



Evaluation of Responses

Stakeholder comments on CEER Work Programme 2013

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EXECUTIVE SUMMARY

The Council of European Energy Regulators (CEER) appreciates the comments and feedback received to the public consultation on its 2013 draft Work Programme. A total of 15 respondents submitted their views. We received both general remarks on the WP and on the drafting process as well as remarks on the priority areas and individual deliverables. Overall, respondents expressed strong support for our proposed 2013 objectives. There was also a broad consensus on the importance and choice of the priority areas, in particular of the customer priority area. Respondents welcomed the possibility to submit comments and appreciated the transparent drafting process for the WP.

Following the input received, CEER has reviewed its draft 2013 Work Programme to take into account the suggestions made and providing further clarification and detail on the planned deliverables.

The present evaluation of responses accompanies the final 2013 Work Programme and provides CEER's consideration of the comments submitted as well as an explanation of how the work programme has been revised as a result (C12-WPDC-22-06).

1 ANALYSIS OF STAKEHOLDER FEEDBACK AND EVALUATION OF COMMENTS

In order to provide a comprehensive picture of regulatory activities in the year ahead, CEER and the Agency for the Cooperation of Energy Regulators (ACER) have aligned the timing of the process for our respective 2013 WPs, publishing our draft 2013 WPs on 2 July 2012 and presenting them at a joint ACER and CEER lunch debate on 11 July 2012 in Brussels. At the presentation, CEER invited all stakeholders to submit comments to the CEER WP 2013 via email to WP2013@ceer.eu by the end of July, making for a 4-week period for reactions.

A total of 15 respondents took advantage of this opportunity and submitted written comments to the draft CEER WP 2013. Overall, we received strong support for our proposed 2013 objectives. The present document summarises the views voiced by respondents and presents the conclusions CEER draws from them.

1.1. GENERAL COMMENTS ON THE WP

The majority of respondents welcomed the opportunity to submit views on the draft WP and endorsed the new approach to launch the ACER and CEER WPs at the same time.

Several comments indicated that there was still some uncertainty as to the responsibilities of ACER vs. CEER. Four respondents expressed the need for additional clarification and a clear definition of the roles and responsibilities of ACER and CEER. One respondent expressed concern about the lack of stakeholder involvement in a number of deliverables and the need for stakeholder involvement at a very early stage.

While the majority of respondents welcomed the detailed WP and its transparent drafting process, some expressed the need for a more holistic approach. One respondent suggested publishing an evaluation report to inform on the status of the deliverables at year's end. Another expressed interest in a mid-term perspective to CEER's work as well as a vision and/or strategy for the coming years.

One respondent would welcome a clearer allocation and prioritisation of resources and emphasised the need to outline CEER's strategy on how to achieve its objectives and the resources deployed.

1.2. COMMENTS ON THE PRIORITY AREAS OF THE CEER WP 2013

With respect to CEER's four key areas of work, respondents expressed broad consensus on the general approach put forward by regulators. They reaffirmed and strongly supported the choice made in the focus areas and issues selected beneath them. Positive feedback was received on individual priorities, confirming their respective importance.

1.1.1 Customers

Eight respondents reaffirmed the importance of the customer priority area and welcomed CEER's initiative to put customers at the centre of its work. One highlighted that suppliers played a key role when interacting with consumers and noted that consumer engagement would benefit from increased trust in the relations between supplier and regulator.

Another respondent endorsed the development of the 2020 Vision, highlighting the importance of midterm reviews and a broad perspective. Two comments underlined that, although affordability of energy prices is a major issue for customers, the investments required to reach the 20/20/20 goals would invariably impact prices. CEER should therefore help identify the optimum balance between these conflicting objectives. Reflecting on the initiative of the European Commission's Smart Grids Task Force, one respondent proposed a more detailed stocktaking of the different situations in the EU Member States before recommendations on a new structure for Europe's retail market can be developed.

1.1.2 Development of competitive wholesale and retail energy markets

Three respondents explicitly supported the work of CEER on this priority area. One fully supported the development of both wholesale and retail markets, but urged CEER to promote this development under a holistic view. In addition, CEER should continue to develop the Gas Target Model (GTM). Another respondent urged CEER to expand on the technical aspects of the development of wholesale markets and would welcome a more detailed description in section "Development of competitive wholesale and retail energy markets" of the WP.

In one comment, further work on tariff structure design was suggested to ensure that necessary grid investments take place and the energy efficiency goals are achieved.

