

Energy regulators engage with consumers on how to enable digitalisation and protect consumers from its risks

- **Enabling digitalisation that works for consumers**
- **Cybersecurity: making the energy sector more resilient to cyber attacks**

“Digitalisation: opportunities and how to avoid risks for consumers” was the focus of the [2018 customer conference](#) of the Council of European Energy Regulators (CEER)¹. This event gathered consumer body representatives to share their views with regulators, European Commission officials, and energy and digitalisation specialists on how to engage and protect consumers in the context of the new (Clean Energy and the New Deal for consumers) EU legislation.

Enabling digitalisation that works for consumers

CEER’s strategic objective on digitalisation is to:

- Foster competitive European markets that protect and empower consumers;
- Enable cost-savings for consumers using digitalisation with a whole energy system approach;
- Ensure an agile regulatory framework enables innovation while ensuring a level playing field;
- Strengthen cooperation among sectoral regulators, consumer protection authorities, etc. to ensure consumers are protected as traditional energy markets are reinvented.

Cyber security: making the energy sector more resilient to cyber attacks

The wave of digitalisation in the energy sector creates additional risks (including cyber risks) and brings with it a need to protect consumers.

According to **CEER President**, Garrett Blaney:

“Energy regulators can play an important role as enablers of digitalisation to benefit consumers. Regulators consider up-front additional risks (including cyber risks) before any relevant investment is approved. Hence our efforts to analyse what digitalisation means for the consumer and the role of regulators in stimulating positive change. If new technologies are consumer-friendly, then consumers can be empowered to engage more in energy markets, for example by providing greater flexibility in their consumption and thereby reducing costs for themselves and the system as a whole”.

CEER’s recent digitalisation-related work includes:

- CEER’s [Cyber Security report](#)² which sets out regulators recommendations for achieving a more cyber secure energy market (October 2018)²;
- CEER’s [Smart Technology Development report](#)³ on customer-driven smart technology development (June 2018);
- CEER’s public consultation on its [3D Strategy](#) (June 2018) which proposed Digitalisation, Decarbonisation and Dynamic Regulation as 3 strategic objectives for the next 3 years; and
- CEER’s upcoming public consultation on digitalisation of the energy sector (expected in March 2019)

What’s next?

CEER will, in the coming weeks, publish its Retail Markets Monitoring Report. CEER is also working on new and improved metrics to monitor retail markets. Consumers will remain a core focus of the 2019 work programme which next year’s work, could be worth mentioning that we will be working on recommendations on dynamic price implementation.

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Ends - see Notes for Editors

Notes for 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 36 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.

2. The "[CEER Cybersecurity Report on Europe's Electricity and Gas Sectors](#)" (October 2018) sets out some recommendations to mitigate cyber risks:
 - All parties interacting with the grid not included in the list of Operators of Essential Services should, nevertheless, aim to develop and apply cybersecurity standards and measures.
 - Energy National Regulatory Authorities (NRAs) should, as far as possible within their legal powers, proactively engage with energy stakeholders in order to encourage them to be in compliance with the Directive on Security of Network and Information Systems (NIS Directive) and provide support for transposing horizontal regulation into sector-specific best practices that may help with an effective implementation of that directive.
 - The Clean Energy for All Europeans Package does provide opportunities for more tailor-made obligations for TSOs/DSOs/Suppliers in the electricity sub-sector, and, in order to be even more effective, it may need to be extended and adapted to the needs of entire value chain of the electricity sub-sector (e.g. to generation).
 - NRAs may also want to/be required to monitor the cybersecurity related expenditure and the effects of those cybersecurity-related investments to the risk landscape of the energy system and of individual operators, particularly regulated entities.
 - CEER and ACER can work to promote culture change in cybersecurity.
 - Management in energy-sector entities, including NRAs, should provide clear guidance on potential and expected cybersecurity governance.
 - TSOs/DSOs/suppliers should have a cybersecurity strategy and they should set clear and effective cybersecurity measures prior embracing new technologies.

3. The "[CEER Smart Technology Report](#)" (June 2018) examines the potential impact of 5 emerging technologies which are changing the traditional role of the energy consumer and how they engage with retail energy markets: 1.) smart home technologies and Internet of Things; 2.) self-generation; 3.) energy storage; 4.) charging stations and electric vehicles; and 5.) blockchain applications in the energy sector. Examining whether emerging trends require changes to regulation, CEER identifies the need for further investigation into new/changed regulation in four major areas:
 - In the context of increased need for data exchange, CEER will work along with other relevant authorities on cybersecurity, data privacy, standardisation and monitoring;
 - Regarding the development of additional services or bundled products related to self-generation, storage, energy efficiency and maintenance sold along with energy supply, CEER will continue its work to promote a fit-for-purpose market design that addresses concerns on how competition, consumer protection, empowerment, transparency and monitoring shall be ensured in the future;
 - CEER will consider whether there is a need for energy-specific rules for electric vehicle charging infrastructure, depending on the cases, in order to ensure an appropriate level of competition and consumer protection/empowerment;
 - CEER will pursue work on removing potential barriers in the market to enable emerging technologies and will consider regulation in light of changes to the way consumers interact with and participate in energy markets.