

CEER

**Council of European
Energy Regulators**



Fostering energy markets, empowering **consumers**.

Draft CEER 2015 Work Programme

Public consultation document

Ref: C14-WPDC-26-05
12 June 2014



INFORMATION PAGE

Abstract

On 12 June 2014, European energy regulators launched a public consultation on the draft CEER 2015 Work Programme (Ref. C14-WPDC-26-05). This document outlines CEER's work plan for 2015, centred 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 2014**

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](#)¹.

¹http://www.ceer.eu/portal/page/portal/EER_HOME/EER_CONSULT/C07-EP-16-03_PC-Guidelines_Rev_Dec2013.pdf



Table of Contents

1. INTRODUCTION	4
2. OUR PRIORITIES IN 2015	5
2.1 Consumers and retail markets	5
2.2 The role of Distribution System Operators.....	6
2.3 New legislative/policy developments	7
2.4 International work.....	7
3. OUR PROCESS FOR THE 2015 WORK PROGRAMME	8
4. QUESTIONS FOR CONSULTATION	8
5. NEW CEER DOCUMENTS IN 2015	9



1. INTRODUCTION

In undertaking its activities, CEER pursues a broad variety of issues of interest aimed at enhancing energy regulations. As well as supporting the exchange of good practice, regulators working through CEER focus on a number of strategic areas which we believe are important to the advancement and improvement of energy markets to the benefit of consumers. European energy regulators also work within the EU's 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 Internal Energy Market (IEM).

During 2014, CEER has worked closely with ACER to undertake analytical work examining key upcoming issues facing the energy sector. The resulting consultation document was published by ACER on 29 April 2014 under the title "A Bridge to 2025". Following input from stakeholders, CEER will support ACER in issuing a conclusion paper in September 2014 and the immediate actions for CEER that result from that document will be included into our 2015 Work Programme. We expect a particular focus of any new work to be on the development of consumer and retail market competition, customer empowerment, new consumer market developments, and the role of Distribution System Operators (DSOs). Consequently, the present consultation paper needs to be seen as complemented by the 'Bridge to 2025' consultation process.

We invite comments on the CEER draft Work Programme **by 31 July 2014**. Though this year we will not hold a workshop on the CEER Work Programme. CEER's annual Customer Conference on 18 June 2014 will be an opportunity to provide views orally on CEER's draft Work Programme for 2015.

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

Next steps

Following the close of the public consultation, as well as any feedback received at the CEER Customers Conference and through the 2025 Bridge work, CEER will review its draft proposals and develop a final work programme. The finalised version of the CEER 2015 Work Programme may therefore change in several respects as compared to this version, drawing from the stakeholder input and also depending on internal considerations and developments, including the availability of expert resources among our members.



2. OUR PRIORITIES IN 2015

CEER will continue to concentrate on enhancing the capability of EU National Regulatory Authorities (NRAs) to fulfil effectively their individual European responsibilities for achieving a **competitive, sustainable and secure energy market in Europe**. CEER will 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 2015, CEER will develop further the internal services it provides for its members, particularly in relation to the provision of training.

CEER's priorities for 2015 will continue to emphasise the increasing role that customers will play in the development of energy markets. In this context, we will examine the changing role of DSOs, the development of new services offered to consumers, and the encouragement of consumer and retail market competition. CEER will monitor the developments concerning security of supply and respond to any development.

We will also continue to develop our international relations with regulators across Europe and globally.

2.1 CONSUMERS AND RETAIL MARKETS

Consumer work will continue to be a priority in 2015. 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.

Building on the analysis in the ACER 2025 Bridge consultation paper as well as CEER's work to-date on tools to improve market functioning from a consumer perspective, we want to stimulate a strategic debate on consumer and retail market competition; how it should work, what are its key components and what can be done if it is not functioning properly. As part of these reflections, we will undertake monitoring (in coordination with ACER) of the implementation of consumer rights and the functioning of European retail markets; identify barriers to retail market entry (and functioning) and find good practice to eliminate them; help consumers engage in the market by developing the 2020 Vision for European energy customers in line with the outcome of the "Bridge to 2025" public consultation; and enhance the effectiveness of consumer organisations' involvement in the regulatory process.



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 2015, we will develop 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 2015 and will develop further as our consumer vision is enhanced and implemented.

CEER will hold its annual Customer Conference on 18 June 2014 which will provide a further opportunity for stakeholders to offer views on CEER's proposed Work Programme for 2015.

