

Category	No.	Proposal ERGEG	Comments RWE
ELECTRICITY			
Minimum customer services	1	Information on actual consumption, on a monthly basis	<p>a) It seems to be ERGEG's aim here to raise customer's awareness on their energy consumption by confronting them with their actual off-takes more frequently. While such a provision is discussed in the literature extensively, there is actually little evidence so far that customers do want such a (monthly) information.</p> <p>For example: The recommendation is already legally implemented in Germany to an extent that actually goes beyond the minimum requirement envisioned by ERGEG: - ERGEG: monthly information on consumption and costs, information would not necessarily be presented through monthly billing. - § 40 paragr. 2 EnWG (German energy law): information on consumption and billing to the choice of customers every six months, every three months or monthly. However, in Germany there is little interest in services of this kind and only in individual cases requests have been made.</p> <p>b) Furthermore a more frequent information on consumption and costs during the year does not necessarily require remote reading. When using six-month or three-month information on consumption, self-reading or on-site reading are conceivable. It should be noted that self-reading could contribute significantly to customers' awareness of consumption data.</p> <p>c) The situation described in b) changes with respect to a monthly reading; parties responsible will be forced to install AMR-technologies to cope with the data reading frequency and resulting volumes. This will result in a considerable increase of costs in comparison to the situation today.</p> <p>d) According to ERGEG, customers that both generate and consume electricity should receive information on consumption and feed-in as well as costs and earnings on a monthly basis. In principle, this decision should be left to the Member States as the introduction of smart meters is not feasible for all feed-in sites and is furthermore dependent on the national legal framework on renewable and decentralized generation.</p> <p>Remark: The legal framework for metering at feed-in sites in Germany is described in the renewable and CHP law; both would have to be changed before one could "force" smart metering at feed-in sites. In addition and irrespective of the German system "reversing the meter" does only provide a (simple) solution if the prices for feed-in and off-take of electricity are identical at all times.</p> <p>e) Moreover, we would like to point to our comments in Number 3.</p>
	2	Accurate metering data to relevant market actors when switching supplier or moving	<p>RWE is convinced that with respect to the process of switching suppliers it is most important that clear and non-ambiguous rules do exist in each national market that clarify a separation of the energy delivered between the two suppliers involved i.e. the customers must always be sure that they only pay for what they took off the system. In addition and with respect to Germany DSOs are obliged to inform the (competitive) supply companies on the customers demand in the past so that suppliers are enabled to make their offers based on actual consumption data.</p> <p>Having said this, it is our impression that the necessary effort demanded from customers today is comparatively low: It is only necessary to read and communicate the meter data when moving out (e.g. via telephone). From the customers' perspective the advantage of real time remote reading in the occasion of a change of supplier or when moving out does not seem so huge when <u>considering the typical household consumption and the costs of remote reading. The currently applied due date reading is sufficient.</u></p>

3	Bills based on actual consumption	<p>a) As recommended by ERGEG, bills are based on actual consumption in a large number of member states already, i.e. based on the consumption measured by a calibrated meter. Other values e.g. estimations on the basis of consumption of the previous year, are only occasionally used, e.g. when access to the facilities was impossible and the customer did not react to the request of self-reading.</p> <p>b) With regard to recommendation Nr. 1 ("information on actual consumption, on a monthly basis"), the suggestions of ERGEG might also have implications for instalment payments (where such measures are used today). Albeit the implications actually envisioned or intended by ERGEG are unclear to RWE for the time being.</p> <p>Remark: In Germany for example, mostly monthly or two-month instalment payments are made, followed by a yearly reconciliation bill based on actual consumption. When moving in, instalment payments are determined by consumption of similar households with similar facilities. Due to the aforementioned reconciliation bills the instalment payments are adjusted where and when necessary. Most of the time, these adjustments are limited in scope.</p> <p>Currently RWE sees little advantages of (monthly) billing based on actual consumption for the customers especially - in Germany it is the customer right already to opt for monthly billing but demand has sofar for such a service has been low. Also for customers whose consumption goes beyond the amount covered by the instalment payments today, the effect would be rather negative (e.g. higher monthly gas bills during every winter and extremely high gas bills in cold winter months).</p>
