Welcome to the CEER Public Consultation on Dynamic Regulation to Enable Digitalisation of the Energy System.

This CEER Consultation Paper on Dynamic Regulation to Enable Digitalisation ot the Energy System elaborates on the implications of digitalisation for the energy sector and for consumers in particular. It considers the changes that may be needed to empower and unlock the benefits of digitalisation for consumers and to protect them against the risks.

CEER seeks input to help prioritise the related actions that energy regulators can take over the course of its 3-year strategy.

Section A: Contact details and treatment of confidential responses

In the interest of transparency and in accordance with the General data Protection Regulation (GDPR), CEER:

i. will list the names of the organisations that have responded but anonymise the personal data of any individual (such as members of the public) that has contributed.

ii. requests that any respondent who does not wish their contribution to be published, to indicate this preference when submitting their response via the online questionnaire.

CEER will publish all responses that are not marked confidential on the website: www.ceer.eu. This CEER public consultation is carried out in line with the Guidelines on CEER´s Public Consultation Practices.

A1. Contact details:Name

A2. Contact details:Organisation

A3. Contact details:Email

A4. Please, mark the box if you wish your response to be treaded as confidential.

We will not make your feedback available to the general public. But we will use it as part of the analysis.

Tick the box

If you wish your reponse to be treated as confidential ☐

Section B: CEER Public Consultation on Dynamic Regulation to Enable Digitalisation of the Energy System

B1. **1. What impact do you consider that digitalisation will have on the energy system and which are the most important?**

Relevant for chapter 2 of the CEER Consultation Paper.

B2.

2. What are your views on the changes for the energy system highlighted in chapter 2 of the consultation paper:
a. Increases the productivity of the existing system;
b. Enables new products and services that alter electricity demand;
and c. Brings new digital marketplaces that transform the way the sector transacts?

And are these the most relevant?

Relevant for chapter 2 of the CEER Consultation Paper.

B3. **3. In your view, what are the most important value propositions for consumers, which should be prioritised?**

Relevant for chapter 2 of the CEER Consultation Paper.

B4. **4. In your view, will digitalisation lead to more consumer participation in energy markets? Please provide your reasoning.**

Relevant for chapter 2 of the CEER Consultation Paper.

B5. **5. What are the key enablers needed to unlock the benefits of digitalisation for consumers?**

Relevant for chapter 3 of the CEER Consultation Paper.

B6. **6. What are the main risks for consumers arising from digitalisation of the energy sector?**

Relevant for chapter 3 of the CEER Consultation Paper.

B7. **7. What would a “whole energy system” approach look like – would this unlock more benefits of the digitalisation of the energy system?**

Relevant for chapter 3 of the CEER Consultation Paper.

B8. **8. Do you agree with the analysis presented here on the key areas in which energy regulators should focus?**

Relevant for chapter 3 of the CEER Consultation Paper.

B9. **9.1 Which of the specific draft regulatory proposals should regulators pursue? Which should they not undertake? In both cases, please explain the reasoning for your answer.**

