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## **Evaluation of Responses**

# **Stakeholder comments on CEER Work Programme 2022**

**Ref: C21-WPDC-36-03**

**14 January 2022**

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## **EXECUTIVE SUMMARY**

The Council of European Energy Regulators (CEER) appreciates and welcomes the comments and feedback received to the public consultation on its draft 2022 Work Programme (WP). We received feedback on specific questions related to our priorities in 2022 (the draft Work Programme work areas) as well as individual work items. Although there were clear differences of views, overall, respondents expressed strong support for our proposed draft work items.

CEER has reviewed its draft 2022 Work Programme to take into account suggestions made by stakeholders and has provided further clarification and detail on the planned work items. The final Work Programme also reflects recent developments in energy policy at the European level, particularly regarding the EU Green Deal and New Consumer Agenda proposals and regulators' further thinking on timely energy regulatory trends and issues. Furthermore, the COVID-19 pandemic has promoted an unprecedented impact in the energy sector which required regulators' attention and demanded particular analysis.

As a result, regarding the 2022 Work Programme, 25 work items will be pursued by CEER during 2022, alongside a range of ongoing activities and carry-over items from the 2021 Work Programme.

This evaluation of responses document accompanies the final CEER 2022 Work Programme and provides CEER's considered reaction to the comments submitted.

## 1. Stakeholder feedback and comments

The public consultation on the draft 2022 Work Programme was launched on 11 June 2021. Reactions were sought, via an online questionnaire, by 9 August 2021.

The comments were received from a variety of organisations (Annex 2). CEER appreciates the involvement, input from respondents and comments provided on our draft 2022 Work Programme.

The present document summarises the views expressed by respondents and presents the conclusions CEER draws from them.

In line with our current practice, opportunities for stakeholder involvement in our work are possible via responding to the public consultations or participating in workshops and events. All information and activities are published online on [www.ceer.eu](http://www.ceer.eu) and updated on a regular basis.

### 1.1. General comments on the draft CEER 2022 WP

In general, stakeholders welcomed, agreed and supported the approach and methodology followed by CEER in developing its 2022 Work Programme. In particular, stakeholders expressed agreement with the strong consumer angle of CEER's annual work driven by the [overall strategy approved for 2022 till 2025](#)<sup>1</sup>. Furthermore, the importance of the distribution grid and increased responsibilities for DSOs have been welcomed as part of CEER's work. The holistic approach covering the entire energy system was taken notice of.

### 1.2. Comments on the six core areas of the draft CEER 2022 WP

Bearing in mind that CEER consulted not long before this public consultation on the six core areas via a [separate public consultation](#) on the CEER 2022-25 Empowering Consumers for the Energy Transition Strategy, there were only minor comments on the core areas. Yet, stakeholders confirmed that all six core areas are the right ones to be pursued as they are all in line with the actual EU legislative focus in the energy sector and/or represent well the coming challenges and opportunities. The proposed work items seem to well address the priority topics of the current energy sector issues at stake. In sum, the deliverables are highly relevant and create an ambitious Work Programme.

While commenting on the core areas and work items, stakeholders encouraged CEER to investigate also following issues:

- The complex socio-economic aspects linked with customer engagement;
- Regulatory perspectives on consumer rights and protections in district heating;
- A complementary focus on the regulatory framework for other renewable gases (such as biogas and biomethane); and
- Impact assessments and cost benefit analysis of the overall cost/carbon efficiency of the measures promoted by policymakers.

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<sup>1</sup> CEER 2022-2025 Strategy "Empowering Consumers for the Energy Transition", C21-SSG-06-05, 10 June 2021.

### 1.3. Comments on individual work items

The table below provides an overview of the comments received to the deliverables that were presented in the public consultation on the draft CEER 2022 Work Programme in June 2021. CEER's reaction and views to this input is included in the right-hand column of the table. Note that the final 2022 Work Programme items do not match this list exactly, due to changes made, in part because of stakeholder feedback but also for other reasons.

	Sector and title of work item	Comments received	CEER views
	Consumers and retail markets		
1	Guidelines of Good Practice (GGPs) on future-proof energy bills	<ul style="list-style-type: none"> <li>• One respondent proposed a collaboration with CEER in developing guidance on bills schemes, identified in the “Renovation Wave” of the European Commission. Following the revised Electricity Directive, there is a need to analyse how new requirements in billing have been implemented, namely, if consumers receive clear and simple information on the breakdown of electricity prices. Additionally, the same analysis could be done for heating and cooling, following Article 10a and Annex VII of the Energy Efficiency Directive of the Clean Energy Package.</li> <li>• Transparency and simplicity in billing were stressed by several respondents to be important for consumer protection, especially considering dynamic contracts. Although bundled products can facilitate consumer choice, the individual prices paid for each element of the bundle must continue to be clearly displayed. An appropriate balance should be kept between the necessary information provided in the bill for the customer and the clarity of the bill. One respondent suggested a complete re-thinking of the current bill structure.</li> </ul>	<p>CEER welcomes the valuable insights and comments received. The clarity and simplicity of billing is essential to ensure consumer protection and empowerment.</p> <p>Moreover, CEER will closely monitor the legislative developments concerning billing and consult with stakeholders in order to ensure access to accurate data by suppliers, DSOs and TSOs, while at the same time protecting consumer’s data privacy.</p> <p>However, the deliverable is expected to be met during 2023, rather than 2022, given resource priorities.</p>

