

CEER

**Council of European
Energy Regulators**



Fostering energy markets, empowering **consumers**.

***Guidelines of Good Practice on
Comparison Tools in the new Energy
Market Design***

A public consultation paper

**Ref: C16-CEM-95-03
08-11-2016**



INFORMATION PAGE

Abstract

On 10 July 2012, CEER published its Guidelines of Good Practices (GGP) on Price Comparison Tools (C12-CEM-54-03), which includes a set of recommendations on how these tools can function effectively to the benefit of energy customers.

With this public consultation document (C16-CEM-95-03) CEER presents a preliminary review of the 2012 GGP, and invites to all stakeholders to submit their vision and suggestions on possible enhancements of the recommendations, in order to ensure that they still address, both at present and in the predictable future, the issues that energy consumers face when approaching and using comparison tools.

The deadline for responses is 16 January 2017.

Target Audience

Energy suppliers, traders, prosumers, electricity and natural gas customers, electricity and natural gas industry, customer representative groups, network operators, Member States, academics and other interested parties.

Keywords

Consumer rights; customer protection & empowerment; supplier switching; price, contracts, tariffs; reliability; simplicity; 3rd Package, vulnerable consumers

How to respond to this consultation:

Responses to the consultation can be made via an [on-line questionnaire](#).
The consultation will be open for 8-week period, closing on 16 January 2017.

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Related Documents

CEER documents

- [CEER Report on commercial barriers to supplier switching in EU retail energy markets](#), June 2016, Ref: C15-CEM-80-04
- [CEER Benchmarking report on removing barriers to entry for energy suppliers in EU retail energy markets](#), April 2016, Ref: C15-RMF-70-03
- [ACER /CEER Market Monitoring Report 2015](#), November 2015
- [CEER Position paper on well-functioning retail energy markets](#), October 2015, Ref: C15-SC-36-03
- [CEER Advice on Customer Data Management for Better Retail Market Functioning](#), March 2015, Ref: C14-RMF-68-03
- [CEER Guidelines of Good Practice on Price Comparison Tools](#), July 2012, Ref: C12-CEM-54-03

External documents

- European Commission, [Consumer Markets Scoreboard – 12th Edition](#), September 2016
- European Commission, [Key Principles for Comparison Tools](#), May 2016
- European Commission, [Consumer Vulnerability across key markets in the European Union](#), January 2016
- European Commission, [Delivering a New Deal for Energy Consumers](#), COM(July 2015) 339 final
- [Energy Consumer Trends 2010 – 2015](#), European Commission Staff Working Document SWD(2015) 249 final
- European Commission, [Consumer Markets Scoreboard - 10th Edition](#), June 2014
- [Comparison Tools](#), Report from the Multi-Stakeholder Dialogue presented at the European Consumer Summit 18-19 March 2013
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- BEUC, [Building a Consumer-centric Energy Union](#), July 2015
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- Ofgem Consumer First Panel, [Reporting on the expectations of Price Comparison Tools](#), June 2016
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EXECUTIVE SUMMARY

In July 2012, CEER published its Guidelines of Good practice (GGP) on Price Comparison Tools, based on a set of 14 recommendations on how these tools can function effectively to the benefit of energy customers. The GGP cover multiple themes: independence of the tool, transparency, exhaustiveness, clarity and comprehensibility, correctness and accuracy, user-friendliness, accessibility and customer empowerment.

Since 2012, the issue of ensuring transparency and reliability of comparison tools (CTs), including those covering energy retail markets, has been further addressed at the European level. Studies on CTs and analysis of their functioning reveal that the level of services they offer is not fully satisfactory, which negatively impacts on customers' attitude and confidence in their ability to take an advantage of using those tools.

The European Commission has engaged with stakeholders to improve CTs. With regard to the energy sector, in the "New Deal" Communication¹, the Commission announced that it will work with national regulatory authorities (NRAs) to develop transparency and reliability criteria for energy CTs, and to ensure that at least one independent and verified CT is accessible to each energy customer to assess the current contract against all available market offers.

The European Commission consultation document on a new market design aims inter alia to unlock demand response initiatives, which touches on dynamic prices, smart meters, new market players including aggregators and data market managers, and also focusses on prosumers and self-consumption. CEER feels this work on future proofing energy CTs fits very well with these goals, as CTs are a key instrument in enabling and encouraging customers to participate in Demand Side Management schemes and in implicit and explicit flexibility programmes.

In this framework, CEER decided to check whether and how the 2012 GGP can be enhanced in order to ensure that they still address, both at present and in the predictable future, the issues that energy customers face when approaching and using CTs.

CEER publishes the present consultation document in order to stimulate all stakeholders to submit their vision and suggestions about two different topics:

- Do the CEER 2012 recommendations need to be updated and if so, how?
- What developments in different fields (technology, retail markets, etc.) may make further updating of the GGP necessary in the future?

This document is based on evidence coming from available surveys and reports, on case studies from NRAs, CEER documents and contributions from experts in different fields that were presented and discussed during an ad hoc closed workshop specifically organised by CEER and focused on the future of energy CTs.

Following the 8-week public consultation period, CEER will prepare an evaluation of responses which will help us develop the final outcome of the GGP review process.

¹ Delivering a New Deal for Energy Consumers, COM(2015) 339 final



1 Introduction

1.1 Context and previous work

Figures from the Consumers Markets Scoreboard 2016² show that European consumers' assessment of the performance of electricity retail markets is still very low, when compared with other service sectors; whereas the gas retail market performance appears in the middle of this ranking. *Comparability* and *choice among different offers* are the two dimensions where both energy services show the lower performance.

Concerns about how to ensure that energy customers have easy access to neutral and objective information on market opportunities were highlighted at the 3rd Citizen's Energy Forum in London in 2010. At this forum, a study on electricity retail market was presented by the European Commission³ and demonstrated evidence regarding consumers' poor access to such information, and poor understanding of the available information.

Sharing these concerns, in October 2011 CEER launched a public consultation⁴, presenting a set of draft recommendations on how to improve the implementation and quality of CTs on a consumers' perspective.

As a result of the consultation process, in July 2012 the CEER Guidelines of Good Practice on Price Comparison Tools (GGP) were published⁵.

The GGP contains a set of 14 recommendations on how CTs should function effectively to the benefit of energy customers. They are addressed to all the subjects that have a role to play in making price information clear and accessible for customers (Member States, national regulatory authorities, public bodies, customer organisations, CT providers, energy suppliers). The CEER recommendations are reported in Annex 1.

Though the GGP refers to "price comparison tools", the recommendations cover both price and non-price aspects, as both are necessary to customers in order to make their own choice and the existing comparison tools normally include a variety of elements other than price in the set of information they provide. The price dimension is however focused on, as it is considered to be a valuable key driver for the comparison exercise.

The issue of ensuring transparency and reliability of comparison tools has been subsequently further focused on at a European level.

In May 2012, the European Commission launched the Multi-Stakeholder Dialogue on Comparison Tools (MSDCT)⁶, an *ad-hoc* working group covering comparison tools issues on a cross-sector perspective.

² http://ec.europa.eu/consumers/consumer_evidence/consumer_scoreboards/12_edition/index_en.htm.

³ European Commission, The functioning of retail electricity markets for consumers in the European Union, November 2010, http://ec.europa.eu/consumers/archive/consumer_research/market_studies/docs/retail_electricity_full_study_en.pdf

⁴ http://www.ceer.eu/portal/page/portal/EER_HOME/EER_CONSULT/CLOSED%20PUBLIC%20CONSULTATION/CUSTOMERS/Price%20Comparison%20tools/Background.

⁵ CEER Guidelines of Good Practice on Price Comparison Tools, July 2012, C12-CEM-54-03, http://www.ceer.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Customers/Tab3/C12-CEM-54-03_GGP-PCT_09Jul2012.pdf.

⁶ <http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetail&groupID=3325&news=1>



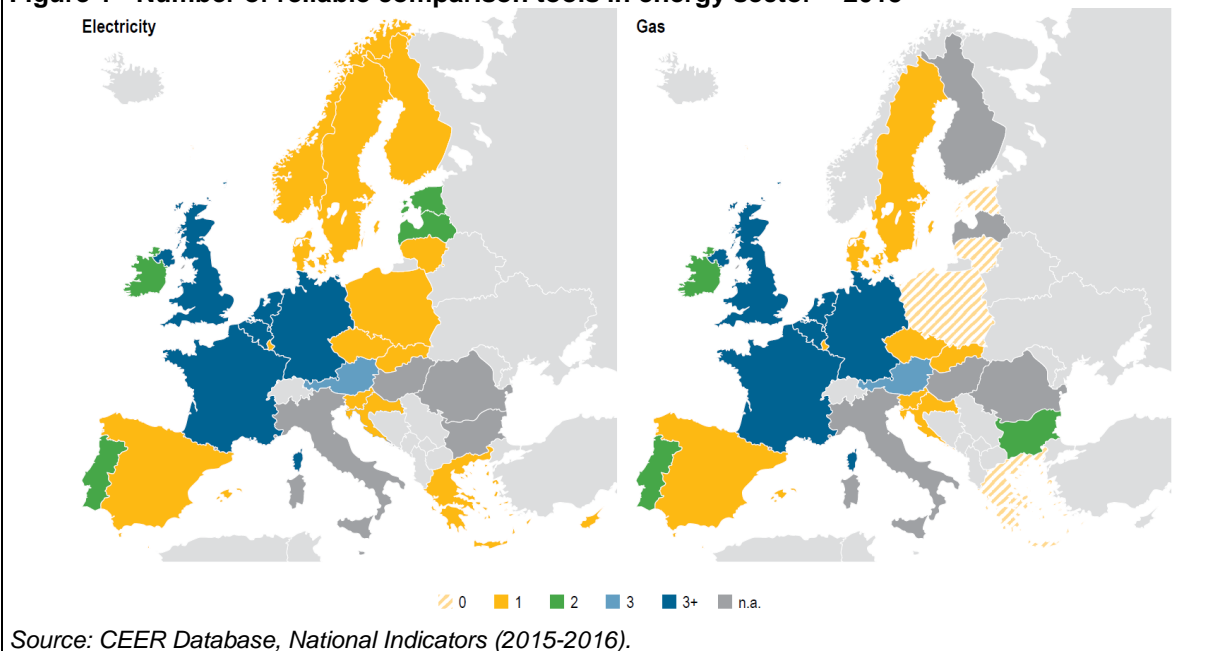
In March 2013, the Report from the MSDCT⁷ was presented at the European Consumer Summit, and in May 2016, as a follow-up of the MSDCT work, the Commission published the Key Principles for Comparison Tools⁸, which focus both on compliance with the Unfair Commercial Practices Directive (UCPD) and on further improving the transparency and user-friendliness of comparison tools beyond legal requirements.