	Regulators should pursue	Regulators should NOT pursue
1. DSOs to focus on the quality of their network data and data on distributed energy resources connected to their networks within the relevant legal framework, to ensure they utilise data effectively where this will improve efficiency of their planning, operations and investment, and where necessary improve the accuracy of their records. It is important that network data collated is interoperable and the best institutional arrangements are determined for holding the data. Learn from those who move first in this area, for example through developing digital twins.	☐	☐
2. Where new entrants (whether distributed resources or new retail business models) are at a competitive disadvantage through lack of access to industry data, consider how to level the playing field. For example, if it is difficult for storage to know where best to connect, or the extent to which revenues may be available in future from providing constraint management solutions, so DSOs should consider providing interactive maps and/or network data and models, without endangering security and avoiding any misuse potential. If it is difficult for new entrants to develop products due to lacking consumer data that incumbents already have for their customers, consider provision of aggregated or anonymised data, ensuring compliance with the GDPR and protection of commercially data of third parties.	☐	☐
3. For data privacy and competition issues, energy regulators should work with the authorities responsible for data protection and competition to ensure mutual understanding of the issues in the energy sector and to ensure energy companies adopt best practice.	☐	☐
4. For cybersecurity, as a minimum, take forward the recommendations in the recent CEER report, including that: •Even non-Operator of Essential Services (OES) actors should apply cybersecurity standards as close as possible to those of OES. •NRAs should encourage meeting compliance with the Directive on Security of Network and Information Systems and provide support in transposing horizontal regulation into sector-specific best practices. • NRAs need to be prepared to monitor and evaluate cybersecurity expenditure, particularly of regulated entities. •Management in energy-sector entities, including NRAs, should provide clear guidance on cybersecurity governance, including, the proper place and role for the chief information security officer (CISO). •TSOs/DSOs/Suppliers should have a cybersecurity strategy and they should set clear and effective cybersecurity measures prior embracing new technologies such as Cloud computing or systems for the handling of Big Data. •CEER and ACER may promote cultural change through activities such as partnerships and awareness campaigns.	☐	☐

	Regulators should pursue	Regulators should NOT pursue
5. NRAs to monitor experience with new products and consider whether additional steps to empower or protect consumers are needed, and energy regulators to cooperate with other regulators through PEER to promote effective consumer protection. CEER to publish a summary of experience across Europe once there is sufficient experience to learn from, considering also lessons from telecoms and financial services markets where relevant. Particular attention is merited on distributional issues – whether some parts of society are being "left behind" by developments.	☐	☐
6. Regulators to consider best model for regulation of intermediaries including responsibility for balancing and, where applicable, capacity requirements where they are selling energy. Where not already in place, consider arrangements for a default supplier for inactive customers.	☐	☐
7. As part of their regular processes, NRAs to review network tariffs to ensure they are fit for the future. Active customers who utilise new technology must receive cost-reflective signals reflecting the costs and benefits they bring to the network. All consumers, including those who are unable or choose not to engage, should pay a fair contribution towards the fixed costs of the system.	☐	☐
8. Regulators to monitor development of platforms and new marketplaces and seek to establish adequate oversight and feedback from stakeholders. Where barriers are identified, regulators to promote a level playing field for alternative technologies.	☐	☐
9. As part of their regular processes, NRAs to review network tariff regulation to remove capex bias and encourage the use of flexibility services where economic. CEER to monitor progress in implementing the recommendations of the Conclusions paper and collate best practices.	☐	☐
10. DSOs to explore market-based procurement for flexibility services, considering use of a flexibility marketplace where efficient and reviewing whether network tariffs send the right signals for network users.	☐	☐
11. DSOs and TSOs to review product definitions for grid services which make most efficient use of the services that distributed resources are able to provide without unnecessary restrictions (such as high minimum size requirements), as far as practical consistent across markets.	☐	☐
12. Regulators to review progress on TSO/DSO relationship in a more decentralised system and where necessary engage more closely in discussions to define respective responsibilities.	☐	☐
13. NRAs to strengthen their expertise, skills and capability in the digital realm.	☐	☐
14. Regulators develop best practice approaches to enable trials of new products and business models ("sandboxes"). CEER to provide a forum for exchange of learning from both EU-funded and national trials and studies and to feed back into the parameters for new trials.	☐	☐

B10. Please explain your choices to the above question in the comment box below.

B11. **9.2 Bearing in mind that resources will not allow progress on all actions simultaneously, please indicate your top 5 priorities for action by regulators in the near term.**

Regulatory proposal 1

Regulatory proposal 2

Regulatory proposal 3

Regulatory proposal 4

Regulatory proposal 5

Regulatory proposal 6

Regulatory proposal 7

Regulatory proposal 8

Regulatory proposal 9

Regulatory proposal 10

Regulatory proposal 11

Regulatory proposal 12

Regulatory proposal 13

Regulatory proposal 14

B12. **10. Do you have any other general observations to make on the topic of this consultation paper?**

Thank you for submitting your response. We value your feedback.