

**2013 National Report
To the European Commission
Denmark**



DANISH ENERGY REGULATORY AUTHORITY

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Foreword

In spring 2012 the Danish Government and a broad majority of the Parliament entered into an agreement setting the framework for Danish energy policy until 2020. The agreement is expected to result in more than 35% of final energy consumption being supplied by renewable energy sources in 2020, while half of electricity consumption is to come from wind power. With large investments in energy efficiency and energy savings gross energy consumption is expected to be reduced by 12% by 2020 in comparison to 2010 and greenhouse gas emissions in relation to 1990 will be down 34%. A strategy for establishment of a smart grid is part of the agreement. The long term goal is that the entire energy supply is to be covered by renewable energy by 2050.

The energy agreement provides customers, energy companies and investors as well as an authority as DERA with a clear vision of the long term goals, that a majority of the parties in the Danish Parliament wish to pursue.

Due to the ambitious nature of the energy agreement, several areas in Danish energy legislation need to be renewed and amended. Some areas have already been amended, and more will be amended in the near future. Other areas will await the conclusions from a number of analyses of the electricity, natural gas and district heating sectors, which have been initiated as a result of the energy agreement. Of direct importance for DERA's work is the examination of the regulation of the electricity supply sector with the aim to ensure incentives for green conversion with due respect to cost effectiveness, competition and consumer protection.

Finn Dehlbæk
Director General
Danish Energy Regulatory Authority

2 Main developments in the gas and electricity markets

Electricity and natural gas prices have developed moderately in 2012 compared to the previous year. The average price of natural gas has actually fallen, whereas the average increase in the price of electricity has been relatively moderate and has been slightly less than the increase in consumer prices. Thus average consumer prices for natural gas fell by approx. 5%, and consumer prices for electricity increased by approx. 1%, while consumer prices increased by just under 3%.

Over a six-year period from 2007 – 2012 the following picture emerges: Average consumer prices for natural gas increased by approx. 13%, average electricity prices increased by 21% and consumer prices increased by approx. 13%.

For the 4 year period 2010 - 2013 efficiency requirements of between 0.6 and 1.2 per cent per annum have been included in the revenue cap model for the 3 natural gas grid companies. In financial terms, this corresponds to overall efficiency requirements of more than DKK 12 million for the period in total.

In 2012 DERA passed a principal ruling as regards the price for transporting natural gas via an offshore pipeline from the North Sea to the Danish market. The consequence is expected to be a general lowering of the price level for transporting natural gas to the Danish market. DERA's ruling has been appealed to the Energy Board of Appeal.

As in the past several years, DERA imposed efficiency improvement requirements on electricity grid companies in 2012. Thus the revenue cap for Denmark's 75 electricity grid companies has been reduced by DKK 104 mill., corresponding to 1,4% of the revenue cap for the year.

In 2012 DERA finished an analysis of the electricity market for end customers, which identified a number of obstacles to competition, innovation, product development, improved use of infrastructure as well as protection of customers. As a result DERA recommended the Government and the Parliament to review the regulation of the supply obligation, while also taking into account that smaller customers cannot be expected to change their behaviour in the market significantly. The recommendations have been forwarded to the Committee, which is examining the regulation of the electricity supply sector.

3 The electricity market

3.1 Network regulation

3.1.1 Unbundling

Certification of TSO

In October 2011 DERA adopted its draft decision on the certification of the Danish system operator Energinet.dk for electricity and for natural gas after the rules for ownership unbundling.

DERA received the Commissions opinion on the draft decision in January 2012. The Commission expressed agreement with the draft decision, and did not express any disagreements with the assessments and conclusions in DERA's draft decision.

On that basis DERA adopted its final decision on the certification of Energinet.dk in February 2012. This decision was identical with the draft decision.

Subsequently Energinet.dk bought/merged with 10 regional transmission grid companies. DERA made an investigation into all agreements concerning the operations. DERA did not find any reason for re-certification.

Unbundling of DSO

The Danish Parliament has passed a bill implementing the obligations in art. 26 in the Danish Electricity Supply Act. Together with the executive order number 980 of 2011 these legal acts define a number of obligations the DSOs have to fulfil to ensure that they can act without being affected by commercial interests of other vertically integrated associated companies.

Amongst these obligations are requirements to the management of the DSO. The management must be free of incentives to discriminate between associated and independent companies. To ensure that the management of the DSO is not affected by the interest of the other companies within the group, it is decided that neither the directors, the board members, nor other influential employees with significant decision powers can participate in the management of the group's electricity production or trading companies.

Regarding the restriction on the parent company's involvement in day-to-day operations, this is prohibited on a general level by the Danish company law, which regulate the division of powers between the directors, the board and the shareholders.

With respect to the communication and branding of the DSOs, DERA monitors the communication surface toward the customers. Several decisions have been made regarding the DSOs' websites and also on the use of a common group logo. The monitoring is executed to ensure that the branding of the DSO supports their own independent identity and thereby prevent that any associated company can benefit from the branding of the DSO (which otherwise would discriminate any independent competing company).

Furthermore, the DSOs are obliged to annually turn in a compliance programme as well as an annual report describing the measures carried out to ensure their fulfilment of the compliance

program. DERA receives both the compliance program and the annual report and monitors the DSO's fulfilment of the requirements of art. 26.

The abovementioned obligations apply to all DSOs with more than 100,000 connected customers, according to art. 26(4). In Denmark, 6 DSOs are met with the requirements of art. 26.

The license to distribute electricity provides some limitations for the DSOs regarding the activities that the company can engage in when having the DSO license. Due to the licenses the DSOs are restricted to act only within an independent company and to only participate in license related activities. These requirements also contribute to ensure that the resources within the DSO company are kept in the regulated company, and only surplus is possible to distribute to associated companies. Further, the DSOs' surplus is regulated to prevent abuse of the DSOs' monopoly.

3.1.2 Technical Functioning

Balancing services

According to the method applied by the Danish TSO in providing balancing services, costs are basically recovered by the market participant causing the costs (the imbalances).

Furthermore, the method applied in Denmark means balance settlement according to whether the market participant is *consumption balance responsible* or *production balance responsible*.

The consumption balance settlement applies a one price settlement principle, and *the production balance settlement* applies a 2 pricing principle, reflecting whether the production imbalance responsible supports the system or not. The pricing principles incentivise the balancing responsible to be in balance.

The method of recovery of balancing costs is approved by DERA as well as imbalance settlement principles after consultation of market participants.

The method of imbalance settlement and cost recovery is the same in the 4 Nordic countries.

Monitoring time taken to connect and repair

DERA monitors the time taken by the Danish transmission system operator, Energinet.dk, to make connections and repairs. Each year Energinet.dk has to work out a report for DERA regarding this topic.

For distribution system operators, DERA monitors the number of disconnections due to repair and the duration of these disconnections experienced by the costumers. This is done for each of the DSOs on a yearly basis.

Monitoring safeguard measures

Article 37(1)(t): In Denmark responsibility for contingency planning and crisis management in the different energy sectors, including the power sector, lies with the Danish Energy Authority.

Energinet.dk is responsible for the overall coordination of tasks with respect to contingency planning and crisis management in the power sector (and natural gas sector).

