



# 2009 Annual Report of the European Energy Regulators

## This report covers the activities of Europe's energy regulators for the period 1 January 2009 to 31 December 2009.

This report is made in accordance with Article 3 (8) of the European Commission Decision of 11 November 2003 (2003/796/EC), as set out in the Official Journal of the European Union, which established the European Regulators Group for Electricity and Gas (ERGEG). It is the 2009 Annual Report of Europe's energy regulators to all members of CEER, ERGEG, the European Parliament, the Council of Ministers and the European Commission.

### **What is the CEER?**

The Council of European Energy Regulators (CEER) is the organisation in which the independent national regulators of electricity and gas in Europe voluntarily cooperate. The CEER is a not-for-profit association under Belgian law.

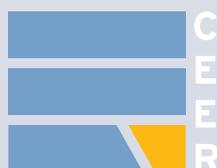
### **What is ERGEG?**

The European Regulators Group for Electricity and Gas (ERGEG) is the European Commission's advisory body on internal EU energy market issues. It was set up on 11 November 2003 by a European Commission Decision (2003/796/EC).

ERGEG is charged with advising and assisting the European Commission in ensuring the creation and smooth functioning of the internal energy market in Europe. In advising the European Commission, ERGEG works transparently and is committed to best regulatory practice in terms of conducting its public consultations and engaging with stakeholders.

<sup>1</sup> Official Journal L 296 of 14.11.2003, pp. 34-35.

ERGEG is the formal means through which the energy regulators of Europe advise the European Commission. CEER acts as a preparatory body for ERGEG's work.



# 2009 Annual Report of the European Energy Regulators

<b>1</b>	<b>Introduction</b>	<b>4-5</b>
<b>2</b>	<b>Chairman's Statement</b>	<b>6-7</b>
<b>3</b>	<b>The new energy regulatory framework – a climate of change</b>	<b>8-9</b>
<b>4</b>	<b>Building confidence in the market and engaging consumers</b>	<b>11-13</b>
<b>5</b>	<b>ERGEG's Regional Initiatives enhance the integration of national markets</b>	<b>14-17</b>
<b>6</b>	<b>Action against Climate Change – Europe's regulators play their part</b>	<b>18-19</b>
<b>7</b>	<b>Regulators help build a secure, interconnected EU electricity grid</b>	<b>20-21</b>
<b>8</b>	<b>Regulators contribute to the creation of a European gas market</b>	<b>22-23</b>
<b>9</b>	<b>International cooperation on energy regulatory issues</b>	<b>24-25</b>
<b>10</b>	<b>Communications – reaching out to consumers and stakeholders</b>	<b>26-27</b>
<b>Appendix I</b>	<b>Some Useful (2008) Data</b>	<b>28-29</b>
<b>Appendix II</b>	<b>ERGEG and CEER 2009 Public Consultation documents, Final Reports, and Position Papers</b>	<b>30-31</b>
<b>Appendix III</b>	<b>Press Releases and Fact Sheets 2009</b>	<b>32</b>
<b>Appendix IV</b>	<b>Presentations by the European Energy Regulators 2009</b>	<b>33-36</b>
<b>Appendix V</b>	<b>Membership of ERGEG</b>	<b>37</b>
<b>Appendix VI</b>	<b>Membership of CEER</b>	<b>38</b>

# Contents

## Who are Europe's energy regulators?

Europe's national energy regulators are represented at EU level through two bodies, the Council of European Energy Regulators (CEER) and the European Regulators Group for Electricity and Gas (ERGEG).

Both CEER and ERGEG share the same Board of Directors, and their membership is almost identical. The CEER Secretariat, headed up by Mrs. Fay Geitona (Secretary General), supports the work of both the CEER and ERGEG.

ERGEG was set up by the European Commission in 2003 as its advisory body on EU-internal energy market issues whereas CEER is an independent not-for-profit association which had already been formed by the energy regulators themselves. ERGEG does not have any financial resources. CEER, a legal body under Belgian law, finances ERGEG activities and acts as a preparatory body for ERGEG's work. ERGEG is the formal means through which Europe's energy regulators advise the European Commission. While ERGEG inevitably focuses on a single-EU energy market, CEER's work is much broader (e.g. regulatory benchmarking of quality of supply and international cooperation).

## Objectives of the European Energy Regulators

CEER and ERGEG

- promote the development of a single, competitive, efficient and sustainable market for electricity and gas in Europe, which benefits consumers;
- set up cooperation, information exchange and assistance amongst energy regulators in Europe with a view to establishing expert views for discussion with the European Institutions and international organisations;
- facilitate consultation, coordination and cooperation in which the principles of transparency and non-discrimination are ensured; and
- contribute to a consistent application of energy legislation in all Member States.

## The role of regulators and the future Agency for the Cooperation of Energy Regulators (ACER)

The role of regulators is central to the achievement of the objectives relating to market integration, climate change, consumer protection, and security of supply. The third energy legislative package (3rd Package) changes fundamentally the role of national regulators not only at national level but at the EU level itself, notably with the creation of a new European energy agency (ACER). Under the 3rd Package national regulators' powers, duties and independence are enhanced and a new Agency for the Cooperation of Energy Regulators (ACER) will be set up (Ljubljana, Slovenia) and be fully operational by March 2011. ACER will be a European Community body with legal personality, funded by the EU budget, with a staff of 50 persons.

ACER's creation is a significant shift in energy regulation. ACER will complement at EU level the regulatory tasks of national regulators. The purpose of setting up ACER is to create the institutional basis for the framework necessary to establish an integrated European grid in electricity and gas. This is needed in order to increase market integration through more efficient cross-border trading and to ensure security of supply. In order to encourage the investment needed to achieve this, investors require a predictable and stable regulatory framework. ACER will provide the institutional framework for national regulators to cooperate on cross-border issues and will ensure the proper handling of cross-border disputes. The 'regulatory gap' in cross-border regulation will be filled with potentially binding new rules. ACER will have a central role in the process for developing Framework Guidelines (in 12 areas for electricity and gas) which will be the basis for the development of the new EU-wide Network Codes that are critical for an integrated EU energy market. ACER will also have extensive monitoring duties.

## Who were the Board members in 2009?



**Lord Mogg**  
CEER President and ERGEG Chair

## CEER Vice Presidents and ERGEG Vice Chairs



Walter  
Boltz  
(E-Control)



Johannes  
Kindler  
(BNetzA)



Alessandro  
Ortis (AEEG)



Marko Senčar  
(AGEN)



Asta Sihvonen-  
Punkka (EMV)

## Honorary Members

Messrs. Jorge Vasconcelos, Jean Syrota, Pippo Ranci and Callum McCarthy, as founding Board members of the CEER, are honorary members of the CEER.

The good news story of 2009 was of course the adoption of the 3rd Package. Much welcomed by regulators after two years or more of their own strong advocacy, and with no small relief that this major opportunity had been firmly grasped at the very end of the last European Parliament's mandate. And that same support and enthusiasm was demonstrated by the regulators' determination not to lose valuable time whilst the formal implementation of the new legislation at national level takes place. We immediately began preparatory work on some specific areas covered by the 3rd Package to ensure the Agency for the Cooperation of Energy Regulators (ACER) and the national regulators would be fast out of their blocks in early 2011 when ACER becomes operational.

By the end of 2009 the concrete foundations to deliver EU-wide Network Codes are already firmly in place. Priorities for action at EU level were agreed by stakeholders following careful consultation by regulators and discussion at the European Electricity and Gas Regulatory Fora (Madrid and Florence Fora). The new European Networks of Transmission System Operators (ENTSO-E and ENTSOG) are established and are already starting work now in advance of the formal timelines set in the 3rd Package. ERGEG itself has established an open and consultative process for developing Framework Guidelines: this will set out the core principles for the single European energy market and will guide the network operators in drafting the EU-wide Network Codes. The process itself is being pilot-tested with specific projects so that ACER can learn from our current experiences and any necessary improvements can be introduced when it is up and running in March 2011. Informal advice has also been given to the ENTSOs about the codes and the (non-binding) Community-wide 10 year network development plans.

We as regulators are committed to ensuring that stakeholders are properly involved and consulted, particularly now that legally-binding Network Codes will be drawn up. We have reinforced our efforts to reach out to consumers and stakeholders through a variety of ways; a dedicated section of the website on Framework Guidelines; the set up of a number of experts groups; the establishment of an ad hoc advisory group of stakeholders; extensive public consultation; and a series of public workshops. Our objective is not only to inform but also to harvest the benefits of the vast expertise and experience within the energy sector itself so that, together, we can as speedily as possible build an internal EU energy market.

### **Regional Initiatives – working together across borders**

Our Regional Initiatives are based on the voluntary cooperation of all stakeholders to foster regional market integration. In a future characterised by mandatory (as opposed to the present voluntary) regional cooperation, ERGEG has advanced its thinking about the future role of the Regional Initiatives in the context of the 3rd Package. Our draft strategy for delivering a more integrated Europe has outlined how the Regional Initiatives and ACER itself can play a pivotal role in the future implementation of the 3rd Package. Central to this strategy is our determination that the Regional Initiatives are a means for achieving a single EU energy market, rather than separate goals in themselves. The Regional Initiatives not only provide a mechanism for making practical progress on the ground but also provide the umbrella framework for a step-by-step EU market convergence.

But an important part of the puzzle is still missing. A comprehensive strategic vision is needed to guide all players and stakeholders at both regional and European levels – the European Commission, regulators, Transmission System Operators and Member States alike – towards a single European energy market. A pre-eminent role is clearly required for the European Commission and Member States to deliver the future strategy.

### **Regulators go global – International Confederation of Energy Regulators**

In 2009 CEER and the Greek regulator, RAE, hosted the Fourth World Forum on Energy Regulation (WFER IV) in Athens. The event was highly successful and led to the creation of the International Confederation of Energy Regulators (ICER). ICER brings together 11 main regional regulatory associations of energy regulators worldwide (plus Australia) and is designed to promote a new level of dialogue and cooperation at international level. This confederation will address energy regulatory issues that transcend national and regional borders across the whole range of issues such as regulatory models and market design. Four virtual working groups and a dedicated website will provide a platform for the promotion of best regulatory practice, allowing fellow regulators to draw from one another's experience irrespective of where they are located across the globe.

## 2. Chairman's Statement

## From Rome to Athens to Copenhagen – climate change route of Europe’s regulators

Europe’s regulators have significantly taken forward their contribution to climate change. A major starting point was the “G8+ roundtable” in Rome in May where a Statement on Climate Change was signed by the energy regulators of 16 countries. In addition, at the World Forum in Athens, the 11 main regulatory associations (representing more than 200 regulators worldwide) agreed a Statement on Climate Change only weeks before Copenhagen. It committed regulators around the world to eight concrete actions to help meet the climate change challenge. And at Copenhagen itself, the CEER’s exhibit stand and official COP-15 side event raised the profile of the role of energy regulators. For the first time energy regulators worldwide were represented at the UNFCCC Conference on Climate Change.

## Putting Consumers in the Driving Seat

ERGEG has strongly reinforced the importance placed on customer rights in the 3rd Package. New duties have been assigned to national regulators to ensure consumers are protected and that markets function efficiently. We have been equally vigorous in our quest to build competitive and integrated wholesale and retail markets across Europe which will allow the consumer to have a real choice of supplier. We have also sought to empower customers to actively participate in the market by enhancing access to information; removing the obstacles to supplier switching; and promoting smart metering so as to stimulate an effective demand side response.

## Pioneering Smart Grids and Smart Metering

Smart grids will, in all probability, represent a paradigm change in retail markets, providing new opportunities for consumers and retailers alike. Smart grids, by facilitating more distributed generation, will lead to more “generation-oriented consumers” as many consumers themselves become producers and sell electricity back to the grid. Smart grids will be key to helping meet the EU’s climate change objectives by driving energy savings (i.e. fewer network losses) and reducing carbon emissions by integrating more new energy sources such as renewables.

This “smartness” is in enabling 21st century technologies and solutions to be applied to existing electricity grids, intelligently controlling generation (including low carbon), enabling new energy services and energy efficiency improvements. Electricity network operators will develop techniques on how they manage demand by deploying innovative and smart grid technologies.

Distribution system operators (DSOs) in particular need to step up to the mark of becoming retail market facilitators and, in effect, become more “transmission-like” in their operations. In promoting smart grids, we shall continue to emphasise (yet again) the consumer’s perspective – smart grids need to be more efficient and customer-oriented if they are to succeed.

CEER now enters its 10th year. Industry clearly accepts the changing regulatory landscape. The list of those who have supported our work over the years grows ever larger and includes the EU Institutions and those in the electricity and gas industries that we regulate. On behalf of the regulators I am confident in saying that we too look forward to continuing working collaboratively in the years ahead.



Lord Mogg  
CEER President and ERGEG Chair

### 3rd Package - what it means and when it will take effect

The 3rd Package is a suite of five energy laws (comprising 2 Directives and 3 Regulations) which was adopted unanimously by the 27 EU Member States on 25 June 2009 and published in the Official Journal of the European Union on 14 August 2009.

The 3rd Package aims to put in place effective unbundling of vertically integrated energy utilities; will facilitate the delivery of the massive energy investment that Europe crucially needs; and improve the functioning of markets and customer rights.

