

# Experiences from the Swedish deregulation— Switching and Billing

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# Agenda

**The Swedish modell**

**Consequences switching suppliers**

**Consequences billing**

**Our proposal**



# The Swedish modell

- **Almost 100 percent of the electricity companies in Sweden are retailers and gridowners**
- **Gridowners are responsible for measuring and switching**
- **Gridowners invoice the gridcharge**
- **Retailers invoice electricity consumption**



# The first years of deregulation

- **Switching electricity meter was needed for customers changing electricity company**
- **Gridowners charged between 200 and 2000 euros for a new electricity meter**
- **From 1998 the price was 250 euro in all grids**
- **From 1999 it was not necessary to change electricity meter**



## Consequences switching suppliers

- In the beginning customers were discouraged by the costs of a new meter
- Switching did not work for customers who wanted to switch
- Gridowners had no incentives to follow the rules
- Only a few customers switched



# Consequences today

- **Customers that move return to the gridowners electricity company, monopoly conditions**
- **Switching and reporting of meter values works today, but gave deregulation a bad reputation which the industry is still suffering from.**



# Consequences billing

- **Customers that switch gets two invoices**
- **Gridowners can invoice together with its retail company**
- **Less customers switch if they receive two invoices**
- **Only 75 percent of the customers have switched**
- **Harder for customers to understand their bill**



# Our proposal

- **Retailers are responsible for all customer contact**
- **Retailers charge grid**
- **Incentives for gridowners reports**
- **No demand to switch meter– all customers should be able to switch fast and without being charged**
- **Easier for customers**
- **Households moving increase the number of active customers, instead of decreasing them**