	Sector and title of work item	Comments received	CEER views
		<ul style="list-style-type: none"> <li>• After stressing the importance of transparency and clarity in billing, one respondent highlighted that additional information on bills often implies costly IT developments and appropriate planning.</li> <li>• One respondent indicated their support for the development of innovative gas and electricity offers based on consumption data from smart meters. Simultaneously, it is important to highlight the importance of access to accurate data by suppliers and consumers, which contains all the relevant information for an appropriate implementation of innovative contract bills. Data quality assurance standards should be developed by NRAs in consultation with suppliers and DSOs. Additionally, it is important that the deployment of smart meters occurs according to EU schedules.</li> </ul>	
2	Guidelines of Good Practice (GGPs) on trustworthy green offers	<ul style="list-style-type: none"> <li>• 5 out of the 6 respondents specifically mentioned the relevance and importance of this item in combating greenwashing. One respondent further indicated the relevance in terms of the timing planned, as Member States will have already transposed the Electricity Directive 944/2019.</li> <li>• Several respondents highlighted the centrality of Guarantees of Origin in protecting consumers and combating greenwashing, adding insights such as: <ul style="list-style-type: none"> <li>○ The importance of better ex-ante control of green offers by NRAs and stricter rules for guarantees of origin (e.g. the additionality principle). In addition, according to one respondent, CEER's guidelines could contribute to the development of an EU Ecolabel for renewable energy.</li> <li>○ Consideration of an extension of the current methodology and processes underpinning Guarantees of Origin from</li> </ul> </li> </ul>	CEER fully agrees that Guarantees of Origin are essential mechanisms to ensure accurate information for consumers and combating greenwashing. CEER shares the view that provisions implemented in the electricity sector should be mirrored for gas with regard to labelling and consumer information.

	Sector and title of work item	Comments received	CEER views
		<p>electricity to all new types of gases, coupled with a special focus on vulnerable consumers.</p> <ul style="list-style-type: none"> <li>○ The crucial role of the GPPs in ensuring that GOs are used properly by suppliers and that adequate information is provided to consumers.</li> <li>○ The issue of the reduced timeframe between the production of GOs and the client's consumption in better reflecting intermittency of the system and different valuations for the energy provider.</li> <li>○ The importance of harmonised GOs at the EU level coupled with organised markets.</li> <li>● The inclusion of carbon criteria on green offers was highlighted by one respondent.</li> <li>● It was suggested that the GPPs should include CEER's opinion and advice on green labels and an analysis of the recently published EC report, as required by Art. 19 (13) of RED II.</li> <li>● Several respondents stressed the central role green offers and green purchasing plays in decarbonisation. One respondent stressed the need for a unified eco-design certification model issued by independent bodies. CNELEC TF's activity, driven by the 17AC Technical Committee was cited as a good example – "Eco Design" standard including product specific rules for T&amp;D equipment when Life Cycle Assessment (LCA). Discussions are being held to adopt this approach internationally. During the use phase, this model should be able to differentiate the static values of impact categories defined LCA and the dynamic values obtained related to variable environmental and operating conditions (health index,</li> </ul>	

	Sector and title of work item	Comments received	CEER views
		durability, loads, CO <sub>2</sub> equivalent, etc)	
3	Workshop series on consumer engagement with and access to markets	<ul style="list-style-type: none"> <li>• CEER's consumer-centric approach was welcomed by all respondents. However, the importance of including other stakeholders in the discussion that may also play an essential role in the energy transition, such as aggregators and storage owners, was stressed as essential.</li> <li>• To ensure the empowerment of all consumers, a strict principle of non-discriminatory tariff equalisation was advocated by one respondent, since changes in the tariff structure could have a detrimental effect on other grid users.</li> <li>• Two respondents stressed digital literacy as a challenge for consumer protection and empowerment.</li> <li>• As consumers are increasingly expected to provide flexibility at the distribution level, one respondent recommended further research into the evolving interfaces between DSOs and consumers.</li> <li>• One respondent recommended that the webinar series focus on the availability of digital energy grid infrastructure, given this constitutes a prerequisite for the development of a digital environment for consumers. The webinars must also discuss ways to ensure that innovative services, such as flexibility, are remunerated in order to foster the market.</li> <li>• The existence of different types of consumers was stressed by some respondents. While all respondents welcomed the organisation of the webinar series, one respondent highlighted the importance of remaining aware of different types of consumers, with very different needs. All consumer types should be addressed.</li> </ul>	<p>CEER welcomes all stakeholder input on the work item. CEER fully agrees with the importance of engaging all stakeholders in the discussion for an effective and whole system approach to the energy transition, as well as noting the existing different types of consumers, both in terms of needs and engagement with the energy markets.</p> <p>CEER will further focus on issues raised by respondents such as the role of digitalisation, consumer empowerment protection and digital literacy regarding the energy sector.</p>
4	ACER/CEER	<ul style="list-style-type: none"> <li>• All respondents indicated their full support for this work item.</li> </ul>	The proposed comments to the



