	The regulatory framework will differ between member states.
11	Two respondents (LANDIS+GYR, SEDC) stated their view that ESCOs would benefit from real time access to "relevant metering data" to enable Demand Response programs.	Noted	CEERs view is that ESCOs should have timely and easy access to information on relevant data. The precise parameters around the frequency of data will differ with the market model adopted in member states.
12	One respondent (MVKE1-X) stated that detailed and appropriate regulation must be in place to regulate these activities	Noted	Appropriate regulation will be dealt with by member states.
13	One respondent (PANASONIC) wanted to extend point c. to include programs that could incentivize ESCOs and/or customers to encourage the deployment of home energy storage devices.	Noted	CEER see that such an idea may have merit, but does not see it as necessary for the take off of demand response.
14	One respondent (RU) stated that there should be transparency in how ESCOs formulate their prices.	Noted	CEER agree in principle with price transparency, but recognise that the regulatory framework will differ between member states.



No.	Respondents' Comments	CEER Position	CEER Explanation
15	One respondent (REE) stated that ESCOs could play an important role in offering aggregation services to customers and in providing system services.	Noted	CEER see that such an idea may have merit, but does not see it as necessary for the take off of DR
16	One respondent (UTILI-K) expressed the view that in order to maximise the potential for innovation the ESCO market must remain open and competitive with no single body being able to gain advantage by restricting or controlling access to necessary data.	Agree	CEER agree that this should be a competitive market area and all participants should have equal access to data (providing they have consent from the customer)



Consultation Question 10: Do you agree with the NRAs role regarding offers reflecting actual consumption patterns?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (BDEW) stated that there should be a clear separation between regulatory requirements and developing appropriate incentives for customers. The respondent stated that it is the role of the DSO, or ESCO to develop incentives for the customer. They further stated that these roles in relation to DR should be clearly defined and must not hinder competition.	Disagree	CEERs view is that it is the NRAs who defines the role of the various stakeholders with regards to DR and where appropriate develop the necessary incentives to stimulate DR. CEER does agree that these roles should not hinder competition
2	One respondent (BWAG) stated that they do not agree with the sentence "Including grid tariffsremove potential barriers" described in the document. They believe that the tariff should be load dependent and not energy dependent. In order to improve energy efficiency and to result in a smart consumer, it may be necessary to smooth the load profile. In case where price signals indicate that energy is cheaper, customers will probably increase their consumption and this will overload the lines (and therefore energy loss will sharply increase). Subsequently this will put up the energy transmission price, so this situation will not benefit the customer or the global energy efficiency.	Noted	CEER recognises that demand response has the potential to create constraints in the network.
3	One respondent (PC-62-CEDEC-4) stated that clear technical standards and processes have to be established by the regulatory authority. They also stated that regulation should not go beyond a framework guideline, in support of the development of a competitive market.	Agree	CEER agrees with the respondents comments.
4	One respondent (PC-62-CEDEC-4) stated that the NRA should undertake the role concerning data privacy, or alternatively this could be done by another national authority.	Noted	CEER will reflect this point in the text of the final document.
5	One respondent (EDF) stated that they understood from CEER's illustration on the issue of NRA's role that "flat" grid tariffs are seen as constraints for suppliers when trying to develop incentivising offers reflecting actual consumption patterns.	Noted	CEER has provided further details on the role of the DSO and grid tariffs in the final advice paper.
6	One respondent (EDF) stated that the NRAs' role should probably be addressed in a more general manner and cover all types of demand response initiatives. In that respect, general principles of economic efficiency should be provided as guidance by NRAs for robust and	Noted	CEER agrees that the general principles of economic efficiency should be used as a guide by NRAs, however the methodology used to make decisions around demand response will be a matter for member states.



No.	Respondents' Comments	CEER Position	CEER Explanation
	sustainable demand response designs, and no hidden subsidy should result from implementation.		
7	Two respondents (EDF EN, VENNL-L) stated that other public authorities or Ministries will have a vital role in ensuring the take off of demand response, for example through the standards set for new homes.	Noted	CEER acknowledge that there are other stakeholders who will have a role in demand response, however we are focussing on the main stakeholders.
8	One respondent (EDISON) stated that NRAs should pay particular attention in drawing a distinction between metering data necessary for DSOs to conduct their regular business and data needed to enable post metering services such as energy management services.	Agree	CEER agrees that where appropriate such a distinction is warranted.
9	One respondent (EDISON) stated that for the provision of energy management services suppliers/ESCOS should have a communication channel to the meter in order to provide load control services without being dependent on DSOs and metering operators.	Agree	CEER agrees that where feasible suppliers/ESCOs should have a way of communicating with the meter.
10	One respondent (EDISON) stated that NRAs should set out a specific regulatory framework enabling DSOs to procure energy management services provided by suppliers/ESCOs through market mechanisms.	Noted	CEER notes the respondent's comments, but is of the view that specific regulatory framework fall outside the scope of this document.
11	Two respondents (EMETER, SEDC) stated that with regards to the exchange of data between market participants and the smart meter, NRA's should also adopt appropriate standards developed by international Standards Development Organizations.	Agree	CEER agrees that best international practice should be adopted by NRAs when it comes to such matters.
12	One respondent (ENBW) stated that NRAs should also establish rules around the level of transparency needed from grid operators in order to allow market players to offer appropriate products/services to the customer.	Partly Agree	CEER agree in principle with market transparency, but recognise that the regulatory framework will differ between member states.
13	One respondent (E.ON) stated that the NRA role and competencies have already been set out in the Electricity and Gas Directives and therefore it is not necessary to review those competencies specifically for a Demand Response market.	Disagree	CEER does not see the proposed role as being in conflict with the 3 rd package, but is developing on it.
14	One respondent (EURELECTRIC) agreed that it is the NRA who defines stakeholder roles and responsibilities and stated that be clear that the major point of contact to customers should be the supplier and not the "suppliers, ESCO and Metering operator" as stated in the	Agree	CEER agrees that the supplier should be the main point of contact with the customers, depending on the applicable market model.



No.	Respondents' Comments	CEER Position	CEER Explanation
	consultation document.		
15	Four respondents (EURELECTRIC, GEODE, OESTW, SWM) stated that the NRAs also play a key role in developing the incentives for Smart Grids, including the design of cost recovery schemes for smart metering and called upon them to look at best practices emerging which would incentivise investment in smart grids. It was stated that clarity about cost recovery is essential. It is very likely that there will be no smart grids without a strong engagement of DSOs. Further to this, given the range of emerging challenges flexible grid tariffs using the opportunities and functionalities of smart metering systems are an essential tool for DSOs to cope with the future challenges and member states should have the freedom to choose an adequate flexible grid tariff structure in accordance with local needs.	Noted	In its decision document CEER has stated that one of the DSO requirements includes; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response. The mechanisms created to incentivise appropriate investment by the DSO in Smart Grid and other technologies is a decision for member states.
16	One respondent (MVKE1-X) stated that NRAs should be capable of effectively envisaging, controlling, monitoring and enforcing compliance of the stakeholders with the framework implemented.	Noted	CEER note the respondents comments, however the exact role and power of NRAs will depend on each member state.
17	Three respondents (SWM, VKU, WIREL-6) stated that NRAs should ensure that the technical requirements should be clear around the implementation of smart meters in order to avoid stranded investments and to ensure interoperability for the Demand Response solution.	Noted	CEER agree with the respondent that all measures should be undertaken to avoid stranded investments and ensure interoperability. However this paper does not set out to address the technical requirements.
18	One respondent (SVENR-E) disagreed with the statement "including grid tariffs that stimulate energy efficiency". In their view the cost of operating a grid is rather constant and therefore almost all DSO's in their country have fixed parameters in the grid tariffs.	Noted	CEER will reflect this point in the text of the final document.
19	One respondent (THEUG-R) disagreed that the NRAs role is to define stakeholder's roles and responsibilities. In their view the NRA role is to regulate the DSO and TSO.	Disagree	According to the 3 rd package there is an obligation to define the roles and responsibilities of stakeholders.
20	One respondent (VKU) stated that the NRA should support the development of a liberal and competitive market.	Agree	CEER agrees that NRAs should, through their role in demand response, support the development of a liberal and competitive market.



Consultation Question 11: Do you agree with customers role regarding interface with the home?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	Six respondents (ALLIANDER, ECHEL, EDF DEMASZ, MVKE1-X, REE, SVENR-E) stated that in addition to access to metering data the customer should be able to see corresponding prices and one respondent also suggested that customers should be able to see environmental factors.	Partly agree	While price signals may be appropriate in order for customers to react and adapt their consumption patterns the CEER disagrees with the respondents view as the requirements outlined are too detailed and this report does not deal with reporting on environmental aspects.
2	Five respondents (BEUC, GEODE, GOTEB-C, OESTW, SEDC) stated that it was not sufficient to provide and IHD, but customers must also be provided with sufficient information or means to enable them to interpret the data and adapt their behaviour towards greater energy efficiency,	Agree	CEER agrees that measures to ensure customers have sufficient information from are necessary. How this information is provided will be a decision for member states.
3	One respondent (BEUC) stated that there should be robust standards around the home interface used to communicate price signals to customers, to ensure that signals are communicated reliably.	Partly agree	CEER notes the respondent's comments and agrees that reliability is a key factor in the provision of information to customers on prices and consumption. However price signals do not have to be communicated via the interface with the home.
4	Two respondents (BEUC, EURELECTRIC) highlighted the need for the energy services market to be open and competitive and therefore there is a need for interoperability between smart meters, smart appliances and ESCO energy management information systems through the use of a common data dictionary. One of these respondents also stated that communications to and from the gateway should be in a standardised format to allow the market to drive offerings.	Noted	CEER agrees that this section of the market should be open to competition and that notes that standardised communications may assist market offers. However the parameters around interoperability and standardisation will be decided by member states.
5	One respondent (ECHEL) stated that there should be incentives to assist with local grid problems using aggregated usage information for the substation/low side neighbourhood transformer.	Noted	CEER stated in the consultation document that DSO requirements include; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response.
6	One respondent (EDF) stated that the concept of gateway needs to be clarified in order to completely answer this question. If the gateway is understood as a mean to retrieve and read consumption data (either a local, one-way access to the meter or a remote access to a web portal), then they would agree with Q11. However, in their view the nature and	Noted	CEER recognises that clarification is needed on the concept of gateway in the final document



No.	Respondents' Comments	CEER Position	CEER Explanation
	volume of the information available will be different whether the gateway is local or remote. If the gateway is understood as a local two- way access to a device located inside (or next to) the meter, then they believe that this kind of solution is too expensive and carries security risks.		
7	One respondent (EDF EN) stated that customers will be able to access their meter readings via the home energy hub in Britain. Many Suppliers or energy services companies or aggregators may also permit their customers to access this information via the web. We are interpreting "Gateway" as referring to a means to read and retrieve consumption data (either a local, one-way access to the meter, or a remote access to a web portal).	Noted	CEER recognises that clarification is needed on the concept of gateway in the final document
8	Two respondent (ELEXL, ACIE) agreed with the consultation paper as a minimum requirement but stated that this should not preclude individual Member States from developing more sophisticated solutions for customers or preclude suppliers creating different and innovative ways to provide the information.	Agree	CEER agrees that member states should be free to develop more sophisticated solutions if they view that as appropriate and for suppliers acting in a competitive market to offer innovative solutions.
9	One respondent (ELEFF) stated: "I take it we need to add the data flows on the gateway to enable tariff and trading activity?"	Noted	CEERs' view is that suppliers role and responsibility to cater for this.
10	One respondent (EDISON) stated that meters should be equipped with an open gateway and a standardized interface in order to ensure the availability of metering data through downstream devices accessible to suppliers/ESCOs, micro generators and final customers.	Noted	CEER stated in the consultation papers that the "gateway should have a standardised interface" and that the "customer and service provider/s (suppliers, energy service companies, etc.) chosen by the customer should have access to this gateway".
11	Two respondents (EMETER, WIREL-6) stated that the interface with the home was essential in order to allow customers manage their energy automatically. One respondent further stated it had been shown in pilot programs that automated response approximately doubles the amount of load reduction during demand response events.	Noted	CEER notes the respondents comments with regards to the potential benefits of automated response and recognises that customers may choose to implement/accept some automation as part of demand response schemes.
12	One respondent (ENBW) stated that it is the customer who decides which market player should have access to their data and this should be done on the basis of a contract.	Noted	CEER agrees that it is the customer who controls which market players have access to their data, however the method which that access is granted will depend on the model adopted in each member state.



