



Fostering energy markets, empowering **consumers**.

Draft CEER 2016 Work Programme

Public consultation document

Ref: C15-WPDC-27-06
12 June 2015



INFORMATION PAGE

Abstract

On 12 June 2015, European energy regulators launched a public consultation on the draft CEER 2016 Work Programme (Ref. C15-WPDC-27-06). This document outlines CEER's work plan for 2016, centered on four strategic focus areas

Target audience

Energy suppliers, traders, electricity and gas customers, electricity and gas industry, consumer representative groups, network operators, Member States, academics and all other interested parties.

How to respond to this consultation

Deadline: **31 July 2015**

This public consultation is carried out through a dedicated [online questionnaire](#) on the European energy regulators' website. No login is required.

If you have any queries relating to this consultation paper or the online consultation, please contact:

CEER Secretariat
Tel. +32 (0) 2788 73 30
Email: brussels@ceer.eu

All responses except confidential material will be published on the website www.ceer.eu

Treatment of confidential responses

In the interest of transparency, Council of European Energy Regulators (CEER):

- i. will list the names of all respondents (whether confidential or not) or, alternatively, make public the number (but not the names) of confidential responses received;
- ii. request that any respondent requesting confidentiality submit those confidential aspects of their response by marking them as "confidential" in the online questionnaire. CEER will publish all parts of responses that are not marked confidential.

This CEER public consultation is carried out in line with the [Guidelines on CEER's Public Consultation Practices](#).



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1. INTRODUCTION

The Council of European Energy Regulators (CEER) is the voluntary association of Europe's National Energy Regulatory Authorities (NRAs). CEER works to support NRAs in their important work by developing best practice energy regulation and sharing experience including through training and workshops. Regulators, working through CEER, focus on a number of key areas which are important to advancing energy markets and improving their effective operation to the benefit of consumers.

In 2016, CEER will prioritise work in the areas of:

- Consumers and retail markets
- New legislative/policy developments
- The role of Distribution System Operators
- International work beyond the borders of the EU

In addition, CEER will continue to extend the range of services it provides for NRAs. CEER will focus on supporting NRAs in undertaking their role in the completion of the Internal Energy Market (IEM) including by providing training for both member NRAs and non-CEER regulators.

European energy regulators also work actively within the working groups of the Agency for the Cooperation of Energy Regulators (ACER), focusing on its statutory tasks relating to the development, implementation and monitoring of the cross-border regulatory framework for the effective operation of the IEM. Whereas ACER's tasks are derived from legislation, CEER is the European energy regulators' tool for addressing issues which are complementary to the legal functions of ACER.

We were pleased to note CEER was a major contributor to the ACER Conclusions Paper "[Energy Regulation: A Bridge to 2025](#)" which was published on 23 September 2014. The conclusions document includes proposed actions for the European Commission, Member States, regulators themselves, energy market actors as well as for consumers. Some of the proposals fall to CEER to implement and the CEER 2016 Work Programme will include deliverables which relate to these priorities. We were pleased to note that many of the recommendations included in the 'Bridge to 2025' were incorporated in the European Commission's proposals for the Energy Union. CEER will be active in advising the Commission as it develops proposals and will work to help European NRAs to play their full part in the resulting policies as they emerge. We expect that the CEER Work programme for 2016 will need to be adapted to take account of these expected developments, including proposals emerging following the Commission's imminent Retail Markets Communication and its public consultation on an Electricity Market Design Communication.

CEER is examining, in cooperation with ACER, the regulatory issues which are emerging as a result of



the developing need for greater quantities of flexible response. Our intention is to take necessary regulatory actions to respond effectively to this challenge and to contribute positively to any related initiative by the European Commission which may result from its Energy Union Communication. This work may result in additional items being included in the CEER Work Programme.

Public consultation and further process

We invite comments on the CEER draft Work Programme **by 31 July 2015**. CEER's annual Customer Conference on 20 October 2015 will be an opportunity to provide views orally on CEER's draft Work Programme for 2016.

Stakeholders are invited to participate in the public consultation via a dedicated [online questionnaire](#) in the [public consultation page](#) of the CEER website. Please note that only answers submitted via the on-line questionnaire will be taken into consideration.

Following the close of the public consultation, as well as any feedback received at the CEER Customers Conference, CEER will review its draft proposals and develop a final work programme. The finalised version of the CEER 2016 Work Programme may therefore change in several respects as compared to this version, drawing from the stakeholder input and depending on internal considerations and developments, including the availability of expert resources among our members.

