

It's high time to put customers at the heart of energy markets

- **Regulators call for a more holistic customer-focused approach**
- **Regulators call on the European Commission to wear its customer's hat**
- **CEER champions customer interests and a demand response**

At the 4th Citizens' Energy Forum (London Forumⁱ), Chair of the European Energy Regulatorsⁱⁱ, Lord Mogg, called for a new "customer-focused" approach.

Lord Mogg stated *"We need to inject a customer-focus into the technical work being undertaken on behalf of consumers, be it network codes, energy efficiency, energy infrastructure regulation or wholesale markets, to make sure that customer needs are efficiently balanced against other objectives."*

Regulators call for a more holistic customer-focused approach

The London Forum itself could be used more to drive the process of putting customers at the heart of energy policy development. Lord Mogg called on London Forum participants:

- to identify their priorities for the Internal Energy Market (due to be in place by 2014) so it works for consumers, and
- to find ways to ensure that consumers can participate in these debates at the right time and right level.

And such a customer-focused approach shouldn't be confined to the once-yearly London Forum.

Regulators call on the European Commission to wear its customer hat

Welcoming DG ENER's new Retail Market unit, Lord Mogg suggested that the unit *"take a profound look across all energy technical and policy areas of the Commission to make sure that the needs of energy consumers are a critical element of Commission proposals and that they translate into benefits for consumers"*.

The European Commission should align the agendas of the Madrid and Florence Forum (which deal with technical gas and electricity issues respectively) to take account of the collective views of the London Forum so that the technical rules and policy now under development to deliver a single energy market reflect what consumers want and need from the process.

CEER champions customer interests and a demand response

- CEER already promotes a more customer-focused approach, for example by analysing smart meters in terms of what minimum services they should provide to customersⁱⁱⁱ.
- In a public consultation paper on demand response, CEER has identified the seven stakeholders who are the key enablers of demand response, and the different roles and responsibilities each must play in order to enable demand response which meets customers' needs^{iv}. Lord Mogg called on participants of the London Forum *"to 'collectively' take concrete action to develop consumers' role in demand response."*
- In its belief that comparing prices needs to be simpler, CEER has prepared [advice on price comparison tools](#)^v to enable consumers to easily compare different price offers.
- At the 4th London Forum (26-27 October), CEER presented regulators' work in a number of areas including; customer empowerment and protection^{vi}; smart metering and demand response; complaint handling^{vii}; and on retail market design^{viii} (see [CEER presentations and Lord Mogg's speech](#)).

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Ends
(see Note for Editors on next page)

Notes for Editors:

ⁱ The European Commission established the Citizens' Energy Forum (London Forum) in October 2008. The 4th annual meeting takes place from 26-27 October 2011 in London. The participants of the London Forum are energy regulators, CEER and ACER, the European Commission, Ministries, consumer bodies and the energy industry. For the first time, the newly established association of independent energy ombudsmen (National Energy Ombudsmen Network) participated in the 2011 London Forum. Its members are the 3 countries with independent energy sector-specific ombudsmen – Belgium, France and the UK. The London Forum is chaired by the European Commission. It is akin to the EU regulatory forum for electricity (Florence Forum) or for gas (Madrid Forum) but has a focus on consumer and retail energy market issues.

ⁱⁱ The Council of European Energy Regulators (CEER) is the voice of Europe's national regulators of electricity and gas at EU and international level. CEER works closely with, and supports the work of, the Agency for the Cooperation of Energy Regulators (ACER). Together, ACER and CEER are working on rules which will make the European single energy market a reality and will encourage competition which will offer competitive prices and real choices to Europe's energy consumers. See www.energy-regulators.eu.

ⁱⁱⁱ In addressing smart meters, regulators began thinking about what use/benefits a customer should be able to expect from smart meters. The result was a suite of 28 recommendations on minimum services to customers that should be provided by smart meters. See the [CEER \(2011\) Guidelines of Good Practice \(GGP\) on the regulatory aspects of smart metering](#).

^{iv} CEER identified the need to clearly define roles and responsibilities of different actors with regard to demand response. The [CEER public consultation on the take-off of a demand response electricity market with smart meters](#) identifies seven stakeholders as the key enablers of demand response and set out the different roles and responsibilities each must play in order to enable a demand response which satisfies customer needs.

^v CEER believes that information can empower customers to take an active role in the market. Comparing prices must be made simpler for customers. CEER has examined case studies of web-based price comparison tools. Already 9 Member States have regulator-operated price comparison tools and a further country (France) has a price comparison tool that is a joint venture of the regulator and the independent ombudsman. In addition, privately-run Price Comparison Tools also exist. At the London Forum (26-27 October 2011), CEER launched a public consultation on price comparison tools, inviting comments on its draft advice.

^{vi} The [CEER Benchmarking Report on the Roles and Responsibilities of National Regulatory Authorities in customer empowerment and protection as of 1st January 2011](#) examines the situation before implementation of the (2009) 3rd energy market liberalisation package. In a follow-up exercise next year, actual implementation of the 3rd Package will be addressed.

^{vii} CEER presented at the London Forum its findings on whether Member States have (yet) implemented CEER's (2010) Guidelines of Good Practice (GGP) on [Complaint](#)

[Handling, Reporting and Classification](#). It shows that just 6 months after the GGP were published (in 2010), there has been good progress in adopting CEER's recommended practices.

^{viii} CEER presented at the London Forum its preliminary finds of its 2011 public consultation on [Draft Guidelines of Good Practice on retail market design with a focus on supplier switching and billing](#). The report proposes basic principles on how to serve customers in these two key processes.