

**Contributing to a  
2020 Vision for Europe's energy customers  
CEER 3-year rolling action plan**

**Ref: C12-SC-09-07  
07-Nov-2012**

## Table of Contents

<b>1</b>	<b>CEER .....</b>	<b>3</b>
<b>2</b>	<b>A 2020 VISION FOR EUROPE'S ENERGY CUSTOMERS.....</b>	<b>3</b>
<b>3</b>	<b>BUILDING ON CEER'S EXISTING WORK.....</b>	<b>5</b>
<b>4</b>	<b>OUR WORK TO PROMOTE THE 2020 CUSTOMER VISION .....</b>	<b>5</b>
	<b>ANNEX 1 – THE PROCESS TO ESTABLISHING THE VISION AND WORK PROGRAMME ...</b>	<b>9</b>
	<b>ANNEX 2 – CEER .....</b>	<b>10</b>

If you have any queries relating to this document please contact:

Ms Natalie McCoy

Tel. +32 (0)2 788 73 30

Email: [natalie.mccoy@ceer.eu](mailto:natalie.mccoy@ceer.eu)

## 1 CEER

The Council of European Energy Regulators (CEER) is the voice of Europe's national electricity and gas regulators at the EU and international level. Through CEER, a non-for-profit association, the national regulators cooperate and exchange best practice.

National Regulatory Authorities (NRAs) are public bodies and operate independently. NRAs are responsible for implementing the framework or rules for wholesale and retail energy markets, for monitoring the performance of those markets and undertaking necessary measures to ensure effective and efficient markets. A key objective of the CEER is to facilitate the creation of a single, competitive, efficient and sustainable EU internal energy market that works in the public interest. In this regard, CEER and its members work closely with and support the work of ACER, the European Union's Agency for the Cooperation of Energy Regulators, which has been given statutory tasks related to EU energy market integration and cross-border market development, rules and oversight, including in particular the monitoring of retail markets and consumer rights.

## 2 A 2020 Vision for Europe's energy customers

Energy is a vital part of our lives; in order to ensure our wellbeing and to participate fully in society we all need access to energy – for warmth, lighting, cooking, and appliances. The energy sector has a significant responsibility because its decisions determine how energy needs are met, and at what economic and environmental cost. These decisions, by businesses, regulators and policy makers at both national and European levels, affect everyone – including future generations of residential energy consumers and other customers. This is a particularly significant time because the energy sector is embarking on a profound period of change – in how we produce, consume and transport energy – designed to promote a more sustainable energy sector.

CEER and BEUC, the European Consumers Organisation, have developed a shared Vision of the energy sector<sup>1</sup> that puts customers first: a sector that engages with, and understands the diverse needs of customers, be they residential consumers, including the most vulnerable ones, or small businesses. A sector that delivers services that meet those needs. A sector that anticipates future needs and takes steps to protect the interests of current and future customers. A sector that uses resources efficiently, ensures that their activities translate into societal benefits and offers all customers a fair and affordable deal for their services.

---

<sup>1</sup> Including electricity, gas and district heating

This Vision can be characterised by four principles governing the relationship between the energy sector and its variety of customers: affordability, protection and empowerment, simplicity and reliability.

- **Reliability** – in the physical supply of energy, and in commercial systems and processes that provide continuous access and affect customer service levels, such as billing. It also means reliability in the processes that allow problems and disputes to be resolved transparently, fairly and quickly.
- **Affordability** – such that charges are clear and kept to fair and reasonable levels for all customers, reflecting value for money at a level consistent with funding necessary investments to develop energy networks and to achieve energy policy targets (for example renewables), taking into account the real needs of customers. This can be secured through network regulation and other appropriate measures, if and when necessary, and by providing customers with effective choice over truly competing offers and new, innovative services. Energy sector specific measures as well as wider social policies also have an important role to play, especially for the poorest and more vulnerable.
- **Simplicity** – in how information is provided to customers, and especially residential consumers, such that it is easy for them to understand their bill and better manage their energy consumption, making the choices that are right for them. It also means simplicity and transparency in how key processes that affect customers operate. Many customers, and especially many residential consumers, want to be able to take quick and simple decisions in energy markets.
- **Protection & Empowerment** – to ensure access to energy supplies, and to guard against unfair commercial practices and unsatisfactory outcomes, recognising the diverse needs of customers, in particular the most vulnerable in society. For customers to be engaged, to take choices and to exercise their rights as energy customers, based on trust in, and knowledge of, how the energy sector operates. As responsibilities shift and consumers are increasingly expected to become more active in energy markets (through developments such as demand response, smart metering, micro generation or energy efficiency measures), the Vision recognises their right to choose by whom and how their energy is to be provided and charged. Although this freedom could be framed by regulation, offering meaningful choice for customers (including residential consumers) is a key way to ensure their full protection.