2.2 THE ROLE OF DISTRIBUTION SYSTEM OPERATORS

Clarifying the future role of DSOs in anticipation of current retail and wholesale market developments will be a priority for 2015. In 2014, CEER developed its thinking on this horizon issue and contributed to the ACER consultation "A Bridge to 2025" which considers a wide range of changes that will impact Europe's energy market in the coming years. Among the changes foreseen are those resulting from greater penetration of Renewable Energy Sources (RES), smart grid technology, smart meters, and increasing levels of demand side response. The "Bridge to 2025" paper considers a number of key regulatory issues for this area. These include the development of a market framework for distributed energy resources for electricity and gas; whether the current level of DSO unbundling is sufficient; the level of coordination between Transmission System Operators (TSOs) and DSOs; and the treatment of increased levels of data.

These issues will be considered in the light of stakeholder responses to the "Bridge to 2025" paper and reflected as appropriate in CEER's final 2015 Work Programme.



2.3 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 2030 Climate and Energy proposals), when such proposals arise. We also remain committed to working with and advising the European Commission on regulatory aspects in a number of areas, including flexibility, tariffs, retail markets, smart grids and consumer rights.

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 is active in developing relations with non-EU regulatory associations (such as the ECRB, MEDREG, NARUC and ICER), through regional programmes such as Eastern Partnership and through bilateral ties (e.g. FTS of Russia). Such networking and cooperation also provides the basis for identifying areas of common ground where a mutual field of interest can be explored to the benefit of all parties. In May 2015, the WFER VI (World Forum on Energy Regulation) will take place in Istanbul. CEER is supporting the regulatory hosts in building the programme for this signature event on energy regulation issues.

Strengthening the cooperation of CEER with these institutions will continue to be a priority area.



3. OUR PROCESS FOR THE 2015 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 2014.

The [online questionnaire](#) for this consultation is available on the CEER website and will remain open until **31 July 2014**. Following a review of the comments received to this consultation and to the “Bridge to 2025”, CEER aims to publish its final 2015 Work Programme in December 2014.

4. QUESTIONS FOR CONSULTATION

The purpose of this public consultation is to increase transparency and to provide us with feedback from stakeholders, which we value. The present document will be open for public consultation **until 31 July 2014**.

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, the role of distribution system operators, new legislative/policy developments 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 2015

#	Sector	Title	Description	Timeline*					
				2014	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2016
1	Consumer	Position Paper on retail market competition	Retail market competition is at the heart of the 2020 CEER Vision for European energy customers. This strategic/high level paper will develop CEER's views on what characterises a well-functioning retail market and what can be done to deliver this in practice. It will follow up regulators' reflections in the ACER Bridge to 2025 as well as the EC Communication on energy retail markets expected in September 2014. It will serve also as a background document to CEER's other activities on retail markets and consumers, in particular the benchmarking report on how to remove barriers to entry in retail energy markets.	Start	End				
2	Consumer	Update of the 3-year rolling action plan for the implementation of the CEER-BEUC 2020 Vision	NRAs through CEER will further develop the CEER-BEUC Vision principles into practical actions as to how the future regulatory framework might evolve to enable retail market developments across Member States while continuing to protect and empower consumers.	Start		End			
3	Consumer	Customer billing information - A CEER benchmarking report on the implementation of Article 10 of the Energy Efficiency Directive	<p>This benchmarking report will look at the level of implementation of Article 10 and annex VII of the Energy Efficiency Directive (2012/27/EU), regarding the provision of accurate billing information based on actual consumption.</p> <p>According to the Energy Efficiency Directive, as of 31 December 2014 "billing should take place on the basis of actual consumption once a year, and billing information should be made available at least quarterly, on request or where the consumers have opted to receive electronic billing, or else twice yearly". To fulfil this obligation for consumers without smart meters, the Directive proposes self-reading as the solution, however this is not a usual practice in many Member States and the alternative (DSOs/metering operators reading the meter manually) is very costly. Informative, accurate and clear bills are essential for consumers to understand and engage with energy markets. This report will help in understanding current practices, their effectiveness and efficiency.</p>	Start		End			



