

Status Review of the implementation of the ERGEG GGP on indicators for retail market monitoring as of 1 January 2012

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INFORMATION PAGE

Abstract

This CEER document (C12-RMF-46-03), which is a follow up to ERGEG's Guidelines of Good Practice (GGP) on Indicators for Retail Market Monitoring for Electricity and Gas (E10-RMF-27-03), provides a Status Review on the implementation of the ERGEG GGP as of 1 January 2012.

The Status Review seeks to establish whether the recommended indicators are being implemented and applied in the CEER member countries. Moreover, it provides information on the practices actually followed by NRAs in the monitoring of retail markets, such as: data sources and frequencies, definition/aggregation of indicators, use of additional monitoring tools relative to the ERGEG GGP and the purpose of the collected information.

Target Audience

National Regulatory Authorities (NRAs), the Agency for the Cooperation of Energy Regulators (ACER), the European Commission, energy suppliers, traders, gas/electricity customers, gas/electricity industry, consumer representative groups, network operators, Member States, academics and other interested parties.

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Related Documents

CEER documents

- “Final Guidelines of Good Practice on Indicators for Retail Market Monitoring for Electricity and Gas “, ERGEG, 12 October 2012, Ref: E10-RMF-27-03
http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Customers/Tab1/E10-RMF-27-03_final%20GGP%20IRMM_12-Oct-2010.pdf
- 5th CEER Benchmarking Report on the Quality of Electricity Supply 2011
http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Electricity/Tab/CEER_Benchmarking_Report.pdf
- ERGEG Final GGP on Customer Complaint Handling, Reporting and Classification Ref.E10-CEM-33-05, 10 June 2010 http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Customers/Tab1/E10-CEM-33-05_GGP-ComplaintHandling_10-Jun-2010.pdf
- Status Review on End-User Price Regulation as of 1 January 2010, 8 September 2010, Ref: E10-CEM-34-03 http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Customers/Tab1/E10-CEM-34-03_price%20regulation_8-Sept-2010.pdf
- Status Review of the Implementation of the GGP on Complaint Handling, Reporting and Classification as of 1 January 2011, 5 September 2011, Ref: C11-CEM-45-03 http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Customers/Tab2/C11-CEM-45-03_SR-GGP-Complaint%20Handling_05-Sept-2011.pdf
- Benchmarking Report on the roles and responsibilities of NRAs in customer empowerment and protection as of 1st January 2011, 11 October 2011, Ref: C11-CEM-46-03 http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Customers/Tab2/C11-CEM-46-03_BR-Roles-Resp-NRAs_11-Oct-2011.pdf
- 2020 vision for Europe’s energy customers, A discussion paper, 24 April 2012, Ref:C12-SC-02-04 http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Customers/Tab3/C12-SC-02-04_2020-vision_24-April-2012.pdf
- National reporting 2011 http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/NATIONAL_REPORTS/National%20Reporting%202011

External documents

- Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0055:0093:EN:PDF>
- Regulation (EC) No 713/2009 of the European Parliament and of the Council of 13 July 2009 establishing an Agency for the Cooperation of Energy Regulators. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0001:0014:EN:PDF>
- Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in gas and repealing Directive 2003/54/EC. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0094:0136:EN:PDF>

Table of Contents

1	EXECUTIVE SUMMARY	7
2	BACKGROUND.....	10
3	OBJECTIVES AND CONTENTS OF THE DOCUMENT	10
4	METHODOLOGY	11
5	INTRODUCTION	12
6	CUSTOMER SATISFACTION (INDICATORS 1-3).....	13
	6.1 Number of customer complaints by category (Indicator 1)	13
	6.2 Number of customer enquiries (Indicator 2)	16
	6.3 Is there a reliable tariff comparison website available for customers? (Indicator 3)	18
	6.4 Additional questions on customer satisfaction indicators (A1 and A2).....	20
7	RETAIL MARKET OUTCOMES (INDICATORS 4-7).....	22
	7.1 End-user price for typical customer (Indicator 4).....	22
	7.2 Price spread on comparable products for typical customer (Indicator 5)	24
	7.3 Number of available offers to typical customer (Indicator 6).....	25
	7.4 Regulated end-user price (Indicator 7).....	26
	7.5 Additional questions on retail market outcomes (B1 and B2)	28
8	MARKET STRUCTURE (INDICATORS 8-10)	30
	8.1 Number of active suppliers across the same market (Indicator 8)	30
	8.2 Market shares (Indicator 9)	31
	8.3 Percentage of customers served by a supplier that has a separate branding from the DSO of its vertically integrated undertaking (Indicator 10)	34
	8.4 Additional questions (C1 and C2)	36
9	MARKET CONDITION AND DSO SERVICES (INDICATORS 11-18)	38
	9.1 Number of switches for customers as a percentage of customer numbers (Indicator 11).....	38
	9.2 Number of renegotiated contracts for customers as a percentage of customer numbers (Indicator 12)	41
	9.3 Number of delayed switches (Indicator 13)	43
	9.4 Number of failures in relation to the total switching rate (Indicator 14)	46
	9.5 Average time between a connection being requested by a customer and completed (Indicator 15).....	48

9.6 Average time until repair (Indicator 16)	51
9.7 Number of disconnections (Indicator 17).....	53
9.8 Is there a charge for execution of maintenance services? (Y/N) Average time taken for execution of maintenance services. Average charge for execution of maintenance services. (Indicator 18).....	56
9.9 Additional questions on market condition and DSO services (D1 and D2)	60
10 CONCLUSIONS	64
ANNEX 1 – SOURCES AND FREQUENCIES OF DATA COLLECTION FOR RETAIL MARKET MONITORING INDICATORS	67
ANNEX 2 – CEER.....	86
ANNEX 3 – LIST OF INDICATORS	87
ANNEX 4 – LIST OF ABBREVIATIONS.....	88
ANNEX 5 – ERGEG COMPLAINT HANDLING CLASSIFICATION SYSTEM	89

1 EXECUTIVE SUMMARY

Since full market opening on 1 July 2007, it is of great importance to monitor the development and functioning of energy retail markets across the European Union. Accordingly, the 3rd Package has significantly strengthened NRAs' duties in terms of monitoring the level and effectiveness of market opening and competition.

In October 2010, the European Regulators' Group for Electricity and Gas (EREG)¹ published the document “**Final Guidelines of Good Practice (GGP) on Retail Market Monitoring for electricity and gas**” (E10-RMF-27-03). As a follow up, CEER decided to carry out, within its 2012 work programme, a Status Review of the implementation by NRAs of the EREG GGP as of 1 January 2012.

The Status Review is based on an internal questionnaire that was circulated, in April 2012, to 30 National Regulatory Authorities (NRAs). Answers were provided by 25 NRAs for the electricity sector and 21 NRAs for the gas sector. Both the questionnaire and the Status Review follow the structure of the GGP, where 18 indicators were identified and grouped into four main categories: customer satisfaction; retail market outcomes, market structure; and market condition and Distribution System Operators (DSO) services.

This report does not provide any assessment of the 3rd Package implementation by NRAs. Rather, it aims at understanding whether the GGP are being implemented in the CEER member countries and providing useful insights on what practices are actually followed by NRAs. Moreover, the Status Review can be used as a basis to develop further work on retail market monitoring, promoting a more comparable approach across the EU.

The Status Review results show that **the majority of NRAs are actively involved in the monitoring of the 18 indicators identified by EREG GGP**, although there are some exceptions, where further progress is required (see the table below for a summary of results). CEER strongly recommends the joint assessment of all these indicators by NRAs, in order to draw a comprehensive picture of retail markets functioning, as well as progress in the key areas of affordability, transparency, reliability and customer protection and empowerment that underpin CEER 2020 Customer Vision. Individually, none of these indicators can provide really valuable insights when monitoring energy markets.

On the basis of the Status Review, the following existing **NRA good practices that benefit customers can be pointed out:**

- Engaging with customers by taking into account their views as part of market monitoring activities (through either surveys, direct contacts with consumer organisations or complaints that may concern DSOs and suppliers performance)
- Arranging data sources with the purpose of obtaining reliable and complete information (this is done for several indicators, such as switching rates, delayed/failed switches, end-user prices and complaints)
- Carrying out public consultations on the NRA market monitoring framework
- Monitoring the evolution of indicators over time on a frequent basis (this is being observed for almost all indicators).

¹ EREG was established by the European Commission in November 2003 (Decision 2003/796/EC), as its

- Issuing public reports on retail market monitoring indicators, to enhance competition and transparency for all market actors.

Next steps for future work are likely to focus on market condition and DSO services, where this Status Review has revealed the most difficulties and differences in the monitoring approaches across countries. In 2013, in relation to the results of this Status Review and the last CEER Benchmarking Report on the Quality of Electricity Supply, CEER is planning to further deepen its research into the market design area of DSOs.

*Table 1 – Summary of the Status Review **

Category	No.	EREG GGP Retail Market Monitoring Indicators 2010	Percentage of NRAs answering the question about the indicators implementation			
			GAS		Electricity	
			Yes, Partially, No but planned within 2 years	No	Yes, Partially, No but planned within 2 years	No
Customer Satisfaction	1	<i>Number of customer complaints by category</i>	67%	33%	64%	36%
	2	<i>Number of customer enquiries by category</i>	62%	38%	64%	36%
	3	<i>Is there a reliable price comparison website available for customers?</i>	62%	38%	83%	17%
Retail Market Outcomes	4	<i>End-user price for typical household customer</i>	76%	24%	80%	20%
	5	<i>Price spread on comparable products for typical household customer</i>	57%	43%	71%	29%
	6	<i>Number of available offers to typical household customer</i>	71%	29%	71%	29%
	7	<i>Percentage of customers eligible to receive a regulated end-user price. Percentage of eligible customers supplied under regulated end-user prices</i>	85%	15%	92%	8%
Market Structure	8	<i>Number of active suppliers that are selling electricity and/or gas to household customers across the same market</i>	86%	14%	92%	8%
	9	<i>Market shares by consumption and/or number of customers</i>	76%	24%	96%	4%
	10	<i>What percentage of customers is served by a supplier that has separate branding from the DSO of its vertically undertaking?</i>	43%	57%	38%	62%
Market Condition and DSO services	11	<i>Number of switches for household customers as a percentage of customer numbers</i>	95%	5%	100%	0%
	12	<i>Number of renegotiated contracts for household customers as a percentage of customer numbers</i>	25%	75%	38%	63%
	13	<i>Number of delayed switches</i>	57%	43%	71%	29%
	14	<i>Number of failures in relation to the total switching rate</i>	45%	55%	57%	43%
	15	<i>Average time between a connection being requested by a customer and completed</i>	60%	40%	64%	36%
	16	<i>Average time until repair</i>	76%	24%	76%	24%
	17	<i>Relative number of disconnections</i>	95%	5%	92%	8%
	18	<i>Is there a charge for execution of maintenance services?(Y/N) Average time taken for execution of maintenance services. Average charge for execution of maintenance services</i>	45%	55%	44%	56%
		44%	56%	57%	43%	

(*) Note: the table above shows in red those indicators that are not monitored by the majority of NRAs

2 Background

In order to assist National Regulatory Authorities (NRAs) and the Agency for Cooperation of Energy Regulators (ACER) in establishing a comprehensive approach to assess the level and effectiveness of retail market opening and competition, CEER recommends the “Final Guidelines of Good Practice on Indicators for Retail Market Monitoring for Electricity and Gas” (E10-RMF-27-03) that were released by ERGEG in October 2010. CEER believes that there is a need to implement the recommended GGP, which support regulators’ new monitoring duties under the 3rd Package.

Therefore, in its 2012 work programme, CEER decided to carry out a Status Review of the implementation by NRAs of the ERGEG GGP as of 1 January 2012.

NRAs’ retail market monitoring work is also important in the light of CEER’s recent decision to start a process on how to confront and overcome the many challenges that customers face now and in the future. As a first stage of this process, the conference “Building a 2020 Vision for Europe’s Energy Customers” was organised by CEER, on 21 June 2012, with the support of the European Commission. Following the contributions from consumers, industry and institutional representatives, the CEER discussion paper “2020 Vision for Europe’s Energy Customers” (C12-SC-02-04) will evolve towards a formal strategy document and will be presented at the Citizens’ Energy Forum in November 2012 in London. Annual reviews will then take place to evaluate progress towards the 2020 strategic objectives concerning affordability, transparency, reliability and customer empowerment and protection.

3 Objectives and Contents of the Document

The Status Review of the implementation of the ERGEG GGP on indicators for retail market monitoring aims at revealing the extent to which NRAs employ these indicators in order to assess the state of play of their markets, but also at understanding how they are monitored, for what purposes and whether other indicators are being used. The results from this Status Review will also provide a contribution to complement ACER’s market monitoring work. Moreover, the Status Review can provide useful insights and can be used as a basis for developing further work on retail market monitoring, promoting a more comparable approach across the EU.

The 18 indicators in the GGP are grouped into four broad categories which will provide the structure for this document:

- Customer satisfaction;
- Retail market outcomes;
- Market structure; and
- Market condition and Distribution System Operators (DSO) services

4 Methodology

Further to regulators' work in 2010 on the GGP, an online questionnaire was developed in early 2012, in order to gather information on CEER members' experience regarding indicators for retail market monitoring.

Two identical online questionnaires were administered, in April 2012, to the NRAs of the 30 CEER member countries: one for electricity and one for gas, as sometimes market monitoring can differ between the two energies. The questionnaires followed the four broad categories, as indicated above, with a number of questions for every recommended indicator.

Full or partial answers were received from 25 countries for electricity and 21 countries for gas. The questionnaires sought information about the level and manner of implementation of the 18 indicators presented in the 2010 GGP.

The results from the questionnaire were used to prepare this Status.

Table 2 - Countries participating in the Status Review of Retail Market Monitoring Indicators²

No.		Country	Answers to the SR questionnaire	
			Gas	Electricity
1	AT	AUSTRIA	X	X
2	BE	BELGIUM	X	X
3	BG	BULGARIA		
4	CY	CYPRUS		
5	CZ	CZECH REPUBLIC	X	X
6	DK	DENMARK	X	X
7	EE	ESTONIA	X	X
8	FI	FINLAND ³		X
9	FR	FRANCE	X	X
10	DE	GERMANY	X	X
11	GR	GREECE		
12	HU	HUNGARY	X	X
13	IS	ICELAND*		X
14	IE	IRELAND	X	X
15	IT	ITALY	X	X
16	LV	LATVIA		
17	LT	LITHUANIA	X	X
18	LU	LUXEMBOURG	X	X
19	MT	MALTA*		X
20	NO	NORWAY*		X
21	PL	POLAND	X	X
22	PT	PORTUGAL	X	X
23	RO	ROMANIA	X	X

² The countries marked with (*) did not have a gas system as of 1 January 2012.

³ The gas market in Finland is exempted from opening.

No.	Country	Answers to the SR questionnaire		
		Gas	Electricity	
24	SK	SLOVAK REPUBLIC	X	X
25	SI	SLOVENIA	X	X
26	ES	SPAIN	X	X
27	SE	SWEDEN	X	X
28	CH	SWITZERLAND		
29	NL	THE NETHERLANDS	X	X
30	UK	UNITED KINGDOM ⁴	X	X
Total number of countries participating in the Status Review			21	25

It is important to note, at the outset of this report, that some countries face specific situations which affect the Status Review results and apply throughout the document.

In Malta, the electricity market is closed, with only one supplier which is reflected in the answers given for several indicators, like price comparison, website monitoring, end-user prices monitoring, price spread, number of available offers, number of active suppliers across the same market, market shares and switching indicators.

In Estonia, the electricity market is also closed with only one supplier owning the biggest part of the market which explains the answers given for the indicators on price comparison website monitoring, end-user prices monitoring, price spread, number of available offers, market shares and switching indicators.

In Belgium, the situation is different from other countries, as several regulators exist. Answers were provided by the Federal NRA, but explaining also the activities undertaken by the three regional regulators for Flanders, Wallonia and Brussels one. These regional regulators also have monitoring duties only for their respective regional energy markets. When differences in these monitoring duties exist, they are mentioned in the document.

In Finland, a new electricity market law is expected. As a consequence, most indicators related to market condition and DSO services (from n^o 13 to n^o 18) that are currently not being followed by the NRA, could fall under its monitoring activity in the future.

5 Introduction

Based on the background and methodology explained above, this document presents a Status Review of the implementation of the ERGEG “Final Guidelines of Good Practice on Indicators for Retail Market Monitoring for Electricity and Gas” (E10-RMF-27-03) by NRAs, as of 1 January 2012.

⁴ The approach described in this document relates to Great Britain (England, Scotland and Wales). Northern Ireland has separated market monitoring arrangements established by its own regulator, Northern Ireland Authority for Utility Regulation.

In the 3rd Package, new monitoring duties are established for regulators. Ten of the indicators included in the GGP are explicitly required by Directives 72/2009⁵ and 73/2009⁶ and not only provide the basis on which the development and the functioning of retail energy markets can be evaluated, but can also allow for the assessment of the processes in which customers interact with other agents in energy markets.

The Status Review does not provide any assessment of the 3rd Package implementation by NRAs. It rather seeks to establish whether the recommended indicators are being implemented and applied in the CEER member countries. Moreover, it provides information on the practices actually followed by NRAs in the monitoring of retail markets, such as: data sources and frequencies, definition/aggregation of indicators, use of additional monitoring ways relative to ERGEG GGP and purposes of the collected information.

In what follows, a detailed analysis of the results for each of the 18 GGP indicators will be presented, according to the overarching four broad categories in the GGP: customer satisfaction, retail market outcomes, market structure and market conditions and DSO services.

For all recommended indicators, two basic common questions have been addressed: (1) to what extent is the NRA monitoring the indicator and (2) from what sources and with what frequency is information collected. Moreover, only for some indicators, when considered necessary, additional questions have also been addressed, concerning the indicator's definition and/or its aggregation level. Finally, for each broad GGP category two general questions were included, regarding: (1) other possible ways to measure a given retail market area and (2) the use of the collected information.

Tables including detailed results regarding the source and frequency of NRAs' collected information are presented in Annex I, at the end of the document.

6 Customer Satisfaction (Indicators 1-3)

6.1 Number of customer complaints by category (Indicator 1)

This indicator comes from the provision contained in the 3rd Package (Article 37(j) in electricity and 41(j) in gas in the 2009 Directives), which establishes a monitoring duty for the NRAs on complaints made by household customers.

⁵ Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0055:0093:EN:PDF>

⁶ Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in gas and repealing Directive 2003/54/EC. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0094:0136:EN:PDF>

By definition, a customer complaint is the expression of a customer's dissatisfaction. In the GGP, ERGEG assumes that this expression is addressed to the provider of gas or electricity (supplier or distributor) or any other third party such as NRAs, Competition & Consumers' Affairs Authority/Ministry and Ombudsman, etc. ERGEG suggests that the data on the number of complaints is collected at least annually from DSOs, suppliers and third party bodies.

The question addressed to the NRAs was “Do you collect customer complaints?”

The results show that the indicator on customer complaints is monitored by half of the CEER member countries.

Complaints are monitored in a full manner in 8 out of 25 countries in electricity and in 10 out of 21 countries in gas, where NRAs receive complaints from DSOs and suppliers. In those countries where the data come either from the DSOs or from suppliers and/or from third party bodies, we consider that the indicator is monitored **partially (7 out of 25 countries in electricity and 3 out of 21 countries in gas)**.

Strictly speaking, the indicator refers to the number of complaints, to be obtained from DSOs, suppliers and third party bodies, not as alternative possible sources. The NRAs' answers to this question tend to reflect a variety of situations, where NRAs directly collect complaints from customers without keeping a systematic record or where they obtain the statistics only from some of the suggested actors, etc. Thus, some answers reveal, possibly because this is a new provision from the 3rd Package that the NRAs (some exceptions exist) do not generally monitor the indicator in the precise way that is envisaged by the strict definition in the GGP. In order to have a clear picture of customer complaint monitoring, the results presented here are only the ones that reflect the situation as defined in the GGP.

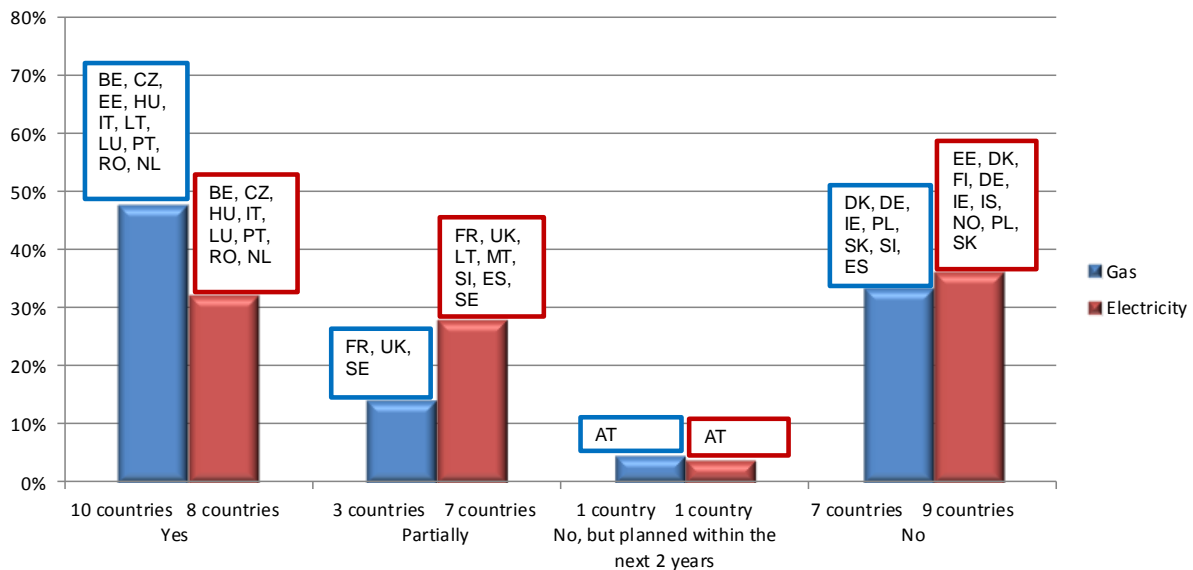
In countries like Belgium (which works closely on this issue with the Federal Energy Ombudsman), or Czech Republic, the NRAs collect complaints as it is in their competences. In Italy, the NRA is responsible for evaluating complaints and requests of information submitted to it (Consumer Helpdesk) by customers and consumer associations, but it also collects on a regular basis complaints from DSOs and suppliers.

In the United Kingdom, the NRA does not deal directly with customer complaints. However, there is a statutory requirement for the NRA to collect complaint information from the energy companies. The NRA also receives complaints information from the relevant bodies which are dealing with complaints (i.e. Consumer Focus and the Energy Ombudsman).

This is similar to those countries where this indicator is monitored partially because of special conditions where the NRA has to collect data from other sources (like in France), or because no systematic record has been kept (like in Spain). However, following the new piece of legislation that transposes the 3rd Package, which entered into force on March 30th 2012, the Spanish NRA will have to become responsible for reporting the number of complaints. In Austria, the NRA collects the number of customer complaints directly from customers, but in addition, it is planned in the next two years to receive data from DSOs and suppliers as well.