For more information about CEER and our work, please visit our website www.ceer.eu



2. OUR PRIORITIES IN 2016

CEER will continue to concentrate on enhancing the capability of EU NRAs to fulfil effectively their individual responsibilities for achieving a **competitive, sustainable and secure energy market in Europe**. CEER will also continue to engage fully with policy makers to help in the development of a sound and sustainable single European energy market. CEER will enhance collaboration between member NRAs to share experiences and to identify good regulatory practices. In 2016, CEER will develop further the internal services it provides for its members and non-member NRAs, particularly in relation to the provision of training.

CEER's priorities for 2016 will continue to emphasise the increasingly active involvement of customers in the development of energy markets. In this context, we will examine the development of new services offered to consumers, and the changing role of DSOs. We will continue to encourage retail market competition and to foster appropriate levels of consumer protection in an evolving European market. CEER will monitor the developments concerning security of supply so that NRAs are better able to respond to developments.

We will also continue to develop our international relations with regulators across Europe and globally to exchange experiences and to respond to the growing interaction between the European internal energy market and its neighbouring markets.

2.1 CONSUMERS AND RETAIL MARKETS

Consumers and retail markets will continue to be a priority in 2016. Importantly, we are enhancing our commitment to markets and consumer rights with a focus on delivering the benefits of competition and a fully functioning Internal Energy Market to all consumers.

The Bridge to 2025 proposed a number of priorities for CEER in relation to consumers. Key among them are to:

- Develop a roadmap aimed at a competitive, reliable and innovative retail market by 2025
- Determine minimum standards to remove market barriers
- Facilitate more active participation of smaller consumers in the markets
- Prepare a roadmap to secure reliable supplier switching within 24 hours no later than 2025
- Develop the CEER 2020 Vision into practical actions to enable market development across Member States whilst protecting and empowering consumers



CEER's initiative of building a 2020 Vision for Europe's energy customers is aimed at putting consumers at the heart of the IEM. In 2016, we will promote the principles in the 2020 Vision further in order to deepen it so that it includes practical actions on how the future regulatory framework might evolve to enable market developments across Member States.

We continue to promote choice and competition in Europe's retail markets, champion consumer rights and emphasise in our communications that the benefit of the consumer is the ultimate goal of sound energy regulation. Through the deliverables from our Work Programme and ongoing efforts, we will continue to develop and promote communication tools such as our dedicated customer web pages.

We are also committed to bringing energy regulation issues closer to consumers with the continuation of the inclusion in all CEER reports of a customer section and an accompanying Citizens' Q&A memo to explain briefly and simply our reports. This customer focus will naturally continue in 2016 and will develop further as our consumer vision is enhanced and implemented.

CEER will hold its annual Customer Conference on 20 October 2015 which will provide a further opportunity for stakeholders to offer views on CEER's proposed Work Programme for 2016.

2.2 NEW LEGISLATIVE/POLICY DEVELOPMENTS

Through CEER, European energy regulators are committed to serving as valued partners for the European Institutions in their shaping of energy policy and legislative proposals. CEER will continue to interact with, and input to, the European Commission, in particular concerning initiatives which impact energy markets, such as the Energy Union, the Market Design Communication, the Retail Market Communication and related proposals. We also remain committed to working with and advising the European Commission on regulatory aspects in a range of areas, including flexibility, tariffs, retail markets, smart grids and consumer rights.

2.3 THE ROLE OF DISTRIBUTION SYSTEM OPERATORS

Examining the changing role of Distribution System Operators (DSOs) in anticipation of current retail and wholesale market developments will continue to be a priority for 2016. The underlying purpose of this work is to create a regulatory toolbox which could be used to define the DSOs' role as facilitators of the market in areas which are not within the core of regulated monopoly DSO activities.

CEER will also develop models for data management that:

- Allow DSOs access to information essential to enhancing the efficient operation of the networks



- Provide access to commercial information to market players and allow the development of new market based services to consumers
- Protect the rights of consumers to own and control access to their data
- Address the technical issues relating to data management

A key area of CEER activity relating to DSOs in 2016 also includes examining the interactions between Transmission System Operators (TSOs) and DSOs as DSOs manage their networks more actively.

2.4 INTERNATIONAL WORK

Developments beyond the borders of the European Union can significantly affect the operation of its energy markets now or in the future. The enlargement of the Union requires substantial preparation in Accession States. In respect of energy, it is important that the energy (legislation) acquis is fully understood and good regulatory practices are in place if a smooth transition is to be assured. CEER's international work in 2016 will focus on:

- Pro-actively engaging in EU international policies and extending the acquis
- Promoting and supporting energy security
- Accessing and exchanging expertise on good regulatory practices and market solutions
- Monitoring and engaging in developments that could impact on EU NRAs

CEER will continue the commitment to dialogue with international partners, particularly near neighbours, and support to the European Commission and the external priorities outlined in the Energy Union. CEER, in accordance with a regional approach, shall in due course identify priority areas for its action in 2016.