All the companies in Denmark providing electricity production, transmission, and distribution pursuant to the Danish Electricity Supply Act, together with Energinet.dk, have prepared the necessary planning and taken the necessary steps to safeguard the electricity supply during crises and other extraordinary situations. This involves:

- Vulnerability analyses, general contingency plans, detailed contingency plans, and security plans
- Training, exercises, reporting of relevant incidents, statistics, etc.
- Operational matters during a crisis.
- Inspection of the companies' work regarding contingency planning and crisis management.

In case of a crisis the power sector plan states that Energinet.dk decides how to minimize market disturbance based on an evaluation of the specific crisis and the rules laid down in the Market Regulations.

Nordic Crisis Management:

Energinet.dk and the Danish Energy Authority are members of NordBER (Nordic contingency Planning and Crisis Management Forum) together with the other Nordic TSOs and the Nordic energy authorities.

NordBER's mission is to strengthen the Nordic TSOs' emergency preparedness and facilitate mutual assistance in case of crisis.

RES regulatory framework: Report on connection, access and dispatching regimes for RES-E, in particular on priority issues. Report also on balancing responsibility for RES-E Connection, access and dispatching regimes

New installations that produce electricity from renewable sources have the right to be connected to the grid. Energinet.dk and the network companies cooperate to ensure this network access. Electricity generation from decentralized co-generation plants and electricity generation installations that produce electricity from renewable energy or use waste products as fuel, have priority access to the grid. Energinet.dk can only reduce or alleviate prioritized electricity generation if the reduction of electricity generation from other installations is not sufficient to maintain the technical quality and balance within the combined electricity supply system.

Prioritized access also applies to electricity from tendered offshore wind farms in accordance with the Danish RE Act as they can only be curtailed under special circumstances and against compensation for operational loss.

Energinet.dk establishes the criteria for reducing prioritized electricity generation. These criteria are subject to approval by the DERA.

Balance responsibility for RES-E:

Electricity producers hold balance responsibility for the electricity produced at their own plants and are required to assign the balance responsibility to a Balance Responsible Party (BRP) if they do not want to hold the responsibility themselves.

RES-E is traded under the same conditions as other electricity generation.

Energinet.dk handles the balance responsibility for wind turbines and small-scale RE installations under purchase obligation.

Wind turbines on market terms are required to assign the responsibility to a BRP. These wind turbines then receive a balancing subsidy of 2.3 øre (€ 0,0031) per kWh because of the balancing costs they face. Off shore wind farms also hold balance responsibility, but do not receive the 2.3 øre (€ 0,0031) in balancing subsidy. In these cases the developers instead include this cost in the tender amount.

3.1.3 Network tariffs for connection and access

DERA determines a revenue cap for each of the Danish distribution network companies annually. For a given distribution company, the revenue cap is fixed as a "regulatory price" per kWh multiplied by kWh transported.

Since 2007 DERA has benchmarked the economic efficiency of the distribution network companies, for which a net volume model has been used. Based on the results from this benchmarking, DERA sets individual efficiency requirements for the network companies and regional transmission companies. Since 2008 the benchmarking has also contained an assessment of the quality of supply, which in 2011 was extended to include the duration and frequency of interruptions. DERA benchmarked the regional transmission companies until 2012, when they were bought by the Danish TSO.

DERA is obliged to increase a company's revenue cap in order to cover "necessary investments" due to public requirements, which are falling outside the general obligation of distribution network companies to maintain and develop the network.

The undertaking's costs are checked through the regulations accounts that the distribution companies are obliged to send to DERA every year and which have to be attested by an accountant.

DERA approves the companies' tariff methodology, terms of connection and access to national networks. The approvals are conditioned on the tariff being set in a fair, objective and non-discriminatory manner according to the costs that the different grid users induce. Once approved, a distribution network is free to set its tariffs as long as the company does not violate its maximum return on assets and revenue cap. At the end of 2012 DERA had reviewed and approved most companies' methodology.

Before the final approval of a company's methodology, the company will have the opportunity to comment on a draft of the approval.

DERA has the authority to require distribution system operators to modify their terms and conditions including tariffs, if these are inconsistent with the Danish Electricity Supply Act. DERA can approve

provisional tariffs if the approval is delayed due to the failure of the companies to report the required information, and can decide on compensatory measures, if these are in favour of the customer.

To prevent cross-subsidization between distribution and supply activities the companies must comply with the rules regarding entity, accounting and management unbundling.

There have not been any changes in the tariff regulation during the last year.

3.1.4 Cross-border issues

Access to cross-border infrastructure, including the procedures for the allocation of capacity and congestion management

In general the interconnectors from Denmark to neighbouring countries are having the same access rules and procedures for allocation of capacity and congestion management as in the previous year.

All cross-border capacity is given to the day-ahead market coupling. Flows and prices are determined through implicit auctions. Residual capacity that is not used in the day-ahead market is given to the intraday market.

The only exception to this is the border of Western Denmark to Germany. Here 150 MW are auctioned explicitly in yearly auctions in both directions and up to 200 MW are sold in monthly auctions in both directions.

With regard to long-term transmission rights, in 2012 DERA was involved in a pilot project with the aim of implementation of Financial Transmission Rights (FTRs) in the 2 price areas/borders to Germany by 2014. DERA and Energinet.dk from the Danish side, as well as Bundesnetzagentur, Tennet Germany and 50Hertz Transmission from the German side were participating in the project. Project parties were making good progress on auction rules change and general arrangements in 2012. However, current financial regulation proved to leave no room for TSOs in both countries to issue FTRs without being subject to financial regulation. This has been the reason why FTR implementation currently is set on hold. DERA agrees that financial regulation would imply considerable resources for TSOs and it is accepted that FTRs are not implemented under the current financial regulation.

Monitor TSO Investment Plans

In 2012 DERA has developed and started implementation of the procedures etc. to be followed by DERA and Energinet.dk with respect to the duties laid down in article 37(1)(g) of the directive 2009/72/EC. The procedures establish the actual, practical mechanisms of reporting investment plans and supplying additional information etc. between DERA and Energinet.dk in order to make DERA able to fulfil the monitoring obligations.

In 2012 DERA has also scrutinized Energinet.dks investment plans and investment projects in the context of projects of common European interest. The process did not reveal any discrepancies between Energinet.dk's investment plans and actual investment projects and community wide ten year development plan.

Furthermore, DERA has followed the other cross-border investment projects of Energinet.dk in 2012 and found no discrepancies between Energinet.dk's investment plans and actual investment projects and community wide ten year development plan here either.

Cooperation

Besides the cooperation in the Regional Initiatives, DERA cooperates with regulators from the Northern Europe Electricity Regional Initiative on the cross border long-term market. The aim is to find solutions that are as harmonized as possible for all interconnectors between the Northern region and the continent. The main focus in 2012 was the project on a common Nordic Retail Market.

3.1.5 Compliance

Compliance of regulatory authorities with binding decisions of the Agency of the Commission and the guidelines

According to the Danish Electricity Supply Act DERA is obligated to comply with any legally binding decision of the Agency and of the Commission.

Compliance of transmission and distribution companies, system owners and electricity undertakings with relevant Community legislation, including cross-border issues

Under the Danish Electricity Supply Act DERA has the competence to order compliance whenever a breach of Regulation No 714/2009 is registered. Furthermore, DERA has the power to carry out inspections and the possibility to impose fines, when an order to comply is not observed.