No.	Respondents' Comments	CEER Position	CEER Explanation
13	Three respondents (ESMIG, PC-62-GENEL-U, ACIE) agreed that customers need access to the metering values, but stated that needs to be presented in a meaningful way, so that it actually can be easily understood in order to induce sustainable behavioural change.	Noted	CEER agrees that data should be presented in a clear and understandable manner. The appropriate approach may differ in member states.
14	One respondent (EURELECTRIC) stated that for reasons of economies of scale it should be the DSO that leads the roll-out of smart meters, but beyond the meter everything possible should be left to the market to drive innovation and efficiency.	Noted	The decision on the roll-out of smart meters and the precise roll of stakeholders in this process is to be made by member states.
15	One respondent (EVN) stated that the gateway does not need to be with the meter, in their view it could be a separate link/device.	Noted	CEER recognises that there are a number of options available and providing the solution meets the criteria set out in the decision document other solutions could be adopted by member states.
16	Four respondents (EVN, GEODE, GOTEB-C, OESTW) highlighted the importance of security when it comes to meter data.	Noted	CEER recognises that privacy and security matter should always be a primary consideration.
17	One respondent (LANDIS+GYR) expressed the view that metering values alone provide limited value to the customer and an interface with the home is essential to achieve the maximum benefits from any demand response measures.	Partly agree	CEER agrees that meter values alone may have limited effect, however the interface referred to in this concept is not an in home display. To clarify, CEER stated in the consultation paper that the interface with the home should allow the customer to react to price signals and adapt consumption.
18	One respondent (PANASONIC) felt that Figure 3 in the consultation document should be amended to link home energy equipment vendors to the customer. In their view	Partly Agree	CEER recognises the role that such a stakeholder may play in facilitating demand response; however we do not view them as essential for the take off of demand response.
19	One respondent (RU) raised the issue of multi-tenant dwellings and whether this will/should allow consumers access to each others data.	Noted	CEER recognise that there will have to be rules and regulations developed to take account of different situations. However this will depend on the norms and needs of customers in each member state and may differ between countries as a result.
20	One respondent (SWM) stated that a detailed consumer demand analysis was necessary to demonstrate it to the customer their behaviour and the potential for active control of consumption. The	Noted	CEER has set the minimum requirements for customers with regards to the interface with the home. It is expected that stakeholders may offer innovative solutions that will



No.	Respondents' Comments	CEER Position	CEER Explanation
	respondent suggested this could be in the form of a monthly graph, a separate display in the living area or as information at the website of the supplier.		bring added value and engage/inform customers.
21	One respondent (SVENR-E) stated that if the purpose of demand response is to help the TSO to balance the system in critical situations, the question arises as to whether relying on voluntary activity from the customer is sufficient or whether there should be some form of remote control.	Noted	This document is in customer focused, not system focused. Therefore we do not consider the TSO role although CEER recognise this needs to be addressed in other documentation
22	One respondent (THEUG-R) stated that it was important to enable the customer to see not only the metering values, but also the consumption of individual appliances or devices, which would better inform customer and enable them to adjust their consumption.	Noted	CEER has set the minimum requirements for customers with regards to the interface with the home. It is expected that stakeholders may offer innovative solutions that will bring added value and engage/inform customers.
23	One respondent (UTILI-K) stated that customers should not have to seek permission from the DSO or supplier in order to access their information, provided they meet gateway security requirements.	Agree	CEER agrees that customers are in control of their metering data and should not require permission from other stakeholders.
24	One respondent (WIREL-6) stated that customers will need to map the consumption to cost and thus alterations in tariffs must be updated in the system the customer use no longer than 5 seconds after the tariff is altered. In their view the customer or ESCOs might opt to use a gateway of their own and to be able to design an entire home automation system an interface to retrieve values from the meter to an own gateway will be necessary.	Noted	This document does not intend to set out the particular specification with regards to the timings on information feedback. CEER does recognise that stakeholders may offer innovative solutions that will bring added value and engage/inform customers.



Consultation Question 12: Do you agree with micro generators role regarding Interface with the home?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	In addition to a means to access metering values from the gateway, six respondents (ALLIANDER, ECHEL, EDF DEMASZ, MVKE1-X, REE, WIREL-6) stated that micro generators also needed access to pricing data. One respondent stated that the information on price that micro generators receive should be updated no later than five seconds after the tariff is altered	Noted	CEER recognises that price signals would provide benefits in terms of providing appropriate signals in order for micro generators to adjust their consumption/injection patterns accordingly. With regard to the timings suggested the CEER does not intend to address this level of detail as part of the scope of this report.
2	One respondent (ALLIANDER) stated that DSOs will play a role in providing information to micro generators and could potentially provide specific energy services.	Disagree	CEER recognises that different models will apply in member states and in some countries the DSO may provide information to micro generators. However DSO's should not be in a privileged position compared to other service providers and the DSO should not play a role in offering energy services.
3	Three respondents (BEUC, BNE, PC-62-CEDEC-4) stated that injections and adjustments to injections should be controlled by the micro generator. One stated that this may be automated.	Noted	CEER agrees that it should be the micro generator who makes the decision on when to inject energy. CEER also recognise that this may be done through some form of automation, but this is a decision for the customer.
4	One respondent (ECHEL) stated that there may be benefits to micro generators through incentives to assist with local grid problems using aggregated usage information for the substation/low side neighbourhood transformer.	Noted	CEER recognises that there such incentives may benefit micro generators and grid management, however this document is focused on the customer perspective, not the network system perspective of demand response/ demand side management.
5	One respondent (EDF EN) stated that customers will be able to access their meter readings via the home energy hub in Britain. Many Suppliers or energy services companies or aggregators may also permit their customers to access this information via the web. We are interpreting "Gateway" as referring to a means to read and retrieve consumption data (either a local, one-way access to the meter, or a remote access to a web portal).	Noted	CEER recognises that clarification is needed on the concept of gateway in the final document



No.	Respondents' Comments	CEER Position	CEER Explanation
6	One respondent (ESMIG) stated that in order to make metering values useful to the micro generator it should be aggregated and presented in a meaningful way, so that it can be easily understood in order to induce sustainable behavioural change.	Noted	CEER recognises the importance of providing information in a clear manner and this will be reflected in the text of the final document.
7	One respondent agreed with the CEER position, but stated that the gateway does not need to be with the meter, instead it could be a separate link or device.	Noted	CEER recognises that different models may be implemented in member states and the essential element from a micro generator perspective is that there is access to the metering values.
8	Two respondents (GEODEE, OESTW) stated that micro-generator should not be included as a stakeholder.	Not applicable	CEER disagrees with this statement as in accordance with the 3 rd package CEER promotes the development of Smart Grids, with one of the goals being an increase in the use of renewable energy sources and distributed generation.
9	One respondent (MVKE1-X) stated that micro generators also need information on their actual injection level in order to optimize future injection.	Noted	CEER recognises that information on levels of injection and consumption would help micro generators to better plan and manage their energy usage and production.
10	One respondent (RU) raised the issue of multi-tenant dwellings and whether this will/should allow consumers access to each other's data.	Noted	CEER recognise that there will have to be rules and regulations developed to take account of different situations. However this will depend on the norms and needs of customers in each member state and may differ between countries as a result.
11	Two respondents (SWM, WIREL-6) set out detailed information about the flow of information regarding price signals to and from the micro- generator.	Noted	These responses are noted, however the CEER does not intend to address this level of detail as part of the scope of this report.
12	One respondent (SWM) stated that with regards to the exchange of information to the gateway it is essential that the protection profiles are secured and guaranteed.	Noted	CEER recognises the importance of data security and protection and will reflect this in the text of the final document.
13	One respondent (SVENR-E) stated that there are a number of issues regarding micro generation including its intermittency, it is not storable or reasonable to adjust/regulate therefore they called for further discussion on micro generators willingness to adjust injection patterns.	Noted	CEER recognise that there are a number of issues around micro generation, however the 3 rd package CEER promotes the development of Smart Grids, with one of the goals being an increase in the use of renewable energy sources and distributed generation, therefore it is



No.	Respondents' Comments	CEER Position	CEER Explanation
			imperative that solutions are developed to overcome these.
14	One respondent (PC-62-CEDEC-4, VKU) stated that higher efficiency cogenerated energy from existing utilities should take precedence over energy injected by micro generation.	Partly Agree	CEER agrees that network management should be carried out in the most efficient way possible.
15	One respondent (WIREL-6) stated that a vital point to reduce complexity in the DSO net will be for the Micro Generator to be able to store energy and have possibility to use this at a later time when buying prices are high.	Noted	CEER recognises that there such solutions may have merit, however this document is focused on the customer perspective, not the network system perspective of demand response/ demand side management.



