

CEER Specialised Training on Wholesale and Retail Market Monitoring

19-20 April 2018

CEER Office, Cours Saint-Michel 30a (5th floor), 1040 Brussels

COURSE PROGRAMME

National Regulatory Authorities (NRAs) have the duties to exercise monitoring activities of the wholesale and retail electricity and gas markets. These duties include monitoring the level of transparency of wholesale and retail prices, the level and effectiveness of market opening and competition at wholesale and retail levels to the benefits of all energy consumers.

NRA staff need expertise to carry out these monitoring activities at national level. As part of this, it is useful for NRA staff to understand the aims and features, methodologies and approaches in wholesale and retail market monitoring from other countries and exchange best practices and experiences with colleagues from other NRAs.

This two-day course is designed for experts from NRAs with previous experience in wholesale and retail market monitoring in electricity and gas. The first day of the programme will focus on retail market monitoring. It will cover the retail market design in Europe, its legal framework and how it is applied at the national frameworks. It will include the fundamentals and best practice of retail market monitoring, including national experiences from different countries. The second day will cover the aims and features, challenges, potential problems and solutions of monitoring electricity and gas wholesale markets in the context of increasing competition. It will include the different scientific approaches and cases studies of wholesale market monitoring from different countries. Participants will have the opportunity to participate in interesting discussion and group work to apply learning from the issues addressed during the course.

Thursday, 19 April 2018
10:30-17:45

WELCOME AND INTRODUCTION

10:30-10:45 Opening remarks and round-table introduction of the participants.

- **Mr Mats Nilsson, EI**

SESSION 1 RETAIL MARKET MONITORING – FUNDAMENTALS AND BEST PRACTICES

10:45-11:30 What is the outlook of the European retail energy market in an evolving European energy legal framework? What is proposed in the Clean Energy Package regarding the retail market design?

What does this mean for the retail market in the national context? Does it fit within the European vision? Where doesn't it fit?

- **Mr Kai Tullius, European Commission, DG ENER**

Q&A

11:30-12:30 National frameworks: what monitoring is required by national legislation (examples of where Member States do more/less than what European legislation requires)? Why is that? Does this fit into the context of the market design NRAs are aiming for?

- **Mr Mats Nilsson, EI**

Q&A

Discussion with participants

12:30-13:30 Lunch Break – CEER Office

13:30-14:30 Measuring successful retail competition in practice – How do we know if we have got it right?

- a) How do we define successful retail competition?
- b) What really defines the level of competition in retail markets?
- c) How should we measure them?
- d) What influences them?
- e) How do they relate to competition in practice?

- **Dr Philip Lewis, VaasaETT**

Q&A

14:30-15:15 Group work

Discussion in small groups to apply learning from issues addressed during the previous session.

- **Dr Philip Lewis, VaasaETT**

15:15-15:30 Coffee break

15:30-16:30 **Case Study 1:**

How do you monitor? Practical aspects of retail market monitoring in the context of the national regulatory framework.

- **Mr Simone Spalletta, ARERA**

Q&A

Discussion in small groups about the case study

16:30-17:30 Case Study 2:

How do you monitor and organise the governance around monitoring in practice? What sort of oversight are NRAs/Competition Authorities looking for? How do you monitor the effect of your work? Practical example of problem solving approach at ACM.

- **Mr Vasant Bhoendie, ACM**

Q&A

Discussion in small groups about the case study

17:30-17:45 Wrap-Up of Day 1.

- **Mr Mats Nilsson, EI**

17:45-19:00 Reception Drinks – all participants and lecturers are welcome to join.

- END FIRST DAY -

Friday, 20 April 2018

09:00-16:30

09:00-09:10 Opening remarks and introduction of Day 2.

- **Mr Deniz Erdem, BNetzA**

SESSION 2 WHOLESALE MARKET MONITORING – FUNDAMENTALS AND BEST PRACTICES

09:10-10:00 “Supplier Cost Index” – using wider Energy Market data for Retail Monitoring.

How combining wholesale, network and policy cost data has allowed us to better understand retail tariff levels and gain an insight into supplier behaviour.

- **Ms Angeliki Lashand, Ofgem**

Q&A

Discussion with participants

10:00-10:15 *Coffee break*

10:15-11:15 Scientific approaches to wholesale market monitoring:

- a) Exertion of market power
- b) Indirect assessment of market power
- c) Assessment of market power including the demand side
- d) Which methodologies can be applied and how? Are there methodological limits?

- **Prof. Monica Giulietti, Loughborough University**

Q&A

11:15-12:00 Group work:

Discussion in small groups to apply learning from issues addressed during the scientific approaches session and presentation of group work.

- **Prof. Monica Giulietti, Loughborough University**

12:00-13:00 Lunch Break – CEER Office

13:00-14:00 Case Study 1:

What monitoring is required by national and European legislation and how NRAs choose the indicators to monitor wholesale electricity and gas markets? Practical experience on the decision-making process regarding wholesale market monitoring by NRAs.

- **Mr Ricardo Pacheco, ERSE**

Q&A

Discussion in small groups to apply learning from issues raised in the case study.

14:00-15:00 Case Study 2:

Wholesale Market Functioning and Monitoring: approach at CREG with regard to the Belgian situation and case study on market abuse.

- **Mr Andreas Tirez, CREG**

Q&A

Discussion in small groups to apply learning from issues raised in the case study.

15:00-15:15 Coffee break

15:15-16:15 Case Study 3:

Wholesale Market Monitoring task at ACER, indicators used in the CEER-ACER market monitoring report, welfare indicator, assessing cross-border electricity and gas wholesale markets.

- **Mr Bart Vereecke, ACER**

Q&A

Discussion in small groups to apply learning from issues raised in the case study.

16:15-16:30 Course Wrap-up.

- **Mr Deniz Erdem, BNetzA**

- END OF THE COURSE -