



Fostering energy markets, empowering **consumers**.

Evaluation of Responses

Stakeholder comments on CEER Work Programme 2024

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Table of contents

EXECUTIVE SUMMARY	3
1. STAKEHOLDER FEEDBACK AND COMMENTS	4
1.1. General comments on the draft CEER 2024 Work Programme.....	4
1.2. Comments on individual work items	6
2. CONCLUSIONS.....	18
ANNEX 1 – ABOUT CEER.....	19
ANNEX 2 – LIST OF RESPONDENTS.....	20

EXECUTIVE SUMMARY

The Council of European Energy Regulators (CEER) appreciates and welcomes the comments and feedback received to the public consultation on its draft 2024 Work Programme (WP). CEER received feedback on specific questions related to our priorities in 2024 (the draft Work Programme work areas) as well as individual work items. Overall, although there were differences of views, respondents expressed support for our proposed work items.

CEER has reviewed its draft 2024 Work Programme to consider suggestions made by stakeholders and has provided further clarification and detail on the planned work items. The final Work Programme also reflects recent developments in the energy sector according to the current energy policy at the European level. Furthermore, the current energy crisis has promoted an unprecedented impact in the energy sector which required regulators' attention and demanded particular analysis.

As a result, regarding the 2024 Work Programme, 18 work items will be pursued by CEER during 2024, alongside a range of ongoing activities and carry-over items from the 2023 Work Programme.

This evaluation of responses document accompanies the final CEER 2024 Work Programme and provides CEER's considered reaction to the comments submitted.

1. Stakeholder feedback and comments

The public consultation on the draft 2024 Work Programme was launched on 4 July 2023. Reactions were sought, via an online questionnaire, by 16 August 2023.

The comments were received from a variety of organisations (Annex 2). CEER appreciates the involvement, input from respondents and valuable comments provided on our draft 2024 Work Programme.

The present document summarises the views expressed by respondents and presents the conclusions CEER draws from them.

CEER's final 2024 Work Programme is available on the CEER website. In line with our current practice, opportunities for stakeholder involvement in our work are possible via responding to public consultations or participating in workshops and events. All information and activities are published online on www.ceer.eu and updated on a regular basis.

1.1. General comments on the draft CEER 2024 Work Programme

In general, stakeholders welcome, agree, and support the approach and methodology followed by CEER in developing its 2024 Work Programme. Stakeholders expressed agreement with the six core areas to drive CEER's work, and stressed particular importance of two of them, strong consumer focus and sustainable and efficient infrastructure.

Many of the topics raised by stakeholders are extremely relevant and include important challenges that need to be addressed. Several of the proposed work items for CEER's 2024 Work Programme will tackle stakeholder suggestions at least to a certain extent. Nevertheless, it should be noted that CEER and ACER aim to coordinate their work to avoid unnecessary duplication of work, it is thus important to consider CEER's Work Programme in conjunction with ACER's work.

While supporting the six core areas, one respondent suggested bringing up the seventh point to ensure a "Global Green Efficiency Interaction" so that all "green" dots are connected and optimised. This point should bring the overall vision of the global action of the energy transition and its efficient implementation.

CEER's work programme for 2024 will largely cover the suggested topics regarding customer protection and empowerment as well as the development of renewable energies. Moreover, CEER actively works on cybersecurity topics which are becoming increasingly important in light of increased digitalisation, the cybersecurity network code and cyber resilience act. CEER aims to publish a cybersecurity report and benchmark early 2024.

The topic of improving liquidity and depth in the wholesale electricity market and access to markets are important topics, however it should be noted that these have already been covered largely by ACER's Policy Paper on the Further Development of The EU Electricity Forward Market and Market Monitoring Report volume on Barriers to demand-side response and other new entrants and small actors. Additionally, the topic of risks of security of supply is covered by ACER in its Security of Supply report.

The topics and challenges on infrastructure investments will be considered by CEER from a regulatory and distribution system perspective in its work item on Incentives in regulatory frameworks with a focus on OPEX-CAPEX neutrality.