Consultation Question 13: Do you agree with metering operators role regarding interface with the home?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (ALLIANDER) pointed out that there should be sufficient bandwidth to enable all data exchange necessary.	Agree	CEER agree that where applicable the technical infrastructure, including internet bandwidth must be sufficient to support the transfer of all data.
2	One respondent (ALLIANDER) stated that DSOs will play a role in providing information to customers and could potentially provide specific energy services.	Noted	CEER recognises that different models will apply in member states and in some countries the DSO may provide information to customers. However DSO's should not be in a privileged position compared to other service providers and the DSO should not play a role in offering energy services.
3	One respondent (BWAG, BNE) stated that it should always be clear to customer who has access to their data and for what purpose.	Agree	CEER agrees that the customer should remain in control of who has access to their data and it should be clear to the customer what the data will be used for.
4	One respondent (BWAG) stated that the customer should give approval in advance so that the metering operator can access customer data.	Noted	Provided the customers gives consent then the CEER view is that advance approval could be granted.
5	One respondent (BRGAS) agreed that there should be open interfaces which enable interoperability and two-way communications, but that the suppliers should be in control.	Disagree	The customer should remain in control of who has access to their data and it should be clear to the customer what the data will be used for.
6	Six respondents (PC-62-CEDEC-4, EDF DEMASZ, E.ON, LANDIS+GYR, SWM, VKU) agree with the CEER position, but sought clarity around what stakeholders could have access as this may have implications around data security and should be tightly regulated.	Agree	When referring to stakeholders CEER means the seven stakeholders, set out in section one of the consultation document. However this should not prejudice against other legitimate stakeholders that may emerge or are specific to member state markets. CEER agree that data security is of the utmost importance and therefore any stakeholder accessing customer data must abide by all data security measures and protocols applicable in the member state. The customer remains in control of their data and therefore they should decide who or what stakeholder should have access.



No.	Respondents' Comments	CEER Position	CEER Explanation
7	Four respondents (ECHEL, ESMIG, EURELECTRIC, PC-62-GENEL-U) stated that the interface should have open standards that will allow the communications technology to be replaced over time in order to capture future developments in Home Area Networks (HAN).	Noted	CEER note the respondents comments, however we do not intend to go into technical functionalities in this document.
8	Two respondents (EDF, EDISON) expressed the view that the technical solution should be a meter to be decided on a national basis by the relevant authority in each country and should incorporate the technical solutions already well advanced in several countries.	Agree	CEER does not intend to go into technical functionalities in this document, but agrees that it should be a matter for member states and should incorporate initiatives and technologies already in place in each country.
9	Three respondents (EDF, ERDF, EURELECTRIC) stated that two-way communication does not seem necessary in all cases. One respondent suggested that the level of sophisticated control that might be desired could be available already through and internet connection.	Agree	CEER recognise that this may not always be essential and will reflect this in the text of the final document
10	Two respondent (EDF EN, VERBUND) stated that in their country there will be a common standard/definition for within-home communications with the home energy hub. However, the concept of an open gateway allowing non-discriminatory direct external access to the home and small and medium sized businesses by a range of service providers may not be necessary. Meter operators may elect to set up their own communications infrastructure based on a range of standards, some of which may be proprietary. The choice will depend on their perception of economics and robustness. Service providers such as aggregators, ESCOs or suppliers may elect to use their own wireless communications protocol for remote control	Noted	CEER recognises that different market models will be applicable in member states. However, authorised stakeholders should be able to connect and access customer data through an open gateway (non proprietary).
11	One respondent (ENBW) stated that only those customers who opt to have a meter equipped to an open gateway should have a bi-directional meter installed and they noted that not all customers might want such and IHD.	Noted	Without prejudicing the requirements/parameters of any SM roll-out adopted by member states, the CEER agrees that customers should have a choice of what technologies are installed in their home.
12	One respondent (E.ON) stated that it is essential for the DSO to receive the relevant data free of charge to allow for the proper operation and planning of the grid.	Noted	CEER stated in the consultation document that DSO requirements include; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response.
13	One respondent (ESMIG) stated that with regards to the interoperability	Noted	



No.	Respondents' Comments	CEER Position	CEER Explanation
	of bi-directional communication standards should be put in place at a European level in order to support interoperability.		
14	One respondent (EURELECTRIC) stated that Figure 1 in the consultation document was misleading as the communication between meters and home appliances is actually mediated by the home automation devices provided by suppliers/ESCOs/third parties.	Noted	CEER recognises that there may be alternatives to the representation shown in Figure 1.
15	One respondent (EURELECTRIC) stated that the smart meter should only measure a customer's consumption over a period and communicate this data immediately to the customers' home energy management system, which would use this data to control local devices.	Noted	CEER recognises that different technical specification will be applied for the roll out of smart meters in member states. CEER does not intend to go into technical functionalities in this document.
16	Three respondents (EVN, OESTW, RU, SWM) stated that data security and privacy should be seen as a priority up front.	Agree	CEER agrees that data security is of the utmost importance and a prerequisite for any demand response measures.
17	Three respondents (GEODE, GOTEB-C, SVENR-E) suggested that there needs to be a defined international standard for the communication interface.	Noted	CEER recognises that there may be merit in this proposal, but this is not within the scope of this document.
18	One respondent (LANDIS+GYR) expressed the view that fair third party access is essential pre-condition for demand response.	Agree	CEER agrees that fair third party access is essential and will reflect this in the text of the final document.
19	One respondent (MVKE1-X) expressed the view that a clear definition of access rights is important to ensure the protection of confidential data.	Agree	CEER recognises that clarification is needed in the final document
20	One respondent (OESTW) sought clarification on who would actually operate the gateway.	Noted	There may be different market models used in member states. While in some markets the DSO might operate the gateway, in others it may be the metering operator or some other stakeholder. Therefore CEER does not see any need to specify this in the final document.
21	One respondent (REE) stated that the metering operator should maintain a profile system so that the settlement/payment scheme could continue working for those consumers with no smart meters yet.	Noted	This may be necessary and will depend on the extent and speed of any roll-out of smart meters in member states.





Consultation Question 14: Do you agree with the DSOs role regarding Interface with the home?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (ALLIANDER stated that the DSO has a large role in DSM and by giving the DSO no role it will block developments on price incentives to align demand and network capacity and possible future developments. In addition they stated that the DSO has to see there is a balance between production, consumption and network capacity and therefore has to know the meter readings. A second respondent (UTILI-K) stated that consideration needs to be given regarding pricing for system constraints and how both customer notification and commercial arrangements will be handled.	Disagree	It is important to note that pricing, for example time-of- use pricing, is a part of the decisions made in the competitive market and should reflect the access to - and need for - energy at any given time. For the suppliers to be able to give customers offers that reflect actual consumption patterns, DSOs/metering-operators have to enable smart metering systems capable of recording consumption on a configurable time basis. If the DSO was in charge of incentivising demand response this would have to be through differentiation of network tariffs. This would lead to a number of consequences, including; Customer confusion Difficulties in setting network tariffs – increased complexity for NRAs and reduced transparency Increased complexity in network tariffs for suppliers and ESCOs – creates difficulties in formulating tariffs reflecting actual consumption The customer has no power in negotiating network tariffs – it is important to minimise the extent of the areas in the electricity that the customer has no/limited choice compared to the competitive market. CEER finds that for the reasons stated above the DSOs role with regards to demand response should be restricted to the basic requirements necessary to facilitate demand response.
2	Two respondents (BRGAS, EDISON) stated that the DSOs should be able to access load management products provided by suppliers/ESCOs for balancing purposes via market mechanisms.	Agree	CEER recognises that such market mechanisms may be developed in a competitive market. CEER would also like to highlight that this document is focused on the


		OLENTOSILION	CEER Explanation
			customer perspective, not the network system perspective of demand response/ demand side management.
3 One respo customer w	ondent (BWAG) stated that it should always be clear to who has access to their data and for what purpose.	Agree	CEER agrees that the customer should remain in control of who has access to their data and it should be clear to the customer what the data will be used for.
Two respo guarantee 4 managing a	ondents (PC-62-CEDEC-4, VKU) stated that in order to a demand response market, the DSO needs to be the party all consumption and injection into a local grid area.	Disagree	It is important to note that pricing, for example time-of- use pricing, is a part of the decisions made in the competitive market and should reflect the access to - and need for - energy at any given time. For the suppliers to be able to give customers offers that reflect actual consumption patterns, DSOs/metering-operators have to enable smart metering systems capable of recording consumption on a configurable time basis. If the DSO was in charge of incentivising demand response this would have to be through differentiation of network tariffs. This would lead to a number of consequences, including; Customer confusion Difficulties in setting network tariffs – increased complexity for NRAs and reduced transparency Increased complexity in network tariffs for suppliers and ESCOs – creates difficulties in formulating tariffs reflecting actual consumption The customer has no power in negotiating network tariffs – it is important to minimise the extent of the areas in the electricity that the customer has no/limited choice compared to the competitive market. CEER finds that for the reasons stated above the DSOs role with regards to demand response should be



No.	Respondents' Comments	CEER Position	CEER Explanation
			facilitate demand response
5	One respondent (EDF) stated that the impact demand response has on network issues should be considered.	Partly Agree	In its decision document CEER has states that one of the DSO requirements includes; b) a distribution network system capable of dealing with fluctuation in usage.
6	One respondent (EDF) stated that DSOs should be able to interact directly with suppliers or ESCOs, and indirectly with customers.	Noted	
7	One respondent (EDF DEMASZ) stated that the operation of home devices requires additional resources which are not available at DSO's at the moment.	Noted	With regards to the IHD CEER does not see a role for the DSO.
8	One respondent (EDF EN) agreed that the DSO would not have direct contact with the customer, but stated that the DSO needs to be able to access or influence demand-side response. The respondent stated that without this there is a risk that local network are at risk of being exceeded.	Noted	In its decision document CEER has states that one of the DSO requirements includes; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response.
9	One respondent (EDISON) stated that where the DSO was acting as the metering operators they should guarantee the availability of consumption data to suppliers/ESCOs and final customers.	Agree	As stated in the consultation document there is a need for open standards for interfaces which enable interoperability two-way communications, so that any stakeholder wanting to connect to a device should not be hindered. Therefore, with the proper consent, suppliers/ESCOs and final customers should all have access to the necessary data.
10	One respondent (ELEFF) stated that the DSO should have adequate metering information from other interface routes.	Noted	
11	One respondent (E.ON) stated that their preference was for a model where the DSO is responsible for metering and there is no separate metering operator.	Noted	This document does not discuss roles and responsibilities in the market or market design.
12	Two respondents (ERDF, LANDIS+GYR)stated that the DSO should have means to influence customer's behaviour for the sake of the network and system reliability. In their view the DSO should be able to inform micro generators and ESCOs whether or not all capacity is available. DSO should have means of load control.	Disagree	It is important to note that pricing, for example time-of- use pricing, is a part of the decisions made in the competitive market and should reflect the access to - and need for - energy at any given time. For the suppliers to be able to give customers offers that reflect actual



No.	Respondents' Comments	CEER Position	CEER Explanation
			consumption patterns, DSOs/metering-operators have to enable smart metering systems capable of recording consumption on a configurable time basis.
			If the DSO was in charge of incentivising demand response this would have to be through differentiation of network tariffs. This would lead to a number of consequences, including;
			Customer confusion
			 Difficulties in setting network tariffs – increased complexity for NRAs and reduced transparency
			 Increased complexity in network tariffs for suppliers and ESCOs – creates difficulties in formulating tariffs reflecting actual consumption
			• The customer has no power in negotiating network tariffs – it is important to minimise the extent of the areas in the electricity that the customer has no/limited choice compared to the competitive market.
			CEER finds that for the reasons stated above the DSOs role with regards to demand response should be restricted to the basic requirements necessary to facilitate demand response
13	One respondent (PC-62-GENEL-U) stated that the DSO should have access to sufficient information to allow for network planning, power quality management and demand management.	Agree	In its decision document CEER has states that one of the DSO requirements includes; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response. Therefore the DSO should have access to sufficient information to plan for the required network developments.
14	Three respondents (GEODE, GOTEB-C, SVENR-E) stated that power meters should have a standardized interface that allows the customer to access real time values in an easy way. In their view the adoption of a standardized open interface for home meter reading will encourage the	Noted	CEERs view is that hourly metering is set out as a minimum and this does not prevent more frequent metering, including real time metering. For more information on the CEER position see the GGP on SM



No.	Respondents' Comments	CEER Position	CEER Explanation
	expansion of services from ESCO:s, suppliers etc.		Ref. E10-RMF-29-05.
15	Three respondents (ACIE, SWM, VKU) stated that the DSO should be responsible for connecting the meter to the open gateway.	Disagree	Metering operator is responsible, CEER recognise that in most country this role is performed by the DSO.
16	Two respondents (RU, SWM) stated that the stated that data security and privacy should be seen as a priority up front.	Agree	CEER agrees that data security is of the utmost importance and a prerequisite for any demand response measures.
17	One respondent (RU) stated that the stated that two way communication may not be necessary in all cases.	Noted	CEER recognise that this may not always be essential and will reflect this in the text of the final document.