1.1.3 New legislative / policy developments

Two respondents explicitly reaffirmed CEER's view that sustainability, new infrastructure and market integrity are relevant topics. However, one of them emphasised the need for a holistic view and the need to avoid considering those topics as separate issues. The other expressed concerns about how the achievement of these objectives would materialise and suggested that a specific deliverable for reacting to "Initiatives from the European Commission which impact on energy markets, as and when such proposals arise" would be welcome.

Relating to the priority "sustainability", one respondent urged CEER to actively support European initiatives like AIB, EPED, and RE-DISS who are engaged in work on disclosure systems and guarantees of origin, as these have not received sufficient support at national and European level so far. Three respondents suggested including the development of reliable disclosure systems in the 2013 WP. According to one respondent, the elaboration of two additional papers (one paper on tracking electricity, another on disclosure systems) as part of the customer priority area would be necessary, since disclosure systems and GO systems were not always properly implemented and customers were often not well informed.

1.1.4 International work

In a comment on international work, one respondent pointed out that not all National Regulatory Authorities (NRAs) have a mandate to be active internationally and suggested that in times of austerity CEER should focus on mainstream regulatory activities.

1.3. COMMENTS ON INDIVIDUAL DELIVERABLES

29 comments on individual deliverables were received. Most respondents commented in a productive and positive way and showed considerable interest in our work through supporting statements, suggestions and specific questions. The table below provides an overview of the number of comments received to each deliverable:

Del. #1: CEER Advice on Data Management for Better Retail Market Functioning (Technical and Customer/Prosumer Data)	-	Del. #10: CEER Status Review on European Regulatory Approaches Enabling Smart Grids Solutions ("Smart Regulation")	2
Del. #2: CEER Status Review on the Involvement of Consumer Organisations in the Regulatory Process	-	Del. #11: Guidelines of Good Practice on Demand Side Management: Realising the Energy Efficiency and Wider Services Potential	-
Del. #3: CEER Status Review of Regulation on Smart Metering, Including an Assessment of Roll-Out	-	Del. #12: CEER Report on Flexibility Tools for Future Electricity Markets	2
Del. #4: CEER Advice on DSO Prosumer / Consumer Services, with a Focus on Connection/Disconnection, Service Activation/De-activation, and Maintenance	-	Del. #13: CEER Status Review on the LNG Transparency Template and the Consistency of European LNG Provisions with Future Network Codes	2
Del. #5: CEER Status Review of Customer access to the cost of energy and efficiency schemes	-	Del. #14: CEER Compliance Monitoring Report on the Implementation of Transparency Rules according to Art. 19 Regulation (EC) 715/200	3
Del. #6: Joint CEER/ACER Market Monitoring Report on the Internal Electricity and Natural Gas Markets	2	Del. #15: CEER Status Review of the Implementation of the GGPSSO for CAM and CMP for Storage	3
Del. #7: CEER Status Review on the Transposition of Unbundling Requirements for TSOs and DSOs	4	Del. #16: CEER Status Review on the Implementation of the Gas Target Model	5
Del. #8: CEER Status Review on Blackout Prevention and Restoration Planning	-	Del. #17: CEER Advice on Auctions and Network Development Plans as Mechanisms for the Identification and Allocation of Incremental Capacity	3
Del. #9: CEER Advice on the Annual Update of QoS Data	-	Del. #18: Revision of the CEER Guidelines of Good Practice on Open Season Procedures (GGPOS)	3

While one respondent noted that deliverable #7 related to a matter of ACER competence, another considered it to be a European Commission activity. In addition, one respondent expressed the wish for a clearer description of the deliverable in order to understand the extent of stakeholder involvement.

Another stakeholder, although fully endorsing the focus on deliverable #10, noted that depending on how 'smart tools' (e.g. smart meters) are used, they can have differing implications for cost-effectiveness and suggested that therefore clear rules will be necessary to determine for what purpose the smart tools will be used: for grid management or for market management.

With regard to deliverable #12, one respondent urged CEER to complement its analysis with a discussion of the unbundling status of storage devices in distribution grids.

The development of an LNG transparency template as such was welcomed by one respondent, who, at the same time, pointed out the voluntary character of this tool (which is not required by the 3rd Package on energy liberalisation). Another respondent, however, deemed deliverable #13 premature and suggested that it be pushed back beyond 2014.

One respondent explicitly endorsed deliverable #14, but urged CEER to build the report on the

work being done by NRAs through the Regional Initiatives. Another respondent indicated that similar work was already being done by ACER through the Gas Regional Initiatives as well as by GSE.