The biggest change it introduces is the creation of bodies at EU level which provide the basis of a sound EU-wide regulatory framework. In particular, it creates an EU Agency for the Cooperation of Energy Regulators (ACER), funded by the EU budget, which will act in the consumer's interest and which will complement the actions taken by national regulators (whose powers and independence have also been enhanced) to remove persistent obstacles to a single EU energy market.

The Electricity and Gas Directives must be transposed into national law within 18 months after entry into force (with the exception of the rules on unbundling of transmission, which are to be transposed after 30 months). ACER (which the Council later decided will have its seat in Ljubljana, Slovenia) must be set up by March 2011. The Electricity and Gas Regulations shall also apply 18 months after their entry into force and by that time (March 2011) the national Transmission System Operators (TSO) are required to submit the founding documents for the new European Network for Transmission System Operators (ENTSOs), one for electricity (ENTSO-E) and one for gas (ENTSO-G), to the European Commission and to ACER and to become operational eight months thereafter. Preparatory work



Mr. Daniel Dobbeni, ENTSO-E; Mr. Jacques Laurelut, ENTSG; and Mr. Walter Boltz, CEER Vice President at the ERGEG Regional Initiatives Annual Conference, November 2009

on key Framework Guidelines is underway, with some to be introduced very quickly. The EU-wide Networks Codes of the 3rd Package and the new bodies at EU level (ACER and the TSO bodies) will be a major step forward towards an integrated EU energy market. Already in 2009, while the European Commission began the process of establishing ACER, TSOs and regulators began gearing up for their new roles and the first early positive signs of the potential impact of the 3rd Package became visible. ERGEG began preparing the institutional elements (e.g. internal Board of Regulators' rules of procedure) for the set up of ACER. ERGEG has also developed its draft advice for the development of the Community-wide 10-year network development plan (in electricity and gas), in accordance with the legislative requirements, as guidance for the ENTSOs work in this area.

### EU-wide Network Codes - harmonising rules and procedure

After ten years of the liberalisation process, obstacles to cross-border electricity and gas flows remain a major barrier to market integration at a European level. Establishing common rules at a European level has been a challenge due to the differences between national electricity and gas systems. However, the 3rd Package seeks to redress this by putting in place a regulatory framework at EU level which includes a new Agency for the Cooperation of Energy Regulators (ACER) and EU-wide Networks Codes across 12 areas of work in electricity and gas.

### Expert Groups and the process for developing Framework Guidelines

To promote greater uniformity in operating rules, EU-wide Network Codes (which may become legally binding) will be drafted by the European TSO bodies (ENTSOs) in line with the Framework Guidelines set out by ACER. These Network Codes are critical for an integrated EU energy market. But, ACER cannot formally act until 3 March 2011. Nevertheless, work has not stood still waiting for the adoption (Summer 2009) and subsequent implementation of the 3rd Package.

In consultation with stakeholders, ERGEG has set out a process for the development of Framework Guidelines and Network Codes which meets best regulatory practice. Framework Guidelines will be developed in two steps: Initial Impact Assessment justification (step 1); and drafting of a Framework Guideline, including 2 months of public consultation (step 2). This process foresees - where necessary - the set up of ad hoc

## 3. The new energy regulatory framework – a climate of change

expert groups which provide expert support to the regulators in developing the Framework Guidelines.

In order to fully prepare for the new legislative provisions, regulators have committed to running two pilot exercises (one in electricity on grid connection and the other in gas on capacity allocation) to test the end-to-end process. In parallel, regulators continued to work on other priority areas.

### **Gas capacity allocation mechanism – the first gas Framework Guideline pilot project**

In September 2009, the European Commission formally invited ERGEG to act as if it were ACER and to develop a non-binding Framework Guideline for gas capacity allocation within 6 months (by March 2010). This mirrors the procedure in the new Gas Regulation.

ERGEG set out its target model for Gas Capacity Allocation and how to reach it. An Expert Group of stakeholders, established by ERGEG, provided valuable input to the regulators in this process. For the January 2010 European Gas Regulatory Forum (17th Madrid Forum), ERGEG presented its draft Framework Guideline on gas capacity allocation. This draft Framework Guideline (a) addresses the scope and level of TSO cooperation in capacity allocation (b) sets out the framework for harmonising capacity products (e.g. auction, open subscription window or First Come First Served), and (c) sets out the tools to be applied for capacity booking procedures, the details of the allocation mechanisms to be applied and the facilitator (e.g. booking platforms) to be used. ERGEG's proposals are based on enhancing the current existing approaches to capacity allocation rather than proposing a fundamentally different approach. They build upon ERGEG's Principles for Capacity Allocation Mechanism (CAM) and Congestion Management Procedures (CMP) which had been revised following a public consultation in early 2009.

The European energy regulators' 2010 Work Programme sets out the priority areas (including the draft Framework Guideline on gas balancing rules as well as on harmonisation of transmission tariff structures) in which the regulators will prepare input on Framework Guidelines during the interim period before ACER is operational.

### **Grid Connection - the first electricity Framework Guideline pilot project**

The European Commission, Member States, regulators and stakeholders at the 16th European Electricity Regulatory Forum

(Florence Forum) in June 2009 agreed to make efficient use of the interim period (i.e. before ACER is set up) in order to pave the path for the implementation of the 3rd Package. In particular, the Forum welcomed the idea of a "pilot project" to test the process of developing Framework Guidelines and Network Codes and agreed on Grid Connection as a suitable topic for the first pilot Framework Guideline in electricity.

To actively involve stakeholders in the work, ERGEG set up an Ad Hoc Expert Group for the electricity pilot in Autumn 2009. It has provided valuable ideas and feedback to the Impact Assessment that the regulators have been preparing and to the draft Framework Guideline which will be submitted to public consultation before Autumn 2010. The European Commission, ERGEG and ENTSO-E are monitoring the process closely to identify areas for future improvement and to ensure the timely achievement of deliverables.

### **Improving regulatory oversight**

In order to facilitate fair and orderly trading of energy and to enhance confidence in the integrity of the markets, adequate regulatory oversight is necessary. The supervision of energy trading is more and more important for network access regulation as energy trading and grid access are becoming ever more intertwined. A recommendation was given by the energy and financial regulators to the European Commission at the end of 2008, advocating a tailor-made sector-specific regime for energy trading which should take into account not only gas and electricity but also related markets like carbon emissions, coal and oil. Against this background energy regulators began, in 2009, to examine the current regulatory oversight regimes of energy exchanges and gas hubs. The elaboration of best practices for the supervision of energy exchanges and gas hubs is an effort to align the different arrangements in the Member States in the interest of greater EU market integration.

### **Trading licences – harmonising rules**

Furthermore energy regulators engaged an external consultant to analyse the possibility of harmonising the current licensing requirements for energy trading within the EU by putting in place a single trading passport that would facilitate trading electricity and gas across EU Member States. The rationale is that differing licence requirements may represent a market entry barrier with negative effects on competition in energy trading. A common license requirement across the European Union may mitigate these barriers to market entry and increase the number of market participants. This work continues into 2010.

## Regulators promote competitive markets in the customer's interest

Europe's energy regulators, first and foremost, seek to create competitive markets which will serve the consumer's interest. This is at the very heart of CEER/ERGEG's technical work. The regulators further believe that customers themselves can play a central role in stimulating competition in energy markets, by using their right to "shop around" for the best deal. Promoting retail market functioning and empowering customers are, therefore, key priorities for Europe's energy regulators. This is not a lone crusade by Europe's energy regulators. But, regulators certainly play a pivotal role in facilitating competitive markets and they also monitor the progress towards an integrated EU energy market.

## Regulators benchmark progress at both national and EU levels

The energy regulators provided the European Commission with raw data for its annual benchmarking report on the opening of the electricity and gas markets. Since 2005, each national energy regulator produces an individual country report (whose content is coordinated with the European Commission) on how the EU energy legislation is implemented and its practical results in the country. ERGEG draws from these national reports and other sources to provide an assessment of the development of the European energy market. The ERGEG 2009 Status Review on the Liberalisation and Implementation of the Energy Regulatory Framework (2009 Status Review) and the national country reports by individual regulators are available on the website ([www.energy-regulators.eu](http://www.energy-regulators.eu)).

Regulators' main findings on the development of a single EU energy market are:

- there has been too little progress in terms of energy markets delivering benefits for consumers;
- wholesale and retail markets remain highly concentrated; and
- regulated prices (distorting competition) persist in several countries.

The national reports (relating to 2008 data) tracked the developments in the first year of full opening of national

energy markets of Europe. Consequently the electricity and gas markets of many Member States were still developing. Furthermore, 2008 was also the start of the economic downturn. Generally, the national reports showed no major progress on most of the main deficiencies compared to the previous report; namely that competition in retail electricity and gas markets is almost non-existent and that insufficient unbundling of network companies remains a big obstacle to competition and security of supply. On the other hand there were some positive developments mainly relating to wholesale market integration in electricity. The report also found that the decrease in electricity spot and forward prices in the 2nd half of 2008 failed to result in immediate retail price cuts. Average retail price actually increased and switching rates were low.

Liquid trading is a major prerequisite for the efficient functioning of markets as it facilitates holding positions over time. Illiquidity on the other hand leads to short-term procurement of energy, short-term price signals and (especially in capital-intensive and long-term industries) to insufficient price signals for new investment. Liquid trading can develop best in markets where major volumes of gas are traded and where many players are active in buying and selling. The national reports show that almost all national markets are highly concentrated and that today's gas markets are dominated by long-term relationships between producers and consumers. The economic downturn in 2008 led to a natural gas oversupply which dominated gas trading. In 2009 short-term gas (from LNG imports or storage) has been valued below oil-indexed gas prices and resulted in short-term trading. ERGEG advocates that the task is to spread liquidity from short-term countries to countries dominated by pipeline gas. This is only possible if transportation is flexible enough to enable short-term trading (implying sufficient capacity and flexibility of access).

ERGEG hopes that full and fast implementation of the 3rd Package of energy laws will lead to even more progress in market liberalisation and market integration which is urgently needed.

## Regulators call for an end to the "fuzzy" separation of distribution from supply

Regulation and effective unbundling are key elements for well-functioning and competitive energy markets. DSO unbundling from the competitive part of the business (supply and

# 4. Building confidence in the market and engaging consumers

generation) is key for getting retail market competition started. In 2008, ERGEG published Guidelines of Good Practice on Functional and Informational Unbundling for Distribution System Operators (GGP FIU DSO). As a follow-up, in 2009, ERGEG monitored the status of unbundling of DSOs of vertically integrated firms in terms of its management and information flows. Despite some progress in 2008, effective unbundling of Distribution System Operators remains a major obstacle.

Retail competition needs a market facilitator, providing non-discriminatory services to all energy suppliers. Fuzziness about the separation of the DSO from the supply arm can not only create consumer confusion but moreover can undermine consumer's trust to change supplier.

DSOs are not yet acting as "market facilitators". Regulators themselves have had to (partly) fulfill this role. National regulators are actively promoting better customer information, transparency and are trying to empower consumers to be active in the market. But there are still problems, in particular with lack of transparency of billing and metering, and dispute settlement.

### Regulators keep a watchful eye on consumer rights and vulnerable customers

A well-functioning market needs well-informed and active customers. It is thus vital that final customers have well functioning and defined rights. European energy legislation includes numerous provisions which relate directly to consumer rights and protection. In particular, Article 3 and Annex A of the existing Electricity and Gas Directives (2003/54/EC and 2003/55/EC, respectively), which have been further reinforced by revisions through the 3rd Package (adopted in 2009), set down both general principles and detailed requirements as regards energy consumers' rights.

One important way of protecting customers is to have a "default supplier" and/or "supplier of last resort" or some other system which protects those customers who might be unable to obtain energy. ERGEG found that the "supplier of last resort" and "default supplier" are understood in many different ways in the Member States, that it is usually the incumbent energy supplier who acts as both and that this service is not time-limited. This is a barrier to new entrants. In an effort to promote competition, ERGEG recommends a tendering procedure for appointing a default supplier/supplier of last resort, and also time-limiting these services.

Regarding vulnerable customers, ERGEG found that while economic support schemes for 'financially weak' or 'special needs' consumers exist in a majority of countries, few of them involve energy-sector specific support. A majority of countries also have non-economic support systems, such as protection against disconnection. Very few countries (8 out of 27 respondents) actually use the term "vulnerable customer".

### Regulators encourage complaints as an effective way of mobilising change

Customer complaints are considered a top level indicator of market functioning and data on their treatment is regularly collected at both national and European level. Complaints can give a strong signal that a market is failing for customers. The European Commission is working on an EU-wide complaints classification system to speed up the policy response to failing markets. ERGEG produced draft (non-binding) Guidelines of Good Practice (GGPs) on customer complaint handling which include a proposal for complaint classification, inspired by the draft classification published by the European Commission. The recommendations aim to provide guidance to service providers (suppliers and distribution system operators - DSOs) and third party bodies (alternative dispute settlement boards, ombudsmen, consumer bodies, etc.) on translating the new legal provisions on customer complaints in the 3rd Package into operational modalities. Among the main recommendations made, regulators highlighted the importance of having a single point of contact for information and advice on consumer issues; of providing relevant complaint contact information on bills; of ensuring there are alternative dispute settlement bodies available for all household customers; and of applying statutory complaint handling standards within the energy sector. In line with the 2nd Citizens' Energy Forum's request for a stakeholder dialogue on complaint handling, ERGEG will host a public workshop in early 2010. It, along with the public consultation responses, will feed into the finalisation of the GGPs.