Consultation Question 15: Do you agree with suppliers role regarding interface with the home?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (BRGAS) stated that the supplier should be in control of open interfaces which enable interoperability and two-way communications.	Disagree	As stated in the consultation paper the CEER view is that the customer and service provider/s (suppliers, energy service companies, etc.) chosen by the customer should have access to this gateway. Therefore the supplier should not have control over the open interface.
2	Two respondents (PC-62-CEDEC-4, VKU) stated that in order to realise any degree of interoperability then technical standards and processes have to be defined which will enable suppliers to fulfil their requirements.	Noted	CEER recognise that technical standards may be beneficial , however this paper does not set out to address the technical requirements
3	One respondent (ECHEL) stated that supplier should have the flexibility to utilize various HAN technologies based on open standards. They should not be locked into only one solution.	Agree	CEER agrees that in a competitive market supplier should be able to use the open standards to provide innovative solutions to customers.
4	Two respondents (EDF, EDF EN) stated that their understanding of interoperability was standardisation between the meter/home energy hub and appliances. It was further stated that standards were vital for the realisation of demand response.	Agree	CEER recognises that clarification on the terminology used is needed in the final document.
5	One respondent (EDISON) stated that the interface with the home should be the responsibility of the suppliers or ESCO	Noted	CEER recognises that it will generally be the supplier or ESCO that offers services through the interface with the home and provides price signals through the interface.
6	Two respondents (EMETER, SEDC) stated that the interface with the home is essential in order to maximize the ability of consumers to manage their energy automatically when receiving price signals from suppliers.	Noted	CEER notes the respondents' comments with regards to the potential benefits of automated response to price signals and recognises that customers may choose to implement/accept some automation as part of demand response schemes.
7	One respondent (ENBW) stated that suppliers also need access to grid data of the various local grid areas.	Disagree	CEER see no rationale for suppliers to have access to information on local grid. In addition this document is focused on the customer perspective, not the system perspective.
8	Two respondents (E.ON, EURELECTRIC) stated that in order for suppliers to develop appropriate demand-side response offers for their	Noted	CEER has stated in the document that in order for suppliers to fulfil their role they must have a. Timely and



No.	Respondents' Comments	CEER Position	CEER Explanation
	customers they need to have access to consumption data at a sufficient level of granularity in order to evaluate consumer's reaction to demand response schemes. In addition access to information must be non- discriminatory between suppliers.		easy access to information on customers metering values regarding consumption and injection. This should be provided in a non-discriminatory manner.
9	One respondent (E.ON) expressed the view that requirements on suppliers to analyse large volume of data quickly impact on supplier's ability to properly conduct its business activities and will inevitably incur additional costs, which will ultimately be passed on to customers. Therefore the decision to develop such capabilities should be a commercial decision made by suppliers themselves.	Noted	CEER recognises that there will be costs associated with demand response; however we also recognise that there will be benefits. CEERs view is that in order to facilitate the take off of demand response and fulfil their role suppliers should have the d. Capacity to analyse large volumes of data quickly.
10	One respondent (E.ON) commented on the separation of the supplier and ESCO roles and stated that suppliers should also be able to pursue the activities set out under the ESCO role.	Partly agree	CEER recognises that in some markets suppliers may also have the opportunity to undertake ESCO activities.
11	Two respondents (ESMIG, LANDIS+GYR) stated that suppliers should be able to develop innovative products based on consumption patterns instead of pricing formulas.	Agree	CEER agrees that in a competitive market suppliers should be able to develop innovative tariff offerings that encourage the take-up of demand response and these may include offers based on consumption patterns.
12	One respondent (EURELECTRIC) sought a change in the text of the document replacing the wording 'after customer consent' with 'given customer consent' to highlight that customers are likely to consent una tantum when signing the supply contract.	Agree	The text in the final advice document will be amended.
13	Three respondents (GEODE, GOTEB-C, SVENR-E) expressed the view that suppliers most important role is to provide price signals to the customer. The respondents do not see the necessity for easy access to metering values as with an open standardized interface, it will be possible for stakeholders other than the supplier to develop appropriate applications	Disagree	While not all suppliers may require access to metering values the CEER view is that easy access to metering values is essential component of promoting demand response and enabling energy management solutions
14	One respondent (MVKE1-X) stated that a clear definition of access rights is important to ensure the protection of confidential data.	Agree	CEER agree that such a definition may be of benefit with regards to ensuring the protection of confidential data.
15	One respondent (REE) stated that the supplier should also be in charge of developing an internet platform or a remote access (phone, mail) to the information given to the consumer.	Noted	CEER note the respondents comments, however we do not intend to go into technical functionalities in this



No.	Respondents' Comments	CEER Position	CEER Explanation
			document.
16	One respondent (SWM) stated that there should be guarantees in place to prevent pricing signals/models from leading to an overload of the grid. In their view the grid operator should be enabled to act as neutral and non-discriminatory ombudsman to secure the security of the grid system.	Noted	In its decision document CEER has states that one of the DSO requirements includes; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response.
17	One respondent (SWM) stated that the grid operator should have a veto power in order to protect system security. Further to this the grid operator should work with suppliers to create an economic pricing model for all stakeholders.	Disagree	It is important to note that pricing, for example time-of- use pricing, is a part of the decisions made in the competitive market and should reflect the access to - and need for - energy at any given time. For the suppliers to be able to give customers offers that reflect actual consumption patterns, DSOs/metering-operators have to enable smart metering systems capable of recording consumption on a configurable time basis. If the DSO was in charge of incentivising demand response this would have to be through differentiation of network tariffs. This would lead to a number of consequences, including; Customer confusion Difficulties in setting network tariffs – increased complexity for NRAs and reduced transparency Increased complexity in network tariffs for suppliers and ESCOs – creates difficulties in formulating tariffs reflecting actual consumption The customer has no power in negotiating network tariffs – it is important to minimise the extent of the areas in the electricity that the customer has no/limited choice compared to the competitive market. CEER finds that for the reasons stated above the DSOs role with regards to demand response should be
			role with regards to demand response should be restricted to the basic requirements necessary to



No.	Respondents' Comments	CEER Position	CEER Explanation
			facilitate demand response
18	One respondent (UTILI-K) stated that supplier information by right should align with that required to fulfil regulatory requirements (billing, settlement, etc.).	Agree	CEER agrees that suppliers should have access to all the data required to comply with their regulatory obligations.
19	One respondent (VENNL-L) noted that in a liberalised market it is the responsibility of the various suppliers to determine to what extent they will develop such interfaces.	Noted	Clarification re. interfaces?



Consultation Question 16: Do you agree with ESCOs role regarding interface with the home?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (ALLIANDER) pointed out that there should be sufficient bandwidth to enable all data exchange necessary.	Agree	CEER agree that where applicable the technical infrastructure, including internet bandwidth must be sufficient to support the transfer of all data.
2	Two respondents (BNE, ENBW) stated that the consumer must choose to participate and give consent.	Agree	CEER agree that the consumer must choose to actively participate in any schemes and where relevant provide the necessary consent.
3	Two respondents (PC-62-CEDEC-4, VKU) stated that technical standards and processes have to be defined which will enable ESCOs to fulfil their requirements.	Noted	CEER recognise that technical standards may be beneficial , however this paper does not set out to address the technical requirements
4	One respondent (ECHEL) stated that ESCOs should have the flexibility to utilize various HAN technologies based on open standards. They should not be locked into only one solution.	Agree	CEER agrees that in a competitive market ESCOs should be able to use the open standards to provide innovative solutions to customers.
5	One respondent (EDISON) stated that the interface with the home should be the responsibility of the suppliers or ESCO	Noted	CEER recognises that it will generally be the supplier or ESCO that offers services through the interface with the home and provides price signals through the interface.
6	One respondent (ELEFF) stated that other potential aggregator trading function interfaces (VPP, micro grid etc) should not be overlooked.	Noted	CEER recognises the role other such interfaces will play in demand response, but this document is focused on the customer perspective and as such they are not viewed as key within the scope of this document.
7	Three respondents (EMETER, SEDC, LANDIS+GYR) stated that the interface with the home is essential in order to maximize the ability of consumers to manage their energy automatically when participating in ESCO demand response programs.	Noted	CEER notes the respondent's comments with regards to the potential benefits of automated response and recognises that customers may choose to implement/accept some automation as part of ESCO demand response programs.
8	One respondent (ENBW) stated that ESCOs also need access to grid data of the various local grid areas.	Disagree	CEER see no rationale for ESCOs to have access to information on local grid. In addition this document is focused on the customer perspective, not the system perspective.



No.	Respondents' Comments	CEER Position	CEER Explanation
9	One respondent (EVN), while agreeing with the CEER position stated that the interface does not need to be with the meter, but could be a separate link or device.	Noted	CEER recognises that other technical solutions may be employed by ESCOs however they should have access to metering values, given customer consent.
10	Two respondents (GOTEB-C) stated that in order to enable ESCOs to develop services for customers there must be a standardized interface where customer can access their real time values in an easy way.	Agree	This has been stated under the customer and meter operating roles.
11	One respondent (LANDIS+GYR) sought clarity on what was meant by interoperability	Noted	In this case interoperability means that home devices and appliances as well as ESCOs equipment/solutions should all be interoperable with the interface.
12	One respondent (MVKE1-X) agree with the CEER position, but stated that appropriate regulation must be in place to regulate these activities.	Agree	CEER agrees that the appropriate regulation to manage ESCO activities must be put in place and this is a matter for member states.
13	One respondent (REE) stated that ESCOs could also be in charge of developing innovative pricing formulas or at least transferring this issue from the supplier to the consumer.	Noted	CEER agree that ESCOs could offer innovative solutions that help deliver and develop demand response, however the CEER view is that it is the suppliers role to develop innovating pricing formulas.
14	One respondent (THEUG-R) stated that the ESCO role does not exist in their national market.	Noted	CEER recognises that different market models may apply in member states.
15	One respondent (SVENR-E) stated that meters should have a standardized interface that provides customers with real time values In their view a standardized open interface for home meter reading will contribute to the expansion of services from ESCOs.	Noted	CEERs view is that hourly metering is set out as a minimum and this does not prevent more frequent metering or the provision of real time values. For more information on the CEER position see the GGP on SM Ref. E10-RMF-29-05.
16	One respondent (SWM) stated - Yes, but: The described duties are conceivable. But hereby it should be regarded that the micro-generator is operating its commands/information/pricing signals only in his own consumer area, e.g. smart home area. Furthermore he has to transmit all relevant data (grid data, load change, forecast schedule) with feedback effect to the grid (system security) and needed information regarding billing issues to the grid operator. The grid operator is then able to secure the further information flow according to the role and duty that he is fulfilling already today.	Noted	Not Applicable.