4	Offers reflecting actual consumption patterns	<p>General remark: In Germany, this recommendation is already implemented in § 40 paragr. 3 EnWG (German energy law).</p> <p>a) With respect to Question 4 b) (Time-of-use (ToU) registers): In RWE's view, two ToU registers are sufficient for the time being. They are already applied in some markets when the customer chooses a light load tariff. The metering technology used here (conventional meters with two registers, supplemented by a clock timer) represent a balanced cost-benefit relationship because remote reading is not necessary. The German regulatory authority, Bundesnetzagentur, also considers two registers to be sufficient, at least in the medium term.</p> <p>b) With respect to Question 4 a) (interval metering): For tariffs that are a lot more complicated than the aforementioned light load tariffs a metering infrastructure that measures and registers load and work in small intervals is feasible but might be in conflict with the MID with respect to household customers. In addition the metering intervals should be organized nationally in line with the balancing regime of the national energy market.</p> <p>Remark: In principle and with respect to costs and efficiency of the billing processes, tariffs that do go beyond the hitherto existing light load tariffs should be managed downstream i.e. tariffing should be done centrally and insofar "after" the meters. The creation of multiple ToU registers for a tariffing inside the meter in order to establish a variety of tariffs as called for by some national callibration offices based on their interpretation of the MID should therefore be rejected.</p> <p>c) Impact on costs: In Germany meters for large industrial customers are registering work and load at intervals of a quarter of an hour (15 min) in electricity or hourly (gas). Implementing ERGEG's recommendations in the electricity market alone would entail an extension of the balancing regime now applicable only to customers with an annual consumption above 100.000 kWh (i.e. using measured 15 min. values) towards (all) household customers with a lot higher cost certainly resulting (absolutely and per customer).</p>
5	Power capacity reduction/increase	<p>ERGEG proposes a remote power capacity reduction and increase of power, which could contain a remote disconnection of consumers' facilities when going beyond a contractually defined limit of capacity.</p> <p>Currently RWE does not see the need for a roll out with regard to the typical load of households and their mix in the network. Albeit an upgrading of facilities on a private basis should not be problematic - if a remote responsiveness of the meter is planned for. However, it is not clear how such a product would look like in the relationship between supplier, the balancing groups, network operator and customers.</p>

	6	Activation and de-activation of supply	<p>a) From the customer's perspective the application's usefulness is limited. With regard to home-automation products, application errors can occur. A password administration would be necessary for authorised customers to get access to the system.</p> <p>b) From the point of view of suppliers or network operators, this function is worth considering for disconnections; especially in markets where non-legal off-takes from the grid are a major problem. Yet, in other markets (e.g. Germany) cultural and political environment makes a remote disconnection by the supplier or network operator hardly enforceable.</p> <p>c) But if customers (and their appliances) are actually to be de-activated and in turn activated remotely, a security concept becomes necessary to avoid accidents e.g. with respect appliances that were actually running when the electricity was turned off. For example: (cost-intensive) technical solutions (e.g. the customer "activates" the electricity flow beyond the meter himself by pushing a button or the appliances are automatically turned off, if the energy flow is interrupted etc.) or cost-intensive processes are needed for re-activation i.e. either the supply company's or the DSO's call centers calls and reaches the customer before resupplying him with electricity.</p> <p>d) In addition one has to carefully examine whether appliances will actually not be damaged by turning off their energy flow without a "warning"</p>
	7	Only one meter for those that both generate and consume electricity	This decision should be left to the Member States as it is closely related with the national renewable and CHP framework (in Germany e.g. EEG and KWKG). As we have mentioned before " reversing the meter " does only provide a (simple) solution if the prices for feed-in and off-take of electricity are identical at all times. This is not the case in most markets where renewables are supported by a number of different mechanisms .