### Regulators develop tools to monitor whether retail markets are running smoothly

Complaints (along with customer satisfaction/ prices/switching/safety) are good indicators to evaluate the status of the market and the consumer's participation in it. Monitoring is important to build consumer confidence in the market and to protect customers from abusive behaviour by dominant companies. New provisions in the 3rd Package

place specific responsibilities on regulators (both national regulators and ACER) to monitor competition at the wholesale and retail market levels.

Regulators are therefore developing Guidelines of Good Practice for indicators to be used for retail market monitoring, to be finalised in 2010 in consultation with stakeholders. These indicators will be tools for providing a uniform basis to evaluate, assess and compare the development and functioning of the energy markets. As no single indicator can provide a true picture of the market, it is important to consider the sum of the indicators and the market participants involved in each market activity, to form an opinion on market functioning.

### Regulators reiterate their call to Member States to end regulated prices

ERGEG' position is that customers should be empowered in the market, not protected from the market. One issue which regulators regularly report on, as a reflection of the status of competition or protection in the market, is the use of regulated end-user prices (or 'tariffs') in national markets. In March 2009 regulators published a Status Review on end-user price regulation as a follow-up to ERGEG's July 2007 position paper which had called for the removal of regulated prices and for Member States to publish (by July 2008) a roadmap on how they were going to do this. Protecting "vulnerable customers" (which is necessary in competitive markets) should not be confused with regulated end-user prices for all (or certain categories) of customers. Regulated prices may not only distort the market, but may also hinder the goal of consumer protection and participation. In the long-term, regulated end-user energy prices cannot continue in well-functioning competitive markets, and should be abolished, or where appropriate brought into line with market conditions.

The 2009 Status Review shows that one year after full market opening (i.e. by July 2008), regulated prices continued (alongside market prices) in a large number of EU countries (15 in electricity, and 13 in gas). In most of the countries with end-user regulated prices, the share of eligible customers supplied at regulated prices is more than 80%, all market segments considered, indicating a lack of competition in the retail energy markets. In 12 of those 15 countries with regulated end-user electricity prices, and in 10 of the 13 countries with regulated end-user gas prices, the regulator does not have the power to decide to remove the regulated price.

### Regulators promote smartness - smart meters and smart grids

Intelligent metering systems, so-called 'smart meters', are considered by many to have an important role to play in the future design of energy networks, in particular as a method of improving both system efficiency and of encouraging demand-side awareness and, hopefully, a change in consumption practices. The 3rd Package will also have an impact on the deployment of new metering systems, given its new provisions in Annex A (new "I") of the Electricity and Gas Directives (2009/72/EC and 2009/73/EC, respectively) requiring Member States to "ensure the implementation of intelligent metering systems that shall assist the active participation of consumers in the electricity supply market", subject to a positive cost-benefit analysis.

Regulators held a public workshop on 14 December 2009 at which they presented the findings of the ERGEG (2009) Status Review Report of smart meters and highlighted the need to define minimum functionalities at least at a national (possibly EU) level.



Speakers at the ERGEG Smart Metering workshop included representatives from the Dutch national consumer body and the EU consumer organisation, BEUC.

Important clarifications were also communicated at this workshop. For example, standardisation in the context of the mandate by the European Commission to the European Standards bodies to enable interoperability of utility meters does not mean imposing identical solutions in all Member States, and furthermore standards are important pre-requisites for interoperability but standards on their own will not ensure interoperability.

The ERGEG workshop on Smart Metering was an integral part of the process of developing Guidelines of Good

Practice (GGP) on the regulatory aspects of smart metering in 2010. The GGP will serve as guidance for industry and governments on smart meters (as defined in EU legislation), on what is required for smart metering systems to actually assist the active participation of consumers in the electricity and gas retail markets, and what requirements must be fulfilled to comply with EU legislation in terms of reporting frequency and interoperability.

In their strong belief that smart grids will change retail markets as we know them (for consumers, DSOs, and suppliers alike), Europe's energy regulators are acting as key facilitators of "smart grids". ERGEG issued, for public consultation, a position paper on smart grids, outlining solutions and strategies from the regulatory perspective, with the aim of engaging with stakeholders on the next steps needed to ensure the optimal development of Europe's electricity networks.

As well as being fully involved in the European Commission's Task Force, ERGEG held a high level workshop on smart grids (in June) and through our official side event at COP-15 in Copenhagen, raised public awareness on how smart grids can help meet climate change objectives.



*CEER Deputy Secretary General test driving an electrical car at COP-15, Copenhagen*

In raising public awareness of the benefits of smart grids, energy regulators seek to illustrate how smart grids can be meaningful for consumers (e.g. plug-in vehicles). Electrical cars not only have low (or zero) local emissions but also offer the potential for distribution storage."

In most countries selling electricity back to the grid is impossible (or limited). The current grid allows one way communication only i.e. from producer to consumer. Smart

grids enable a more active role for consumers both in terms of better managing their consumption (e.g. with smart meters) and whereby they can also act as producers themselves feeding in power to the grid whenever it is available (e.g. power generated from solar power). With plug-in cars, customers can sell electricity back to the grid (e.g. at peak demand time) when the car is not being used for travelling or re-charging. But, smart regulation is also needed to avoid increases in peak demand. Smart grids can integrate generation and storage at customer sites.

### **Empowering customers through the Citizens' Energy Forum**

The European Commission established the Citizens' Energy Forum (or London Forum) in 2008. Similar to the EU regulatory fora for electricity (Florence) and gas (Madrid), the London Forum brings together stakeholders and policy-makers from across the EU to address issues in the retail energy market. This annual stakeholder forum strengthens the role of consumer representative bodies at an EU level.

Regulators contributed actively to the 2nd Citizens' Energy Forum (September 2009) with presentations on the above-mentioned status review of the definitions for vulnerable customers, default suppliers and suppliers of last resort as well as the draft GGPs on complaint handling and presentations of smart meters and on functional and informational unbundling for DSOs.

The London Forum was also the occasion for the European Commission to present its good practice guidance for billing. The recommendations called on energy companies to make their bills understandable, frequent and based on actual consumption. Regulators had participated in this work and provided comments to the Commission's recommendations, which are intended to provide a basis for improving billing practices at national level.

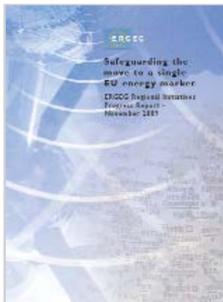
## From the voluntary to the mandatory approach

Since setting up the Regional Initiatives in 2006, the regulators have taken a lead role in facilitating regional market integration and the move towards a single energy market in Europe, so as to ultimately bring benefits to Europe's consumers. The cornerstone of the Regional Initiatives has been their ability to harness the voluntary co-operation of stakeholders who want to integrate Europe's fragmented national energy markets together with those bodies that have the power to bring about that change.

The Regional Initiatives are laying a firm foundation for the transition from 27 fragmented national markets to a single EU market in electricity and gas. The evidence from 2009 is that the seven electricity and three gas regions are delivering concrete results and are working in ways which foster further regional market integration.

The 3rd Package legislation has the potential to accelerate the progress towards a single European energy market through the establishment of new European institutions (i.e. ACER and ENTSOs) as well as through the development of Framework Guidelines and the adoption of Network Codes through comitology procedure which will establish a binding cross-border regulatory framework. The enhancement of regulators' powers in respect of cross-border issues will allow them to enforce their decisions. These measures, when implemented, will transform the context within which the ERGEG Regional Initiatives operate from an essentially voluntary one, to one with binding and enforceable rules.

## The Regional Initiatives umbrella framework safeguards the move to one single-EU energy market



It is important that the Regional Initiatives have in-built safeguards to ensure solutions found within the 7 electricity and 3 gas regions do not frustrate the ultimate objective of a single EU energy market.

Progress is carefully monitored (internally) by regulators at EU level. In 2009, ERGEG established a dedicated working group on the Regional

Initiatives for sharing best practice across regions, identifying common or widespread obstacles and improving performance generally across the regions. Regular reporting to the European

Commission ensures the monitoring of convergence. External progress reports are also presented to the Madrid and Florence Fora. In November 2009, ERGEG published a comprehensive Progress Report on the Regional Initiatives and opened up for public consultation a series of questions regarding the extent of coherence and convergence across regions. In order to share best practice and to support an effective harmonisation of the Energy Community region (of South East Europe) and the other seven regions of the Electricity Regional Initiative, ERGEG's 2009 Progress Report included an annex which provides an overview of the Energy Community's work.

## ERGEG's strategy for delivering a more integrated Europe

"The role of the Regional Initiatives and the 3rd Liberalisation Package" conference, co-hosted by the European Commission and ERGEG in November 2009, brought together Ministries, Members of the European Parliament (MEPs), network operators, traders and other stakeholders from the energy sector. In 2009 the European Commission engaged a consultant to develop a roadmap on how the "bottom up" approach of the Regional Initiatives could be made more consistent with the "top down" approach introduced by the 3rd Package. The initial findings of this study were presented at the conference.

*Lord Mogg, Chair of ERGEG; and Mr. Heinz Hilbrecht, Director, DG Energy, European Commission at the 2009 Regional Initiatives Conference*



ERGEG, for its part, launched (for public consultation) its draft strategy for delivering a more integrated European energy market. This fulfilled the regulators' commitment in their June 2009 document "Implementing the 3rd Package: The next steps" which addresses (as one of four key issues) the future role of the Regional Initiatives in the context of the 3rd Package. ERGEG considers that as the 3rd Package reaches the stage of implementation, the Regional Initiatives will be a central part of the implementation process. ERGEG's strategy for delivering a more integrated European market foresees a primary role for the European Commission and Member State governments in setting the strategic direction of market integration. This should be a holistic view covering both the ERGEG Regional Initiatives and other initiatives (e.g. Pentalateral Energy Forum and Gas Platform).

# 5. ERGEG's Regional Initiatives enhance the integration of national markets

## The Electricity Regional Initiative helps build a single EU electricity market

The seven electricity regions continued their work on the three main priorities in 2009: harmonisation and improvements to congestion management on interconnectors (calculation and allocation); harmonisation of regional market transparency; and developing balancing market exchanges. Significant progress on achieving integration has already taken place across these core areas.

### Improved congestion management - capacity calculation and allocation

A priority within the regions is for the TSOs to cooperate so as to calculate capacity in a consistent way over time and across borders and to comply with the legally binding Electricity Regulation and the Congestion Management Guidelines as soon as possible.

As the commonly used ATC-based approach is not appropriate in highly meshed networks a number of regions are addressing the question of capacity calculation. For example, capacity calculation using load flow calculations based on a common transmission model is the route taken by the Central-West (for the day-ahead timeframe) and Central-East regions, and point to a reasonable degree of convergence where networks are meshed.

The Congestion Management Guidelines, legally enforceable since December 2006, require cross-border transmission capacity to be allocated through either explicit or implicit auctions - with the exception of intraday where continuous allocation is also allowed.

A main achievement of the Electricity Regional Initiative is the EU-wide consensus on "target" congestion management methods, likely to guarantee the efficient use of interconnectors. This will be taken as an input to the European Energy Regulators work in developing relevant Framework Guidelines under the 3rd Package. Implementation of these targets is already taking place in some regions.

Considerable progress was made in the regions on long- and medium-term capacity allocation. Harmonisation and improvement of auction rules is progressing. A single auction office at regional level is the congestion management "target" for allocating medium and long-term capacity of electricity. There are already good experiences with two such single auction offices, one in the Central-East region and the other in the Central-

West region. Other regions are also working on optimising the use of their cross-border electricity transmission capacities and to enhance the integration of power markets.

In terms of day-ahead capacity allocation, the regions are working towards market coupling solutions in order to enhance their capacity allocation and to promote effective regional market integration. After some well-established experience with implicit auctions on some borders within the Northern, the Central-West and the South-West regions, the work has focused on developing truly regional solutions. The challenge for day-ahead allocation is to ensure the compatibility of the different market coupling projects, especially for countries involved in several projects at the same time.

### Important harmonisation and substantial improvement on transparency

Providing transparent information to market participants is an essential ingredient for efficient and competitive markets. The purpose of transparency on physical information is to support security of supply, facilitate (regional) market development for making energy markets more efficient, foster competition, and provide additional information in order to prevent insider trading and market manipulation (market abuse).

Significant work has been done through the Electricity Regional Initiative to achieve a more harmonised level of transparency both within and across regions. TSOs are now obliged to publish required information in due time.

A major success of the Regional Initiatives has been "Regional Transparency Reports" for five of the seven electricity regions. The Baltic region also plans to publicly consult (in 2010) on a list of the basic transparency requirements as the basis for the regional Transparency Report. There has already been a significant degree of coherence across regions on the treatment of transparency. All reports have the same basis, but each report is progressively improved and/or adapted to the specificities of each regional market.