	Sector and title of work item	Comments received	CEER views
	annual market monitoring report – energy retail and consumer protection volume	<ul style="list-style-type: none"> <li>• Monitoring the implementation of the Electricity Directive in Member States was suggested, in other to identify the opportunities created for consumers to engage with innovations in the market and to provide evidence for the [then] forthcoming Fit for 55 and Gas Packages. Some research question ideas included:               <ul style="list-style-type: none"> <li>○ whether new opportunities for active market participation (i.e. dynamic price contracts and aggregation contracts) are effectively available to consumers including recommendations on how to address persisting barriers;</li> <li>○ what is the level of consumer adoption of such offers;</li> <li>○ what effectively are the financial risks that consumers incur in when they sign up for dynamic price contracts – as these may undermine consumer acceptance (i.e. at what time and for how long prices have been high during the previous calendar year and what was the impact on consumers' bills);</li> <li>○ whether dynamic price contracts with risk mitigation clauses (e.g. price caps or caps to monthly bills) are in place in some countries;</li> <li>○ whether DSOs and TSOs procure flexibility from household consumers – data on use of alternative dispute resolution and recommendations to overcome persisting barriers (e.g. lack of consumer awareness);</li> <li>○ whether consumers benefit from bundled offers;</li> <li>○ whether consumers benefit from affordable and trustworthy financing offers targeting energy efficiency measures, for example via on-bill schemes;</li> <li>○ the existence of misleading offers or marketing practices;</li> </ul> </li> </ul>	<p>content of the paper and the research questions to tackle are highly welcomed by CEER. As CEER plans to restructure the content, scope and length of the report, the proposed additions will be considered during the planning stage of the drafting process.</p> <p>CEER recognises the importance of tackling issues such as energy poverty and energy efficiency in a more detailed quantitative and qualitative analysis.</p>

	Sector and title of work item	Comments received	CEER views
		<ul style="list-style-type: none"> <li>○ the share of energy efficiency measures (under Article 7a and 7b of the Energy Efficiency Directive) implemented as a priority in households affected by energy poverty and in social housing;</li> <li>○ the application of changes of terms and conditions, including price increases, of existing contracts, and how the final customer is informed about the changes.</li> <li>● The inclusion of a section on new consumer issues such as energy poverty and the level of “inclusiveness” of new markets developments was recommended, coupled with issues such as flexibility services remuneration, which might affect future consumer behaviour.</li> <li>● One respondent suggested addressing the feasibility of eliminating regulated tariffs in the commercialisation of electricity, in the case of some Member States.</li> </ul>	
5	Self-Assessment Status Report 2022 for the Roadmap to 2025 Well-Functioning Retail Energy Markets	<ul style="list-style-type: none"> <li>● All respondents indicated their support for this work item.</li> <li>● One respondent mentioned the relevance of this item supporting the implementation of the metrics in the Handbook for National Energy Regulators (item 6).</li> <li>● It was mentioned that the continuation of the realisation of a gap analysis and the identification of targets/objectives allows for improvements in the performance of retail markets to the benefit of consumers.</li> <li>● One respondent specifically stressed the importance of this deliverable.</li> <li>● The inclusion of flexibility aspects, in particular, how to manage new market players, such as aggregators and new flexibility</li> </ul>	CEER highlights the links between the Self-Assessment Status Report and the Handbook for National Energy Regulators (item 6) and strives to deliver a comprehensive tool for NRAs to monitor and promote better retail market functioning. In addition, as highlighted by the respondents, CEER will aim to widen the scope of the gap analysis performed by NRAs, although such widening is

	Sector and title of work item	Comments received	CEER views
		<p>providers (e.g. Energy Communities, smart buildings) was recommended.</p> <ul style="list-style-type: none"> <li>The inclusion of a benchmarking on new energy services offered to consumers, in order to develop codes of conduct to which suppliers, DSOs, and service providers operating in the field of energy efficiency should adhere to was suggested.</li> </ul>	<p>dependent on the available resources and national competences.</p>
6	<p>Review of the metrics in CEER's 2017 Handbook for National Energy Regulators in the light of the CEP implementation</p>	<ul style="list-style-type: none"> <li>In light of the Clean Energy for All Europeans Package, this item was stressed as an important tool to assess the functioning of retail energy markets and consumers.</li> <li>One respondent strongly recommended the monitoring of further indicators to assess consumer satisfaction and consumer protection qualitatively. Such indicators could include factors such as the number of disputes/litigations.</li> <li>One respondent specifically indicated the relevance of this deliverable.</li> <li>It was suggested that flexibility aspects be considered, in particular how to manage new market players, such as aggregators and new flexibility providers (energy communities, smart buildings).</li> <li>Additionally, smart grid indicators (introduced by article 59.1-I of the Electricity Directive) were highlighted as metrics that could contribute to the definition of a minimum set of harmonised indicators for the development of a smart grid enabling distributed flexibilities at the EU level, by examining the indicators currently in development in the different Members States.</li> <li>One respondent mentioned the importance of ensuring a technologically neutral transposition process of European Directives in the Member States. Furthermore, the respondent</li> </ul>	<p>CEER appreciates and welcomes the valuable feedback and comments received. New market players and the analysis of flexibility aspects are essential to monitor in throughout the implementation of the Clean Energy Package. CEER will strive to update the Handbook accordingly.</p>