Consultation Question 17: Do you agree with NRAs role regarding interface with the home?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (ALLIANDER) stated that in addition to data protection robustness of data communication is also important.	Agree	CEER agree and stated in the consultation paper that the NRA needs clearly defined data protection rules applicable for electricity data communication.
2	Three respondents (BDEW, EDF EN, EURELECTRIC, VENNL-L) stated with regards to data protection the issue of customer's rights regarding their data and disclosure thereof emerges. In addition customers should be notified how their data is used and by whom. Customers should have the prerogative in regard to these matters.	Agree	CEER agrees that it is the customer who controls their data and it is the customer who grants market players access to that data.
3	One respondent (BWAG) stated that it was important to highlight that the NRA itself by definition is responsible for data protection rules so this need is already implied.	Noted	Data protection rules and the body responsible for their creation and implementation may vary in member states. CEER recognises that NRA's may be responsible in some countries, there may be bodies in other member states responsible for ensuring compliance with data protection legislation.
4	One respondent (BNE) stated that in their country privacy and security are dealt with not by the NRA but by other bodies responsible for these issues. In their view the NRA needs to monitor the markets and prevent any discrimination and market distortion from happening.	Noted	Data protection rules and the body responsible for their creation and implementation may vary in member states. CEER recognises that NRA's may be responsible in some countries, there may be bodies in other member states responsible for ensuring compliance with data protection legislation.
5	One respondent (BRGAS) stated that while clearly defined data protection rules are needed, these should not hinder the development of innovative products and technologies.	Noted	CEER recognises the importance of supporting the development of innovative products and technologies, the implementation of a robust data protection framework as being of primary importance.
6	Two respondents (PC-62-CEDEC-4, VKU) stated that while the NRA should define clear standards and processes through a framework guideline, in support of the development of a competitive market, regulation should go no further than this.	Noted	CEER agrees that NRAs should support a competitive market, but recognises that different models for regulation may exist in member states.
7	One respondent (EDF) stated that the existing regulation for data privacy and protection of commercial information may be sufficient.	Noted	In some member states there may be sufficient regulation in place, however other countries may require



No.	Respondents' Comments	CEER Position	CEER Explanation
			further measures to ensure adequate protection.
8	One respondent (ENBW) stated that the NRA monitors the electricity market with special regard to the grid operator and ensures that the grid operator cannot discriminate in the market	Noted	CEER stated in the consultation paper that the DSO should not have a privileged position compared to other service providers. Therefore the
9	Two respondents (ENBW, OESTW) stated that privacy and security issues are important for effective and secure demand response which will require the exchange of large volumes of data and should be guaranteed through separate laws and regulations.	Noted	Data protection laws and regulations may vary in member states. CEER agrees that sufficient laws and regulations should be implemented in member states, but recognises that the exact approach may vary by country.
10	One respondent (E.ON) stated that the NRA role and competencies have already been set out in the Electricity and Gas Directives and therefore it is not necessary to review those competencies specifically for a Demand Response market.	Noted	CEER does not see the proposed role as being in conflict with the 3 rd package, but is developing on it.
11	One respondent (EURELECTRIC) stated that in order to ensure customers have confidence in electricity markets there must be sufficient safeguarding of privacy and data confidentiality.	Agree	CEER agree that there must be clearly defined data protection rules applicable.
12	Three respondents (GEODE, GOTEB-C, SVENR-E) stated that while there need to be clear rules put in place by the NRA to protect metering values, there is no need for regulation of internal real time metering data to which ESCO's or suppliers could have access to from the customers (via the customers own communication system, GSM, fiber, etc.). Data security and privacy can also be a competitive value between ESCOs and suppliers.	Disagree	CEER disagrees with the respondents comments as all metering data must be subject to the appropriate data protection measures. However ESCO's or suppliers may have access to internal metering data with customer consent. CEER does not agree that data security and privacy could be a competitive value. This should be a prerogative of any ESCO or supplier activities.
13	Three respondents (LANDIS+GYR, MVKE1-X, SEDC) stated that a clear definition of fair third party access were of the utmost importance in ensuring competition for energy management services.	Noted	There should be appropriate third part access, subject to consent from the customer who controls their data and it is the customer who grants market players access to that data. However, definitions with regards to third party access may vary in member states
14	One respondent (RU) questioned whether data protection only applies on protecting already gathered data, or also data minimization policies.	Noted	CEER view that data protection should also apply to data minimisation.



No.	Respondents' Comments	CEER Position	CEER Explanation
15	One respondent (SWM) stated that with regard to the implementation of Smart Metering the question of the legally allowed data recording in the meter and the transmission of the metering data is still open and has to be cleared generally binding.	Noted	CEER does not intend to address this level of detail as part of the scope of this report
16	One respondent (WIREL-6) stated that the NRA should set Gateway communication standards	Noted	CEER recognises that there may be a need to set communication standards, however such a decision is to be made at a national level and is not within the scope of this document.



Consultation Question 18: Is there a need for a national point of contact, to which the metering operator transmits relevant metering values, and to which the relevant stakeholder can then turn to in order to get metering data, after customer consent?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (ALLIANDER) stated that they did not see the need for a national point of contact.	Noted	Given the vast number of metering values communicated between an increasing number of stakeholders in the demand response environment a national point of contact could be a more efficient solution. A national point of contact has benefits in terms of the efficiencies of having one body overseeing the management of all data. A national point of contact would also enable a level playing field for the various stakeholders. However there is uncertainty around what the most secure approach is and as a result further investigation is needed.
2	Nine respondents (BDEW, BEUC, BNE, E.ON, ESMIG, OESTW, SWM, THEUG-R, UTILI-K) noted the data privacy and data security risks associated with central national data storage. They stated that central management of such a large quantity of data also makes the system highly susceptible to error as well as potentially becoming a target of cyber attacks.	Noted	Given the vast number of metering values communicated between an increasing number of stakeholders in the demand response environment a national point of contact could be a more efficient solution. A national point of contact has benefits in terms of the efficiencies of having one body overseeing the management of all data. A national point of contact would also enable a level playing field for the various stakeholders. However there is uncertainty around what the most secure approach is and as a result further investigation is needed.
3	Three respondents (BDEW, BEUC, BWAG) stated that the notion of a central data storage may be incompatible with a decentralised energy system where the structure is based on the grid operators. Decentralised data storage would enable effective grid management as well as providing enough information to other market players who might be interested in consumers' information. There is a local or cell-based	Noted	Given the vast number of metering values communicated between an increasing number of stakeholders in the demand response environment a national point of contact could be a more efficient solution. A national point of contact has benefits in terms of the



No.	Respondents' Comments	CEER Position	CEER Explanation
	need for information to permit more efficient integration of renewable energies and to guarantee system reliability.		efficiencies of having one body overseeing the management of all data. A national point of contact would also enable a level playing field for the various stakeholders. However there is uncertainty around what the most secure approach is and as a result further investigation is needed.
4	Two respondents (PC-62-CEDEC-4, OESTW) stated that national point of contact is not necessary stated that the benefits or added value provided by such a hub remain unclear. In their view it would create additional costs.	Noted	Given the vast number of metering values communicated between an increasing number of stakeholders in the demand response environment a national point of contact could be a more efficient solution. A national point of contact has benefits in terms of the efficiencies of having one body overseeing the management of all data. A national point of contact would also enable a level playing field for the various stakeholders. However there is uncertainty around what the most secure approach is and as a result further investigation is needed.
5	Four respondents (ECHEL, EDSO-SG REE, VENNL-L) stated that there are benefits to having a national point of contact which include equal and secure access by appropriate parties. One respondent also added that a national hub would reduce the number of interfaces, reducing costs and operational risks and providing a more efficient hub- and-spoke model instead.	Noted	Given the vast number of metering values communicated between an increasing number of stakeholders in the demand response environment a national point of contact could be a more efficient solution. A national point of contact has benefits in terms of the efficiencies of having one body overseeing the management of all data. A national point of contact would also enable a level playing field for the various stakeholders. However there is uncertainty around what the most secure approach is and as a result further investigation is needed.
6	Two respondents (EDF, ERDF, OESTW, SWM, THEUG-R) stated that DSO's provide a sub-national point of contact and there is no need for a national point as long as distribution remains local monopoly. In their	Noted	Given the vast number of metering values communicated between an increasing number of stakeholders in the demand response environment a national point of contact



No.	Respondents' Comments	CEER Position	CEER Explanation
	view the DSO can provide all relevant information.		 could be a more efficient solution. A national point of contact has benefits in terms of the efficiencies of having one body overseeing the management of all data. A national point of contact would also enable a level playing field for the various stakeholders. However there is uncertainty around what the most secure approach is and as a result further investigation is needed.
7	One respondent (EDF DEMASZ) stated there was no need for a national point of contact as it would be impossible to ensure that only authorised stakeholders had access to databases.	Noted	The CEER is of the view that it should be possible to control access to databases so that only authorised persons or organisations have access.
8	One respondent (EDISON) expressed the view that while a national database would be useful for TSOs with regard to settlement and tariffs. However in their view such collection and storage should be left to single market operators due to the difficulty in managing a single national database with such vast quantities of data.	Noted	Given the vast number of metering values communicated between an increasing number of stakeholders in the demand response environment a national point of contact could be a more efficient solution. A national point of contact has benefits in terms of the efficiencies of having one body overseeing the management of all data. A national point of contact would also enable a level playing field for the various stakeholders. However there is uncertainty around what the most secure approach is and as a result further investigation is needed.
9	One respondent (EMETER) stated that a national hub would help maximise efficiencies and enable consumers to gain maximum benefit from demand response.	Noted	Given the vast number of metering values communicated between an increasing number of stakeholders in the demand response environment a national point of contact could be a more efficient solution. A national point of contact has benefits in terms of the efficiencies of having one body overseeing the management of all data. A national point of contact would also enable a level playing field for the various stakeholders.