With regards to the energy sector, the European Commission’s “New Deal” Communication of July 2015⁹ highlights that customers are still not fully benefitting from the ongoing energy transition, and identifies the lack of appropriate information on costs and consumption, as well as limited transparency in offers, among the obstacles that make it difficult for consumer to assess the market situation and opportunities.

As stated in the Communication, “working with national regulatory authorities to develop transparency and reliability criteria for energy comparison tools, and to ensure that each energy consumer has access to at least one independent and verified comparison tool to assess the current contract against all offers available on the market” is among the action points that the Commission put on the agenda, in order to empower energy consumers.

According to NRAs, reliable CTs¹⁰ were available in 21 countries for electricity and in 16 countries for gas in 2015, either provided by the NRA or by an authority dealing with customer protection (in most countries with one, two or three CTs), or privately-owned.

Figure 1 - Number of reliable comparison tools in energy sector – 2015



⁷ Comparison Tools, Report from the Multi-Stakeholder Dialogue presented at the European Consumer Summit 18-19 March 2013
⁸ European Commission, Key Principles for Comparison Tools, May 2016
⁹ European Commission, Delivering a New Deal for Energy Consumers, COM(2015) 339 final
¹⁰ Reliability is referred to the criteria included in the CEER recommendations “Final Guidelines of Good Practice on Indicators for Retail Market Monitoring for Electricity and Gas”, Ref: E10-RMF-27-03



The conclusions of the 8th Citizens' Energy Forum¹¹ in February 2016 also called for improved and comparable pre-contractual information, including green offers and contract and billing information, to increase consumer engagement in the market. The importance for energy consumers to have access to “at least one free of charge, certified, reliable, comprehensive and independent price comparison tool” was also underlined.

Finally, to provide a solid basis for the section on future challenges of this consultation document, CEER organised a closed workshop on 21 June to discuss with experts from regulators, legislators, academics, private sector companies and consumer organisations.

1.2 Regulatory framework

Different provisions in the EU legislation cover aspects that can be related to the functioning of CTs. Horizontal legislation includes the Directives on Unfair commercial practices, on Consumer rights and on E-Commerce. In the energy sector, the Third Package Directives (with regard to transparency, billing and price information) and the Energy efficiency Directive (with regard to metering and consumption data) are relevant to the issue¹².

Compliance with the Unfair commercial practices Directive is addressed in the European Commission Key Principles for Comparison tools¹³.

Though the CEER GGP do not refer to legislation compliance or enforcement, many of the points covered by the Key principles and the CEER recommendations address the same issues and offer similar indications.

CEER recommendations	EC Key principles
1 - Independence of the tool	1. Impartiality of the comparison and identification of advertising
2 - Role for NRA; Verification 12 - Promotion of verified CTs	-
3 - Transparency	2. Transparency about the business model
8 - Correctness and accuracy	3. Accuracy of the information provided
4 - Exhaustiveness	4. Data collection, ranking, comparability and coverage
-	5. Transparency and trustworthiness of user reviews and user ratings
-	6. Display of contact details
-	7. Complaint handling and access to redress mechanisms
5, 6, 7 - Clarity and comprehensibility 9 - User-friendliness 10, 11 - Accessibility 13, 14 - Customer empowerment	8. Relevance of the information and display 9. User-friendliness and accessibility

¹¹ <https://ec.europa.eu/energy/sites/ener/files/Conclusions.pdf>

¹² A review of the relevant legislation for comparison tools is included in the Report from the Multi-Stakeholder Dialogue on Comparison Tools, 18-19 March 2013.

¹³ The Key Principles include in their scope all digital content and applications developed to be used by consumers to compare products and services, irrespective of the device used (laptop, mobile devices, etc.) or the parameters on which the comparison is based (price, quality, user reviews, etc.).



1.3 Objective and scope

CEER is aware that European energy customers need more and better information, empowering them to take a more active role in the liberalised energy markets, and that CTs can offer easier access to useful, reliable and usable information on available offers.

In our Position paper on well-functioning retail energy markets¹⁴, customers' access to at least one independent and verified comparison tool is included among the key outcomes to be measured in order to assess the well-functioning of any individual market.

A draft definition of the related metric will be included in the CEER Handbook on Harmonised definitions of retail market metrics; a draft version of the Handbook was submitted for public consultation in July 2016¹⁵.

CEER is also aware that retail energy markets are significantly evolving due to different factors, including new opportunities offered by the spread of advanced technologies, such as smart meters and smart grids, or by the emerging of new ways to enable consumers to play an active role, such as collective switching schemes or demand response schemes.

These developments are already having an impact on how a well-functioning comparison tool should operate, and stronger impacts can be expected in the future¹⁶.

Due to the fact that almost five years have elapsed since the publication of the GGP, and considering the focus that the European Commission has put on comparison tools, CEER decided to check whether and how the existing recommendations can be enhanced in order to ensure that they still address, both at present and in the predictable future, the issues that energy consumers face when approaching and using CTs.

1.4 Public consultation

With this public consultation CEER invites all stakeholders to submit their vision and suggestions on energy customer empowerment towards CTs, adopting two different perspectives:

- Do the CEER 2012 recommendations need to be updated and if so, how?
- What developments in different fields (technology, retail markets...) may make further updating of the GGP necessary in the future?

With reference to these two perspectives, **Chapter 2** summarises the main evidence on issues relating to customer experience with comparison tools. These pieces of evidence emerge from available surveys and reports (section 2.1), and highlight the main issues that are expected to gain increasing relevance in the near future on the way well-functioning CTs should operate

¹⁴ CEER Position paper on well-functioning retail energy markets, October 2015, C15-SC-36-03, http://www.ceer.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Customers/Tab5/C15-SC-36-03_V19_Well-functioning_retail_markets.pdf

¹⁵ CEER Public Consultation Paper "Draft Handbook on Harmonised Definitions of Retail Market Metrics, July 2016, C16-SC-46-04; http://www.ceer.eu/portal/page/portal/EER_HOME/EER_CONSULT/CLOSED%20PUBLIC%20CONSULTATION/CUSTOMERS/PC_Handbook

¹⁶ The definition of more complex pricing models based on detailed consumption data coming from smart meters, and issues related to access, management and use of customers' data and other personal information, or related to CTs operation through apps for mobile devices, are just examples.



(section 2.2). The evidence takes into account the contributions from experts in different fields that were presented and discussed during an ad hoc closed workshop specifically organized by CEER, and focused on the future of energy CTs.

Based on that background, **Chapter 3** presents a review of the existing CEER recommendations, and includes a set of consultation questions related to possible modifications that may be considered as necessary in the short term. **Chapter 4** then highlights future challenges which may require changes to the GGP within the next few years and includes consultation questions related to possible aspects that may need to be further focused with a medium-term perspective.

This consultation is opened from 16 November 2016 until 16 January 2017. The public consultation is conducted via an online questionnaire to be found on the CEER website (please, click [here](#)). Following the public consultation period, CEER will prepare an evaluation of responses which will help us develop the final outcome of the GGP review process.

1.5 Summary of consultation questions

A) Do the CEER 2012 recommendations need to be updated and if so, how?

1. CTs reliability and customer confidence
<i>Do you think that different, or further, recommendations are needed in order to promote overall CTs reliability and customers' confidence in those tools? What should those recommendations focus on? What elements are considered by commercial CTs as obstacles to their participation in a regulated verification scheme? How could these obstacles be removed while preserving customers' interests? In which terms do you think CTs should manage the information submitted by customers?</i>
2. Scope and usability of the tool
<i>Do the GGP recommendations related to the scope and structure of the information provided by CTs need to be enhanced, or cover additional issues? Should the stance in recommendation 4, that CTs should ideally show an exhaustive picture, be reconsidered? Does this stance remain relevant to both commercial and non-commercial CTs? Should additional recommendations specifically address the comparison of customers' current contract with available offers, and in what terms? How could this be done without a much bigger data management load on customers, energy suppliers and CT operators?</i>
3. Clarity and comprehensibility of price and non-price information
<i>Do the recommendations need to be modified in order to ensure that CTs offer clear, comprehensible and verifiable information to customers? What aspects of information should they address? How should information about elements other than price be presented in CTs in order to allow customers a valuable comparison based on their preferences, and to avoid that information overload results in less transparency? Do you think that the GGP should address how users' reviews, or other subjective ratings, should be reported in CTs (which offer this information) and, in that case, what principles should be considered?</i>
4. Customer involvement and activation
<i>Should the GGP include additional recommendations aimed at removing obstacles in the use of CTs by particular groups of customers, or at improving inactive customers' involvement? Do you have any specific recommendations on consumer data disclosure related to CTs that should be implemented? What actions could be taken by different stakeholders (including NRAs) in order to encourage a wider number of customers to use CTs?</i>



B) What developments in different fields (technology, retail markets...) may make further updating of the GGP necessary in the future?