	Sector and title of work item	Comments received	CEER views
		called for regulatory stability, given that there is an observable tendency of multiple and frequent modifications to legislative provisions in the energy sector.	
	Distribution systems		
7	3 <sup>rd</sup> CEER Report on Power Losses	<ul style="list-style-type: none"> <li>• One respondent specifically mentioned that this is an important deliverable.</li> <li>• One respondent suggested to compare centralised electrical systems with decentralised with high shares of renewables, as it would be useful for this report to enable network operators to have a collection of good practices established on the basis of a benchmark, with a view to minimising losses.</li> <li>• Harmonisation of metrics to count network losses was stressed as important in order to be able to compare energy efficiency initiatives. Furthermore, this respondent proposed to include indirect contribution of networks to energy efficiency in the metrics (e.g. to see the impact of certain technologies on the efficiency of the whole system).</li> <li>• It was suggested to distinguish the losses depending on the voltage level (100 kV, medium voltage, LV). This is while also stating that overall energy efficiency is to be reached with energy system integration at local/regional level and with smart grids, noting that power losses are not the essential key here.</li> </ul>	<p>While the idea of comparing losses in centralised vs decentralised systems (with high penetration of renewables) is interesting, it would be difficult to find data to enable such comparison in greater detail. However, one possibility would be to obtain the shares of renewables for each country and check the correlation between them and the losses.</p> <p>Harmonisation of metrics to compare losses is not easy, as there are different definitions of losses across Europe, at least in distribution where overall losses often include non-technical components. The 2<sup>nd</sup> CEER Power Losses Report already stated that the harmonisation of definitions would simplify the comparison.</p>

	Sector and title of work item	Comments received	CEER views
			<p>Benchmarking of losses on each voltage level is difficult since voltage levels do not have harmonised definitions across Europe. For example, MV losses in one country might include losses on voltages that would not be included in another country. The only exception to this would be LV which has a comparable definition everywhere in Europe. The CEER Report on Power Losses already analysed losses on LV to some extent. The Annex of the 2<sup>nd</sup> CEER Report on Power Losses provided a table with LV losses in absolute values for 11 countries that provided them (out of 35).</p>
8	<p>Short paper on how Member States determine new connections and use 'flexible' connections</p>	<ul style="list-style-type: none"> <li>• One respondent mentioned that this is an important deliverable for DSOs that could bring good value by identifying best practices in efficient and flexible operation of distribution grids.</li> <li>• It was highlighted by one respondent that the injection of renewables should not be unreasonably dependent on the capacity constraints of transmission and distribution networks; priority should be given to the right of injection.</li> <li>• It was suggested to also cover renewable and decarbonised gas production, possibly by adding new chapters or via a dedicated new</li> </ul>	<p>The proposed comments to the content of the paper (e.g. on covering renewable gases, a harmonised approach between TSOs and DSOs to limit network costs, using smart grid indicators etc.) are highly appreciated and will be checked in detail in the scoping phase of the deliverable. Though,</p>

	Sector and title of work item	Comments received	CEER views
		<p>report. It could also be linked to work item 18 on Gas Infrastructure Repurposing.</p> <ul style="list-style-type: none"> <li>• Suggesting for CEER to promote a harmonised approach between TSOs and DSOs to limit network costs and possibly to propose ways to minimise total network and system costs.</li> <li>• It was mentioned that the smart grid indicators can help support the grid transformation by giving a framework for monitoring the impact of grid operations on the efficiency and renewable accommodation and to agree on a pro-active preparation for future tasks (e.g. increasing levels of distributed generation).</li> <li>• One respondent stressed that national specificities must be taken into account and all approaches to flexible connections should be encouraged. The respondent also suggested that CEER should focus on building confidence in the value of flexibility services.</li> </ul>	<p>the anticipated size of the paper and available resources may influence how much can be included.</p> <p>CEER recognises that it concerns an important topic which deserves more research and clarity for stakeholders by providing the views of European energy regulators</p>
9	Review of data shared by DSOs	<ul style="list-style-type: none"> <li>• It was encouraged for CEER to consider the DSO and TSO “Roadmap on the Evolution of the Regulatory Framework for Distributed Flexibility”.</li> <li>• Several expressed their support for this deliverable as it is important to make sure data by DSOs is eventually shared with all necessary parties, while, at the same time, consumers are protected.</li> <li>• Two respondents mentioned that categorising the data and the users is useful, but that the report should also have a forward-looking element to understand which data should be made available in the future for flexibility markets and network planning. If all stakeholders agree on the data necessary and on what measures are needed to retrieve the data, we can really prepare</li> </ul>	<p>CEER is aware of the joint DSO-TSO publication on distributed flexibility and most of its NRA members are also following the current discussions regarding the development of a Framework Guidelines on Demand Side Flexibility, led by ACER.</p> <p>Perhaps a follow-up deliverable could have a more forward-looking focus as suggested by one respondent.</p>