With reference to electricity, ten countries answered “No” to the question. However, in Finland the NRA has its own archive system for complaints and in Norway the Energy Ombudsman and the Electricity Appeal Board collect their own statistics of complaints.

Figure 1 – Customer complaint monitoring



The source and the frequency of customer complaint data collection on the electricity and on the gas market vary across countries. **The most used source for both energies for this indicator is the collection of complaints directly from customers on a continuous basis, which is more often than the threshold frequency recommended by ERGEG.**

We observe that several NRAs use two or even three different sources to collect data on customer complaints.

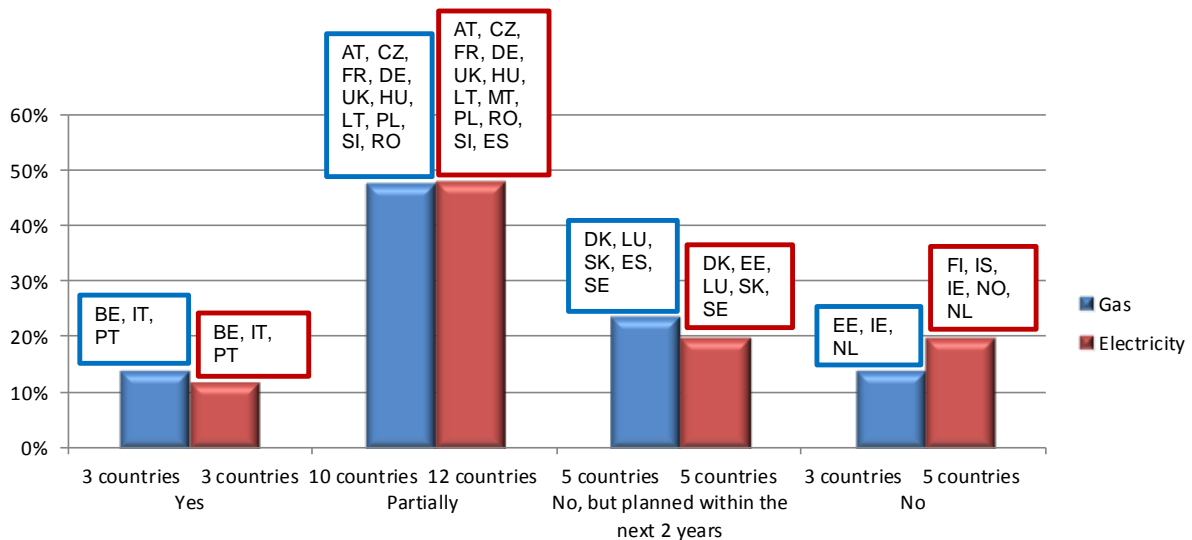
The question addressed to the NRAs was “Please indicate if you use the ERGEG customer classification.”

The ERGEG customer complaints classification was also part of the questionnaire addressed to the NRAs. In the ERGEG GGP, the classification was deemed to be used by DSOs, suppliers or other bodies, not specifically by NRAs.

As shown in Figure 2, **the proposed ERGEG customer complaints classification is fully used by 3 NRAs in electricity and 3 NRAs in gas.** In Belgium, this same classification is fully used by the NRA, by the Federal Ombudsman and by the Flemish regulator, who will impose it to suppliers active in the Flemish region. This will lead to better monitoring as market players will use the same classification in order to better compare results and monitor them in a more efficient way. The two other regional regulators partially use this classification. Most of the countries answering the questionnaire partially use this classification (12 countries in electricity and 10 countries in gas). This could be explained by the fact that some countries have their own complaints classification beside the ERGEG classification, so they use both of them, or they use only some levels of the ERGEG proposed classification. In Hungary for example, although the use is partial, the NRA and the National Consumer Protection Authority (as a third party body) use the same customer complaints classification for a better monitoring.

It is encouraging to see that some countries plan to use or maintain the ERGEG classification once a more systematic complaints collection mechanism is put in place.

Figure 2 - ERGEG customer complaints classification use



6.2 Number of customer enquiries (Indicator 2)

By definition, a customer enquiry is a request for information and advice, other than a complaint. ERGEG assumes that this expression is addressed to a body which is a relevant point of contact for customers with energy queries. ERGEG suggests that data on the number of enquiries is collected at least annually from DSOs and/or suppliers and/or third party bodies depending on which sources are considered most suitable.

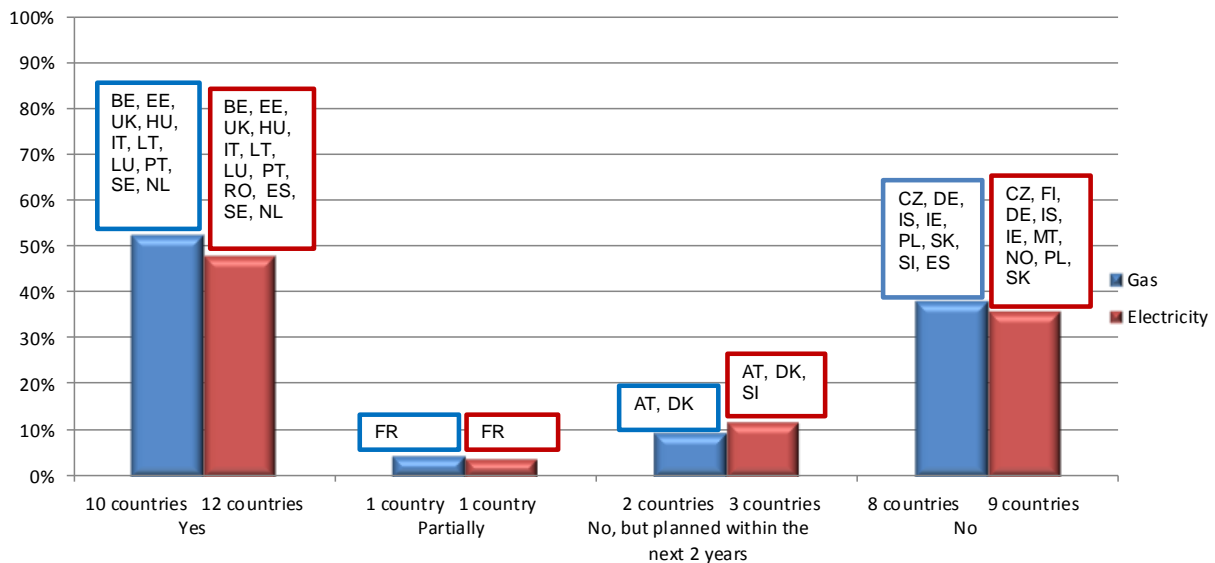
The question addressed to the NRAs was *“Do you collect customer enquiries?”*

The results show that 13 out of 25 countries in electricity and 11 out of 21 countries in gas monitor this indicator in a full or partial manner.

As with the previous indicator on customer complaints, this indicator refers to the number of enquiries. The results presented are in line with the indicator as defined in the GGP. Our findings and countries' explanations are similar to the ones for customer complaints and equally show a high degree of homogeneity between gas and electricity.

In general, in countries where NRAs collect customer complaints, they also collect customer enquiries. There are some exceptions though, as shown in the graph below.

Figure 3 - Customer enquiries monitoring



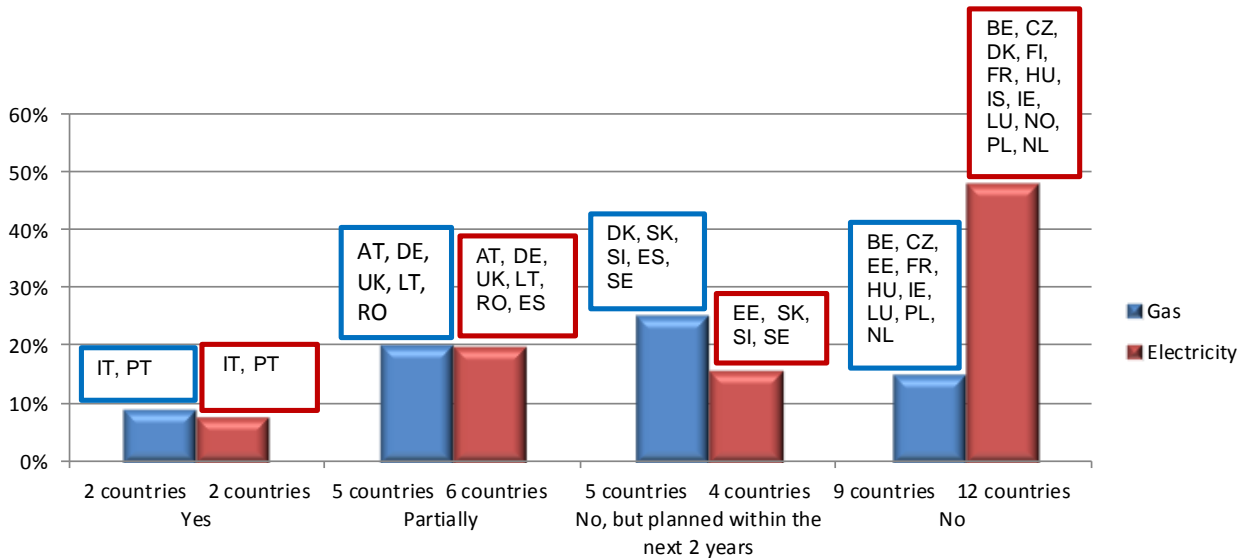
The source and the frequency of customer enquiries data collection on the electricity and on the gas markets vary across countries. The most used source for both energies is the **collection of enquiries directly from customers on a continuous basis which is more than the minimum frequency recommended by ERGEG**. We observe that several NRAs use two or even three different sources to collect data on customer enquiries, and one NRA up to five different sources.

The question addressed to the NRAs was *“Please indicate if you use the ERGEG enquiries classification?”*

As with customer complaints, a question was asked about the use of ERGEG customer enquiries classification which is the same as the ERGEG customer complaints classification.

However, for this indicator, this classification is much less used. Only in **2 out of 25 countries in electricity and in 2 out of 21 countries in gas**, is this classification fully used. In 12 out of 25 countries in electricity and in 9 out of 21 countries in gas this classification is not used at all. One country did not provide an answer to the question. As with the customer complaints classification, the reason for using it partially is because of the existence of a national classification, but that has some similarities with the proposed ERGEG’s one. All of the countries that provided an explanation for their negative answer gave the same one, explaining that there is no classification scheme for enquiries.

Figure 6 - ERGEG customer complaints classification use



6.3 Is there a reliable tariff comparison website available for customers? (Indicator 3)

A price comparison website is a website where prices and/or offers from a range of electricity and/or gas suppliers are made public. ERGEG suggests that the existence of reliable comparison websites be tracked annually. For a price comparison website to be “reliable,” 2010 GGP require that:

1. Information is correct and not misleading;
2. If bills are calculated, this calculation should be based on clear and transparent assumptions; and
3. Key information related to the tariff (e.g. type of contract, duration of any discounts) is clearly presented to the customer.

The question addressed to the NRAs was “*Is there a reliable price comparison website available to customers and how often do you track it?*”

The question asked here has a double meaning. On the one hand, we intend to understand whether a price comparison website exists in each CEER member country, and on the other hand, whether the NRA monitors the existence and reliability of a price comparison websites run by other market actors.

The Status Review results show a slightly different picture of the monitoring of this indicator in the electricity and gas sector.

In electricity, the existence and tracking of a reliable price comparison website is followed by the vast majority of NRAs (19 out of 24 countries). 11 NRAs run a price comparison website themselves, while 8 NRAs monitor the price comparison website run by other parties (suppliers, third party bodies and others). In the case of France, the price comparison website is run by the Energy Ombudsman, but it is a joint service between the NRA and the Ombudsman. The data from this price comparison website are very often used in different NRA publications. Five NRAs answered that they do not monitor this indicator; some of them because of a country specific situation. In the case of Belgium, price comparison websites exist and are run by the regional energy regulators (not by the NRA) for their relevant market areas. The NRA publishes price evolution on a monthly basis for the whole Belgian energy market.

In gas, the existence and tracking of a reliable price comparison website is followed by 13 out of 20 NRAs, of which 6 run a price comparison website and 7 monitor the price comparison website run by other parties (suppliers, third party bodies and others). 7 NRAs answered that they do not monitor this indicator. The explanations are the same as in electricity.

In those countries where the NRA does not run a price comparison website like in the United Kingdom, for instance, there are several commercial internet price comparison services which are accredited by Consumer Focus in order to support customers' confidence. The situation is similar in Germany or in Ireland where the NRA has an accreditation scheme in place for price comparison websites.

The results show that regulators are **monitoring this indicator on a more frequent basis than recommended by ERGEG GGP, which can be considered as a positive result.**

Table 3 – Existence, source and frequency of price comparison website in electricity

	Yes, there is a price comparison website run by the NRA	Yes, the NRA monitors a price comparison website run by a third party body	Yes, the NRA monitors price comparison website(s) run by supplier(s)	Yes, other	No	TOTAL
Continuously	10 AT, CZ, FI, IT, LT, PL, PT, SI, ES, SE	1 NL	1 NL			12
Daily						0
Monthly				1 LU		1
Quarterly						0
Bi-annually						0
Annually	1 SK					1
Occasionally				1 UK		1
Other				4 FR, DE, IE, NO	5 BE, EE, HU, IS, MT	9
TOTAL	11	1	1	6	5	24

Table 4 - Existence, source and frequency of price comparison website in gas

	Yes, there is a price comparison website run by the NRA	Yes, the NRA monitors a price comparison website run by a third party body	Yes, the NRA monitors price comparison website(s) run by supplier(s)	Yes, other	No	TOTAL
Continuously	4 AT, IT, ES	1 NL	1 NL			5
Daily						0
Monthly						0
Quarterly						0
Bi-annually						0
Annually	1 SK					1
Occasionally				1 UK		1
Other				5 DK, FR, DE, IE, SE	7 BE, EE, FI, HU, LT, LU, PL,	12
TOTAL	5	1	1	6	7	20

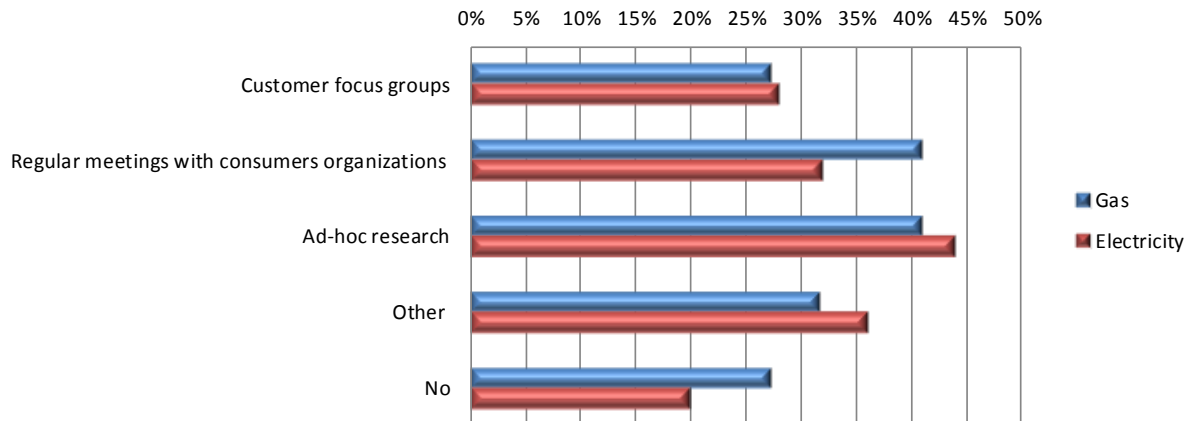
6.4 Additional questions on customer satisfaction indicators

The question addressed to the NRAs was: *“Do you use other ways in order to measure customer satisfaction?”*

Answers were received from **20 out of 25 countries in electricity and 17 out of 21 countries in gas**. This means that in 5 countries in electricity and 4 countries in gas no other indicators are used in order to measure customer satisfaction, which is represented in the graph below with the “No” bar.

However in many countries, there are other ways and indicators used which could inspire others, where these indicators are not much measured. In Denmark, the e-price comparison tool is used for this purpose. In the United Kingdom, Ireland and in the Netherlands they carry out customer research and customer surveys. In Portugal, there are inspections of company’s complaints records. In Spain, the NRA is planning to work with customer and suppliers to review the existing indicators and propose new ones.

Figure 4 - Other ways to measure customer satisfaction



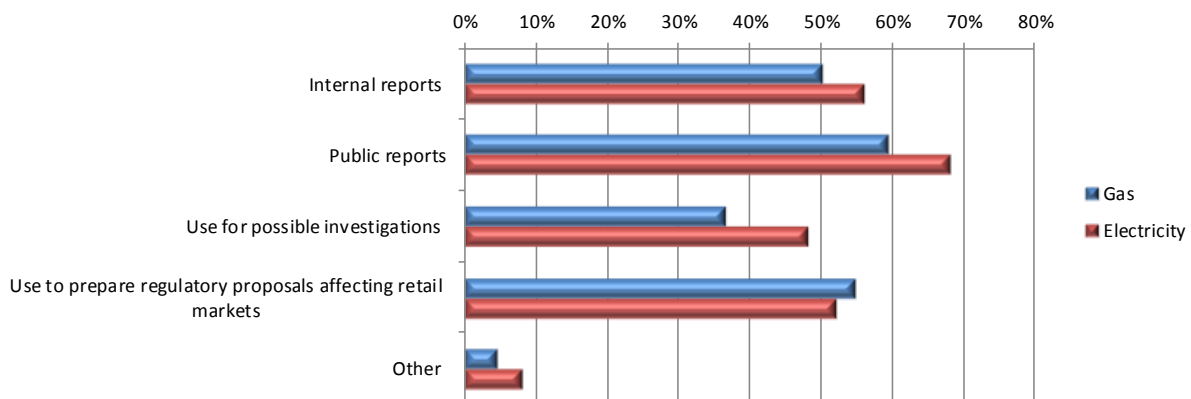
The question addressed to the NRAs was: **“What is the collected information on customer satisfaction used for?”**

Regarding the use of the information collected to monitor customer satisfaction, **23 answers out of 25 were received in electricity and 20 answers out of 21 were received in gas.** Only 2 countries did not provide an answer to this question as they don't collect information on customer satisfaction.

The survey reveals that most NRAs use this information for public reports, both in gas and electricity. To a lesser extent, the information is also used for internal reports. Moreover, a significant percentage of NRAs use customer satisfaction indicators to prepare regulatory proposals affecting retail markets, but also for possible investigations.

Very few countries indicated that they have other purposes for these indicators, like the United Kingdom where the data is also used to inform policy development, or France where the data is used for occasional internal studies.

Figure 5 – Purpose of customer satisfaction indicators



Conclusions on customer satisfaction indicators

Half of the NRAs measure indicators such as the number of customer complaints and customer enquiries. In some cases, they also collect a significant amount of additional information on their content and use a classification system that partially reflects the ERGEG recommended classification system. However, results show that NRAs do not generally monitor these indicators in the precise way that is envisaged by the strict definition in the GGP. Moreover, as one of the provisions of the 3rd Package, these indicators should be implemented more in future. As an additional tool, some NRAs also perform an assessment of complaints and use other means, such as customer surveys and other ad-hoc research in order to measure customer satisfaction.

The majority of NRAs also actively engage in tracking the existence of reliable price comparison websites available to customers. Indeed, in a significant number of cases, especially in the electricity market, NRAs themselves run a price comparison website.

7 Retail Market Outcomes (Indicators 4-7)

7.1 End-user price for typical customer (Indicator 4)

This indicator comes from the provision contained in the 3rd Package (Article 37(j) in electricity and 41(j) in gas in the 2009 Directives), which establishes the legal obligation for NRAs to monitor the level and effectiveness of market opening and competition at retail level including prices for household customers and prepayment systems.

An end-user price is defined as a non-regulated price. ERGEG suggests that end-user prices are calculated using data from suppliers, or other available sources, at least every quarter.

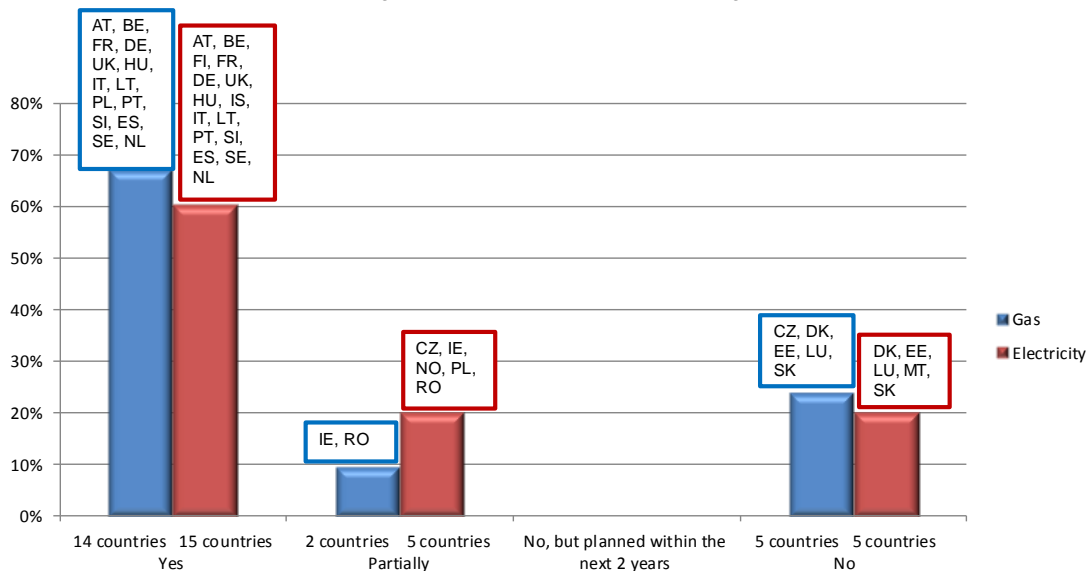
The question addressed to the NRAs was: “Do you monitor end-user prices for typical customers?”

It should be noted that this question is general and could refer to both price offers and actual prices paid by customers. However, both are included in the final results, with no distinction made.

The Status Review results show that nearly all NRAs monitor end-user prices, in a complete or a partial manner, both in electricity and gas markets. On the electricity market, 20 out of 25 countries fully or partially monitor this indicator. The reason for monitoring this indicator partially is the lack of a formal process in place, like in Ireland; however, the regulator is currently consulting on a monitoring framework, which includes the collection of data for monitoring tariffs/contracts offered to domestic /business customers. The reason could also be found in the fact that other sources are used in order to monitor this indicator, like in Norway or Poland. On the gas market, this indicator is fully or partially monitored in 16 out of 21 countries.

In those countries where NRAs do not monitor end-user prices the reason is linked either to the absence of competence by the NRA (this occurs in Luxembourg) or to the fact that the market is not yet open to competition.