5. Smart meters and innovative tariffs
<p><i>Due to the expected development of more complex indexed or dynamic electricity tariffs, do you think that there is a need for CTs to compare the final costs resulting from different price structures and indexes?</i></p> <p><i>In your opinion, what is the best way for a CT to compare different tariff structures and provide customers with the most accurate comparison?</i></p>
6. Data management
<p><i>What is the best way to provide customers with all relevant information in CTs?</i></p> <p><i>Do you think an initiative that pursues the standardisation and easy access of the customer's information (like QR codes, Green Button or similar) will be helpful in order to empower and activate energy customers?</i></p> <p><i>In that case, should this standardisation be done at national or at European level?</i></p>
7. Demand side response
<p><i>Do you think that future developments could raise the need to include demand side response in CTs? If so, what is the best way to include demand side response offers on existing CTs? (If possible, please provide examples.)</i></p>
8. Prosumers
<p><i>Do you think that there is a need to include the market of self-generated electricity and offers for prosumers in the CT? (If possible, please provide examples of current offers in your market.)</i></p> <p><i>How should offers addressed to potential prosumers (e.g. offers including products or services related to the installation of a generation equipment) be managed by CTs, and help customers to valuably assess the opportunity to become a prosumer?</i></p>
9. Services added to energy contracts
<p><i>Do you think that future services added to energy contracts would change the way CTs work and should this be addressed in the GGP? In this regard, which services will be most relevant, and what will not be suitable for presentation in CTs?</i></p> <p><i>How should CTs present multiple services bundled with energy supply in a way that consumers can make informed decisions? How do you think that CTs could help customers in assessing the price elements of services that are bundled into an offer?</i></p>
10. Access at the CT by mobile devices / apps
<p><i>Do you think CTs have to be compatible with mobile devices in order to foster their use?</i></p> <p><i>Do you think that the different level of information and functionalities that apps or mobile versions of CTs can offer with respect to web-based CTs will have to be specifically addressed by the GGP? What aspects and principles should be considered?</i></p>
11. Collective switching
<p><i>Are collective switching initiatives and CTs compatible? Or do you think they are competitors?</i></p> <p><i>Can we envisage a possible role of CTs in promoting consumers awareness of collective switching opportunities? Should a future GGP review include collective switching issues?</i></p>
12. CTs providing overview of different CTs (meta-CTs)
<p><i>Do you think web services comparing the results of different CTs will be developed in the energy sector? What specific recommendations will they require from a customer perspective?</i></p>
13. Other topics
<p><i>Do you have any other ideas or suggestion that could be interesting to analyse about the topics that CTs will face in the future?</i></p>



2 Comparison tools from the customers' perspective

Easy access to neutral and objective information on available offers is one of the key elements that can empower electricity and natural gas customers to play an active role in retail markets, enabling them to take advantageous decisions about choosing their new contract, or about whether or not to switch their current contract or provider.

Comparison tools can offer a smart and easy access to this kind of information; it is however crucial to ensure that CTs are actually well-functioning, i.e. they are providing genuine, useful and usable information on both price and other features that are relevant for customers in order to choose. It is equally important that customers feel that they can trust CTs, and that they will be able to take advantage from information and services that these tools provide.

2.1 Customer experience with CTs

A growing number of CTs, covering many different products and services sectors, including energy, are available in European countries. Although, there are significant differences from one country to another, and that European customers use such tools more and more frequently when they are shopping around.

A study on CTs conducted in 2014 for the European Commission¹⁷, mapped a total of 1042 electronic comparison tools¹⁸ (910 websites and 132 mobile apps) across six industry sectors, including energy¹⁹, in EU 28 plus Norway and Iceland.
Comparison tools covering the energy retail market were operating in most EU member countries, with 104 mapped tools dedicated to energy only (including 4 apps), and 36 multi-sector tools, covering energy in combination with other sectors (mainly communication services and financial services).
In 2013, a CEER review²⁰ mapped 10 energy NRAs operating a price comparison tool, out of 23 NRAs that answered the questionnaire.

Customers' use of CTs vary significantly in different countries, and depending on the market sector; there is also evidence of differences depending on socio-demographic elements such as age, education or income (CTs are more frequently used by younger groups, and by groups with a comfortable income or a higher education degree).

Customers surveyed in the Comparison Tool Study declared that they use CTs because they offer a quick way to compare and find cheapest price (68%).
CTs were also used to save time (28%), to find customer comments, products reviews and ratings (27%), to find the offer that best suits their needs (20%), to find out more about the range of offers (18%) or to find information about specific products or services (15%).
When asked to identify which characteristics they valued most when using CTs, the price comparison aspect prevailed (mentioned by 79% of users), followed by the easiness to navigate (29%), the use of user ratings/peer messaging (21%), information about the product/service (21%), accuracy of the price (21%), clarity of the site's presentation (20%) and the impartiality of the comparison (20%).

¹⁷ Study on the coverage, functioning, and consumer use of comparison tools and third-party verification schemes for such tools, ECME Consortium / Deloitte, EAHG/FWC/2013 85 07.

¹⁸ In the Study, "comparison tools" definition covers all different digital content and applications developed to be used by consumers primarily for the comparison of products and services.

¹⁹ The other sectors considered in the study were electronic goods, fast moving consumer goods (FMCG), travel and hotels, retail finance, electronic communications.

²⁰ CEER Status Review on customer access to information on energy costs, sources and energy efficiency schemes, Ref: C13-CEM-65-04.



However, there is also evidence that the level of services that these tools offer is still not fully satisfactory, and that this element has a negative impact on customers' attitude and confidence in their ability to find unbiased information in an easy and convenient way.

Issues related to consumers' experience when approaching and using CTs highlighted in the Comparison Tools Study include the following:

- *Impartiality of the tool* - Although virtually all users involved in the study agreed that CTs allowed them to compare prices, just one out of three said they could also be used to find unbiased product information. A third of respondents to the survey somewhat or strongly agreed that they did not trust price comparison websites because they were not independent and impartial; only a quarter of users thought that comparison tools were reliable.
- *Transparency* - Less than half of mapped CTs were willing to disclose details on their supplier relationship, their business model or the sourcing of their price and product data (e.g. whether from the supplier or gathered independently from web sources), with this lack of transparency further amplified for smartphone apps. Less than 20% of websites disclosed information on their market coverage, their primary revenue or the frequency by which their data was updated.
- *Verification* - About three out of four consumers surveyed show to trust CTs more when they are affiliated with a third-party verification scheme. Among them, 42% said that such schemes should guarantee the impartiality of the comparison, and 28% thought they should guarantee the accuracy of the information presented. 59% thought that verification schemes should be run by a consumer organisation and 26% said that a national authority or regulator would be more appropriate.
- *Sorting and ranking* - Consumer choice is affected by the ranking method and the product position on a CT. On the one hand, the higher up the page a deal is placed the more likely it is chosen by participants; on the other, the effect of a given characteristic is found to be larger if deals are sorted according to that characteristic. For example, when electricity deals are ranked by annual cost then annual cost has a larger effect on first deal choice compared to when deals are ranked according to alternative methods (customer service, rate type, energy type or randomly).
- *Shortcomings* - 65% of surveyed CTs users had experienced at least one problem when using such tools. The most commonly reported problem was the unavailability of a product on the seller's website, followed by issues with incorrect prices and incorrect product information. More than a half of users who had experienced a problem decided to do nothing about it; only one out of three of the comparison tools surveyed provided information on how to file a complaint.

With regard to energy sector, the general problems that consumers face when using CTs seem to combine with the low level of comparability among different offers, and the complexity of price structure and contract features that should be considered when shopping around for energy supply.

Following a study conducted in 2015 for the EU Commission and presented at the 2016 London Forum²¹, 41% of EU consumer respondents had compared tariffs from different electricity companies; 64% of them used web-based comparison tools to do so, while 38% visited the companies' websites, and 8% contacted the companies by telephone.

A mystery shopping exercise covering 10 Member States, included in the same Study, showed that when asked to estimate the savings from switching to the cheapest tariff, 25% of mystery shoppers answered that they were not able to do so.

Only 40% of mystery shoppers who managed to find a cheaper tariff, agreed that it had been easy to find one. Two shoppers out of three, however, had found the cheapest offer or tariff via a price comparison website.

²¹ Second consumer market study on the functioning of retail electricity markets for consumers in EU.



Case Study – Consumer expectations / UK (Ofgem Consumer First Panel, June 2016)

In GB, Ofgem administers a voluntary Code of Practice for domestic energy price comparison services (the Confidence Code). To assist with the policy making in relation to this area, in March 2016, Ofgem invited its Consumer First Panel to discuss their expectations of price comparison tools.

The Consumer First Panel consists of around 80 consumers who meet 3 times over a year to discuss their views of key energy issues and their impact on consumers across Great Britain. The Panel is a deliberative research methodology giving participants the freedom to express their views within a framework, building their knowledge of an issue or topic. Qualitative techniques, including deliberative approaches are intended to be illustrative rather than statistically reliable. As such they do not permit conclusions to be drawn about the extent to which something is happening in the wider population; they provide insight into why participants hold certain views. It is important to note that Panellists are recruited to broadly reflect the full range of energy consumers in GB. Many Panellists were unfamiliar with the use of CTs in energy. Their perceptions and assumptions were based on their understanding and experiences of CTs more generally.

The **aims** of the March 2016 Consumer First Panel discussions included exploring what consumers expect from online CTs and which principles they think should underlie Ofgem's Confidence Code.

Key findings relevant to the GGP include the following **underlying attitudes and expectations**:

- Panellists' use of any type of CT varied, with a few using them frequently, some occasionally and many never at all. Satisfaction with CTs across all markets was mixed. Although some welcomed the ability to compare a large number of companies at once, others found it generally difficult to navigate results and compare prices for different products and services.
- Most Panellists were unfamiliar with using CTs for energy.
- Panellists' attitudes towards CTs in the energy market were based on a number of perceptions and assumptions about how CTs worked across other markets. They held the following underlying views:
 - o Users consult multiple CTs for the same search query.
 - o The best deals are available directly with companies.
 - o CTs are used to get a 'better' deal, not the 'best' deal.
 - o It's not always about price.
 - o CTs can be confusing to navigate.
 - o CTs are marketing tools and Panellists were concerned that any personal details they enter could be used to send marketing materials.
- These assumptions are important for understanding Panellists' reactions to, and preferences for, the principles contained with the Confidence Code.