Many different organisations will have a role to play if this Vision is to be realised. It will require effective engagement and consultation, and decisive action over a number of years and at different levels. This is a modernisation exercise to create a sector where the European consumer truly comes first. We will monitor our own progress over time, and ensure that we are open and accountable to our stakeholders. Through committing to the Vision we will seek to ensure that the energy sector in 2020 delivers significantly better for consumers than it does today.

### **3 Building on CEER's existing work**

CEER has already undertaken a great deal of work focusing on customer issues and how the energy sector operates for customers. Our development of a 2020 Vision for energy customers represents an evolution in how CEER operates, rather than a new area of activity. However, CEER sees focusing on a Vision as a valuable means of giving great priority to customer issues, based on more effective engagement with customer bodies.

There are various ways in which CEER, for its part, can contribute to the Vision, including:

- Engaging with policy makers, including to ensure that the customer impacts of decisions in technical areas are appropriately considered;
- Improving our own effectiveness in how we conduct that engagement with customer organisations, and in how we analyse and understand customer impacts;
- Identifying and sharing best practice among NRAs – including in how new challenges are being anticipated, and in regulating transition towards liberalised energy markets;
- Ensuring that issues are identified early, analysed objectively – and that evidence is communicated in a clear and relevant way;
- Analysing specific issues relating to how the energy sector operates, and developing advice and guidance<sup>2</sup>.

In this context, this document summarises a 3-year rolling action plan for CEER targeted on promoting the Vision. It is a rolling, three-year programme and is integrated with the 2013 CEER work programme deliverables<sup>3</sup>. We look to others to identify their own actions to achieve the Vision.

### **4 Our work to promote the 2020 Customer Vision**

CEER is proposing a range of measures which, collectively and over time, will promote the 2020 Customer Vision. The measures include changes to how CEER itself operates, new ways of facilitating engagement and promoting understanding, and reports on specific issues. This is a rolling programme of work with the flexibility to adapt and evolve as required. CEER's work is also coupled with ACER's monitoring duties in the areas of retail markets and customer rights and protection. Such monitoring is important to test if markets are functioning in the consumers' interest.

---

<sup>2</sup> Examples of such work are our Guidelines of Good Practice on Price Comparison Tools (2012) and Advice on the take-off of a demand response electricity market with smart meters (2011).

<sup>3</sup> CEER's work plan for 2013 can be viewed here [http://www.energy-regulators.eu/portal/page/portal/EER\\_HOME/EER\\_PUBLICATIONS/Work\\_Programmes](http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/Work_Programmes)

## Work packages delivered at 2012 Citizens' Energy Forum

The following packages will be delivered in 2012:

- **Status review of customer and retail markets provisions recent EU legislation:** The most recent package of European legislation, the 3rd Package, included a number of **customer protection and empowerment** measures. For example, a requirement that the process to switch a customer will not take more than three weeks. Regulators have a role in monitoring the practical implementation of these measures. CEER is reviewing the status of these various changes driven by the 3rd Package, and sharing experience across NRAs.
- **Benchmarking Report on meter data management.** A smart meter is a meter that supports two-way communication and allows, for example, meters to be read remotely. All Member States are required to roll-out smart meters to a significant proportion of electricity customers by 2020, if the benefits are assessed as outweighing the costs. How data from smart meters is managed is important in terms of security and **reliability**, and how the data is used to help **empower** customers to understand their energy use better and get better deals. CEER is drawing together evidence on the difference approaches to meter data management.
- **A better CEER website for customers:** We are committed to improving the CEER website to make it easier to navigate and to access useful information. Our objective is to make this a **simple** and valuable gateway of useful information to help **empower** customers within the energy sector, and roles and responsibilities within it. We are also launching a new area of our website dedicated to customer issues.

## New work packages starting in 2013

The following work packages are new commitments, based on CEER's consultation with its stakeholders – including through the interactive Customer Conference:

- **Advice on data management for better retail market functioning.** CEER will develop advice on how data management - technical and customer/prosumer data – should be developed in a future environment with smart metering and smart grids. CEER believes that it is vital for retail market functioning and **customer protection** that information and data exchange between stakeholders is **reliable**, efficient and safe.
- **Status Review on the involvement of consumer organisations in the regulatory process.** CEER will map the interactions of NRAs with organisations representing the interests of energy customers, collecting best practices describing how NRAs interact with consumer bodies and involve them in the regulatory process. This work is a valuable element in giving substance to the CEER customer strategy to involve stakeholders from the consumer side in our regulatory work to **protect and empower customers**.

