



Fostering energy markets, empowering **consumers**.

Implementing the 2020 Vision for Europe's Energy Customers

CEER Action Plan 2015 – 2017

12 March 2015

TABLE OF CONTENTS

1. INFORMATION PAGE	4
2. EXECUTIVE SUMMARY	6
3. INTRODUCTION	7
4. OUR WORK TO PROMOTE THE 2020 CUSTOMER VISION	8
4.1. CEER's customer work 2012-2014	8
4.2. Work packages in 2015	10
4.3. Further work in 2016 and 2017	11
4.4. Wider measures	12
ABOUT CEER	14



1. INFORMATION PAGE

Abstract

This document (C15-SC-32-05) is an update of the CEER 3-year rolling action plan (Contributing to a 2020 Vision for Europe's energy customers), which was originally published together with the 2020 Vision for Europe's energy customers in November 2012.

In its first 3-year rolling action plan, CEER set some areas of work to focus on during the 3 years following the publication of the 2020 Vision, in order to promote it. The present document provides an overview of the work carried out so far and establishes CEER's priorities of work for the next 3 years. Some important developments have taken place since 2012. This document summarises CEER's customer-related work and also takes into account regulators' proposals in the ACER¹ "A Bridge to 2025: Conclusions Paper".

Target Audience

European Commission, energy suppliers, traders, gas/electricity customers, gas/electricity industry, consumer representative groups, network operators, Member States, NRAs, academics and other interested parties.

Keywords

2020 Vision, Customer protection & empowerment, Quality of service, Reliability, Simplicity, 3rd Package, smart meters & smart grids, Supplier switching,



If you have any queries relating to this paper please contact:

Ms Natalie McCoy
Tel. +32 (0)2 788 73 30
Email: brussels@ceer.eu

¹ Agency for the Cooperation of Energy Regulators

Related Documents

CEER documents

- [CEER Report on the implementation of the 2020 Vision by its supporters](#), 5 November 2014, Ref. C14-SC-30-03
- [CEER 2013 Annual Conference on Energy Customers Proceedings](#), 19 June 2013
- [A 2020 Vision for Europe's energy customers](#), 13 November 2012, updated in June 2014

ACER document

- [Energy Regulation: A Bridge to 2025 Conclusions Paper](#), September 2014



2. EXECUTIVE SUMMARY

As soon as the 2020 Vision was articulated, it gained widespread support. 17 associations² have signed up to become supporters of the 2020 Vision. The focus is now on implementation which requires a common effort by all market participants. As actions speak louder than words, CEER decided to lead by example, setting for itself a 3-year rolling action plan to aid achievement of the 2020 Vision for Europe's Energy Customers.

Some important developments have happened since the publication of the first 3-year rolling action plan in 2012. This document summarises CEER's customer-related work carried out so far and establishes CEER priorities of work for the next 3 years, taking into account regulators' views expressed in ACER's document "A Bridge to 2025: Conclusions Paper".

Finally, we explain the different ways in which we are trying to improve our communications, the way we engage with stakeholders and how national regulatory authorities share their knowledge of customer issues at CEER.

This document is not static; it intends to show the continued progress on the implementation and promotion of the 2020 Vision by CEER. It will also serve to inform market stakeholders about upcoming initiatives and developments by European regulators.

² The following organisations are supporters of the 2020 Vision for Europe's energy customers: AIB, ANEC, CECODHAS, CEDEC, Cooperatives Europe, EDSO, ENTSO-E, ENTSOG, ESMIG, Eurelectric, Euro Coop, Eurogas, GEODE, IGU, NEON, SEDC, UEAPME.



3. INTRODUCTION

The CEER-BEUC 2020 Vision for Europe's Energy Customers (hereinafter referred to as the "2020 Vision" or the "Vision") was published in November 2012. This Vision is characterised by four principles governing the relationship between the energy sector and the variety of its customers. These four principles (the RASP principles) are also the basis of every piece of work that European energy regulators prepare through CEER: **R**eliability, **A**ffordability, **S**implicity and **P**rotection and Empowerment.



Since the launch of the 2020 Vision, different European and international associations representing the entire energy market value chain, as well as other market actors, have registered to become supporters. At the time of publication of this update of the 3-year rolling action plan, there were 17 supporters. In 2014, CEER worked on a report assessing the level of implementation of the 2020 Vision by its supporters. This report confirmed that the **RASP** principles are central to a well-functioning customer-centric market. New initiatives (e.g. smart meters, demand side response, etc.) can only be successful if customers are appropriately empowered, informed and protected, trust the overall system, and if effective competition is in place. In this context, reliability of the network, energy supply, affordability of the services as well as simplicity of the information provided and interactions with market actors are all essential.