Figure 6 - End-user price monitoring



Suppliers represent the main source for NRAs' collection of end-user prices, both in electricity and gas, which is done at different frequencies across different countries. Moreover, the second most important source, especially in electricity, is represented by the price comparison tool run by the NRAs. In the latter case, most NRAs indicate that they collect the information in a continuous manner. In both cases, the frequency chosen by the NRAs is more frequent than the one recommended by ERGEG, which is a positive results for both energies, suggesting a concern for the evolution of this indicator over time.

We observe that some NRAs use up to three different sources and frequencies according to the sources in order to monitor end-user price collection.

7.2 Price spread on comparable products for typical customer (Indicator 5)

This indicator also comes from the provision contained in the 3rd Package (Article 37(j) in electricity and 41(j) in gas in the 2009 Directives) which establishes the legal obligation for NRAs to monitor the level and effectiveness of market opening and competition at retail levels including on prices for household customers.

By definition, a price spread is the difference between the most expensive and the cheapest comparable offer (i.e. equivalent contract type) that a customer can achieve at the same point in time. ERGEG suggests that the price spread is calculated at least annually using price data from suppliers or an independent source.

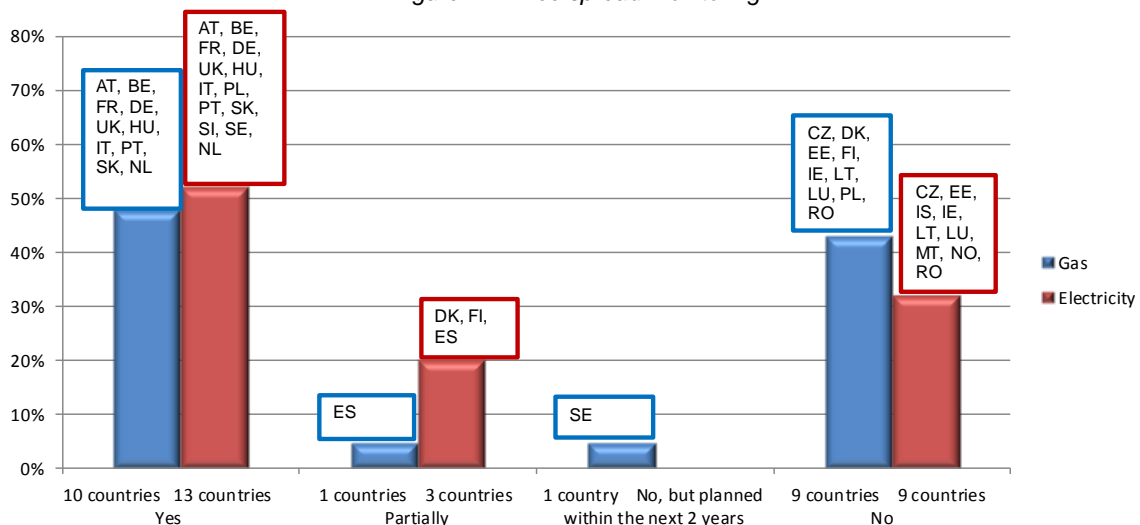
The question addressed to the NRAs was “Do you calculate the price spread on comparable products for typical customers?”

In this context, it is important to clarify that this indicator is about calculation. In the question regarding the source and the frequency, we sought to understand where the data comes from in order to calculate the price spread.

The Status Review results show that a significant number of NRAs calculate price spreads, in a complete or a partial manner, which is higher in electricity (**16 out of 25 countries**) than in gas (**11 out of 21 countries**). This is however lower than the number of NRAs monitoring end-user prices, possibly suggesting that the calculation of this indicator involves some complexities.

Some NRAs do not calculate this indicator in electricity or in gas. This group includes the NRAs who do not collect end-user prices, as described above, and some other NRAs that currently are not calculating this indicator.

Figure 7 – Price spread monitoring



Regarding the sources and the frequency, **the most common one is the price comparison website run by NRAs, followed by suppliers, with a variety of frequencies, from “continuously” to “annually”**. As for the other indicators, more countries have more frequent data collection than the frequency recommended by ERGEG which is a positive result.

We observe that a small number of NRAs use up to three different sources for data collection.

It should be noted that many NRAs would not obtain this indicator on the basis of offers shown in the price comparison tool, as the tool may not reflect all the existing offers proposed by suppliers if these do not have the obligation to include them in the price comparison tool for diverse reasons.

7.3 Number of available offers to typical customer (Indicator 6)

This indicator should reflect the number of different supply offers that are available for a typical customer to sign up to at a particular point in time. ERGEG suggests monitoring the number of offers available to the average customer at least annually.

The question addressed to the NRAs was “Do you monitor the number of available offers to typical customers?”

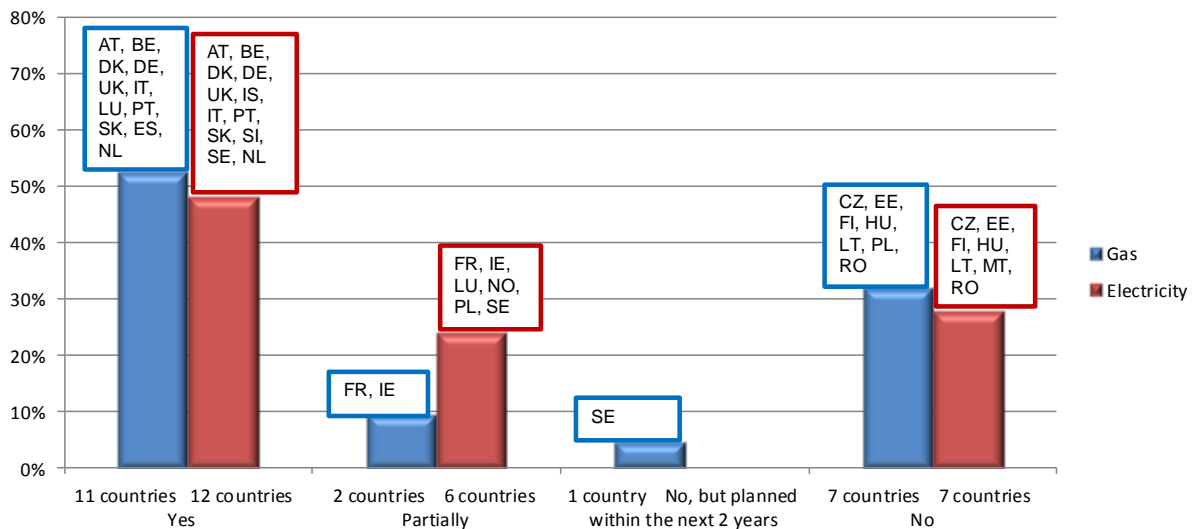
Although there are different methods for monitoring the number of available offers to typical customers, this indicator is monitored fully or partially by **18 out of 25 countries in electricity and in 13 out of 21 countries in gas**.

There are different ways of monitoring this indicator, but the questions, as well as the results, include all the various country-specific situations. In some countries, the suppliers legally need to report every possible offer. In other countries, suppliers subscribe to the price comparison website on a voluntary basis. Moreover, there are cases where NRAs can only screen a limited number of offers (due to a huge number of offers available on the market) and make their own estimations. Others count only the most frequent ones or the typical ones.

The distribution of answers across NRAs shows a similar pattern to that of the previous two indicators for end-user prices and price spreads.

In some countries where this indicator is not monitored, the reasons are unknown, but in others, the reason for not monitoring this indicator is usually because of the existence of price regulation which makes this indicator not applicable to them.

Figure 8 - Number of available offers



The most used source for data collection is the **price comparison tool run by the NRA, for both electricity and gas**. The data is **mostly collected on a continuous basis but also on a monthly basis for gas, which is better than the frequency proposed by the ERGEG GGP**. Some NRAs use two different sources in order to monitor the number of available offers.

7.4 Regulated end-user price (Indicator 7)

By definition, a regulated end-user price is a price subject to regulation by a public authority. ERGEG suggests information about regulated end-user prices is collected annually and following the existing methodology required for data submission for the National Reports to the European Commission.

For the purposes of this indicator, the definition of end-user price regulation is restricted only to where these prices are available to all customers.

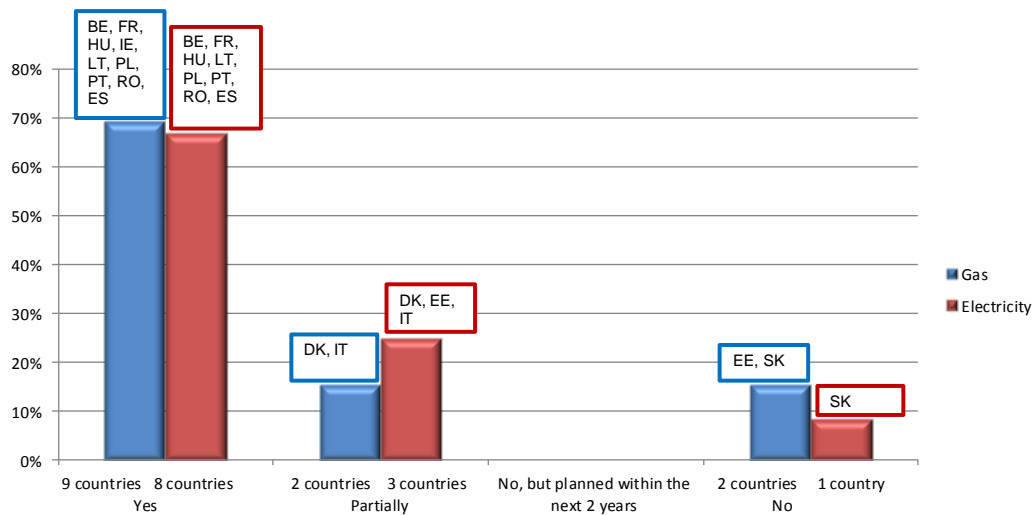
The question addressed to the NRAs was “If you have regulated end-user prices for customers, do you monitor the percentage of eligible customers and the percentage of customers served under regulated end-user prices?”

This question allows us to understand, on the one hand, how many countries have price regulation, and, on the other hand, how many of these countries actually monitor the percentage of customers that (i) have the right to be supplied at regulated prices and (ii) are actually served under regulated end-user prices.

Answers were received only from those countries having end-user price regulation in place: **12 countries in electricity and 13 countries in gas. 11 countries in electricity and in gas monitor fully or partially** the percentage of eligible customers and the percentage of customers served under regulated end-user prices. In the case of Belgium, the NRA monitors social tariffs and regulated prices applied to dropped consumers. More extensively, under the current legislation, the NRA monitors also, on a continuous basis, end user prices.

It is important to note that two countries abolished end-user price regulation since the last results of the “Status Review of end-user price regulation as of 1 January 2010”⁷. However, the comparison is not complete as not all the countries participating in that Status Review on price regulation have participated in this one.

Figure 9 – Monitoring customers with regulated end-user prices



The results show that the **data on end-user price regulation mostly comes from the DSOs and the suppliers** for both electricity and gas. **The data is mostly collected on a continuous basis but also on a monthly basis for gas, which is better than the frequency proposed by the ERGEG GGP. A few NRAs collect data from two or three different sources.**

⁷ http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/CEER_PAPERS/Customers/Tab1/E10-CEM-34-03_price%20regulation_8-Sept-2010.pdf

7.5 Additional questions on retail market outcomes

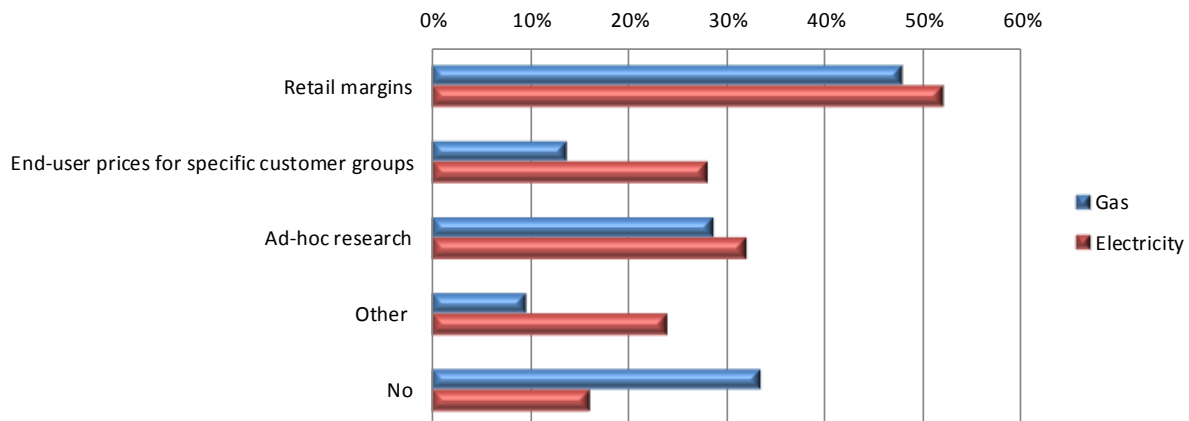
The question addressed to the NRAs was: **“Do you use other ways in order to measure retail market outcomes?”**

An additional question was asked regarding the retail market outcomes indicators in order to establish whether NRAs use other monitoring measures.

Answers were received from **21 out of 25 countries in electricity and from 15 out of 21 countries in gas**. As the results show, the most common additional way to monitor retail market outcomes is the retail margin indicator.

Some countries answered that they also use other indicators to measure retail market outcomes, like Germany, that monitors the number of end-users with a green energy tariff, or Ireland that carries out some customer surveys which contain questions regarding retail market outcomes. Those countries that did not provide an answer to this question do not use other ways to measure retail market outcomes and are presented in the graph under the “No” bar.

Figure 10 - Other ways to measure retail market outcomes

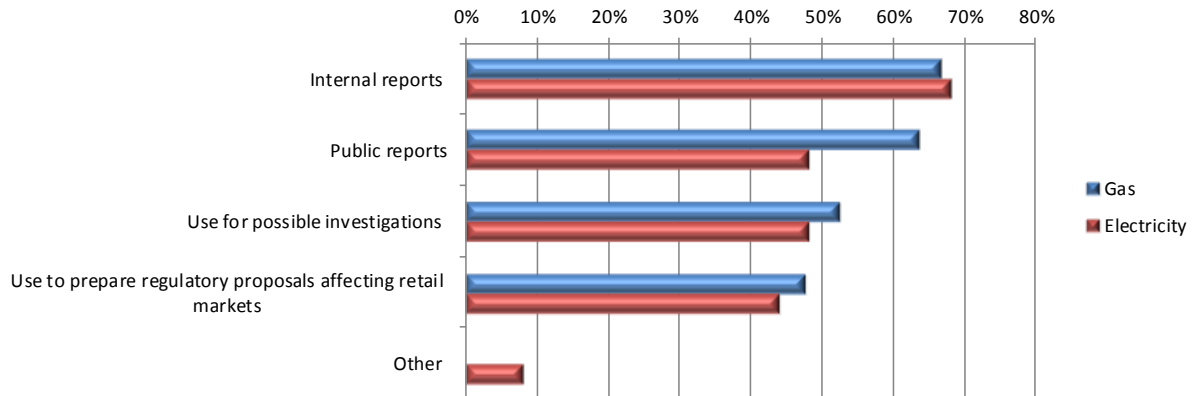


The question addressed to the NRAs was: **“What is the collected information on retail market outcomes used for?”**

Regarding the use of the collected information, answers were received from **all participating countries in electricity and from 19 out of 21 countries in gas**. These indicators are **mostly used for internal and public reports**.

Some NRAs have a particular goal when collecting these indicators. These NRAs collect these data in order to see how the tariff change will affect the bills of customers, but also to see trends in the market, the differences between suppliers and regions, examination of pricing formulas and/or indexation mechanism.

Figure 23 – Purpose of retail market outcomes indicators



Conclusions on retail market outcomes indicators

Regarding retail market outcomes as a category, several conclusions can be drawn. Most NRAs monitor electricity and gas end-user prices for household customers, either as price offers, or as actual prices paid by customers. Moreover, the majority complement this information with related indicators such as the price spread on comparable products, the number of available offers and the retail margin. In some countries, the number of end-users with a green energy price scheme is also monitored.

However, the overall experience from the implementation of these indicators is hard to determine. According to some regulators, they are a useful tool to reach well-functioning and competitive energy markets through regulatory recommendations. Some other regulators point out difficulties in the calculation of some indicators. For instance, for retail margins, there is a need to undertake a complex estimation exercise, since some cost items may not be directly observable, such as retailing/marketing costs or the full energy acquisition costs faced by suppliers.

8 Market Structure (Indicators 8-10)

8.1 Number of active suppliers across the same market (Indicator 8)

EREGG suggests that information about the number of active suppliers in total and the number of active suppliers that supply customers nationwide is collected annually (please note that active suppliers may be less than licensed suppliers).

The question addressed to the NRAs was “Do you monitor the number of active suppliers that are selling nationwide to customers across the same market?”

As the question reveals, here we only focus on the number of suppliers that are active on the whole national territory, although the initial indicator in the GGP mentioned that the number of suppliers in total (national level, regional level etc.) should be collected.

The Status Review shows that nearly all NRAs monitor the number of active suppliers in the electricity and the gas sector. **On the electricity market, 23 out of 25 countries monitor this indicator fully or partially. On the gas market, all 21 countries fully or partially monitor this indicator which is very encouraging.** In some countries, this is a legal duty because of the need to issue licenses to suppliers as in the United Kingdom, in others it is just part of the national monitoring system.

In Norway, the NRA does not collect information on the accurate number of nationwide suppliers on a regular basis, but they do have a general overview of how many suppliers there are nationwide, through information available on the price comparison tool website.

Figure 11 - Monitoring active suppliers across the same market



The most used sources for collecting data on the number of active suppliers are the suppliers and the DSOs. The most used frequency is the **monthly data collection** which shows that the NRAs are collecting this information more frequently than the frequency recommended by the ERGEG GGP, which is a positive result. **We observe that some NRAs use up to two different sources of information to monitor the number of active suppliers.**

8.2 Market shares (Indicator 9)

EREGG recommends that market shares are based on the number of customers and consumption. ERGEG suggests annual calculation of the two market concentration indicators (concentration ratio and HHI).

The question addressed to the NRAs was “Are you calculating market shares by number of customers and/or consumption for the relevant market and how often?”

What we first try to find out is whether NRAs monitor market shares by number of customers and/or consumption. Then, so as to deepen our research, we asked another question, about whether NRAs also construct Concentration Ratio Indices⁸ (CR) and Herfindahl-Hirschman Indices⁹ (HHI) in order to derive further insights on the degree of market concentration.

Most NRAs calculate market shares based on both the number of customers and the consumption. A slightly higher number of regulators use the former (**19 out of 25 in electricity and 15 out of 21 in gas**), while the latter is used by **16 regulators in electricity and by 13 regulators in gas**.

It should be noted that, as for the indicator on price spread, here again we are talking about the calculation of an indicator.

The United Kingdom, who monitors this indicator, believes that different measures of market shares are appropriate for different customers. That is why they only monitor market shares by meter point numbers for domestic customers and market share by volume for non-domestic customers.

It is important to note, as for other indicators related to offers, suppliers or price comparison websites, that some countries like Sweden calculate market shares only for the 20 largest suppliers because of the very high number of suppliers and even higher number of offers.

⁸ The Concentration ratio index (CR) summarises the extent to which the largest few suppliers control supply, e.g. CR3 is the addition of the 3 largest suppliers' market shares.

⁹ The Herfindahl-Hirschman Index (HHI) is calculated as the sum of the squared absolute market share values. It indicates the degree of concentration in the market overall. A HHI number is calculated which ranges from 0 to 10,000. If HHI falls towards 0 the number of firms tends to infinity. If a single firm supplied the market, the HHI would be 10,000. An HHI between 1,000 and 2,000 typically indicates moderate concentration, with 2,000 indicating a concentrated market.

Three countries said “No” to this question as they obtain the data from other sources. In Denmark, eDatahub provides this information. In Germany, the NRA indicates that the National Competition Authority calculates market shares for both gas and electricity markets and that their calculations are used by the NRA in the annual Monitoring Report.

The frequency of data collection varies across countries from monthly to annually, but is in line with the ERGEG GGP recommendation.

Table 5 – Calculation of market shares – Electricity

Source and frequency market shares	Yes, by number of customers	Yes, by consumption	No	TOTAL
Continuously				0
Monthly	6 BE ⁽¹⁾ FR, UK, HU, IE, PT	6 BE ⁽¹⁾ , FR, HU, IE, PT, RO		12
Quarterly	5 BE ⁽²⁾ , IS, IT, LT, ES	4 BE ⁽²⁾ , IT, LT, ES		9
Bi-annually	2 NO, NL	1 NO		3
Annually	6 AT, BE ⁽³⁾ , LU, PL, SK, SE	7 AT, BE ⁽³⁾ , FI, LU, PL, SK, SI	1 DE	14
Occasionally	2 CZ, EE			2
Other			1 MT	1
TOTAL	21	18	2	41

(1) This holds for the Flemish and Brussels regional regulators.

(2) This holds for the Walloon regional regulator.

(3) This holds for the Federal regulator together with the regional regulators.

Table 6 – Calculation of market shares – Gas

Source and frequency market shares	Yes, by number of customers	Yes, by consumption	No	TOTAL
Continuously				0
Monthly	6 BE ⁽¹⁾ , FR, UK, HU, PT, ES	6 BE ⁽¹⁾ , FR, HU, PT, RO, ES		12
Quarterly	4 BE ⁽²⁾ , IE, IT, LT	4 BE ⁽²⁾ , IE, IT, LT		8
Bi-annually	1 NL			1
Annually	5 AT, BE ⁽³⁾ , LU, PL, SK	6 AT, BE ⁽³⁾ , EE, LU, PL, SK	1 DE	12
Occasionally	1 SE			1
Other			3 DK, FI, IS	3
TOTAL	17	16	4	37

(1) This holds for the Flemish and Brussels regional regulators.

