
Survey response 9

Contact details and treatment of confidential responses

Contact details: [Organisation][[]]
CEDEC European Federation of Local Energy Companies
Please, mark the box if you wish your response to be treated as confidential.
Public

PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?
2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing") Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

Work item 5: ACER-CEER Market Monitoring Report Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Work item 6: CEER Customer Conference Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.s. CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

Survey response 12

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Contact details: [Organisation][[]]

Nvalue AG

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Public, but some sections may be confidential as indicated in individual questions
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PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

Yes, we support the outlined plan with specific focus on the implementation of the Clean Energy Package implementation
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2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

Yes, we think the right priorities are addressed
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QUESTIONS ON INDIVIDUAL WORK ITEMS

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CUSTOMERS AND RETAIL MARKETS

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Not really

Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing") Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

We are on the opinion that this topic is of paramount importance as the trust of the general public in a fair, transparent and fraud-proof disclosure system for renewable energy consumption is the backbone of the whole renewable certificates system. The consumers must be fully convinced that the guarantees of origin are the only tool that can be used not only for mandatory disclosure but also for all other type of voluntary disclosure of renewable energy consumption.

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

Not really

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Not really

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Not really

Work item 6: CEER Customer Conference Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

Not really

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

As more and more subsidy schemes for renewable energy production elapse across Europe, we think that information on the business models and economical viability of the unsupported producers is quite important in order to anticipate a possible subsidy free future for the whole sector. We would strongly advise for such future reports to include all EU countries so that a more broad picture is presented.

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Not really

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

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GAS

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Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

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Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

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DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

Not really

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

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Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.s. CEP Implementation Do you have any specific comment on this individual deliverable?

Not really

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Not really

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

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CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Not really

Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Not really

Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Further to Remit, some other regulation topics, such as EMIR and MiFID II also have substantial impact on the energy trading. Although this will entail significant additional work, it would probably be good if these are also included in this (or other suitable) report.

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Not really

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Not really

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

Not really

Survey response 14

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UPRIGAZ

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PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

UPRIGAZ supports CEER's proposals. The implementation of the Clean energy Package and the acceleration of the digitalization process of the energy sector are the two axes of action for the European Union in the ongoing years. In particular, UPRIGAZ is in favor of a cross-sectoral (electricity and gas) regulatory approach.

2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

UPRIGAZ agrees with CEER's approach on the presentation of the 2021 work programme and deliverables expected from such programme.

QUESTIONS ON INDIVIDUAL WORK ITEMS

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CUSTOMERS AND RETAIL MARKETS

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UPRIGAZ is in favor of this roadmap that gives incentives to each NRA to follow 25 metrics and to report on the gap between the objectives and their realization. UPRIGAZ is also in favor of a benchmarking by CEER between NRAs of such roadmap at least for the most important metrics.
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Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing") Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

A European system of Guarantees of Origin would best fulfill the goal to ensure the final consumers that their electricity supply can be qualified as green. CEER could play a leading role to foster such European system of GO.

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

UPRIGAZ believes that the freedom to contract between suppliers and consumers is essential in a well-functioning competitive internal market. Such freedom result in a wide range of contracts in terms of duration, volumes, price and indexation, and this diversity allows to satisfy each sector of demand in the most effective manner. UPRIGAZ is also adamant to ensure protection of commercial and private data.

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

In considering the implications of digitalization for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome.

Do you have any specific comment on this individual deliverable ?

UPRIGAZ is in favor of a regulation of data by NRAs in full compliance with GDPR. However, UPRIGAZ considers that consumers should be entitled to receive the full benefit of the management of their data by all the acknowledged actors of their value chain (suppliers, shippers...) with a view to optimize their energy cost. Therefore, regulation of individual data by RAs should ensure consistency of data protection and commercial efficiency.

Work item 5: ACER-CEER Market Monitoring Report Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

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Do you have any specific comment on this individual deliverable?

UPRIGAZ has followed up the ACER CEER yearly Monitoring reports that give an overall view of the progress of the opening of the EU energy market. UPRIGAZ welcomes the initiative of ACER-CEER to enrich the document with a report on the new market developments fostered by the implementation of CEER 3D strategy.

