

CEER Citizens' Q&A

CEER Report on Smart Technology Development

16 June 2018

1 What is smart technology development?

CEER has identified five emerging trends, technologies and business models that have an impact on retail market functioning. These are: 1.) smart home technologies and Internet of Things (IoT); 2.) electricity self-generation; 3.) electrical energy storage; 4.) charging stations and electric vehicles; and 5.) blockchain applications for the energy sector. As these are driving change in the energy markets, CEER is developing a forward-looking view on regulation by assessing how the emerging trends may lead to changes to regulation. However, the report is not intended to take positions on the final regulations that should be set at European level.

2 What does the report propose for these smart technologies and their effect on retail market functioning?

The analysis of the emerging trends, technologies and business models in this report has led to CEER identifying the need for further investigation into the need for changes in regulation in four major areas:

- The context of digitalisation and the development of home automation increase the need for data exchange. Therefore, CEER will work along with other relevant authorities, and possibly other organisations, on cybersecurity, data privacy, interoperability and monitoring.
- The development of additional services or bundled products related to self-generation, storage, energy efficiency and maintenance along with energy supply and the progressive shift from energy suppliers to energy service providers raises concerns on how competition, customer protection, empowerment, transparency and monitoring shall be ensured in the future. CEER will continue its work to promote a fit-for-purpose market design and the well-functioning of retail energy markets.
- CEER regards publicly-accessible EV charging points to be part of the competitive market and EV drivers using this infrastructure to be buyers of charging services. CEER will consider whether there is a need for specific rules for charging infrastructure in order to ensure an appropriate level of competition and customer protection and empowerment linked to the development of electric vehicles.
- CEER will pursue work on removing potential barriers in the market in order to facilitate these emerging technologies as well as consider regulation in light of changes to the way consumers interact with and participate in energy markets.

3 How does it work?

This report aims to reflect on the future of regulation. These regulatory changes could include facilitation for an efficient market deployment of customer-related technologies as well as reviewing and revising consumer empowerment and protection measures. By providing a first analysis of the emerging trends and their effect on retail market functioning, the report gives energy regulators and Member States insights on potential changes in regulation.

4 Why is this important for energy customers? What is the impact on energy customers?

The emerging technologies described in the report seek to lower energy costs, improve comfort for consumers and promote more-efficient energy consumption for the sake of climate-neutral energy markets in a context of stronger environmental regulation. The technologies may change the traditional role of the customer, providing them with greater opportunities that empowers them. With these continuing changes, it is important that regulatory frameworks adapt and seek to drive the best outcomes for the customer.