(2) This holds for the Walloon regional regulator

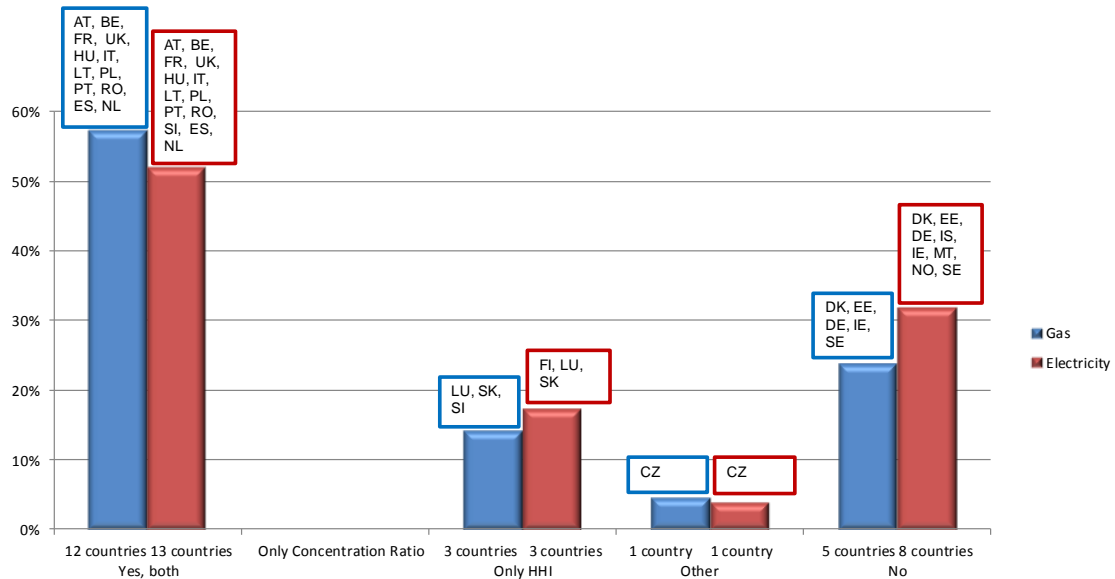
(3) This holds for the Federal regulator together with the regional regulators.

The question addressed to the NRAs was “Please indicate if you are monitoring Concentration Ratios and/or HHIs together with individual market shares?”

The results show that NRAs usually use both, the Concentration Ratio and the HHI, as a mean to further elaborate market shares information (**13 out of 25 countries in electricity and 12 out of 21 countries in gas**). In Austria, both indicators are calculated based on statistical data, but the data protection law prevents the knowledge on individual market shares.

The “No” answers given by some countries are linked to the fact that their markets are closed or they are small with a small number of suppliers like in Iceland or, the NRA is not the competent body.

Figure 12 - Concentration ratio/HHI monitoring



The question addressed to the NRAs was “If regulated end-user prices exist in your country, please explain how this affects the calculation of market shares?”

In those countries where end-user price regulation exists, the calculation of market shares is affected differently. In Hungary, Portugal and in Romania, for example, the products supplied at regulated end-user prices are treated as a separate relevant market. In Belgium, France, Italy, Lithuania and Spain, these products are considered alongside comparable products offered at market prices, within the same relevant market.

8.3 Percentage of customers served by a supplier that has a separate branding from the DSO of its vertically integrated undertaking (Indicator 10)

This indicator stems from the provision contained in the 3rd Package (Article 26.3 in the 2009 Directives), which establishes the obligation for vertically integrated DSOs not to create confusion with respect to the separate identity of the supply branch of the vertically integrated undertaking. The ERGEG GGP found that, while the criteria for separate branding can be nationally defined, the existence of separate branding could be assessed annually using meter point numbers from DSOs identified (by each country) as having separate branding on an annual basis.

The question addressed to the NRA was “Do you monitor the percentage of customers served by a supplier that has separate branding from the DSO of its vertically-integrated undertaking?”

The question was slightly changed with respect to the original indicator for the sake of greater clarity, while maintaining its original meaning. In a liberalised market context, suppliers are responsible for serving customers the energy they demand, not DSOs, who act as market facilitators.

The answers provided show that in most countries this indicator is not being monitored (**in 16 out of 25 countries in electricity and in 14 out of 21 countries in gas**), in general because the separate branding obligation still needs a detailed regulation that has not been issued in most countries. Thus, when separate branding in practice is not being implemented or not applicable, the indicator cannot be calculated.

In the United Kingdom, data are available, but the NRA is not undertaking any analysis, as it considers that competition in the retail electricity supply market is well established and there are a significant number of competitors in the market. With regard to the branding separation in electricity, licensees should comply with the existing distribution license obligations which states that the licensee must at all times have in place a Compliance Statement which must also set out how it will 'maintain the branding of the Distribution Business so that it is fully independent from the branding used by any Relevant License Holder'. In gas, there is no requirement in the gas distribution license conditions regarding branding separation. Because of the structure of the gas industry before competition in the retail gas market was introduced, the branding separation in gas market has never been an issue in the United Kingdom.

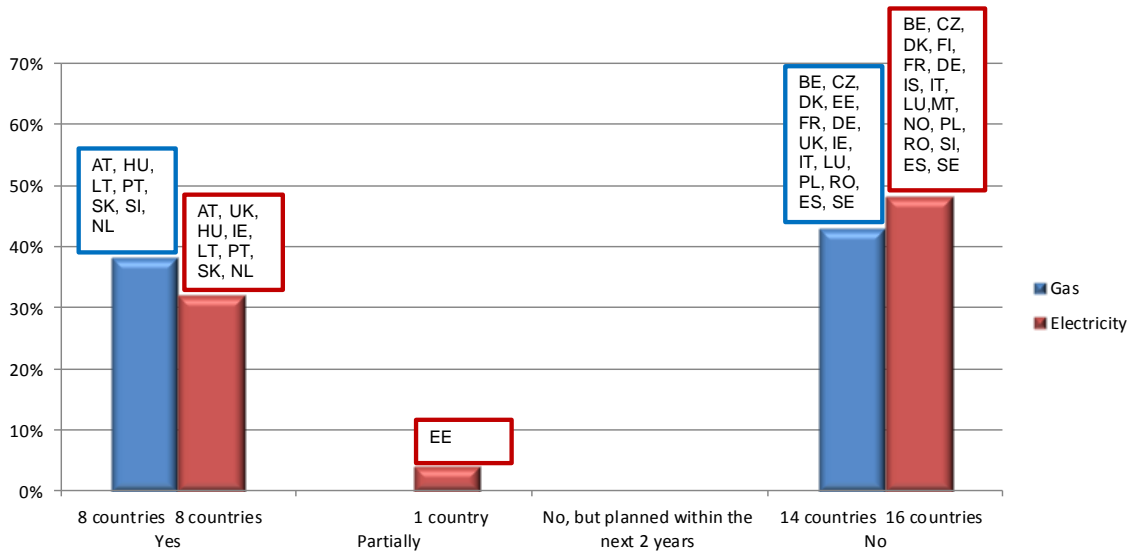
In Italy, the Slovak Republic and the Netherlands, a specific commitment in legislation exists, specifying the obligation for vertically integrated DSOs not to create confusion with respect to the separate identity of the supply branch of the same group.

In France, besides this commitment, the NRA looks very closely at this topic and regularly issues a Code of conduct with recommendations on branding issues and evaluates the degree of implementation of these recommendations by the suppliers and the network operators.

In Ireland, although there is no specific national legislative requirement on re-branding, the NRA is considering the provision from the Third Package as a regulatory decision to require the rebranding of the electricity supply incumbent which was a criterion for deregulation of the electricity domestic market at a market share of 60% (consumption based).

In Spain, so far all vertically integrated companies have kept the same branding for their DSO and supplier subsidiaries. Thus, given the high degree of vertical integration existing in the market, the NRA closely monitors the percentage/number of customers served by a supplier affiliated to the DSO of their area and the percentage of customers served by other suppliers. Separate branding obligations have just been introduced, following the new piece of legislation that transposes the 3rd Package, which entered into force on 30 March 2012.

Figure 13 - Monitoring separate branding



According to the results on source and frequency, **the information on branding usually comes from the DSOs and the most used frequency for monitoring is the monthly basis.** This shows that NRAs monitor this indicator even more frequently than the frequency recommended by ERGEG.

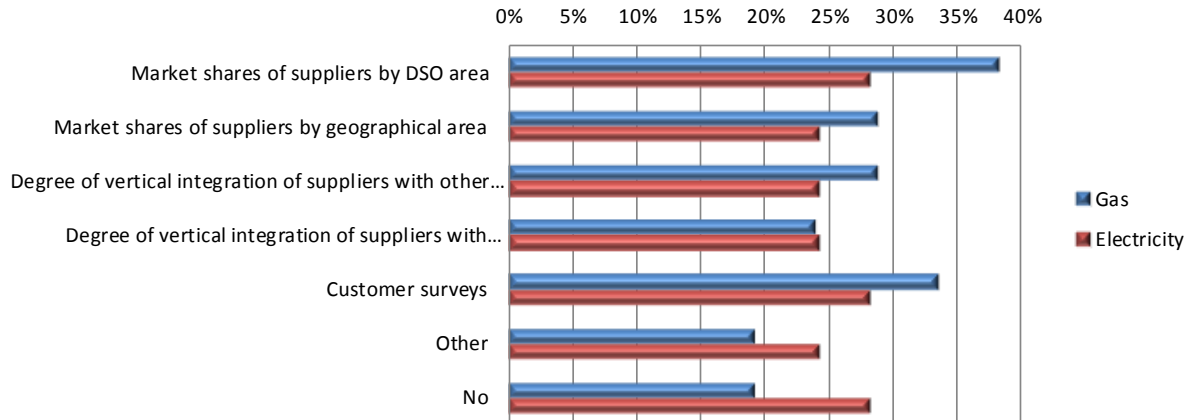
8.4 Additional questions (C1 and C2)

The question addressed to the NRAs was: ***“Do you use other ways in order to measure retail market structure?”***

Answers were received from **19 out of 25 countries in electricity and 18 out of 21 countries in gas.** This means that in 7 countries in electricity and in 4 countries in gas no other indicators are used in order to measure retail market structure which is represented in the graph below with the “No” bar.

While all the indicators proposed in the answer options are more or less used, the most common one is the indicator about market shares of suppliers by DSO area. However in some countries, there are other ways and indicators used which could inspire other countries where these indicators are not measured regularly. In Denmark, some competition analyses are used for this purpose. In France, the NRA focuses on the local distribution operators. In Germany, the NRA monitors the percentage of household customers who are: supplied by the supplier of last resort according to its conditions for supply of last resort or under other conditions. In Spain, the NRA collects market shares of electricity (gas) suppliers in areas where their vertically integrated groups have gas (electricity) distribution activities in order to analyse whether there is a conglomerate effect.

Figure 14 - Other ways to measure retail market structure

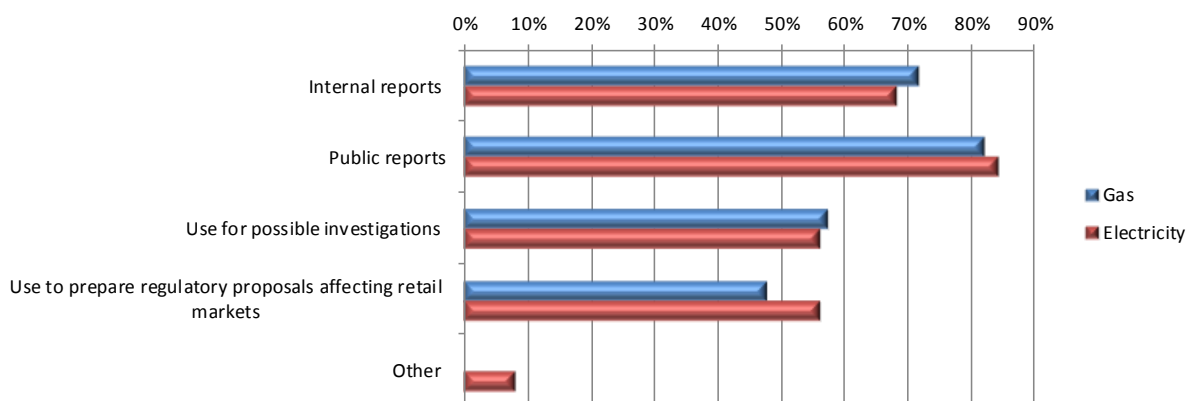


The question addressed to the NRAs was: *“What is the collected information on the retail market structure used for?”*

Regarding the use of retail market structure indicators, answers were received from all **25 countries in electricity and from all 21 countries in gas**. As the results in the graph below show, these indicators are used in public reports in more than 80% of the cases. It is important to note that the proportions are similar between the gas and the electricity market, showing that these indicators are used in the exact same way by the NRAs.

In 2 countries, there are also other purposes of using the retail market structure indicators. In Sweden for example, the NRA publishes the information on their web based price comparison tool.

Figure 15 – Purpose of retail market structure indicators



Conclusions on retail market structure indicators

Nearly all NRAs monitor the number of active suppliers in the electricity and gas markets. In some countries, this is related to the NRA's legal duty of issuing suppliers with a license, in others it just belongs to the NRA's monitoring activity.

The calculation of market shares for the relevant household market, based on both the number of customers and the energy consumption, is quite widespread among NRAs, as is the elaboration of Market Concentration Ratios and Herfindhal-Hirschman indices. These constitute the "minimum" monitoring level of market structure. In addition, many NRAs also calculate market shares of suppliers by DSO or geographic area, in order to capture the possible impact of vertical integration between distribution and retailing activities.

On the other hand, we found that only a few NRAs monitor the number of customers served by a supplier with a separate branding from the DSO of its vertically integrated undertaking. This is probably due to the fact that this indicator stems from the recent provision contained in the 3rd Package, establishing the obligation for vertically integrated DSOs not to create confusion with respect to the separate identity of the supply branch. This separate branding obligation requires a detailed regulation that in most countries has not yet been issued.

9 Market condition and DSO services (Indicators 11-18)

This monitoring area contains two different dimensions of the customer interaction with energy markets. On the one hand, indicators no. 11 to no. 14 concern the supplier switching/contract renegotiation experience, where the DSO may play a market facilitator role. On the other, indicators no. 15 to no. 18 try to measure the more traditional provision of quality of supply services by the DSOs.

9.1 Number of switches for customers as a percentage of customer numbers (Indicator 11)

This indicator is included in the provision contained in the 3rd Package (Article 37(j) in electricity and 41(j) in gas in the 2009 Directives), which establishes a monitoring duty for the NRAs for supplier switching.

By definition, switching supplier is the action through which a customer acts and changes his/her supplier – the meter point associated with a customer must be re-registered with a different supplier. ERGEG recommends that data on the number of switches is collected at least on a quarterly basis from DSOs or suppliers.

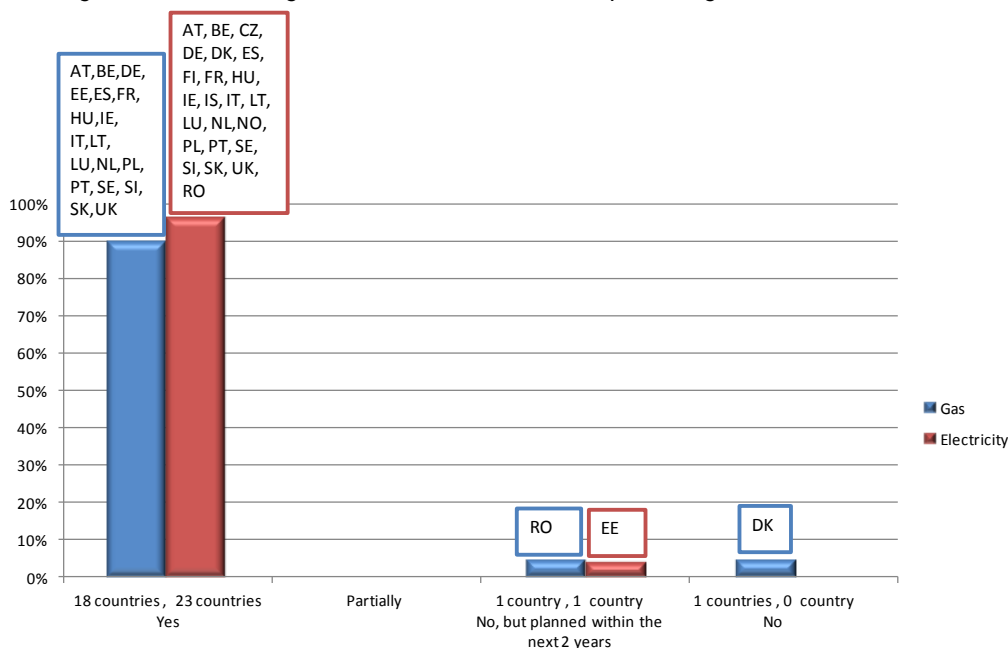
The question addressed to NRAs was: "Do you collect the number of switches for customers as a percentage of customer number?"

The results show that nearly all NRAs participating in the Status Review monitor this indicator (23 out of 24 answers in electricity, and 18 out of 20 answers in gas). One country in gas and in electricity plans to introduce this indicator within the next two years.

As to the switching rate information sources, most NRAs (19 in electricity and 15 in gas) obtain it from DSOs. Some NRAs collect data from suppliers (8 in electricity and in gas) and only in a few cases from customer surveys (3 in electricity and gas). Other sources are used by Spain, the Czech Republic and Belgium. We observe that several NRAs use two or three different sources of information to calculate switching rates. This is the case for Austria, Belgium, the United Kingdom, Luxembourg, Spain and The Netherlands. For example, Spain collects switching data quarterly from the switching office (OCSUM)¹⁰, as well as directly from suppliers and DSOs, both in gas and the electricity market. In the United Kingdom, the NRA obtains information both from DSOs and suppliers (under a new law in November 2011 this information can be obtained under new market monitoring powers), as well as through customer surveys.

In the vast majority of cases switching data are collected more frequently than annually, which is the threshold frequency recommended by ERGEG. This shows a concern for closely monitoring the evolution of the switching rate, not just its level.

Figure 16 – Monitoring the number of switches as a percentage of customer numbers



NRAs were asked: “At what aggregation level do you monitor the number of switches for customers?”

¹⁰ OCSUM is a non-profit company, whose creation was established by law in 2007, with the specific mission to monitor switching processes and related issues (e.g. communications between suppliers and DSOs). OCSUM’s shareholders are gas and electricity retailers, accounting for 70% of the capital, and gas and electricity DSOs, accounting for 30% of the capital. All retailers and DSOs have the legal obligation to be OCSUM’s shareholders.

The results show that the majority of NRAs (21 in electricity and 16 in gas) monitor the switching rate figure at national level. Moreover, a significant number of NRAs also carry out a more detailed monitoring, at the DSO and/or at supplier level.

Table 5 – Aggregation level in monitoring the switching rate

	a) At national level	b) At DSO level	c) At supplier level (number of lost and gained customers by supplier)	d) Other	Total n° of answers provided
Electricity	21 AT, BE, CZ, DK, FI, FR, UK, IS, IT ¹ , LT, LU, NO, PL, PT, RO, SK, SI, ES, SE, NL	9 BE, DE, UK, HU, ,PL, PT, SI, ES	7 BE, DE ² , UK, HU, LU, PT, IE, ES	0	37
Gas	15 BE, DK, FR, DE, UK, IT ¹ , LT, LU, PL, PT, SK, SI, ES, SE, NL	11 AT, BE, DE, EE, FR, PT, HU, PL, SI, ES,	8 AT, BE, FR, DE ² , UK, PT, IE, LU, ES	0	34

- (1) In Italy, the aggregation at national level is the result of data collected at regional level and with a reference to the characteristics of the customer (household, etc.).
- (2) In Germany, the NRA only monitors, at DSO level, the total number of switches carried out by the DSO in his network area.

NRAs were addressed the question: “Which one(s) of the following do you consider as a switch to include in your switching rate indicator?”(with alternatives provided as shown in the table below)

In electricity, 14 NRAs out of 23 indicated that they only define a switch as “Any change of supplier resulting from the customer choice” and 9 NRA indicated that they use “Any change of supplier resulting from the customer choice, but only if the new supplier belongs to a different undertaking from that of the old supplier”. In gas, 14 NRAs out of 19 opted for the first definition and 4 regulators for the second.

NRAs from Germany and Italy follow somewhat different definitions. In the case of Germany, which chose both option a) and e), the regulator collects switching figures that include both supplier switches and contract changes with the same supplier, but can separate them. In Italy, for gas, switches include also changes that do not necessarily result from the customer choice (for example: after the withdrawal of the supplier or its bankruptcy, the customer is supplied by a supplier of last resort).

Table 6 – Definition of a switch to include in the switching rate indicator

	a) Any change of supplier resulting from the customer choice	b) Any change of supplier resulting from the customer choice, but only if the new supplier belongs to a different undertaking from that of the old supplier.	c) Any change of tariff/contractual price resulting from the customer choice, with the customer remaining with the same supplier.	d) Any change of supplier resulting from a merger or acquisition of a supplier.	e) Other situations that you would consider as a switch (please explain)	Total n° of answers provided
Electricity	14 AT, BE, CZ, FI, DE, IE, LU, NO, PL, PT, SI, ES, SE, NL	9 DK, FR, UK, HU, IS, LT, SK, IT ¹ , RO	0	0	1 DE	24
Gas	14 AT, BE, EE, FR, DE, IE, LT LU, PL, PT, SI, ES, SE, NL	4 DK, UK, HU, SK	0	0	2 DE, IT	20

(1) In the case of Italy (electricity), option b) should be understood as “any change of the user of the dispatching service”. The user of the dispatching service is the entity (generally an energy company) which is party to contracts with the DSO and with the TSO. The user of the dispatching service for a delivery point may be different from the supplier to that point.

9.2 Number of renegotiated contracts for customers as a percentage of customer numbers (Indicator 12)

In the ERGEG GGP, a customer renegotiation is defined as changing to a new contract (excluding the automatic renewal of the current contract) with the existing supplier. ERGEG suggests that data on renegotiations is collected at least annually from suppliers and/or customer surveys.

The question addressed to NRAs was: “Do you collect the number of renegotiated contracts for customers as a percentage of customer numbers?”

The results show that only a minority of NRAs monitor this indicator, in a complete or partial way. This occurs in 7 out of 24 answers for electricity and in 5 out of 20 answers for gas.

Two NRAs are planning to start monitoring this indicator in electricity during the next two years. For instance, in the United Kingdom the NRA is currently assessing the degree of relevance of this indicator in the electricity market and is considering the best way to collect it. In Ireland, the regulator is currently consulting on monitoring this indicator in both the electricity and gas markets.

The vast majority of NRAs does not employ this indicator (15 in electricity and gas), although in several cases they recognise its potential importance as providing complementary information to the switching rate figure in order to measure the market competitive functioning.