3.2 Promoting Competition

3.2.1 Wholesale markets

Denmark is part of the Nordic electricity market, and interconnectors to neighboring countries is an important part of the Danish electricity system, especially for ensuring the integration of 50 per cent wind power in the system in 2020. So far Denmark has interconnectors to Sweden, Norway and Germany, and new interconnectors as well as extension of existing interconnectors are being investigated.

The net production in Denmark was 29,037 GWh in 2012, which was lower than the previous years. It was mainly caused by a decline in the production from central power stations. At the same time the production from wind turbines increased to a total share of 35% in 2012, which is expected to increase even more the coming years. 2012 was a wet year with a lower price level in the Nordic area than in Continental Europe, and electricity was therefore exported from Norway and Sweden through Denmark to Germany.

Table 1: Danish electricity production, 2009 - 2012

Year	Net Production, GWh	Net Export, GWh			
		Total	Sweden	Norway	Germany
2009	34,451	-333	-688	-2,380	2,735
2010	36,763	1,135	2,238	2,597	-3,700
2011	33,382	-1,318	-2,446	-1,187	2,315
2012	29,037	-5,214	-7,514	-4,781	7,082

Source: Danish Energy Agency

Note: Net production is gross production minus use of electricity in electricity generation. Negative value means import of electricity.

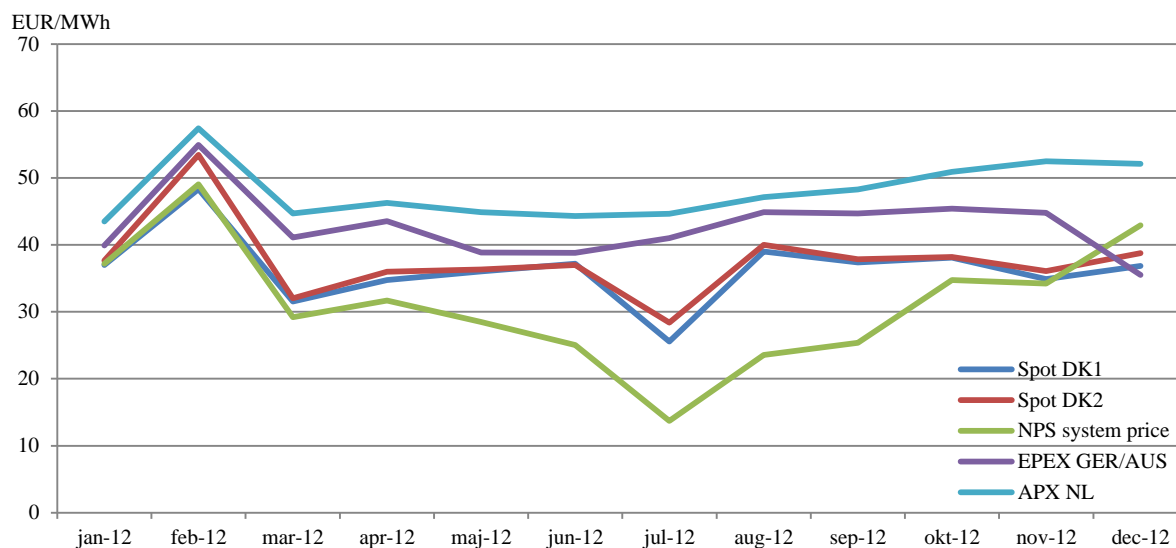
3.2.1.1 Monitoring the level of prices, the level of transparency, the level and effectiveness of market opening and competition

In the Danish wholesale market most of the trading takes place at the common Nordic power exchange, Nord Pool Spot, which is owned by the Nordic and Baltic transmission system operators. More than 70 per cent of the total consumption of power in the Nordic market is traded at Nord Pool Spot, and the exchange is Europe's most liquid day-ahead power market. The prices for both day-ahead trading and intraday trading are made available at the homepage of Nord Pool Spot.

The Nordic market is divided into bidding areas, with Denmark being divided into two areas separated by the Great Belt. Figure 1 shows day-ahead prices in the two Danish bidding areas, Eastern and Western Denmark (DK1 and DK2), as well as the system price of Nord Pool Spot, the EPEX GER/AUS day-ahead price for Germany/Austria and the APX NL day-ahead price for the Netherlands. The system price denotes an unconstrained market clearing price since the trading capacities between the bidding areas have not been taken into account in finding this price, and the system price is used as reference price in Denmark.

Whenever there are grid congestions, the Nordic area is divided into several price areas. The figure shows that the Danish spot prices often are higher than the system price, but lower than the Continental European prices, reflecting the geographical situation between two different generation method systems and the mix of marginally cheaper wind generation and more expensive thermal production.

The prices in Denmark were lower than the system price of Nord Pool Spot in December 2012. This was caused by extraordinary low prices in Denmark in Christmas 2012, with negative prices in 24 hours in December, which made the electricity producers pay the customers to receive the produced electricity in these hours. The situation was caused by high wind production, low demand, some amount of 'must-run'-generation, import from Germany and reduced spot exchange capacity towards Sweden. There were also negative prices in Germany through the winter, and the situation has started a new dialog between the regulators, TSO's and power exchanges in Northwestern Europe to investigate the possibility to harmonize price caps between the Nordic countries and Continental Europe, so similar situations can be avoided in the future.

Figure 1: Day-ahead spot prices, 2012

Source: Nord Pool, EPEX GER/AUS, APX NL

DERA monitors the wholesale market in Denmark. A report is published every quarter, which focuses on price development, competition, market development, structural problems etc.

Moreover DERA participates in a working group under Nord Pool Spot Regulatory Council, which primarily deals with issues in relation to REMIT and co-operation between regulators and the power exchange. DERA has established a co-operation with the Nord Pool Spot Market Surveillance team, which monitors trading activities and price formation in the spot market. The team will hand over any cases with possible breaches of laws and regulations to DERA, which then conducts the investigations.

Moreover DERA started co-operation with the Danish Competition and Consumer Authority in 2012 with the purpose of sharing results from market surveillance and know-how between the two authorities. DERA is obliged to bring any relevant information and relevant cases to the Danish Competition and Consumer Authority, if there has been a distortion or restriction of competition.

3.2.2 Retail market

Brief illustration of the state of competition of retail market and the main changes in the recent year

DERA has carried out an analysis of the state of competition in the retail market for electricity. This analysis finds that there are a number of barriers, standing in the way of an effective competition in the retail market for electricity. The government already took some important steps towards eliminating these barriers as for example the introduction of the so-called wholesale model, also called supplier centric model.

The barriers still present in the retail market of electricity are related to the *low mobility of consumers*. Overall one can conclude that a regulation with a price-regulated “fall-back product” is

not contributing to developing competition in the market and can in worst case limit innovation and efficiency in the market.