No.	Respondents' Comments	CEER Position	CEER Explanation
			However there is uncertainty around what the most secure approach is and as a result further investigation is needed.
10	Two respondents (ELEXL, UTILI-K) stated that in their market the roll out of smart metering does not envisage the creation of a national database. Instead data will be stored at the meter and a proposed third party would provide an access route only to those smart metering systems that use its services. This approach obviates the need for a storage hub.	Noted	CEER recognises that different models for implementation are applicable in different member states and the same model will not suit all member states – this will be reflected in the text of the final document
11	Two respondents (E.ON, EURELECTRIC, GEODE) stated that while it was feasible to have a national point of contact, this was not necessary for well-functioning demand response. In their view it was more important to have for an efficient, transparent, non-discriminatory and secure data dispatching platform with clear access rules to guarantee the customers' confidentiality of information. And this could be achieved in a number of different ways.	Noted	CEER recognises the respondent's comments and agrees that whether a national point of contact is the solution there should be an efficient, transparent, non- discriminatory and secure data dispatching platform with clear access rules.
12	One respondent (EURELECTRIC) highlighted the advantage of data messages being sent to and received from (and possibly stored in) just one address and stated that the increased volume of data would strengthen the rationale for such a model however they stated that the establishment of data hubs and the identification of the data which needs to be stored should be assessed taking into account cost, risks and operational efficiency considerations.	Noted	CEER agree that consideration should be given to the cost, risks and operational efficiency of a national hub.
	One respondent stated there was no need for a national point of contact as stakeholder could get the data needed directly from the customer.	Noted	Given the vast number of metering values communicated between an increasing number of stakeholders in the demand response environment a national point of contact could be a more efficient solution. The transfer of data should be automated in order to make market processes possible/efficient. However there is uncertainty around what the most secure approach is and as a result further investigation is
13 14	Two respondents (GOTEB-C, LANDIS+GYR, SVENR-E) stated that a national point of contact could be a solution, but was not necessarily the	Noted	Given the vast number of metering values communicated between an increasing number of stakeholders in the



No.	Respondents' Comments	CEER Position	CEER Explanation
	only one. It was stated that the cost involved in developing and operating a hub will be crucial in an overall cost benefit analysis for		demand response environment a national point of contact could be a more efficient solution.
	demand response.		A national point of contact has benefits in terms of the efficiencies of having one body overseeing the management of all data. A national point of contact would also enable a level playing field for the various stakeholders.
			However there is uncertainty around what the most secure approach is and as a result further investigation is needed.
15	One respondent (MVKE1-X) suggested that national point of contact could be a useful solution, however there would need to be detailed regulation on its activities and in particular around the provision of access to customer data.	Agree	CEER agree that is a national point of contact was created there would need to be robust regulation applied to its activities.
16	One respondent (RU) stated that any data protection policies in this area should apply not only to data already gathered ting already gathered data, but also to also data minimization policies.	Agree	CEER agrees that data protection should also apply to data minimisation
	One respondent (VKU) stated that the establishment of a national point of contact would lead to a monopoly of data access and as a result there would have to be increased regulation in this regard. The respondents view is that further regulation should be avoided and the	Noted	Given the vast number of metering values communicated between an increasing number of stakeholders in the demand response environment a national point of contact could be a more efficient solution.
	development of a liberal and competitive market has to be supported.		A national point of contact has benefits in terms of the efficiencies of having one body overseeing the management of all data. A national point of contact would also enable a level playing field for the various stakeholders.
17			However there is uncertainty around what the most secure approach is and as a result further investigation is needed.
18	One respondent (WIREL-6) disagreed with the concept of a national point of contact, but stated that the decision should be up to the NRA and acknowledged that if implemented correctly with open, standardized interfaces it would facilitate suppliers access to information.	Noted	Given the vast number of metering values communicated between an increasing number of stakeholders in the demand response environment a national point of contact could be a more efficient solution.



No.	Respondents' Comments	CEER Position	CEER Explanation
			A national point of contact has benefits in terms of the efficiencies of having one body overseeing the management of all data. A national point of contact would also enable a level playing field for the various stakeholders. However there is uncertainty around what the most secure approach is and as a result further investigation is needed.



Consultation Question 19: Which stakeholder should be responsible for this?

No.	Respondents' Comments	Suggested Stakeholder
1	One respondent (BEUC) stated that data should be stored in decentralized centres and if consumer data is required by other database than where the data is stored, the communication between these databases should be managed by an independent party assuring transparency and therefore the respondents view is that the regulator is the most appropriate actor for being some kind of mediator.	Independent third party
2	Several respondents (BDEW, BNE, ENBW, LANDIS+GYR, THEUG-R, VKU) disagreed with the notion of a national point of contact and therefore stated that there should not be any stakeholder responsible.	Not Applicable
3	Two respondents (BWAG, PC-62-CEDEC-4) stated that databases should be stored on a decentralised basis with the DSO responsible.	DSO
4	Twelve respondents (BRGAS, EDISON, EDSO-SG, EMETER, ERDF, MVKE1-X, REE, SEDC, SWM, UTILI-K, VERBUND, GEODE, EURELECTRIC) started that the responsible party should be a new independent agency acting as a neutral market facilitator, with appropriate regulatory obligations and incentives. One respondent stated that this should be a non-profit organisation, while another suggested they should be chosen by competitive tender. A common theme is that the crucial element is that the hub provides data to authorised market actors in a non-discriminatory and efficient manner.	Independent agency acting as a neutral market facilitator
5	Seven respondents (ECHEL, EDF, EDF DEMASZ, E.ON, OESTW, VENNL-L, GEODE, EURELECTRIC) stated that the DSO would be the best point of contact. Among the reason given were for efficiency, reliability and security reasons associated with maintaining the grid and implementing demand response that benefits all stakeholders	DSO
6	One respondent (EDF EN)stated that in their country the responsible party would be the NRA as well was the energy ministry	NRA/Energy Ministry
7	Two respondents (ELEFF, OBERO) stated that it should be the System Operator or the Market Operator	System Operator or the Market Operator
8	Two respondents (ELEXL, E.ON, EURELECTRIC) stated that the appropriate party responsible may vary from Member State to Member State as a result of the different national arrangements. One respondent stated that there should be an evaluation of the efficiency and relevance of different data hubs ownership/control regimes currently in place across Member States.	Varies in member states
9	One respondent (EVN) stated that the customer and its service companies (ESCO, supplier, etc.) should be the responsible party and explicitly stated that it should not be the DSO	Customer and its service companies
10	One respondent (ACIE) stated that in order to avoid overlapping structures as well as unnecessary costs, existing	Existing organizations – Either the



No.	Respondents' Comments	Suggested Stakeholder
	organizations should be responsible for those tasks. Either the regulator itself or other organizations created as part of the liberalization process could act as national point of contact.	NRA or other organizations created as part of the liberalization process.
11	One respondent (SWM) stated that in no circumstances should this responsibility be assigned to the TSO	Not the TSO
12	Two respondents (VERBUND, VENNL-L) stated that it should be the NRA	NRA
13	One respondent (WIREL-6) stated that any of the stakeholders defined in the consultation document or a new stakeholder could take on this role in order to eliminate the risk of monopoly.	Any of the defined stakeholders or new stakeholders



Consultation Question 20: Do you see a conflict between issues of privacy and security of data with regards to demand response?

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (BEUC) stated that privacy and security are key aspects of the development of SM and demand response. Further to this the customer's role is central and therefore data access and ownership and the permission to gather data need to be very carefully considered. Customers own their data and should be well informed around who has access to it.	Partly agree	CEER finds that the customer should have control over metering data.
2	One respondent (BEUC) stated that demand response is being introduced in an increasingly competitive environment with many players, who often have little experience with privacy protection. As the amount of sensitive consumer-related data will grow and may be attractive for usages beyond the intended use, the respondent stated that it is important to fully apply the data protection legislation in this respect.	Agree	CEER agrees that demand response is developing in an increasingly competitive market with a growing number of players and there is a need to have comprehensive data protection measures in place.
3	 Five respondents (BEUC, ESMIG, GEODE, OESTW, THEUG-R) highlighted that demand response would generate large volumes of data on individual customers and as a result they recommended a number of principles, including: Privacy should be the default approach in all smart metering & demand response measures The safe disposal of data and the limitation of data retention; The use of privacy-enhancing technologies; A privacy Impact Assessment to be performed prior to the data collection Where possible use aggregated instead of anonymised data Technical standards that allow security upgrades to safeguard and future-proof end-to-end security. Privacy and security issues need to be addressed when rolling out demand response programmes. 	Noted	CEER agrees in principle and notes that there is uncertainty around what the most suitable approach is to ensure privacy and security, as a result further investigation is needed.
4	One respondent (BEUC) commented on the issue of data ownership and consumer consent. In their view the customer is the owner of their data and controls who, when and for what kind of purpose their data is collected, processed and stored. Further to this, in their view the	Noted	CEER note that there is uncertainty around what the most secure approach is and as a result further investigation is needed.



No.	Respondents' Comments	CEER Position	CEER Explanation
	customer should be the only persons to have unlimited access to detailed meter readings and historic data accessible at any time and free of charge. As a result personal data is best protected if stored at the consumer side to the maximum possible extent.		
5	On the issue of consumer consent ten respondents (BEUC, BWAG, PC- 62-CEDEC-4, EDISON, ELEXL, ENBW, EURELECTRIC, SEDC, UTILI- K, VENNL-L, VKU) stated that the conditions customers agree to must be clear and understandable in order for meaningful consent to be realised. One respondent (EDISON) stated that there was a need for written approval from the customer.	Agree	CEER agree with the respondents comments and will reflect this in the text of the final document.
6	One respondent (BEUC) stated that the customer should have the right to withdraw consent access their data from third parties without penalty to their service provision.	Agree	CEER agrees that consumer should be able to withdraw consent, however the issue of penalties will be dependent upon any contract/legal parameters.
7	One respondent (BEUC) stated that any lack of transparency would act as a deterrent when it came to customers asserting their rights. Further to this they called for the introduction of a general transparency principle that would grant regulatory status and ensure its coherent implementation.	Noted	CEER has previously stated in the SM GGP (insert ref.) that it supports full transparency. CEER notes the initial findings of the Article 29 Data Protection Working Party and we will monitor the final outcomes of their work.
8	One respondent (BEUC) stated that there are many technical solutions which could be implemented to ensure consumers have a control over their data	Noted	CEER recognises that technical solutions may help customers retain control over their data, however this document does not deal with the technical specifications of SMs. This will be decided by each member state.
9	One respondent (-62-ALLIA-D) stated that it should be clear which stakeholder is responsible for privacy and security. Furthermore, in the absence of a national point of contact for metering data, the data flow and data access should still be regulated centrally – whose responsibility is that?	Noted	CEERs view is that all stakeholders dealing with data management are currently responsible for the privacy and security of that data and this will continue to be the case. The CEER recognises that with demand response there will be an increase in the volume and complexity of data



No.	Respondents' Comments	CEER Position	CEER Explanation
			to be managed, however this does not change stakeholders obligations for privacy and security.
10	One respondent (BDEW) stated that providing there is consistent use of corresponding protection profiles there should be no problems related to using the customer's metering data for control of customer consumption, providing customer consent has been attained.	Noted	CEER's view is that it is the customer who controls their data and it is the customer who grants market players access to that data. In addition the customer decides what demand response schemes they wish to participate in. Therefore using the customer's metering data for control of customer consumption can only be done where the customer has given the appropriate consent.
11	One respondent (BDEW) stated that while protection of the customer's data must be warranted by suitable measures in all processes and systems, all authorised stakeholders should be able to access data in line with what the customer has consented to.	Agree	CEER agree that issues of privacy and security of data should be addressed in such a manner as to allow stakeholders, authorised by the customer, access to the required data.
12	One respondent (BWAG) stated that there is no conflict between issues of privacy and security of data with regards to the use of the customer's data.	Noted	Noted
13	One respondent (BNE) stated that providing it is the customer who owns their data and they only provide access on the basis of contractual agreement, then with the appropriate rules on privacy and security of data there should be no conflict.	Noted	CEER agrees that it is the customer who controls their data and it is the customer who grants market players access to that data. However the appropriate means for granting consent for access may vary in member states and will not necessarily involve a contractual agreement.
14	One respondent (BRGAS) stated that when creating a privacy framework to protect customers, consideration should be given to customer choice over who accesses their data in order to ensure the benefits of smart metering and demand-side response are supported and not hindered. In their view member states must ensure they look holistically at consumer protection and the delivery of benefits from smart metering / DSR and adopt a set of privacy rules which not only ensure appropriate protection of privacy, but which also ensure the delivery of benefits to consumers.	Noted	CEER's view is that it is the customer who controls their data and it is the customer who grants market players access to that data. In addition the customer decides what demand response schemes they wish to participate in. CEER agrees that the proper privacy and data protection rules should be adopted in member states.