One respondent drew attention to the consumer accessibility of new constraints related to decarbonisation and responses to the energy crisis. Furthermore, another stakeholder suggested expanding beyond the six core priorities to emphasise the main role of energy regulators which is to assess the cost efficiency of the various solutions proposed to reach decarbonisation at least cost. The suggestions were to include cost-benefit analyses or impact assessments of the promoted measures as CEER work items. Some lessons from the energy price crisis could also be published by CEER.

Due to the growing need for investment in grids, one stakeholder would appreciate more work by CEER on the topic, which could be a specific work item on future grid investment needs and the regulatory framework that supports these investments.

Regarding the question about whether the Work Programme focuses on the right work items, stakeholders made the following suggestions:

- Customer protection is essential. It is important to assist customers in accepting the costs of decarbonisation and provide support for them to adopt behaviour changes.
- The development of renewable energies and the problem of acceptability could be included.
- The risks of security of supply could be included.
- The priority area "Sustainable and efficient infrastructure" could include a more specific reference to the investments that are needed for our grids to be fit for purpose considering the EU's policy targets for the energy transition.
- Improving liquidity and depth in the wholesale electricity market: An ACER-CEER report could explore ways of reducing the risk premium on the forward market, which has contributed substantially to the rise in prices for consumers and made long-term hedging unaffordable.
- Access to the markets: CEER could consider including provisions on reduction of margin calls, collateral diversification, and public guarantees to help with cash needs in time of crisis.
- It is unusual after two years to have no public work on cybersecurity, especially regarding the Cybersecurity Network Code and the Cyber Resilience Act negotiations.
- The use of artificial intelligence in network operations and management could be an interesting topic to discuss.
- The CEER Distribution Systems Working Group could increase its focus on the need for more investments in the grid and the best way for the regulatory framework to support them in order to secure a sustainable and efficient electricity grid. CEER could also analyse the cost to society and to the green transition in case of delayed investments in the electricity grid in comparison with the costs incurred in case of premature investments.

1.2. Comments on individual work items

The table below provides an overview of the comments received to the deliverables that were presented in the public consultation on the draft CEER 2024 Work Programme in July 2023. CEERs' reaction and views to this input is included in the right-hand column of the table.

	Sector and title of work item	Comments received	CEER views
	Consumers and retail markets		
1	ACER-CEER Energy Retail Markets and Consumer Protection Report	<ul style="list-style-type: none"> • 4 respondents commented on this item. • The suggestion is to consider the following issues to make recommendations in the implementation of the EMD reform: <ul style="list-style-type: none"> ○ Prudential obligations on suppliers. ○ Fixed term, fixed price, and dynamic electricity price contracts; and ○ Deferral plan. 	CEER welcomes the valuable insights and comments received.
2	Review of the metrics in CEER's 2017 Handbook for National Energy Regulators in the light of CEP implementation	<ul style="list-style-type: none"> • 4 respondents commented on this item. • Due to the crisis and acceleration of decarbonisation, there is a need to re-examine the handbook and review the metrics. • A suggestion is to include some metrics on customer satisfaction and protection in a more qualitative way. • Specific comments were made on the Metric #2, #10, #20, #7 and #8. 	<p>CEER appreciates and welcomes the valuable feedback and comments received.</p> <p>CEER will strive to update the Handbook accordingly, considering aspects such as:</p> <ul style="list-style-type: none"> • Metrics 2, 7 and 8 could be redrafted together with the