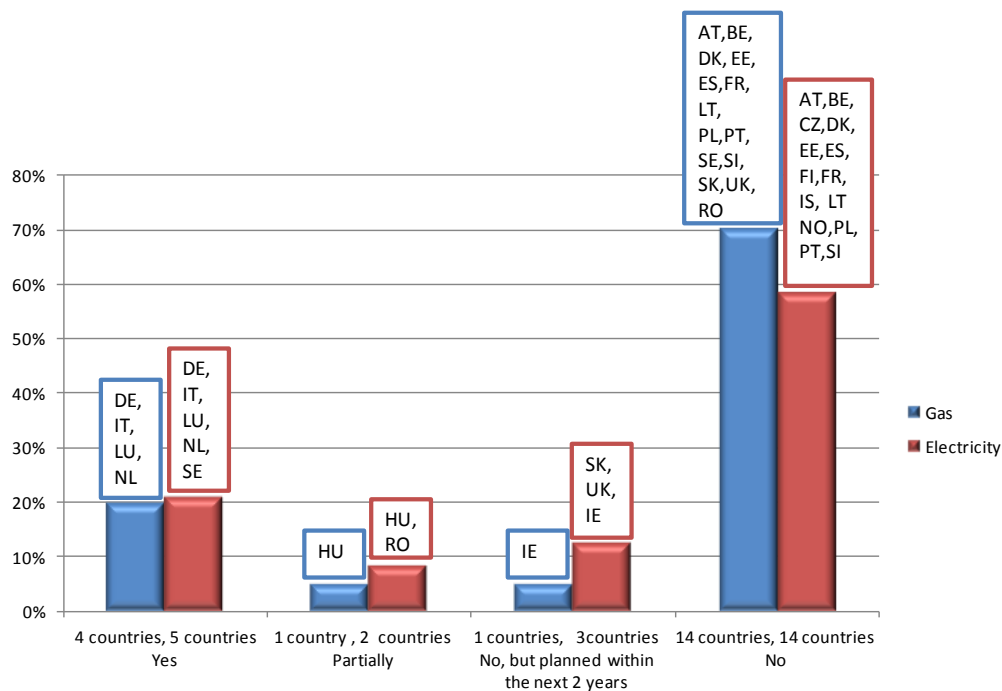
It should be recalled that this information, unlike switching indicators, is not directly observable by DSOs in the market and can only be obtained from customers and/or suppliers. This could help explain the low degree of implementation of this indicator, despite being generally regarded as useful by regulators.

The results show that **6 out of 7 NRAs in electricity and 4 out of 5 in gas obtain the information from suppliers**. Only one NRA, The Netherlands, obtains it directly from customers. Moreover, **6 out of 7 NRAs in electricity, and 4 out of 5 in gas, collect the information more frequently than annually**, which is the ERGEG minimum recommended frequency.

NRAs were asked: “Please indicate the definition of contract renegotiation you use for the purpose of calculating this indicator”

Nearly all countries that use or plan to use this indicator agree on defining contract renegotiation for this purpose along the lines of the ERGEG GGP, as the “Change to a new contract with the same supplier, excluding the automatic renewal of the current contract”. The only exception is the NRA in Italy, which includes, additionally, in this definition a “Change to a new contract with the same supplier belonging to the same undertaking of the old supplier”.

Figure 17 – Monitoring the number of renegotiated contracts for customers as a percentage of customer numbers



The experiences provided by Sweden, Italy, and The Netherlands can be seen as examples of good practices in the monitoring of this indicator

In Sweden, a survey among electricity suppliers is carried out for the NRA by Statistics Sweden. Suppliers are asked each month to provide the number of customers who have

renegotiated their contract with the supplier (this is clearly separated from the survey on supplier switching, which is carried out by asking DSOs how many switches they have executed each month). Historically, no need was seen for such information on the gas market considering its size (approx. 20 000 household customers). However, the NRA is now looking into ways of collecting renegotiated contracts also for gas customers.

In Italy, the experience is quite new. The first data collection for this indicator was launched at the beginning of 2012 and will be closed in June 2012. Suppliers have the obligation to submit to the NRA, quarterly, information on the number of supply points for which a contractual renegotiation has occurred (this is only associated with a change in the contractual price conditions). In the electricity sector, this indicator is monitored for all types of customers, while in gas, it is only monitored for household customers.

In the Netherlands, the NRA monitors this indicator through a customer survey. Customers are interviewed every half a year about whether they have switched supplier or changed (renegotiated) their contract with their own supplier in the past 12 months. These data are compared with the actual switching data from suppliers in order to obtain a cross check. So far, the NRA has concluded that the answers from customer survey are accurate.

Finally, we learned that two other countries have similar experiences. In Hungary, the indicator is monitored in a partial way, as data on the number of customers who have renegotiated their contracts have been collected, by customer type and location, but have not yet been evaluated. In Romania, the indicator is also “partially” monitored, as the collected information refers to: (1) the number of renegotiated contracts in the regulated market, without distinguishing the customer type and (2) the renegotiated contracts in the free market with the same supplier, by customer type (households, small non-households and large non-households).

9.3 Number of delayed switches (Indicator 13)

This indicator stems from Article 3.5 (a) of Directive 2009/72/EC in electricity and from Article 3.6 (a) of Directive 2009/73/EC in electricity.

A delay in the switching process occurs where the switching time exceeds the nationally stated time frame for the switching process. According to the 3rd Package, such time frame shall not be longer than three weeks, where the start and end points are subject to definitions set out as part of national implementation of the 3rd Package.

By monitoring delayed switches NRAs can obtain complementary information to switching rates, in order to better understand how effective the switching process is.

ERGEG suggests that data on the number of delayed switches is collected from the DSOs at least annually, and where possible, that reasons for the delay are also provided.

The question addressed to NRAs was: “Do you collect data on the number of delayed switches?”

According to the results, **the number of delayed switches is monitored, either fully or partially, by half of the NRAs in electricity (12 out of 24 answers) and by a minority in gas (8 out of 21 answers).**

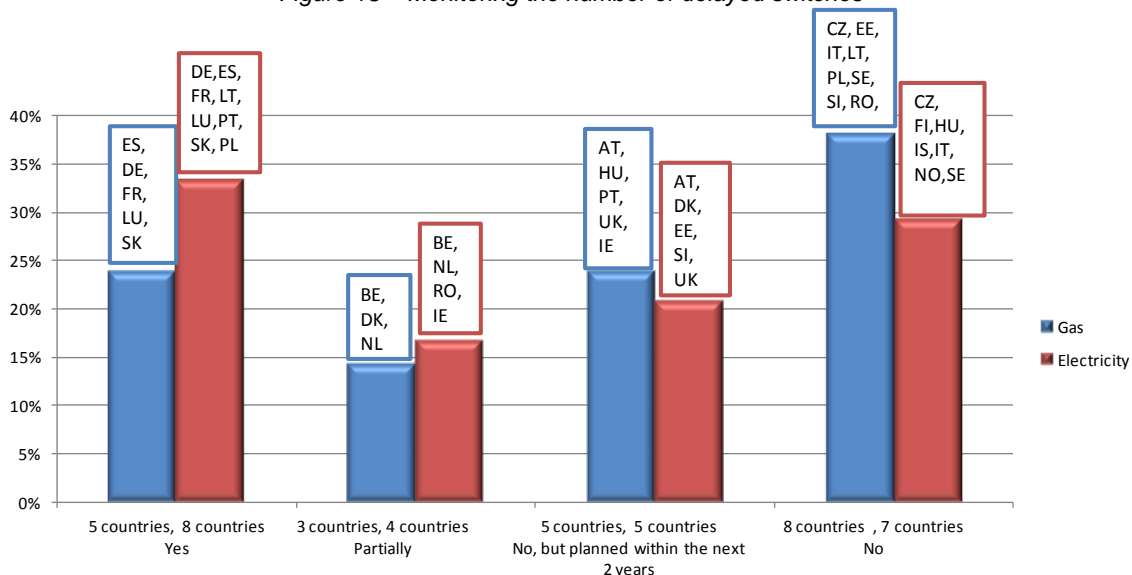
The answer “partially” has different meanings in different countries. In the case of Romania, it reflects the fact that the NRA observes delayed switches insofar as they are included in the collection of the number of customers’ complaints about the switching process, without classifying them by customer type. Similarly, in Belgium, the Walloon regional regulator monitors delayed switches that are associated with complaints that imply a compensation right for customers. On the other hand, in The Netherlands the collection of delayed, as well as failed switches, is included in the general monitoring of all switches and no full validation of the number of delayed switches is carried out.

In Denmark the NRA expects to be able to monitor delayed and failed switches in the electricity market after the entry into force of the new central Data Hub for the management of meter values, switching and other business processes.

In Portugal the NRA will receive the information on delayed and failed switches for gas in the near future. The TSO, as the entity responsible for operating the switching platform will provide this information quarterly.

In the United Kingdom the monitoring of this indicator is planned after the recent introduction of a new license condition imposing an obligation on the new supplier to start supplying electricity or gas to a new customer within three weeks after the cooling off period¹¹. The NRA is currently looking at the best way to collect these data from suppliers, including the frequency of collection.

Figure 18 – Monitoring the number of delayed switches



¹¹ This is, subject to certain contractual grounds (they coincide with the conditions that a supplier can currently use to block a switch, i.e. outstanding charges and the existence of provisions that bound a customer to a fixed term contract).

On the other hand, **7 NRAs in electricity and 8 NRAs in gas do not monitor this indicator**. The explanations provided by NRAs are diverse. In Austria no systematic collection of information takes place, but customer surveys are carried out occasionally. In Iceland the issue is one of few resources. In the case of Sweden and Norway, the indicator is not considered as especially useful, as delayed switches are not a common problem at present¹². In Poland the indicator is not being used for the gas market, as the incumbent gas supplier has over 97% share in gas market and there are very few switches.

As in the case of the switching rate indicator, DSOs represent the main source for the collection of data on the number of delayed switches, both in the electricity sector (10 out of 18 NRAs) and in gas (7 out of 12 NRAs). To a lesser extent information is also collected from suppliers (5 NRAs in electricity and 4 in gas) and from other sources (4 NRAs in electricity and 1 in gas).

Regarding “other sources”, they are additional to suppliers and DSOs in some cases (Spain and Ireland). In Spain, the NRA obtains data from both suppliers and DSOs directly, and, moreover, from OCSUM, the supplier switching office. The data include two types of delays: the number of switch requests that were validated by DSOs with some delay, and the number of switches that, after validation, were executed by DSOs with delay.

The majority of NRAs (14 out of 18 in electricity and 11 out of 12) collect data on delayed switches more often than annually, which is the minimum frequency recommended by ERGEG.

NRAs were asked: “Please indicate at what aggregation level you monitor delayed switches”.

The results also show that several NRAs (9 in electricity and 7 in gas) monitor (or plan to monitor) the number of delayed switches as an aggregated figure at the national level. Moreover, **a significant number of NRAs also carry out a more detailed monitoring, at the DSO and/or at the supplier level**. The latter may allow for the identification of the agent(s) that could be responsible for a possible malfunctioning in the switching process.

Table 7 – Aggregation level in monitoring delayed switches

	a) Aggregated number of delayed switches	b) Number of delayed switches by DSO	c) Number of delayed switches by DSO and affected supplier	d) Other (please specify)	Total n° of answers provided
Electricity	9 FR, DK, DE, IE, LU, PT, SK, ES, NL	6 DK, FR, DE, LT, LU, ES	3 DK, SK, ES	3 BE ⁽¹⁾ , DE, RO	21
Gas	7 DK, FR, DE, LU, SK, ES, NL	4 FR, DE, LU, ES	2 SK, ES	2 BE ⁽¹⁾ , DE	15

(1) This refers to delayed switches that are associated with complaints that imply a compensation right for customers

¹² The NRA in Sweden gets a regular feedback from the national point of contact for electricity and gas consumers (Energy Consumer Advice Bureau). In the beginning of the 2000s, problems of delayed switches were regularly reported by the bureau. Since around 2006, they hardly experienced any problems with switching delays.

9.4 Number of failures in relation to the total switching rate (Indicator 14)

A failure to fulfill the switch occurs when a switch is not completed. ERGEG suggests that data on the number of failures to fulfill the switch is collected at least quarterly from suppliers or DSOs. Similarly to delayed switches, the indicator of failed switches also provides complementary information on the effectiveness of the switching process.

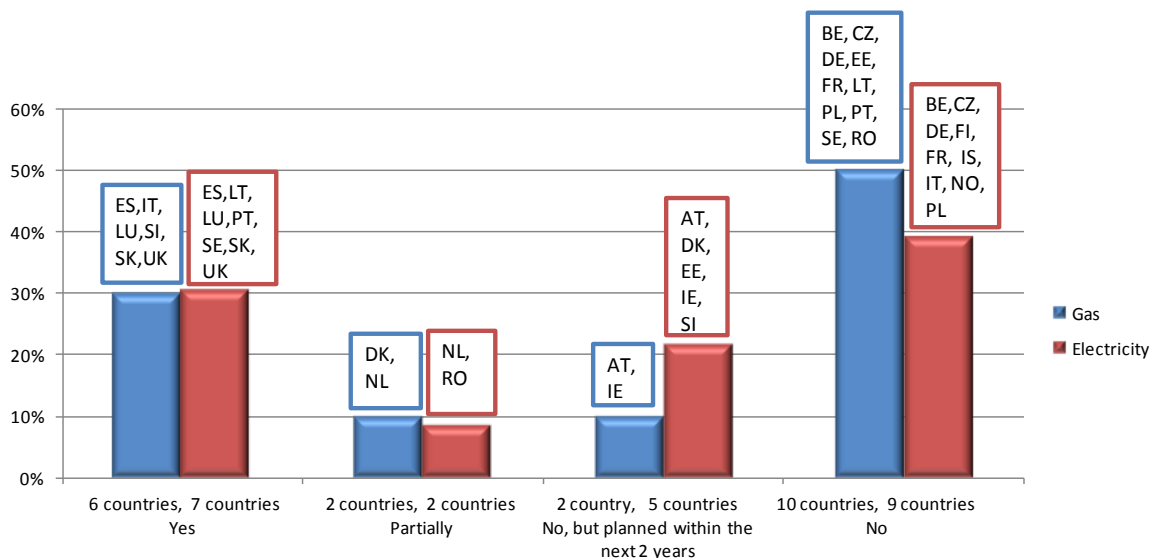
The question included in the questionnaire to NRAs was: “Do you collect the number of failures in relation to the total switching rate?”

The indicator is monitored, in a complete or partial way, by a minority of NRAs (9 out of 23 answers in electricity and 8 out of 20 answers in gas). 5 NRAs in electricity and 2 in gas are planning to introduce this indicator within the next two years. In the case of Ireland, the NRA is consulting on the proposal that any switch requests that time out and are not completed, for whatever reason, are to be recorded as failed switches and reported to the NRA on a monthly basis.

On the other hand, 9 NRAs indicated that they are not monitoring failed switches in electricity and 10 are not doing so in gas.

In several cases (5 in gas and 5 in electricity), this result could be explained by the fact that NRAs alternatively rely (or plan to do so) on the monitoring of delayed switches. In Germany, for example, according to the NRA, a differentiation between “delay” and “failure” does not exist. For monitoring purposes only delayed and non-delayed switches are monitored.

Figure 19 – Monitoring the number of failures in relation to the total switching rate



DSOs represent the main source for the collection of data on the number of failed switches, both in the electricity (6 out of 12 NRAs) and the gas sector (6 out of 10 NRAs). The information is also collected from suppliers (4 NRAs in electricity and 3 in gas) and in a very few cases from other sources or third party bodies.

The vast majority of NRAs (10 out of 12 in electricity and 9 out of 10 in gas) collects data on failed switches more often than annually, which is the minimum frequency recommended by ERGEG.

NRAs were asked: “Please indicate at what aggregation level you monitor failed switches”.

The results show that the majority of NRAs (8 in electricity and 7 in gas) monitor, or plan to monitor, the number of failed switches as an aggregated figure at the national level. Moreover, **a significant number of NRAs also carry out a more detailed monitoring, at the DSO and/or at the supplier level.** The latter can provide an indication of the agent(s) that may bear some responsibility for a possible malfunctioning in the switching process.

Table 8 – Aggregation level in monitoring failed switches

	a) At national level	b) At DSO level	c) At supplier level (number of lost and gained customers by supplier)	d) Other	Total n° of answers provided
Electricity	9 DK, UK, IE, PT, IE, SK, ES, SE, NL	5 DK, LT, LU, ES, PT	3 DK, SK, ES,	2 UK ¹ , RO ²	19
Gas	8 DK, UK, IT, SK, IE, SI, ES, NL	3 DK, LU, ES	3 DK, SK, ES	2 UK ¹ , IT ³	16

- (1) *In The United Kingdom the NRA collects the number of failed switches by supplier*
 (2) *In Romania the complaints about failed and delayed switches are collected together*
 (3) *In Italy the data on failed switches in the gas market are collected by region*

The Status Review results reveal the existence of either a **complementary or a substitute relationship between delayed and failed switches**, which differ across NRAs, as shown in the table below.

For the majority of NRAs (Denmark, the United Kingdom, Luxembourg, Slovak Republic, Spain, Slovenia, Estonia, Lithuania, Romania and The Netherlands) these are complementary indicators, as they use, or plan to use, both of them for monitoring purposes, either in gas, electricity or both.

By contrast, in other countries they seem to be considered as alternative indicators, with the delayed switches being the most popular: this is the case of France, Belgium, Germany and Poland, that follow, or plan to follow, delayed switches, but not failed switches, while Austria and Italy monitor or plan to monitor, failed switches but not delayed switches.

Table 9 – Monitoring delayed and/or failed switches across countries¹

	GAS		ELECTRICITY	
	Monitor (yes or partially) or plan to monitor within two years			
	Delayed switches	Failed switches	Delayed switches	Failed switches
AUSTRIA	x	x	x	X
BELGIUM	x		x	
CZECH REPUBLIC				
DENMARK	x	x	x	X
ESTONIA			x	X
FRANCE	x		x	
GERMANY	x		x	
THE UNITED KINGDOM	x	x	x	X
HUNGARY	x			
ICELAND				
IRELAND	x	x	x	x
ITALY		x		
LITHUANIA			x	x
LUXEMBOURG	x	x	x	x
MALTA				
NORWAY				
POLAND			x	
PORTUGAL	x		x	
ROMANIA			x	x
SLOVAK REPUBLIC	x	x	x	x
SLOVENIA		x	x	x
SPAIN	x	x	x	x
SWEDEN				x
THE NETHERLANDS	x	x	x	x

(1) Empty boxes generally mean that the NRA answered “no” to questions 13.1(delayed switches) or 14.1 (failed switches). The only exception is Hungary, for which the empty box in relation to failed switches just reflects the fact that the NRA did not answer question 14.1.

9.5 Average time between a connection being requested by a customer and completed (Indicator 15)

This indicator stems from the provision contained in the 3rd Package (Article 37(m) in electricity and 41(m) in gas in the 2009 Directives), which establishes a monitoring duty for the NRAs for connection times.

ERREG suggests that information on average connection times, as established in national regulation, is collected at least annually from DSOs. ERREG also supports the idea of developing defined quality of service obligations for connections.

The timeliness of the connection service requested by a customer is an indicator of DSO's commercial quality¹³. The definition of "timeliness", as well as the dimensions it applies to (quoting, physical works, etc.), may vary across countries.

The question included in the questionnaire to NRAs was: "Do you collect information on the average time between a connection being requested by a customer and completed?"

The results show that **the majority of NRAs (15 out of 20 answers in electricity and 12 out of 21 in gas) monitor this indicator, either in a partial or complete way.**

Among NRAs that fully monitor the average connection time, some have provided detailed explanations about how they deal with it, which reveals **differences in the definition of "connection" and in its regulation (in some cases a time limit is set by regulation, in others it is not).**

In the United Kingdom electricity and gas DSOs are required to submit to the NRA quarterly information on connections in their areas, including: the number of connections and the timeliness of quoting and completing work for new connections.

In France this indicator, in the electricity market, is only monitored for small customers. For other categories of customers (power producers and other large industrial customers) the monitored indicator is the "percentage of connections achieved within a time range". On the other hand, in the gas market monitored connections are classified into three categories depending on the time between a connection being requested by a customer and completed: lower than the DSO "catalogue time", lower than twice this time and above this time.

In Portugal there is an overall standard set in the Quality of Service Code for electricity DSOs, which establishes a period of 20 working days to complete the connection requested in 95% of the cases.

The explanation of "partially" also vary according to the NRAs. In Belgium "partially" reflect the different situations faced by the different regional regulators, both in the gas and electricity markets¹⁴. In Ireland, one of the indicators to assess electricity DSOs performance pertains to the time between a connection request by a customer and its completion. In the Czech Republic, in the gas sector, information is only collected about cases in which the connection time, which is defined by the legislation, is exceeded. The same applies to repair times. In Italy, both for the gas and electricity markets, the average time between a connection being requested by a customer and completed is included in a more general indicator, which is the time for the execution of works by DSOs. In Spain, in the gas market, the NRA collects DSO's time to start the gas supply to consumers already connected to the gas grid but without gas supply, which is defined by regulation. The time taken by the works to build new physical connections to the gas grid is not monitored, as current legislation does not define a standard timeframe that DSO have to comply with for executing such works.

¹³ In "5th CEER Benchmarking Report on the Quality of Electricity Supply 2011" this indicator belongs to the "Connection (Group I)", within the more general category of commercial quality indicators.

¹⁴ The Brussels regional regulator expects to receive more details in future quality reports from the DSO. The Flemish regional regulator receives, through the DSO, certain information about timing of connections, which has been imposed by legislation. However, there are at present non-resolved technical and interpretation issues, raised by the DSO, regarding connection-types. As a result, the indicator is not collected in the form suggested by ERGEG GGP. On the other hand, the Walloon regional regulator plans to start monitoring the average connection time within the next 2 years.

In Romania, in the electricity market, the NRA collects the average times for the following steps of the connection process: issuing the connection offers, concluding connection contracts and concluding distribution contracts. However, the average connection time, as the average repair time, number of disconnections and maintenance services, is not classified by customer type.

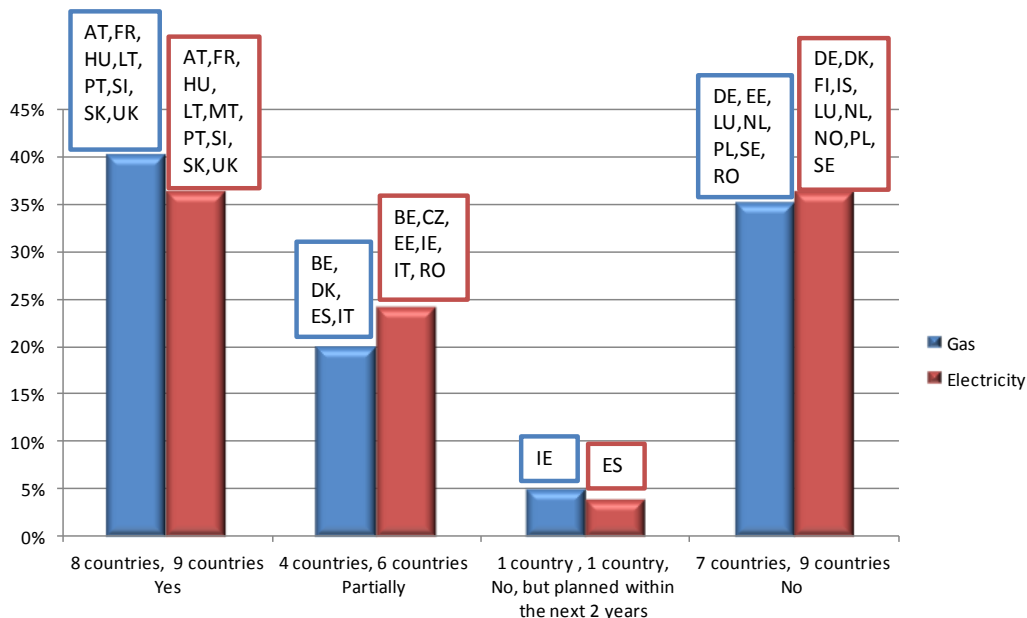
In the case of Denmark, “partially” for gas just means that the information on average connection times is collected only on an occasional basis, which is also the case for average repair time, number of disconnections and maintenance services.

