

Keeping the lights on saves lives – Energy sector and regulators guarantee energy supply during lockdown

Brussels, 14 April 2020

- Safe to stay and work from home during lockdown – heat and energy guaranteed
- Europe's energy system remains stable and strong

Saving lives is the number one priority during the COVID-19 (coronavirus) crisis. Hospitals, including mobilised ones, need a guaranteed electricity supply for normal functioning and for ventilators to save lives. Keeping the lights on and the markets functioning is the normal job of the energy regulator. At no time is the crucial role of the energy sector more important than during a global health crisis. The entire energy sector, national energy regulators and ministries are working hard to support the front-line medical systems and the daily lives of millions of European citizens in lockdown.

Emergency measures: Safe to stay and work from home during lockdown – heat and energy guaranteed

Europe's energy regulators have taken extraordinary measures to:

- ensure safe and reliable energy supply; and
- make sure citizens can safely stay and work from home by guaranteeing essential services such as gas, heat and power for household appliances and devices such as laptops and;
- to ease financial requirements on consumers who face economic difficulties during lockdown such as easing bill-paying measures for vulnerable consumers and avoiding disconnections.

Gas and electricity network and supply companies are working tirelessly to implement these measures. In some cases, operation, inspection and maintenance plans have been optimised to deal with the current situation, prioritising critical infrastructure. As the measures adopted differ from country to country, energy regulators through their European association – the Council of European Energy Regulators (CEER) – are continuously sharing COVID-19 experiences on issues such as system resilience and measures to protect customers who risk energy poverty or suppliers who face cash flow issues. Measures in some countries had to be extended (e.g. access tariff payments) as some suppliers faced cash flow issues and regulators generally are demonstrating regulatory flexibility in terms of the normal regulatory obligations on industry. With an eye towards the time after the COVID-19 crisis, CEER underlines the importance of planning a smooth phase out of emergency measures and return to a normal situation after the crisis.

CEER President, Annegret Groebel praised the energy sector *“For essential services such as electricity, emergency planning is a given to mitigate against massive disruptions. During this health crisis, national regulators oversaw the quick activation of normal emergency planning to guarantee the supply of priority installations e.g. (mobilised) hospitals and public safety installations by the energy sector. In addition, extraordinary measures were also put in place to make it safe for people to stay home during the COVID-19 pandemic to avoid energy supply disconnections. At the European level the cooperation of regulators is paramount and their collective priority is to maintain the stability of the energy system as a whole in order to minimise disruptions during and after this time of crisis”*.

Europe's energy system remains strong and stable

No COVID-19 network congestion issues or problem with security of supply have been reported. The EU regulatory framework of liberalised energy markets regulated by independent regulators working for an integrated internal energy market has shown its resilience. Under the restrictions on movement and business activities, electricity and gas demand have fallen significantly in recent weeks, by as much as 15% or more in some countries. This, combined with commensurate wholesale price declines and later consumer bill payments, has put some generators and/or retailers under pressure. Where suppliers are facing stark temporary difficulties, where appropriate, regulators have taken actions with their governments such as providing insurance and bill rescheduling.

Regulators will continue to share experiences among themselves and work closely with their governments, other agencies, companies and industry representations to ensure stability during this crisis and to have a smooth post-crisis return to normality without any damage to our interlinked energy systems. Regulators are adopting a “*dynamic regulation*” approach convinced that Europe's interconnected energy system, grounded on well-functioning markets, is the best safeguard during the crisis and in dealing with the longer-term impacts of this pandemic on consumers and the energy sector.

Ends – see Notes to Editors

Notes to Editors:

1. The Council of European Energy Regulatory (CEER) is the voice of Europe's national energy regulators. Its Members and Observers are the independent statutory bodies responsible for energy regulation in 39 European countries. 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. Further information on the CEER website www.ceer.eu

Press Contact: Ms Una Shortall

Tel: +32 484 668 599

E-mail: una.shortall@ceer.eu

twitter.com/CEERenergy

Webpage: www.ceer.eu