



Fostering energy markets, empowering **consumers**.

CEER 2021 Work Programme

Public consultation document

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INFORMATION PAGE

Abstract

CEER is looking for feedback on the proposed items of its 2021 Work Programme. The development of CEER's annual work programme is guided overall by the agreed 3D Strategy for the period 2019-2021 and also by implementation of the EU's Clean Energy Package (CEP) legislation.

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 2020**

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:

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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 or, alternatively, make public the number (but not the names) of entirely 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](#).

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FOREWORD

This consultation paper provides the Council of European Energy Regulators (CEER)'s proposed 2021 Work Programme work items, for public comment.

Drivers of our 2021 Work Programme

There are two key drivers of our work in 2021 namely implementation of the “Clean Energy for All Europeans” (CEP) legislative package and CEER’s own “3-year, 3-D” strategy for regulators’ work. The so-called “3-Ds” of CEER’s 3D strategy are:

- Digitalisation in the consumer interest (D1);
- Decarbonisation at least cost (D2); and
- Dynamic regulation (D3).

This 2021 CEER Work Programme sets out the areas of work for the third and final year of our current 3-year strategy (2019-2021). Whereas in year 1 and year 2 we put a key focus on digitalisation and decarbonisation respectively, many of our outputs in 2021 focus on “dynamic regulation”.

Dynamic regulation, as we see it, is about anticipating and adapting regulation appropriately to a changing world, be it Europe’s energy transition and the Green Deal, or the new global economic context during and after COVID-19. CEER is determined to make energy regulation agile and coherent while preserving predictability by following proven regulatory best practice principles. This means regulation must be stable but not static and that European energy consumers’ interests will remain central in our market-based approach.

Naturally, we will continue to build on past work such as the recommendations in our [ACER-CEER Gas Bridge Beyond 2025 Paper](#) (e.g. addressing issues such as sector coupling) and in our [CEER Digitalisation Paper](#) to ensure energy digitalisation benefits consumers. Indeed, consumers remain at the very core of our 2021 work. What is new is the impact of COVID-19 on the energy sector. With COVID-19 disrupting the economy, CEER is reflecting on how to steer and regulate an energy sector undergoing significant change. These changes offer both opportunities and challenges. CEER is a strong supporter of the energy transition. Hence, decarbonisation at least cost for the benefit of consumers is very much in our focus. As regulators, we are determined to play our part in the recovery supporting the Green Deal with agile and evolving regulation that is grounded on free-market principles.

Energy regulators working in partnership

Now more than ever, the evolving energy framework must be inclusive and co-owned by all involved. We will continue to work closely with the EU institutions, consumer bodies and the energy sector as well as fellow regulators. Our steadfast cooperation with the European Agency for the Cooperation of Energy Regulators (ACER) ensures that our respective work complements and strengthens one another. ACER has a legislative mandate and responsibilities related to Europe's Internal Energy Market (IEM) and the EU-27. CEER, as a collective of national regulators across 39 countries, has the freedom to propose bold visions for the future, which stem from national experiences and best regulatory practice. CEER’s National Regulatory Authorities (NRAs) are also forefront in delivering the IEM in important areas where ACER does not have a mandate such as consumers and retail markets and in implementing and enforcing EU-wide rules nationally. This is because our members, Europe’s NRAs, have a broad range of responsibilities ranging from regulating third-party access to setting market rules at wholesale and retail level so that competition and innovation thrives, with their primary duty being to ensure well-functioning competitive markets for the benefit of consumers.

We very much value your feedback on our proposed work items so that energy markets advance in a way that protects and empowers consumers in a changing energy system.

Annegret Groebel
CEER President

1. INTRODUCTION

Energy markets are evolving rapidly and becoming more decentralised in response to the growing influences of **decarbonisation** and **digitalisation**. As a result, the regulation of energy markets is becoming more **dynamic** whilst continuing to provide the predictability, which is important for a sound investment climate. Each year, CEER prepares a work programme which seeks to meet the challenges posed by energy market developments. It is important that we identify topics which enhance regulation with the aim of improving the operation of energy markets to the benefit of consumers. Our 2021 Work Programme is very much shaped by implementation of the Clean Energy Package (CEP) and our own 3D Strategy.