### Gradual integration of balancing mechanisms

Inadequate integration of balancing markets is a key impediment to the development of a single European electricity market. Consensus on a TSO-to-TSO target model, as described in the ERGEG (voluntary) Guidelines of Good Practice on Balancing Markets, has emerged. However, as it has not been a first priority issue in many regions, the integration of balancing markets so far has been very gradual. Nonetheless some important progress

Regions of the Electricity Regional Initiative	Lead Regulator
<b>Central-West</b> Belgium, France, Germany, Luxembourg and the Netherlands	Belgium (CREG)
<b>North</b> Denmark, Finland, Germany, Norway, Poland and Sweden	Denmark (DERA)
<b>France, UK &amp; Ireland</b> France, the United Kingdom and Ireland	United Kingdom (Ofgem)
<b>Central-South</b> Austria, France, Germany, Greece, Italy and Slovenia	Italy (AEEG)
<b>South-West</b> France, Portugal and Spain	Spain (CNE)
<b>Central-East</b> Austria, Czech Republic, Germany, Hungary, Poland, Slovak Republic and Slovenia	Austria (E-Control)
<b>Baltic</b> Estonia, Latvia and Lithuania	Latvia (PUC)

was made in the regions in 2009. A new model of cross-border balancing between France and the UK became operational. The Baltic region finalised its report on the integration of balancing markets in the region, and an improved regional cross-border balancing proposal was presented to TSOs in the Northern region.

### The Gas Regional Initiative integrates national markets and reinforces security of supply

The Gas Regional Initiative, established by ERGEG in 2006, creates three regional gas markets namely the North-West, South and South South-East regions. During 2009, each of the three regions made good progress that yield important results for the integration of Europe's national gas market and security of supply.

The five common priorities across the three gas regions are investment in new infrastructure, capacity allocation and congestion management, transparency, interoperability and security of supply.

### Gas regions continue to deliver results

Increasing interconnection investments

In all three gas regions, investment decisions have been based on an evaluation of the actual needs of the market.

Significant progress has been made to improve investment in new gas infrastructure through anticipating and coordinating investments for the cross-border transport of gas.

Open Seasons procedures were carried out (in North-West and South regions) to assess the need for capacity and for securing project financing. The Gas Regional Initiative played an important role in the coordination of these complex cross-border processes involving many actors. In the North-West region a virtual test case has been undertaken to build a hypothetical pipeline between Germany, the Netherlands, Belgium and France. The findings of this test case have resulted in an investment manual which describes the investment climate in each country and policy advice on how to improve the investment climate in the North-West region.

Optimising the use of existing capacity – improved capacity allocation and congestion management

Lack of available firm capacity, often caused by contractual congestion, is a major barrier to competition and the functioning of a single European gas market.

During 2009 different regional projects illustrate the various approaches that can be taken to improve capacity allocation and congestion management across Europe.

The South South-East region undertook work to identify potential harmonisation arrangements for nomination and re-nomination lead times in different Member States which would allow adjacent TSOs to apply congestion management procedures in a consistent way. Since 2008 there is day-ahead trading of firm capacity in the North-West region. The launch, in 2009, of the secondary capacity platforms in Germany, the Netherlands and Denmark was a great success. This project (the so called day-ahead pilot project) establishes an online trading possibility for the auctioning of secondary firm cross-border transmission capacity on a day-ahead basis on two interconnection points: Bunde-Oude Statenzijl (Germany-the Netherlands) and Ellund (Germany-Denmark). The pilot is the result of wide (voluntary) participation of German, Dutch and Danish TSOs, two trading platform operators, the traders and regulators in the region.

#### Transparency

Developing transparency is a necessary step toward a more efficient and integrated European gas market.

Significant progress was made in 2009 to encourage transmission network operators and storage system operators to publish more market information.

2009 saw the successful completion of a flagship project in the North-West region requiring seventeen TSOs to publish daily data on transmission capacity and flows requested by network users. The North-West region also successfully completed a transparency project with storage system operators. The improvement of storage system operator transparency contributes to security of supply. Monitoring by the regulators of the South region found a good degree of compliance with the existing transparency requirements of ERGEG's (voluntary) Guidelines of Good Practice for the LNG (GGP LNG). New requirements to publish daily updates of gas storage levels,

storage inflows and outflows were also introduced for gas storage operators in this region. A Memorandum of Understanding was signed by most of the TSOs of the South South-East region, with the goal to increase cooperation and transparency among the TSOs. It is a first step to increase interoperability, facilitate network access through more than one TSO system, and to harmonise capacity and congestion management.

#### Improved interoperability and hub development

Interoperability is paramount to a truly liberalised and well functioning European gas market and liquid hub based trading is a core building block for the creation of regional gas markets.

With the establishment of a gas exchange at the Baumgarten gas hub a new regional wholesale trading platform was created, which in the future could also provide the possibility to access balancing energy right at the centre of the South South-East transmission system. In the South region regulators carried out important work focused on the harmonisation of technical and legal arrangements for the future gas hub in the Iberian peninsula (MIBGAS).

#### Security of supply

Enhancing security of supply and increasing competition in the European market are principal aims of the Gas Regional Initiatives as they constitute principal targets for the internal market constitution. In the wake of the January 2009 gas crisis, the Regional Initiatives enabled regulators in the South South-East region to swiftly diagnose the effect on gas security of supply and to provide timely advice to the European Commission on a set of concrete measures to mitigate the impact of future gas cuts. Furthermore, action related to investment and market integration across all gas regions contributes to the security of gas supply.

Regions of the Gas Regional Initiative	Lead Regulator
<b>North-West</b> Belgium, Denmark, France, Germany, Ireland, the Netherlands, Sweden and the United Kingdom	The Netherlands (Energiekamer)
<b>South</b> France, Portugal and Spain	Spain (CNE)
<b>South South-East</b> Austria, Czech Republic, Greece, Hungary, Italy, Poland, Slovak Republic and Slovenia	Austria (E-Control) Italy (AEEG)

While climate change is a global issue, actions to combat it take place at a local level. Europe's energy regulators are not just stepping up to this challenge at home, but are also leading other regulators in the fight against climate change.

### Global Action - COP-15, Copenhagen

In December 2009, 192 countries met at COP-15, the United Nations Framework Convention on Climate Change to negotiate a global agreement. It had been expected to result in a comprehensive, global agreement to reduce greenhouse gas emissions to levels that are scientifically determined (i.e. kept below 2°C), including new emission reduction targets for developed countries under the Kyoto Protocol as well as commitments for the larger emerging developing countries. However, no binding agreement was reached. Instead the main outcome was a much lower-level agreement, the "Copenhagen Accord", negotiated by about 30 Heads of State, responsible for more than 80% of the global greenhouse gas emissions. The EU gave its support to the "Copenhagen Accord", seeing it as a first step towards a legally binding global treaty to succeed the Kyoto Protocol in 2013.

Irrespective of COP-15, Europe has made an unconditional commitment to cut its emissions to at least 20% below 1990 levels by the year 2020. This is being implemented through binding legislation.

### EU legislative action - the "Climate Change and Energy" Package

In December 2008, the Union's "Climate Change and Energy Package" was adopted. It is designed to meet the EU's 20-20-20 objectives by the year 2020, binding 20% renewable energy target, reducing Europe's CO<sub>2</sub> emissions by 20% (and by 30% if a global agreement had been reached at COP-15, in Copenhagen), and increasing overall energy efficiency by 20%.

Key elements of this Climate Change and Energy Package include a revised Directive (2009/28/EC) incentivising energy from renewable sources (including binding targets for 2020); a Directive reforming Europe's Emissions Trading Scheme (ETS) and a decision on greenhouse gas reduction in non-ETS sectors; a Directive establishing a framework for capturing carbon and storing it underground (CCS); and a more flexible environmental state aid approach. Energy regulators will play a crucial role in implementing these provisions whether it is

by authorising infrastructure and investment projects, overseeing modifications to market rules, approving tariffs or (in some cases) managing emissions trading certificates.

Massive deployment of renewables will require smart, upgraded and integrated electricity grids in Europe. Meeting the EU's climate change targets are just one reason why Europe's energy regulators devote considerable efforts to market integration (see Chapter 5 - Regional Initiatives), are preparing the future operating rules for electricity grids (see Chapter 7 - A Secure and Integrated EU electricity grid) and are active on climate change at both the EU level and international level (see Chapter 9 - International Cooperation).

### Regulators review Europe's sustainable development progress against 2020 targets

In March 2009, the CEER published a status review of sustainable development in the energy sector, assessing the progress Europe has made in working towards the development of sustainable internal energy markets. The report uses a series of indicators to assess the 'sustainability' of the energy sector in Europe, including carbon price, electricity generation from renewables, final consumption, energy intensity and losses, switching, fuel poverty and energy dependency.

The energy regulators' Status Review of Sustainable Development assesses the progress Europe has made in working towards sustainable energy markets. It illustrates some of the different low carbon diets (carbon abatement, air quality, renewables and energy efficiency) of different Member States in an effort to manage the transition to a low carbon energy sector.

### Regulators consult on integrating wind generation into the EU's electricity markets

Reducing carbon emissions will require updated and integrated electricity grids so as to allow massive amounts of wind to be deployed. Wind generation is gaining more and more attention as European countries invest in both onshore and offshore wind farms. The regulators launched a public consultation in December 2009 on whether the regulatory regime creates barriers to its deployment and/or distorts incentives on where to locate wind generation in the EU. In

# 6. Action against Climate Change – Europe's regulators play their part

an effort to support wind, this report examines how wind should be integrated into the electricity market (e.g. bidding closer to real time and balancing) as well as the network access arrangements.

### Helping meet climate change objectives by promoting Smart Grids

A significant proportion of Europe's electricity grids were built 40 years ago or more. Renewal is necessary and is happening continuously as a part of the grid operators' general duties. However, a lack of 'smartness' in the future electricity grids could eventually lead to inefficient investment decisions, lost opportunities and failure to reach European climate change targets. Smart grids help fight climate change by requiring grid operators to make use of technologies and solutions to better plan and run their electricity grids; intelligently controlling and routing generation (including facilitating a higher penetration of renewables).

Smart Grids are key to reducing carbon emissions and improving energy efficiency by:

- (a) reducing network losses;
- (b) facilitating higher penetration of renewables and distributed generation (e.g. small windmill or CHP plant); and
- (c) helping customers better participate in the market.

CEER organised an official side event at COP-15, Copenhagen on smart grids.

As well as helping meet climate change objectives, 'smart grids' can also help to guarantee higher security, quality and economic efficiency of electricity supply, in particular at the distribution level as well as uniform grid connection and access for all grid users.

### World Energy Regulators' Statement on Climate Change

CEER was instrumental in creating the new International Confederation of Energy Regulators (ICER), in Athens in October 2009. ICER is a global confederation representing more than 200 energy regulators worldwide. ICER's first output was a joint statement by the world's energy regulators on climate change targets, published just weeks before the

Copenhagen climate change conference. It explains the energy regulators' role in meeting climate change objectives and commits energy regulators to eight concrete actions, including a report on regulatory best practices to promote energy efficiency for the next meeting of the G8 countries in 2010.

### Exhibit stand and side event at United Nations Climate Change Conference (COP-15), Copenhagen

Energy regulators hosted an exhibit stand at the United Nations Framework Convention on Climate Change (UNFCCC) in Copenhagen in December 2009. As well as CEER/ERGEG material, it displayed the ICER logo and material such as ICER's World Energy Regulators' Statement on Climate Change. The aim was to highlight the work of energy regulators on climate change and how this work will be enhanced through the new International Confederation of Energy Regulators (ICER).

CEER also organised an official side event at COP-15 called "Smart Grids for saving energy and protecting the environment - the role of regulation". The line up of international speakers from Europe, the US (Californian regulator) and China (the WWF) attracted a large and active participation by COP-15 delegates and observers. The objective was to raise awareness on how smart grids and smart energy regulation can help meet climate change objectives.

Keeping the lights on depends crucially on the proper and uninterrupted functioning of the electricity grids and the timely investment in further infrastructure. With this in mind, regulators place particular importance on issues related to continuity and security of electricity supply, especially as regards the overall 'adequacy' of the capacity available on electricity grids.

### Ensuring an adequate and interconnected EU electricity grid

A power system must be planned, built and operated so that sufficient transmission capacity is available for the generated capacity and so the needs of consumers can be met in an economically-efficient manner. The long-term economic design of the grid requires a balance between investments and the cost of maintenance, operation and supply interruptions, taking into account the environmental demands and other limitations.

CEERSs call for evidence on generation adequacy treatment seek to address the major elements for liquid efficient markets where investments in new generation capacity are possible. This report is linked to regulators' ongoing work on joint grid planning. The 3rd Package includes provisions regarding joint grid planning and a requirement for TSOs to produce a Community-wide 10-year electricity network development plan. ERGEG sees the 10-year electricity plan for the grid as essential for a truly integrated electricity grid which will enable cross-border trading in electricity, for the necessary expansion of renewable energies, to ensure the security of supply and for system reliability of an increasingly complex electricity grid.

In ERGEG's view the 10-year electricity network development plan should be more than the sum of national plans. An integrated electricity grid is essential not just for the benefit of the integration of more renewables but also for competition and security of supply. The Community-wide electricity network development plan should provide a shared vision of long term electricity dynamics.