	Sector and title of work item	Comments received	CEER views
		the system for flexibility.	
10	Paper on the Cybersecurity Network Code	<ul style="list-style-type: none"> <li>• Many respondents explicitly agreed to the importance of cybersecurity and supported the deliverable.</li> <li>• One respondent particularly noted the vulnerability of smart home devices which could become a threat for the electricity system.</li> <li>• Two respondents stressed that the Network Code on Cybersecurity should include TSOs and DSOs but also market players and other industry participants, as a systemic approach is needed.</li> <li>• One respondent added that an explicit reference to the international standards are to be added to the Network Code (e.g. IEC62443 and IEC62351 that provides an OT framework and solution interoperability). The respondent also questioning whether the cybersecurity risk at the edge of the grid (e.g. solar PV or EV chargers connected to grid and to the internet, allowing for potential hacking) are also covered.</li> <li>• One respondent noted that the ACER draft framework guidelines on the Network Code deviate quite a lot from the informal drafting team recommendations.</li> <li>• One respondent suggested that the report could also consider the role of other stakeholders and the relations between them, as it seems that some NRAs are already rather clear on the topic.</li> </ul>	This planned paper is meant to inform NRAs and stakeholders of the Cybersecurity Network code, on the roles and the impact of the code. It can be noted here that the actual drafting of the Network Code is done via the appropriate procedure set out in EU legislation.
	Distribution systems/ Customers and retail markets		
11	Electric vehicles	<ul style="list-style-type: none"> <li>• Many respondents particularly welcomed the deliverable and</li> </ul>	CEER welcomes the support and

	Sector and title of work item	Comments received	CEER views
		<p>expressed the importance of it.</p> <ul style="list-style-type: none"> <li>• One respondent suggested that this report could also bring additional evidence for the political negotiations on the Fit for 55 package (Revision of the Directive on deployment of alternative fuels infrastructure), if so then completion should be early 2022 rather than Q4.</li> <li>• Another respondent noted that in this deliverable it would be good to clearly distinguish between upstream and downstream for the metered activities and to recall that DSOs are not allowed to have downstream activities unless there is proper unbundling compliance of the concerned activities. Furthermore, it proposed to avoid usage pricing.</li> <li>• It was mentioned that DSOs need to have the possibility to influence the charging processes in order to minimise the impact on the distribution grid and safeguard grid stability (smart/coordinated charging) or to get access to V2G-services. It is also important to ensure that charging stations are accessible for people with disabilities.</li> <li>• It was suggested for CEER to also consider looking at the EC review proposal of the Alternative Fuels Infrastructure Directive (Directive 2014/94/EU), which has been published in the framework of the “Fit for 55 Package”.</li> <li>• One respondent suggested the following initiatives to accelerate the deployment of smart charging for EVs: <ul style="list-style-type: none"> <li>- to define smart charging as a system which is able to monitor, manage and eventually adapt the use of EV charging devices with the aim of optimising energy consumption while ensuring the mobility needs of EV drivers;</li> </ul> </li> </ul>	<p>proposed changes/additions to the content of the deliverable. The aim of this deliverable is not per se to bring CEER’s views into the Fit for 55 Package negotiations – other CEER work will be prepared for that purpose.</p> <p>As suggested by one respondent, CEER is looking into the EC review proposal of the Alternative Fuels Infrastructure Directive.</p> <p>Other content suggestions will be reviewed during the scoping phase of the deliverable.</p>



	Sector and title of work item	Comments received	CEER views
		<ul style="list-style-type: none"> <li>- Energy tariff models should include incentives towards “Time of Use” consumption and “demand charge” (subscribed power). This would apply for both for residential and commercial &amp; industrial buildings; and</li> <li>- Incentives from grid operators to solve grid congestions and participate in balancing &amp; capacity.</li> </ul> <p>Furthermore, the respondent regards that EVs should be treated as a new type of flexible loads similar to heat pumps.</p> <ul style="list-style-type: none"> <li>• Another respondent informed CEER that it is also already working hard on integrating EVs into the grid but stressed that increasing investment in the network is still very relevant in order to reach the European green mobility targets.</li> </ul>	
	Electricity		
12	Biennial RES Status Review of Renewable Support Schemes in Europe	<ul style="list-style-type: none"> <li>• It was suggested to enlarge the status review by also covering renewable gases (biogas, biomethane, hydrogen) and the economic and regulatory schemes in place (grants, tenders, targets, GOs, injection tariffs, etc). Or to add a new regular report about renewable gas policies in the gas section.</li> <li>• Another respondent stressed that it is important not only to consider the support scheme (direct subsidy through feed-in tariffs or premiums) but all the indirect subsidies (connection charges, etc.). Though, the collection of this information may also be demanding, this dimension should be included in future reports to provide a global and more accurate picture of the support.</li> <li>• Additionally, it was also suggested that the report could also provide a valuable and more detailed insight on the situation of the no-longer-subsidised RES facilities, with a breakdown of those</li> </ul>	<p>CEER will look into the option to add a section regarding renewable and decarbonised gas.</p> <p>Though CEER sees that in addition to direct subsidies, also indirect support is relevant. The RES Status Review of Renewable Support Schemes in Europe for 2018 and 2019 date published in June 2021 does already cover indirect support for self-consumption of RES electricity, with data from CEER NRAs if there are for instance any</p>

