

# 8<sup>th</sup> meeting of the Citizens' Energy Forum

## London, 23-24 February 2016

### *Conclusions*

#### **1. The New Deal for Energy Consumers**

The Forum:

- Calls on the Commission to use in particular the market design initiative to implement the key elements of the "New deal for energy consumers" and bring about greater consumer welfare by widening the choice of offers, strengthening protection and rights, ensuring transparent prices, and enabling better consumer control over energy bills.
- Stresses that, in order to ensure further tangible benefits to consumers, the work on the new energy market design should go hand-in-hand with the full enforcement of the Third Energy Package.

#### **2. Ensuring a socially responsible and inclusive Energy Union**

The Forum:

*On establishing the appropriate framework for consumer engagement and protection*

- Endorses Part 1 of the report established by "Consumers as market actors" Working Group on new forms of active energy use. Extends the mandate of the Working Group to the presentation of Part 2 of the report on consumer empowerment through better information, easy, quick and reliable switching and enforcement of consumers' rights to be finalised by the end of May 2016.
- In the context of new marketing practices for energy offers, involving different market players, calls for a structured and transparent cooperation process between relevant stakeholders and regulators in the energy market and other sectors (in particular telecommunications, finance) to ensure extensive consumer protection and prevent supervisory gaps.
- Calls for improved and comparable pre-contractual information, including green offers, contract and billing information to increase consumer engagement. Welcomes the joint statement of BEUC, EURELECTRIC and Eurogas on improved comparability of energy offers to allow consumers to make choices that best meet their needs, and encourages relevant market actors to follow these principles.
- Underlines the importance for energy consumers to have access to at least one free of charge, certified, reliable, comprehensive and independent price comparison tool.
- Calls for removing barriers to the switching process - including unjustified fees - to further engage consumers in energy markets, foster competition among suppliers, and drive down energy bills.
- Calls for strict enforcement against unfair commercial practices. In this respect, National Regulatory Authorities (NRAs) and consumer authorities, consumer organisations, Alternative Dispute Resolution (ADR) and other responsible bodies are encouraged to coordinate their activities as appropriate.
- Energy providers are encouraged to promote the use of Alternative and Online Dispute Resolution procedures (ADR and ODR), as well as the Online Dispute Resolution platform, to solve disputes with consumers out-of-court thereby avoiding litigation costs and lengthy procedures.

#### *On energy poverty and protection of vulnerable consumers*

- Welcomes the recommendations of the Vulnerable Consumer Working Group and calls on the Group to conclude its work by the end of May 2016.
- Recommends that energy poverty be addressed primarily through targeted measures such as energy efficiency of buildings and appliances (eco-design), in addition to social policy and safeguards against disconnection, avoiding interfering in the market.
- Calls for considering the interests of vulnerable consumers and the energy poor also in the forthcoming revision of the Energy Efficiency Directive and the Energy Performance of Buildings Directive, and other relevant energy legislation.
- Member States should ensure that, when introducing flexibility in energy markets, vulnerable consumers are not disadvantaged or overlooked.

### **3. Developing a common vision of a consumer-centric energy market**

The Forum:

#### *On the further development of retail markets*

- Calls for phasing out regulated prices and more clarity on the costs of the components of energy bills to remove barriers to effective competition and allow consumers to choose from more diverse offers.
- Calls on the Commission to ensure that the retail energy market takes into account consumers' needs and behaviour, and enables future technological developments and market innovation.
- Welcomes the initiatives of the Commission to facilitate cooperation between Distribution System Operators (DSOs) and Transmission System Operators (TSOs) in particular on data management and on developing responsibilities of DSOs and TSOs in the context of flexibility at consumer level, reactive power management and the integration of renewables, and network planning procedures to strengthen the links between wholesale and retail markets.

#### *On managing energy costs through demand response, smart consumption and self-generation*

- Calls on the Commission to prepare an EU-wide framework on demand response, based on the recommendations of Smart Grid Task Force Expert Group 3.
- Recalls that the choice of participating in demand response and self-generation must always remain with the consumer.
- Calls on the Commission to ensure that the new retail market design values consumers' flexibility with clearly defined rules and responsibilities for market actors and enables the up-take of third party aggregation, as well as development of dynamic pricing.
- Calls on the Commission and NRAs to ensure that the rules for network charges are non-discriminatory for all (household) consumers and reflect the fair allocation of network costs without de-incentivising demand response and energy efficiency.
- Calls for facilitating the integration of prosumers into the market by developing simplified administrative frameworks, and putting in place network tariffs which reflect network use for self-consumption and encourage flexibility.
- Calls for ensuring that smart meters offer the set of common minimum functionalities defined in Commission Recommendation 2012/148/EU, in particular an open interface and interoperability, to allow for innovative offers, including dynamic prices, at retail level.

- Calls for ensuring that the benefits and costs of smart metering systems are fairly shared between stakeholders, and monitored, and that consumers have the possibility to request a smart meter if it is not systematically rolled out in their area.

*On the active role of DSOs to ensure neutral system operation*

- Calls on the Commission to ensure that existing unbundling rules are applied, notably with clear, separate branding of DSOs, and for NRAs to be granted appropriate enforcement powers.
  - Calls to ensure that DSOs act as neutral market facilitators and notes that standardisation is important to foster competition.
  - Calls on NRAs to update remuneration schemes to incentivise active grid management and innovation by DSOs.
  - Calls for appropriate rules to safeguard consumers' fundamental right to privacy by ensuring protection of data and recommends using data protection impact assessment template. Regardless of the data management model, calls on metering operators (in most Member States, the DSOs) to ensure transparent and non-discriminatory data handling.
  - Recognises that consumers need to retain control over the use of their data. Principles of privacy by design and by default should be built into smart energy systems according to the reformed Data Protection General Framework.
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