2.5 OTHER WORK AREAS

Gas will remain an important issue for CEER during 2016. Work will include the implementation of the updated Gas Target Model (GTM) in close collaboration with ACER. Particular attention will be given to the revision of the EU Gas Security of Supply Regulation, on which CEER has already been working very actively in 2015. We will continue to work on improving the efficient operation of the storage and LNG markets and we will also look at gas specific issues linked to the roll-out of smart meters.

CEER will complement the work of ACER in the regulation of the European electricity market with a particular focus on the development of an efficient market for renewable generation, including in respect of the development of a market in flexible response.

CEER will continue to undertake important monitoring work across a range of areas.



3. OUR PROCESS FOR THE 2016 WORK PROGRAMME

CEER has established a practice of publicly consulting on its proposed deliverables. We are seeking views on the draft CEER Work Programme in June and July 2015.

The [online questionnaire](#) for this consultation is available on the CEER website and will remain open until 31 July 2015. Following a review of the comments received, CEER aims to publish its final 2016 Work Programme in December 2015.

4. QUESTIONS FOR CONSULTATION

The purpose of this public consultation is to increase transparency and to provide us with valuable feedback from stakeholders. The present document will be open for public consultation **until 31 July 2015**.

We would in particular be interested in views on the following **questions for public consultation**:

- The CEER Work Programme currently has four priority areas: consumers and retail markets, new legislative/policy developments, the role of distribution system operators and international work. Do you support that these areas should be the priorities or should some areas be deleted and others included?
- Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?
- On the individual deliverables (listed in section 5 of the consultation paper):
 - Please indicate the deliverables you consider as “very important”, “important” or “not important”.
 - For the deliverables with consultations, hearings, workshops etc. do you intend to actively participate?
 - Do you have any specific comments on any of the individual deliverables?

Stakeholders are invited to participate in the public consultation via a dedicated [online questionnaire](#) on the CEER website.



5. NEW CEER DOCUMENTS IN 2016

#	Sector	Title	Description	Bridge related	Timeline*					
					2015	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017
1	Consumers and retail markets	Consumer Protection and Empowerment Chapter of the ACER-CEER Market Monitoring Report (MMR)	As part of the annual ACER-CEER MMR, this chapter looks into the functioning of retail markets from the customer perspective. It is based on the results of monitoring the retail energy markets on topics such as complaint handling, switching and billing processes, customer information and protection of vulnerable customers. The aim is to identify market distortions through monitoring of the processes and outcomes of the retail energy market. This deliverable can also provide input for the process of harmonisation at European level.	Bridge related	Start			End		
2	Consumers and retail markets	Guidelines of Good Practice on Removing Barriers to Entry in Energy Retail Markets	In 2015, CEER has identified actions NRAs are taking, or envisage taking, to remove barriers to entry for energy suppliers into retail gas and electricity markets across EU. The envisaged Guidelines of Good Practice (GGP) in 2016 will put forward some recommendations to remove these barriers based on existing practice in some Member States.	Bridge related		Start	WS	End		
3	Consumers and retail markets	Guidelines of Good Practice on Removing Commercial Barriers to Supplier Switching in Energy Retail Markets	In 2015, CEER has examined the evidence of de facto barriers to switching, evaluating their impact on customer perception and on market dynamics. The GGP should put forward recommendations on how to remove commercial barriers to supplier switching based on existing practice across Member States.	Bridge related	Start		WS	End		
4	Consumers and retail markets	Status Review on the Implementation of Guidelines of Good Practice on Price Comparison Tools in	In 2012, CEER published its the GGP on Price Comparison Tools (PCT). The aim of this Status Review is to analyse the extent to which CEER Guidelines of Good Practice from 2012 are being considered at national level across Member States.	Bridge related	Start		End			



