



Conference of the Board of Regulators of the Iberian Electricity Market (MIBEL) MIBEL in the Internal Energy Market

Fostering energy markets,
empowering **consumers**.

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Overview

- A short introduction to CEER
- BEUC-CEER 2020 Vision for European energy customers
- Cooperation between consumer organisations and regulators
- Holistic view on well-functioning retail energy markets from both sides:
 - ▶ Demand and supply
- How to remove market entry barriers and enhance competition
- From national retail markets to cross border / internal retail energy market



A short introduction to CEER

Council of European Energy Regulators

Voice of Europe's national energy regulators at EU and international level

Established in 2000, around 10 permanent staff

Not-for-profit organisation based in Brussels

Focus on retail markets and international cooperation

Work structured around WG staffed by members

CEER Members and Observers

29 Members from:
27 EU Member States
+
Iceland and Norway

4 Observers from:
Switzerland
+
Former Yugoslav Republic of
Macedonia (FYROM)
+
Montenegro and Kosovo



BEUC-CEER 2020 Vision for Europe's energy customers

Initiative launched in 2012, shared key points with 17 European industry associations:

- ▶ The RASP principles confirmed as **cornerstone** of the retail market
- ▶ Customer issues have become **increasingly important in recent years** and becoming a discussion topic for all
- ▶ **New initiatives** (smart meters, demand response, energy efficiency) can only be successful if customers are appropriately empowered and trust the overall system and if competition is in place
- ▶ It is in **the interest of the industry** to establish better communication channels with customers to get a better insight into what customers want/need

RASP Principles



Cooperation between consumer organisations and regulators

- CEER Advice on How to Involve and Engage Consumer Organisations in the Regulatory Process (March 2015)
 - ▶ Developed jointly with BEUC
 - ▶ Outlines 4 thematic areas, each with a number of specific recommendations:

Information exchange

- Avoid complex language and too much technical detail
- Make information more accessible through proactive notifications

Capacity building

- Strengthen knowledge base and performance of NRAs and consumer organisations

Policy development & design

- Consumer organisations should take part in the process of developing future regulatory framework

Improving compliance

- Detect possibly non-compliant behaviour
- Provide stronger evidence-based regulation
- Make NRAs more transparent

Holistic view on well-functioning retail energy markets / Demand

Consumer involvement

Consumers are aware of key features of energy markets; they are empowered and are enabled to engage in market activities through which they can acquire further trust in the market and its actors.

Energy supply is ensured for all energy users, and vulnerable consumers are provided with extra protection where needed.

High level of awareness and trust

Availability of empowerment tools

Sufficient consumer engagement

Appropriate protection

Holistic view on well-functioning retail energy markets / Supply

Competition and innovation

There is a high degree of competition and innovation thrives to the benefit of consumers.

Distribution system operators provide quality services and facilitate a level playing field by acting as neutral and efficient market facilitators.

Low concentration relative to relevant markets

Low market entry barriers

Close relationship between wholesale and retail prices

A range of offers including demand response



The most prominent market entry barriers – how to enhance competition and innovation 1/2

- In 2016 a CEER Benchmarking Report dealt with the most prominent barriers to entry/innovation
 - ▶ Based on case studies from 22 European countries
- The results demonstrated the need to:
 - ▶ Diminish the time needed and the cost for new entrants of accessing:
 - Well-functioning wholesale markets and
 - Licencing /balancing regimes
 - ▶ Phase-out regulated prices and protect vulnerable customers



The most prominent market entry barriers – how to enhance competition and innovation 2/2

- ▶ Incentivise the roll-out of **smart meters**
 - With minimum functionalities
 - To enable innovation
- ▶ Provide an easy and cost-efficient **access to customer meter data**
 - **To whom:** consumers, suppliers and mandated third parties;
 - **How:** Through information exchange system (data hub); and
 - **With a focus on** data privacy and cybersecurity.
- ▶ Have common standards for **DSO-retailers processes**
 - Billing, supplier switching...
 - For a consumer-centric retail market design



From national retail markets to cross border / internal retail energy market

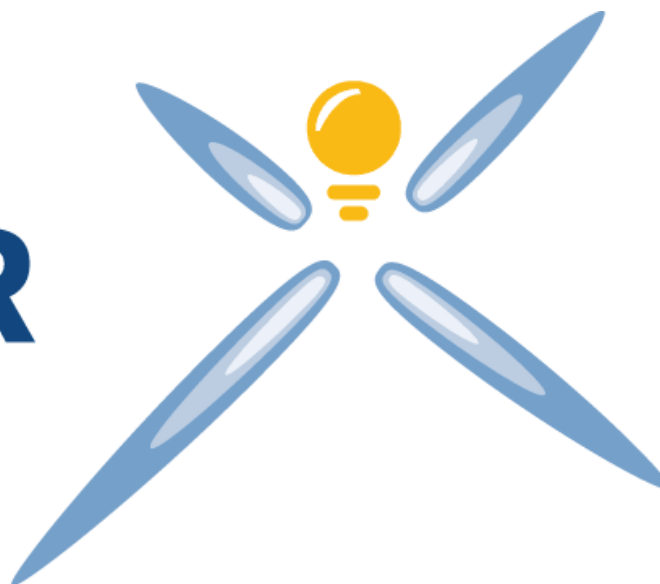
- In addition to national entry barriers
- Some barriers to entry are specific to cross-border entrants
 - ▶ Adapting to different languages and cultures
 - ▶ Non-homogeneity of energy system / general legislation, e.g. consumer legislation
- An on-going project of regional integration including retail markets: the Nordic EU Member States / **Nordreg**
- Next ? **MIBEL**



Thank you for your attention!

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