	Sector and title of work item	Comments received	CEER views
		<ul style="list-style-type: none"> • One suggestion was that there should be more metrics related to DSOs. • One respondent proposed to better define and prioritise the concept of flexibility. 	<p>CEER Market Integrity and Transparency Working Group as the metrics relate to wholesale markets;</p> <ul style="list-style-type: none"> • Metric 10 implies an implicit demand response. Therefore, it is likewise better to redraft it together with the CEER Distributions Systems Working Group.
	Distribution systems		
3	Incentives in regulatory frameworks with a focus on OPEX-CAPEX neutrality	<ul style="list-style-type: none"> • 6 respondents commented on this item and were of the opinion that this is important work that must be carried out. • This deliverable should consider the principles of the European Commission's (EC) electricity market design (EMD) reform and the important amendments introduced by the European Parliament (ITRE Committee). • This report should include the important question of how the energy transition is financed and how the costs are passed on to citizens. The focus should also be on how the regulatory framework could adapt to an unexpected increase of grid connection need. • One respondent was in favour of disclosing grid details as much as possible. • One stakeholder suggested that the work item include a study on how revenue caps and other elements can be adjusted to offer long-term stability concerning grid investments, i.e., by allowing 	<ul style="list-style-type: none"> • The paper aims to cover key regulatory principles more broadly as a starting point, for which the EC's EMD reform and ITRE Committee's amendments may provide further context. • Moreover, CAPEX-OPEX neutrality, for example, can be of major relevance when the scale of investment needs is significant, as a way to ensure rational and economically efficient decisions. • The paper aims to focus on the

	Sector and title of work item	Comments received	CEER views
		anticipatory investments.	<p>revenue frameworks for network operators and adjustments to incentives to address specific issues. One of the investigated issues may be the timely connection of new grid users. From this perspective, a discussion may be granted on how these costs can be shared between grid users and tariffs and how they should be considered in the allowed revenues. However, any further evaluations regarding the methods used to distribute the costs of the energy transition are out of scope for this deliverable.</p> <ul style="list-style-type: none"> • Long-term stability of a revenue framework and anticipatory investments link to the original description of the deliverable, so a discussion on the topic is relevant but the extent of the discussion will be assessed when the scope of the deliverable is finalised.

	Sector and title of work item	Comments received	CEER views
4	NRAs' approach to DSO flexibility procurement, justifications for derogations from Article 32 and valuation of flexibility in non-market-based approaches	<ul style="list-style-type: none"> • 6 respondents commented on this item. • One respondent said that he was in favour of market-based flexibility instruments and would like this approach to be EU wide. • This work is interesting to find out if non-market-based approaches can still benefit consumers and whether improvements could be made to standardise contracts. • One stakeholder suggested to see a TOTEX approach which may provide an effective approach to incentivise networks. Digitalisation should be increasingly promoted. 	<ul style="list-style-type: none"> • Market-based flexibility instruments as an EU-wide approach will quite naturally be covered when setting out the starting point for the paper: Article 32 states a preference for market-based flexibility instruments. However, this is not always directly feasible. • This paper aims to put flexibility procurement into perspective, considering that market-based procurements are the preferred model. It aims to discuss what should be considered as a market for flexibility procurement, when it is suitable and when and under which conditions alternatives should be considered. • Standardisation will be considered from two aspects: the potential standardisation of the terms of alternative connection agreements and the product standardisation in local flexibility markets. In the latter case, an examination will

	Sector and title of work item	Comments received	CEER views
			be conducted to help determine to what extent it could be used, even in its early stages, to streamline transactions towards adequate market conditions.
5	CEER Benchmarking Report 7.1 on the Continuity of Electricity and Gas Supply	<ul style="list-style-type: none"> • 4 respondents commented on this item. • The report was considered to be increasingly relevant. • One stakeholder said they would appreciate more frequent updates of the report instead of a single annual update as is currently proposed. 	<ul style="list-style-type: none"> • CEER welcomes stakeholders' support for the report. • The possibility to increase the frequency in updates will be considered.
6	Facilitation and challenges of decentralised energy, energy sharing and energy communities with special focus on (residential) rooftop solar PV	<ul style="list-style-type: none"> • 6 respondents commented on this item and deemed this work very relevant. • One responded said it was important that CEER contribute to the development of potential offers by energy communities and self-consumption. • This work should provide an extensive cost/benefit analysis, including the effects of energy sharing on consumers who are not involved in energy sharing schemes, on energy suppliers' offers and risks, and on the global performance of the electric system. • One stakeholder suggested that the report focus at first on specific cases of energy sharing and energy communities. The aim would be to obtain knowledge on these topics and help analyse regulatory challenges. 	<ul style="list-style-type: none"> • The paper aims to identify the barriers to and prerequisites for the development of energy sharing and energy communities. • The paper will try to identify and describe qualitatively the impact of such activities on each component on the value chain, as well as the risk and opportunities for each actor and for the system as a whole (network use and grid losses in LV, and other impacts on the grid and consumers should be