Panellists spontaneously identified a number of **broad principles** that they said were important for CTs to follow in meeting the needs of consumers.

Firstly, Panellists felt that it was crucial to have correct, up to date and clear information – not just on price, but also on other details of the offer such as cancellation fees. Panellists also requested an experience that was both tailored to their circumstances and easy to understand. They acknowledge that there may be tension in delivering both but hoped that CTs would be able to offer just the right amount of information to help consumers make an informed choice prior to switching, yet not so much that ease of use is compromised.

Finally, Panellists wanted objective and impartial information, and felt it was important to ensure that results were presented based purely on the interests of the user, rather than biased in any way towards some suppliers or tariffs.

Panellists gave views on some specific CEER GGP/GB Confidence Code Principles and the full report is available at:

https://www.ofgem.gov.uk/system/files/docs/2016/06/ofgem_consumer_panel_wave_3_pct_090616_final.pdf



2.2 CTs in a changing landscape

The picture of the energy retail markets resulting from the ACER/CEER 2015 Market monitoring report shows a trend on the proliferation of different product types (though the situation varies significantly in different countries), including both price and non-price elements. The report highlights that this trend offers more choice to consumers²², and is a positive sign of higher innovation in the sector. But on the other hand there is concern that the increasing diversification makes the comparison of offers more difficult for consumers and reduces the overall level of transparency.

The expected evolution of issues related to CTs was the focus of the Closed workshop on Update of Guidelines of Good Practice on Price Comparison Tools in Energy Retail Markets which took place on 21 June 2016 at CEER premises. The workshop involved participants from industry, regulators, CTs, consumer representatives, market experts and the European Commission. The first part of the workshop focused on experiences and challenges in the electricity/energy and CT sector. In the second part, cross sectoral experiences were presented (TLC experience, customers' data management tools). The last session focused on the consumer protection and empowerment point of view.

The potential scenario that can be drawn out from the workshop on the basis of the ongoing and expected evolution of the energy retail market in the short term highlighted some key elements that are expected to have a relevant impact on the future of CTs:

Developments in technology

- Technical innovations (e.g. smart metering) will result in the availability of more detailed and complex information, new paying methods, and an improved ability of customers in managing their consumption profile; and
- Online comparison channels will be more and more relevant; comparison apps for mobile devices are also expected to grow in importance. After a period of growth in the number of CTs operating in the market, only a reduced number of high quality CTs are expected to survive; most of them operating on a multiple-sector base.

Market offers

- Energy offers are expected to evolve in complexity, focusing on overall service offered to the customer, not only the commodity. This will imply a wide differentiation of deals that will be aimed at offering targeted solutions to different segments of the demand. Bundled services are also expected to gain importance; and
- Due to new pricing models (e.g. dynamic pricing), detailed and complex data on customers' consumption profile will be needed in order to allow correct comparison. Technology can offer different solutions in managing complex data (see Section 4.3).

New consumption models

- New consumption models and new attitudes towards energy and the energy market will have growing importance for customers (prosumers, collective switching, electric vehicles, Internet of Things, etc.);

²² Differentiation includes features such as contract duration, price preservation periods, dual-fuel offers, additional service provision or renewable/green features and sometimes includes additional charge-free services.



- Differences in customers' attitude and ability to access and use digital channels will still be relevant; though consumers are increasingly familiar with digital contents and services, their concerns (e.g. on management and use of the data collected by online platforms) will have to be addressed in order to increase confidence and participation.

The impact and the role of all these variables on the needs and expectations of energy consumers and consequently for the improvement of GGP on CTs are analysed in more details in Chapter 4.



3 Review of the existing GGP

In this chapter the existing CEER GGP on price comparison tools are reviewed considering different dimensions, that can synthesize the complex issues that customers face when approaching and using CTs.

Section 3.1 deals with CTs reliability as counterparts of energy customers, both in reality and in customers perception; Section 3.2 focusses on CTs operation and usability elements that enable customers to easily obtain valuable information; Section 3.3 focusses on the content of the information provided by CTs, and on the way it is presented; Section 3.4 focusses on CTs' ability to involve and activate a wider range of customers.

For each of the different dimensions, the relevant recommendations that can be found in the GGP are reviewed, with the intention to help stakeholders in evaluating whether the recommendations as they are now formulated are still satisfactory. In the rest of this chapter, we refer to the recommendations as GGPX.

The recommendations review is not only based on the strict wording of the final recommendations, but it takes into account their substantial content, emerging from the additional elements highlighted in the whole GGP document.

3.1 CTs' reliability and customers confidence

The focus of this section is related to the elements that have an impact on consumers' trust in CTs as providers of neutral and objective information. As far as CTs can influence customers' choice, it is essential that they are not acting in conflict with their users' interests. It is equally essential that CT users can be aware and confident that the information they will receive is reliable and unbiased.

In general terms, CTs can be operated by private companies, by public bodies (including regulatory authorities), or by non-profit organisations, such as consumer organisations. The different nature and purpose of these subjects (their "business model") have an influence on the way they operate, e.g. in terms of financing, data sourcing, and service offered, and these differences can impact on consumers' perception and experience in using CTs.

Issues related to the nature and business model of CTs, and on customers' perception of their reliability, are matched by GGP recommendations 1 to 3, related to independence and transparency, and GGP recommendation 12, related to customer empowerment.

GGP1 states that CTs should be independent from energy suppliers, give a non-discriminatory view of the market and show all information in a consistent way. The GGP's explanatory comments clarify that independence from energy suppliers, as a specific requirement, means that any commission received, or advertising orders, should not influence the ranking or the presentation of any product, or the consistency of the related information. Non-discrimination and consistency are additional requirements, asking CTs to be impartial and objective.

Under **GGP3**, CTs should disclose clear information about the way that they operate, their funding and ownership, in order to make evident to customers the impartiality of their advice and services.



GGP2 deals with how NRAs, or other public bodies, can act to ensure that impartial and verified CTs are available to energy customers. Self-regulation by private CTs with an active monitoring role for NRAs or other public bodies is considered a possible solution; where this kind of “soft regulation” is not appropriate or doesn’t work properly, “harder” regulation established by the NRAs or a public body (a voluntary accreditation scheme, or mandatory regulation) should be established.

As a further option, the NRAs or public bodies may also decide to establish their own CT where no such private service exists, or to compliment commercial CTs, e.g. in order to ensure the availability of at least one tool that offers a complete overview of the retail market. Thus, GGP2 offers a flexible solution to the issue, allowing that the nature of the relevant regulation and enforcement measures adopted by NRAs or public bodies, and the establishment of a public CT, should be related to the local situation and the maturity of the market, provided that a high level of consumer protection should be anyway ensured, and effective verification is guaranteed.

GGP12 is relevant with respect to customer empowerment towards CTs. Based on the assumption that customer awareness and trust is a key element, it states that NRAs or a public body should make clear to customers, through the establishment of a marker or a logo, which commercial CTs meet the existing verification standards and requirements, or should directly promote the service offered by their own tool, where it exists.

Consumer confidence in CTs implies that personal data and information they submit, in order to obtain a customized output or additional services (assistance in switching procedure, price alert services, etc.), are fairly managed by the tool provider. This issue may acquire even greater importance with reference to comparison apps for mobile devices, which could have access to a number of users and third parties personal data stored in the mobile device (e.g. through access to the users’ contact list).

Legislation on data protection issue already exists at EU level, but giving the increasing relevance and value of the information of customers, CTs have to be especially sensitive to this issue. If a CT uses, sells or shares information provided by the customer, it needs to be absolutely transparent and needs to be accepted explicitly by the customer.

Questions for consultation - 1

Do you think that different or further recommendations are needed in order to promote CTs’ overall reliability and customers’ confidence in these tools? What should those recommendations focus on?

What elements are considered by commercial CTs as obstacles to their participation in a regulated verification scheme? How could these obstacles be removed while preserving customers’ interests?

In which terms do you think CTs should manage the information submitted by customers?

Case study – CTs Charter of Good Practices / Belgium (public and commercial CTs coexist)

In Belgium CTs exist for both households and small businesses. At this moment the three regional energy regulators (Flanders (VREG), Brussels (BRUGEL), Wallonia (CWaPE)) have their own publicly-run CT. Privately-owned CTs are also available to Belgian customers.



In 2013, CREG (NRA) drafted a 'Charter of good practices on gas and electricity price comparison websites for households and SMEs' (the Charter) which is subscribed by the CTs and owned and run by the regional energy regulators and privately run comparison tools. This is a voluntary accreditation scheme and service providers of price comparison websites that sign the Charter, agree to strictly respect the provisions of the Charter. The Charter was developed upon request of one of the privately-run comparison tools. The certification of CTs by the NRA was seen as a real added value for the CTs.

As publicly and privately owned CTs co-exist in Belgium there is an area of tension between these different service providers. Public CTs have a legal obligation to provide energy customers with transparent information. They are financed through the budget of the regulators by the different regions. Privately owned comparison tools have a commercial approach to the way they position their CT in the market. This commercial approach is driven by their business model of generating revenue through customer engagement (commission per switch or commission per click). Private CT's seem to be more aware of the relevance of customer experience. They put a lot of means and effort into research on customer behaviour and expectations. They are very perceptive of all new developments in the market and the dynamic with which energy suppliers constantly adapt their offers. As an example we see that private CTs put a lot of emphasis on showing CT results which take into account all options and discounts offered by the supplier.