2021 will bring with it a range of European policies aimed at implementing the European Commission's new policies and vision, as outlined in the European Green Deal. Beyond the need to implement the CEP provisions for the electricity sector, regulators will prepare for and respond to new developments regarding the European Commission's Green Deal and associated proposals. The Green Deal's ambitions mark a significant step-change in the way many sectors will develop going forward. As a key enabler for the functioning of the economy and society, we will look closely at Green Deal issues such as sector coupling and sector integration. We will contribute our regulatory expertise to prepare for new policy frameworks.

COVID-19 has unleashed a devastating blow to the global economy. In the first few months, a significant fall in electricity and gas demand has been observed in many countries. The IEA World Energy Investment report for 2020 estimates that the COVID-19 crisis has triggered the largest annual fall in global energy investment in history (a decrease of roughly US\$400 billion compared to last year). CEER's 2021 Work Programme examines the implications of COVID-19 on the energy sector.

1.1 CEER's 3Ds: Digitalisation; Decarbonisation; and Dynamic Regulation

CEER has adopted a forward-looking consumer-centric 3D Strategy for the period 2019-2021. The three "Ds" of our 3D Strategy are:

- Digitalisation in the consumer interest;
- Decarbonisation at least cost; and
- Dynamic regulation: European solutions for adaptive regulation in a fast-changing world.

The 3D Strategy and CEP implementation are the main drivers of our proposed 2021 Work Programme work items and provide the rationale for most of our work until the end of 2021. This draft 2021 Work Programme clearly identifies the D(s) to which each deliverable contributes (see the work items listed in section 4 below). Many of work items contribute to more than one "D" and have a clear correlation to implementation of the CEP.

1.2 Implementation of the Clean Energy Package (CEP)

The "Clean Energy for All Europeans" legislative package is intended to help the EU energy sector become more competitive, more sustainable and fit for the 21st century in a way that delivers a fair deal for consumers. It determines a significant part of national regulatory authorities' (NRA) daily work.

CEER is committed to serving our Members and Observers, helping energy NRAs play their full part in the energy transition and changes to market designs and structures. CEER actively encourages the development and adoption of good regulatory practices through the extensive range of services it

provides NRAs, including training for both member/observer NRAs and non-CEER regulators.

1.3 Significant recurring work

The Council of European Energy Regulators (CEER) is the voluntary association of Europe's National Regulatory Authorities (NRAs). CEER works to support NRAs in their important work by developing best practice energy regulation and sharing experience, including through training and workshops.

Core work areas

Some of our work is recurring precisely because there is a high public interest in it and/or it is appreciated by our member NRAs. Once again, in 2021, we will continue to work on core areas. Recurring reports include the "CEER Report on Regulatory Frameworks for European Energy Networks", the "CEER Transmission System Operators Cost Efficiency Benchmark Report" and the annual ACER-CEER Market Monitoring Report.

International work

CEER will continue its cooperation with energy regulators not only in Europe's neighbouring markets but also across the globe on issues that transcend national and regional boundaries.

Through CEER's Energy Regulatory Exchange of Knowledge (EREK) initiative, we will continue to support capacity building in NRAs and the development of energy regulatory excellence within and beyond Europe.

Other work areas

CEER has consistently undertaken work on a number of important areas. Our Partnership for the Enforcement of European Rights (PEER) initiative encourages collaboration with regulators from other sectors and bodies with consumer responsibilities on topics of mutual interest. CEER hopes to continue this valuable work in 2021, building stronger ties with other regulatory bodies in disciplines related to energy regulation, including financial regulation, competition authorities and telecommunications regulation.

1.4 Public consultation and further process

Regulators, working through CEER, focus on a number of key areas which are important to advancing energy markets and improving their effective operation to the benefit of consumers.

CEER see stakeholder consultation as important both in setting our priorities for the year ahead and in the subsequent development of our work in 2021. All interested parties are therefore invited to participate in this consultation and to **submit comments by 31.07.2020**.