Work item 6: CEER Customer Conference Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for all Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players.

Do you have any specific comment on this individual deliverable?

UPRIGAZ considers that CEER Consumer Conference is a yearly main opportunity for stakeholders of the energy value chain together with consumers, with a view to exploring the ways and means to develop market integration, sector coupling and an increasing involvement of consumers as self producers and actors of demand management.

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs.

Do you have any specific comment on this individual deliverable?

UPRIGAZ share the views of CEER on the opportunity to better identify supported and unsupported respective contributions to the development of RES. UPRIGAZ agrees with the intention of CEER to request such information from NRAs.

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This paper will analyze the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators.

Do you have any specific comment on this individual deliverable?

UPRIGAZ welcomes the contribution(s) of ACER-CEER to the proposed revision of the TEN -E Regulation and their proposal to consolidate the views of NRAs on such matters.

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automatisisation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

The energy transition foresees an increasingly important role for electricity because of its role in decarbonization with a high share of renewables, a growing level of digitalization in communication and automatization in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements.

Do you have any specific comment on this individual deliverable?

UPRIGAZ shares the views of CEER on the merits of sector coupling as a means of integration of local RES and centralized electricity production. Considering how the electricity system can adapt to cope with the new developments and requirements and promoting adequate regulatory measures should be at the 2021 to 2025 CEER's agenda.

Furthermore, UPRIGAZ wish that the interface between electricity and gas be considered simultaneously. Digitalization makes such options feasible, provided however that no legislative or regulatory dispositions are taken in Eu member states that may prevent the implementation of electricity and gas coupling at consumers level.

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated.

Do you have any specific comment on this individual deliverable?

UPRIGAZ shares the views of CEER on the necessity to value the merits of new offshore production facilities and grids not only on their intrinsic capacities and costs but as forming part of an integrated electricity transportation and market design. Such approach should form part of national governments and NRAs when new offshore capacities are subject to call for bids or individual initiatives. A comprehensive analysis of the opportunities (additional green power resources, power to gas facilities...) and constraints (security of supply ; grid reinforcement...) should always be required from developers.

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivize network operators to reduce methane emissions in their networks. This report summarizes the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction.

Do you have any specific comment on this individual deliverable?

UPRIGAZ has a feeling that much has already been done by TSOs in the EU to reduce emissions in gas networks. By incentivizing suppliers to access to underground storage capacities at competitive market conditions, France has significantly limited the recourse to compression during daily peak gas demand, thus contributing to a limitation of CO2 emissions. We would welcome an EU benchmarking of emissions on transmission and distribution networks across the EU.

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D

Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Energy storage is an important aspect of sector coupling ; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects.

Do you have any specific comment on this individual deliverable?

UPRIGAZ fully shares the analysis of CEER according which the gas system as a whole and underground storage in particular is a major asset to ensure the security of supply and the economic optimization of the energy system as a whole. We therefore welcome CEER's proposal to include in the 2021 WP a comprehensive study on the different options to store energy and the establishment of a methodology to rank each of them.

Peak shaving of electricity demand is a major challenge to secure the energy transition and fostering a clear view on the merit order of the different options, both in terms of gas and electricity facilities, is a top priority for UPRIGAZ.

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

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- the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings,
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This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges.

Do you have any specific comment on this individual deliverable?

We have no specific comment.

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

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Do you have any specific comment on this individual deliverable?

In line with its response to item 12 and 13, UPRIGAZ is in favor of this CEER paper on flexibility and storage assessment.

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

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Do you have any specific comment on this individual deliverable ?

UPRIGAZ considers that distribution networks planning is a key element to give adequate signals to the promoters of RES, both in the electricity and gas sectors. Unlike in the historical systems, the development of distribution networks is no longer triggered by the localization of demand, but also by the opportunity of supply sources (wind mills, photovoltaic, biomethane...). We therefore welcome CEER's initiative to foster adequate regulatory measures that should take into account the new approach by NRAs.