In order to have a framework ready to give guidance to ENTSO-E (and TSOs) for developing such an investment report, ERGEG launched a public consultation on its draft advice for the development of the Community-wide 10-year electricity network development plan. ERGEG will use this document when giving its "duly reasoned opinion" on ENTSO-E's draft Community-wide 10-year electricity network development plan.

### Improving market functioning and access

Regulators have for some years developed, in consultation with stakeholders, (voluntary) ERGEG Guidelines of Good Practice (GGPs) as a tool to assist in the practical implementation of the

principles set out in (current) energy laws. In 2009 the regulators began to consider their input to ACER's future Framework Guidelines which will shape the network operators' drafting of the Network Codes provided for in the 3rd Package.

Regulators began a first "pilot project" to trial the end-to-end process for European Network Codes, taking electricity grid connection as the test case. This area was chosen because different frequency and voltage requirements of national grid connection and access rules increase the probability of severe disturbances. When coupled with a lack of information exchange and coordination, this can severely affect the efficiency and operation of the EU power system. As a first step, energy regulators did some background work in producing a GGP on electricity grid connection and access. The GGP outlines a set of possible EU-wide connection principles for generation units (including distributed generation), consumption units and DSOs; principles for provisions for the voltage and frequency quality; provisions for sufficient transparency and information; and EU-wide non-discriminatory and fair treatment of all grid users. A second step is to decide which of these rules need to be harmonised and to what degree.

In 2009 ERGEG also revised its current GGP on Electricity Balancing Markets Integration (GGP-EBMI) to also include issues related to the dependencies and interactions of balancing markets with automatically-activated reserves and intraday markets. The GGP address access to interconnection capacity in terms of reservation and charges; contracted reserves in terms of cross-border procurement of reserve capacity and amount of reserve capacity; approaches to implementing cross-border balancing; design of balancing markets in terms of gate closure and technical characteristics of balancing services, balancing services settlement and imbalance settlement; and transparency and monitoring of balancing activities.

### Incentivising cross-border trade

A key aim of EU's energy policy is the creation of a truly internal EU energy market which will allow trade of electricity across national borders. A truly integrated internal electricity market will benefit consumers by providing competitive prices and sustainable as well as secure supply through efficient use of the power system. However, the current legal, regulatory and institutional framework is not well-suited for cross-border incentive schemes.

In September 2009, regulators held a technical meeting with stakeholders to exchange views on ways of incentivising cross-border trade in electricity. In addition, a call for evidence was launched in early 2010 to gather ideas and reactions to regulators' suggestions for promoting cross-border trade, which focus on approaches to address congestion management and

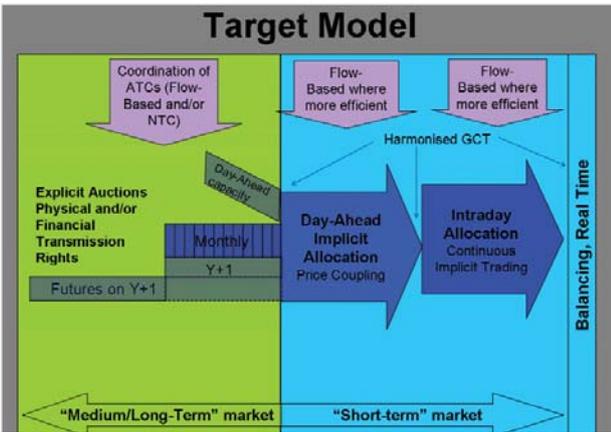
# 7. Regulators help build a secure, interconnected EU electricity grid

cross-border capacity issues with transmission system operators (TSOs). In the short-term, one solution is to examine all aspects of congestion management practices from capacity calculation to capacity allocation and capacity use.

**A target towards inter-regional and then EU wide coordinated congestion management**

The EU-wide target model for congestion management, developed jointly by stakeholders under the leadership of regulators for the 17th Florence Forum in December 2009, covers forward, day-ahead, intraday and balancing markets as well as capacity calculation and governance issues.

The target model establishes the essential elements required to deliver a truly integrated internal market. Key factors for succeeding will be the optimal use of the transmission network, robust wholesale electricity markets and effective competition. In practical terms, this means increased access and economically-efficient use of the networks; effective trading products and platforms; market liquidity and clear price formation; transparency; and legal, regulatory and governance frameworks which facilitate market confidence. This work should help to strengthen cross-border trade of electricity in Europe and will provide a significant input to ACER and to the work to be done under the 3rd Package to drive forward the establishment of an internal market in electricity.



ERGEG proposed to continue this work through an Ad Hoc Advisory Group (AHAG) of stakeholders which will assist ERGEG, on an ad hoc basis, in overseeing the work and solving issues which might hinder progress in the development of the Framework Guidelines on electricity capacity allocation and congestion management. The AHAG provides a platform for regulators to get feedback on their work. Three implementation

projects will be launched and will input to ERGEG's work on the Framework Guidelines for capacity allocation and congestion management as appropriate.

**Improving Voltage Quality**

Alongside grid design and adequacy issues, regulators continue their efforts to improve the technical aspects of the supply of electricity, in particular voltage quality. In January 2009, the Presidents of CEER and the European Committee for Electrotechnical Standardisation (CENELEC) signed a memorandum of understanding on cooperation and exchange of information in the field of standardization in the energy sector. This provides the framework to deepen the collaboration on issues such as quality of supply, smart grids, smart metering and energy efficiency.



*CEER and CENELEC Presidents signing a Memorandum of Understanding to cooperate on EU energy standards, January 2009*

Regulators were instrumental in the 2009 revision of the European Standard EN 50160 on voltage quality. In November 2009, regulators organised jointly with Eurelectric a workshop on voltage quality monitoring.

The workshop provided an opportunity to disseminate the experiences in several European countries, to exchange views on voltage quality monitoring between regulators and other stakeholders and to reach recommendations regarding how to perform (harmonised) continuous monitoring of voltage quality in different European countries.



*Participants at the CEER/Eurelectric Voltage Quality workshop, November 2009*

ERGEG believes that for competitive gas markets to develop effective Capacity Allocation Mechanisms (CAM) and Congestion Management Procedures (CMPs) need to be in place. This requires harmonisation of rules and procedures.

### Harmonising capacity allocation and congestion management

Competition in natural gas markets is based on opening essential facilities to all suppliers in a transparent and non-discriminatory way. Transmission capacity is a scarce resource which must be shared among market participants in a way that promotes competition and security of supply. Lack of available firm capacity, at interconnection points between entry-exit zones, often caused by contractual congestion, is the major obstacle, in particular for newcomers. It poses a barrier to competition and the functioning of the single European gas market. Efficient use of scarce capacity requires TSOs to implement appropriate capacity allocation mechanisms (CAM) and congestion management procedures (CMP). In 2009 ERGEG launched a public consultation on setting out ERGEG's position on capacity allocation and congestion management for interconnection points between adjacent networks (cross-border and within Member States). The aim is to minimise the occurrence of contractual congestion, allowing for more efficient use of existing capacity.

ERGEG believes that the current congestion management procedures as applied by many European TSOs do not provide for the handling of congestion on gas transmission pipelines in a transparent, fair and non discriminatory way. ERGEG's work on gas capacity allocation and congestion management represent an important contribution by regulators to establish a clear direction for European reform in this complex area of policy.

The responses from the consultation helped ERGEG to develop a target model for gas capacity allocation and to set out how to reach it. The aim is to improve the access to cross-border interconnection points so as to overcome current difficulties such as different allocation rules on the two sides of borders, different types of capacity products and the domination of the First-Come-First-Served (FCFS) principle (which ERGEG considers inappropriate if congestion exists).

ERGEG's work on this moved into a new phase when the European Commission formally invited (September 2009) ERGEG to develop a non-binding Framework Guideline for capacity allocation by March 2010. This "pilot" Framework Guideline on Gas Capacity Allocation will be the basis for the network operators to draft a Network Code which may become legally binding (via comitology). In parallel to the pilot project on Framework Guideline, ERGEG continued to develop its work on congestion management of gas transmission pipelines. ERGEG published its recommendations for guidelines on congestion management to be adopted via comitology procedure. These are intended to serve as input for the Commission when revising the Annex of Regulation (EC) 715/2009 regarding the rules on congestion management. Furthermore, ERGEG published its revised Principles on CAM and CMP at the end of 2009. These focus on the Use-It-or-Lose-It (UIOLI) principle and the bundling of capacities to be implemented at all interconnection points.

### Improving access to LNG facilities

Following a request by the 16th Madrid Forum, ERGEG monitored compliance with its (2008) Guidelines of Good Practice for Third Party Access for LNG System Operators (GGPLNG). The GGPLNG, which are voluntary in nature, set out rules to guarantee transparent, non-discriminatory and appropriately homogeneous Third Party Access (TPA) to LNG re-gasification facilities. Implementation of the GGPLNG should help to ensure that LNG contributes to an increasingly competitive and secure European gas market.

ERGEG's monitoring exercise included system operators and system users. It assessed compliance with the requirements of the GGPLNG, identified benefits and failures, as well as users' requests and main trends in the market, to obtain clear conclusions and recommendations for how the potential difficulties in LNG regimes could be reduced and access improved. The findings of the monitoring exercise were presented at the 17th Madrid Forum in January 2010.

## 8. Regulators contribute to the creation of a European gas market

## Regulators promote investment in gas infrastructure

The 3rd Package provides for ENTSOG to develop an EU-wide 10-year gas network development plan. ERGEG sees the 10-year gas network development plan as a key tool to improve competition and security of supply. In order to have a framework ready to give guidance to ENTSOG (and TSOs) for developing such a report, ERGEG publicly consulted upon its recommendations on what it should contain. In order to gather input from stakeholders ERGEG held two public workshops on this topic in 2009, one in April and one in October. Following a 3rd workshop in early 2010, ERGEG will use the results of this work for the definition of regulatory criteria by which ENTSOG's work will be assessed and judged in the future.

In ERGEG's view the 10-year gas network development plan should be more than an aggregation of national plans. It should provide a shared vision of long-term EU gas dynamics. It should be built on an assessment of the obstacles to gas transmission across Europe and address priority developments and Transmission System Operator (TSO) projects.

The gas supply disruption from Russia in early 2009 has further highlighted the need to improve security of supply. This underscores the need for the plan to anticipate potential gas deficits and infrastructure bottlenecks, to assess the need to diversify current gas supplies as well as the capacity of the European gas system to cope with emergency situations and solidarity mechanisms.

During 2009 ERGEG launched a survey to monitor compliance with the ERGEG Guidelines of Good Practice on Open Season Procedures (GGPOS). Should the findings from this monitoring exercise indicate a need to revise the existing GGPOS (published in May 2007), this could then be done at a later stage. The scope of this survey concerns the most recent open seasons as well as the ongoing ones, for each network and infrastructure (transmission, LNG and storage facilities).

## Building bridges between energy regulators

CEER is the body through which Europe's energy regulators voluntarily meet to face common challenges at EU level. CEER has for some years forged strong relationships with fellow regulators from outside of Europe, promoting exchange of practices and offering relevant expertise to support the implementation of Europe's energy legislation to neighbouring non-EU countries.

As well as continuing its long tradition of cooperation with the regulators from South-East Europe and the Euro-Mediterranean countries, in 2009 CEER broadened its structured dialogue with national regulators and regulatory associations from further afield including meeting bi-laterally with the Russian regulator and with the Indian regulator.

The first Roundtable between CEER and the Energy Sectoral Committee (ESC) of the African Forum for Utility Regulation (AFUR) was held on 21 April in Abidjan with the aim to identify common challenges and differences faced by European and African regulators as well as priorities for capacity building of ESC members. CEER also participated in the 6th AFUR Conference which was held on 22-23 April 2009 in Abidjan, Ivory Coast.

In 2009 ERGEG was invited to participate in the work of the Eastern Partnership (EaP), which was launched in May 2009. Four multilateral thematic platforms have been created to work on critical issues, including energy security, and to report annually to the ministers of foreign affairs. ERGEG is a permanent participant in the EaP platform on energy security.

CEER also continued pursuing the diffusion of a common regulatory culture (dedicated training, research, education and information exchange) through its support to the Florence School of Regulation (FSR)<sup>2</sup> and the International Energy Regulatory Network ([www.IERN.net](http://www.IERN.net))<sup>3</sup>. In 2009 the promotion of policy events dealing with regulatory issues and

dedicated training activities was reinforced by FSR also towards regulatory institutions collaborating with CEER (i.e. MEDREG). The IERN website was also restructured in 2009 so as to host and coordinate the ICER activities. It now contains a permanent mapping of resources and competencies of NRAs worldwide.

## Commitments of G8+ Energy Regulators to clean energy and security

In the framework of the Summit of the Energy Ministers of the G8 countries (Canada, France, Germany, Italy, Japan, Russia, U.K. and U.S.A.) in Rome on 23 May 2009 energy regulators held a regulatory roundtable involving 16 countries (G8 and 8 others). The roundtable concluded with a "G8+ Energy Regulators Statement (May 2009)" which set out energy regulators' contribution and commitment to economic recovery, clean energy, technology deployment and energy security.