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

2. CEER'S PRIORITIES IN 2021

Like other organisations, CEER must prioritise its work so that scarce resources can be used most effectively. CEER's 3D Strategy and CEP implementation provide the overall framework for our work for the period 2019-2021.

CEER priorities in 2021 are:

- Digitalisation in the consumer interest;
- Decarbonisation at least cost;
- Dynamic regulation: European solutions for adaptive regulation in a fast-changing world;
- Clean Energy Package Implementation; and
- Significant recurring work.

2.1 Digitalisation

CEER believes that digitalisation can provide cost-saving opportunities in the whole system by facilitating energy efficiency and demand response, better integrating the market with pan-European platforms and optimising network operations and costs.

With respect to digitalisation during 2021, CEER will:

- Examine how the digital transformation affects regulation across a large spectrum of policy areas, with a special focus on cybersecurity and data protection, within the framework of CEER's ongoing Partnership for the Enforcement of European Rights (PEER) work and the new requirements of the Consumer Protection Cooperation (CPC) Regulation;
- Prepare a report analysing the pros and cons of dynamic contracts from the customer's perspective, with lessons learned and case studies from a number of Member States. There will also be CEER recommendations on the implementation of the new CEP provisions, with a view to their transposition into national law;
- Prepare advice on digitalisation as a driver for better retail market functioning. A key role for regulators is to promote interoperability and to consider whether additional consumer protection measures are needed, also taking into account the risks directly associated with data, and in particular privacy and data protection;
- Provide guidance on the market test that DSOs have to submit to their NRA if they want to own storage, in line with the new requirements from the Electricity Directive in the Clean Energy Package.

2.2 Decarbonisation

CEER is a strong supporter of decarbonisation at least cost. Cost-efficient decarbonisation of the energy sector needs a cross-sectoral (electricity and gas) and whole system approach, keeping in mind all aspects: wholesale, networks, retail and potential impacts on infrastructure development.

As part of 2021 Work Programme and beyond, CEER plans to address the policy developments foreseen in the Green Deal and other related issues (e.g. offshore wind, sector coupling/integration, methane emissions, strategy for batteries, hydrogen, TEN-E Regulation revisions, the changing role of consumers, empowering the consumer for the green transition, energy poverty, etc.).

With respect to decarbonisation during 2021, CEER will:

- Continue to explore how the Green Deal and upcoming legislation or initiatives in relation to this contributes to decarbonisation at least cost and what this means for consumers;
- Analyse options and solutions for innovative business (retail) models and accompanying consumer rights issues embedded in the new legislative provisions from the CEP (e.g. 24-hour supplier switching, dynamic prices, peer-to-peer and energy communities, active customers, etc.) and see how they can advance decarbonisation. A follow up will be done on unsupported renewables and how the existing renewables installations are treated after the end of their support time;
- Produce a new report on power losses so that NRAs and others can identify some good practices and may decide to adapt their national rules/laws. Reducing power losses contributes to greater energy efficiency and security of supply. Energy efficiency is an important contribution to decarbonising the European energy sector;
- Prepare advice on the revision of TEN-E Regulation (foreseen in the European Green Deal) because Europe's decarbonisation requires changes and updates to the energy infrastructure, building on ACER-CEER work in 2020. Regulators aim to safeguard the efficient development and use of energy infrastructure in the public interest;
- Contribute to EU legislation with regulators' expertise on the capabilities and characteristics of the electricity system in the energy transition, in particular in the context of the European Commission's (EC) future proposals in the area of sector coupling and sector integration;
- Prepare a paper on the integration of offshore/hybrid grids into the electricity market design. Offshore wind is an important component of the energy transition. As part of the European Green Deal, the EC also plans to propose a 'strategy on offshore renewable energy';
- Continue CEER's reflection on the role of gas(es) in a decarbonised energy system, and during the energy transition, in particular in terms of system flexibility, a possible regulatory framework for new gases, including hydrogen, reduction of methane emissions, and other related policies emerging from the Green Deal. The role of LNG and gas storage in a decarbonised system will also be assessed more closely.