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.s. CEP Implementation Do you have any specific comment on this individual deliverable?

This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.

Do you have any specific comment on this individual deliverable ?

UPRIGAZ is of the opinion that access tariffs to the networks should be neutral, whether against the nature of the supply (centralized or local, renewable or traditional) so as to limit the risk of economic distortions though cross subsidies. CEER should therefore be adamant to prevent the adoption by NRAs of regulatory measures that would distort competition between suppliers, or between buyers in the case of « energy communities ».

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation.

Do you have any specific comment on this individual deliverable ?

UPRIGAZ fully shares the objectives of CEER to establish a benchmark among member states on Quality of service. The range of this analysis has been broadly widened by digitalization, in particular smart grids and smart meters, thus opening the concept of quality far beyond the continuity of service , in particular for data regulation and the quality and delay for data transmission to stakeholders.

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

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Do you have any specific comment on this individual deliverable?

UPRIGAZ welcomes the prospect of a new publication of the report on power losses in 2022.

CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report.

Do you have any specific comment on this individual deliverable ?

UPRIGAZ considers the Regulatory report of CEER as an essential working tool for the energy sector and welcomes the 10th anniversary of the document in 2021 !

Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs.

Do you have any specific comment on this individual deliverable ?

UPRIGAZ welcomes the continuous publication of the TSO Cost Efficiency benchmark, which is a useful component of the overall benchmarking of the infrastructure operators in the EU.

Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes.

Do you have any specific comment on this individual deliverable ?

UPRIGAZ is in favor of the ACER initiative to create a REMIT monitoring platform that would gather all the relevant information on transactions in real time and on a confidential basis, with a view to alleviate as much as possible the duties and obligations of energy suppliers while respecting the REMIT regulation.

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

The COVID-19 pandemic : lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers.

Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis.

Do you have any specific comment on this individual deliverable ?

UPRIGAZ shares CEER's views that the energy industry has secured a full energy service to customers during the crisis in spite of all the constraints raised by the pandemic. While acknowledging the specific difficulties of the less solvable segment of customers and the measures taken by government in their support, UPRIGAZ has observed less justified measures towards affordable customers that have resulted in payment delays.

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Following the paper on dynamic regulation of 2020, CEER will continue to analyze and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented.

Do you have any specific comment on this individual deliverable ?

UPRIGAZ fully concurs with the interest of following up this report on dynamic regulation from NRA's perspective.

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling?

Do you have any specific comment on this individual deliverable?

UPRIGAZ sees the interest of this document, but makes the suggestion to limit its issuing to an interval of 2 or 3 years.

Survey response 16

Contact details and treatment of confidential responses

Contact details: [Organisation][[]]
CEDEC European Federation of Local Energy Companies
Please, mark the box if you wish your response to be treated as confidential.
Public

PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?
CEDEC supports the priority areas as proposed by CEER. They reflect well the current legislative focus in the energy sector.
2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?
CEDEC supports the mentioned work items. We welcome particularly the attention given to the (energy) consumer within all priority areas. Further, we appreciate the deserved attention given to the role of gas(es) within the decarbonisation part of the 3D strategy. When it comes to “sector coupling/integration”, we would like to reiterate the necessity to apply a holistic/whole system approach, looking not only on the links between electricity and gas, but also heating/cooling, waste and mobility, to ensure that the most cost-effective solutions can be identified. Regarding “dynamic regulation”, CEDEC calls for the right balance between adaptive regulation, to allow for innovation and policies to develop in the public interest, and stability of the regulatory and legislative framework, to ensure visibility and a reliable framework for (long term) smart grid investments. On priorities “2.1. Digitalisation” and “2.4. Clean Energy Package”, CEER should also keep in mind the ongoing work on the Implementing acts on data access and interoperability and the Network Code on Cybersecurity, as part of the CEP implementation. We believe that both issues shall not only be addressed from an electricity, but also from a gas perspective. As CEER, is surely aware, in March 2021, a new body of distribution system operators, the EU DSO entity, will be established, as foreseen by the Electricity Regulation. We are confident that CEER will take into consideration the important role of this new entity for the network code development process in domains with distribution interest. As we are convinced of the added value of an integrated systems approach (as is also the reality in most of our member companies), we hope that in the (near) future this EU DSO Entity will also cover gas distribution issues.

QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets
Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No.

Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing")
Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

CEDEC has contributed actively to a gas sector proposal on taxonomy for new types of gases (renewable, decarbonised and low-carbon gases). This taxonomy could also be a basis for an expansion of the current GO methodology and processes from electricity to gas. A special focus on vulnerable customers would be welcome.

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector
Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

No.

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations
Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

When developing the paper, CEER shall also consider the ongoing works on the development of Implementing acts on data access and interoperability and on the Network Code on Cybersecurity. Currently, discussions focus primarily on electricity, while the gas part is mostly disregarded (although the Task Force Smart Grids reports that are at the basis of both initiatives, claimed an energy perspective, and not only electricity perspective).

The paper should also evaluate to what extent the market functioning and possible progress linked to digitalisation is "inclusive" (i.e. benefits to all consumers, specifically considering vulnerable consumers), or benefits only to specific customer segments.

Work item 5: ACER-CEER Market Monitoring Report
Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

CEDEC believes that, when monitoring different dimensions of empowerment and protection mechanisms, it is also important to determine the extent to which market functioning and market developments are "inclusive" – i.e. benefits to all consumers (including vulnerable customers) – or benefits to specific customer segments.

Work item 6: CEER Customer Conference
Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

No.

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No.

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

CEDEC welcomes that ACER and CEER prepare joint contributions on the revision of the TEN-E Regulation.

We suggest investigating the adequacy of the TEN-E guidelines and PCI lists in view of the Clean Energy Package and the developments in the energy system since the adoption of the TEN-E Regulation, the current energy and climate objectives, the EU's climate neutrality and the EC's Green Deal objectives.

In particular, one should look at:

- the validity of the eligibility criteria: need for improvements to address current trends in the EU energy system (i.e. digitalisation, decarbonisation, better integration of RES, system integration, system flexibility, seasonal storage, power-to-x);
- the allocation of roles in the selection process, cost benefit analysis (CBA): too one-sided focus on TSO, whereas DSOs emerge as key drivers of the energy transition but with no voice in the selection process;
- the need for investments in distribution grids and the support of small scale, local and regional projects.

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automatism in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

CEDEC believes, that a decarbonisation strategy focussing on large scale electrification is always linked to significant challenges in the energy system. Electricity DSOs, who are responsible for maintenance and development of their grids, have to cope with an increasing fluctuation of electricity flows and loads, as the system becomes more volatile. It is the DSOs that enable sector integration, from a grid perspective, as heating (for example heat pumps), mobility (for example EV charging stations) and RES are almost exclusively connected to distribution grids.

Although electrification is a viable decarbonisation pathway in certain sectors and for specific applications, its feasibility is low for certain energy end-uses, such as freight transport by road, shipping and aviation. Also, where energy intensive applications are difficult to electrify and where electrification costs for specific end uses are relatively high, renewable, decarbonised and low carbon gases must step in.

The EU must adopt a holistic view, in which electrification as well as renewable and decarbonised gases and innovative heating solutions – all with their respective infrastructures – will have their role to play. There is not one technology or application that is going to solve all problems, but we will need to step up the cross-sectoral cooperation to unleash true potentials of synergies across applications/sectors.

As balancing demand and supply of energy is becoming more challenging, digitisation of assets within the energy system becomes increasingly crucial for safe and reliable system operation. However, it is important that an integrated energy infrastructure is not locked-in by novel technology: technological innovations as developed by commercial tech companies develop much faster than it is possible for public grid operators to integrate them in their systems and assets.

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No.