	8	Access on customer demand to information on consumption data	As proposed by ERGEG, access on customer demand is acceptable if it is actually subject to a fee. However, with a growing number of transmitting channels, data protection becomes even more relevant.
Optional services	9	Alert in case of a non-notified interruption	With regard to the differences in the availability of the grid and in the quickness of resupply shortly after a disruption in the different member states of the EU, RWE does not identify a need for offering such a service in all markets - especially as in most cases the disruption is recognized by the customers anyway. Moreover, such functions will cause additional work-load (and insofar costs) in call centers and other customer facilities.
	10	Alert in case of high energy consumption	This service should be offered in a competitive market within the framework of an energy management product. It should not be a regulated product.
	11	Interface with the home	Remark: In Germany such interfaces are stipulated when installing meters in new connections to the grid and after major refurbishments (the provisions can be found in the FNN-Lastenheft and in the corresponding position paper of Bundesnetzagentur). RWE opposes an obligation to provide a gateway and other home automation services, which should be left to the competitive market.
	12	Information on voltage quality	As proposed by ERGEG, the inclusion of quality parameters in selected smart meters should be subject to cost benefit analysis especially with regard to the increase of decentralised energy generation. A comprehensive roll out does not seem necessary.
	13	Information on continuity of supply	With regard to the differences in the availability of the grid and in the quickness of resupply shortly after a disruption in the different member states of the EU RWE does not see the need for offering this service in all markets. Moreover, such functions require an additional battery and will cause higher work-loads in call centers and other customer facilities, as the customers would certainly like to know more about disruptions that they do not even recognize today.
Costs and benefits	14	When making a cost benefit analysis, an extensive value chain should be used	RWE would like to point to its general comments in the main document. From the household and industrial customer's perspective in focus, a cost-benefit analysis is necessary.
Roll-out	15	All customers should benefit from smart metering	An assessment of efficiency should be made in line with the internal market directives and must have an open outcome. In case the CBA is negative for individual customers a roll out is not the right option for this category of customers and would lead to economically not justifiable burden. Moreover, we would like to point to our general comments in the main document.
	16	No discrimination when rolling out smart meters	We strongly agree to this proposals made by ERGEG.

GAS			
Minimum customer	17	Information on actual consumption, on a monthly basis	See comments on electricity.
	18	Accurate metering data to relevant market actors when switching supplier or moving	See comments on electricity.
	19	Bills based on actual consumption	See comments on electricity.
	20	Offers reflecting actual consumption patterns	See comments on electricity.
	21	Access on customer demand to information on consumption data	See comments on electricity.
Optional services	22	Hourly flow capacity reduction/increase	See comments on electricity.
	23	Enabling activation and de-activation of supply	Especially in the gas market a security concept becomes necessary in relation to this functionality envisioned by ERGEG in order to avoid major accidents i.e. with respect to appliances that were actually using gas when the gas flow was turned off. In addition one has to carefully examine whether appliances will actually not be damaged by turning off their energy flow without a "warning". If customers (and their appliances) are actually to be de-activated and in turn activated remotely; there is need for either a a) (cost-intensive) technical solution (e.g. the customer "activates" the gas flow beyond the meter himself by pushing a button or appliances are automatically turned off, with the energy flow is interrupted etc.) or b) cost-intensive processes are needed for re-activation i.e. either the supply company's or the DSO's call centers calls and reaches the customer before resupplying him with gas.
	24	Alert in case of high energy consumption	See comments on electricity.
	25	Interface with the home	See comments on electricity.
Costs and benefits	26	When making a cost benefit analysis, an extensive value chain should be used	See comments on electricity.
Roll-out	27	All customers should benefit from smart metering	See comments on electricity.
	28	No discrimination when rolling out smart meters	See comments on electricity.
ELECTRICITY AND GAS			
Data security & integrity	29	Customer control of metering data	The observance of the legal provisions on data protection and data integrity is a general precondition. The underlying costs are to be respected in the analysis of the value chain in Recommendation 14 and explicitly in Recommendation 26.