Response from: Bundesverband Neuer Energieanbieter e.V. (BNE)

Dear Sir or Madam,

We welcome the intention of the European Energy Regulators organized in CEER to review the implementation of their guidelines, EU-regulation and energy policy. Those reviews are an important element to enforce the established rules and to sharpen regulation where necessary. We also support CEER in their work to evaluate the market development under the existing legal and regulatory framework and to make proposals on required improvements.

Further we welcome the transparency, how CEER discusses their working programme with the stakeholders now in this public consultation. Especially reviews which go beyond than just checking the compliance of the implemented rules with the given legal or regulatory framework should be discussed with the market participants and all affected groups.

The drafted work programme contains several interesting topics and we would encourage CEER to work on all of them in 2013. Advocating the interests of new entrants to the German energy markets, bne is at least interested in the discussion of the following topics:

- #6 Cross-sectoral: Joint CEER/ACER Market Monitoring Report on the Internal Electricity and Natural Gas Markets
- #7 Cross-sectoral: CEER Status Review on the Transposition of Unbundling Requirements for TSOs and DSOs
- #10 Electricity: CEER Status Review on European Regulatory Approaches Enabling Smart Grids Solutions ("Smart Regulation")
- #12 Electricity: CEER Report on Flexibility Tools for Future Electricity Markets

Unfortunately the draft work programme doesn't mention any stakeholder involvement for these deliverables (#6 and #7) or only a public workshop respective consultation at the end of the discussion at CEER (#10 respective #11). In this regard we have to criticize the draft programme. Regulation is not practiced for its own sake but rather should open former monopoly markets and establish equal and appropriate competition conditions. For the above mentioned issues we regard stakeholder involvement essential at a very early stage in the regulators discussion. One option might be to held kick-off workshops or consultations where the stakeholders will be asked for their experience with the existing framework, unsolved problems and obstacles for the market development or even proposals to remove them.

It is not that we have any doubts CEER will do a good work but naturally NRAs have - at least slightly - different interests than market participants. Each group – regulators, politicians, other institutions, producers, network operators, shipper, trader and customers – has different objectives, restrictions, requirements and criteria to evaluate a situation. Even the positions of the official assigned experts differ: In Germany for example the NRA (Bundesnetzagentur) as well as the Monopolies Commission (an independent advisory board of the federal government in the field of competition policy and regulation) issues a market monitoring. A comparison of both monitoring reports shows partly different questions, approaches and conclusions while in other parts the results are the same or one report even refers on the other. To get a picture of these reports – under the following links you will find the latest issues (only in German):

- Bundesnetzagentur Monitoring 2011: <u>http://www.bundesnetzagentur.de/SharedDocs/Downloads/DE/BNetzA/Presse/Berich</u> <u>te/2011/MonitoringBericht2011.pdf?</u> blob=publicationFile
- Monopolies Commission Electricity and Natural Gas sector 2011: http://www.monopolkommission.de/sg_59/s59_volltext.pdf We highly recommend this report to you; for example, a short evaluation of the transition of unbundling requirements for TSOs and DSOs will be given on page 146 ff.

About us: BNE (*in German: Bundesverband Neuer Energieanbieter e.V. or in English: Federal Association of New Energy Suppliers*) represents the interests of companies which supply their customers with electricity or gas – without operating an electricity or gas network and therefore acting free of monopoly interests. The main objectives of bne are a fair level playing field on the liberalized energy markets and an effective consumer protection.

For any questions don't hesitate to contact us.

Yours sincerely,

Anne Koehler

Bundesverband Neuer Energieanbieter e.V.

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