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Gas DSOs have always been committed to limiting methane emissions and they fully share the importance of working further to reduce methane emissions. In order to do so, any legislative development should ensure that the diversity of gas DSOs (in scope and scale) is adequately taken into account and their specificities recognised. The gas distribution is a regulated business and NRAs should recognise efficiently incurred costs when DSOs are making necessary investments to fulfill methane emissions reduction obligations. Moreover, it is indeed important to improve metering of actual emissions and to explore new tools for detection and verification, in order to put these numbers in the right perspective.

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No.

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

CEDEC believes that a truly integrated energy system should feature three characteristics: it needs to be decarbonised, decentralised and digitalised. It should be able to maximise the integration of local RES, close to the customer, and involving local communities in the energy transition. It shall go beyond sector coupling and refer to an optimised energy system which includes different energy carriers, sectors and the respective infrastructure.

Following the logic of circular economy, a truly integrated energy system would allow local energy companies to propose the most optimal and efficient solutions according to the site characteristics and customers usage patterns, and it would promote the re-use and retrofit of existing infrastructure when cost and resource efficient.

Technology neutrality is an essential condition to reach this goal. Giving exclusive priority to specific energy technologies or applications is likely to delay the energy transition. Moreover, it will cause societal acceptance problems given the current and future diversity in European regions. In the energy transition there is no one-size-fits-all solution: whereas the political objective of achieving climate neutrality for all Europeans in every part of the EU is set, the policy framework needs to incentivise sustainable energy solutions that are locally customised.

The immaturity of certain technologies can result in high costs for first movers, making these technologies unattractive for new customers and hampering their scaling up. Public financing of R&D&I will be crucial for the development of the new technologies that are required to achieve a truly integrated energy system.

In addition to existing grid challenges due to the possible geographic mismatch between the location of RES generation and demand centers, total electricity demand will substantially increase over the next years: this will require enhanced investment – including in flexibility tools – and integrated planning, particularly for the grid.

For the same purpose of supporting innovation, there is a clear need to be flexible on unbundling rules in order to allow network operators to be involved in developing markets that are not mature yet, and particularly in a first stage in research and pilot projects. Moreover, given that surplus renewable electricity will need to be converted into renewable gases, completed with demand-response and storage (for peak shaving and other grid related services), it is necessary to adapt the regulatory framework to allow the use of such tools by distribution system operators (DSOs) in order to ensure efficient operation of integrated electricity and gas grids.

Interlinkages and substitutability between the electricity, gas and heat sectors are likely to grow in all areas of the value chain, and this will require an efficient planning at distribution level, and more coordination in planning between transmission and distribution levels both intra-sector and between gas and electricity sectors. For that reason, close coordination between gas and electricity DSOs is also required at EU level. Therefore, an EU DSO Entity for gas should be created, and preferably integrated into the EU DSO Entity for electricity, as acknowledged by ACER in "The Bridge beyond 2025".

To realise the energy transition, grid operators will have to rebuild the energy system, but must take into account legacy systems. Infrastructure legacy differs per EU country; some Member States have for example invested heavily in an extensive gas infrastructure. These assets still hold societal value and re-use of these assets would substantially reduce the infrastructural costs associated with the energy transition. Therefore, it is important that EU policy allows for flexibility within Member States.

CEDEC believes that an alignment of the current EU legislation with the Union's climate and energy goals – as put forward in the Clean Energy Package, the Paris Agreement and the Green Deal – is urgently needed, to make sure that projects (for all types of energy vectors) contributing to these energy and climate objectives are supported in the most optimal way.

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

CEDEC welcomes that CEER will look into the role of DSOs in flexibility and storage. CEDEC believes that long term investments are needed for energy storage where it can provide a structural long-term solution on a specific location in the grid – provided energy storage is the most cost-effective solution for the distribution system. To achieve the energy and climate goals, the EU should adopt a holistic approach also taking into account the benefits of sector coupling/integration. Gas networks and different types of conversion technologies (like P2G) play an important role in achieving the energy and climate targets effectively and cost-efficiently, and, therefore, should be adequately addressed in the future legal framework. However, the current legal framework – DSOs cannot own, develop, manage or operate any energy storage facilities – does not give incentives to DSOs to make investments in storage capacity, even if it is strictly for grid management purposes. With the new provision of the Electricity Directive, such long-term investments will not be made. As investments in storage are capital intensive, DSOs can help to raise investments in grid-related storage as they have a long-term perspective. As long as there are no clear business cases for market-based storage projects, investments will not take place, or with a high-risk premium (paid in fine by the consumer).