	Sector and title of work item	Comments received	CEER views
		facilities opting for repowering (and a new support scheme), those going on the market, with what kind of contracts, the durations, etc.).	charges on self-consumption.  CEER has been looking at the situation of the no longer subsidized RES facilities. Please have a look at the <a href="#">2<sup>nd</sup> Paper on Unsupported RES</a> published in October 2021.
13	3 <sup>rd</sup> CEER Report on Tendering Procedures for RES in Europe	<ul style="list-style-type: none"> <li>One respondent mentioned that photovoltaic farms and the onshore/offshore wind turbines schemes have reached a stage of maturity which justifies the end of guaranteed price mechanisms and purchase obligations. Though, it is important that the sanctity of concluded contracts be respected.</li> </ul>	CEER appreciates the views shared by the respondents.
14	Follow EC Offshore Strategy implementation steps	<ul style="list-style-type: none"> <li>It was noted by one respondent that the permitting process of offshore wind projects is long and that litigation leads to a considerable lengthening of the completion times.</li> <li>One respondent referred to the comprehensive report on market arrangements for hybrid offshore projects by Eurelectric (June 2021). This report highlights that the offshore bidding zone setup promoted by the EC in its staff working document from 2020 is not the only way forward. The respondent favours rather integrating offshore wind farms of those projects to existing onshore bidding zones.</li> <li>It was suggested by a respondent that CEER should ensure the consistency of regulatory schemes in integrated plans among Member States to develop the infrastructure (as foreseen in the Strategy). Additionally, providing clear guidance to establish hybrid</li> </ul>	CEER appreciates and welcomes the valuable feedback and comments received and the reference to the Eurelectric report on hybrid offshore projects. The consistency of regulatory schemes will be kept in mind by CEER when developing CEER views on the topic.

	Sector and title of work item	Comments received	CEER views
		projects was proposed.	
15	Follow legal process and provide input on the EC Hydrogen and Gas Market Decarbonisation Package	<ul style="list-style-type: none"> <li>• Several respondents supported this important activity and deliverable.</li> <li>• For CEER's electricity experts, it was found particularly relevant to gather expertise on the implementation of the Electricity Directive, to use lessons-learned for this [then upcoming] gas package. Furthermore, mirroring of consumer rights and protections from electricity to district heating was also suggested as an important topic.</li> <li>• A respondent also mentioned that as electricity and gas networks will need to work in synergy, there should be one single transmission network development plan.</li> <li>• Another respondent stated that the new evolutions and the transition in the gas sector must be covered by a single piece of legislation where the definition of gases must be extended to include new gases such as hydrogen. This is to avoid market fragmentation, to foster liquidity and to develop integrated fit-for-purpose infrastructure.</li> <li>• One respondent stressed that there is a need to ensure hydrogen is produced with renewable energy.</li> </ul>	<p>This proposed action is complementary to the deliverable proposed by the Gas Working Group in CEER with work item 17, and should ensure that electricity expertise and experience with the revised Electricity Directive and Regulation is shared when discussing hydrogen and gas market decarbonisation.</p> <p>CEER will keep in mind the proposal to have one single transmission network development plan.</p>
	Market Integrity and Transparency		

	Sector and title of work item	Comments received	CEER views
16	Financial regulation and the links to REMIT	<ul style="list-style-type: none"> <li>• Full support was shown for CEER's Advocacy on the continuation of energy regulation in gas and electricity markets, instead of general financial supervision and regulation. NRAs and ACER should retain full responsibility for monitoring these markets.</li> </ul>	CEER welcomes and appreciates the confidence and trust shown by stakeholders with regard to the monitoring and supervision of gas and electricity markets and fully agrees that the responsibility shall continue to lie with NRAs and ACER. More cooperation between financial and energy regulation is encouraged and envisaged.
	Gas		
17	Accompanying the Hydrogen and Gas Market Decarbonisation Package along the legislative process	<ul style="list-style-type: none"> <li>• The majority of the respondents expressed their support for the item.</li> <li>• One respondent mentioned that NRA input would be particularly valued on the following topics: <ul style="list-style-type: none"> <li>○ How to address misleading 'green' offers in the gas sector?</li> <li>○ Digital energy markets: How to address loopholes in consumer rights &amp; protections when using third party intermediaries (e.g. automated switching tools, bill splitters)?</li> <li>○ Which additional consumer rights and protections are needed for 'bundled offers'?</li> <li>○ Gas Infrastructure repurposing: costs and planning</li> <li>○ Affordability in the context of evolving gas network tariffs and the ongoing discussion on hydrogen blending</li> </ul> </li> </ul>	<p>CEER appreciates and welcomes the valuable feedback and comments received. Customer protection, efficient planning and cost allocation of infrastructure as well as energy system integration are key topics for CEER that will be considered in the work.</p> <p>Moreover, CEER plans to also involve stakeholders and considers their external input as very important.</p>

