

CEER Draft Advice on the take-off of a demand response electricity market with smart meters

- public consultation document

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- Background
- Methodology
- Draft recommendations
- Public consultation



Background 1(3)

- Intelligent metering systems promoted in the 3rd Package
- Active participation - the customers must be able to react and adjust their consumption or to be able to inject electricity
- Demand response is the tool

Background 2(3)

- European Energy Regulators worked with smart metering before
 - Status Review (2009)
 - Smart metering GGP (2010-2011)
 - Smart grids Position Paper (2010)
 - Smart grids Status Review (2011)

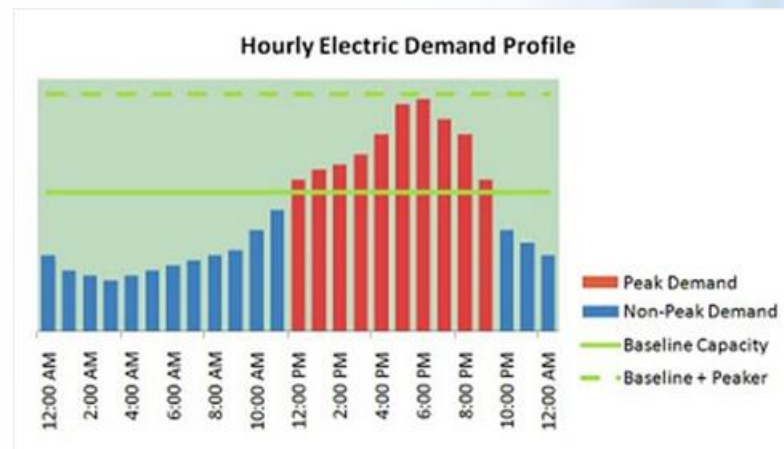
Background 3(3)

- The Forum invited the regulators to issue an opinion on a demand response electricity market provided by smart meters
- The draft Advice addresses the respective roles of the DSOs and competitive players
- Customer services offered through smart meters

- Public workshop: 11th February 2011
- Public Consultation: 10th May – 21st June 2011
- Hearing with respondents: 2nd September 2011
- Final Advice: soon

Definition of Demand response

Changes in electric usage by end-use customers/micro-generators from their current/normal consumption/injection patterns



in response to changes in the price of electricity over time, or to incentive payments [...]

Customer empowerment

- Customer protection from for example unfair selling methods, access to regret periods, etc - overview of legislative framework
- Need for additional monitoring?



Offers

- Price comparison website
- Information on consumption & cost
- Access - information on demand
- Information - channel of choice
- Easy to launch a complaint, redress schemes

Open Gateway

- A means to safely and securely access the metering values from the gateway

Micro-generator

Offers

- Possibility to sell electricity
- A regulatory scheme payment/settlement
- Information on injection data
- Access to information on price data on demand
- Information should be provided through a choice of at least two communication channels

Open Gateway

- A means to safely and securely access the metering values from the gateway.

Summary

Metering operator, DSO, Supplier

Electricity service →	Offers reflecting actual consumption patterns (E6)	Interface with the home (E12)	← Electricity service
Stakeholders ↓	<i>Need to be in place:</i>	<i>Need to be in place:</i>	Stakeholders ↓
Metering operator Offers services to provide, install and maintain metering equipment that enables demand response. Responsible for meter reading.	A minimum set of functionalities Open communication standards and protocols Open architecture for utility meters involving communication protocols and functionalities enabling interoperability A duty to deliver accurate metering data (necessary for the specified purpose) in a timely manner to relevant stakeholders	Open standards for interfaces which enable interoperability	Metering operator
DSO Responsible for the basis of demand response (metering values, technical prerequisites).	Information on metering values A distribution network system capable of dealing with fluctuation in usage A regulatory scheme on how to deal with payment/settlement for micro generation	(Not applicable)	DSO No role in this matter unless the DSO is responsible for metering
Supplier Developing innovating pricing formulas that reflect actual consumption.	Timely and easy access to information on customers' metering values Timely and easy access to information on wholesale prices Channels enabling communication on consumption and data between the customer and supplier Capacity to analyse large volume of data quickly A regulatory scheme on how to deal with payment/settlement for micro generation	Interfaces which enable interoperability	Supplier Develops innovating pricing formulas, enabled by means of easy access to metering values providing they have the appropriate customer consent

Summary ESCO, NRA

Electricity service →	Offers reflecting actual consumption patterns (E6)	Interface with the home (E12)	← Electricity service
Stakeholders ↓	<i>Need to be in place:</i>	<i>Need to be in place:</i>	Stakeholders ↓
ESCO Offer services to customers and micro generators (home energy management systems etc.).	Timely and easy access to information on relevant data according to the offer between the customer/micro generator and the supplier Access to relevant metering data Possibility to aggregate consumption from different customers in a demand response programme	Interfaces which enables interoperability	ESCO Develop energy management services
NRA Establish regulatory framework, monitoring measures, develop incentives etc.	<i>(CEER regards the prerequisites for the NRAs as already in place.)</i>	Clearly defined data protection rules applicable for electricity data communication, including the aspect of customer consent.	NRA Monitors the electricity market with special regards to customer confidence, privacy and security.