No.	Respondents' Comments	CEER Position	CEER Explanation
15	One (ECHEL) respondent stated that there may not be any conflict, but that there is a need to ensure that DSO's can access aggregated data in order to maintain and operate the grid.	Noted	As stated in the consultation paper the DSO should have information on metering values regarding consumption and injection and a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response.
16	One respondent (EDF DEMASZ) stated that there may be an issue with regards to personal sensitivity or customer protective organizations and that this is an area that should be regulated before any mass rollout begins.	Noted	CEER notes the respondents comments and reiterates the view that it is the customer who controls their data and it is the customer who grants market players access to that data
17	One respondent (EDSO-SG) agreed that privacy and security of data are important topics, but stated that they are not critical for the take-off of a demand response electricity market.	Disagree	The CEER view is that consideration of privacy and security issues should be a prerequisite for all demand response schemes.
18	One respondent (ELEXL) stated that it is the supplier who is responsible for maintaining the confidentiality/security of customer data. They also stated that it is of the utmost importance to prevent unauthorised access to demand response functionality in smart meters both from the customer's and ISO's/DSO's network security point of view.	Noted	The CEER view is that all stakeholders are responsible for maintaining the confidentiality/security of customer data.
19	Three respondents (EMETER, PC-62-GENEL-U, E.ON) saw no conflict, stating that the privacy and security of customer data can be protected providing that consumer authorization is required and full disclosure is provided.	Noted	CEER notes the respondents comments and reiterates the view that it is the customer who controls their data and it is the customer who grants market players access to that data
20	Two respondents (E.ON, E.ON) stated that consumer fears regarding intrusion of privacy would have a significant impact on trust and buy-in to smart metering and therefore all endeavours must be made to ensure consumer confidence.	Noted	CEER notes the respondents comments and acknowledges that it is of the utmost importance that customers have trust in the demand response schemes implemented.
21	Two respondents (EVN, EVN) stated that there may be issues with regards to suppliers taking control on the customers' devices and that this might not be in the best interest of individual customers.	Noted	CEER's view is that it is the customer who decides what demand response schemes they wish to participate in. Therefore suppliers or other stakeholders will not be able to take control of customer devices without the customer giving the appropriate consent.
22	Two respondents (GOTEB-C, SVENR-E) stated that there needed to be a distinction between two types of metering data. The first are NRA	Disagree	Data and security privacy rules always apply.



No.	Respondents' Comments	CEER Position	CEER Explanation
	controlled metering values which must be protected and defined protection rules are needed. The second is the internal real time metering values which ESCO's or suppliers could get access to from the customers. In the respondents view this second set of data should not be regulated, instead data security and privacy could be a competitive value offered by ESCO's and suppliers.		
23	One respondent (ACIE) stated that NRAs must consider the relevant data protection legislation when filing, using and storing the information extracted from the smart meters. In the respondents view, laws should be issued in order to avoid the requirement of requesting customer consent to transfer such information to the opened gateway.	Disagree	The CEER view is that it should always be the customer who chooses in which way metering data shall be used and by whom, with the exception of metering data required to fulfil regulated duties and within the national market model.
24	One respondent (LANDIS+GYR) stated that there is no conflict between the issues of privacy and security of data and demand response as long as an appropriate regulatory framework is in place and end consumer information/education conducted	Noted	CEER agrees that there is a need to fully inform and educate customers with regards to any demand response schemes being introduced; however, how this is implemented is a matter for member states.
25	One respondent (MVKE1-X) stated that any conflicts could be resolved and that a balance needed to be struck between providing stakeholders access to consumption data and the protection of confidential data.	Noted	Noted
26	One respondent (SWM) stated that grid operators are currently regulated and providing secure data protection with regards to grid data (as grid operators) and also with regards to consumer data (as metering operators). In their view the division of these duties among several stakeholders will hinder data protection.	Noted	All parties involved with handling data are required to comply with the relevant data protection legislation.
27	One respondent (WIREL-6) stated that providing data is transferred encrypted or in private networks, then conflicts should be minimized. The respondent also stated that by handling information as point of anonymous meters and not linked to personal information will increase security.	Noted	Noted
28	One respondent (E.ON) stated that the data from smart metering will be valuable in terms of managing grid constraints and therefore contributing to security of supply.	Noted	This document is focused on the customer perspective and is not focused on the network system perspective of demand response.



No.	Respondents' Comments	CEER Position	CEER Explanation
29	One respondent (E.ON) stated that the issues around data security are not unique to the energy industry. In their view what is needed is an appropriate regulatory framework based on data protection legislation.	Agree	



Consultation Question 21: Do you think that there are any recommendations missing to be able to launch demand response? If so, please formulate and if possible according to the relevant stakeholders.

No.	Respondents' Comments	CEER Position	CEER Explanation
1	One respondent (ALLIANDER) stated that grid capacity should be factored into the recommendations, either as a hard cap on network usage or as something to be captured in price incentives.	Noted	This document focuses on the customer perspective, not the system perspective. However CEER will address this issue in the text of the final document.
2	One respondent (ALLIANDER) stated that there should also be a recommendation for a publication campaign to inform customers about demand response.	Noted	CEER acknowledges that providing customer information is essential, but is of the view that such decisions are to be made on a national basis
3	Two respondents (BDEW, E.ON) stated that giving the customer access their current consumption data as the key to driving demand response does not take sufficient account of the data complexity and actual requirements of the customer. In their view the development of attractive customised products and services is key for the development of a demand response market.	Noted	CEER does believe that providing consumers with consumption information is fundamental to the development of a demand response market. However it is also recognised that for the take off of demand response other stakeholders must become active participants offering innovative services to customers.
4	One respondent (BWAG) wanted to reinforce their view that the requirements for demand response, we would like to reinforce here that the DSO will be responsible for DSM, in order to maintain the network stability	Noted	CEER recognise that increasing demand response places new challenges on balancing local grid networks. The DSO must manage these challenges while ensuring that the distribution network does not constrain the development of demand response.
5	One respondent (BWAG) questioned the idea of providing documents on complaint handling standards in printed form if a customer requests it. In their view a printed form, monthly or bimonthly, provided to customers will have a cost impact and these costs should be socialized among customers.	Noted	CEER reiterates that it is necessary to provide the document on complaint handling standards in printed form if a customer requests. This does not require the document to be sent to customers on a monthly or bi- monthly basis
6	One respondent (BWAG) expressed the view that the figure on page 22 of the consultation paper, depicting interactions between stakeholders with regards to contracts that reflect actual consumption should also show an arrow directly between the customer and the DSO. Currently the graph connects the customer with the DSO through the supplier and/or the metering operator.	Disagree	CEER do not recognise the rational for the DSO having direct contact with the consumer in the case of demand response.



No.	Respondents' Comments	CEER Position	CEER Explanation
7	One respondent (BNE) wished to emphasise that there is a need to prevent the development of a smart energy world from encroaching on the roles of the liberalized energy market.	Noted	CEER recognises the respondents concerns and agrees that the development o demand response programs should not negatively impact on competitive markets.
8	Two respondents (ECHEL, ESMIG) stated that in order to develop demand response there is a need for a smart meter and grid solution that allows the DSO to know the actual load conditions for each substation and neighbourhood transformer in order to properly manage and maintain the local grid.	Noted	DSO requirements include; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response;
9	One respondent (EDF) stated that there is no guarantee the demand response is necessarily beneficial to consumers and that a cost-benefit analysis should be undertaken before implementing demand response schemes to ensure that they are economically beneficial.	Noted	The CEER view is that customers benefit from demand response through enhanced ability to engage with the electricity market, managing their consumption and consequently enabling them to manage their costs. However CEER recognises that proper consideration must be given in advance of the introduction of demand response schemes in order to ensure that the benefits to the customer will be realised.
10	Two respondents (EDF DEMASZ, E.ON) stated that there is a need to harmonise electricity meters validation times across member states as they currently differ from country to country.	Noted	CEER recognises the need for certain parameters around minimum functionalities and unifying between countries, but this is not within the scope of this document.
11	Two respondents (EDF DEMASZ, E.ON) stated that the MID does not apply to reactive energy meters. After the temporary period (after 2016) this field will become unregulated	Noted	The functionalities of the meter is dealt with under Mandate 441, but this is not within the scope of this document
12	Two respondents (EDF DEMASZ, E.ON) propose that consideration be given to studying the effects and possible benefits of multi utility solutions, including gas, water, heating etc.	Noted	CEER recognise that there may be merit in conducting such research, however this is not within the scope of this document.
13	Two respondents (EDF DEMASZ, E.ON) stated that privacy and security issues within the EU member states are not regulated and should be managed.	Disagree	Privacy and security issues within the EU members are regulated.
14	One respondent (EDSO-SG) stated that given the new challenges emerging in relation to meter value management it is feasible that	Noted	CEER agrees that if a national point of contact for storage of metering values is established then privacy



No.	Respondents' Comments	CEER Position	CEER Explanation
	member states may establish a national point of contact for storage of metering values. Given this potential development privacy and security issues concerning meter data management should be taken in consideration by national regulators.		and security issues should be of paramount importance.
15	One respondent (ELEFF) stated that demand response will present new challenges for grid management and system balancing. In their view there is a need to ensure predictability for the customer in terms of prices and for the operators who need to ensure system security and the Generation-demand match are maintained within tolerance and at reasonable cost. Also, the development of demand response will render the conventional methods of forecasting demand obsolete and new methods will need to be developed.	Noted	CEER recognises that the increase in the level of renewable brought on line and an increase in the level of demand response will require new models for system management to be developed, however this is not within the scope of this document.
16	On respondent (ELEXL) highlighted that in their national market suppliers and generators are exposed to imbalance payments if their aggregated contracted demand or output, set by Gate Closure differs from their actual, metered, demand or output. Therefore in order to facilitate post Gate Closure demand response, i.e. within an hour of real time, the trading arrangements will need to recognise and deal with the potential imbalance exposure of suppliers to the short term demand response.	Noted	This document does not set out to address the technical issues around settlement and system balancing
17	One respondent (ELEXL) stated that there should be central market monitoring of demand side response in order to monitor the delivered response.	Noted	CEER expects that there will be monitoring of demand response programs to measure their delivered response, however CEER have no view on whether this should be undertaken as central market monitoring.
18	One respondent (E.ON) stated that grid tariffs reflecting constraints on the distribution system will be key in moving to a Demand Response market.	Noted	The issue of DSO tariffs reflecting grid constraints will be addressed in the text of the final decision document.
19	One respondent (EURELECTRIC) stated that demand response is likely to develop among industrial and commercial customers (where some basic agreements already exist) and public administrations first before incorporating domestic customers. In the respondents view there has not been enough analysis of the potential benefit of industrial and commercial businesses for demand response.	Noted	CEER recognises that in many countries demand response schemes already exist for large customers, however this document focuses on retail market customers. (see definition in doc.)