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

CEDEC fully supports the need to address the challenge of accelerating decentralisation and consequently the role of DSOs for developing network plans (including TYNDPs). Up until now, TYNDPs have been exclusively developed by the ENTSOs without the DSOs involvement. This leads to the situation that DSOs investment needs and crucial information on grid planning at local level are not appropriately taken into account at EU level. CEDEC therefore welcomes a more coordinated network development planning between TSOs and DSOs, as foreseen by the CEP (Art. 57 of Regulation (EU) 2019/943), allowing for a closer involvement of DSOs in grid planning at EU level. In its paper, CEER should look at both, gas and electricity. Technological neutrality must be ensured, as it is crucial to investigate various pathways to the decarbonisation of the future EU energy systems.

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems. CEP Implementation Do you have any specific comment on this individual deliverable?

Network tariffs may indeed prove to be an important factor in the development of energy communities, as energy communities have both rights and obligations (as described in the Directive) that will have to be reflected in future grid tariffs.

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

It is suggested that sub-national regulatory regimes are also looked at.

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

No.

CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Looking forward to the anniversary edition!

Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No.

Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No.

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

There are numerous elements of security of supply and affordability that risk to be or will be strongly influenced by COVID-19 and its economic and societal consequences. Important to focus on lessons learned, from technical to market issues.

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No.

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

No.

Survey response 17

Contact details and treatment of confidential responses

Contact details: [Organisation][[]]

GEODE

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

Public

PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

We do agree with CEER priorities as suggested. .
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2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

We are lacking more focus on energy system integration in priority area "decarbonisation at least cost" , as an integrated energy system will help to achieve energy and climate goals for climate neutrality by 2050. This has been highlighted in the recently published EC strategy for energy system integration.

QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?
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No comments

Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing") Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

GEODE supports this work stream

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

This is a very important topic and it is of major interest for GEODE members

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

It is an important work stream

Work item 5: ACER-CEER Market Monitoring Report Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

This is an important work done by ACER-CEER annually that provides transparency on the evolution of gas and electricity markets across Europe

Work item 6: CEER Customer Conference Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

It is an important event to keep customers engagement in the energy sector and its related activities

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No comments

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This is an important Regulation for DSOs. We do expect that during the review procedure, investments on distribution infrastructure at the local and regional level find their way within the Regulation as distribution grids are crucial to enable the energy transition.

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automatisisation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This is a very important work stream and of major interest for GEODE members. GEODE believes on the important role of sector integration in decarbonising Europe. GEODE is convinced that only a sector integration approach is capable of delivering high emission abatements in a cost-efficient manner and socially and economically beneficial. Distribution grids will play an important role in this transformation, enabling resources to be efficiently transferred between different sectors, energy carriers and market actors. See GEODE paper on "the role of energy system integration in decarbonising Europe" (May 2020) <https://www.geode-eu.org/wp-content/uploads/2020/06/20200603-GEODE-PP-SECTOR-INTEGRATION.pdf>

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No comments

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This is a work stream GEODE is following with attention.

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No comments

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

This is an area of very high interest for GEODE members. In particular the regulatory framework of hydrogen infrastructure is a top priority for GEODE. See on that respect GEODE paper "proposal on the regulation of a European hydrogen infrastructure" (May 2020) <https://www.geode-eu.org/wp-content/uploads/2020/05/20200518-GEODE-PAPER-HYDROGEN.pdf>

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

This is a work stream of high importance for GEODE members

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

This is an interesting work stream for GEODE members

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.s. CEP Implementation Do you have any specific comment on this individual deliverable?