With reference to deliverable #15, one respondent placed an emphasis on the fact that GGPSSO were voluntary and that CEER should take this into account when conducting any surveys of compliance.

Deliverable #16 was considered premature by four stakeholders, who suggested including it in the WP for 2014. Furthermore, they underlined that the GTM was a non-binding concept. One respondent suggested concentrating on identifying the basic requirements of the GTM and promoting rather than monitoring their implementation, since these were still missing in various Member States.

Two respondents considered deliverable #17 an ACER activity linked to forthcoming framework guidelines on gas tariffs and highlighted the importance of well-functioning coordination between ACER and ENTSOG. A more detailed specification of the deliverable would be appreciated by another respondent.

Two comments pertaining to deliverable #18 indicated that it should be considered as part of the general activity associated with incremental capacity processes (deliverable #17).

2 CONCLUSIONS

CEER appreciates the valuable suggestions and comments received. Given the reactions, we consider that our effort to set up a meaningful work plan for 2013 is generally endorsed by respondents. The strong emphasis on customer-related aspects in CEER's work received wide support, which encourages CEER to further pursue efforts to put customers at the centre of its work. Therefore, CEER will assess possible additional work on customer-related aspects in its upcoming work.

While significant support signalled that energy regulators should go ahead with the bulk of the proposals, some modifications will be made to the work programme following the main thrust of respondents' suggestions.

In the interest of transparency, CEER is keen to ensure broad stakeholder involvement through public consultations and workshops, and aims to carefully listen to stakeholders' views. We aim to strike a balance between providing ample possibilities for stakeholders to share their insight and contribute to the process and keeping the number of consultations, workshops and hearings to a manageable level.

Referring to the comments concerning the clarification of responsibilities between ACER and CEER, we would like to stress that minor changes and shifts of deliverables may arise, and that CEER puts all its efforts into providing as much clarity as possible. At the same time, as the regulators' association, CEER aims to complement the statutory work being pursued through ACER with other, oftentimes related, activities of interest to regulators. Considering that a number of respondents expressed insecurity about the respective roles of ACER and CEER, we will provide further explanation in the work programme which, hopefully, serves to address such doubts.

CEER also endorses the comments on a holistic approach. We have therefore decided to include a table with all deliverables of European energy regulators in the CEER WP to provide a concise overview of all regulatory deliverables foreseen not only by CEER but also by ACER for 2013. It is hoped that this will enable stakeholders to gain a full picture of regulatory activities. Of course, the table clearly marks ACER deliverables as such so as to avoid any confusion. We shall also elaborate further on our overall priorities and perspective for the medium-term.

Taking a holistic approach also means that CEER's deliverables naturally take a wide perspective, and while each paper emerges from one of our priority areas, the other priorities are never left aside. It is particularly this comprehensive stance that underlines the necessity for European energy regulators to be active beyond our national and European borders. A major underlying topic in European energy policy for many years, the role of international activities was explicitly acknowledged by the European Commission in its Communication on External Energy Policy, and again figured prominently in its Renewables Communication. We therefore consider that CEER's long-term focus on international activities has been confirmed as a field of great merit.

With regard to the comments on particular deliverables, CEER takes note of a variety of requests for more detailed information and further stakeholder involvement and will address these whenever possible.

Several comments were received to postpone the work on deliverable #16 (CEER Monitoring Report on the implementation of the Gas Target Model). Although we take note of the concerns expressed, CEER deems this work to be very important to its further development and will start a monitoring exercise already in 2013. In particular, the CEER work will focus on pilot projects which will be launched in the framework of the Gas Regional Initiatives during the next months.

After careful consideration of the comments received, CEER decided to follow the respondents' suggestion to merge deliverable #17 and #18 and to carefully consider any linkages to the future framework guidelines on gas tariffs.

Also, to further capitalise on sustainability as one of our priorities and given the impulse set by the European Commission in its Renewables Communication in June 2012, CEER will expand its range of renewables & customer deliverables with work on "green offers for electricity consumers".

The comments received on a more general level suggested, on the one hand, that CEER should express a longer-term vision in its work programme, while on the other, that we should have explicit contingency planning and optional deliverables to address new initiatives that might emerge from EU policies. This quite accurately reflects the situation of CEER: while striving for continuity in our work and efforts, we recognise the necessity to take up new challenges and adapt our work as new issues arise.