- **Status Review of the regulation of smart metering**, including an assessment of roll-out and implementation of ERGEG GGP on regulatory aspects of smart metering. A review of how smart metering functionalities are handled and how the relating economic and customer assessments are made is an important aspect relating to **reliability, customer empowerment and affordability**.
- **Status Review of customer access to the cost and sources of energy and efficiency schemes**. Customers are entitled to clear and **simple information** on the cost of their energy and on current and past consumption patterns. They should also have clear and simple contracts, transparent prices and information on energy sources as well as energy efficiency schemes. Current practices in this field will be reviewed.
- **Brochure on customer rights in the energy sector and the regulators' role in customer empowerment**. As one of the results of the CEER customer conference in June 2012, CEER will produce a brochure on **customer protection** and rights in the energy sector. This document will focus on key issues for customers like transparency of contracts and bills, switching, price comparison tools, complaints/ADR. It will also set out the roles of regulators.
- **Advice on green electricity offers**. This Advice approaches the topic of green electricity offers from the customer perspective. By analysing how customers are informed about the source of their electricity (fuel mix, guarantee of origin), CEER could elaborate a process to reach good regulation of green offers. This work could help to **empower customers** via the provision of **reliable and simple** information.

### Wider measures

CEER is also proposing to make a number of changes to how it operates and how it engages with customers, the industry and other players. This is designed to have the effect of promoting the Customer Vision over time:

- **Setting future work:** CEER will use the Vision as a tool for identifying and prioritising future work and for evaluating current work. This is important in a changing environment, as the importance of particular issues for customers (such as collective switching, or district heating) could grow. New legislation affecting the energy sector, directly, such as the Energy Efficiency Directive, or indirectly, such as the Consumer Rights Directive; will also raise potential new areas of work for CEER.
- **New forms of communication:** CEER will develop additional, complementary formats for communicating our work in ways that relate directly to the Customer Vision, and in a form which is explicitly designed to be accessible to customers. We will seek to apply these new formats to as much of CEER's work as possible.

- **New approaches to engagement:** Building on the positive feedback from our 1<sup>st</sup> interactive Customer Conference, CEER will examine options of continuing this dialogue through similar events to engage effectively with customer bodies, including workshops, regional events and further conferences. This engagement will use the Customer Vision as a focal point.
- **Capacity building:** CEER will explore ways of building and sharing knowledge of customer issues among its members. It will also seek to identify ways of increasing energy sector knowledge within customer bodies, including by developing processes to support secondments from NRAs to customer bodies.
- **Using available information better:** CEER will work with other stakeholders, such as BEUC and the Directorate General for Health and Consumers (DG SANCO), to improve how existing information on how energy markets operate for customers is used and disseminated. The Consumer Market Scoreboard<sup>4</sup> is one example.

CEER will keep these new ways of working under review and adapt, and they will evolve over time as we learn more about how these initiatives operate in practice. We will also explore extensions to these new ways of working, for example by developing specific milestones and measures to assess progress towards the Vision.

---

<sup>4</sup> DG SANCO publishes the Consumer Market Scoreboard each year. It looks at 50 markets across the EU and surveys consumers to gauge views about how those markets operate.



## **Annex 1 – The process to establishing the Vision and work programme**

In April 2012, CEER published a [discussion paper on establishing a Vision for Europe's energy customers](#). It set out some of the future challenges the market faces and sought to identify the key principles for energy consumers.

On 21 June 2012, CEER held an [interactive conference](#) to gather feedback on the paper. 157 delegates attended including, in particular, the 37 representatives from customer organisations in 20 countries. Participants were invited to actively participate in the discussions so as to better inform regulators of energy customers' needs and to help CEER build its Vision for Europe's energy customers.

The list of participants and proceedings from the conference are available on [CEER's website](#).

CEER also invited written responses to its discussion paper. This was an informal consultation. Responses were received from BEUC, Eurelectric, Eurogas, EON, the Coastal and Marine Union, Thuega, a Swedish voluntary organisation and a Swedish customer.

The final Vision is jointly shared and owned by CEER and BEUC.

A number of other organisations have also supported the [Vision](#). This includes:

- CEDEC (European Federation of Local Energy Companies)
- EDSO for smart grids (European Distribution System Operators' Association for Smart Grids)
- ESMIG (European Smart Metering Industry Group)
- Eurelectric
- Eurogas
- GEODE (European Group of Energy Distribution Companies and Organizations)
- NEON (National Energy Ombudsmen Network)
- SEDC (Smart Energy Demand Coalition)

## 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 Strategy and Communications Task Force of CEER's Customers and Retail Markets Working Group.