In this view privately owned CTs recently identified a form of unfair competition with publicly owned CTs as they adhere to the same charter of good practices. At this moment the Charter has been signed by all three publicly-run CTs and three private CTs. The Charter is now under evaluation and the provisions that are under discussion are e.g.:

- The Charter requires displaying all offers to the customer to provide a complete picture of the market (Whole of Market principle). However, some suppliers refuse to pay any commission or some suppliers refuse to pay commission on their 'cheapest product' which leaves the privately owned CT with decreasing income.
- The Charter requires that a CT gives information to the customer about prices of all products and that discounts are taken into account only if the customer has explicitly agreed on the discount. Some privately owned service providers claim that a customer is not interested in prices without discounts and show prices with discounts as 'default'.

These examples show that privately owned CTs could prefer not to adhere to an accreditation (based on GGP) because the provisions restrict their possibilities and the CT makes a cost-benefit analysis. This undermines the attempts of an NRA to ensure that CTs work well because of a lack of CTs that want an accreditation.

In Belgium there is full market liberalisation since January 2007. CTs have delivered a significant contribution to the evolution into a mature energy market. Switching rates in Belgium are among the highest in EU28. Suppliers have a broad offer of products and there is a direct link between retail and wholesale prices.

Although publicly run CTs (run by regulators) will have their place within the energy market as independent information providers. We now feel that the Charter should focus on the private CTs. Emphasis however should remain on checking that all price comparisons use the same calculation methodology and show the same basic results.

Case Study – CTs Accreditation Scheme / Ireland (no public CT in place)

The Irish Commission for Energy Regulation established a framework for the accreditation of price comparison websites, which sets out the principles that such websites must meet to become accredited and the auditing requirements to maintain accreditation. The principles are as follows:

Independence and Impartiality – an accredited website must not be owned by or affiliated with any electricity or gas supplier. In addition the manner in which information is presented on the price comparison website must adhere to certain principles of impartiality.

Inclusion and Presentation of Tariffs - an accredited website must provide consumers with as complete a picture as possible of available tariffs.



Calculation of Price comparisons - the calculation of any price comparisons must give impartial results that provide consumers with clear and accurate information.

Accuracy and Frequency of Tariff Updates – an accredited website must update its website regularly and make every effort to have the most up to date and accurate tariff information for price comparisons.

Website Filter Options and Results – an accredited website must provide consumers with a reasonable set of criteria to filter tariff results. Results presented to consumers must be comprehensive, accurate and ordered in the most appropriate manner.

Green Tariffs – an accredited website must adhere to specific principles set out for how green tariffs should be treated on accredited price comparison websites.

Website Management – an accredited website must maintain control over the management of its website, including the tariff information and comparison calculator.

Consumer Information and Accessibility – an accredited website must be accessible and understandable for all energy consumers.

Customer Service Ratings – an accredited website wishing to assign ratings to suppliers based on customer service must first seek approval from the Commission for Energy Regulation on the methodology used to assign ratings.

Customer Care – an accredited website must be consumer focused and must provide a link to the Commission for Energy Regulation’s Customer Care Team.

Two websites have applied and been granted accreditation – Bonkers.ie and Switcher. These accredited websites compare domestic offers for gas and electricity. In their comparisons they must include all publically available tariffs and present results from the cheapest to the most expensive. The comparison must be based by default on a year’s consumption. To use the website customers must provide some basic information: who their current supplier is, what tariff they are on and how much gas or electricity they use (or how much they spend on it). Where a customer does not know how much gas or electricity they use (or how much they spend on it) the price comparison website must use average annual consumption figures approved by the Commission for Energy Regulation (5,300 kWh for electricity and 13,800 kWh for gas). The Commission for Energy Regulation will be reviewing these average annual consumption figures.

To ensure that both websites continue to adhere to the principles of the accreditation framework, the Commission for Energy Regulation conducts regular monitoring of the websites and also, once a year, the accredited price comparison websites must obtain the services of an independent auditor to audit that they adhere with all aspects of the accreditation framework. The auditor, as well as the Terms of reference for the audit, must be approved by the Commission for Energy Regulation. In terms of checking that price comparisons are done accurately, a set of representative scenarios are picked; each scenario covering a different supplier, different tariff and different consumption level. Each year the Commission for Energy Regulation publishes an information note on the outcomes of the audit, including details of any remedial action that was required.

Where non-compliance is found the Commission for Energy Regulation ultimately has the power to remove accreditation – the accreditation framework detail instances where this may occur.

Full details of the accreditation framework can be found at:

<http://www.cer.ie/docs/000884/cer11144.pdf>

3.2 Scope and usability of the tool

The focus of this section is related to the goals that customers should be able to achieve when using a CT, and the functionalities and usability solutions that the tool should implement in order to enable customers to easily and successfully achieve their goals.

Answers to the questions can be found in GGP 4 (exhaustiveness) GGP8 (correctness and accuracy), GGP 9 (user-friendliness).



Following **GGP4**, a CT should offer to the customer, as a first step, an ideally exhaustive picture of all available energy prices and products that are relevant to the customer, and their costs, and then should allow the customers, as a second step, to filter results in order to focus on the products that meet their preferences.

Covering all existing offers is an ideal outcome, as there are factors that can affect this requirement, e.g. the existence of offers that cannot be correctly managed by the calculation algorithm due to their pricing structure. For this reason, GGP4 requires that if complete coverage of the market is not possible, the CT should clearly state this before showing the results screen.

The suggestion that the requirement to list an exhaustive picture of all energy tariffs and energy suppliers is an 'ideal outcome' is currently being challenged. In GB, as part of its energy market investigation, the Competition and Markets Authority (CMA) has recommended that Ofgem remove its 'Whole of Market' requirement from the Confidence Code and replace it with a requirement for CTs to be transparent over the market coverage they provide to consumers.

The argument in support of such a stance focusses on a view that CTs play a key role in helping consumers to navigate a complex market and in improving consumer engagement; if they are faced with rules which restrict their operations in this way then there is a view that this could restrict consumer engagement. Specifically, if commercial CTs are required to list all tariffs from all suppliers even where they do not pay commission to a CT, then it could:

- Risk reducing CTs' incentive to invest in or promote their site, which could restrict consumer use of CTs and consumer engagement.
- Risk undermining CTs' role in the competitive process as they have limited ability to differentiate themselves and therefore less incentive to exert competitive pressure on suppliers to engage in exclusive deals to reduce prices.
- Risk making CT result tables too complex for a consumer to navigate if the tables are flooded with many similarly priced deals from a handful of suppliers; this could impact consumer engagement.

GGP4 also implies a distinction between a first-step selection, operated by the tool and merely based on objective elements (the CT should not show products that are not relevant to the customer, e.g. because they are not available at local level), and a second-step filtering, based on the user's preferences.

Presenting filtering options as a second step is essential, on a customer perspective, in order to avoid that customers' research and choice is influenced or misled by the prevailing of default filtering criteria that primarily meet a CT operators' interest.

GGP8 recommends that price information used in the comparison is updated as often as necessary to correctly reflect the prices that are actually available on the market. This requirement also implies that offers should be removed from the CT output as soon as they are expired.

GGP9 is also relevant with respect to CT usability, recommending that CTs offer help to customers that are not aware of their consumption profile, through the availability of default consumption patterns or tools that can estimate consumption on the basis of information available to the user (e.g. on the last bill).



In terms of usefulness of CTs, for customers that already have a supply contract and are looking for a better deal it is essential not only to have a complete picture of the available offers and their cost, but also to compare their current contract with available offers, and to correctly estimate potential savings that can be obtained switching to a new contract.

In order to offer this outcome with a satisfactory level of accuracy it is essential for the CT to manage information about the consumption profile and the price that the customer is currently paying. This can be possible in different ways²³. Whatever system is used, a good level of accuracy in the calculation of what the customer is paying at present is necessary in order to allow them to have a correct picture of potential savings. At the same time, it should be possible for the customer to find, and to provide the CT with, the necessary information in a quick and easy way, so that accuracy requirements can be met without reducing the usability of the tool.

Questions for consultation - 2

Do the GGP recommendations related to the scope and structure of the information provided by CTs need to be enhanced, or cover additional issues?

Should the stance in recommendation 4, that CTs should ideally show an exhaustive picture, be reconsidered? Does this stance remain relevant to both commercial and non-commercial CTs?

Should additional recommendations specifically address the comparison of customers' current contract with available offers, and in what terms? How could this be done without a much bigger data management load on customers, energy suppliers and CT operators?

Case Study – Output contents and estimation of potential savings / Norway

One of the major developments in the Norwegian electricity market in 2015 was the launch of Strompris.no, a new price comparison tool by the Norwegian Consumer Council developed in close cooperation with NVE, the Norwegian energy regulator. The new price comparison tool has significantly improved the ability of Norwegian consumers to compare electricity contracts, by presenting all active electricity contracts in the market through a user friendly web-site interface. The tool also includes contracts that are no longer actively marketed, so that customers can compare “their” contract to the ones offered in the market.

Prior to the launch of the Consumer Council's new tool, the Norwegian Competition Authority had run a price comparison tool for electricity contracts since 1998. The tool had become outdated and had adverse effects on market efficiency, by being an inaccurate “shop window” for a limited number of contracts due to specifications in the reporting requirements to the tool. This resulted in suppliers choosing to meet the reporting requirements only on their cheapest contract types, while leaving the more expensive contract types out of the tool.

When the decision was taken in 2014 to develop a new price comparison tool, new regulations on the collection of information about electricity contracts were placed under the Energy Act. This made NVE directly responsible for defining the reporting criteria for the Consumer Council's new price comparison tool, enabling NVE to define more holistic reporting requirements.

NVE decided that the guiding principle of the new regulations was that all contracts in the market must be reported, including both actively marketed contracts and old contracts where the supplier still has customers. The new regulation was adopted by the Ministry of Petroleum and Energy, and entered into force 1 April 2015. NVE will follow up on the regulation formal supervision of the reporting requirements.