One NRA (Spain) is planning to introduce this indicator for the electricity market within the next two years, as part of current developments of regulatory accounts requirements for DSOs.

The remaining NRAs (9 in electricity and 8 in gas) are not following this indicator for various reasons. In Germany, no monitoring of average connection times takes place because there is no time limit established by law. According to Section 6.1 of the Network Connection Ordinance (both for gas and electricity) the DSO has an obligation to inform the customer beforehand about the time necessary to build the requested connection.

In Ireland, as to the gas market, there is no collection of the average time for completing a new connection. However, the DSO reports annually on other time-related service standards, such as appointment granting and reinstatement of land. This information is detailed in the DSO’s annual performance report approved by the NRA. The NRA is currently consulting on the monitoring of this indicator.

Figure 20 – Monitoring the average time between a connection being requested by a customer and completed



All NRAs who monitor (or plan to monitor) this indicator, in a partial or complete way, collect it (or plan to collect it) from DSOs once per year, which is in line with ERGEG recommendations. Also, 4 NRAs collect it more often, monthly or quarterly, which shows a concern for the evolution of this indicator over time.

9.6 Average time until repair (Indicator 16)

This indicator stems from the provision contained in the 3rd Package (Article 37(m) in electricity and 41(m) in gas in the 2009 Directives), which establishes a monitoring duty to the NRAs for repair times.

This indicator should be calculated where customers' supplies have been affected. The start and end points are subject to national definition and the timeframe applied should be relevant to national circumstances. ERGEG suggests that information on repair times, as established in national regulation, is collected at least annually from DSOs. The timeliness of DSO's response in order to restore the service is an indicator of DSO's commercial quality¹⁵.

ERGEG considers that this indicator could be seen alongside continuity of supply indicators such as the System Average Interruption Duration Index (SAIDI) or the Customer Average Interruption Frequency Index (CAIFI), where these are currently collected.

The question addressed to NRAs was: "Do you collect information on the average time until repair?"

We note that the question was expressed in open terms. Thus, it was not intended to relate specifically to reliability/continuity of supply or to commercial quality services, as in each country it may be referred to any or both of these dimensions.

The results show that the majority of NRAs monitor this indicator, either completely or partially (19 out of 25 answers in electricity and 15 out of 22 answers in gas). One country is planning to monitor the indicator within the next two years.

Several NRAs answering "yes" or "partially" to this question show **different approaches in the monitoring of this indicator**. In some cases this is part of the more general supervision of quality of supply, related with reliability of the grid and continuity of supply, while in others the indicator is more related with individual customer problems.

In Belgium, both for gas and electricity, the indicator is fully monitored by the Walloon regulator, being related with SAIDI / SAIFI / CAIDI indicators and, more generally, with the CEER quality report. On the other hand, it is partially monitored by the Brussels and Flemish regional regulators. The Flemish regional regulator collects information about "planned" and "unplanned" repairs, as well as about maintenance. The NRA gathers this information on an annual basis for the annual benchmarking report to be sent to the European Commission.

¹⁵ In CEER "Benchmarking Report on the Quality of Electricity Supply 2011" this indicator belongs to the "Technical Service (Group III)", within the more general category of commercial quality indicators.

Although there is not an overall precise definition of repair, information is gathered that will indicate whether there are problems in this area. In Denmark, for the electricity market, DERA receives a disconnection statistic from the Danish Energy Association mainly for the use of the yearly benchmarking and calculation of the yearly efficiency rate imposed on DSOs. In Germany, both for the gas and electricity sector, the indicator being monitored is the average time of interruption of supply. Interruptions of services in gas and electricity are monitored according to SAIDI, which shows how many minutes per year services are not available for end-users and end-users are not supplied with gas or electricity.

In the United Kingdom, both for the gas and electricity sector, all licensees operating electricity transmission or distribution systems are required to report annually on their performance in maintaining system security, availability and quality of service. This information provides a picture of the continuity and quality of service experienced by final customers. Similarly, in Ireland this indicator is used as part of DSOs' compliance with service level agreements, which differ in electricity and gas.¹⁶

Norway and Italy collect the average time until repair as CAIDI (the Customer Average Interruption Duration Index) in electricity¹⁷, as described by CEER's 5th Benchmark Report on the Quality of Electricity Supply is published. In Poland, in electricity, monitoring on SAIDI and SAIFI indicators are based on DSO's obligation from electricity system ordinance.

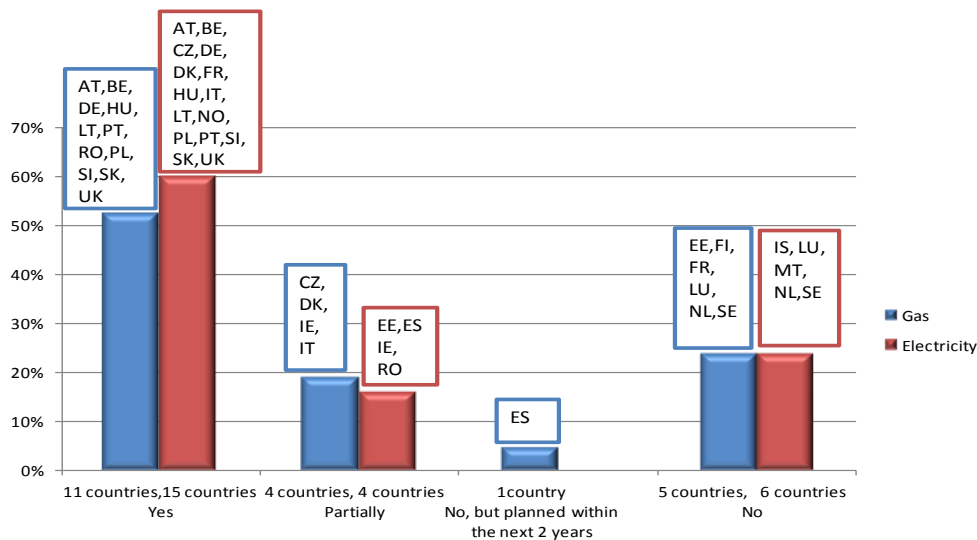
Portugal monitors the indicator both in gas and electricity, within the Quality of Service Code monitoring activities

In Spain, in electricity the following continuity indicators are used: the time of equivalent interruption per power installed (TIEPI) and the number of equivalent interruptions per power installed (NIEPI). These provide useful information to the NRA on the performance of the network in terms of security and availability respectively, and also allow the NRA to obtain the regular time until repair.

¹⁶ In electricity: the DSO operates in line with service level agreements, one of which pertains to the time taken to replace a faulty meter. The NRA determines, each year, the performance of the DSO against these service level agreements. In gas: the DSO does not report on the 'average repair time' but reports annually on the amount of instances where the restoration of supply was outside an agreed standard. The agreed standard is that the DSO is required to restore gas supply by midnight of the following day in the event of an unplanned interruption.

¹⁷ In Italy this is also measured, in electricity, as the time to restore supply after a meter malfunctioning is detected. In gas the time until repair is understood as the average time to stop serious outages.

Figure 21 – Monitoring the average time until repair



In The Netherlands, the NRA collects complaints and enquiries from customers on connection times, as well as on maintenance services, via the national point of contact Consuwijzer. At the moment complaints about both issues are rare, so it is not considered as necessary to ask this information from DSO's. The NRA is also trying to limit the legislative and administrative burdens on energy companies.

Both in gas and electricity, all NRAs that monitor this indicator or plan to monitor it, collect (or plan to collect) the information from DSOs, mainly once per year, which is the minimum frequency recommended by ERGEG.

9.7 Number of disconnections (Indicator 17)

This indicator stems from the provision contained in the 3rd Package (Article 37(j) in electricity and 41(j) in gas in the 2009 Directives), which establishes a monitoring duty to the NRAs for disconnections.

Disconnection is described as the action of interrupting delivery of energy to a point of supply. This action can be initiated by the supplier or the network operator. ERGEG suggests that DSOs report at least annually on the total and relative number of disconnections, divided into those which are initiated by the supplier and the DSO.

The question addressed to NRAs was: “Do you monitor the number of disconnections?”

The results show that the vast majority of NRAs monitor this indicator, either fully or partially (20 out of 25 answers in electricity and 17 out of 20 in gas). In some countries NRAs are planning to start monitoring the indicator within the next two years. Two NRAs do not monitor the indicator in electricity and one in gas.

Among the NRAs answering “yes” or “partially” to the above question, many comments and details were provided.

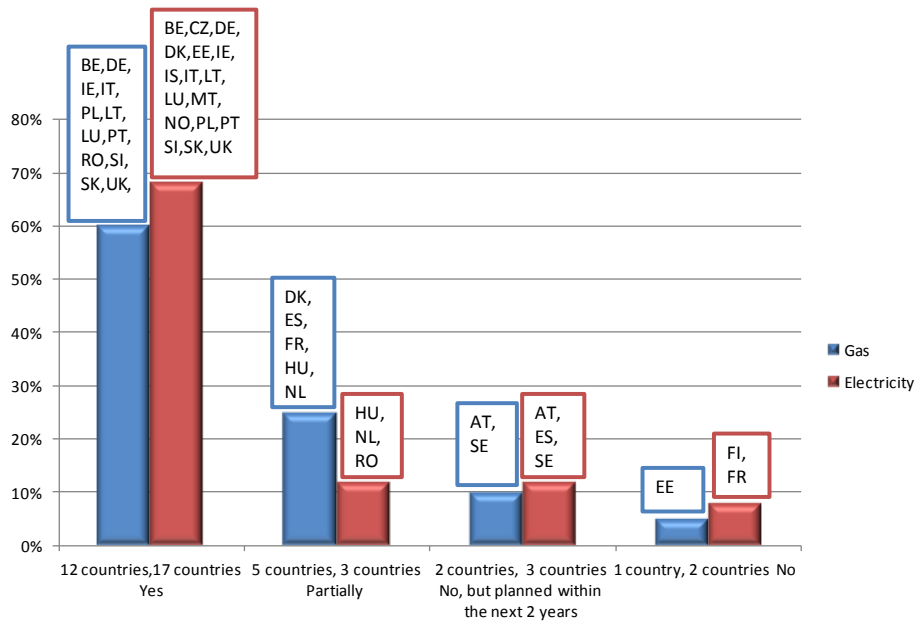
In The United Kingdom, DSOs are required to resolve technical disconnections promptly. If they fail to do so, they face fines for breaches of license conditions. They are required to report to the NRA annually showing their performance against these requirements (Standard of Performance reports)¹⁸. Suppliers are also required, as a condition of their supply licence, to submit information quarterly to the NRA on the number of disconnections/de-energisations for debt, the number reconnected at certain intervals, the average period of disconnection, and the number not reconnected.

In Italy, both in gas and electricity, the NRA monitors the number of disconnection requests. In Hungary the indicator is monitored in a partial way, both in the gas and electricity markets, as it is looked at only upon request from the Ministry of National Development. In the case of The Netherlands “partially” means that the NRA monitors disconnections only during the winter period, between October 1st and April 1st. This is because in The Netherlands a 'no-disconnection-period' in winter is in place. This is a Policy Rule, put in place by the Ministry of Economic Affairs. During the summer period less emphasis is put on disconnections in the monitoring work, both for gas and electricity.

In Spain, as far as gas is concerned, the NRA only monitor the number of disconnections related with non-payment of bills. On the other hand, in electricity it plans to start monitoring a general indicator of disconnections, not just related with non-payment, within the next two years.

¹⁸These are used to monitor compliance with legal requirements and to understand operational issues. Further information is reported annually on the number of disconnections where there was no dialogue with the customer during the period for which the supply was disconnected, and the number of disconnections where the customer was known to be a pensioner, disabled, chronically sick or vulnerable.

Figure 22 – Monitoring the number of disconnections



All NRAs that monitor, in a full or partial way this indicator, or plan to do so within the next two years, **receive the information from DSOs**. Additionally, some regulators (5) also obtain data from suppliers and one (Belgium) also from other sources (ad-hoc collection that the NRA carries out for the annual report to be sent to the EC).

Most NRAs collect (or plan to collect) data at least annually (23 countries in electricity and 19 countries in gas), in line with ERGEG recommendations. As shown in the tables below, although the majority of NRAs collect data once per year (16 in electricity and 12 in gas) there is a significant number of NRAs collecting data more frequently than annually (7 in electricity and 7 in gas).

NRAs were asked the question: “Please indicate whether you classify disconnections by type for the purpose of calculating this indicator” (alternatives were provided as shown in the table below)

The majority of NRAs (19 NRAs in electricity and 14 in gas), adopt some or several types of disconnection classification.

Most NRAs use a classification based on the reason that caused the disconnection (used by 15 NRAs in electricity and by 10 NRAs in gas) and, to a lower extent, on the agent who caused the disconnection (8 NRAs in electricity and 5 NRAs in gas).

Table 10 – Classification of disconnections

	a) By reason that caused the disconnection	b) By agent who caused the disconnection	c) Other (please specify)	d) No classification	Total n° of answers provided
Electricity	15 AT,BE,DK,EE,ES,IE,LT,LU,MT,NL,PT,RO,SI,SK,UK	8 AT,BE,DK,LU,NL,NO,SI,UK	1 BE	6 CZ,DE,HU,IS,IT,PL	30
Gas	10 AT,IE,LT,LU,NL,PT,SI,SK,UK	5 BE,LU,NL,SI,UK	2 BE, ES	7 DE,DK,FR,HU,IT,PL,RO	24

In the case of Belgium, as regards the regional regulators, different situations exist (as shown in the table). In one area disconnection reasons are specified in legislation, but also an entire procedure has to be followed before disconnection is possible (e.g. there is an obligation to inform client of debt, propose plan to pay back dept, possible drop by commercial supplier, activation of supply by DSO as fall back supplier, notification of debt with DSO, suggestion of plan to pay back, obligation to install a prepayment meter, face to face contact with social welfare agency; only after this entire process disconnections are possible).

In the case of Spain, as mentioned above, the NRA only monitor the number of disconnections related with nonpayment of bills. In Ireland, the NRA publishes regular reports on the number of disconnections for non-bill payment. Malta indicates that the categories employed are: number of disconnections for non-payment reasons and number of disconnections requested by consumers

**9.8 Is there a charge for execution of maintenance services? (Y/N)
Average time taken for execution of maintenance services.
Average charge for execution of maintenance services. (Indicator 18)**

This indicator comes from the provision contained in the 3rd Package (Article 37(j) in electricity and 41(j) in gas in the 2009 Directives), which establishes a monitoring duty to the NRAs for execution and charge of maintenance services.

The time taken for maintenance services also refers to the duration of the interruption and could be considered alongside a System Average Duration Index (SAIDI) or a Customer Average Interruption Frequency Index (CAIDI). ERGEG suggests that data on the existence of charges for maintenance services, the time taken for maintenance services and the average charge should be collected at least annually from the relevant maintenance providers.

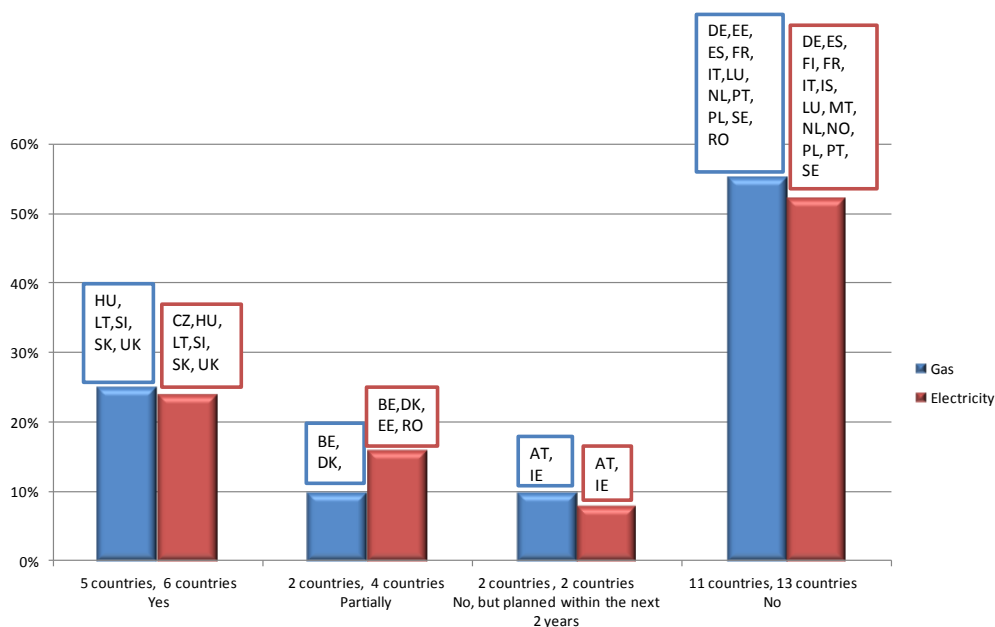
As regards the time for the execution of maintenance services, the question addressed to NRAs was: “Do you monitor the average time taken for the execution of maintenance services?”

The results show that the majority of NRAs do not monitor the average time taken for the execution of maintenance services. Only 10 NRAs in electricity (out of 25 answers) and 7 in gas (out of 20 answers) monitor this indicator, either fully or partially. Two countries plan to start monitoring it, both in gas and electricity, within the next two years. No monitoring of this indicator takes place in 13 countries in electricity and in 11 countries in gas.

The NRA in the United Kingdom fully monitors this indicator within a Quality of Service incentive scheme. This applies to both gas and electricity distribution networks¹⁹. Belgium also answered “partially” as only the Flemish regulator obtains information about maintenance services and specific time information is not available to allow for the calculation of an average maintenance execution time. In the gas market, in Ireland, the DSO does not report on the ‘average time’ but reports annually on the amount of instances when certain maintenance services (e.g. appointment granting and reinstatement of land) were outside of standards agreed by the NRA.

As regards NRAs that answered “no” to the question, it must be stressed that, in many cases, the reason is related with the fact that NRAs monitor a more general “interruption time” or “repair time” indicator, which may refer to maintenance and other reasons for a service interruption. This is the case, for example, in Malta, Germany, Norway and Portugal. In particular, the NRA in Germany points out that it collects the repair but not the maintenance time, as maintenance is not necessarily linked with a service interruption for the end-user.

Figure 23 – Monitoring the average time taken for the execution of maintenance services



¹⁹ If DSOs out-perform, they will receive a reward, if they under-perform they will receive a financial penalty. This is paid by customers through the use of system charges. DSOs are required to report on an annual basis providing relevant information to the NRA in order to assess performance. This information is used by the NRA to provide financial incentives to DSOs, so to improve their performance, which, in turn, directly affects customers' experience.

All NRAs that monitor this indicator or plan to introduce it within the next two years collect the information from DSOs, mainly on an annual or more frequent basis.

NRAs were addressed the following (open) question: How do you define maintenance services for the purpose of this indicator?

The definitions provided by NRAs are shown in the table below. We notice that **in many cases no specific definitions for maintenance services are being used for monitoring purposes**, as NRAs often monitor maintenance indirectly through general indicators of reliability and continuity of supply, such as SAIFI and SAIDI.

Table 11 – Definition of maintenance services

How do you define maintenance services for the purpose of this indicator?	
Electricity	<p style="text-align: center;">10</p> <p>AT: Planned and announced interventions in the network (e.g. revision, renewal, replacement of energy meters, etc..)</p> <p>BE: For the Flemish regional regulator: maintenance services are long term planned operations, related with the existing grid (they are not defined under "investments").</p> <p>IE: Maintenance is work carried out on pre existing network assets.</p> <p>CZ: In the public notice 540/2005 Sb. There is no exact definition, but in line with 458 ACT of 28th November 2000, Section 25, paragraph (1), DSO shall provide reliable operation and development of DS in the territory delineated by the license.</p> <p>HU: Maintenance is defined along with SAIDI-SAIFI indicators</p> <p>IT: Even though we do not monitor the average time taken for the execution of maintenance services, from a regulatory point of view maintenance services are regarded as services executed to maintain a network.</p> <p>LT: Quality indicators, such as SAIDI, SAIFI, etc. As indicators of network maintenance services, duration and frequency of interaction of energy supply. They are annually monitored by the regulator.</p> <p>PT: In Portugal there isn't an indicator specifically dedicated to maintenance services.</p> <p>SK: The maintenance services closely relate to the energy distribution fluency that is monitored and assessed within the obligations set in the secondary legislation on quality standards observance by DSOs.</p> <p>SI: Maintenance services reflect indicators from CEER's proposal on Commercial Quality monitoring</p>
Gas	<p style="text-align: center;">9</p> <p>AT: Maintenance will be part of monitoring regulation, according to §131, Natural Gas Act of 2011. It is likely to enter into force on 01 January 2013. The exact definition is not yet developed.</p> <p>BE: According to the Flemish regional regulator: maintenance services are long term planned operations related with the existing grid, which are not considered as "investments".</p> <p>CZ: There is no exact definition, but in line with 458 ACT of 28th November 2000, Section 25, paragraph (1), DSO shall provide reliable operation and development of DS in the territory delineated by the license.</p> <p>HU: Maintenance is defined along with SAIDI-SAIFI indicators.</p> <p>IT: Even though we do not monitor the average time taken for the execution of maintenance services, from a regulatory point of view maintenance services are regarded as services executed to maintain a network.</p> <p>LT: SAIDI, SAIFI. As indicators of network maintenance services (duration and frequency of interaction of energy supply). There are annually monitored by the regulator.</p> <p>PT: In Portugal there is not an indicator specifically dedicated to maintenance services .</p> <p>SK: The maintenance services closely relate to the energy distribution fluency that is monitored and assessed within the obligations set in the secondary legislation on quality standards observance</p> <p>SI: Maintenance includes: -Regular maintenance, - Supervisions, -Reconstructions, -Testing, - Control measurement</p>

As regards the charge for maintenance services, the question addressed to NRAs was: “If in your country there is a charge for the execution of maintenance services, please indicate if you monitor the average charge of maintenance services.”

14 out of 25 NRAs answered this question in electricity, and 9 out of 21 in gas. NRAs that did not answer the question have generally indicated that this is due to the absence of a specific maintenance charge. For example, Italy, Romania and Spain explained that both in the electricity sector and in the gas sector the cost of the execution of maintenance services (of the distribution network) is covered by the tariff approved by the NRA. Similarly, the NRAs in Norway and Sweden observed that the costs of maintenance are covered by the general connection fees and tariffs for the use of the grid, and there is no specific cost for the customers related to maintenance service or interruption solving. In The Netherlands the DSOs cannot charge for maintenance, as it is a part of the connection fee that customers pay annually. The exception to this rule occurs when the damage is caused by improper or illegal behavior of the customer.

In Ireland, there is no customer charge for standard planned maintenance undertaken by network companies other than for electricity generators. These charges for electricity generators are reviewed annually by the NRA.