National point of contact for information on metering data

- Need to communicate a vast number of metering values to different stakeholders
- National, regional and a future European electricity market will present new challenges to meter value management
- The role of this contact point would be to receive metering data, store metering data and give access to metering data

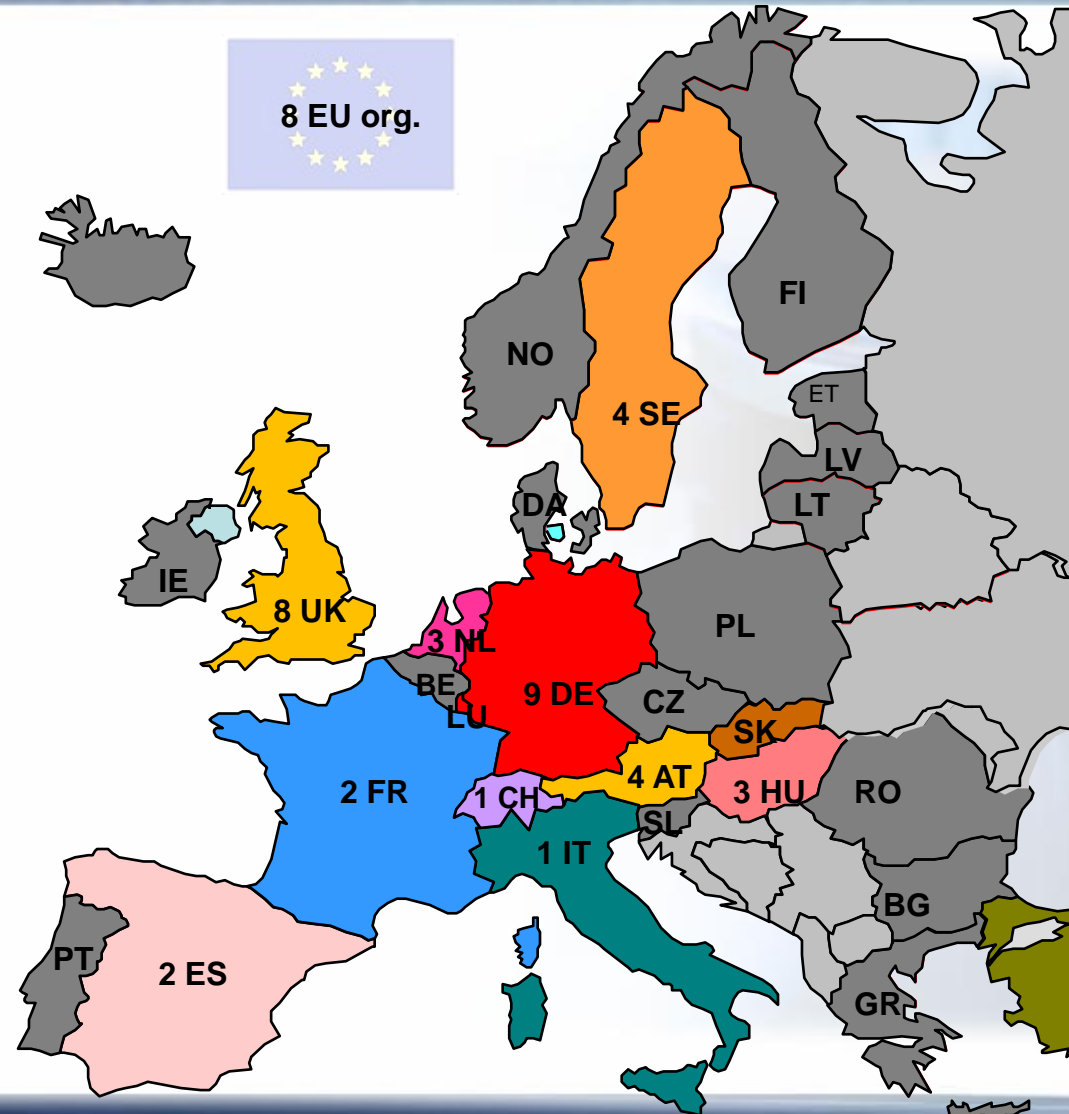
Consultation document

- 21 questions
 - Agree, disagree and comment
- Web tool
- Format lead to unexpected results
 - Agree – still comment
 - Disagree – agree in comment
 - Comment – regardless of agreeing or disagreeing



Respondents overview

- 45 respondents
- Consumer associations, energy companies, grid operators, industry associations, metering equipment and IT-providers, researchers, consultancy firms
- 8 European organisations



Summary of responses

- Broad agreement with the proposals set out in the consultation paper.
- Some areas of contention where respondents disagreed with the CEER proposals
 - Market monitoring
 - DSO role
 - National point of contact
- Responses available on [CEER website](#)

Outcome of CEER public hearing

- Need for clarification
 - DSO role
 - Interface with the home
- Possible need to describe additional stakeholders
 - Aggregators
- Capacity markets
 - Enabler of demand response schemes?



Thank you for your attention!

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Weblink to the report (click on the title):

[CEER Draft Advice on the take-off of a demand response electricity market with smart meters](#)