This paper could be of crucial support for the development of new business models and therefore for the engagement of consumers/citizens becoming active energy actors

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

No comments

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

No comments

CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

GEODE very much appreciates this annual report that we follow carefully and analyse with our members. We support CEER to keep delivering this report on an annual basis

Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No comments

Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No comments

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Important work stream

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Important work stream for GEODE members

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

Important piece of work and GEODE has always carefully analysed previous editions

Survey response 19

Contact details and treatment of confidential responses

Contact details: [Organisation][<input type="checkbox"/>

Swiss Federal Office of Energy SFOE (Digital Innovation Office)

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

Public, but some sections may be confidential as indicated in individual questions
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PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

The Swiss Federal Office of Energy SFOE highly welcomes the opportunity to contribute feedback to CEER's annual working package.
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As a general comment, the SFOE is highly satisfied with the proposed work programme of CEER for the year 2021 (especially the "3D Strategy" and the inclusion of the analysis of the COVID-19 impact), which is covering many core areas that also the SFOE deems relevant.

2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

We would like to further express our view on a five topics that, from our perspective, are worthwhile to be further elaborated on.
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1. <input checked="" type="checkbox"/> Lately there has been an increasing interest in the so-called concept of "regulatory sandboxes", as instruments to test and validate (or discard) regulatory changes that may facilitate the entry/adoption of innovations in the energy sector. We would highly appreciate if CEER could include, perhaps within its proposed "Report on Dynamic regulation from NRAs' perspective (tools and processes)" a critical evaluation of the key findings from previous test cases. This may include the consumers' perspective (benefits, risks and protective measures) and potential market distortion through the selective participation of some selected market actors into these sandboxes.
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2. <input checked="" type="checkbox"/> A general, out-of-the-box paper on how to regulate (digital) innovations in the energy sector would be highly welcome. This could be a conceptual contribution with a long-term perspective, that focusses on the different paces at which regulatory processes and technological change evolves and the resulting risks such asynchronization may bring to consumers.

3. <input checked="" type="checkbox"/> Given the raising importance of data in the energy sector, additional guidance and a state-of-the-art overview of the regulation of data infrastructures in the energy sector would be much appreciated. This may include the use of open data, the regulation and cost allocation of data hubs and remuneration schemes for data access and use.
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4. <input checked="" type="checkbox"/> Real time Data Sharing, e.g. on the use of generation sources in the electricity mix can be seen as an important cornerstone for decarbonization, e.g. through the visibility of the carbon footprint of actual electricity consumption. Therefore, we would suggest an analysis of the provision and use of real time certificates of origin ("green certificates") that can be used for consumer empowerment – in the frame of a short paper on European best practices and outlook.

5. <input checked="" type="checkbox"/> A closer look at the regulation of digital platform services provided by market actors and how such platforms may support decarbonization from a sector coupling perspective, including both electricity and gas sector, and, the risk for market distortion that lies in such platforms.
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QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets
Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing")
Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector
Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations
Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

Work item 5: ACER-CEER Market Monitoring Report
Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Work item 6: CEER Customer Conference
Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automatisisation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.s. CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

Survey response 20

Contact details and treatment of confidential responses

Contact details: [Organisation][[]]

Enagas S.A

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

Public

PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

Yes. Completing the internal GAS market should also be a priority. There are areas which are still not well connected due to the lack of interconnection capacity or high transmission tariffs. Thus, it could be desirable to include another priority area dealing with this topic. We understand that internal electricity market is already included in the implementation of the CEP.
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2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

Yes

QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?
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While an EU view on this topic is useful, this is mainly a task for individual regulators, and CEER should focus more on wholesale markets and their degree of convergence.

Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing") Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

No. Consistency between gas and electricity should be guaranteed as regards GOs and GCs

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

No

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

No

Work item 5: ACER-CEER Market Monitoring Report Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

This joint ACER-CEER Market Monitoring Report is a key reference work for the gas and electricity sector. However, Enagás would like to make some concerns already shared with ACER.

The last MMR contains non-accurate data in the case of transportation tariffs:

- Figure 36 provides a comparison of average gas cross-border transportation tariffs and LNG system access costs in 2019. However, the exit tariff from France to Spain reflects the tariff value before the creation of the single market zone in France (TRF) before November 2018.