ACER's "Energy Regulation: A Bridge to 2025 – Conclusions Paper"

European energy regulators have confirmed their commitment to realising the 2020 Vision in "A Bridge to 2025 – Conclusions Paper" (hereinafter referred to as the "Bridge document"). This paper is the result of an extensive consultation exercise and sets a series of key objectives, including the development of a "*functioning retail market that benefits consumers*". To achieve this well-functioning market and to facilitate a more active participation by customers in the markets, the Bridge document defines some tasks for CEER to perform on its way to 2025:

- Establish common criteria for a well-functioning retail market and develop a Roadmap aimed at competitive, reliable and innovative retail markets by 2025;
- Establish key features of retail market design to provide a level-playing field;
- Determine minimum standards to remove market barriers;
- Develop guidance to facilitate the phasing out of regulated end-user prices as soon as practicable;
- Establish a toolbox of good practices to encourage and empower consumers, through spread of information on new technologies, on the new opportunities and on the financial benefits of active participation, and through exploring the potential benefits of a more coordinated approach to smart technologies;
- Prepare a roadmap to secure reliable supplier switching within 24 hours no later than 2025 unless the cost benefit analysis is negative;
- Simplify the comparability of offers available in the market, and;
- Develop further and apply the "RASP principles" into practical actions to enable market development across Member States, while protecting and empowering consumers.



4. OUR WORK TO PROMOTE THE 2020 CUSTOMER VISION

There are various ways in which CEER contributes to the Vision, including:

- Engaging with policy makers to ensure that the customer impacts of decisions in technical areas are appropriately considered;
- Improving our own effectiveness in how we conduct that engagement with customer organisations, and in how we analyse and understand customer impacts;
- Identifying and sharing best practice among NRAs – including in how new challenges are being anticipated, and in regulating the transition towards liberalised energy markets;
- Ensuring that issues are identified early, analysed objectively – and that evidence is communicated in a clear and relevant way;
- Analysing specific issues relating to how the energy sector operates, and developing advice and guidance.

CEER uses the Vision as a tool for identifying and prioritising future work and for evaluating current work. This is important in a changing environment, as the importance of particular issues for customers (smart meters, demand side response) could grow.

With this update of the 3-year rolling action plan, CEER provides an overview of work carried out since the publication in November 2012 and proposes a range of new measures to continue promoting the 2020 Vision and to achieve the key objective of a “functioning market that benefits consumer”, as stated in the Bridge document.

4.1. CEER’s customer work 2012-2014

- [Advice on how to involve and engage consumer organisations in the regulatory process \(March 2015\)](#).
CEER believes that the effective involvement of consumer organisations in the regulatory process has the potential to deliver stronger results in favour of market functioning and for customer empowerment and protection. This Advice examines how best to involve and engage consumer organisations in the regulatory process with a set of recommendations which should result in a more structured approach to consumer organisations and in a greater mutual understanding of markets and consumer concerns through the availability of more information and dialogue channels. By proposing concrete measures in the fields of information exchange, capacity building and policy development/design, CEER aims to facilitate a more organised relationship between NRAs and consumer organisations.
- [Advice on data management for better retail market functioning \(March 2015\)](#). CEER has developed advice on how data management (technical and customer/prosumer data) should be developed in a future environment with and without smart metering and smart grids. CEER believes that it is vital for retail market functioning and **customer protection** that information and data exchange between stakeholders is **reliable**, efficient and safe.

- [Advice on customer information regarding the sources of electricity](#) (March 2015). This advice presents recommendations on how to make the system for disclosing how electricity has been produced more coherent and reliable, and information on disclosure more transparent, so that customers can make a decision based on information they can trust. Furthermore, the recommendations push for faster integration of the European electricity market. As we seek to put customers at the centre of CEER's work, we analyse the disclosure system from the customer's perspective.
- [Report on the implementation of the 2020 Vision by its supporters](#) (November 2014): This document represents CEER's first assessment of the level of implementation of the 2020 Vision for Europe's Energy Customers by its supporters. Its aim is to sum up the responses provided by the supporters of the 2020 Vision to a questionnaire sent by CEER where we asked them about their actions to implement the Vision. The report confirms that the RASP principles are the cornerstone of the retail market and provide helpful guidance to the Vision supporters' daily work, with the final aim of improving customers' experience in dealing with energy matters.
- [Consumer protection and empowerment chapter of the ACER-CEER Market Monitoring Report](#) (November 2013 and October 2014): As part of the ACER-CEER Annual Report on the Results of Monitoring the Internal Electricity and Natural Gas Markets, this chapter looks into the functioning of retail markets from the customer perspective. It is based on the results of monitoring the retail energy markets on topics such as complaint handling, switching and billing processes, customer information and protection of vulnerable customers. The aim is to identify market distortions through monitoring of the processes and outcomes of the retail energy market.
- [Advice on the quality of electricity and gas distribution services](#) (September 2014): This CEER document presents recommendations from a customer perspective on regulating the quality of distribution services by the DSO, with a focus on connection, disconnection and maintenance. The recommendations relate to the quality levels of services provided to household customers and do not focus on technical requirements. They set long-term targets that are ambitious but remain realistic because they represent existing practices in some Member States. Implementation of the recommendations should take account of the costs and benefits incurred by DSOs, or other market players which ultimately will be passed through to customers.
- [Advice on ensuring market and regulatory arrangements help deliver demand-side flexibility](#) (June 2014)