## Hosting the Fourth World Forum on Energy Regulation (WFER IV)

Every three years energy regulators host an international conference, the World Forum on Energy Regulation (WFER). WFER has become the leading conference dedicated exclusively to energy regulation, offering the unique



Participants at WFERIV, Athens, October 2009

<sup>2</sup>The Florence School of Regulation (FSR) is a partnership between the European University Institute (EUI) / Robert Schuman Centre for Advanced Studies (RSCAS), the Council of the European Energy Regulators (CEER) and the Independent Regulators Group (IRG), and it works closely with the European Commission. See: [http://www.florence-school.eu/portal/page/portal/FSR\\_HOME](http://www.florence-school.eu/portal/page/portal/FSR_HOME)

<sup>3</sup>The IERN is a web platform managed by the Florence School of Regulation (FSR) in close cooperation with CEER, that aims at facilitating information exchange on electricity and natural gas market regulation.

# 9. International cooperation on energy regulatory issues

opportunity for regulators and energy specialists from developed and developing countries to gather to discuss both technical and policy issues of energy regulation.

2009 was a particularly important year for Europe with CEER and RAE (the Greek Regulator) hosting the Fourth World Forum on Energy Regulation (WFER IV) in Athens from 18-21 October 2009.

This event was an outstanding success, with some 130 speakers and more than 1000 top energy specialists from over 80 countries participating in the 3-day event.

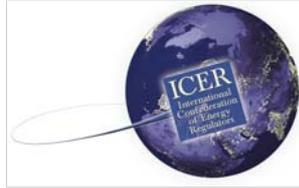


*Speakers from CEER, European Commission, NARUC (USA), European Investment Bank, the International Energy Agency and EDF at WFERIV, October 2009*

Visit [www.worldforumiv.info](http://www.worldforumiv.info)

The WFER IV was particularly notable for 2 major outcomes: the establishment of the International Confederation of Energy Regulators (ICER) and the publication of a World Energy Regulators' Statement on Climate Change.

## Creating the International Confederation of Energy Regulators (ICER)



The International Confederation of Energy Regulators (ICER<sup>4</sup>), established at WFERIV in October 2009, provides a framework for interaction and cooperation

between energy regulators on issues of a global nature which affect energy markets. The ICER framework bridges a gap between the 3-year cycle of the WFER event by ensuring continuing contacts between regulators as they face similar challenges, irrespective of their different national circumstances or regulatory arrangements.

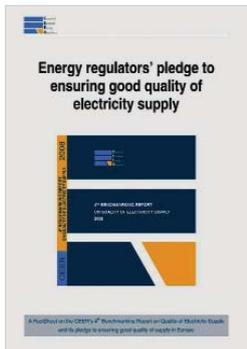
Regulators from across the globe will cooperate closely through 4 virtual working groups (on security of supply; climate change; competitiveness and affordability; and training and best practices). They will not only address topics of mutual interest but will also work together on position papers and increase the visibility and profile of the energy regulators in important areas such as climate change. ICER ([www.icer-regulators.net](http://www.icer-regulators.net)) will also prove a useful platform to ensure the good standing of energy regulators with regulatory experts of international bodies such as the International Energy Agency and the World Bank. CEER will chair ICER during its first three years, until the next WFER V in May 2012 in Quebec City, Canada. CEER also chairs ICER's virtual working group on climate change.

<sup>4</sup>ICER brings together 11 regional associations of energy regulators worldwide, representing 200 regulatory authorities and spanning 6 continents: AFUR (Africa), ARIAE (Latin America), CAMPUT (Canada), CEER (Europe), EAPIRF (East Asia and the Pacific), ERRA (Energy Regulators Regional Association), MEDREG (Mediterranean countries), NARUC (USA), OOCUR (the Caribbean), RERA (Southern Africa) and SAFIR (South Asia) as well as the Australian Energy Market Commission (AMEC).

## Improving external communication

The CEER Secretariat solicited feedback from stakeholders in an effort to improve external communication. As a consequence a number of improvements were introduced in 2009 with the dual objective of (a) better informing and (b) better consulting stakeholders.

In an effort to make technical papers more reader friendly all documents are now a maximum of 40 pages and contain an Executive Summary which sets out a non-technical statement of the key messages. Jargon (such as abbreviations or acronyms) are clearly explained in documents.



As well as the Annual (activity) Report and the Regional Initiatives Progress Report, throughout the year we communicate our activities through (a) the website, (b) the monthly online newsletter, (c) press releases and (b) Fact Sheets which explain issues in a non-technical manner. For example, the “Energy regulators’ pledge to ensuring good quality of electricity supply” Fact Sheet provides a summary of a

200+ page comprehensive technical benchmarking report on quality of supply. The Smart Grids Fact Sheet explains what smart grids are (and are not), how smart grids can be meaningful to consumers (e.g. plug-in cars) and how smart grids can help meet the EU’s climate change objective.

The European Energy Regulators Newsletter, a free monthly online newsletter, provides a brief overview of key regulatory developments (public consultations, events, press releases, reports and advice issued to the European Commission) at EU and international level. Its ever growing readership signals that it is appreciated by stakeholders as a useful tool to keep abreast of the significant quantity of work in Brussels and beyond.

Recognising that decisions reached by regulators at EU level may be of wider interest, the CEER now publishes the agenda and decisions of all General Assembly meetings (as was already the practice for ERGEG meetings) on the public part of the website.

## Ensuring open and transparent consultation

A major objective of the European energy regulators is to ensure that stakeholders are properly involved and consulted in the process of producing legally-binding Network Codes. Through extensive consultation, during 2009 the process for preparing the Framework Guidelines was developed. It foresees - where necessary - the set up of informal ad hoc “expert groups” which will provide technical support to the regulators. A dedicated section of the website on Framework Guidelines was set up to disseminate information to all interested stakeholders. Through an open invitation, published on the website, any interested person can apply to join these “expert groups”.

The creation of the Ad Hoc Advisory Group (AHAG) of stakeholders, at the December 2009 Florence Forum, provides a platform for regulators to get feedback on their work on electricity capacity allocation and congestion management, and to monitor and coordinate on agreed projects. In terms of ensuring transparency, AHAG too has a dedicated section on the website.

2009 was the first year that CEER/ERGEG publicly consulted on the Draft Work Programme for the year ahead. The aim was to focus on those issues prioritised not just by the regulators and the European Commission but also by stakeholders. There were 27 respondents to this public consultation.

The response rate to public consultations generally has also increased. This could partly be attributable to the rolling 6-month calendar of public consultations that is now published on the website and in the monthly newsletter. It helps stakeholders’ planning and ultimately facilitates their contribution to our public consultations.

Now with the 3rd Package, the European Network of Transmission System Operators (ENTSOs) must (as is the current practice of the regulators) conduct public consultations. In order to manage information and consultations from numerous sources, initiatives designed to coordinate processes by ENTSOG, ENTSO-E, ERGEG and the European Commission are also underway. The objective (for 2010) is to have one consistent and regularly updated timetable (calendar for public consultations and workshops)

# 10. Communications – reaching out to consumers and stakeholders

to achieve coherence, to avoid overlap and above all minimise the burden on stakeholders.

The Annual Regional Initiatives Conference has become much more about listening to stakeholders (through panel discussions and participation by audience) rather than regulators showcasing the achievements in the regions in presentations. This year a political session tackled head-on the reality of regional cooperation and the challenges of moving from national to European markets through regional market integration. The presence of journalists also enhanced the debate at the event itself



*Mr. Jose Sierra, ERGEG Regional Initiatives Working Group Chair and Mrs Lena Ek (MEP) at the 2009 Regional Initiatives conference.*

A series of public workshops were held on topics ranging from smart metering to the 10-year Gas Network Development Plan, and Corporate Governance of Unbundling. For many of these technical issues it is naive to expect ordinary consumers to come to us. This is why we have deliberately sought out participation by consumer representative bodies (e.g. at the Smart Metering workshop) and publicly elected representatives (Members of European Parliament) so that we can assist them in helping the people they represent.

# Appendix I- Some Useful (2008) Data

## Electricity

Country	Proportion of market open to competition (%)	Consumption (TWh/year)	Number of retail companies with >=5% market share	Annual switching rate in small industry and households (% by number of metering points)
AUSTRIA	100	62.172	6	1.7
BELGIUM	100	NA	NA	NA
BULGARIA	100	34.64	3	0.00
CYPRUS	32	4.996	1	0.00
CZECH REPUBLIC	100	72.0	3	0.90
DENMARK	100	34	7	4
ESTONIA	13	8.557	1	NA
FINLAND	100	86.9	4	4.4
FRANCE	100	494.5	1	1
GERMANY	100	569.0	3	4.71
GREAT BRITAIN	100	351.37	NA	19.9
GREECE	90	55.68	1	NAP
HUNGARY	64	37.40	4	NA
IRELAND	100	27	4	1.13
ITALY	100	339.5	3	10.4
LATVIA	100	7.79	1	0.00
LITHUANIA	100	9.8	1	0.00
LUXEMBOURG	100	6.703	4	0.17
NORTHERN IRELAND	100	9.6	4	5
NORWAY	100	127.4	5	8.1
POLAND	100	152.5	6	NA
PORTUGAL	100	50.574	2	1.2
ROMANIA	100	55.206	5	0.002
SLOVAK REPUBLIC	100	30	3	0.2
SLOVENIA	100	13.430	7	0.56
SPAIN	100	279.9	4	NA
SWEDEN	100	155	3	11.2
THE NETHERLANDS	100	119.5	4	9.3

NA = not available, NAP = not applicable

Source: CEER

## Gas

Country	Proportion of market open to competition (%)	Consumption (TWh/year)	Number of retail companies with >=5% market share	Annual switching rate in small industry and households (% by number of metering points)
AUSTRIA	100	93.23	5	0.50
BELGIUM	100	192.5	NA	NA
BULGARIA	100	32.92	4	0.00
CYPRUS	0	NAP	NAP	NAP
CZECH REPUBLIC	100	91.67	8	0.2
DENMARK	100	39.5	4	0.5
ESTONIA	100	8.999	1	2.1
FINLAND	0	47.0	6	NAP
FRANCE	100	515.988	2	9.82
GERMANY	100	979.40	4	2.78
GREAT BRITAIN	100	1094.03	NA	18.9
GREECE	90	44.51	1	0.00
HUNGARY	34.04	125.195	7	NA
IRELAND	100	56.504	2	NA
ITALY	100	898.1	4	1.1
LATVIA	0	15.5	1	0.00
LITHUANIA	100	30.3	2	0.00
LUXEMBOURG	100	14.1		
NORTHERN IRELAND	100	18.581	4	0.00
POLAND	100	157.3	1	0.00
PORTUGAL	42.9	53.5	0	NAP
ROMANIA	100	165.01	6	NA
SLOVAK REPUBLIC	100	62.128	1	0.00
SLOVENIA	100	11.301	4	0.32
SPAIN	100	448.5	5	4.00
SWEDEN	100	9.5	5	0.7
THE NETHERLANDS	100	419.4	3	9.1

NA = not available, NAP = not applicable

Source: CEER

# Appendix II – ERGEG and CEER 2009 Public Consultation documents, Final Reports, and Position Papers

## Cross-Sectoral

- CEER Response to: the European Commission's Communication "Second Strategic Energy Review - An EU Energy Security and Solidarity Action Plan", the European Commission's Consultation on the Green Paper "Towards a Secure, Sustainable and Competitive European Energy Network" and the European Commission's Communication on Directive 2004/67/EC (C09-GA-49-07), 10 March 2009
- CEER's Status Review of Sustainable Development in the Energy Sector (C09-SDE-10-03), 1 April 2009
- CEER and ERGEG Paper on Implementing the 3rd Package: The Next Steps (C09-GA-52-06a), 18 June 2009
- ERGEG Status Review of DSO Unbundling with Reference to Guidelines of Good Practice on Functional and Informational Unbundling for Distribution System Operators (E09-URB-20-05), 9 September 2009
- Public Consultation on the European Energy Regulators' 2010 Work Programme (C09-WPDC-18-03), 9 September 2009
- ERGEG Public Consultation on Regional Initiatives Progress Report - November 2009
- ERGEG Public Consultation on Draft Strategy for Delivering a More Integrated European Energy Market: The Role of the Regional Initiatives (E09-RIG-04-03), 9 November 2009
- European Energy Regulators' 2010 Work Programme (C09-WPDC-18-03), 10 December 2009
- European Energy Regulators' 2010 Work Programme - Evaluation of Responses (C09-WPDC-19-04), 10 December 2009

## Electricity

- ERGEG Public Consultation on Draft Revised ERGEG Guidelines of Good Practice for Electricity Balancing Markets Integration (E08-ENM-07-03), 15 January 2009
- ERGEG Treatment of Electricity Losses by Network Operators Conclusions Paper (E08-ENM-04-03), 19 February 2009
- ERGEG Regulation (EC) 1228/2003 Second (2008) Report on Compliance Monitoring Conclusions Paper (E08-ENM-03-05c), 19 February 2009
- ERGEG Second ERI Coherence and Convergence Report Conclusions Paper (E08-ERI-19-04), 11 March 2009
- ERGEG Public Consultation on Draft Guidelines for Good Practice on Electricity Grid Connection and Access (E08-ENM-09-03), 11 March 2009
- Revised ERGEG Guidelines of Good Practice for Electricity Balancing Markets Integration (E09-ENM-14-04), 9 September 2009
- ERGEG Public Consultation on draft revised GGP for Electricity Balancing Markets Integration Evaluation of Responses (E09-ENM-14-04a), 9 September 2009
- ERGEG Final Guidelines of Good Practice on Electricity Grid Connection and Access (E09-ENM-16-04), 10 December 2009
- ERGEG Draft Guidelines of Good Practice on Grid Connection and Access Evaluation of Responses (E09-ENM-16-04a), 10 December 2009
- ERGEG Public Consultation on Draft Advice on the Community-wide Ten-year Electricity Network Development Plan (E09-ENM-16-03), 10 December 2009
- ERGEG Public Consultation on Position Paper on Smart Grids (E09-EQS-30-04), 10 December 2009
- CEER Public Consultation on Regulatory Aspects of the Integration of Wind Generation in European Electricity Markets (C09-SDE-14-02a), 10 December 2009