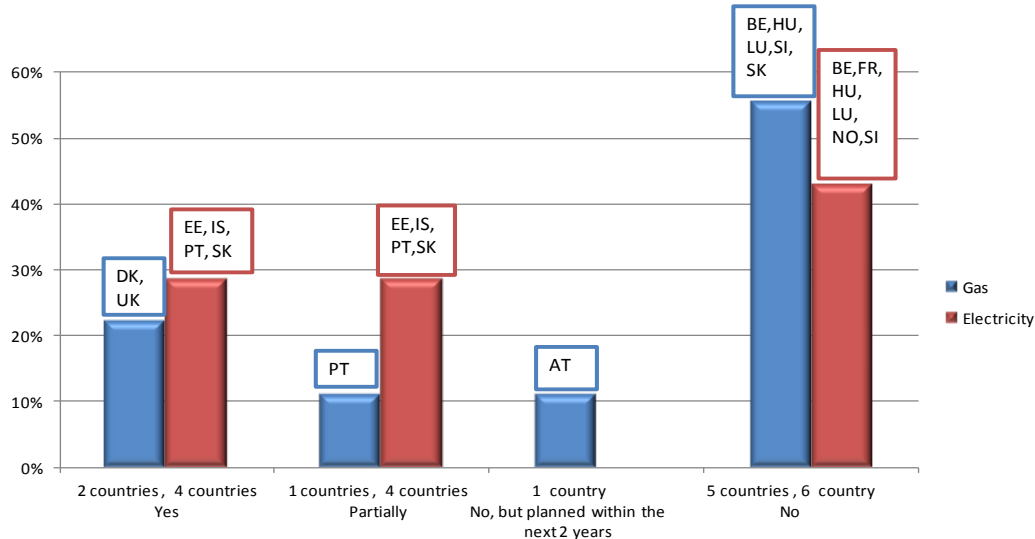
On the other hand, also several NRAs that answered “yes” or “partially” to this question mention that the maintenance charge is part of a more general system operation fee (this is the case of the Slovak Republic).

The Portuguese NRA provided a detailed explanation on the classification of maintenance services and the related charges: (1) Network maintenance services promoted by the DSO – this kind of works are performed with a prior notice to customers of at least 36h and (2) Maintenance at customer request. In situation (1), there are no charges for customers; information to the regulator comes from DSO; the regulator monitors the time taken with this maintenance services (quarterly basis). In situation (2) the DSO has to respond to customers request in a maximum delay established in the Quality of Service Code (electricity and natural gas)²⁰.

Both in gas and in electricity the information on the average charge for maintenance services is collected exclusively from DSOs. A majority of the respondents collect the information annually or monthly.

²⁰ If the DSO fails the standard (usually 4 hours), the DSO has to pay a compensation payment to the customer. The regulator has complete information about this maintenance services (quarterly basis). For electricity, if the origin of the problem is inside the customer installation, customers have to pay 9 € to DSO. Also, if the fault falls under customer responsibility, customer has to pay any equipment that should be replaced (usually the fuse).

Figure 24 – Monitoring the charge for the execution of maintenance services



9.9 Additional questions on market condition and DSO services (D1 and D2)

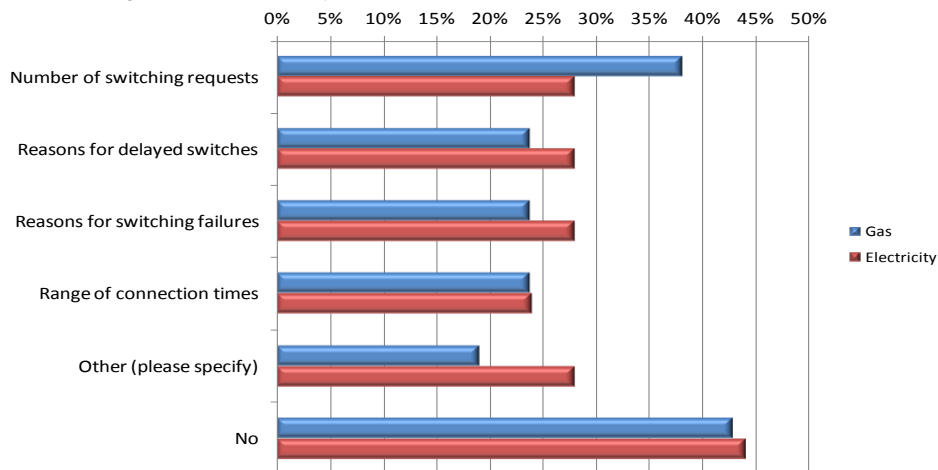
The question addressed to NRAs was: “Do you use other ways in order to monitor market conditions and DSOs services?”

The majority of NRAs (14 out of 25 in electricity and 13 out of 21 in gas) answered this question and pointed out the use of some additional indicators. The remaining NRAs have not answered the question, indicating that they do not use other ways in addition to the 18 indicators recommended by ERGEG GGP.

Regarding the **possible additional indicators** that were suggested in the question, the results show that: the number of switching requests is monitored by 7 NRAs in electricity and 8 NRAs in gas, the reasons for delayed switches are looked into by 7 NRAs in electricity and 5 NRAs in gas, the reasons for switching failures are considered by 7 NRAs in electricity and 5 in gas and the range of connection times are considered by 7 NRAs in electricity and 5 in gas.

A number of NRAs (7 in electricity and 5 in gas) also indicated other possible ways to monitor market conditions and DSOs services. In Portugal, the NRA also uses audits and periodic meeting with DSOs. For instance, Belgium, Denmark, Germany, Italy and The Netherlands rely also on customer surveys and/or customer complaints in order to obtain additional information on how markets work and DSOs operate²¹.

Figure 25 - Other ways to monitor market condition and DSO services



In its GGP ERGEG recognised that the **reasons for delays and failures in switching** should be part of an in depth survey to complement the information provided by the number of delayed switches and the number of failed switches.

In The United Kingdom, the NRA receives monthly data on the number of failed transfers by different categories: the customer having outstanding debts above a certain threshold; the transfer being in error; the customer being in breach of contract if the transfer is processed; and data errors around the transfer. The NRA also receives data on successful transfers, and is therefore able to understand the proportions of attempted transfers that fail, the broad reasons for the failure and to monitor trends.

In Spain the NRA also receives data on the reasons for failed and delayed switches, which are sent to the NRA directly from DSOs or from the supplier switching office (OCSUM). Such reasons can belong, in general, to three main categories: errors in the data appearing in the switching request (e.g the identification of the meter point does not coincide with the code in the DSO data base), technical/contractual reasons (e.g. the contracted access tariff does not coincide with that included in the DSO data base, there is another switching request ongoing for the same meter point, the contract appears under the name of a different person, etc.) or cases where the DSO needs to access the customer's premises and encounter some difficulties, which may involve a delay or a failure in the execution of the switch.

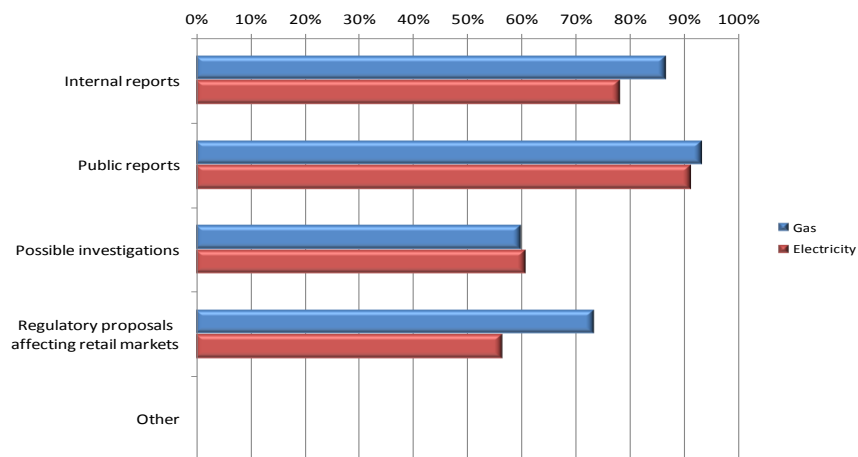
²¹ In the case of The Netherlands the NRA specifically indicated "We use a number of indicators in addition to the ERGEG indicators. We publish some of them in our bi-annual report (http://www.nma.nl/en/documents_and_publications/publications/onderzoeksrapporten/report_on_consumer_energy_market_second_half_of_2011.aspx). Looking at our customer survey we, for example, look more closely into several satisfaction indicators (overall service, handling of the switch, handling of complaints), and look at the various switching barriers."

The question addressed to NRAs was: “What is the collected information on market conditions and DSOs services used for?”

The question was answered by 23 NRAs (out of 25) in electricity and 15 NRAs (out of 21) in gas.

The results show that, both in gas and electricity, the main use of the collected information on market conditions and DSOs services is the issuing of public reports (21 NRAs in electricity and 16 in gas). This is followed closely by the elaboration of internal reports (18 NRAs in electricity and 14 in gas), the preparation of regulatory proposals (13 NRAs in electricity and 11 in gas) and the realisation of possible investigations (14 in electricity and 9 in gas).

Figure 26 – Purpose of indicators monitoring market condition and DSO services



Conclusions on market condition and DSOs services indicators

As to the switching experience, nearly all NRAs collect the number of switches for customers as a percentage of customer number. In many cases, although not the majority in gas, this indicator is complemented by delayed and failed switches. However, the definition of the latter tends to vary across countries: in some cases they are seen as complementary, while in others they are considered as substitutes.

Most NRAs do not monitor the number of renegotiated contracts with the same supplier, although they tend to recognise that it is potentially very useful to complete the information provided by the switching rate. This is possibly because this indicator is only observable by suppliers and customers, and cannot be obtained from DSOs, as switching indicators. Some NRAs are analyzing the possibility to introduce this indicator in the near future.

Finally, the majority of NRAs are very actively involved in monitoring several indicators measuring the quality of DSOs services to customers. In particular, they tend to monitor the average connection time, the average time until repair and the number of disconnections. This is often done alongside the collection of continuity of supply indicators, rather than through the construction of separate commercial quality indicators. However, only a few countries monitor the average time taken for the execution of maintenance services, and the average charge (where it exists) that customers pay for it. This could be at least partly explained, since in most cases NRAs monitor a more general “interruption time” or “repair time” indicator, which may refer to maintenance as well as other reasons for a service interruption.

These conclusions lead to the need for future work focused on market condition and DSO services. In 2013, in relation to the results of this Status Review and the last CEER Benchmarking Report on the Quality of Electricity Supply, CEER is planning to further deepen its research on the market design area of DSOs.

10 Conclusions

The role of NRAs in monitoring retail markets has only recently been shaped and reinforced by the 3rd Package. Nonetheless, this Status Review as of 1 January 2012, shows that, in general, NRAs are very active in the supervision of these markets, to the benefit of customers. We have found that many NRAs have a well-established experience in collecting information from all stakeholders and in monitoring indicators to assess the level of competition and effectiveness of retail markets.

The majority of NRAs are actively involved in the monitoring of the 18 indicators identified by the ERGEG GGP, although there are some exceptions, where further progress is required. CEER strongly recommends the joint and continuous assessment of all these indicators by NRAs, in order to draw a comprehensive picture of retail markets functioning, as well as to progress in the key areas of affordability, transparency, reliability and customer protection and empowerment that underpins CEER 2020 Customer Vision. Individually, none of these indicators can provide really valuable insights when monitoring energy markets.

On the basis of the Status Review the following existing **NRA good practices that benefit customers can be pointed out:**

- Engaging with customers by taking into account their views as part of market monitoring activities (through either surveys, direct contacts with consumers' organisations or complaints that may concern DSOs and suppliers performance)
- Arranging data sources with the purpose of obtaining reliable and complete information (this is done for several indicators, such as switching rates, delayed/failed switches, end-user prices and complaints)
- Carrying out public consultations on the NRA market monitoring framework
- Monitoring the evolution of indicators over time on a frequent basis (this is being observed for almost all indicators).
- Issuing public reports on retail market monitoring indicators, to enhance competition and transparency for all market actors.

This Status Review also allows us to draw some **specific conclusions** in relation to the four different areas of retail market monitoring: customer satisfaction, retail market outcomes, market structure and market conditions and DSO services.

Customer satisfaction

Half of the NRAs measure indicators such as the number of customer complaints and customer enquiries. In some cases, they also collect a significant amount of additional information on their content and use a classification system that partially reflect the ERGEG recommended classification system. However, results show that NRAs do not generally monitor these indicators in the precise way that is envisaged by the strict definition in the GGP. Moreover, as one of the provisions of the 3rd Package, these indicators should be much more implemented. As an additional tool, some NRAs also perform an assessment of complaints and use other means, such as customer surveys and other ad-hoc research in order to measure customer satisfaction.

The majority of NRAs also actively engage in tracking the existence of reliable price comparison websites available to customers. Indeed, in a significant number of cases, especially in the electricity market, NRAs themselves run a price comparison website.

Retail market outcomes

Most NRAs monitor electricity and gas end-user prices for household customers, either as price offers, or as actual prices paid by customers. Moreover, the majority complement this information with related indicators, such as the price spread on comparable products, the number of available offers and the retail margin. In some countries the number of end-users with a green energy price scheme is also monitored.

Market structure indicators

Nearly all NRAs monitor the number of active suppliers in the electricity and gas markets. In some countries this is related to the NRA's legal duty of issuing suppliers with a license, in others it just belongs to the NRA's monitoring activity.

The calculation of market shares for the relevant household market, based on both the number of customers and the energy consumption, is quite widespread among NRAs, as is the elaboration of Market Concentration Ratios and Herfindhal-Hirschman indices. These constitute the "minimum" monitoring level of market structure. In addition, many NRAs also calculate market shares of suppliers by DSO or geographic area, in order to capture the possible impact of vertical integration between distribution and retailing activities.

On the other hand, we found that only a few NRAs monitor the number of customers served by a supplier with a separate branding from the DSO of its vertically integrated undertaking. This is probably due to the fact that this indicator stems from the recent provision contained in the 3rd Package, establishing the obligation for vertically integrated DSOs not to create confusion with respect to the separate identity of the supply branch. This separate branding obligation requires a detailed regulation that in most countries has not yet been issued.

Market condition and DSO services

As to the switching experience, nearly all NRAs collect the number of switches for customers as a percentage of customer number. In many cases, although not the majority in gas, this indicator is complemented by delayed and failed switches. However, the definition of the latter tends to vary across countries: in some cases they are seen as complementary, while in others they are considered as substitutes.

Most NRAs do not monitor the number of renegotiated contracts with the same supplier, although they tend to recognise that it is potentially very useful to complete the information provided by the switching rate. This is possibly because this indicator is only observable by suppliers and customers, and cannot be obtained from DSOs, as switching indicators. Some NRAs are analyzing the possibility to introduce this indicator in the near future.

Finally, the majority of NRAs are very actively involved with monitoring several indicators measuring the quality of DSOs services to customers. In particular, they tend to monitor the average connection time, the average time until repair and the number of disconnections.

This is often done alongside the collection of continuity of supply indicators, rather than through the construction of separate commercial quality indicators. However, only a few countries monitor the average time taken for the execution of maintenance services, and the average charge (where it exists) that customers pay for it. This could be at least partly explained, since in most cases NRAs monitor a more general “interruption time” or “repair time” indicator, which may refer to maintenance as well as other reasons for a service interruption.

Next steps

CEER’s next steps for future work are likely to focus on market condition and DSO services, where this Status Review has revealed the most difficulties and differences in the monitoring approaches across countries. In 2013, in relation to the results of this Status Review and the 5th CEER Benchmarking Report on the Quality of Electricity Supply, CEER is planning to further deepen its research into the market design area of DSOs.

These findings may also serve as a useful background, in the framework of the monitoring activities carried out by ACER.

Annex 1 – Sources and frequencies of data collection for retail market monitoring indicators

This annex presents **tables** with the detailed results on information sources and frequencies used by NRAs in relation to retail market monitoring indicators 1, 2, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, 16, 17 and 18. For indicators 3 (reliable price comparison website) and 9 (market shares) the source and frequency of collection is included in the main text, as it is presented together with other results.

The NRAs were given the option to have multiple answers for this type of question in the online questionnaire, so the total number in the tables does not coincide with the total number of NRA's answers received. Please note that the frequency "daily" (always available as an option in the questionnaire) was never chosen. Thus, for this reason it does not appear in the tables.

The ERGEG recommended frequency for data collection for each indicator in the tables is highlighted in green.

Number of customer complaints by category (Indicator 1)

Table 12 - Source and frequency of customer complaints collection in electricity

Source and frequency of customer complaints collection:	Directly from customers	From DSOs	From suppliers	From third party bodies, as an aggregated number	From third party bodies, disaggregated by company	Other sources	TOTAL
Continuously	15 AT, BE, CZ, EE, HU, IE, IT, LT, LU, PL, PT, RO, SK, ES, NL						15
Monthly		1 CZ	2 CZ, UK	1 FR	2 FR, UK		6
Quarterly		2 LT, PT	1 PT		1 HU		4
Bi-annually			1 IT				1
Annually		6 BE, HU, IT, MT, RO, SI	3 BE, HU, RO		1 BE ⁽²⁾		10
Occasionally		2 LU, NL	3 LU, ES, NL			2 DK, DE	7
Other				2 BE ⁽¹⁾ , CZ	2 CZ, SE		4
TOTAL	15	11	10	3	6	2	47

(1) This holds for the Federal Ombudsman which transfers the number of complaints to the NRA

(2) This holds for the Flemish Regulator

Table 13 - Source and frequency of customer complaints collection in gas

Source and frequency of customer complaints collection:	Directly from customers	From DSOs	From suppliers	From third party bodies, as an aggregated number	From third party bodies, disaggregated by company	Other sources	TOTAL
Continuously	15 AT, CZ, BE, EE, HU, IE, IT, LT, LU, PL, PT, RO, SK, ES, NL	1 EE	1 EE	1 CZ	2 CZ, SE		20
Monthly		2 CZ, FR	2 CZ, UK	1 FR	2 FR, UK		7
Quarterly		1 PT	1 PT		1 HU		3
Bi-annually			1 IT				1
Annually		5 BE, HU, IT, LT, RO	4 BE, HU, LT, RO		1 BE ⁽²⁾		10
Occasionally		2 LU, NL	2 LU, NL			2 DK, DE	6
Other				1 BE ⁽¹⁾			1
TOTAL	14	11	11	3	6	2	47

(1) This holds for the Federal Ombudsman which transfers the number of complaints to the NRA

(2) This holds for the Flemish Regulator

Number of customer enquiries (Indicator 2)

Table 14 - Source and frequency of customer enquiries collection in electricity

Source and frequency of customer enquiries collection:	Directly from customers	From DSOs	From suppliers	From third party bodies, as an aggregated number	From third party bodies, disaggregated by company	Other sources	TOTAL
Continuously	16 AT, BE, CZ, EE, DE, HU, IE, IT, LT, LU, PL, PT, RO, SK, ES, NL	1 EE	1 EE	1 EE	2 EE, SE		21
Monthly					2 FR, UK		2
Quarterly		2 LT, PT	1 PT		1 HU		4
Bi-annually			1 IT				1
Annually		3 HU, IT, RO	2 HU, RO				5
Occasionally		2 LU, NL	3 LU, ES, NL		1 BE	1 DK	7
Other	2 IS, PT					1 LT	3
TOTAL	18	8	8	1	6	2	43

Table 15 - Source and frequency of customer enquiries collection in gas

Source and frequency of customer enquiries collection:	Directly from customers	From DSOs	From suppliers	From third party bodies, as an aggregated number	From third party bodies, disaggregated by company	Other sources	TOTAL
Continuously	15 AT, BE, CZ, EE, DE, HU, IE, IT, LT, LU, PL, PT, SK, ES, NL	1 EE	1 EE		1 SE		18
Monthly					2 FR, UK		2
Quarterly		1 PT	1 PT		1 HU		3
Bi-annually			1 IT				1
Annually		4 HU, IT, LT, SI	3 HU, LT, SI				7
Occasionally		2 LU, NL	2 LU, NL		1 BE		5
Other	1 PT					1 DK	2
TOTAL	16	8	8	0	5	1	38

End-user price for typical customer (Indicator 4)

Table 16 - Source and frequency of end-user price collection in electricity

Source and frequency of end-user price collection:	Yes, from suppliers	Yes, from the price comparison website run by the NRA	Yes, from the price comparison website run third party bodies	Other	TOTAL
Continuously	5 BE ⁽¹⁾ , PT, SI, SE, NL	7 AT, FI, IT, PL, SI, ES, SE		1 BE ⁽¹⁾	13
Monthly	2 HU, RO	1 BE ⁽¹⁾	1 LT	1 UK	5
Quarterly	4 IT, LT, PL, ES	1 FR	1 FR	1 DK	7
Bi-annually	3 AT, IS, RO		1 NL		4
Annually	1 DE				1
Occasionally	1 UK				1
Other	2 CZ, IE		1 NO	2 BE ⁽¹⁾ , IS	5
TOTAL	18	9	4	5	36

(1) The regional regulators monitor prices through their respective price comparison tools and for their respective market areas. At national level, the NRA collects also price information from the regional price comparison website.

Table 17 - Source and frequency of end-user price collection in gas

Source and frequency of end-user price collection:	Yes, from suppliers	Yes, from the price comparison website run by the NRA	Yes, from the price comparison website run third party bodies	Other	TOTAL
Continuously	3 BE ⁽¹⁾ , PT, NL	2 IT, ES		1 BE ⁽¹⁾	6
Monthly	6 FI, HU, LT, SI, ES, SE	2 BE ⁽¹⁾ , SI		1 UK	9
Quarterly	1 IT	1 FR	1 FR	1 DK	4
Bi-annually	2 AT, RO	1 AT	1 NL		4
Annually	1 DE				1
Occasionally	1 UK				1
Other				2 BE ⁽¹⁾ , PL	3
TOTAL	14	6	2	4	27

(1) The regional regulators monitor prices through their respective price comparison tools and for their respective market areas. At national level, the NRA collects also price information from the regional price comparison website.

Price spread on comparable products for typical customer (Indicator 5)

Table 18 - Source and frequency of price spread collection in electricity

Source and frequency price spread collection:	Yes, from suppliers	Yes, from the price comparison website run by the NRA	Yes, from the price comparison website run by third party bodies	Other	TOTAL
Continuously	3 BE, SE, NL	4 CZ, PL, ES, SE		1 BE ⁽¹⁾	8
Monthly	1 HU	1 AT		2 BE ⁽²⁾ , UK	4
Quarterly	1 PT	2 FR, IT	1 FR		4
Bi-annually	1 IS				1
Annually	2 DE, SK	2 FI, SK			4
Occasionally	2 UK, SI	1 SI			3
Other	1 CZ			3 DK, IS	4
TOTAL	11	10	1	6	28

(1) In the context of its legal prices monitoring competences, the CREG collects, on a continuously basis, all required information available on the market, including prices information derived from the price comparison tools run by the regional regulators.

(2) Refers to the price comparison tools run by the regional regulators, used by them to calculate price spread on a monthly basis and for their respective market areas.