	Sector and title of work item	Comments received	CEER views
		<ul style="list-style-type: none"> <li>○ Regulatory oversight on plans developed by transmission system operators and DSOs</li> <li>○ Energy system integration: how to improve coordination of electricity and gas network development planning?</li> <li>○ How to improve protection against cyber-attacks for smart meters, both for electricity and gas?</li> <li>● Several respondents highlighted that CEER could aim to involve all relevant stakeholders in the discussion, including TSOs, DSOs, end-consumers as well as (local) stakeholders in interlinked sectors (such as waste, transport, buildings and industry), building on the experience of the Prime Mover Group on Gas Quality and Hydrogen Handling. This would focus the discussion on the experience and know-how of stakeholders in the gas sector, while trying to avoid political framing of technical issues.</li> </ul>	
18	Gas Infrastructure Repurposing: Costs and Planning	<ul style="list-style-type: none"> <li>● Most of the respondents expressed their support for the item.</li> <li>● One respondent suggested to aim for an earlier release of the paper (e.g. Q1 2022 instead of Q3 2022) to feed into ongoing policy discussions.</li> <li>● Another respondent suggested that the paper could particularly focus on repurposing gas infrastructure to dedicated hydrogen networks (no hydrogen blending) and assessing the impact of decommissioning gas networks and decreasing numbers of gas consumers on gas bills for the remaining consumers.</li> <li>● Several stakeholders mentioned that it is important to bear in mind that the gas system will face a substantial downsizing on the path to net zero and the related challenges for regulators and other stakeholders. The stakeholders urged CEER to address all related</li> </ul>	<p>The focus should be the cost of repurposing the gas to hydrogen infrastructure as well as how to decide to repurpose gas pipelines (needs evaluation, conversion process). The topic of downsizing the infrastructure should be separated, as it is too complex and of a different nature (adapting a system to reduced demand).</p> <p>Furthermore, the topic of the regulatory framework should not be part of the paper. Its focus should</p>

	Sector and title of work item	Comments received	CEER views
		<p>questions and not to leave out difficult ones.</p> <ul style="list-style-type: none"> <li>• One respondent suggested that experts' input from different stakeholders such as TSOs, DSOs and end-consumers should be consulted for the paper.</li> <li>• Another respondent thought that, when establishing a hydrogen business model, the issues related to hydrogen transport infrastructure will need to be clarified.</li> <li>• One stakeholder suggested that the paper could cover more than only hydrogen topics, e.g. it could address the issue of a regulatory benchmark regarding connection costs (e.g. deep/shallow), access to pipeline regimes, injection tariffs etc. applicable to renewable and decarbonised gas production in Europe. The topic of a new regulatory benchmark would be also linked to work item 8 (extending it to cover gas connections). Alternatively, CEER could consider a dedicated new report to address the issue.</li> </ul>	<p>be the planning, but not the access regime and the tariffication. All these topics are important and relevant but should be elaborated in a broader context and therefore, not in depth in this deliverable.</p>
19	Stakeholder Workshop on long-term energy storage	<ul style="list-style-type: none"> <li>• One stakeholder asked for a conclusions paper to be published after the workshop.</li> <li>• Another respondent expressed their interest to participate in the workshop.</li> <li>• One respondent mentioned that long-term storage should be discussed as one of many flexibility options along electric vehicles, heat pumps, interconnection etc. Moreover, the workshop could specifically address the option of long-term flexibility coupled with storage.</li> </ul>	<p>The outcome(s) of the workshop could be summarised and published.</p> <p>The discussion should be focused on long-term storage with a main part on the lessons learnt from gas storage (the need is for evaluation and regulatory options).</p>
20	The role of LNG in the New	<ul style="list-style-type: none"> <li>• One stakeholder is of the opinion that the EU will continue to import LNG in the long term and is not in favour of calling into question the</li> </ul>	<p>It is important that we have a level playing field amongst terminals in</p>

	Sector and title of work item	Comments received	CEER views
	Energy Market	<p>exemption granted to certain terminals. They also remind CEER that the LNG terminals will eventually be able to import ammonia; thus contributing to decarbonisation. These rapid developments in the hydrogen business model make it necessary to have dynamic regulation.</p>	<p>Europe or at least within the same market areas. It might be the case that new LNG infrastructures could eventually apply for an exemption. Any new decision regarding such exemptions should therefore be carefully assessed to account for their potential impacts on competition in Europe or in the relevant market areas.</p> <p>Furthermore, if new gases were compatible with conventional LNG, the regulation should ensure transparency, objectivity, and non-discriminatory access. If, however, LNG infrastructures need to be upgraded to accommodate new gases, regulation should be adapted accordingly based on the above principles as well guaranteeing access to new infrastructures, defining flexible services and updating remuneration schemes in line with the new services. Said regulation would request quick adaptation to respond to the different market needs with the participation of all</p>

	Sector and title of work item	Comments received	CEER views
			stakeholders. This can be reached by adopting an approach that results in dynamic regulation, as acknowledged by CEER.
	Regulatory Benchmarking		
21	Webinars on Dynamic Regulation	<ul style="list-style-type: none"> <li>• One of the respondents expressed their support for the development of a dynamic regulatory framework which allows DSOs to operate their distribution grid while diversifying their service portfolio, including additional flexibility products, and encouraging customers to take a more active part in energy markets. Furthermore, on the subject of dynamic regulation, the respondent acknowledged the crucial role of NRAs in assessing the CEP framework, in particular the procurement procedure of flexibility services.</li> <li>• It was highlighted by one respondent that the approach should be consumer-centric. Regarding the recent implementation of sandboxes with the goal of promoting innovation, it is essential to protect consumers, ensuring that products are analysed on a case-by-case basis before entering into a sandbox regime, keeping consumer's interest as the focus of the analysis.</li> <li>• One respondent specifically mentioned their planned participation.</li> <li>• It was suggested that CEER should focus in dealing with upcoming requirements since the energy transition requires technical development of power systems and grids, resulting in new functionalities which are, among others, needed to integrate</li> </ul>	CEER welcomes the support for this work and will review the suggestions. The webinars should follow the 2022 publication of a CEER report on Dynamic Regulation, still part of the 2021 Work Programme.