#	Sector	Title	Description	Timeline*					
				2014	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2016
4	Consumer	Consumer protection and empowerment chapter of the ACER-CEER Market Monitoring Report	As part of the European regulators' Market Monitoring report, CEER will undertake the section addressing the functioning of the retail markets from the customer perspective.	Start			End		
5	Consumer	Status review on the implementation of CEER Guidelines of Good Practice on Price Comparison Tools	In 2012, CEER issued Guidelines of Good Practice (GGPs) on Price Comparison Tools (PCT). We aim to collect information on whether and how the GGPs have been implemented. The goal is to enhance our understanding of the role of PCTs by doing fact-finding, to evaluate the impact of the GGP and to fill in any gaps in the GGP which have proven to be an issue in some countries.		Start			End	
6	Consumer	Benchmarking Report on (how to remove) commercial barriers to supplier switching in retail energy markets	Practices in energy retail markets differ significantly between Member States. In some cases, we see that in theory supplier switching is easy and effortless, but in practice energy customers are confronted with many barriers when they want to switch suppliers (e.g. contracts where some promised discounts are no longer valid; high cancellation fees). We will examine the evidence of these de-facto barriers to switching, evaluate their impact on customer perception and on market dynamics.		WS Start			PC	End



#	Sector	Title	Description	Timeline*					
				2014	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2016
7	Consumer	Benchmarking report on how to remove barriers to entry in EU retail energy markets	In order to promote enhanced retail competition in the European energy markets, the report aims to identify barriers to entry into retail gas and electricity markets across EU as well as the legal and regulatory framework that has been put in place or has been envisaged to remove them. The report will include the phasing out of regulated end-user prices and the measures taken regarding the unbundling of DSOs as part of vertically-integrated companies. It will consider barriers at both national and cross-border levels. The scope will cover retail supply markets only (i.e. retailers/suppliers). It will not cover the market for demand response (e.g. aggregators). As a second step, this report will be used to develop GGP that will be submitted for public consultation.	Start	WS			End	
8	Consumer	How can (customer metering) data best be managed to benefit customer engagement in the energy markets? Case studies and benchmarking report following CEER Advice on Data Management for Better Retail Market Functioning in Electricity and Gas	The objective is to understand how consumers can be provided in practice with easily understandable information on their individual energy consumption and associated opportunities, such as breakdown of energy usage by appliance in order to save money and to contribute to energy efficiency and market competition.		Start	WS		End	
9	Electricity	CEER Status Review on the treatment of electricity interconnectors and neighbouring generation in Capacity Remuneration Mechanisms (CRM)	The Status Review will provide the European energy regulators' views on the key principles of the treatment of interconnectors and neighbouring generation in CRMs. Moreover, this document could serve as the basis for any future discussions and considerations of respective legislative measures in the EU and/or Member States in relation to assessment of generation adequacy.	Start				End	



#	Sector	Title	Description	Timeline*						
				2014	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2016	
10	Electricity	CEER report on the implications of integrating renewable energy	This paper will consider the consequences of the new Energy and Environment State Aid Guidelines for renewable energy across Europe, particularly in relation to market integration, the bidding/auctioning processes, the new tariff proposals (e.g. feed-in replaced by premium), costs and benefits of the new support schemes and cooperation mechanisms.		Start				End	
11	Gas	Monitoring Report on the implementation of Guidelines of Good Practice for Storage System Operators (GGPSSO) for Capacity Allocation Mechanisms (CAM) and Congestion Management Principles (CMP) - Follow Up	In 2011, CEER published GGPSSO for CAM and CMP. As a next step, GSE prepared an implementation plan and SSOs started the implementation. CEER will monitor the implementation of the GGPSSO in 2015.			MF Start			End	
12	Gas	Monitoring Report on the implementation of GSE Transparency Template – Follow-up	In 2013, GSE drafted - in close cooperation with CEER - a Transparency Template. The 23 rd Madrid Forum invited CEER to monitor the implementation of the Template.			Start			MF End	
13	Gas	Status review of new uses of LNG	A review of the new uses of Liquefied Natural Gas (LNG).			PC MF Start	WS		End	



#	Sector	Title	Description	Timeline*						
				2014	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2016	
14	Cross-sectoral	CEER Report on the future role of DSOs	CEER plans to issue a consultation paper on the role of DSOs in late (Q3/Q4) 2014. The final report will be completed in 2015 (including an evaluation of responses to the Consultation Paper).	Start PC					End	
15	Cross-sectoral	6 th Benchmarking Report on Quality of Supply	The report aims to present an overview and analysis of current practices in CEER member countries, as well as an assessment of areas where a move towards harmonisation could further improve quality of supply and consequently electricity and gas markets. This is the 6 th report of a series and this year it will also include gas, and also cover the ECRB and MEDREG countries.		Start				End	

* The timelines displayed here show the forecast plan for 2015 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 are planned to be done
- LF = London Forum
- MF = Madrid Forum
- FF = Florence Forum
- WS = Workshop
- PC = Public consultation