This paper, together with its companion annexes and consultation document, sets out the background, definitions, opportunities and barriers associated with the emergence of demand-side flexibility (DSF). It concludes by offering a series of high level principles which regulators consider should govern how DSF operates as well as a number of short to medium term recommendations for regulators and other interested parties to take forward.
- [Status Review of customer access to the cost and sources of energy and efficiency schemes](#) (December 2013): Customers are entitled to clear and simple information on the cost of their energy and on current and past consumption patterns. They

should also have clear and simple contracts, transparent prices and information on energy sources as well as energy efficiency schemes. Current practices in this field will be reviewed.

- [Status review on the involvement of consumer organisations in the regulatory process \(October 2013\)](#). CEER has mapped the interactions of NRAs with organisations representing the interests of energy customers, collecting best practices and describing how NRAs interact with consumer bodies and involve them in the regulatory process. This work has been a valuable element in giving substance to the CEER customer strategy to involve stakeholders from the consumer side in our regulatory work, in order to protect and empower customers. In addition, based on this status review CEER has published advice on “**How to involve and engage consumer organisations in the regulatory process**” (February 2015).
- [Status Review of regulatory aspects of smart metering \(September 2013\)](#): A review of how smart metering functionalities are handled and how the relating economic and customer assessments are made is an important aspect relating to reliability, customer empowerment and affordability. This includes an assessment of roll-out and implementation of European Energy Regulators GGP on regulatory aspects of smart metering.
- [Benchmarking Report on meter data management \(November 2012\)](#): A smart meter is a meter that supports two-way communication and allows, for example, meters to be read remotely. All Member States are required to roll-out smart meters to a significant proportion of electricity customers by 2020, if the benefits are assessed as outweighing the costs. How data from smart meters is managed is important in terms of security and **reliability**, and how the data is used to help **empower** customers to understand their energy use better and get better deals. In this document, CEER has drawn together evidence on the difference approaches to smart meter data management.
- [Status review of customer and retail markets provisions from the 3rd Package \(November 2012\)](#): The most recent package of European legislation, the 3rd Package, included a number of customer protection and empowerment measures. For example, a requirement that the process to switch a customer will not take more than three weeks. Regulators have a role in monitoring the practical implementation of these measures. CEER reviewed the status of these various changes driven by the 3rd Package, and shared experience across NRAs.

4.2. Work packages in 2015

The following work packages are new commitments, based on CEER’s consultation with its stakeholders and on the “Bridge to 2025” document:

- **Position paper on competitive retail markets**: Retail market competition is at the heart of the 2020 CEER Vision for Europe’s energy customers. This strategic/high level paper will develop CEER’s views on what characterises a well-functioning retail market and what can be done to deliver effective competition in practice, to the benefit of energy customers. It will follow up regulators’ reflections in the ACER’s “Bridge to 2025” as well as the European Commission’s Communication on energy

retail markets and build from previous work such as the retail and consumer sections of the ACER-CEER Market Monitoring reports.

- **Consumer protection and empowerment chapter of the ACER-CEER market monitoring report (MMR):** As in previous years, this chapter will look again into the functioning of retail markets from the customer perspective. It will be based on the results of monitoring the retail energy markets on topics such as complaint handling, switching and billing processes, customer information and protection of vulnerable customers. The aim is to identify market distortions through monitoring of the processes and outcomes of the retail energy market. A specific focus in 2015 will be on billing information for customers without a smart meter.
- **Benchmarking report on (how to remove) commercial barriers to supplier switching in retail energy markets:** Practices in energy retail markets differ significantly between Member States. In some cases, we see that in theory supplier switching is easy and effortless, but in practice energy customers are confronted with many barriers when they want to switch suppliers or even contracts, therefore not allowing for effective competition between energy suppliers. We want to examine the evidence of these de facto barriers to switching and then evaluate their impact on customer perception and on market dynamics.
- **Benchmarking report on removing barriers to entry for energy suppliers in EU retail energy markets:** This report aims to build on previous work to identify entry barriers for energy suppliers into retail gas and electricity markets across the EU, and to identify actions NRAs are taking or envisage taking to remove these barriers. The report will, where relevant, include the impact of regulated end-user prices. Barriers at both national and cross-border levels will be considered.