## Gas

- ERGEG Principles on Calculating Tariffs for Access to Gas Transmission Networks - Evaluation of Comments (E08-CBT-01-03a), 15 January 2009
- ERGEG Public Consultation on Principles for Capacity Allocation Mechanisms and Congestion Management for Gas Transmission Networks (E08-GFG-41-09), 15 January 2009
- European Regulators' Experience with Article 22 Exemptions of Directive 2003/55/EC (E08-GIF-02-03), 10 March 2009
- ERGEG Public Consultation on Recommendations on the Ten-year Gas Network Development Plan (E08-GNM-04-03), 11 March 2009
- ERGEG Guidelines on Article 22 Exemptions (E07-GFG-31-07b), 9 April 2009
- Monitoring the Implementation of the ERGEG Guidelines of Good TPA Practice for Liquefied Natural Gas System Operators (E09-LNG-07-03), 3 June 2009
- ERGEG Principles: Capacity Allocation and Congestion Management in Natural Gas Transmission Networks Evaluation of Responses (E09-GNM-07-03), 24 August 2009
- ERGEG Comments on the European Commission's Proposal for a Regulation of the European Parliament and of the Council concerning measures to Safeguard Security of Gas Supply and repealing Directive 2004/67/EC (E09-SOS-01-03), 12 October 2009
- ERGEG Recommendations on the Ten-year Gas - Network Development Plan Evaluation of Responses (E09-GNM-10-08), 11 November 2009
- ERGEG Principles: Capacity Allocation and Congestion Management in European Gas Transmission Networks (E09-GNM-10-03), 10 December 2009
- ERGEG Congestion Management on European Gas Transmission Networks, Recommendations for Guidelines Adopted via a Comitology Procedure (E09-GNM-10-07), 10 December 2009
- ERGEG Congestion Management on European Gas Transmission Networks Recommendations for Guidelines Adopted via a Comitology Procedure - Impact Assessment (E09-GNM-10-04), 10 December 2009
- ERGEG Public Consultation on the Capacity Allocation on European Gas Transmission Networks Pilot Framework Guideline (E09-GNM-10-05), 10 December 2009
- ERGEG Capacity Allocation on European Gas Transmission Networks Pilot Framework Guideline - Initial Impact Assessment (E09-GNM-10-06), 10 December 2009

## Customers

- ERGEG Status Review of End-user Price Regulation as of 1 July 2008 (E08-CPR-21-05), 11 March 2009
- ERGEG Status Review of the Definitions of Vulnerable Customer, Default Supplier and Supplier of Last Resort (E09-CEM-26-04), 16 July 2009
- Public Consultation on Draft Advice on Customer Complaint Handling, Reporting and Classification (E09-CEM-26-03), 17 September 2009
- ERGEG Status Review on Regulatory Aspects of Smart Metering (Electricity and Gas) as of May 2009 (E09-RMF-17-03), 19 October 2009

# Appendix III – Press Releases and Fact Sheets 2009

## Press Releases

- ERGEG and CESR proposals on how to promote transparency and market integrity in electricity and gas trading (Ref. PR-09-01), 12 January 2009
- Regulators and EU Standardisation Committee cooperate on EU energy standards (Ref. PR-09-02), 13 January 2009
- ERGEG advises Commissioner Piebalgs on the lessons from Russia-Ukraine gas dispute (Ref. PR-09-03), 11 February 2009
- Quality of electricity supply improved by regulators' incentive-penalty regimes (Ref. PR-09-04), 23 February 2009
- How European energy regulators intend to implement the 3rd Package (Ref. PR-09-05), 26 March 2009
- Regulators lack the powers to remove regulated end-user energy prices (Ref. PR-09-06), 27 March 2009
- European energy regulators welcome the compromise deal on the 3rd Package (Ref. PR-09-07), 31 March 2009
- Implementing the 3rd Package: the next steps (Ref. PR-09-08), 26 June 2009
- Energy regulators highlight “fuzzy” distribution separation, default suppliers and suppliers of last resort (Ref. PR-09-09), 18 September 2009
- World Forum Press Release: Energy regulators go global in establishing the International Confederation of Energy Regulators (ICER) (Ref. 2009-10-19), 19 October 2009
- World Forum Press Release: World energy regulators commit to eight concrete actions to help meet the climate change challenge (Ref. 2009-10-20), 20 October 2009
- World Forum Press Release: Closing Statement of the World Forum on Energy Regulation IV (WFER IV) (Ref. 2009-10-21), 21 October 2009
- Strategic Vision needed to deliver a more integrated EU energy market, (Ref. PR-09-10), 17 November 2009

## Fact Sheets

- Energy regulators' pledge to ensuring good quality of electricity supply (Ref. FS-09-01), 1 June 2009
- Smart grids and smart regulation help implement climate change objectives (Ref. FS-09-02), 1 December 2009

# Appendix IV – Presentations by the European Energy Regulators 2009

## Presentations

- BOLTZ, Walter, CEER Vice President, ITRE Public Hearing on the Security of Energy Supply, "The gas supply and demand situation: A regulators' point of view", Brussels, 2 April 2009
- BOLTZ, Walter, CEER Vice President, APX Energy Trading Symposium: Making Energy Markets Work, "Are the regional market initiatives working and would a "top down" approach deliver better results?", Brussels, 22 April 2009
- BOLTZ, Walter, CEER Vice President, 16th Madrid Forum, "Transparency guidelines and GRI transparency work", Madrid, 28-29 May 2009
- BOLTZ, Walter, CEER Vice President, 16th Madrid Forum, "Capacity allocation and congestion management: Criteria to determine access regime to storage", Madrid, 28-29 May 2009
- BOLTZ, Walter, CEER Vice President, Platts 3rd Annual Developing European Gas Supply Infrastructure, "Challenges and opportunities for gas trading in Europe", Brussels, 25-26 June 2009
- BOLTZ, Walter, CEER Vice President, Eurogas Annual Policy Conference, "Towards a pan-European energy regulatory action – the future ACER", Brussels, 1 October 2009
- BOLTZ, Walter, CEER Vice President, World Forum on Energy Regulation IV, Chair of Session on Gas markets developments and prospects, Athens, 18-21 October 2009
- BOLTZ, Walter, CEER Vice President, Central European Gas Congress, Safety of Natural Gas Supplies in Central European Countries, Member of Panel on the 3rd Package, Bratislava, 24-25 November 2009
- BRAZ, José, Chair of Energy Package Working Group, FSR Annual Conference - Implementing the EU Energy Packages, "Implementing the green package: new EU ETS regime", Florence, 14 May 2009
- BREKKE, Karstein, Co-Chair CEER Electricity Quality of Supply Task Force, Transmission and Distribution 2009, "The European Energy Regulators' view on voltage quality regulation including the CENELEC standard EN 50160", 17-19 March, Barcelona
- BREKKE, Karstein, Co-Chair CEER Electricity Quality of Supply Task Force, CIRED 2009, "European energy regulators' view on EN 50160 and highlights of the 4th CEER Benchmarking Report on Quality of Electricity Supply", 8-11 June 2009, Prague
- BREKKE, Karstein, Co-Chair CEER Electricity Quality of Supply Task Force, ERSE Public workshop on Quality of Electricity Supply, "The CEER 4th Benchmarking Report on Electricity Quality of Supply. Main findings on voltage quality", 23 June 2009, Lisbon
- BREKKE, Karstein, Co-Chair CEER Electricity Quality of Supply Task Force, World Forum on Energy Regulation IV, Chair of Session on quality of electricity supply and its regulation, Athens, 18-21 October 2009
- COSTA CAMPI, María Teresa, CEER General Assembly Member, World Forum on Energy Regulation IV, "Regulatory experiences across Iberoamerica", Athens, 18-21 October 2009
- CROUCH, Martin, CEER General Assembly Member, PEI Global Energy Forum 2009, Member of Panel Session on how private capital is essential for meeting the demands of tomorrow's energy supplies, London, 6-7 May 2009
- CROUCH, Martin, CEER General Assembly Member, 16th Florence Forum, "CEER Status Review of sustainable development in the energy sector", Florence, 4-5 June 2009
- CROUCH, Martin, CEER General Assembly Member, Bucharest Energy Forum, "How to incentivise the electricity industry to make energy efficiency a priority?", Bucharest, 9-10 June 2009
- CROUCH, Martin, CEER General Assembly Member, Bucharest Energy Forum, "Challenges of reinventing the grid to meet the needs of 2020 and beyond - the European Regulators' perspective", Bucharest, 9-10 June 2009
- CROUCH, Martin, CEER General Assembly Member, World Forum on Energy Regulation IV, "Best Practice: reviewing the price controls after 20 years!", Athens, 18-21 October 2009
- CROUCH, Martin, CEER General Assembly Member, A Smart EU Energy Policy, "The green package approach and its consequences for internal energy market design and the implementation of the 2nd strategic energy review", London, 3-5 December 2009

- DEHLBAEK, Finn, CEER General Assembly Member, World Forum on Energy Regulation IV, "The regulators' role in integrating non-market related environmental goals in energy markets", Athens, 18-21 October 2009
- De SUZZONI, Patricia, Chair of Customer Working Group, 2nd London Forum, "Regulatory aspects of smart metering in electricity and gas – European status review", London, 29-30 September 2009
- De SUZZONI, Patricia, Chair of Customer Working Group, World Forum on Energy Regulation IV, "The role of regulators in empowering residential and small customers in the European liberalised market", Athens, 18-21 October 2009
- De SUZZONI, Patricia, Chair of Customer Working Group, Geode Workshop Smart Metering, "Status review on regulatory aspects of smart metering", Brussels, 26 November 2009
- GEITONA, Fay, CEER Secretary General, ENA Meeting, "ACER – role of the networks", Brussels, 10 November 2009
- GEITONA, Fay, CEER Secretary General, Claeys and Casteels seminar on the 3rd Package, "The creation of an energy regulatory Agency: an opportunity for change", Brussels, 10 June 2009.
- GEITONA, Fay, CEER Secretary General, EU Seminar by Energinet, "Role of CEER/ERGEG and the future Agency", Brussels, 31 March 2009.
- HALLDEARN, David, Participant of CEER General Assembly meetings, The 3rd Package: final agreement, "Framework Guidelines and Network Codes", Brussels, 10 June 2009
- HALLDEARN, David, Participant of CEER General Assembly meetings, 6th European Conference on Green Power Marketing 2009, "Re-engineering the grids for climate change", Geneva, 1-2 October 2009
- HIRVONEN, Ritva, Co-Chair of Electricity Network and Market Task Force, Revision of Regulation 736/96: Technical Workshop, "Investment projects in the energy sector", Brussels, 14 May 2009
- HIRVONEN, Ritva, Co-Chair of Electricity Network and Market Task Force, 17th Florence Forum, "ERGEG Advice on Community-wide Ten-year Network Development Plan", Rome, 10-11 December 2009
- HORSTMANN, Nadia, Co-Chair of Agency Project Team, EU Energy Law and Policy Master Class, "The new architecture and functioning of decision-making on regulatory issues", Barcelona, 2-4 March 2009
- HORSTMANN, Nadia, Co-Chair of Agency Project Team, VI Geode Spring Seminar, "ERGEG point of view on the final agreement of the 3rd Package and the role of ACER", Brussels, 5 May 2009
- HORSTMANN, Nadia, Co-Chair of Agency Project Team, Competition Law in the Energy Sector Seminar, "Development of network codes and the work of the ENTSOs", Brussels, 26 November 2009
- KAPETANOVIC, Tahir, Co-Chair of ERGEG Electricity Network and Market Task Force, FSR Workshop, "Funding the research and development needed to get better and smarter grids' investment in the EU", Florence, 15 May 2009
- KAPETANOVIC, Tahir, Co-Chair of ERGEG Electricity Network and Market Task Force, Eurelectric Conference: Smart Grids from Policy to Implementation, "Smart grids: the regulators' viewpoint", Brussels, 19 May 2009
- KAPETANOVIC, Tahir, Co-Chair of ERGEG Electricity Network and Market Task Force, 16th Florence Forum, "Security of supply: system adequacy forecast & 10-year Network Development Plan", Florence, 4-5 June 2010
- KAPETANOVIC, Tahir, Co-Chair of ERGEG Electricity Network and Market Task Force, 17th Florence Forum, "ERGEG pilot Framework Guideline project and further focus of work 2010", Rome, 10-11 December 2009
- KINDLER, Johannes, CEER Vice President, EU Energy Law & Policy Conference, "The new architecture and functioning of decision-making on regulatory issues", Athens, 7-8 May 2009
- KINDLER, Johannes, CEER Vice President, 16th Madrid Forum, "Transparency and trading: analysis of energy and financial regulators", Madrid, 28-29 May 2009
- KINDLER, Johannes, CEER Vice President, 16th Florence Forum, "Transparency and trading: Analysis of energy and financial regulators", Florence, 4-5 June 2009
- KINDLER, Johannes, CEER Vice President, World Forum on Energy Regulation IV, "Energy trading needs appropriate supervision", Athens, 18-21 October 2009
- KINDLER, Johannes, CEER Vice President, 17th Florence Forum, "Sector specific regulation for energy trading", Rome, 10-11 December 2009
- KORR, Andrea, Financial Services Working Group Member, AEDBF Conference: Drawing the Line Between Physical and Financial Trading, "Electricity and gas products: overview of legal framework and CESR/ERGEG recommendations on trading supervision", Brussels, 17 September 2009
- KOUTZOUKOS, George, CEER General Assembly Member, 16th Florence Forum, "World Forum on Energy Regulation IV", Florence, 4-5 June 2009
- LELOVITIS, Dimitrios, Energy Community Working Group Member, Energy Community Workshop on Regulation 1775/2005, "Conditions for access to the natural gas transmission networks - ERGEG best practice recommendations", Vienna, 5-6 March 2009