²³ The CT may ask the customer to provide the relevant information, e.g. the estimated total cost on a yearly basis, where they are easily accessible (e.g. they are present in the bills); as an alternative, CTs may help the customer to exactly identify his/her current contract among the contracts stored in its database (therefore the customers have to know their contract details, e.g. name of the contract, start or subscription date, contracted price, etc.) and calculate the total estimated cost in the same way as the available offers.



Throughout the process of developing the new tool there was a fruitful collaboration between the Consumer Council and NVE, which also included a series of stakeholder meetings with the energy industry. The tool was designed with an innovative market in mind, and the ambition of NVE and the Consumer Council is that the tool will evolve alongside new market developments and innovation. This will ensure that the tool does not become outdated and that suppliers can, in any way, define themselves out of having their contracts presented in the tool.

Strompris.no is designed in an interactive and user friendly way, so that when electricity consumers enter the tool they immediately get search results based on a set of default settings. These default settings are based on the average electricity consumption of a Norwegian household in Oslo and include some pre-selected parameters beneficial to the consumer. The tool shows consumers a total price including the network tariff cost for the previous month or a year ahead, based on financial electricity futures. Available contracts are listed in a ranking from the cheapest to the most expensive.

The tool's parameters are fully customizable for the consumer. This enables the consumers to enter their actual consumption to get a correct price. They can also choose between five different contract categories including wholesale pricing, the type of billing, contracts with non-changeable terms and conditions, contracts that guarantee price change warnings and contracts that have guarantees of origin. These parameters are also visualised for each individual contract in the ranking.

When selecting an offer that they like, a drop-down menu opens and consumers can choose to click the button called "read more and order". Through the frame that opens the consumers can go directly to the power supplier's page to order the contract they want.

In addition, consumers can choose to compare their existing contract against other offers the market. This feature is also part of the customisable options, and ranks the customers' existing electricity contract versus the cheapest contract available. This enables complete transparency for the consumers.

3.3 Clarity and comprehensibility of price and non-price information

This section is focused on the information about energy offers provided by CTs, and on the way in which this information is presented. Both dimensions can have an impact on customers' comprehension of the market opportunities, on their ability to navigate and find the deals that are actually responding to their preferences, and take independent and informed decisions.

The GGP recommend that information on both price and other features of the available offers are presented by CTs, helping customers to choose the offer that best meets their preferences.

GGP5 recommends that the total cost should be presented on the results screen in a way that is clearly understood by the majority of customers, and clearly indicating that the total cost is an estimation based on historic or estimated consumption. The information should include any discount, clearly noting when those discounts end.

In order to ensure a better comprehension of the possible options and of total cost information, **GGP6** recommends that fundamental characteristics of all products (e.g. fixed/floating price, regulated end-user price) should also be presented on the results screen.

GGP7 recommends that additional information on products and services should be offered in order to enable CT users to choose offers that better match their preferences.

The GGP focus on the price element in terms of overall cost as the default criteria that CTs should adopt for the presentation (and, as a consequence, for the ranking) of the available offers in the result screen.



In this regard, the solution adopted by the GGP reflects the fact that, from a customers' perspective, when comparing the "value for money" of different deals, the assessment of the "value" dimension depends on individual subjective preferences on many different aspects (e.g. terms and conditions, quality of service, environmental performance, bundled services or products, other customers' experience...), which are difficult to measure and rank in an objective and neutral way.

Thus, the "money" dimension, which is a key driver in customers' choice and implies an univocal preference criteria (other things being equal, cheaper is preferable), appears to be the best available metering tool in order to ensure that the default presentation and ranking of available offers is as neutral as possible (provided that a reliable calculation algorithm is defined).

Case study – CTs Charter of Good Practices / Belgium (Uniform calculation method for price comparison)

In 2013, CREG (NRA) drafted a 'Charter of good practices on gas and electricity price comparison websites for households and SMEs' (= the Charter) which contains a uniform calculation method for variable energy prices. This calculation method was developed together with the suppliers.

All Belgian suppliers, active within the retail market, comply with this method. Previously CTs showed a monthly snapshot of current offers on the retail market, which made it difficult to compare variable and fixed price formulas (especially taking into account seasonality effects). In addition, the customer had no idea about the expected price evolution over the contract period for contracts with a variable price formula.

This uniform calculation method increases comparability of results within the CT, it gives a more accurate indication of the savings potential and it allows customers to compare fixed and variable prices more easily. The uniform calculation method is based on the principle that forward prices give a better indication of future price developments compared to using historical data or the price at a certain moment.

CREG is now looking to extend the use of this calculation method to all market parties which are involved in dealing with energy prices, such as: suppliers, CTs and collective switching organizers. Ideally the customer should be able to make the comparison of all energy prices, proposed by these different parties, in the same way.

The GGP do not specify which fundamental characteristics of products, other than price, should be highlighted by CTs; a definition of such characteristics may be better defined at national level, according to the local situation and the maturity of the market.

Information about contractual terms, such as subscription, renewal and termination conditions including early termination fees, if admitted²⁴, or about bundled services and products, are essential elements to be considered in consumers' choice.

As stated in the CEER Benchmarking report on commercial barriers to supplier switching in EU energy markets²⁵, the combination between the price and contractual conditions is essential for a consumer to assess the monetary gain of switching, and to make an informed decision whether to switch or not.

Other important elements are usually considered by customers when shopping around, including the origin of energy supplied, quality of service, or the opinion and experience of other customers with a specific contract or with the energy supplier.

CTs should respond to the customers' expectations by offering this kind of additional information, both related to single offers or to suppliers, and simplify comparisons.

²⁴ CEER Position paper on early termination fees, May 2016, Ref: C16-CEM-90-06

²⁵ CEER Report on Commercial Barriers to Switching, July 2016, Ref: C15-CEM-80-04



The different nature of additional information contents raises the issue of how CTs should manage and present them, e.g. through filtering and alternative ranking functionalities, in order to simplify customers' comparison exercise without affecting their choice.

In general terms, alternative ranking functionalities appear to be preferable with regards to features that can be subject to a metering criteria (e.g. number of bills issued in a year, percentage of renewable energy in the total energy supplied, other customers' average score) whilst filtering functionalities should be preferable with regard to other features where the true/false criteria can be applied (e.g. features that can be present or not in an offer, such as early termination fees, time of use energy price).

With regard to measurable features, the nature and source of the metering data used has an impact on the reliability of the ranking, in particular where scores are based on subjective elements, e.g. on other users' preferences²⁶, or on complex indicators (e.g. a "best choice" index based on a weighted mix of different features of the offer, that could also include price²⁷).

Ensuring that a reliable and unbiased ranking is offered to customers should imply that objective, impartial and verifiable metering data should be used; a certain degree of flexibility could be considered anyway, since compliance with this requirement may be very difficult to assess, and could be restrictive for CTs. Disclosure about the source and nature of the scoring data should be defined anyway, as a specific transparency requirement.

Questions for consultation - 3

Do the recommendations need to be modified in order to ensure that CTs offer clear, comprehensible and verifiable information to customers? What aspects of information should they address?

How should information about elements other than price be presented in CTs in order to allow customers a valuable comparison based on their preferences, and to avoid that information overload results in less transparency?

Do you think that the GGP should address how users' reviews, or other subjective ratings, should be reported in CTs (which offer this information) and, in that case, what principles should be considered?

3.4 Customer involvement and activation

This section focusses on how CTs' impact on customers' ability to engage in the market can be enhanced, and how CTs can activate a wider number of customers. The issue relates mainly to elements that could prevent the access to a valuable comparison information service for particular groups of customers, or that can stimulate the information and involvement of inactive customers.

²⁶ With regard to transparency and trustworthiness of user reviews and ratings, the Key principles for comparison tools published by the European Commission state that CTs should "take measures to ensure the trustworthiness of user reviews and ratings, and provide an overview of the methodology used to the extent that this is necessary to ensure that consumers are not misled. If a review is posted by an endorser who is getting paid or getting services in exchange for talking about a product or if a review has been procured in a way that may influence the reviewer's opinion about the product, this needs to be made clear to consumers".

²⁷ Many consumer organisations in Europe use such kind of overall index in order to synthesize the results of their comparative tests.



GGP 10 and 11 on accessibility are relevant on this issue, recommending that a price comparison should also be made available to customers that do not have easy access to the internet (**GGP10**) and that websites should be implemented in line with the Web Content Accessibility Guidelines (WCAG), and ensure that there are no barriers to overcome to access the comparison (**GGP11**).

GGP 13 and 14 are also relevant, as they recommend actions to empower customers to use the tools and the service offered, including background information on market functioning and market issues or, alternatively, providing links to useful independent sources of information (**GGP13**).

GGP14 recommends that all the information provided to customers is clearly written and presented, so that it is actually understandable, helpful and usable by customers.

The complexity of data and information that CTs may require in order to filter initial results or to include complex price structure offers in the comparison may be an obstacle for many customers in taking advantage from the comparison service.

In order to match customers' different attitudes, CTs can offer different paths to the comparison list, based on simplified or complex set of input information, or can be designed in order to target different customer groups, with a segmentation in "conventional" and "smart" tools; a high level of CT reliability should be ensured anyway regardless of the level of customisation of the comparison service.

Different dimensions of customer vulnerability²⁸ should also be considered in order to enable access and use CTs for all, and specific solutions could be identified in order to help CTs in reducing the effects of particular drivers of consumer vulnerability related to personal or demographic characteristics.

As an example, offering alternative versions of a CT in different languages could reduce the effect of language obstacles in the comprehension of information related to terms and conditions and other non-price elements for non-native speakers.

Questions for consultation - 4

Should the GGP include additional recommendations aimed at removing obstacles in the use of CTs by particular groups of customers, or at improving inactive customers' involvement?

Do you have any specific recommendations on consumer data disclosure related to CTs that should be implemented?

What actions could be taken by different stakeholders (including NRAs) in order to encourage a wider number of customers to use CTs?

²⁸ European Commission, Consumer Vulnerability across key markets in the European Union, January 2016. One of the key findings of the study is that incidence of vulnerability is the highest when consumers face complex advertising or when consumers do not compare deals at all or have problems comparing deals because of market-related factors or personal factors.