4.3. Further work in 2016 and 2017

The publication of the Bridge document in 2014 is a milestone for energy regulators at European level, as this document sets out a series of key actions to be undertaken by regulators at national level or jointly at CEER and/or ACER. The work already started in 2015 is largely in follow up to the Bridge to 2015, further implementation of these key actions will continue in 2016 and 2017.

The topics summarised below are an indication of work which CEER will carry out after 2015. Taking into consideration that we submit our annual work programmes to public consultation, and bearing in mind that priorities might change according to our findings in 2015 or to any eventuality which may arise before 2017, the following topics can also change, evolve or adapt to different circumstances:

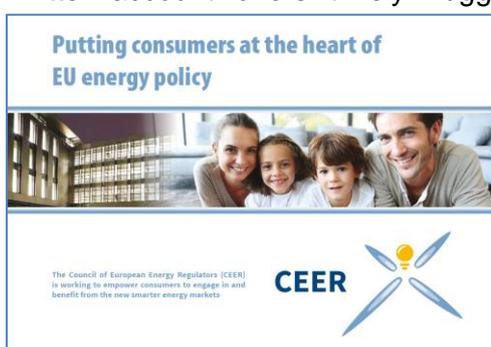
- **Status review on the implementation of CEER Guidelines of Good Practice (GGP) on Price Comparison Tools:** In 2012, CEER issued GGP on Price Comparison Tools (PCT). We will collect information on whether and how the GGPs have been implemented in order to monitor actual practices of PCTs and of NRAs regulating and/or monitoring PCTs. This fact-finding exercise will help us evaluate the impact of the GGP and to fill in any gaps which might be an issue in some countries and to simplify the comparability of offers available in the market.

- **Benchmarking report on how customer metering data can be managed and presented, to increase customer engagement in energy markets:** how energy service providers give customised energy information to consumers, based on their metering data, so well-informed decisions about energy usage can be made.
- **Roadmap aimed at competitive, reliable and innovative retail markets by 2025:** following our “Position Paper on Competitive Retail Markets”, we will establish a roadmap indicating the main steps to take in order to achieve competitive, reliable and innovative retail markets by 2025.
- **Determine minimum standards to remove market barriers:** building on the findings emerging from the “Benchmarking Report on Removing Barriers to entry for Energy Suppliers in EU Retail Energy Markets” (a fact-finding exercise to be carried out in 2015) we will formulate recommendations and/or guidelines of good practice to help regulators, governments and other stakeholders to remove barriers to entry into retail markets.

4.4. Wider measures

In our first 3-year rolling action plan, published in 2012, CEER proposed to make a number of changes to how it operates and how it engages with customers, the industry and other players. This is designed to have the effect of promoting the Customer Vision over time:

- **Communication:** CEER has developed additional, complementary formats for communicating our work in ways that relate directly to the Customer Vision. Our website remains the principal channel of communication. In 2012, we added a dedicated customer section with information on national points of contact, infographics and interactive games. In 2015, there will be a major web-redesign project. Furthermore, CEER uses a broad range of communication channels including social media. CEER’s



Twitter account offers timely nuggets of information to journalists and energy stakeholders and is proving to be an effective means of engaging the broader community in conversations on key energy issues. In addition, every CEER document is published together with a “Citizens’ Q&A”, which summarises the main issues of the publication in simple terms, making it accessible to customers. We also continue to produce easy-to-read brochures, factsheets and infographics.

- **Stakeholder engagement:** Since 2012, CEER has hosted a dedicated annual customer conference, reaching out to national consumers. Furthermore, CEER organises other thematic events to engage effectively with customer bodies, including workshops, public hearings, meetings with the supporters of the 2020 Vision, etc. This engagement uses the Vision and the RASP principles as a focal point. Stakeholders can also engage in CEER's work plan through the public consultation on the annual work programmes. In 2015 there will be 17 workshops and 2 conferences.

- **CEER engagement:** another way in which CEER engages with customer representatives, the industry and other players is through our own involvement in events, different experts' fora and our responses to public consultations. CEER uses these opportunities to promote a market which has customers at its very heart.

- **Capacity building:** CEER shares knowledge of customer issues among its members including through the training courses for NRAs.

CEER keeps these ways of working under review, and they evolve over time as we learn more about how these initiatives operate in practice. We also explore extensions to these new ways of working, for example by developing specific milestones and measures to assess progress towards the Vision, as has been done in CEER's annual conferences on energy customers and in CEER's report on the implementation of the 2020 Vision by its supporters.

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 33 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.

More information at www.ceer.eu.