2.3 Dynamic regulation

While energy regulators are not the drivers of digitalisation technologies, decarbonisation policies, and decentralisation, they play a key role in helping to ensure that the regulatory framework is sufficiently dynamic to enable these policies to develop in the public interest. Dynamic regulation comes into play more strongly when these policies are implemented at national level.

With respect to dynamic regulation during 2021 CEER will:

- Produce quality of supply regulation regimes report in an effort to share data and knowledge to improve the quality regulation regimes in European countries;
- Continue to support NRAs in their efforts to foster improved retail energy markets by 2025, under CEER's Roadmap to well-functioning retail energy markets, taking onboard new market design and innovation opportunities.

- Reflect on lessons learned about the COVID-19 pandemic crisis preparedness and management in the energy sector and approaches to protecting energy consumers. Impacts are felt across the energy world, from fuel and power supply to efficiency, with serious implications for energy security and clean energy transitions. In 2021, CEER will draw lessons from the approaches, measures and policies adopted by European regulators and governments during the crisis, in particular, to make sure the right protections are in place to support consumers (e.g. against unsustainable repayment plans, aggressive debt recovery, increased disconnection, consumers in debt getting poor deals, ...), in order to be prepared to respond to future challenges;
- Follow-up on dynamic regulation from the NRAs' perspective (tools and processes).

2.4 Clean Energy Package

Europe's "Clean Energy" objectives are major policy drivers for change in the energy sector through the development of renewable energies and green mobility, the improvement of energy efficiency, and the CO₂ prices via a reform of the Emissions Trading Scheme and various other schemes (carbon taxes, carbon floors, etc.) which give a signal to the market in relation to the internalisation of CO₂ emissions costs.

With respect to CEP implementation, during 2021 CEER will:

- Reflect on distribution network planning.
- Analyse tariffs for sharing for energy communities. More specifically, as the concepts of jointly acting "active consumers", jointly acting "renewable self-consumers" and "renewable energy communities" are being transposed into national law, energy sharing will become more prevalent across Europe;
- Analyse and share trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing"). CEER will explore the issue of greenwashing across Europe and suggest good practice solutions for regulating the marketing of green tariffs (also in view of their extension to cover renewable gases such as hydrogen);
- Publish a status report on unbundling of the TSOs and DSOs at a national level since the previous unbundling report was published in 2019.

2.5 Significant recurring work

Customers are at the very core of both CEER's 3-year, 3-D Strategy and the CEP legislative package, therefore consumer issues are enshrined in the 2021 Work Programme. CEER will also organise its annual Customer Conference in 2021.

CEER will continue its international relations with regulators across Europe and the world.

- CEER will continue to work with the European Bank for Reconstruction and Development (EBRD) to bring the expertise in CEER beyond CEER's member NRAs;
- Cooperation with the Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA) will continue in 2021 to promote cooperation and assist in capacity building.

CEER has consistently undertaken work on a number of important areas. Our Partnership for the Enforcement of European Rights (PEER) initiative encourages collaboration with regulators from other sectors and bodies with consumer responsibilities on topics of mutual interest. CEER hopes to continue this valuable work in 2021, building stronger ties with other European regulatory bodies in disciplines related to energy regulation, including financial regulation, competition authorities and telecommunications regulation.

A number of significant recurring reports are to be prepared during 2021:

- CEER will cooperate with ACER to deliver a comprehensive monitoring report on the development of Europe's wholesale and retail markets in electricity and natural gas. Monitoring consumer empowerment and retail markets developments are core tasks of regulatory authorities across Europe and ACER, and CEER contributes particularly in these areas. This joint ACER-CEER Market Monitoring Report is a key reference work for the European Commission, EU Agencies and other policymakers and will continue to be an important part of CEER and ACER's work in 2021;
- CEER will continue to periodically measure Transmission System Operators' (TSO) cost efficiency to ensure that tariffs are based on efficient cost as stipulated by European law. The upcoming TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas;
- CEER will work on the annual report on regulatory frameworks of European energy networks, which surveys implemented regulatory regimes.

3. QUESTIONS FOR CONSULTATION

The purpose of this public consultation is to increase transparency and to provide energy regulators with valuable feedback from those parties interested in shaping regulators's priorities. The present document will be open for public consultation **until 31.07.2020**.