4 Future developments that pose challenges to customers and CTs

4.1 Focus points

The current and future innovations on the energy market - smart metering, innovative tariffs, prosumers, etc. – can make it necessary to update the CTs, to provide customers with all their options and all information they need, depending on their consumption profile and attitude.

In the electricity sector, smart grids and smart meters are expected to have a growing impact in terms of increased flexibility and accuracy in metering, and new opportunities in retail demand response.

This is also expected to increase complexity, in terms of pricing models available to customers and, as a consequence, in terms of comparability among offers.

That is why the relevance of the customers' data is growing, and new interesting topics arise, like how the customer accesses the data, and how they use it to find better options and new ways of consumption.

The intention of this section is to analyse possible future issues which may require changes to the GGP within the next few years, to keep up with the needs of energy customers in a more complex and innovative environment.

4.2 Smart meters and innovative tariffs

Variable Time of Use Tariffs and other innovative tariffs, linked to spot wholesale electricity price, have appeared with the deployment of smart meters, and their development will continue in the future. Time of use tariffs can be compared if they have a similar “standard” structure, for example, based on the electricity time of use price plus a margin. Then, they can be compared through the margin over the electricity price.

Otherwise, regarding the impact of these tariffs on the existing CTs, at the moment it is difficult to compare fixed deals with indexed offers with enough accuracy, as they imply a different allocation of the risk on the price. There are also different ways to perform the comparison (see Case study – CTs Charter of Good Practices / Belgium). In some countries it is possible to check the accuracy of the electricity bills of those suppliers under the indexed price, if regulated. This is, in any case, an ex post analysis that does not allow quantifying the costs of the future supply.

As a consequence of complex time of use pricing, CTs are expected to improve their calculation algorithms in order to ensure *accuracy* in cost estimation, and *exhaustiveness* in output results. It is clear that customers' subjective preferences about the allocation of the risk on future price is a key driver in comparing fixed and indexed offers, and it is crucial to ensure that effective information on that point is offered by CTs.

In addition, technology should offer the customers standard and easy ways to access their consumption profile and to upload it to CTs. Those effective solutions to the complexity of the customers' consumption profile could foster the use of CTs and help them to provide accurate comparison by using a detailed consumption profile, without asking the customer to introduce the data depending on the tariff structure.



Nevertheless, the future developments should also allow the customers to use the information of their past consumption at the CT. Or, alternatively, adapting it to the new circumstances that customers identify and would change their future consumption in a significant way (e.g. having a baby, investing in photovoltaic panels, installing a heat pump, buying an electric vehicle,... modifies the habits and the expected future consumptions).

Questions for consultation - 5

Due to the expected development of more complex indexed or variable time of use tariffs, do you think that there is a need for CTs to compare the final costs resulting from different price structure and indexes?

In your opinion, what is the best way for a CT to compare different tariffs structures and provide customers with the most accurate comparison?

Case Study – Time of Use (ToU) and innovative tariffs at the CT. Problems and challenges to compare prices / Spain

In 2011, the Spanish NRA launched a web CT for gas and electricity offers. Since then, the NRA has managed the CT for electricity and gas prices on the basis of the offers made by suppliers. There is an obligation for the suppliers to communicate to CNMC all public offers of gas or electricity, including any change in tariffs to the price comparison tool. The suppliers are responsible for the data presented, as they have to send updated information.

To facilitate an accurate comparison, the CT asks the consumer for their annual gas or electricity consumption.

The deployment of smart meters in electricity, and the emergence of innovative tariffs (including fixed time of use tariffs and variable time of use tariffs), present new problems and challenges to CTs, to assure the comparability of offers.

1. “Standard” Time of Use tariffs.

The standard ToU tariffs were developed before the introduction of smart meters. To use the 2 period tariff, known as “night tariff”, the consumer had to install a meter with a double rate counter.

In Spain we have standard ToU tariffs with 2 periods and ToU tariffs with 3 periods.

Both are included in the CT, but they are complex to use by the consumer, as they have to include the aggregated consumption for every period, and each tariff has its specific schedule of periods.

The simplest ToU tariffs have 2 daily periods (with peak and valley). To compare these tariffs, the CT asks the consumer to introduce the aggregated annual peak and valley consumption:

Estimated annual consumption in each period:

P1 (Peak) kWh/y P2 (Valley) kWh/y

Winter schedule:

P1 (Peak): 12h to 22h

P2 (Valley): 22h to 12h

Summer Schedule:

P1 (Peak): 13h to 23h

P2 (Valley): 23h to 13h

In the case of the ToU with 3 periods, the consumer has to enter the 3 values: peak, valley and plain (aggregated annual value).

2. “Non-standard” ToU tariffs.

With the deployment of smart meters in Spain, suppliers have developed innovative ToU tariffs that use different time periods than the standard. These tariffs present two problems to compare:



- The CT developers have to make software changes to the tool to incorporate every new tariff; this increases the cost for the CT.
- The consumer also has to introduce the additional disaggregated data of consumption required for this new offer; this increases the complexity of using the CT.

Here are some examples of non-standard ToU tariffs:

Customized plan Choose-8-Hours: The customer chooses an 8-hour period or two 4-hour periods a day which have high consumption. During these 8 hours, a promoted energy price will be applied (0,067482 €/kWh), but a much higher fee will apply for the rest of the hours (0,158588 €/kWh).

Tempo Weekend Tariff: applies a 15% discount on consumption during “Tempo hours”: from 24:00 to 08:00 Monday to Friday and all day on weekends.

Actually, the Spanish CT is not able to compare non-standard ToU tariffs.

3. Variable time of use Tariffs

These new tariffs, linked to spot wholesale electricity prices, have appeared with the deployment of smart meters in Spain.

In addition, in 2014, the regulated electricity tariff (known as PVPC-Voluntary Price for Small Consumers) was linked to the spot wholesale electricity market price (pool), thus introducing a variable time of use tariff for millions of households with the smart meter already connected.

Here again, the variable time of use tariffs can only be compared if they have a similar “standard” structure, for example, based on the electricity wholesale price plus a margin. Then, they can be compared through the margin over the electricity price.

If the variable time of use tariff does not have a standard structure, a detailed consumption profile will be required to make an accurate comparison, and choose the offer that adapts better to a consumer.

At the moment it is not possible to include offers linked to wholesale market prices in the Spanish CT but the Spanish NRA, CNMC, has incorporated a new tool in its website to allow consumers to check the accuracy of the electricity bills of those supplies under the PVPC tariff, based on the consumption registered in a given period of time. The tool is available at <https://factualuz2.cnmc.es/>.

To use this new tool, the consumer has to download a data file from the DSO, with the consumption data registered by the smart meter, and copy this file into the application. The structure of the file with the consumption data has been approved by CNMC.

4.3 Data necessary for a customized comparison

The volume of consumption and the pattern that it follows, together with information about the price that a customer is paying under his/her current contract, are the main factors that a CT needs to evaluate in order to show a reliable picture of the offers that are available to the consumers, and possible savings compared to their current contract. That is the reason why correct access and management of the data becomes crucial to foster the use of CTs and also other tools and applications of energy efficiency.

A possible way to use the individual consumption data is providing consumers with the possibility to download their profile (as a CSV-file or other format) from the net-operators website and afterwards upload it to the CT.

Anyway, it is clear that, from a customer empowerment perspective, data relating to the historical consumption profile should be integrated with data related to the price and tariffs that the customer is paying under their current contract in a single information format. The customer can then easily access and directly use this data, or provide it to a third party (including a CT), in order to assess their current contract against all offers available on the market.



The way the information is presented and processed may empower customers, and that is why some initiatives like Green Button in US, or the inclusion of QR codes on the electricity bills in UK are really interesting. These initiatives could be a great reference in order to standardise and simplify the access to the information, help them to choose among retailers and also foster a new potential market of solutions that can be developed if a European standard is established.

Case study – The QR codes in UK



Starting from the 30 June 2015, companies with over 50,000 customers are required to include QR codes on their bills. A QR code is simply a type of barcode that can be read by a smartphone via a QR code scanning app.

The 'QR' stands for quick response. To make use of the QR code on your energy bill you need a smart phone or access to one. You also need to download a QR code reader app. Some price comparison sites, like [uSwitch](#), offer apps which will read your code and present the information in a clear way. The QR codes on bills could contain all the information that a customer needs to compare and switch energy supplier, including the name and rates of the plan, the consumption of electricity or/and natural gas and the annual bill period dates.

The information can be presented in different ways, e.g. a block of text or a URL that will take you to the supplier website. When the QR code feeds a price comparison website or app, it analyses the data and shows a comparison based on existing offers that adjusted the most to the consumption pattern uploaded.

Case study – Green Button initiative in USA

The Green Button is a voluntary initiative, promoted by the U.S. Federal Government, to empower utility consumers with easy and secure access to their own energy usage.

Actually, more than 50 utilities have joined the initiative, and more than 60 million households and businesses can use Green Button to access their own energy usage.

	The Green Button provides utility customers with easy and secure access to their energy usage information in a consumer-friendly and computer-friendly format.
	<p>Green Button Download my data, Customers are able to securely download their own detailed energy usage with a simple click of a literal "Green Button" on electric utilities' websites.</p>
	<p>Green Button Connect My Data is a capability which allows utility customers to automate the secure transfer their own energy usage data to authorized third parties, based on affirmative (opt-in) customer consent and control.</p>

Green Button is based on the Energy Services Provider Interface (ESPI) data standard released by the North American Energy Standards Board. The ESPI standard consists of two components: 1) a common XML format for energy usage information and 2) a data exchange protocol which allows for the automatic transfer of data from a utility to a third party based on customer authorisation.