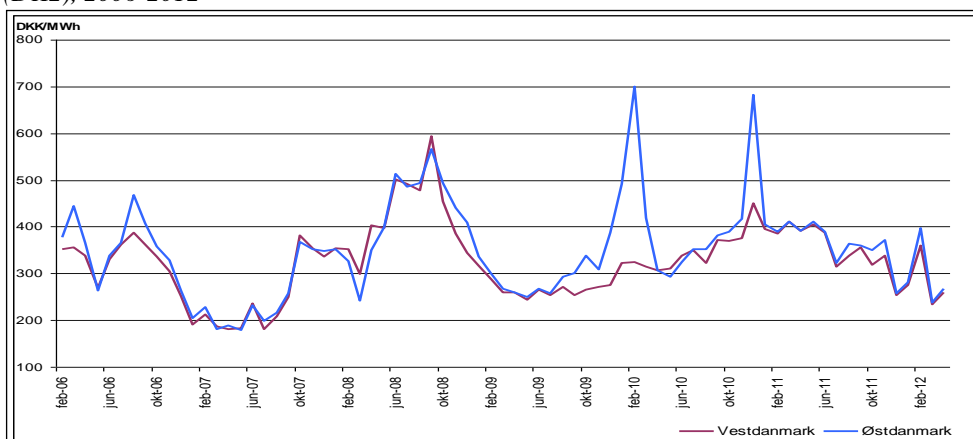
The regulation has recently been adjusted in order to induce consumers to make an active choice of electricity product and supplier. The new regulation is described in section 3.2.2.2 below.

3.2.2.1 Monitoring the level of prices, the level of transparency, the level of effectiveness of market opening and competition

Prices

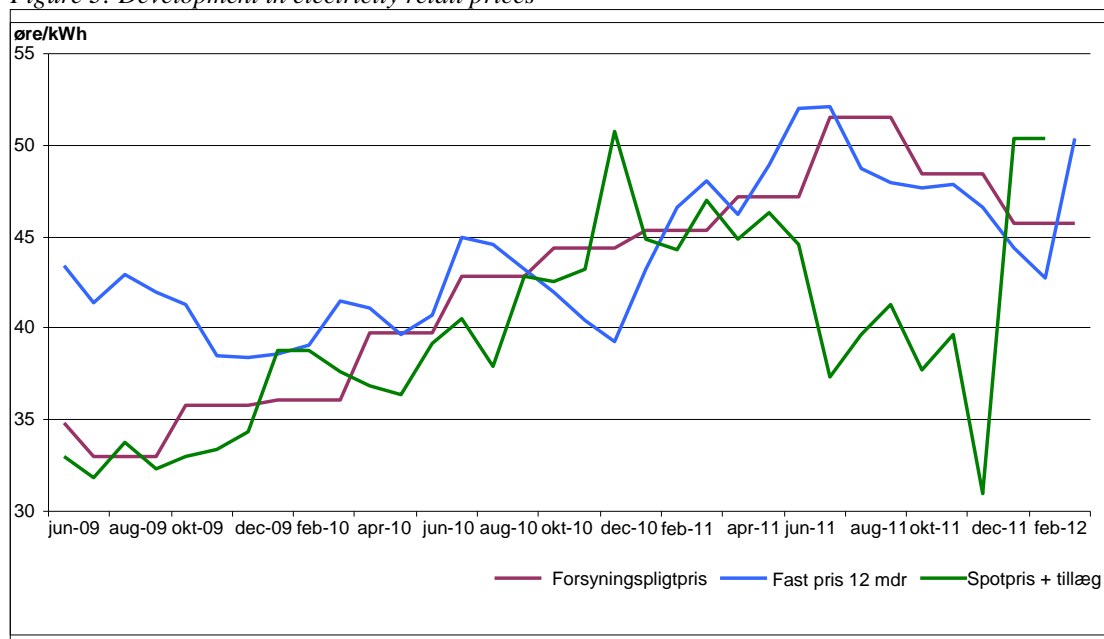
Below are some graphics on developments in electricity prices – both wholesale prices (figure 2) as well as retail prices (figure 3):

Figure 2: Development in electricity wholesale prices, Nord Pool Spot i West Denmark (DK1) and East Denmark (DK2), 2006-2012



Source: <http://www2.nordpoolspot.com>, market data, elspot prices.

Figure 3: Development in electricity retail prices



Source: Dansk Energi.

Note 1: Illustration of prices for a typical household with a yearly electricity consumption of 4.000 kWh. The lilac graph illustrates the price regulated product, the blue graph illustrates products with yearly fixed prices, the green graph illustrates the products that are following wholesale prices.

Note 2: The graphs illustrate the price level including both the price of electricity as well as the subscription fee. They don't include tariffs, VAT and taxes.

Transparency

Prices can be accessed by consumers on www.elpristavlen.dk

Also DERA publishes two types of price statistics. The first illustrates prices of price regulated products. The other illustrates prices of products that are not price regulated.

Effectiveness of competition

See summary on this topic in section 3.2.2 above.

3.2.2.2 Recommendations on supply prices, investigations and measure to promote effective competition

Recommendations on supply prices

The recent analysis on competition in the retail market of electricity gave a number of recommendations related to both competition and regulation of consumer prices. The recommendations are listed below.

DERA's recommendations and comments on competition in the electricity retail market:

- The primary challenge is to induce consumers in the retail market for electricity to make an active choice of supplier as well as product.
- Also it is of importance to induce suppliers to compete and seek to gain market shares in other geographical areas of the national market
- The analysis finds that the regulation of prices – which covered approximately 85 % of the market I 2012 (before the regulation was altered late in 2012) – didn't in a sufficient way induce consumers to make an active choice
- An adjustment of the price regulation system can supposedly lead to higher consumer mobility
- An adjustment of the price regulation system will likely not lead to significant changes in consumer mobility in the segment of consumers with a relatively small electricity consumption, and the economic incentives of this group are very limited.

The procedure of DERA regulation for the default supplier product for households and small business customers – the price model

The price regulation is based on an estimated profit margin (mark-up) that is estimated for a period of two years on the basis of:

- Retail prices offered by various suppliers on the free market across the areas
- Forward contract wholesale prices (from NASDAQ)
- Consumer profile costs

DERA has defined 19 different product groupings, e.g. a fixed price grouping and a variable price grouping. The mark-up for each of the 19 groups are calculated on the basis of the above three factors. The average marks-ups of those groups are sorted, and the highest and lowest mark-ups are removed. The median of the resulting balanced mark-ups (MU*) is used as benchmark for the regulation.

- Suppliers under the obligation to supply scheme has to report its prices and terms to DERA before the beginning of a given quarter
- On the basis of these prices, DERA calculates the company-specific mark-up's as:

$$MU_i = P_i - P_{\text{wholesale}} - C_{\text{profile}, i} \quad (1)$$

DERA will intervene in case that the mark-ups from the supply obligation products are higher than the price regulated median mark-up, so that:

$$MU^* \geq MU_i \quad (2)$$

The inclusion of the wholesale price and the profile costs in the approved prices makes sure that wholesale market price fluctuations and changes in consumption patterns are reflected in the approved prices.

A new regulation of the supply obligation prices has in 2013 been implemented in Danish legislation for 25 of the 39 default supplier areas in Denmark. Supply obligations are now distributed by tenders, where the companies have to bid on the addition to the wholesale prices, so that for a given company, the price is given by:

$$P_i^* \geq P_{\text{wholesale}} + \text{Add}_i$$

As a result, Denmark currently has two types of regulation of suppliers under the obligation to supply scheme: The mark-up regulation for 14 default supplier areas and the new regulation for 25 of the areas.

All suppliers have to report prices and terms regularly to the online price service, the website of The Association of Danish Energy Companies (www.elpristavlen.dk).

3.3 Security of Supply

The Danish Energy Agency is responsible for regulatory tasks relating to security of supply, including monitoring planning and approving new grids of more than 100 kV. For further information see Energinet.dk's "*Systemplan 2012*", which is part of their annual reporting.

