

## **Position of the Czech Gas Union on the ERGEG Public Consultation paper on Draft Guidelines of Good Practice on Indicators for Retail Market Monitoring**

Czech Gas Union (CGU) has been founded in 1994 as an independent and voluntary professional organisation of gas companies being engaged in trading, transmission, distribution and storage of natural gas. The main focus of CGU is representing and enforcing its member's interests in national and international institutions as well as in relation to the public.

We carefully follow not only the documents of the Commission but the ERGEG's public consultations as well.

We are fully aware that establishing a **single European gas market is an important target** of the European Union towards reaching the highest level of competitiveness and transparency. In order to help the process to move forward, simple and stable regulatory conditions shall be put in place. Appropriate development towards the target has to be monitored by means of **clear criteria**. The criteria have to be designed in a way that either confirms that we are on the right track or that shows weaknesses requiring further action.

After further consideration and consulting members of CGU we came to following general observations and some recommendations.

A set of indicators proposed for monitoring the retail market seems to be very **comprehensive** and the collection of all data required will be in specific cases **time consuming and a costly process**. Moreover we suppose that some of data will not be available in a form **to enable comparisons** among the member states. Some indicators might be gathered from other reports of member states, already obligatory by existing legislation or to be mandatory according to the 3<sup>rd</sup> Energy Packages . A few indicators have been designed in a way not providing **a clear sense**. On the contrary several indicators will not contribute to the aim of a common market. Nevertheless we feel obliged to direct the attention to the fact that in any way **the indicators as proposed by ERGEG will increase the administrative cost and burden to final costumers**.

Below are our major objections and comments on selected draft indicators.

### Indicator 1

It is not clear what the indicator can indicate; the level, subjects, and nature of complaints can differ from country to country.

### Indicator 2

With respect to the Ind. 1 we propose to combine both indicators.

### Indicator 4

End-user prices are published in statistical reviews. Their comparison is not easy and quarterly collection will be costly.

#### Indicator 5

Taking in account different commercial strategies of suppliers and the market set-up, the variety of products and respective prices this indicator has a low informative value and it is supposed to be deleted.

#### Indicator 6

The indicator has a value for simple comparable products. The spread of non-comparable products will be difficult to predict.

#### Indicator 7

The indicator can describe the level of activity of suppliers towards customers. The collection of data result in a high administrative burden and it is not clear whether a set of data would be too complex. We propose not to implement this indicator.

#### Indicators 9, 10

These indicators can be applied.

#### Indicator 12

This can be useful, but only on an annual basis.

#### Indicator 13

We are not convinced that this indicator will bring more than administrative cost.

#### Indicators 16, 17

Both indicators do not assess the level of pure market functioning as they are of technical nature. We propose not to include them into the data collection.

#### Indicator 18

The total number of disconnection (or relative) does not deliver a clear message. Maybe if worded differently, in general, however, this indicator is closely related to technical matters as opposed to retail market monitoring.

#### Indicator 19

As this indicator describes again ability to maintain the facility and cost of it, we propose not to involve this indicator into the search.

We recommend to review the whole set of indicators in order to provide **clear definition, sense and purpose of the indicators**. Reduction of the number of indicators as well as only annual investigations will decrease overall administrative costs and burden.

Sent by :

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