#	Sector	Title	Description	Bridge related	Timeline*					
					2015	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017
		Energy Retail Markets								
5	Consumers and retail markets	Preparation of a Roadmap to Implement Well-functioning Retail Markets - Follow Up	By the end of 2015, CEER will publish a position paper on well-functioning retail energy markets. In 2016, this deliverable will be followed up by market' assessments in view of the preparation of a roadmap to implement well-functioning retail markets.	Bridge related						
6	Electricity	Bi-annual RES Status Review of Renewable and Energy Efficiency Support Schemes in Europe	This document will form the latest update to the regular CEER Status Review of Renewable Energy and Energy Efficiency Support Schemes in Europe. These documents collect comparable data on RES support in Europe (e.g. by technology and support type).	Bridge related	Start					End
7	Electricity	Status Review on Self-consumption: Developments in Member States and Key Regulatory Issues	This status report will address issues relevant for self-consumption e.g. how to balance self-consumption and generation on the grid, how to remunerate this vis-à-vis impact on system costs and how to design charges for connection/injection to the grid as well as balancing responsibilities.		Start					End
8	Gas	CEER Position on Gas Security of Supply Regulation Revision	CEER will follow all steps of the revision of the EU Security of Supply Regulation, based on elaborated CEER positions.	Bridge related	Start	WS				End
9	Gas	Comparing the Efficiency of Flexibility from Gas Storage to Hubs - Follow Up	The report on the role of storage, within the context of security of supply, will be followed examining specific uses for gas storage and its attractiveness in the gas market overall. The report will include a comparison of gas hub intraday markets and storage as flexibility tool (including price comparison, and regional comparison). We will seek to conduct analysis as far as possible jointly with Gas Storage Europe (GSE). This will also serve as an input to the storage strategy which the EC is expected to publish in 2016.	Bridge related		Start PC	WS			End



#	Sector	Title	Description	Bridge related	Timeline*						
					2015	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017	
10	Gas	Contribution to the EC LNG Strategy	In the Energy Union Communication, the EC announced the publication of an LNG strategy. CEER will follow this process closely and contribute where possible. Relevant topics: 1) How to best use free capacity from LNG terminals in order to transport it regionally to places where the gas is needed in exceptional circumstances. 2) LNG transport as an alternative to pipeline development.	Bridge related	Start			End			
11	Gas	Implementation of the Gas Target Model (GTM) an Update According to ACER's "Bridge to 2025" Approach to Further Integrate Gas Markets	Implementation of the recommendations in the GTM update and, identifying possible regulatory hurdles and report on their experience; to be conducted in close cooperation with ACER. This work continues from 2015.	Bridge related	Start					End	
12	Gas	Smart Metering in Gas	Many NRAs face a roll out of smart metering in gas. CEER will give guidance and share best practices in this respect.			Start				End	
13	Cross-sectoral	Consultation on Data Standardisation, Management and Responsibilities	CEER plans to do further work in relation to data management with relevant parties to: (1) develop greater guidance on data reporting standardisation (2) provide further guidance on types of data and parties responsible for coordination of such data (3) provide further information on a range of neutral market facilitator models (4) review further the ability of DSOs to engage in work relevant to data management and wider issues concerning DSO operational roles.	Bridge related							



#	Sector	Title	Description	Bridge related	Timeline*					
					2015	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017
14	Cross-sectoral	Report on DSO-TSO Roles	The relationship between the DSO and the TSO is a key area for change. Traditionally, the TSO has made all system balancing and significant decisions on constraints. However, increasing amounts of distributed generation and new network technologies mean that DSOs may have a great role in network operation. This is an important area for further work and analysis. This deliverable will examine both electricity and gas systems and the potential need for a holistic view encompassing electricity, gas and heat, including an examination of the applicability of national and/or EU measures.	Bridge related						
15	Cross-sectoral	CEER Guidelines of Good Practice on Incentives Schemes	CEER will review economic signals, including incentives on DSOs, the form of regulation, the treatment of expenditure on flexible and smart solutions, the extent to which network tariffs may need to change to reflect demand side response at retail level, and contractual arrangements involving DSOs. CEER will work to develop guidelines for good practice on incentives schemes, which can include, for instance, a range of approaches including output-based regulation. The main objective of these guidelines will be to share the knowledge of NRAs in the promotion of regulatory environments that allows the DSOs to weigh up the risks and rewards related to innovative investment and properly make efficient decisions.	Bridge related						
16	Cross-sectoral	Developing a Toolbox of Regulatory Approaches to Stimulate and Facilitate Innovation	There are numerous examples of how innovation in energy networks are stimulated. CEER will review such methods and their effectiveness with the aim of developing a toolbox of regulatory approaches to stimulate and facilitate innovation for whole system improvement and societal benefit.							



#	Sector	Title	Description	Bridge related	Timeline*					
					2015	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017
17	Cross-sectoral	Benchmarking Report on Power Losses	The report will benchmark the level of network losses in European countries and identify different national practices regarding the definition and calculation of such losses.				Start		WS	End
18	Cross-sectoral	CEER Status Review on the Implementation of DSO and TSO Unbundling Provisions in the 3rd Package	This report serves as an update to the 2014 report and seeks to provide a status report on the transposition and implementation of TSO, DSO and Closed Distribution Operator certification / unbundling rules in the 3rd Package.		Start		End			

* The timelines displayed here show the forecast plan for 2016 at the time of publication of this document. For updated indications, please refer to the monthly CEER electronic newsletter.

* Start and End refers to when work on the deliverables is planned to be done

* WS = Workshop

* PC = Public Consultation