4 The gas market

4.1 Network regulation

4.1.1 Unbundling

Certification of TSO

In October 2011 DERA adopted its draft decision on the certification of the Danish system operator Energinet.dk for electricity and for natural gas after the rules for ownership unbundling.

DERA received the Commissions opinion on the draft decision in January 2012. The Commission expressed agreement with the draft decision, and did not express any disagreements with the assessments and conclusions in DERA's draft decision.

On that basis DERA adopted its final decision on the certification of Energinet.dk in February 2012. This decision was identical with the draft decision.

No amendments on the TSO, thus no reason for re-certification.

Unbundling of DSO

The Danish Parliament has passed a bill implementing the obligations in art. 26 in the Danish Natural Gas Supply Act § 11 a. Together with the executive order no. 979 of 2011 these legal acts

define a number of obligations the DSOs have to fulfil to ensure that they can act without being affected by commercial interests of other vertically integrated associated companies.

Amongst these obligations are requirements to the management of the DSO. The management must be free of incentives to discriminate between associated and independent companies. To ensure that the management of the DSO is not affected by the interest of the other companies within the group, it is decided that neither, the directors, the board members, nor other influential employees with significant decision powers can participate in the management of the group's electricity production or trading companies.

Regarding the restriction on the parent company's involvement in day-to-day operations, this is prohibited on a general level by the Danish company law, which regulate the division of powers between the directors, the board, and the shareholders.

With respect to the communication and branding of the DSOs, DERA monitors the communication surface toward the customers. Several decisions have been made regarding the DSOs' websites and also on the use of a common group logo. The monitoring is executed to ensure that the branding of the DSO supports their own independent identity and thereby prevent that any associated company can benefit from the branding of the DSO (which otherwise would discriminate any independent competing company).

Furthermore, the DSOs are obliged to annually turn in a compliance programme as well as an annual report describing the measures carried out to ensure their fulfilment of the compliance program. DERA receives both the compliance program and the annual report and monitors the DSO's

4.1.2 Technical functioning

Balancing Services

In 2011, DERA approved a number of changes in the Danish balancing regime (a methodology approval). These changes are described in more detail in National Report 2011 and were introduced to move ahead in the direction of fully market based balancing. Market based balancing is foreseen by the European Gas Regulation. In 2012, the changes have been fully operational and are generally working satisfactorily.

More changes in the direction of fully market based balancing are foreseen for 2013/2014.

Monitoring time taken to connect and repair

DERA monitors the time taken by the Danish transmission system operator, Energinet.dk, to make connections and repairs. Each year Energinet.dk reports to DERA on this topic.

For distribution system operators, DERA monitors the number of disconnections due to repairs and the duration of these experienced by the costumers. This is done for each of the DSOs on a yearly basis.

Monitoring access to storage, linepack and other ancillary services

According to the Danish Natural Gas Act, there is negotiated access to storage in Denmark. According to the same law, DERA has to secure and monitor that access to storage is provided in a manner that is transparent, non-discriminatory and based on objective criteria.

Today, both Danish storage companies sell their capacities (with injection/withdrawal) in a number of auctions and as first-come-first-served (FCFS) for certain capacities. DERA will normally be present at all national auctions to secure that the above criteria for selling capacity are observed by the storage companies. In addition, DERA monitors the storage market and its interaction with the overall Danish gas market as part of the overall market monitoring done in accordance with the third package.

Complaints for non-observance of the third-party access (TPA) requirements may be submitted by storage companies to DERA, which then will review the terms for access to storage in a specific setting.

Finally, it should be mentioned that both Danish storage companies have recently joined the new Danish transparency platform and will publish urgent market messages under REMIT on this platform. This further adds to storage transparency and for market participants and storage customers.

Today, access to linepack and other ancillary functions are also negotiated according to the Danish Natural Gas Act.

Monitoring correct application of criteria that determine model of access to storage

In Denmark, there is negotiated access to storage. This is politically decided and supported by national law – based on the fact that storage is a competitive activity in Denmark with two competing storage companies that also compete in a growing regional market and compete with other flexibility tools – e.g. gas via the new transmission pipeline towards the German border, Ellund. DERA monitors the criteria underlying the choice. Any change in the underlying criteria (e.g. if both storages would have the same owner) would trigger a review process of the access regime for storage in Denmark.

4.1.3 Network tariffs for connection and access**Transmission**

There are no LNG terminals in Denmark, so the following information only applies to gas transmission.

According to national law, DERA approves the methodology for setting tariffs in the Danish transmission system, and the Danish TSO (Energinet.dk) sets the actual tariffs in accordance with the approved methodology and submits the resulting tariffs to DERA.

Energinet.dk is a wholly state owned company which is not allowed to build up equity or pay dividends to its owner, the Danish Ministry of Climate, Energy and Building. Energinet.dk is regulated under a strict cost plus regime which means that the company can in principle only

recover “necessary costs” by efficient operations and a “necessary return on capital”. The TSO has to transfer any surplus income (over coverage) back to the consumers through reduced tariffs – in principle in the calendar year following the calendar year which gave rise to the surplus income. In extraordinary cases, the payback period may be longer in order to secure a stable price development. The same principle applies if Energinet.dk has an under coverage (deficit), but of course with opposite effect for the consumers.

According to the Danish Natural Gas Supply Act, DERA has to approve the annual report of Energinet.dk, and the decision on over coverage/under coverage is part of the approval process. The scrutiny of the annual report also involves regulatory scrutiny of the TSO’s cost base.

Today, Energinet.dk applies a uniform tariff, which is composed of a capacity element (75%) and a volume element (25%), and the entry/exit tariff for the gas year 2012-2013 (reserve price for the annual product) is DKK 9.48 kWh/hour/year. However, Energinet.dk has (in 2013) submitted a new tariff model (methodology) to DERA for approval, and this model redefines the relationship between capacity and volume payments – with higher emphasis on the variable volume element.

DERA expects to take a decision on the changes in methodology in 2013. Any changes in tariff methodology will of course have to comply with the future European network code (and underlying framework guideline) for harmonised transmission tariff structures, which is right now under preparation by ACER and ENTSOG.

In 2011-12 the Danish market model introduced auctioning as a new allocation mechanism at the entry/exit points of Dragør (to Sweden) and Ellund (to Germany). The intention was to make an early implementation of the European Framework guideline (from August 2011) which makes auctioning mandatory for a number of standard European capacity products (annual/quarterly/monthly/daily) at cross-border points, which are subject to booking procedures. Further, in late 2012, Energinet.dk became a shareholder of the new European allocation platform, PRISMA, and Energinet.dk is now selling all its products as European standard products via the platform at the interconnection points to Germany (Ellund) and Sweden (Dragør).

Distribution

The Danish grid companies are subject to a revenue cap regulation. The revenue cap is set for the grid companies (of which there are only 3) for a four year period, and the present period covers 2010-2013. The revenue cap is set to allow the grid companies to have their costs of operations (by efficient use of capital) covered and to allow them to cover the costs of historic debt, depreciations and return on new investments.

The undertaking’s costs are checked through the regulations accounts that the distribution companies are obliged to send to DERA every year and which have to be attested by an accountant.

The revenue cap model is administered by DERA and includes an efficiency requirement. The efficiency requirement consists of two parts – a general requirement for all grid companies based on the productivity development in the private sector and an individual requirement, which is determined from a benchmark of the companies’ operational costs. The benchmark is performed in a net volume model.

