ENDESA COMMENTS TO ERGEG PUBLIC CONSULTATION ON THE EUROPEAN ENERGY REGULATORS WORK PROGRAMME BY 2010

We welcome the strong drive shown by ERGEG to foster participation of all stakeholders in its next year working programme.

As a general comment the programme looks very ambitious and deals with all relevant issues that area currently under discussion.

Comment on deliverables:

3. EUROPEAN ENERGY REGULATOR'S WORK IN DETAIL

3.1Electricity

3.1.1 Regulatory aspects of grid management

#5 -ERGEG Status Review on regional electricity interconnections management and use (RIG)

Comments:

- We believe that in order to address an optimal use of existing cross-border capacities in deliverable #5:
 - <u>Transparency</u> between TSOs and TSO to rest of agents is vital and
 - A proper incentive scheme to TSOs should be defined.

3.1.2 Regulatory aspects of electricity infrastructure development

#8-ERGEG Advice on intelligent energy networks (smart grids) (EWG)

Comment:

• In deliverable #8, evaluation of costs and benefits involved in smart grids development should be considered in order to design an adequate regulatory scheme to distributors.

3.1.3 Regulatory aspects of electricity wholesale market issues

#9 –Input to the Framework Guideline on transparency in electricity (EWG)

Comment:

• There should be no overlap between developments carried out by the DG TREN and by the DG MARKET. In the new regulatory regime both energy products should be taken into account: physical and financial.

3.1.4 Regulatory aspects of electricity quality of supply

10 -CEER Guideline of Good Practice on harmonised surveys on quality of electricity supply (EWG)

Comments:

• Deliverable #10 should take into account the economic impact when better quality is requested.

3.3. Cross-sectoral

3.3.1. Regulatory aspects of customer affairs

- # 22 -ERGEG Guideline of Good Practice on regulatory aspects of smart metering for electricity and gas (CWG)
- # 23 -ERGEG Guidelines of Good Practice on customer complaint handling for service providers and third-party bodies (CWG)
- # 24 -ERGEG Status Review on end-user price regulation as of 1 January 2010 (CWG)
- # 25 –ERGEG Compliance Monitoring Report on the implementation status od DSO unbundling (ENP WG)

Comments:

- In deliverable #22, in addition to reliability and functionality of intelligent meters, manageability of the information that is measured should be also considered. Comprehensive information should be facilitated to consumers so they can make the most efficient use of it.
- We believe that in order to handle customer complaints subjected in #23 there should be an independent office dedicated to customer defence – European Energy Obudsmen Group - that guarantees proper information to consumers and put at customer's disposal all information about their rights in dispute handling. In addition and according to the new Directive there should be available for customers:
 - An office for supplier switching in charge of promoting competence and providing customers with smooth access to the different supplier offers and changing procedures.
 - Public and comprehensive information of customer's rights.
- When end-user price regulation for 2010 is assessed in #24, level playing field has to be guaranteed through all Member States: regulated tariffs must be disappeared in those Member States which still keep regulated tariffs.

3.3.2. Regulatory aspects of wholesale energy markets

27 – ERGEG Response on market supervision issues (FIS WG) # 28 – ERGEG Response on transparency in energy trading (FIS WG)

Comments:

• We believe that both deliverables #27 and #28 should be closely related to #9 and being subjected to the same comments.