Table 19 - Source and frequency of price spread collection in gas

Source and frequency of price spread collection:	Yes, from suppliers	Yes, from the price comparison website run by the NRA	Yes, from the price comparison website run by third party bodies	Other	TOTAL
Continuously	3 BE, SE, NL	1 ES		1 BE ⁽¹⁾	5
Monthly	3 HU, SI	1 AT, SI		2 BE ⁽²⁾ , UK	6
Quarterly	1 PT	3 FR, IT, PT			4
Bi-annually					0
Annually	2 DE, SK				2
Occasionally	1 UK				1
Other				2 DK, UK	2
TOTAL	10	5	0	5	20

(1) In the context of its legal prices monitoring competences, the CREG collects, on a continuously basis, all required information available on the market, including prices information derived from the price comparison tools run by the regional regulators.

(2) Refers to the price comparison tools run by the regional regulators, used by them to calculate price spread on a monthly basis and for their respective market areas.

Number of available offers to typical customer (Indicator 6)

Table 20 - Source and frequency of number of available offers in electricity

Source and frequency of offers collection:	Yes, from suppliers	Yes, from the price comparison website run by the NRA	Yes, from the price comparison website run by third party bodies	Other	TOTAL
Continuously	2 PT, SI	4 PL, PT, SI, ES		1 BE ⁽¹⁾	7
Monthly		1 AT		2 BE ⁽²⁾ , UK	3
Quarterly		1 IT	2 FR, NO		3
Bi-annually	3 IS, SE, NL				3
Annually	2 DE, SK				2
Occasionally	2 UK, LU				2
Other				2 DK, IS	2
TOTAL	9	6	2	5	22

(1) The NRA collects, on a continuous basis, all required information available on the market, including prices information derived from the price comparison tools run by the regional regulators.

(2) Refers to the price comparison tools run by the regional regulators, which are updated on a monthly basis and for their respective market areas.

Table 21 - Source and frequency of number of available offers in gas

Source and frequency of offers collection:	Yes, from suppliers	Yes, from the price comparison website run by the NRA	Yes, from the price comparison website run by third party bodies	Other	TOTAL
Continuously	1 PT	1 ES		1 BE ⁽¹⁾	3
Monthly	1 SI	2 AT, SI		2 BE ⁽²⁾ , UK	5
Quarterly		1 IT	1 FR		2
Bi-annually	1 NL				1
Annually	2 DE, SK				2
Occasionally	1 UK		1 DK		2
Other				1 LU	1
TOTAL	6	4	2	4	16

(1) The NRA collects, on a continuous basis, all required information available on the market, including prices information derived from the price comparison tools run by the regional regulators.

(2) Refers to the price comparison tools run by the regional regulators, which are updated on a monthly basis and for their respective market areas.

Customers with regulated end-user price (Indicator 7)

Table 22 - Source and frequency of regulated end user prices monitoring in electricity

Source and frequency of regulated end user prices collection:	From DSOs	From suppliers	From third party bodies	Other	TOTAL
Continuously	1 BE ⁽¹⁾	1 BE ⁽¹⁾			2
Monthly	3 FR, PL, PT	2 HU, RO			5
Quarterly	1 ES	3 IT, LT, ES			4
Bi-annually					0
Annually					0
Occasionally					0
Other	1 EE	1 EE		1 DK	3
TOTAL	6	7	0	1	14

(1) This answer ("continuously") reflects the highest frequency in Belgium. Indeed, it should be noted that this is also done either on a monthly or quarterly basis on a regional level, depending on the concerned region.

Table 23 - Source and frequency of regulated end user prices monitoring in gas

Source and frequency of regulated end user prices collection:	From DSOs	From suppliers	From third party bodies	Other	TOTAL
Continuously	1 BE ⁽¹⁾	1 BE ⁽¹⁾			2
Monthly	3 FR, PT, ES	3 HU, RO, ES			6
Quarterly	2 IE, PL	1 IT	1 DK		4
Bi-annually					0
Annually		1 LT			1
Occasionally					0
Other					0
TOTAL	6	6	1	0	13

(1) This answer ("continuously") reflects the highest frequency in Belgium. Indeed, it should be noted that this is also done either on a monthly or quarterly basis on a regional level, depending on the concerned region.

Number of active suppliers across the same market (Indicator 8)

Table 24 - Source and frequency of number of active suppliers monitoring in electricity

Source and frequency of active suppliers collection:	From DSOs	From suppliers	From third party bodies	Other	TOTAL
Continuously	1 EE	5 BE ⁽¹⁾ , EE, IE, IT, SE		1 BE ⁽¹⁾	7
Monthly	5 BE ⁽²⁾ , UK, HU, IE, PT	3 HU, RO, SI	1 SI	1 AT	10
Quarterly	2 PL, ES	2 LT, ES	2 FR, LT		6
Bi-annually		1 IS			1
Annually	1 LU	2 DE, SK			3
Occasionally				1 CZ	1
Other		1 NL		3 DK, FI, IS	4
TOTAL	9	14	3	6	32

(1) This holds only for the NRA

(2) This answer ("monthly") reflects the highest frequency for the regional regulators

Table 25 - Source and frequency of number of active suppliers monitoring in gas

Source and frequency of active suppliers collection:	From DSOs	From suppliers	From third party bodies	Other	TOTAL
Continuously	1 EE	4 BE ⁽¹⁾ , EE, IT, NL		1 BE ⁽¹⁾	6
Monthly	3 BE ⁽²⁾ , HU, ES	4 HU, RO, SI, ES	1 UK	2 AT, PT	10
Quarterly	2 IE, PL	1 LT	2 FR, SE		5
Bi-annually					0
Annually		2 DE, SK			2
Occasionally					0
Other				2 DK, LU	2
TOTAL	6	11	3	5	25

(1) This holds only for the NRA

(2) This answer ("monthly") reflects the highest frequency for the regional regulators

Market Shares (Indicator 9)

Table 26 - Calculation of market shares – Electricity

Source and frequency market shares	Yes, by number of customers	Yes, by consumption	No	TOTAL
Continuously				0
Monthly	6 BE ⁽¹⁾ , FR, UK, HU, IE, PT	6 BE ^(1a) , FR, HU, IE, PT, RO		12
Quarterly	5 BE ⁽²⁾ , IS, IT, LT, ES	4 BE ⁽²⁾ , IT, LT, ES		9
Bi-annually	1 NL			1
Annually	6 AT, BE ⁽³⁾ , LU, PL, SK, SE	7 AT, BE ⁽³⁾ , FI, LU, PL, SK, SI	1 DE	14
Occasionally	3 CZ, EE, NO	1 NO		4
Other			1 MT	1
TOTAL	21	18	2	41

(1) This holds for the Flemish, Brussels and Walloon regional regulator.

(1a) This holds only for the Brussels regional regulator.

(2) This holds for the Walloon regional regulator.

(3) This holds for the Federal regulator together with the regional regulators.

Table 27 - Calculation of market shares - Gas

Source and frequency market shares	Yes, by number of customers	Yes, by consumption	No	TOTAL
Continuously				0
Monthly	6 BE ⁽¹⁾ , FR, UK, HU, PT, ES	6 BE ^(1a) , FR, HU, PT, RO, ES		12
Quarterly	4 BE ⁽²⁾ , IE, IT, LT	4 BE ⁽²⁾ , IE, IT, LT		8
Bi-annually	1 NL			1
Annually	5 AT, BE ⁽³⁾ , LU, PL, SK	6 AT, BE ⁽³⁾ , EE, LU, PL, SK	1 DE	12
Occasionally	1 SE			1
Other			3 DK, FI, IS	3
TOTAL	17	16	4	37

(1) This holds for the Flemish, Brussels and Walloon regional regulator.

(1a) This holds only for the Brussels regional regulator.

(2) This holds for the Walloon regional regulator.

(3) This holds for the Federal regulator together with the regional regulators.

Percentage of customers served by a supplier that has a separate branding from the DSO of its vertically integrated undertaking (Indicator 10)

Table 28 - Source and frequency for separate branding monitoring electricity

Source and frequency for separate branding collection:	From DSOs	From suppliers	From third party bodies	Other	TOTAL
Monthly	4 UK, HU, IE, PT				4
Quarterly	2 LT, ES				2
Bi-annually		1 NL			1
Annually	1 SK	1 AT			2
Occasionally					0
Continuously	1 EE	1 EE			2
TOTAL	8	3	0	0	11

Table 29 - Source and frequency for separate branding monitoring gas

Source and frequency for separate branding collection:	From DSOs	From suppliers	From third party bodies	Other	TOTAL
Monthly	2 HU, ES	1 AT		1 PT	4
Quarterly					0
Bi-annually		1 NL			1
Annually	2 SK, SI	1 SI			3
Occasionally					0
Continuously					0
TOTAL	4	3	0	1	8

Number of switches for customers as a percentage of customer number (Indicator 11)

Table 30 - Source and frequency for the collection of the number of customer switches as a percentage of the customer numbers – Electricity

Source and frequency of the switching rate collection:	From DSOs	From suppliers	From third party bodies	From customer surveys	Other sources	TOTAL
Monthly	8 AT,HU,IE,PL,PT,SE,SI,UK	2 UK, NL				10
Quarterly	8 BE ¹ , ES, FI, FR, IS, IT, LT, NO,	3 BE ¹ , IS, ES	1 IS		3 BE ⁴ CZ ² , ES ³	15
Bi-annually				1 NL		1
Annually	3 DE, LU, SK	3 LU, DE, RO	1 DK	0	1 BE	7
Occasionally				2 AT,UK		2
TOTAL	19	8	2	3	3	35

(1) This applies to the Belgian NRA, which gathers the data on an annual basis for the Benchmarking report to the European Commission. (2) The other source is the Market Operator. (3) The other source is the Supplier Switching Office. (4) This applies to Belgian regional regulators. The quarterly figure is the highest common frequency at this level.

Table 31 - Source and frequency for the collection of the number of customer switches as a percentage of the customer numbers – Gas

Source and frequency of the switching rate collection:	From DSOs	From suppliers	From third party bodies	From customer surveys	Other sources	TOTAL
Monthly	5 AT, ES, FR, HU, IE	3 ES, NL, UK			1 PT ²	9
Quarterly	4 BE ¹ , IT, PL, SE	1 BE ¹			1 BE ⁴ ES ³	7
Bi-annually				1 NL		1
Annually	6 DE, EE, LT, LU, SI, SK	4 AT, DE, LT, LU			1 BE	10
Occasionally				2 AT, UK		2
TOTAL	15	8		3	3	29

(1) This applies to the Belgian NRA, which gathers the data on an annual basis for the Benchmarking report to the European Commission. (2) The other source is the TSO. (3) The other source is the Supplier Switching Office. (4) This applies to Belgian regional regulators. The quarterly figure is the highest common frequency at this level.

Number of renegotiated contracts for customers as a percentage of customer numbers (Indicator 12)

Table 32 - Source and frequency for the collection of the number of renegotiated contracts as a percentage of customer numbers - Electricity

Source and frequency of the renegotiated contracts for household customers:	From suppliers	From third party bodies	From customer surveys	Other sources	TOTAL
Monthly	1 SE				1
Quarterly	1 IT				1
Bi-annually			1 NL		1
Annually	3 LU, RO, DE				3
Occasionally	1 HU				1
TOTAL	6		1		7

Table 33 – Source and frequency for the collection of the number of renegotiated contracts as a percentage of customer numbers – Gas

Source and frequency of the renegotiated contracts for household customers:	From suppliers	From third party bodies	From customer surveys	Other sources	TOTAL
Monthly					
Quarterly	1 IT				1
Bi-annually			1 NL		1
Annually	2 LU, DE				2
Occasionally	1 HU				1
TOTAL	4		1		5

Number of delayed switches (Indicator 13)

Table 34 - Source and frequency for the collection of the number of delayed switches - Electricity

Source and frequency of the delayed switches collection:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly	1 FR	1 NL			2
Quarterly	3 ES, PT, PL	1 ES		1 ES	4
Bi-annually					
Annually	5 BE ¹ , DE, LU, SK, IE	3 BE ¹ , DE, RO		0	8
Occasionally				2 AT ³ , DK ⁴	2
Other	1 LT ²			1 IE ⁵	2
TOTAL	10	5		4	18

(1) This holds only for the Wallon regulator

(2) The information is gathered by Lithuania whenever the information is needed, but practically no delays are registered.

(3) The information is gathered from customer surveys

(4) The information will be gathered from the TSO/Data hub which should be launched by the end of 2012

(5) The Meter Registration Service Operator reports delays and switches in progress at an industry forum held every 6 weeks.

Table 35 - Source and frequency for the collection of the number of delayed switches - Gas

Source and frequency of the delayed switches collection:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly	2 ES,FR	2 ES, NL			4
Quarterly				2 ES, PT	2
Bi-annually					
Annually	4 BE ¹ , DE,LU,SK	2 BE ¹ ,DE		0	6
Occasionally	1 DK				1
TOTAL	7	4		2	13

(1) This holds only for the Walloon regulator

Number of failures in relation to the total switching rate (Indicator 14)

Table 36 - Source and frequency for the collection of the number of failures in relation to the total switching rate - Electricity

Source and frequency of the collection of failed switches:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly		2 NL, UK			2
Quarterly	2 ES, PT	1 ES		1 ES ¹	4
Bi-annually					
Annually	3 LU, SE, SK	1 RO			4
Occasionally			1 DK		1
Other	1 LT				1
TOTAL	6	4	1	1	12

Table 37 - Source and frequency for the collection of the number of failures in relation to the total switching rate - Gas

Source and frequency of the collection of failed switches:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly	1 ES	3 ES, NL, UK			4
Quarterly	1 IT			2 ES ¹ , PT ²	3
Bi-annually					
Annually	3 LU, SI, SK				3
Occasionally	1 DK				1
Other					
TOTAL	6	3		2	11

(1) The other source is the supplier switching office (OCSUM)

(2) The other source is TSO

Average time between a connection being requested by a customer and completed (Indicator 15)

Table 38 - Source and frequency for the collection of the average time between a connection being requested by a customer and completed – Electricity

Source and frequency of the collection of the time between a connection being requested by a customer and completed:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly	2 CZ,FR				2
Quarterly	2 LT,PT				2
Bi-annually					
Annually	11 AT, BE ¹ , ES, HU,IE,IT,MT,SI SK,UK, RO				11
Occasionally	1 EE			1 BE ²	2
TOTAL	16			1	17

(1) This holds for the Flemish and Brussels regional regulators.

(2) This holds only for the Walloon regulator, following a customer complaint which gives right to a compensation established in a Walloon Decree.

Table 39 - Source and frequency for the collection of the average time between a connection being requested by a customer and completed- Gas

Source and frequency of the collection of the time between a connection being requested by a customer and completed:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly	2 ES, FR				2
Quarterly	2 LT, PT				2
Bi-annually					
Annually	7 AT, BE ¹ , HU, IT,SI,SK,UK				7
Occasionally	1 DK			1 BE ²	2
TOTAL	12			1	13

(1) This holds for the Flemish and Brussels regional regulators.

(2) This holds only for the Walloon regulator, following a customer complaint which gives right to a compensation established in a Walloon Decree.

Average time until repair (Indicator 16)

Table 40 - Source and frequency for the collection of the average time until repair- Electricity

Source and frequency of the average time until repair collection:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly	2 SI, CZ				2
Quarterly	2 LT,PT				2
Bi-annually					
Annually	12 AT, BE ¹ , DK, ES, FR, H UIE, IT, NO, SK, UK, RO			1 BE ²	13
Occasionally	1 EE				1
TOTAL	17			1	18

(1) This holds for the three regional regulators

(2) This holds for the NRA which gathers these data for the annual benchmarking report to be sent to the EC

Table 41 - Source and frequency for the collection of the average time until repair- Gas

Source and frequency of the average time until repair:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly					
Quarterly	1 PT				1
Bi-annually					
Annually	10 AT, BE ¹ , CZ, HU, IT LT, SI, SK, UK, RO			1 BE ²	11
Occasionally	1 DK				1
TOTAL	12	0	0	1	13

(1) This holds for the three regional regulators

(2) This holds for the NRA which gathers these data for the annual benchmarking report to be sent to the EC

Number of disconnections (Indicator 17)

Table 42 - Source and frequency for the collection of the number of disconnections - Electricity

Source and frequency for the collection of the number of disconnections:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly	2 CZ, SI				2
Quarterly	2 LT, PT	2 IT, UK			4
Bi-annually	1 PL				1
Annually	13 AT, BE ¹ , DE, DK, E EES, IS, LU, MT, N OSK, UK, RO	2 DE, RO		1 BE ²	16
Occasionally	1 HU	1 HU			2
Other	1 IE				1
TOTAL	20	5		1	26

(1) This holds for the three regional regulators

(2) This holds for the NRA which gathers these data for the annual report to be sent to the EC

Table 43 – Source and frequency for the collection of the number of disconnections – Gas

Source and frequency for the collection of the number of disconnections:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly	2 FR,IE				2
Quarterly	2 LT,PT	2 IT,UK			4
Bi-annually	1 PL				1
Annually	9 AT,BE ¹ ,DE,ES,L USI,SK,UK, RO	2 DE,ES		1 BE ²	12
Occasionally	2 DK,IE, HU	1 HU			3
TOTAL	16	5	0	1	22

(1) This holds for the three regional regulators

(2) This holds for the NRA which gathers these data for the annual report to be sent to the EC

Is there a charge for execution of maintenance services? (Y/N) Average time taken for execution of maintenance services. (Indicator 18)

Table 44 - Source and frequency for the collection of the average time taken for the execution of maintenance services - Electricity

Source and frequency of the average time taken for execution of maintenance services:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly	2 CZ,SI				2
Quarterly	1 LT				1
Bi-annually					
Annually	7 AT,BE ¹ ,DK,HU,SK, UK, RO				7
Occasionally	1 EE				1
TOTAL	11				11

(1) This holds only for the Flemish regulator

Table 45 - Source and frequency for the collection of the average time taken for the execution of maintenance services - Gas

Source and frequency of the average time taken for execution of maintenance services:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly					
Quarterly	1 LT				1
Bi-annually					
Annually	6 AT, BE ¹ , HU, SI, SK, UK				6
Occasionally	1 DK				1
TOTAL	8				8

(1) This holds only for the Flemish regulator

Is there a charge for execution of maintenance services? (Y/N) Average charge for execution of maintenance services. (Indicator 18)

Table 46 - Source and frequency for the collection of the average charge for maintenance services - Electricity

Source and frequency for the collection of information on the average charge for maintenance services:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly	1 CZ				1
Quarterly					
Bi-annually					
Annually	3 UK, LT, SK				3
Occasionally	1 EE				1
Continuously	1 DK				1
Other	1 IS				1
TOTAL	7				7

Table 47 - Source and frequency for the collection of the average charge for maintenance services - Gas

Source and frequency for the collection of information on the average charge for maintenance services:	From DSOs	From suppliers	From third party bodies	Other sources	TOTAL
Monthly					
Quarterly					
Bi-annually					
Annually	2 AT, UK				2
Occasionally	1 DK				1
Continuously					
Other					
TOTAL	3	0	0	0	3

Annex 2 – CEER

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

CEER works closely with (and supports) the [Agency for the Cooperation of Energy Regulators \(ACER\)](#). ACER, which has its seat in Ljubljana, is an EU Agency with its own staff and resources. CEER, based in Brussels, deals with many complementary (and not overlapping) issues to ACER's work such as international issues, smart grids, sustainability and customer issues.

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

This report was prepared by the Retail Market Functioning Task Force of CEER's Customers and Retail Markets Working Group.

Annex 3 – List of indicators

Electricity references refer to Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity.

Gas references refer to Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas.

Category	No.	Indicator	Legal Obligation (Electricity)	Legal Obligation (Gas)
Customer Satisfaction	1	Customer complaint	2009/72/EC Art. 37 (j)	2009/73/EC Art. 41 (j)
	2	Customer enquiries	...	...
	3	Customer information	...	...
Retail Market Outcomes	4	End-user prices	2009/72/EC Art. 37 (j)	2009/73/EC Art. 41 (j)
	5	Price spread	2009/72/EC Art. 37 (j)	2009/73/EC Art. 41 (j)
	6	Diversity of contracts	...	...
	7	Regulated end-user prices	...	...
Market Structure	8	Number of suppliers	...	...
	9	Market concentration	...	...
	10	Branding	2009/72/EC Art. 26.3	2009/73/EC Art. 26.3
Market Condition and DSO services	11	Switching rates	2009/72/EC Art. 37 (j)	2009/73/EC Art. 41 (j)
	12	Renegotiations	...	...
	13	Delays in switching process	2009/72/EC Art. 3.5 (a)	2009/73/EC Art. 3.6 (a)
	14	Failure to fulfil the switch	...	...
	15	Connections	2009/72/EC Art. 37 (m)	2009/73/EC Art. 41 (m)
	16	Repairs	2009/72/EC Art. 37 (m)	2009/73/EC Art. 41 (m)
	17	Disconnection rates	2009/72/EC Art. 37 (j)	2009/73/EC Art. 41 (j)
	18	Maintenance services	2009/72/EC Art. 37 (j)	2009/73/EC Art. 41 (j)

Annex 4 – List of abbreviations

Term	Definition
ACER	Agency for the Cooperation of Energy Regulators (the Agency)
CAIFI	Customer Average Interruption Frequency Index
CEER	Council of European Energy Regulators
CR	Concentration Ratio
DSO	Distribution System Operator
ERGEG	European Regulators' Group for Electricity and Gas
GGP	Guidelines of Good Practice
HHI	Herfindahl-Hirschman Index
N	No
NRA	National Regulatory Authority
SAIDI	System Average Interruption Duration Index
Y	Yes

Annex 5 – ERGEG complaint handling classification system

ERGEG Proposal for a consumer complaint classification system

- Energy specific categories of complaints
- Categories of complaints already existing within EC classification
(not exhaustive, given as examples)

type of business that may be involved		Level 1	Level 2
DSO	Supplier		
		Connection to the grid	Tariff Delay Obstacles to connection Other
		Metering	Meter reading Meter functioning Other
		Quality of supply	Voltage quality of supply (electricity) Continuity of supply (outages) Other
		Unfair Commercial Practices	
		Contracts and sales	Unfair contractual terms / change of contractual terms Lack of information Order confirmation (not received/wrong) Cooling-off period / Right of withdrawal Payments (e.g. prepayments and instalments) Rescission of contract Minimum contractual period Other Issues related to contracts and sales
		Activation	Moving In Reconnection after disconnection
		Disconnection due to no or late payment	
		Invoicing / billing and debt collection	Incorrect invoice / bill Unclear invoice / bill Non issue of invoice or difficult access to invoice/monthly statement Unjustified invoicing / billing Debt collection Other Issues related to invoicing/billing and debt collection
		Price / Tariff	Price / tariff change Price discrimination Tariff transparency (unclear, complex) Social Tariff Other Issues related to price/tariff
	Redress		
	Provider change / switching	Delay Unwished switch Other	
		Customer service	