For the present period efficiency requirements of between 0.6 and 1.2 per cent per annum of their costs budgets have been included in the revenue cap model. In financial terms, this corresponds to overall efficiency requirements of more than DKK 12 million for the period in total.

The distribution tariffs are set as volume charges – independent of distance. The users with large volumes consumed will pay a lower unit price for distribution due to the “block tariff” system, which means that tariffs decline with certain intervals of gas volumes consumed.

DERA approves the companies’ tariff methodology, terms of connection and access to national networks. The approvals are conditioned on the tariff being set in a fair, objective and non-discriminatory manner according to the costs that the different grid users induce. Once approved, a distribution network is free to set its tariffs as long as the company does not violate its revenue cap

To prevent cross-subsidization between transmission, distribution and supply activities the companies must comply with the rules regarding entity, accounting and management unbundling.

There have not been any changes in the tariff regulation during the last year.

4.1.4 Cross-border issues

Cooperation

In late 2012 a new regional booking platform, PRISMA, was formed with the full participation of the Danish TSO, Energinet.dk. The goal of PRISMA is the early implementation of ENTSOG’s Network Code on Capacity Allocation Mechanisms. In this context, the NRAs of the countries involved have formed a core group to facilitate regulatory cooperation on the monitoring of the implementation and work of this new booking platform.

DERA participates in the NRA cooperation and the meetings with PRISMA/TSOs as the involved TSOs shall still observe national legislation despite the fact that they are now selling their transport capacities via a joint auctioning platform. The NRA cooperation and meetings with PRISMA/TSOs will continue throughout 2013.

Monitoring investment plans and assessments of consistency with Community-wide network development plan

In Denmark, investment plans (transmission) are prepared by Energinet.dk as national TSO. The national investment plans are submitted to the Danish Ministry of Climate, Energy and Building for approval and to DERA for monitoring compliance compatibility with the European 10 year network development plan.

Executive order nr. 1034 of 11/11/2011 came into force in December 2011, establishing that the national TSO (Energinet.dk) is responsible for assessing the need for new infrastructure and for planning possible network expansions. Every second year Energinet.dk is to publish a 10-year network development plan and submit this plan to both the Ministry and DERA.

The executive order also implement the monitoring obligations of DERA as laid down in article 41 (1) (g) of the directive 2009/73/EF. According to the executive order (section 10), DERA has to monitor the 10-year network development plans and assess their consistency with the European 10-year network development plans in its annual report. DERA may also recommend changes to the national development plans.

In 2012 DERA scrutinized Energinet.dk investment plans and investment projects in the context of projects of common European interest. DERA found no reason to recommend changes to the national development plans or individual projects.

Access to cross-border infrastructure, including allocation and congestion management

See section 4.1.4 above under cooperation.

4.1.5 Compliance

Compliance of regulatory authorities with binding decisions of the Agency of the Commission and with the Guidelines

According to the Danish Natural Gas Supply Act § 41 b, DERA is obliged to comply with any legally binding decision of the Agency.

Compliance of transmission and distribution companies, system owners and natural gas undertakings with relevant Community legislation, including cross-border issues

Under the Danish Natural Gas Supply Act DERA has the competence to order compliance whenever a breach of Regulation No. 715/2009 is registered. Furthermore, DERA has the power to carry out inspections, and the possibility to impose fines when an order to comply is not followed.

4.2 Promoting Competition

4.2.1 Wholesale markets

Danish production of natural gas from fields in the North Sea can be transported to Denmark at Nybro or exported to Netherlands through the Tyra West – F3 pipeline. From Denmark the gas can be exported to Sweden at Dragør or to Germany at Ellund. The natural gas supplies from the North Sea have been declining in recent years, and upcoming expansions of pipelines between Denmark and Germany will help secure the gas supply to Denmark and Sweden. The production of gas in Denmark in 2012 was 5,455 million Nm³, which was lower than the previous years. Denmark is still a net exporter of natural gas and exported 2,589 million Nm³ and imported 241 million Nm³ in 2012. Imports came from Germany, which became possible to receive in 2010. Exports were lower in 2012 than in the previous years, and the reduction was primarily caused by lower exports to Germany.

Table 2: Danish gas production, 2009 - 2012

Year	Production	Consumption	Net export	Export			Import
				Netherlands	Sweden	Germany	
2009	7,311	3,503	3,798	1,560	1,156	1,082	-
2010	7,130	4,072	3,206	715	1,555	1,081	144
2011	6,060	3,327	2,613	648	1,228	1,087	349
2012	5,455	3,068	2,589	996	1,071	763	241

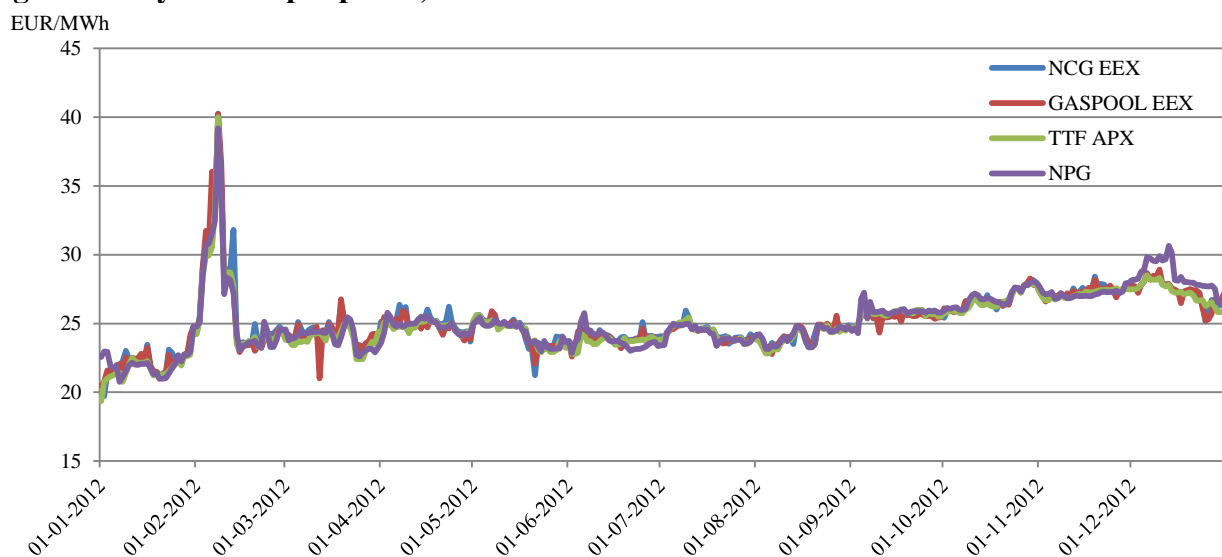
Source: Danish Energy Agency

Note: All numbers are in million Nm³. Production is equal to sale gas. Consumption is exclusive own consumption and offshore.

Monitoring the level of prices, the level of transparency, the level and effectiveness of market opening and competition

The wholesalers at the natural gas market – the shippers – can sign yearly contracts, order capacity and balancing services, trade bilaterally at Energinet.dk's Gas Transfer Facility or trade at the Danish gas exchange, Nord Pool Gas, where all trades are anonymous as the gas exchange is always the counterpart in the trades. The Danish wholesale market is mostly based on bilateral trading (OTC trading), but the Danish gas exchange, Nord Pool Gas, facilitates an increased competition in the wholesale market. Closing prices and volume data are published at the Nord Pool Gas website.