	Sector and title of work item	Comments received	CEER views
			<p>identified).</p> <ul style="list-style-type: none"> In doing so the paper will try to identify under which conditions those activities would leverage the most value for the system as a whole and put development options into perspective, distinguishing low-hanging fruit from a more advanced configuration. The paper should describe the systems (legal, technical, and regulatory frameworks) put in place in the Member States that already implemented those mechanisms (identifying the activities and actors in the existing energy sharing schemes). <p>The paper will try to identify best practices and pitfalls if any (regulatory options of the practices in place such as tariffs, consumer rights and obligations).</p>
	Electricity		
7	Biennial RES	<ul style="list-style-type: none"> 4 respondents commented on this item finding it useful and 	<ul style="list-style-type: none"> The CEER report already

	Sector and title of work item	Comments received	CEER views
	<p>Status Review of Renewable Support Schemes in Europe</p>	<p>relevant.</p> <ul style="list-style-type: none"> • In terms of approach, it is important for the report to consider not only the support scheme (direct subsidy through feed-in tariffs or premiums) but also all indirect subsidies (connection charges, etc.), which is currently not the case. This dimension could provide a global and more accurate picture of the support. • One respondent would welcome a more detailed insight on the situation of the RES facilities that are no longer subsidised in various European countries, with a breakdown of the facilities that are opting for repowering (and a new support scheme) and those that are going on the market, including information about their contracts (e.g. types, durations). The report could also analyse if these installations are choosing to propose other services than energy injection and shed a light on operational practices. • Another stakeholder also suggested evaluating the implementation of the temporary and emergency regulation for the acceleration of renewables (Council Regulation 2022/2577) adopted in December 2022. This could also be an opportunity to outline the new provisions from REPowerEU and the freshly adopted revision of the Renewable Energy Directive, especially with regards to fast-forwarded permitting procedures and the role of grid operations in the integration of more renewables and electrified uses. 	<p>covers indirect subsidies to a certain extent. For the time being CEER does not see significant added value in more in-depth assessment of indirect support schemes and behind-the-meter scenarios which would provide less comparable support conditions.</p> <ul style="list-style-type: none"> • CEER agrees that the topic of RES facilities that are no longer subsidised is very relevant and important. The topic is addressed in a standalone report on unsupported RES. This is why unsupported RES are not covered in the RES Status Review report. • CEER welcomes the comment on REPowerEU and will consider it for future editions of the report. It should be noted that as the next edition will cover 2022-2023, it is questionable whether the emergency regulation adopted in December 2022 will result in significant effects being visible

	Sector and title of work item	Comments received	CEER views
			in the next edition.
8	Short paper on NRA activities to facilitate offshore transmission development - Input to Copenhagen Energy Infrastructure Forum discussions	<ul style="list-style-type: none"> • 3 respondents commented on this item. • Respondents found this work interesting as it shares national experiences and best practices and provides benchmarking to stakeholders. • Timely adaptation and reinforcement of the onshore transmission networks is supported. • National practices that could be interesting to analyse further include Germany's Corridors project, which are a series of underground electricity transmission lines which will carry power from renewable sources, such as offshore wind farms, over hundreds of kilometres for their North-South lines. • There are challenges in electricity transmission projects, such as public opposition, which should be solved by looking at innovative solutions (e.g. HVDC, shortened times for planning and permitting) 	<ul style="list-style-type: none"> • CEER sees a coordinated development of offshore and onshore networks as essential to accompany the energy transition. It welcomes comments in the consultation process. Several NRAs are starting work on novel regulatory aspects of offshore developments and how to link them to onshore developments, such as the Corridors approach flagged by a respondent. Given the different pace of national practices, CEER deems preferable to reconsider the proposed deliverable to be potentially carried out after 2024.
	Gas		
9	How to implement the Gas Package in relation to LNG issues	<ul style="list-style-type: none"> • 3 respondents commented on this item. • Respondents considers that the LNG regulation does not pose a problem and there is no need for substantial changes in the regulatory framework. The focus should be on the increase of transparency at the EU level as this is key for accessing LNG 	LNG has taken an increased share of the gas supply in Europe in the past year, as recognised by stakeholders. It is therefore crucial for NRAs to better understand the