The Green Button data standard is flexible enough to handle different types of energy data and time interval usage, and applications are being developed for both residential and commercial customers. The data can be provided in 15-minute, hourly, daily, or monthly intervals depending on what a utility decides to make available and what level of detail they are able to provide. The Green Button Initiative is not limited to utilities that have deployed smart meters that produce very detailed information about energy consumption, but also includes utilities that are able to provide only monthly billing data

Green Button is consistent with current privacy and security practices, since customers have to first authenticate themselves on a utility portal with a login and password before they see and download their own information.

Advantages for consumers

With their own data in hand, consumers can take advantage of a growing array of online services to help them manage energy use and save on their bills.

The adoption of a data standard by utilities enables and incentivises software developers and other entrepreneurs to build innovative applications, products and services which will help consumers manager energy use by, for example, programming their home energy management devices, sizing and financing rooftop solar panels, and helping a contractor to verify their home energy savings more cost-effectively.

One of these possibilities for the consumer is to transfer the consumption profile to a CT, in order to select the offer best adapted to his energy use, or to a supplier, to get a personalized offer.

Questions for consultation - 6

Which is the best way to provide customers with all relevant information to use in CTs?

Do you think an initiative that pursues the standardisation and easy access of the customer's information (like QR codes, Green Button or similar) will be helpful in order to empower and activate energy customers?

In that case, should this standardisation be done at national or at European level?

4.4 Future challenges for CTs

4.4.1 Demand side response. Possible impact on CTs

Demand Side Response (DSR) can take the form of bonuses for reducing consumption (at certain periods of the day). Since DSR gives price signals to customers depending on spot response to non-predictable events, their impact on the total cost appears to be very difficult to be included in CTs' estimations.

Questions for consultation 7

Do you think that future developments could raise the need to include demand side response in CTs?

If so, what is the best way to include demand side response offers on existing CTs? (If possible, please provide examples.)



4.4.2 Prosumers

Prosumers only need to buy a part of their energy consumption, as the other part is self-generated; it is also possible that they sell the energy they produce, in whole or in part, to the grid operator, or to a market counterpart.

When prosumers pay a specific grid tariff related to their status of prosumer, this may need to be included in the CT, to ensure that the price calculation provided by the CT is accurate.

In addition, prosumers' empowerment would imply that, in accordance with the possible developments of the market conditions, they are enabled to compare different options and opportunities for both the energy they buy and the energy they sell, or a combination of both.

There are some examples of current commercial offers addressed to potential prosumers. For instance, on the French market, several companies are offering products related to self-generation of energy, that includes the dimensioning of the installation, the equipment necessary to manage the new facilities and also options of storage of energy.

Regarding these kinds of offers, price is not the only relevant issue; many other aspects are very relevant, as the optimization of the installation may depend on the consumption profile, the power and size of the self-generation equipment to install, the local climate conditions, the national regulation, etc.

Questions for consultation - 8

Do you think that there is need to include the market of self-generated electricity and offers for prosumers at the CT? (if possible, provide examples of current offers in your market)

How should offers addressed to potential prosumers (e.g. offers including products or services related to the installation of a generation equipment) be managed by CTs, and help customers to valuably assess the opportunity to become a prosumer?

4.4.3 Services added to energy contracts

Energy offers are expected to evolve in complexity, focusing on overall service offered to the customer, not only the commodity. This will imply a wide differentiation of deals that will be targeted at offering solutions to different segments of the demand. Bundled services are also expected to gain importance.

In the UK, following the CMA's recommendation to remove the requirement for suppliers to present their offers with a single p/kWh rate and standing charge, Ofgem is currently consulting on principles to replace formulae for comparison between tariffs²⁹, to encourage innovation in tariff design. This is expected to lead to a wider range of products targeted at different segments, including:

- Multiple services bundled into one offer (which may include regulated and unregulated services);
- Offers including loyalty points or other non-monetary rewards;
- Time of use tariffs/tariffs with usage patterns.

²⁹ <https://www.ofgem.gov.uk/publications-and-updates/helping-consumers-make-informed-choices-proposed-changes-rules-around-tariff-comparability-and-marketing>



GGP 7 states that CTs should offer additional information on products and services, if the customer wishes to use that information to help choose the best offer for them.

Questions for consultation - 9

Do you think that future services added to energy contracts would change the way CTs work and should this be addressed in the GGP? In this regard, which services will be most relevant, and what will not be suitable for presentation in CTs?

How should CTs present multiple services bundled with energy supply in a way that consumers can make informed decisions? How do you think that CTs could help customers in assessing the price elements of services that are bundled into an offer?

4.4.4 Access at the CT by mobile phones /apps

It is a fact that mobile devices are more and more present in the daily lives of consumers, thus the compatibility of CTs with mobile devices is a great chance to foster their use among consumers.

Using CTs on mobile devices (particularly smartphones) could help to bring down the barrier for customers to use them. Apps for mobile devices can offer a different range of services or functionalities with respect to web-based CTs (e.g. reading QR codes, or paying through the telephone account credit).

On the other hand, the growing complexity and customisation of offers could raise the need to ensure that mobile versions of CTs and CT apps display the same minimum level of information, in terms of content and quality than web-based CTs.

Questions for consultation - 10

Do you think CTs have to be compatible with mobile devices in order to foster their use?

Do you think that the different level of information and functionalities that apps or mobile versions of CTs can offer with respect to web-based CTs will have to be specifically addressed by the GGP? What aspects, and what principles, principles should be considered?

4.4.5 Collective switching

Joining a collective switching initiative could be considered by many consumers as a valid alternative to individual switching to an existing offer. Therefore, comparison tools may offer energy customers the opportunity to know and compare available collective switching initiatives with market offers.

Questions for consultation – 11

Are collective switching initiatives and CTs compatible? Or do you think they are competitors?

Can we envisage a possible role of CTs in promoting consumers awareness of collective switching opportunities? Should a future GGP review include collective switching issues?



4.4.6 CTs providing overview of different CTs (meta-CTs)

In many retail markets (e.g. flight tickets...) price comparison is offered by web-based tools that present an output result list based on the result list of different CTs.

In the future, the market of energy CTs may be more widely developed, so different CTs could offer different market coverage, or different discounts. In that context, meta-CTs could be useful to energy customers.

Questions for consultation - 12

Do you think that web services comparing the results of different CTs will be developed in the energy sector? What specific recommendations will they require from a customer perspective?

4.4.7 Other topics

Questions for consultation - 13

Do you have any other ideas or suggestion that could be interesting to analyse about the topics that CTs will face in the future?



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.

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 the Consumer Empowerment Task Force of CEER's Customer and retail market Working Group.

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More information at www.ceer.eu.



Annex 1 – Guidelines of Good Practice on Price Comparison Tools - Final Recommendations

Final recommendations	
I	Independence of the tool
1	Any price comparison tool must be independent of energy supply companies, giving the user a non-discriminatory overview of the market. The provider of a price comparison tool should show all information in a consistent way.
2	There is always a role for NRAs in ensuring that PCTs work well to protect and empower customers. There are different ways NRAs can ensure this: <ul style="list-style-type: none"> • Self-regulation by PCTs may be appropriate as a first step. Where self-regulation is used, the NRA or another public body has a role to actively monitor the standards in place. • Where self-regulation is not appropriate or is not sufficiently protecting customers, the NRA or another public body should establish a voluntary accreditation scheme for PCTs or mandatory regulation of all PCTs. • NRAs or another public body may also decide to establish their own PCT service where no such private service exists or to compliment commercial PCTs.
II	Transparency
3	PCTs should disclose the way they operate, their funding and their owners/shareholders, in order to provide the customer with transparent information on the impartiality of their advice. This information should be presented in a clear way to customers.
III	Exhaustiveness
4	Ideally, all prices and products available for the totality of customers, if relevant to the customer, should be shown as a first step. However, if the presented information cannot give a complete overview of the market, the price comparison tool should clearly state this before showing the results of the price comparison. After the initial search, the option to filter results should be offered to the customer to select the offerings corresponding with his or her preferences.
IV	Clarity and comprehensibility
5	Costs presented on the PCT should always be presented on the primary output screen in a way that is clearly understood by the majority of customers, such as total cost on a yearly basis or on the basis of the unit kWh-price. This should include any discounts and note clearly when those discounts end. It is also very important to indicate clearly that prices shown as a total cost are an estimation, as they are based on historic or estimated consumption. This is particularly important for floating price products, where unit prices are susceptible to change during the contract.



6	Fundamental characteristics of all products, for example fixed price products, floating price products or regulated end user prices, should be presented on the first page of the result screen. This differentiation should be easily visible to the customer. Explanations of the different types of offers should be available to help the customer understand their options.
7	The price comparison tool should offer information on additional products and services, if the customer wishes to use that information to help choose the best offer for them.
V	Correctness and Accuracy
8	Price information used in the comparison should be updated as often as necessary to correctly reflect prices available on the market.
VI	User-friendliness
9	The user should be offered help through default consumption patterns or, preferably, a tool that calculates the approximate consumption, based on the amount of the last bill or on the basis of other information available to the user.
VII	Accessibility
10	To ensure an inclusive service at least one additional communication channel (other than the Internet) for getting a price comparison should be provided free of charge or at minimal cost.
11	Online price comparison tools should be implemented in line with the Web Accessibility Guidelines (WCAG) and should ensure that there are no barriers to overcome to access the comparison.
VIII	Customer empowerment
12	Customer awareness and trust of PCTs is important. Where the PCT is run by the NRA or a public body they should consider way to promote the service to customers. Where the NRA or a public body is regulating/accrediting/actively monitoring a privately run PCT they should consider establishing a marker or logo so it is clear to customers which PCTs meet the necessary standards.
13	PCT providers should consider how best to empower customers to use their service and make appropriate choices for their needs. Background information on market functioning and market issues such as price developments should be provided if the customer wants this information. Alternatively a PCT could provide links to useful independent sources of information.
14	PCT providers should ensure that all the information provided to customers is clearly written and presented. Using consistent or standardised terms and language within, and across, PCTs can help to enable understanding.