We would, in particular, be interested in views on the following **questions for public consultation**:

- CEER proposes that the 2021 Work Programme should continue to focus on the above-mentioned priority areas for electricity and gas. 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 work items (listed in section 4 of the consultation paper) do you have any specific comments?

Stakeholders are invited to participate in the public consultation via a dedicated online questionnaire on the CEER website.

4. DRAFT CEER WORK ITEMS FOR 2021

No	Sector	Title	Description/output	Outcome	3 D Strategy/ CEP	Expected start time	Expected end time
1	Consumers and retail markets	Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets	This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements.	<p>In a 2015 high-level Position Paper, CEER committed to prepare a roadmap to well-functioning retail energy markets in Europe that deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This work is part of both CEER's pledge to realise the core principles in the CEER-BEUC 2020 Vision for Europe's energy customers and the objectives set out in the ACER's Bridge to 2025: Conclusions Paper. Also, CEER's views on putting consumers at the heart of the market complement well the areas for action and further improvement identified by the European Commission's "New Deal for Energy Consumers" and, subsequently, in the new electricity market design legislation. It should be clear that this work is not intended simply as an exercise in market monitoring: it seeks to present a forward-looking framework to understanding and assessing national retail markets. As a first step in developing the Roadmap, common metrics for NRAs to self-assess the functioning of their national retail markets had to be established, while also taking into account the specificities of every member state and the development of the retail market. Those metrics are illustrated in CEER 2017 Handbook for National Energy Regulators.</p> <p>As a second step, CEER developed the "Roadmap to 2025 Well-Functioning Retail Energy Markets" which provides a guide for NRAs on how to proceed with collection of the metrics in the coming years. The first self-assessment took place in 2019 based on a questionnaire sent to all NRAs in 2018 (24 NRAs completed the exercise on electricity markets, 14 on gas markets). The process of self-assessment can be described as a journey that starts with data collecting, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. NRAs set a national objective for each available metric in the Handbook and analyse the gap between the current situation described by the collected data and the national objective. When an NRA identifies a gap between the national data for a metric and the national objective for that metric, the NRA formulates recommendations on how to reach the national objective. The NRA also monitors the implementation of these recommendations. NRAs share the results of their self-assessment and gap-analysis on a voluntary basis. A national self-assessment of the retail market for energy is something CEER encourages, but it is not mandatory. Finally, CEER recommends self-assessment and gap analysis to be repeated annually. In conclusion, the main objectives of the 2021 Status Report will be to summarise the second round of self-assessments, to continue showing progress in the work towards well-functioning retail markets and sharing experiences and data between NRAs and other stakeholders.</p>	Dynamic Regulation	Q1 2021	Q4 2021
2	Consumers and retail markets	Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing	In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future.	<p>European consumers have a powerful role to play in driving the decarbonisation agenda and are becoming increasingly deliberate in their choices about what kind of energy they consume and which proportion of their needs is sourced from renewable generation. On the other hand, regulators are also observing more criticism of some of the tariffs on the market which are described as 'greenwashed' tariffs. In general, these are tariffs which comprise electricity purchased through exchanges or through external partners, where there is no ability to certify 100% renewable sources. This work could explore the issue of greenwashing across Europe and suggest good practice solutions for regulating the marketing of green tariffs (also in view of their extension to cover renewable gases such as hydrogen). It also relates to a number of different priority areas:</p> <ul style="list-style-type: none"> - decarbonisation and how consumers can contribute to decarbonisation by purchasing renewable tariffs; - dynamic regulation: as this will help regulators share innovative practices and thinking to address emerging issues due to decarbonisation. 	Decarbonisation & CEP	Q1 2021	Q4 2021