The Danish gas exchange is still quite small, but the activity at the gas exchange has been very positive in 2012. The market share is around 20 per cent of the domestic demand, and in December 2012 the traded volume exceeded 1 TWh for the first time ever. Figure 4 shows day-ahead prices for the Danish gas exchange Nord Pool Gas and the two German gas hubs NCG and Gaspool, and the Dutch gas hub TTF. The figure shows a high correlation between the prices of the three gas hubs and the Danish gas exchange. There were high day-ahead spot prices at the markets in Northwestern Europe in February 2012, which mainly was caused by a cold winter. The Danish gas market experienced high prices in December 2012 compared to the three gas hubs, as interruptions at the border between Denmark and Germany (Ellund) isolated the Danish market from the German market. This resulted in higher prices in Denmark compared to the neighboring markets.

Figure 4: Day-ahead spot prices, 2012

Source: Nord Pool Gas, NetConnect Germany

DERA monitors the wholesale market in Denmark. A report is published every quarter, which focuses on price development, competition, market development, structural problems etc.

DERA started a co-operation with Nord Pool Gas in 2012 to strengthen market surveillance. The co-operation involves regular meetings between the regulator and the power exchange, and in the second half-year of 2012 the Swedish regulator Energy Markets Inspectorate (EI) also became part of the co-operation. Nord Pool Gas will hand over any cases with possible breaches of laws and regulations to DERA, which then conducts the investigations.

Moreover DERA started to co-operate with the Danish Competition and Consumer Authority in 2012 with the purpose of sharing results from market surveillance and know-how between the two authorities. DERA is to bring any relevant information and relevant cases to the Danish Competition and Consumer Authority if there has been any distortion or restriction of competition.

In 2012 DERA and the Danish TSO, Energinet.dk, started a project with the goal of establishing a transparency platform for the Danish Gas Market, in which market-relevant information with a potential influencing character on the wholesale market can be disclosed in a timely manner. The first phase involved owners of production and grid facilities in the Danish part of the North Sea, and was completed in summer 2012. Thereafter the second phase of the project was started, which involved the two Danish gas storages and the Danish TSO, Energinet.dk. This phase is ongoing in 2013, but is expected to be finalized in the second half-year. So far, more than 115 persons are signed up as users of the transparency platform. The platform has so far been a success, and it also became a best practice example of Urgent Market Message for the disclosure of inside information in the wholesale gas market in the 2nd Edition of the REMIT guidance.

4.2.2 Retail Markets

The Danish gas market has been fully liberalized since 1 January 2004, and accordingly gas consumers in Denmark have access to a free choice of supplier. There are no barriers for suppliers to enter the market and the suppliers do not need any permits or registration to participate in the market.

At the moment there are 14 suppliers offering natural gas products in the liberalised market – one of them also has the obligation to supply. One of the 14 suppliers offer supply contracts only to small scale consumers, and two of the 14 suppliers offer supply contracts to only large scale consumers. The other suppliers (11) offer supply contracts to both small scale and large scale consumers. All consumers thereby have at least 12 possible suppliers.

Competition and market efficiency are also monitored by ad hoc analysis, and in the spring of 2013 DERA began working on an analysis of competition in the gas retail market, which will be published in the spring of 2014.

4.2.2.1 Monitoring the level of prices, the level of transparency, the level of effectiveness of market opening and competition

In October 2011 the Danish Minister of Climate, Energy and Building set rules on monitoring the electricity and natural gas market, but already before that DERA begun monitoring the market.

The Natural Gas Supply Act assigns the task of promoting transparency in the retail market of natural gas to DERA. Information on products and prices are available and comparable on Gasprisguiden.dk, the consumer portal on the internet, which DERA appoints and to which all suppliers are obliged to report prices and terms. DERA has the regulatory oversight of the price comparison tool, which is operated by the Danish TSO. When monitoring prices and the transparency of contractual obligations DERA makes use of the price comparison tool. All supply companies (both suppliers and suppliers with obligation to supply) are represented at the price comparison tool www.gasprisguiden.dk.

Each quarter DERA publishes a natural gas price statistic for a representative Danish household (19 MWh or 1,700 m³). The statistics are a weighted average of private consumer prices where the weights correspond to suppliers' market shares. The development in the prices in 2012 is shown below:

Table 3: Gas retail prices for households in Denmark, 2012

	1Q 2012	2Q 2012	3Q 2012	4Q 2012
Gas price	3.18	2.90	2.87	2.95
Distribution ¹	1.35	1.21	1.21	1.23
CO ₂ -tax	0.36	0.36	0.36	0.36
Energy-tax	2.36	2.39	2.39	2.24
VAT	1.81	1.71	1.71	1.74
Total price (DKK/m ³)	9.07	8.53	8.54	8.71
Total price (EUR/MWh)	99.77	93.83	93.94	95.81

Source: DERA

In Denmark there is an "obligation to supply" product, for which the consumer prices are regulated. The consumers are not tied to this product due to the liberalised market. The regulation of "obligation to supply" has been changed with effect for the consumers from May 2013, since the licence of "obligation to supply" are now assigned by a tender, which sets a maximum on the additional charge to the gas price.

14 companies are registered as gas suppliers in the Danish natural gas system. From May 2013 one of these suppliers has an obligation to supply (NGF Gasforsyning), and 3 companies have affiliated connections to the DSOs (the one company with supply obligation, DONG Naturgas and HMN Gassalg).

The data exchange in the natural gas market takes place at non-discriminating terms, and all suppliers have access to relevant data. At the moment there is no process of implementing smart meters on the natural gas market.

Complaints by household consumers due to inquiries resulting in a formal case are monitored and handled in cooperation with the Energy Supplies Complaint Board (ANE).

4.2.3 Recommendations on supply prices, investigations and measures to promote effective competition

Recommendations on supply prices

The Danish gas retail market is fully liberalized and accordingly, any gas consumer in Denmark has access to the competitive market – without any price regulation. However, the consumer must actively choose a commercial supplier and accept a supply contract to enter this market. As a consequence both a regulated market with regulated end-user prices and a competitive market without price control coexist in the Danish retail gas market.

About 80% of the Danish gas customers are supplied at regulated prices, whereas only 20% of the volumes consumed are supplied at regulated prices. From these figures it is evident that large scale customers are much more active in the competitive market than households.

The companies with an obligation to supply license are regulated in an ex post regime subject to a combination of income-cap and efficiency benchmarking. In particular, the performance on gas purchase agreements is being compared to similar gas agreements at the over-the-counter market in north-western Europe, whereas the performance on all other costs not covering expenses for gas purchase is being compared with the level of ‘other costs’ for related companies.

The regulation of ‘obligation to supply’ prices for gas remained unchanged in 2012. The regulation will be succeeded by a new regulation on 1 May 2013.

Investigations and measures to promote effective competition

On 30 October 2012 DERA passed a principal ruling on transport tariffs for natural gas from gas fields in the Danish upstream system in the North Sea to the natural gas processing plant in Nybro off the West-coast of Jutland. The decision compels DONG Naturgas A/S to lower its transport tariffs from 0.1 DKK/m³ (0,013 EUR/m³) to a range of approximately 0.05 – 0.07 DKK/m³ (0,007 – 0,009 EUR/m³).