- LIIKANEN, Marielle, Chair of CEER Retail Market Functioning Task Force, Billing/ CRM Europe 2009, Moderator of Regulatory Roundtable, Barcelona, 6 October 2009
- LO SCHIAVO, Luca, Electricity Working Group Member, World Forum on Energy Regulation IV, "Regulation and incentives for improving continuity and quality of supply", Athens, 18-21 October 2009
- MAYER, Johannes, Chair of Unbundling, Reporting and Benchmarking Task Force, 2nd London Forum, "DSO as market facilitator", London, 29-30 September 2009
- Lord MOGG, John (KCMG), CEER President, 4th EU Energy Law & Policy Conference, "Making the Agency work in practice: huge challenges, enormous opportunities", Brussels, 22-23 January 2009
- Lord MOGG, John (KCMG), CEER President, Government of Czech Rep Conference, "In search for security of energy supply of EU Member States on the common electricity market", Ostrava, 29-30 January 2009
- Lord MOGG, John (KCMG), CEER President, CERA Spring Summit, "Defining roles: the place of private companies, government, and regulators in the Europe of tomorrow", Brussels, 21 April 2009
- Lord MOGG, John (KCMG), CEER President, European Policy Centre Seminar on Europe in Recession: Who is Looking after the Consumers?, Member of Panel Debate, Brussels, 30 April 2009
- Lord MOGG, John (KCMG), CEER President, 16th Madrid Forum, "Implementation of the 3rd Package", Madrid, 28-29 May 2009
- Lord MOGG, John (KCMG), CEER President, 16th Florence Forum, "Implementation of the 3rd Package", Florence, 4-5 June 2009
- Lord MOGG, John (KCMG), CEER President, IFIEC energy forum, "Procedures, Priorities and Practices under the new regulatory structure", Brussels, 22 September 2009
- Lord MOGG, John (KCMG), CEER President, World Forum on Energy Regulation IV, Chair of Session on Competitiveness and affordability, Athens, 18-21 October 2009
- Lord MOGG, John (KCMG), CEER President, 17th Florence Forum, "Strategy for market integration and the role of the Regional Initiatives", Rome, 10-11 December 2009
- NEVELING, Stefanie and ESNAULT, Benoit, Co-Chair of Gas Investment Framework Task Force and LNG Task Force, 16th Madrid Forum, "Capacity allocation and congestion management: monitoring results and proposal for new measures", Madrid, 28-29 May 2009
- ORTIS, Alessandro, CEER General Assembly Member, 8th ERRRA Energy Investment and Regulation Conference, Moderator of Session I on Energy Investments – Regulatory Issues and Lessons Learnt, Warsaw, 6-7 April 2009
- ORTIS, Alessandro, CEER General Assembly Member, World Forum on Energy Regulation IV, Chair of Session on Market Conditions in Developed Countries that Attract Infrastructure Investments, Athens, 18-21 October 2009
- PLUG, Peter, CEER General Assembly Member and TAYLOR, Pamela, 16th Madrid Forum, "Transparency project of the Gas Regional Initiative's North-West region", Madrid, 28-29 May 2009
- PLUG, Peter, CEER General Assembly Member, World Forum on Energy Regulation IV, "Regulatory mode decision-making", Athens, 18-21 October 2009
- PLUG, Peter, CEER General Assembly Member, Oldenburger Gastage 2009, "Gas Regional Initiative" Oldenburg, 1-3 December 2009
- PIERARD, André, Customer Working Group Member, 2nd London Forum, "Draft advice on customer complaint handling, reporting and classification", London, 29-30 September 2009
- PRIETO, Rocío, Co-Chair of LNG Task Force, GLE LNG workshop, "ERGEG monitoring of GGP LNG", Bilbao, 12-13 March 2009
- PRIETO, Rocío, Co-Chair of LNG Task Force, 16th Madrid Forum, "ERGEG monitoring of GGP LNG", Madrid, 28-29 May 2009
- SCHMÖLTZER, Michael, Gas Working Group Member, GIE Annual Conference, "ACER & ENTSOG and their interaction" Groningen, 6-7 May 2009
- SCHMÖLTZER, Michael, Gas Working Group Member, ITRE Committee Hearing on Gas Security of Supply Regulation, "Regulators' views on the Security of Gas Supply Regulation", Brussels, 9 November 2009
- SHORTALL, Una, CEER Deputy Secretary General, Alpiq Workshop, "The future role of energy regulators", Brussels, 13 May 2009
- SHORTALL, Una, CEER Deputy Secretary General, Svensk Energi Workshop, "How will ACER work, and what are its main objectives", Brussels, 3 December 2009
- SHORTALL, Una, CEER Deputy Secretary General, COP-15 Official Side Event, "How Smart grids can help meet the EU's climate change targets – the drivers, solutions and regulatory challenges?", Copenhagen, 9 December 2009

- SIERRA, José, Chair of Regional Initiatives Group, 16th Madrid Forum, “EREGG Gas Regional Initiatives: update and progress”, Madrid, 28-29 May 2009
- SIERRA, José, Chair of Regional Initiatives Group, 16th Florence Forum, “EREGG Electricity Regional Initiative update and progress”, Florence, 4-5 June 2009
- SIERRA, José, Chair of Regional Initiatives Group, 17th Florence Forum, “Regional Initiatives progress report”, Rome, 10-11 December 2009
- SIHVONEN-PUNKKA, Asta, CEER Vice President, Trans-European-Networks-Energy (TEN-E) Information Day, “The view of the new European stakeholders”, Brussels, 30 March 2009
- SIHVONEN-PUNKKA, Asta, CEER Vice President, Cross Border Power Trading conference, “The new European regulatory framework”, Düsseldorf, 13-14 May 2009
- SIHVONEN-PUNKKA, Asta, CEER Vice President, Eurelectric Annual Conference: Electricity markets 2050: smart, integrated, carbon-neutral, Chair and Moderator of Session III - How can RES be Integrated in the Market?, Bucharest, 15-16 June 2009
- SIHVONEN-PUNKKA, Asta, CEER Vice President, World Forum on Energy Regulation IV, Chair of Session on Massive Deployment of Renewable Energy Sources, Market Efficiency, System Security and Reliability, Athens, 18-21 October 2009
- SIHVONEN-PUNKKA, Asta, CEER Vice President, 17th Florence Forum, “EREGG view on the next steps of PCG work after December 2009”, Rome, 10-11 December 2009
- STEVENS, Giles, Chair of Sustainable Development Task Force, 8th ERRA Energy Investment and Regulation Conference, “Regulating prices in energy markets: the regulators changing role?”, Warsaw, 6-7 April 2009
- SZÖRENYI, Gabor, World Forum on Energy Regulation IV, “Impact of the financial and economic crisis on energy infrastructure development in ERRA countries”, Athens, 18-21 October 2009
- VEIGL-GUTHANN, Christina, Chair of Customer Empowerment Task Force, 2nd London Forum, “Definitions of vulnerable customers, default supplier and supplier of last resort – European Status Review”, London, 29-30 September 2009

# Appendix V – Membership of ERGEG

Austria	Energy-Control GmbH (E-Control)
Belgium	Commission for the Regulation of Electricity and Gas (CREG)
Bulgaria	State Energy & Water Regulatory Commission (SEWRC)
Cyprus	Cyprus Energy Regulatory Authority (CERA)
Czech Republic	Energy Regulatory Office (ERO)
Denmark	Danish Energy Regulatory Authority (DERA)
Estonia	Estonian Competition Authority (ECA)
Finland	Energy Market Authority (EMV)
France	Commission for the Regulation of Energy (CRE)
Germany	Federal Network Agency for Electricity, Gas, Telecommunications, Posts and Railway (BNetzA)
Greece	Regulatory Authority for Energy (RAE)
Hungary	Hungarian Energy Office (HEO)
Ireland	Commission for Energy Regulation (CER)
Italy	Italian Regulatory Authority for Electricity and Gas (AEEG)
Latvia	Public Utilities Commission (PUC)
Lithuania	National Control Commission for Prices and Energy (NCC)
Luxembourg	Luxembourg Institute of Regulation (ILR)
Malta	Malta Resources Authority (MRA)
The Netherlands	Office of Energy Regulation (Energiekamer)
Poland	Energy Regulatory Office (ERO)
Portugal	Energy Services Regulatory Authority (ERSE)
Romania	Romanian Energy Regulatory Authority (ANRE)
Slovak Republic	Regulatory Office for Network Industries (URSO)
Slovenia	Energy Agency of the Republic of Slovenia (AGEN)
Spain	National Energy Commission (CNE)
Sweden	Energy Markets Inspectorate (EI)
United Kingdom	Office of Gas and Electricity Markets (Ofgem)

## Observers:

Croatia	Croatian Energy Regulatory Agency (HERA)
Iceland	National Energy Authority (Orkustofnun)
Norway	Norwegian Water Resources & Energy Directorate (NVE)
Turkey	Energy Market Regulatory Authority of Turkey (EMRA)

## Appendix VI – Membership of CEER

Austria	Energy-Control Ltd (E-Control)
Belgium	Commission for the Regulation of Electricity and Gas (CREG)
Bulgaria	State Energy & Water Regulatory Commission (SEWRC)
Cyprus	Cyprus Energy Regulatory Authority (CERA)
Czech Republic	Energy Regulatory Office (ERU)
Denmark	Danish Energy Regulatory Authority (DERA)
Estonia	Estonian Competition Authority (ECA)
Finland	Energy Market Authority (EMV)
France	Commission for the Regulation of Energy (CRE)
Germany	Federal Network Agency for Electricity, Gas, Telecommunications, Posts and Railways (BNetzA)
Greece	Regulatory Authority for Energy (RAE)
Hungary	Hungarian Energy Office (HEO)
Iceland	National Energy Authority (Orkustofnun)
Ireland	Commission for Energy Regulation (CER)
Italy	Italian Regulatory Authority for Electricity and Gas (AEEG)
Latvia	Public Utilities Commission (PUC)
Lithuania	National Control Commission for Prices and Energy (NCC)
Luxembourg	Luxembourg Institute of Regulation (ILR)
Malta	Malta Resources Authority (MRA)
The Netherlands	Office of Energy Regulation (Energiekamer)
Norway	Norwegian Water Resources & Energy Directorate (NVE)
Poland	Energy Regulatory Office (ERO)
Portugal	Energy Services Regulatory Authority (ERSE)
Romania	Romanian Energy Regulatory Authority (ANRE)
Slovak Republic	Regulatory Office for Network Industries (URSO)
Slovenia	Energy Agency of the Republic of Slovenia (AGEN)
Spain	The National Energy Commission (CNE)
Sweden	Energy Markets Inspectorate (EI)
United Kingdom	Office of Gas and Electricity Markets (Ofgem)

## For further information

The CEER Secretariat, headed up by Mrs. Fay Geitona (Secretary General), supports the work of both the Council of European Energy Regulators (CEER) and ERGEG.

While our formal advice to the European Commission must, by nature, be detailed and comprehensive we produce tailored communications material such as press releases and FactSheets in an effort to better communicate our positions and experience to a wider audience. Each month we dispatch a free, electronic newsletter entitled European Energy Regulators News to interested subscribers.

Further information on Europe's energy regulators is available on our website ([www.energy-regulators.eu](http://www.energy-regulators.eu)). The public documents of CEER and ERGEG are freely available for download from the website or can be obtained directly from the CEER Secretariat.





**Council of European Energy  
Regulators (CEER)**

Rue le Titien 28  
1000 Brussels  
Belgium

Tel : + 32 2 788 73 30

Fax : + 32 2 788 73 50

**European Energy Regulators' websites:**

[www.energy-regulators.eu](http://www.energy-regulators.eu)

**Contact e-mail addresses:**

[Brussels@ceer.eu](mailto:Brussels@ceer.eu) and [Brussels@ergeg.org](mailto:Brussels@ergeg.org)