No	Sector	Title	Description/output	Outcome	3 D Strategy/ CEP	Expected start time	Expected end time
		("greenwashing")					
3	Consumers and retail markets	Guidelines of Good Practice on future-proof comparison tools for the energy sector	Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed.	In the 2018 update of the CEER Guidelines of Good Practice on Comparison Tools in the New Energy Market Design, there is a forward-looking chapter, which could not be fully developed at the time. With the implementation of the Clean Energy Package ongoing, CEER proposes to revisit and complete that initial work on Guidelines of Good Practice for comparison tools for the energy sector, in light of the increased use of online comparison tools and the impact of even more dynamic contracts in various marketplaces, due to digitalisation (smart meters), technology developments (storage, EVs) and decentralisation (production, demand response,..).	Digitalisation Dynamic Regulation & CEP	Q1 2021	Q4 2021
4	Consumers and retail markets	Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations	In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome.	This CEER position paper on digitalisation as a driver for better retail market functioning will build on the key priority area of "getting and making the data accessible and useful" identified in CEER's (2019) Digitalisation paper. It will consider and monitor the new mandate of the European Commission's EG1 (Smart Grids Task Force Expert Group 1) and will follow-up on the results of the (upcoming) CEER report on the impact on regulation and consumer protection of innovative business models, products and services emerging in the energy sector. As the availability and value of data increases (e.g. smart meters, network flexibility), the main role for regulators is to consider relaxing or removing rules which get in the way, where relevant to promote interoperability and to consider whether additional consumer protection measures are needed, also taking into account the risks directly associated with data, and in particular privacy and data protection.	Digitalisation	Q3 2021	Q4 2021
5	Consumers and retail markets/gas/electricity	ACER-CEER Market Monitoring Report	This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys.	CEER will cooperate with ACER to deliver a comprehensive monitoring report on the development of Europe's wholesale and retail markets in electricity and natural gas. This joint ACER-CEER monitoring report is an established annual activity and a key reference work for the European Commission, EU Agencies and other policymakers. Beyond presenting the key results of our analysis, the MMR also contains recommendations on how to address the remaining identified barriers to the completion of the IEM.	Dynamic Regulation	Q1 2021	Q4 2021
6	Consumers and retail markets	CEER Customer Conference	CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players.	CEER's Customer Conference is an opportunity to engage widely on consumer issues and to inform the public about CEER reports and activities in the area of consumer rights enforcement and retail markets.	Digitalisation Decarbonisation & Dynamic Regulation		

No	Sector	Title	Description/output	Outcome	3 D Strategy/ CEP	Expected start time	Expected end time
7	Electricity	Updated Paper on unsupported RES	The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs.	Decarbonisation of the energy sector means more renewables. It is important for regulators to understand how existing RES installations (that were built with support mechanisms) are treated after the end of their support time. This updated paper on unsupported RES will provide a clear overview of the different approaches and NRAs/Member States to learn from this knowledge sharing.	Decarbonisation	Q1 2021	Q2 2021
8	Electricity	ACER-CEER contribution(s) on revision of TEN-E Regulation	This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators.	The aim of this deliverable is to contribute energy regulators' expertise to the European as they review the TEN-E Regulation. This TEN-E revision is included in the European Green Deal as Europe's decarbonisation requires changes and updates to the energy infrastructure. Overall, regulators aim to safeguard efficient development and use of energy infrastructure in the public interest.	Decarbonisation	Q1 2021	Q4 2021
9	Electricity and gas	sector coupling - integration across sectors	The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements.	Sector coupling is important for decarbonisation. CEER's continued work on sector coupling aims to contribute to new EU legislation in this area by sharing regulators experiences and views on the capabilities and characteristics of the electricity system in the energy transition. Overall consistency is crucial for the functioning of systems, especially regarding sector coupling and sector integration.	Decarbonisation	Ongoing	Q4 2021
10	Electricity	Paper on the integration of offshore/hybrid grids into the electricity market design	This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated.	Offshore wind is an important component of the energy transition. As part of the European Green Deal, the European Commission also plans to propose a 'Strategy on offshore renewable energy'. This paper aims to inform the EU institutions and stakeholders on the compatibility of offshore grids with existing and future market model. Synergies of this offshore/hybrid grids could be beneficial if properly designed.	Decarbonisation	Q1 2021	Q4 2021
11	Gas	Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks	The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction.	Methane has a significantly higher global warming potential than CO ₂ . For the decarbonisation of the gas sector, it is of utmost importance that methane emissions are reduced to the absolute minimum. This topic is also high on the agenda of the European Commission, which is working on a strategic plan to reduce methane emissions in the energy sector. This report looks at the regulatory mechanisms to incentivise reductions in methane gas emissions in gas networks.	Decarbonisation	Q1 2021	Q4 2021