	Sector and title of work item	Comments received	CEER views
		terminals.	consequences of this important shift in the market dynamics, and CEER will continue to monitor this area closely. The impact of the new Gas Package legislation on the LNG sector will therefore come under the scope of our work in 2024.
10	How to implement the Gas Package in relation to the regulation of hydrogen and biomethane	<ul style="list-style-type: none"> • 4 respondents commented on this item. • One respondent pointed out that it appears premature to directly translate the hydrogen regulatory model from the existing regulation applied to natural gas. Also, biomethane offers significant development opportunities in the EU and should be encouraged. • Another respondent underlined the need for a level playing field in the rules, which should strike the right balance between not being too rigid and leaving room for Member States to act, especially in the context of certification. 	The Gas Package is an important piece of legislation which will have broad consequences on Europe's gas system. The development of energy carriers such as hydrogen and biomethane will translate to a significant impact on the regulation of gas systems for NRAs. Regulators will continue to seek pathways for the facilitation of the energy transition and the decarbonisation of the energy sector.
11	Regulatory pathways for long-term energy storage	<ul style="list-style-type: none"> • 2 respondents expressed their views on this item. 	CEER has taken good note of stakeholders' recognition of the importance of gas storage capacities and the important role storage plays in the context of European security of supply.

	Sector and title of work item	Comments received	CEER views
	Market Integrity and Transparency		
12	Financial Regulation and the links to REMIT	<ul style="list-style-type: none"> • 2 respondents commented on this item. • One respondent suggested that actions should be taken to foster liquidity in the EU electricity marketplaces and publish elements of benchmarking on this matter. CEER's attention was drawn to the effects of the energy crisis on margin calls applicable in the context of transactions on the organised gas and electricity markets. These margin calls have reached, in times of great need, levels that are difficult to accept for many participants in these markets. This has led some of them to favor OTC deals, which remain a significant systemic risk. 	CEER welcomes and appreciates the confidence and trust shown by stakeholders regarding the monitorisation and supervision of gas and electricity markets and fully agrees that the responsibility shall continue to lie with NRAs and ACER. More cooperation between financial and energy regulation is encouraged and envisaged.
	Regulatory Benchmarking		
13	Guidelines of Good Practice on Regulatory Impact Assessment	<ul style="list-style-type: none"> • 2 respondents commented on this item. • One respondent noted that this deliverable could help support or improve regulatory impact assessments among regulators and hopes this could promote carrying out robust impact assessments also at the EU level. 	CEER agrees this deliverable will strengthen regulatory impact assessments at both the national and European levels by providing a common framework of techniques and methodologies. CEER expects this to improve the quality of regulatory impact assessments. In the case of providing any indications related to software for use in regulatory impact assessments, CEER agrees these