We believe that the CEER WP provides stability through lasting broad areas, such as the further development of the Internal Energy Market (IEM), etc. Traditional topics have been expanded in recent years to include infrastructure investments, and most recently, CEER has launched its multi-year focus on energy customers, with a vision to be developed and implemented with energy actors and with milestones along the way to be presented to the public. The overarching fields of work take the shape of concrete deliverables each year, at which level sufficient flexibility is preserved.

Therefore, whilst CEER's WP anticipates future developments as much as possible, unforeseen events/demands may arise in the course of the year. Such developments can impact the work plan and create the need for certain adaptations both in terms of topics and timeline. By necessity, therefore, there must be a certain degree of flexibility in terms of planning. However, to ensure the best possible information to stakeholders at all times, workshops, public consultations and other possibilities for stakeholder interaction with CEER are continuously announced by way of a rolling calendar in the free CEER newsletter and on the website (www.energy-regulators.eu) itself.

2.1 SUMMARY OF ENVISAGED ADAPTATIONS OF THE CEER WP 2013

- Deliverables #17 (CEER Advice on Auctions and Network Development Plans as Mechanisms for the Identification and Allocation of Incremental Capacity) and #18 (Revision of the CEER Guidelines of Good Practice on Open Season Procedures (GGPOS)) will be merged.
- A new deliverable on "Green Offers" for electricity consumers will be included.
- Due to the strong support received on customer-related aspects, CEER will assess possible additional work in this priority area.
- As regards the call for a more holistic approach of the CEER WP 2013, it will contain an overview of all CEER and ACER deliverables of the years 2012 and 2013 and a more detailed overview of the overall context of CEER's priorities.
- Further the WP will contain a more detailed explanation on the roles and responsibilities of CEER as opposed to ACER.

ANNEX I: LIST OF ABBREVIATIONS

Term	Definition
AIB	Association of Issuing Bodies
ACER	Agency for the Cooperation of Energy Regulators
CAM	Capacity Allocation Mechanism
CMP	Congestion Management Procedure
CEER	Council of European Energy Regulators
DSO	Distribution System Operator
ENTSO-E	European Network of Transmission System Operators for Electricity
ENTSO-G	European Network of Transmission System Operators for Gas
EPED	European Platform for Electricity Disclosure
EC	European Commission
EU	European Union
IEM	Internal Energy Market
GGP	Guidelines of Good Practice
GGPOS	Guidelines of Good Practice on Open Seasons
GGPSSO	Guidelines of Good Practice for Storage System Operators (regarding CAM and CMP for gas storage)
GO	Guarantee of Origin
GTM	Gas Target Model
GSE	Gas Storage Europe
LNG	Liquefied Natural Gas
MS	Member State
NRA	National Regulatory Authority
PC	Public Consultation
QoS	Quality of Supply
RE-DISS	Reliable Disclosure Systems for Europe
REMIT	Regulation on Energy Market Integrity and Transparency
SSO	Storage System Operator
TSO	Transmission System Operator
WP	Work Programme
WS	Workshop

ANNEX II: CEER

The Council of European Regulators (CEER) is the voice of Europe's national regulators of electricity and gas at EU and international level. Through CEER, a not-profit-association, the national regulators cooperate and exchange best practice. A key objective of CEER is to facilitate the creation of a single, competitive, efficient and sustainable EU internal energy market that works in the public interest.

CEER works closely with, and supports, the Agency for Cooperation of Energy Regulators (ACER).

ACER; which has its seat in Ljubljana, is an EU Agency with its own staff and resources. CEER, based in Brussels, deals with many complementary (and not overlapping) issues to ACER's work such as international issues, smart grids, sustainability and customer issues.

The work of CEER is structured according to a number of working groups and task forces, composed of staff members of the national energy regulatory authorities, and supported by the CEER Secretariat.

This report was prepared by CEER's Work Programme Drafting Committee.

ANNEX III: List of Respondents

Organisation	Abbreviated name
Gas Infrastructure Europe	GIE
Eurogas	Eurogas
EDF Energy	EDF Energy
European Network of Transmission System Operators for Gas	ENTSOG
Électricité Réseau Distribution France	ERDF
Association of Issuing Bodies	AIB
Swedenergy	Swedenergy
RECs International	RECs International
Enagas	Enagas
Reliable Disclosure Systems for Europe" (RE-DISS) project	RE-DISS
GDF Suez	GDF Suez
Centrica	Centrica
Bundesverband Neue Energieanbieter e.V.	BNE
GEODE	GEODE
European Federation of Energy Traders	EFET