No	Sector	Title	Description/output	Outcome	3 D Strategy/ CEP	Expected start time	Expected end time
12	Gas	Paper on long-term storage	Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects.	Long-term storage would be an efficient way of managing intermittence of energy production from renewables and, in particular, build on potential structural surpluses to compensate for negative imbalances on a "seasonal" time frame (which may actually not fit with the usual practice in the gas sector)	Decarbonisation	Q1 2021	Q4 2021
13	Gas	Paper on regulatory innovations for smart sector integration	Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings; - renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes; - a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges.	The implementation of a strategy on smart sector integration is essential for achieving Europe's decarbonisation targets. CEER will actively contribute to a feasible achievement of smart sector integration by foreseeing the necessary regulatory changes to accommodate it.	Decarbonisation & Dynamic Regulation	Q1 2021	Q4 2021
14	Distribution systems	Short paper on the market test on flexibility and storage	This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additionally, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper.	This paper refers to a requirement from the new Electricity Directive from the Clean Energy Package. DSOs will have to submit a market test to NRAs if they want to own storage, but so far guidance on the matter is rather vague. Therefore, this CEER paper should provide clarity and guidance from NRAs to DSOs. Such guidance was also suggested for NRAs to do by the Commission. The outcome of the paper would be that there is more clarity on this and for DSOs to submit acceptable market tests if needed.	Digitalisation , Dynamic Regulation & CEP	Q1 2021	Q3 2021
15	Distribution systems	Short paper on distribution network planning	This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will	Following Article 32 (3) of the Electricity Directive, DSOs will have to submit distribution system network plans to the regulatory authority. It will be important for NRAs to look at the distribution network plans and to see them in the light of current challenges, in order to share experiences and good practices.	CEP	Q1 2021	Q4 2021

No	Sector	Title	Description/output	Outcome	3 D Strategy/ CEP	Expected start time	Expected end time
			enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency.				
16	Distribution systems	Paper on tariffs for sharing for energy communities	This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.	This paper would directly deal with CEP transposition. It also has a "dynamic regulation", angle as it discusses how to create a regulatory framework for a new type of actor while adhering to the existing principles of tariff setting.	CEP	Q1 2021	Q4 2021
17	Distribution systems	Report on Quality Regulation	The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation.	The aim of the report is to have a clear overview of the quality regulation regimes in European countries and to share this knowledge among NRAs and all relevant stakeholders. The report could be used to improve existing national regulation. Quality regulation is important for NRAs to identify possible undesired side-effects of the regulatory regime. In this context, the report should help the NRAs to gain a better understanding of different solutions for quality regulation and to show the state-of-play in that area.	Dynamic Regulation	Q2 2021	Q4 2021
18	Distribution systems	3 rd CEER Report on Power Losses	The 2 nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2 nd report included 35 countries).	Reducing power losses contributes to greater energy efficiency and security of supply and is an important goal, not least because the costs of power losses are often passed on to consumers. Energy efficiency is an important contribution to decarbonising the European energy sector. Therefore, it is important for CEER to continue this exercise to identify the power losses in the electrical grids. With this report, NRAs and other relevant stakeholders can identify some good practices and may decide to adapt their legislation. Since decarbonisation is of greater importance, now and in the future, it is obvious that knowledge about the amount and structure as well as possibilities to reduce them is essential. The past two editions began to analyse these aspects and will examine them closer in future editions.	Decarbonisation & Dynamic Regulation	Q4 2021	2022
19	Recurring - cross sectoral	Regulatory Frameworks Report 2021	The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report.	The report is not only relevant for NRAs but wider stakeholders. It is one of the most-downloaded CEER publications. Market participants and other stakeholders use it to identify the regulatory regime in certain countries. TSOs/DSOs can benchmark how other countries deal with the financial issues they face, which are reflected in the regulatory frameworks and to compare their own regulatory regimes to those in other countries. Therefore, the impact of the report is to inform stakeholders.	Dynamic Regulation	Q1 2021	Q4 2021