The decision has been appealed to the Danish Energy Board of Appeal.

4.3 Security of Supply

The Danish Energy Agency is responsible for regulatory tasks relating to security of supply, including monitoring network planning and approving major pipe-line investments as well as gas storages etc.

In response to article 5 requirements on information, the Danish Energy Agency will submit Energinet.dk’s “*Gas in Denmark 2013 – Security of supply and development*” to the Commission. The plan gives a comprehensive overview of the security of short and long term supply aspects of the Danish gas system.

5 Consumer protection and dispute settlement in electricity and gas

5.1 Consumer protection

Compliance with annex 1

Electricity

DERA monitors the suppliers' and DSOs' compliance with the requirements for their billing. The obligations are implemented in executive order no. 486 of 2007.

The obligations and limitations of the right to modify contractual conditions are regulated by executive order no. 196 of 2013.

Every end-user has the right to change supplier free of charge (with respect of the contractual obligations between the parties). In spite of contractual obligations between the parties it is prohibited by law to bind consumers contractually longer than 6 month. This cannot be dispensed by an agreement between the parties.

Regarding access to data information, see below.

Gas

The information requirements according to the annex are implemented in executive order no. 937 of 2006. The obligations and limitations of the right to modify contractual conditions are regulated by executive order no. 162 of 2011. Every end-user has the right to change supplier free of charge (with respect of contractual obligations between the parties).

Ensuring access to consumption data

Consumers are according to the *Electricity Supply Act* ensured the right to receive their consumer data free of charge. Further according to the Act the distribution companies are obliged to make these data available to the customers in a transparent, objective, fair and non-discriminating way.

According to the Act DERA approves the methodologies according to which the distribution companies set their procedure for suppliers and consumers to have access to the data.

The TSO, Energinet.dk, is responsible for establishing and handling a datahub at national level. The conditions for access to the datahub are set according to methodologies which again according to the Electricity Supply Act must be approved by DERA. Consumers have the right to access their data on the datahub, and no additional costs shall be charged to the consumer for that service. The datahub has gone into operation in March 2013.

Customers are, according to the *Natural Gas Supply Act*, ensured the right to receive their consumer data free of charge. Further, according to the Act, the distribution companies are obliged to make these data available to the customers in a transparent, objective and non-discriminatory way.

According to the Act DERA approves the methodologies according to which the distribution companies set their procedure for suppliers and consumers to have access to the data.

Public service obligations

Regarding the obligations of art.3, these have been implemented in very different ways, in this paragraph some of the obligations implemented are mentioned.

The suppliers' access to the Danish *electricity market* is governed by different authorities. The Danish Energy Agency gives authorisation to act as an electricity supplier in non-discriminatory manners. The suppliers also have to be accepted as an actor in the datahub-system by the Danish TSO, Energinet.dk.

The criteria for being accepted as an actor in the datahub-system are approved by DERA, when approving Energinet.dk's methods, and DERA has focus upon that the criteria are non-discriminatory. With respect to the time taken to execute a supplier switch, Energinet.dk has obligated the actors on the electricity market to execute a supplier switch within 10 working days (app. two weeks). This obligation does not affect the parties' contractual obligations.

The specification requirements of art. 3 (9) are implemented in the executive order no. 1322 of 2010, which obligates the suppliers to inform the consumers of energy sources, environmental impact and so forth.

The Danish TSO, Energinet.dk, issues technical regulation for the actors in the *natural gas market*, and according to these requirements a change of supplier can be executed within 10 working days from 6 June 2012.

A single point of contact for the end-user is established by the Energy Supplies Complaint Board.

Vulnerable customers

Economically unfortunate citizens are handled through the social security system. The safeguards implemented in the energy regulation to protect the consumers apply for all consumers. This means that consumers are protected by general requirements for disconnection, price of connections, payment conditions as well as all customers are eligible to receive electricity or natural gas with a regulated price. DERA continuously works with securing general safeguards for the customers through approving the methods of the DSOs.

5.2 Dispute settlement

The Energy Supplies Complaint Board handles all consumer complaints relating to energy. This means consumer complaints regarding electricity, heating and gas.

The Board has a mandate to handle disputes arising from the contractual relationship between energy consumers on the one hand and an electricity supply undertaking, a natural gas supply undertaking or a district heating supply undertaking on the other hand.

There are no thresholds as regards the value of the dispute. The Board does not take up disputes settled by court judgement. On the other hand, a case which is being dealt with by a Court of Law, must be postponed and transferred to the Board.

The Energy Supplies Complaint Board is established in co-operation between the Consumer Council and the Association of Danish Energy Companies, DONG (Danish Oil and Natural Gas), HMN Natural Gas, Natural Gas Funen and the Danish District Heating Association.

The Board is composed of a neutral chairperson and four members. The chairperson is a city court judge. The Consumer Council appoints two members, and two members are appointed to represent the respective energy trade area.

The Office of the Danish Storm Council and Private Boards, which is part of The Danish Competition and Consumer Authority, serves as secretariat to the Board.

Handling of cases costs a fee of DKK 160 (approximately EUR 22). The fee is paid back, if the Board upholds the consumers' contention. In this case, the energy company has to pay a fee of DKK 7,000 (approximately EUR 940) to the board.

The further handling of the case is in writing. The secretariat is to secure that all relevant information is presented, and that the defendant is given the opportunity to comment upon the case. The secretariat is to take a neutral attitude. It may take an initiative to an amicable solution, or present an opinion based on previous decisions made by the Complaint Board.

In cases brought before the Complaint Board, the secretariat presents a summary with an adequate overview of the case and the comments of the parties. The Complaint Board states the reasons for its decision, and whether the decision is unanimous. If the decision is split, it is indicated which representative(s) that dissent, and the reason for the dissent.

The average time of complaint handling is five month. When the Board has made a decision, either party can take the matter to court. Decisions are not binding or enforceable. However, if the Board's decision is not complied with, the secretariat can send the case to the Consumer Rights Division of the Danish Competition and Consumer Authority. The Division will then take the matter to the court, at the request and on behalf of the consumer.

If the consumer does not want to bring the decision to court, the Board publishes the decision on its website with name and address of the energy company. Nevertheless all companies have so far complied with the decisions of the Board.

If a complaint does not fall within the competence of the Complaint Board, DERA has the power to make decisions regarding the obligations of the DSO and TSO, whenever the complainant has an individual and significant interest in the matter. These complaints must be handled within two months, according to the executive order no. 1216 of 2011. The period can be extended with another two months if necessary. After 4 months the period can only be prolonged after agreement of the complainant.

In 2012 the Complaint Board settled 105 complaints on electricity and gas and 478 inquiries were answered. There are no statistics available about the nature of the complaint/inquiry.

The decisions of DERA have binding effect and can only be appealed to the Energy Board of Appeal.

Regarding art. 37(4)(c) DERA has the power to ask for any kind of information from both DSOs, TSOs, suppliers with a license to supply, electricity production companies, electricity suppliers and their associated companies along with consumers and other buyers of electricity. The power to ask for information is provided when addressing an issue, monitoring the market, in connection with a case of DERA's own initiative or on the basis of an enquiry by an enterprise or a consumer. Furthermore the power to ask for information provides the users of the collective grid the information necessary for a secure and effective use of the grid.

Regarding art. 37(5)(c), DERA has the power to act as dispute settlement authority in relation to TSOs.