	Sector and title of work item	Comments received	CEER views
		<p>distributed resources and to realise distributed flexibilities. While regulation in the past has primarily or exclusively addressed efficiency and quality of service of networks, which have been assumed to be well-known and offering unchanged services, regulatory frameworks in the future will need to define required functionalities and ensure their roll-out. This means a third pillar of regulation, which is complementary to efficiency and quality of service, is needed. Methodologically output oriented regulation schemes offer the opportunity to formulate such additional requirements.</p> <ul style="list-style-type: none"> <li>• For defining the requirements mentioned above, a stakeholder process involving regulators, network operators, network users and network technology providers, in which future functionalities can be identified and reviewed on a regular basis, was recommended. Such setup allows a dynamically evolving regulatory framework.</li> </ul>	
	Recurring/Cross-sectoral		
22	Regulatory Frameworks Report 2022	<ul style="list-style-type: none"> <li>• Several respondents welcomed the continuation of this benchmarking activity and underlined its quality.</li> <li>• An assessment of the compatibility of the different regulatory frameworks with the roll out of on-bills schemes was suggested.</li> <li>• Another suggestion was to consider the establishment of grid smartness indicators and the implementation of the monitoring process. And new DSO KPIs for the deployment of DER Management Technologies in DSO networks could be a useful addition.</li> </ul>	CEER notes that this is one of the most downloaded reports from the CEER website and thus sees the great interest from stakeholders. CEER welcomes the support for the Regulatory Framework Report and will continue with this annual report. The specific suggestions will be reviewed.

	Sector and title of work item	Comments received	CEER views
		<ul style="list-style-type: none"> <li>One respondent noted that this report needs to assess the lessons learned from the implementation of the Clean Energy Package at national level.</li> </ul>	
23	TSO Cost Efficiency Benchmark (TCB21)	<ul style="list-style-type: none"> <li>Several respondents welcomed the continuation of this benchmarking activity and underlined its quality.</li> <li>It was suggested to consider the grid smartness indicators implementation and asset management, as well as measures and best practices to further develop network operation with flexible solutions, to allow more-effective use of the network.</li> </ul>	CEER started the benchmark with electricity and gas TSOs and NRAs in 2021 and is pleased to hear about its usefulness for stakeholders. The suggestion will be reviewed.

## 2. Conclusions

CEER appreciates the valuable suggestions and comments received. Given the reactions, we consider that our effort to set up a meaningful work plan for 2022 is generally endorsed by respondents.

Stakeholders strongly supported the main proposed areas of principal relevance for CEER's Work Programme in 2022.

CEER views on the specific comments received on the CEER draft 2022 Work Programme are reflected in the table above, but overall, stakeholders strongly supported that the work items we have proposed and observed that they appropriately address CEER's key core areas. In many areas, whilst supporting the proposals overall, some respondents have taken the opportunity to contribute views on the substance of the proposed work items, in some cases with very specific suggestions.

CEER's focus on the consumer and retail markets is broadly supported. In general, stakeholders consider consumers to be one of the main drivers to achieve the green transition and therefore, considered that the deliverables proposed address consumer issues and will contribute to stronger consumer participation in the energy market.

Respondents expressed their support for CEER's work on gas and electricity. Moreover, great emphasis is given to the development of the work in relation to dynamic regulation, which was the key theme from the last year of the 3D strategy in 2021 and will stretch into 2022.

Regarding CEER's work on the distribution network, stakeholders broadly provided their support to the proposed items. Moreover, they have also emphasised the importance to develop further work on cybersecurity.

On CEER's cross-sectoral work, stakeholders particularly welcomed the work on the Regulatory Frameworks for European Energy Networks and the TSO Cost Efficiency Benchmark. Further. They stressed the need to have a holistic and integrated approach in the development of future work.

The comments received in response to this consultation have been reflected in the development of CEER's 2022 Work Programme and, where appropriate, in later Work Programmes from 2023 and onwards.

In the event of unpredictable developments, CEER will make any necessary changes to the proposed Strategy and Work Programme 2022.

## **Annex 1 – About 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. CEER's members and observers (from 39 European countries) are the statutory bodies responsible for energy regulation at national level.

One of CEER's key objectives is to facilitate the creation of a single, competitive, efficient and sustainable EU internal energy market that works in the public interest. CEER actively promotes an investment-friendly and harmonised regulatory environment, and consistent application of existing EU legislation. Moreover, CEER champions consumer issues in our belief that a competitive and secure EU single energy market is not a goal in itself but should deliver benefits for energy consumers.

CEER, based in Brussels, deals with a broad range of energy issues including retail markets and consumers; distribution networks; smart grids; flexibility; sustainability; and international cooperation. European energy regulators are committed to a holistic approach to energy regulation in Europe. Through CEER, NRAs cooperate and develop common position papers, advice and forward-thinking recommendations to improve the electricity and gas markets for the benefit of consumers and businesses.

The work of CEER is structured with a number of working groups and work streams, composed of staff members of the national energy regulatory authorities, and supported by the CEER Secretariat. This report was prepared by the CEER Work Programme Drafting Committee.

More information at [www.ceer.eu](http://www.ceer.eu).

## Annex 2 – List of Respondents

Organisation
BEUC
CEDEC
ENEDIS
EDF
GEODE
NATURGY
T&D Europe
UPRIGAZ