No	Sector	Title	Description/output	Outcome	3 D Strategy/ CEP	Expected start time	Expected end time
20	Recurring - cross sectoral	TSO Cost Efficiency Benchmark (TCB21)	The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs.	The TSO Cost Efficiency Benchmarks are relevant for CEER in general. Benchmarking of the costs of TSOs helps to ensure that tariffs are based on efficient cost as stipulated by European law, which is an important mandate of regulators. The benchmark helps to identify which TSOs are working efficiently and areas for improvement.	Dynamic Regulation	Ongoing	2022
21	Cross-sectoral	Advice on financial regulation and the links to REMIT	Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes	Recently, there have been some attempts to revise the existing legislation and to shift r the supervisory tasks of energy regulators with financial regulators for the concerned products. CEER has stated publicly, in response to the European Securities and Markets Authority (ESMA) Consultation Paper on MiFID II review report on position limits and position management, that this would be inappropriate, inconsistent and inefficient considering the experience gained in this field by energy regulators. This deliverable is kept in case further public actions are needed in this respect (e.g. responses to public consultations, position papers, official letters...)	Dynamic Regulation	Q1 2021	Q4 2021
22	Cross-sectoral	The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers	Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis.	The COVID-19 pandemic has been called the biggest challenge the world has faced since the Second World War. According to the IEA World Energy Investment report for 2020, the COVID-19 crisis has triggered the largest annual fall in global energy investment in history (a decrease of roughly US\$400 billion compared to last year). Impacts are felt across the energy world, from fuel and power supply to efficiency, with serious implications for energy security and clean energy transitions. 2021 will be right the time to draw some lessons from the approaches, measures and policies adopted by European regulators and governments during the crisis, in particular to make sure the right protections are in place to support consumers (e.g. against unsustainable repayment plans, aggressive debt recovery, increased disconnection, consumers in debt getting poor deals, ...), in order to be prepared to respond to future challenges. This work can also feed into the "Consumer Volume" of the joint ACER-CEER annual Market Monitoring Report.	Dynamic Regulation	Q1 2021	Q4 2021
23	Cross-sectoral	Report on Dynamic regulation from NRAs' perspective (tools and processes)	Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented.	This deliverable uniquely concentrates on the topic of dynamic regulation, illustrating the concrete approaches within NRAs and their Member States.	Dynamic Regulation	Q1 2021	Q4 2021
24	Cross-sectoral	Status Report on unbundling 2021	The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling?	This status report is being updated every few years (the last report was published in 2019). The update will concentrate on the impact of CEP, offshore grids, hybrid offshore infrastructure and power-to-X projects on the unbundling provisions.	CEP	Q1 2021	Q4 2021

5. NEXT STEPS

Following a review of the comments received to this consultation, CEER aims to publish the final 2021 Work Programme in January 2021.

About CEER

The Council of European Energy Regulators (CEER) is the voice of Europe's national energy regulators. CEER's members and observers comprise 39 national energy regulatory authorities (NRAs) from across Europe.

CEER is legally established as a not-for-profit association under Belgian law, with a small Secretariat based in Brussels to assist the organisation.

CEER supports its NRA members/observers in their responsibilities, sharing experience and developing regulatory capacity and best practices. It does so by facilitating expert working group meetings, hosting workshops and events, supporting the development and publication of regulatory papers, and through an in-house Training Academy. Through CEER, European NRAs cooperate and develop common position papers, advice and forward-thinking recommendations to improve the electricity and gas markets for the benefit of consumers and businesses.

In terms of policy, CEER actively promotes an investment friendly, harmonised regulatory environment and the consistent application of existing EU legislation. A key objective of CEER is to facilitate the creation of a single, competitive, efficient and sustainable Internal Energy Market in Europe that works in the consumer interest.

Specifically, CEER deals with a range of energy regulatory issues including wholesale and retail markets; consumer issues; distribution networks; smart grids; flexibility; sustainability; and international cooperation.

More information is available at www.ceer.eu