No.	Respondents' Comments	CEER Position	CEER Explanation
20	One respondent (EURELECTRIC) identified signals reflecting network constraints, customer choice and the ability for suppliers/ESCOs to manage cost complexity on behalf of customers as the elements essential for the development of a demand response market. In addition they stated that proper market design and legal framework that allows suppliers to offer market reflective end-user prices is an important prerequisite to successfully exploit this potential.	Noted	CEER recognises signals reflecting network constraints and this will be reflected in the text of the final doc. CEER recognises that suppliers/ESCOs already manage cost complexity on behalf of customers.
21	Two respondents (EVN, OESTW) stated that there has not been sufficient analysis of customer's motivation and potential buy in to demand response and this should be undertaken in order to increase predictability. In addition, in the respondents view there will be low economic benefits for the customer, so there should be automated control of customer's appliances in order to minimise disruption to customer lifestyles.	Noted	In order to develop demand response CEER expect that suppliers and ESCOs will make offers taking into account customers behaviour and lifestyle preferences, including automated services. These offers should be presented in a clear and concise manner and customers will be free to choose.
22	Two respondents (GEODE, OESTW) stated that there should be a greater emphasis on the role of the DSO and the central role it plays in the development of demand response and the consequences of uncoordinated demand response. In the respondents view demand response is an important tool for DSOs to cope with future challenges like the integration of huge numbers of decentralized generators. Direct load control measures (is an essential tool to operate the electricity distribution grid in a secure, reliable and cost effective manner. In the liberalized electricity market DSOs are responsible for ensuring a secure, reliable and efficient electricity distribution system. To fulfil this task an alignment in advance (pre-check) of market driven DR activities by the DSOs should be obligatory This is in line with the recommendation of Expert Group 3 of Task Force Smart Grids of the EC. In that context DSOs should play a central role as a kind of coordinator/facilitator (information hub, etc.) to ensure the reliability and stability of the system while safeguarding commercial interests of other market actors and customers.	Noted	CEER recognise that the DSO play an important role in the development of demand response and as stated in the consultation document DSO requirements include; b) a distribution network system capable of dealing with fluctuation in usage resulting from increased demand response. In addition the final advice document has clarified the role of the DSO and emphasised the importance that demand response is enhanced as much as possible, and that possible network constraints will not impose unexpected consequences for the customers.



No.	Respondents' Comments	CEER Position	CEER Explanation
23	One respondent (GOTEB-C) highlighted how increased wind penetration and demand response schemes will place new pressures on networks and increase the risk of overloading. The respondent suggested that the DSO will need to influence the demand being placed on the grid and this could be done via price signals (e.g. time-of-use tariffs) or demand response initiated by the DSO. The respondent also suggested that the DSO should have responsibility to decide whether demand response can be executed on the grid, in order to maintain security of supply. Further to this the respondent stated that the DSO will need to invest in additional resources as a result of demand response schemes and smart meters.	Noted	CEER recognises that the increase in the level of renewable brought on line and an increase in the level of demand response will require new models for system management to be developed, however this is not within the scope of this document.
24	Two respondents (LANDIS+GYR, SEDC) stated that the consultation document set out recommendations that were heavily weighted towards pricing and tariffs. In their view greater emphasis should be given to local system reliability and non-tariff measures.	Noted	CEER not the respondents comments and the issue of DSO tariffs reflecting grid constraints will be reflected in the final doc.
25	One respondent (MVKE1-X) stated that as part of the public consultation, a public survey could be conducted in order to gauge whether customers are aware of the possibility of demand response and whether they may consider applying demand response measures in order to optimize electricity consumption.	Noted	CEER recognises that understanding customer attitudes may be of relevance and form part of the development of demand response. However this is an area that will be managed by each individual member state
26	One respondent (PANASONIC) expressed the view that incentive payments for changing electricity usage may create inconvenience for customers and that technological innovation of energy storage batteries in conjunction with renewable energy equipment and/or demand response will alleviate the inconvenience. Therefore, in their view, focusing on the promotion of such equipment is very important for the take-off of customer perspective demand response.	Noted	CEER recognises the role that technology such as those mentioned will have in facilitating demand response, but does not see it as necessary for the take off of demand response.
27	One respondent (SEDC) stated that some of the issues missing from CEER consultation document, but which have proved essential in successful demand response rollout include: analysis of wholesale market structures, such as reserves and capacity markets.	Noted	CEER realises that capacity markets can be of value with regards to demand response and this will be reflected in the text of the final document.



No.	Respondents' Comments	CEER Position	CEER Explanation
28	One respondent (SVENR-E) stated that meters must have a standardized interface where customer could get hold of their real time values in an easy way. In their view this interface will contribute to massive expansion of services from ESCO's and suppliers.	Noted	CEERs view is that hourly metering is set out as a minimum and this does not prevent more frequent metering or the provision of real time values. For more information on the CEER position see the GGP on SM Ref. E10-RMF-29-05.
29	One respondent (VENNL-L) disagreed with the statement in the consultation paper that customers should also be stimulated to act as micro generators	Disagree	As stated in the consultation paper the CEER position is that customers should be encouraged to act as micro generators.
30	One respondent (VENNL-L) stated that demand response had the potential to reduce the anticipated volatility of future electricity flows and as a result contribute to system integrity and a lower level of wholesale price volatility	Noted	This document focuses on the customer perspective. Not the system perspective.
31	One respondent (VENNL-L) agreed that customers need to be at the heart of any Smart Energy (SE) discussions and stated that the market will not develop without their buy-in. As a result there is a need for education programs to accompany any introduction of demand response schemes.	Noted	CEER agrees that there is a need to fully inform and educate customers with regards to any demand response schemes being introduced, however how this is implemented is a matter for member states.
32	One respondent (VENNL-L) stated that it needs to be clarified what kind, to what extent and in which areas the regulators want to formulate European legislation in the field of Smart Energy (and demand response). Is the foreseen situation a detailed European regulatory framework or a more high-level/general regulatory framework?	Noted	CEER is active across a range of areas in the field of smart energy, smart grids, smart meters and demand response. CEER in its work aims to deliver recommendations towards a harmonised European energy market.
33	One respondent (VENNL-L) stated that it is unclear why demand response is handled separately from Smart Energy and that it would be helpful to further clarify the distinction between Smart Energy and Demand Side Management.	Noted	CEER has clarified the distinction in the final document.
34	One respondent (RU) stated that the number of systems currently deployed will create a legacy that will be hard to remove; the proposed central architecture may even have the unintended side effect that it allows those systems to somehow meddle together, inhibiting the need to grow to an interoperable system with exchangeable components.	Noted	CEER is undertaking further work.



No.	Respondents' Comments	CEER Position	CEER Explanation
	In the respondents view one option to consider would be to recommend an upgrade path and future-proof, e.g., ensuring hardware has enough resources for a software upgrades which need more performance, protocols are designed in a modular way that they can be extended with advanced versions, and some functionality is put on easier to replace hardware (there is, for example, the proposition that the communication module of smart meters should be plughole, so that meters can be upgraded with future communication hardware without replacing the full meter - this would make such an upgrade economically feasible and thus possible to happen, while otherwise the legacy protocols deployed now will stay with us forever).		
35	One respondent (RU) stated that there has been very few recommendations on security; as a consequence, there are now meters deployed that do no data encryption or authentication at all, and wouldn't be able to support it. The respondent recommends putting in place some minimum standards so as to avoid punishing market participants that implement proper security and privacy.	Noted	CEER awaits the outcome of expert group two under the smart grids task force headed by the Commission.



Annex 2 – CEER

The Council of European Energy Regulators (CEER) is the voice of Europe's national regulators of electricity and gas at EU and international level. Through CEER, a not-for-profit association, the national regulators cooperate and exchange best practice. A key objective of CEER is to facilitate the creation of a single, competitive, efficient and sustainable EU internal energy market that works in the public interest.

CEER works closely with (and supports) the Agency for the Cooperation of Energy Regulators (ACER). The forerunner to ACER was the European Regulators' Group for Electricity and Gas (ERGEG). ERGEG was established by the European Commission in November 2003 (Decision 2003/796/EC), as its formal advisory group of energy regulators on Internal Energy Market issues. With ACER fully operational since March 2011, ERGEG was dissolved by the Commission, with effect from 1 July 2011 (Decision of 16 May 2011, repealing Decision 2003/796/EC). Some of ERGEG's works passes to ACER (e.g. the Regional Initiatives) and some (such as the work formally carried out by the ERGEG Electricity Quality of Supply and Smart Grids Task Force) to CEER.

ACER, which has its seat in Ljubljana, is an EU Agency with its own staff and resources. CEER, based in Brussels, deals with many complementary (and not overlapping) issues to ACER's work such as international issues, smart grids, sustainability and customer issues.

The work of CEER is structured according to a number of working groups and task forces, composed of staff members of the national energy regulatory authorities, and supported by the CEER Secretariat.

This report was prepared by the Customer Empowerment Task Force of the Retail Markets and Customer Working Group.


Annex 3 – List of abbreviations

Term	Definition
CEER	Council of European Energy Regulators
ERGEG	European Regulators Group for Electricity and Gas
GGP	Guidelines for Good Practice
СВА	Cost Benefit Analysis
CEN	Comité Européen de Normalisation
CENELEC	Comité Européen de Normalisation Électrotechnique.
DG	Directorate General (of the European Commission)
DSO	Distribution System Operator
ESCO	Energy Service Company
ETSI	European Telecommunications Standards
EU	European Union
GGP	Guidelines of Good Practice
IT	Information Technology
MID	Directive on Measuring Instruments
M/441	Mandate M/441
NRA	National Regulatory Authority
TSO	Transmission System Operator
ToU	Time of Use