	Sector and title of work item	Comments received	CEER views
			<p>should refer to open source software whenever it is a viable option.</p> <p>CEER believes that Regulatory Impact Assessments should not focus solely on minimising costs, it should also assist NRAs in making effective decisions that weigh environmental and social impacts, under the context of EU (and Member States') policy objectives.</p>
14	State of play of NRA's independence in a multi-sectoral environment	<ul style="list-style-type: none"> 2 respondents expressed their views on this item. 	<p>CEER is delighted to read that stakeholders are satisfied with NRAs' work and their recognition of the essential role of independent NRAs in the energy landscape.</p>
	Recurring/Cross-sectoral		
15	Regulatory Frameworks Report 2024	<ul style="list-style-type: none"> 6 respondents commented on this item and said to find this publication very useful. One respondent said that the new format still fails to provide a transversal comparison of practices summarising in one table the practice for each of the relevant parameters. One stakeholder recommended that a main focus of the coming RFR should be put on determining the best way for the regulatory 	<ul style="list-style-type: none"> Over the years CEER has experimented with a variety of formats, each with its own set of advantages and disadvantages. The current format in use is considered most effective overall as it

	Sector and title of work item	Comments received	CEER views
		<p>framework to supports forthcoming investments. Specifically, there is a need to identify how costs from anticipatory investments can be incorporated in setting the revenue caps for DSOs.</p> <ul style="list-style-type: none"> • One respondent noted that the report should also identify the barriers to innovation in certain countries, such as the decision-making power (or lack thereof) of NRAs to implement certain decisions regarding tariffs. It could also provide key recommendations to increase investments and innovation incentives. 	<p>ensures that the report remains easily readable and manageable. Nevertheless, CEER acknowledges the comment and grants that the choice of format may not always be the best for specific purposes.</p> <ul style="list-style-type: none"> • CEER recognises the importance and relevance of the topics raised during the consultation on the best ways to support investment with an adequate regulatory framework and the identification of barriers to innovation. However, it should be noted that these topics fall outside the scope of the report, the objective of which is to present regulatory frameworks as they are.

2. Conclusions

CEER appreciates the valuable suggestions and comments received. Based on the reactions, we consider that our effort to set up a meaningful work plan for 2024 is generally supported by respondents.

Stakeholders endorsed the main proposed areas of principal relevance for CEER's Work Programme in 2024.

CEER views on specific comments received on the CEER draft 2024 Work Programme have been reflected in the table above. Overall, stakeholders concurred that the proposed work items appropriately address CEER's key core areas. While endorsing the proposals overall, some respondents contributed their views on the specific content of the proposed work items.

CEER's focus on the consumer and retail markets is broadly supported. In general, stakeholders welcome the proposed work plan from a consumer perspective as a means to contribute to stronger consumer participation in the energy market.

The comments received in response to this consultation were reflected in the development of CEER's 2024 Work Programme and will also be considered in any future Work Programmes whenever appropriate.

In the event of unpredictable developments, CEER will make any necessary changes to the proposed Strategy and 2024 Work Programme.

Annex 1 – About CEER

The Council of European Energy Regulators (CEER) is the voice of Europe's national regulators of electricity and gas at EU and international level. CEER's members and observers (from 39 European countries) are the statutory bodies responsible for energy regulation at national level.

One of CEER's key objectives is to facilitate the creation of a single, competitive, efficient and sustainable EU internal energy market that works in the public interest. CEER actively promotes an investment-friendly and harmonised regulatory environment, and consistent application of existing EU legislation. Moreover, CEER champions consumer issues in our belief that a competitive and secure EU single energy market is not a goal in itself but should deliver benefits for energy consumers.

CEER, based in Brussels, deals with a broad range of energy issues including retail markets and consumers; distribution networks; smart grids; flexibility; sustainability; and international cooperation. European energy regulators are committed to a holistic approach to energy regulation in Europe. Through CEER, 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.

The work of CEER is structured with a number of working groups and work streams, composed of staff members of the national energy regulatory authorities, and supported by the CEER Secretariat. This report was prepared by the CEER Work Programme Drafting Committee.

More information at www.ceer.eu.

Annex 2 – List of Respondents

Organisation
EDF
Enagás SA
Enedis
European Energy Retailers
GEODE
GPX Open Source
Green Power Denmark
T&D Europe
UPRIGAZ
Voices of Nuclear