- Figure 37, which gives a comparison of average gas cross-border transportation tariffs before and after the TAR NC implementation for selected gas supply routes, justifies that the increase in tariffs at the exit from France to Spain is due to the implementation of the TAR NC. However, this is incorrect, at the time the MMR was published the implementation TAR NC in France was under public consultation and: 1) the increase in tariffs happened in November 2018 due to the creation of the TRF, and 2) the implementation of the TAR NC in France will have no impact at VIP Pirineos. Exit tariff from France to Spain will remain the second highest just after the exit from Croatia to Hungary.

The Gas Target Model is about creating liquid markets and connecting them. The MMR offers an "Assessment of supply sourcing costs" considering a basket of hub products, long-term supply contracts and domestic production prices. For this purpose, the MMR provides a map which concludes that "Differences in gas supply sourcing costs across MSs are today in most cases below 1 euro/MWh". The following considerations should be made:

- The alignment of long-term supply contracts and domestic production prices might be temporary and not be related to any market integration measure or achievement (e.g. the cost of a supply to a premium, isolated market might be particularly low, but this has nothing to do with market integration efforts and won't have any consequence for consumers; on the contrary, market integration impacts price convergence directly).

- There is no metric in the GTM related to import prices, and the relevant prices to measure integration should be those created in the liquid gas markets that should be created. Based on Day-ahead prices at hubs, the results are totally different for Spain and the Iberian Peninsula, whose differences with France (PEG) and The Netherlands are higher than 1 and near 2 €/MWh.

- The tendency of shippers in competitive markets is to offer industrial consumers a price based on hubs, e.g. TTF + premium, and not on production or import costs (which was the old way of making offers)

The figure presented by ACER in several fora, in particular in the Madrid Forum 33th edition shows that there is market integration between Spain and the rest of Europe. However, as previously mentioned the underlying data could be improved, in particular, CEER and ACER should take the hub gas prices instead the gas prices declared at the customs.

Thus, Enagás considers that the MMR should be improved by taking update tariffs values at IPs and making the analysis of market integration between countries based on gas hub prices.

Work item 6: CEER Customer Conference Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

No

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

A review of renewable support schemes in Europe should be a transversal effort (and not for electricity only) and should include, at least, information on support schemes for renewable and decarbonised gases

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

ACER and CEER should take into account the redefinition of the European Relevance criterion for the Clean Gases category. The whole value chain shall be considered for Clean Gases projects

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automatisisation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This work item is in the electricity section and not in "cross sectoral". Sector coupling should be a transversal work and not for electricity only.

Renewable, decarbonised and low-carbon gases (Clean Gases) are essential for achieving the 2050 decarbonisation targets. Acknowledging that only a certain level of electrification of the EU economy is possible, the decarbonization of the different sectors will be achieved by a combination of renewable electricity and Clean Gases. There are sectors in which direct electrification is not possible or rather expensive, in those sectors Clean Gases can cover that gap.

The Clean Gases should be allowed to compete on a level-playing field, since they can be the most efficient solution in many industries.

Natural gas has a key role in enabling variable renewable energy integration, and further decarbonising different sectors of our economy. When coupled with CCUS, natural gas should also be considered as a possible solution for the long-term in order to achieve carbon-neutrality by 2050 and beyond.

Current gas infrastructures are an advantage for the development of Clean Gases. The gas infrastructures are a backbone of the EU energy system which serves to achieve the EU energy and climate goals by transporting, distributing and storing vast amounts of energy in a very cost-efficient way compared to electricity. By using the existing gas infrastructure in combination with the Clean Gases, the whole energy system is optimized, avoiding unnecessary and costly investments on the electricity side, and decarbonising the EU in a cost-efficient manner.

In the context of natural gas and gas blends with Clean Gases, it should be ensured that gas systems remain interoperable, avoiding market fragmentation and ensuring a fully integrated gas market; One European gas market is the vision.

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This work item should be tackled from the energy system integration point of view. Electricity transmission might not be the most efficient way of transporting energy over long distances. In particular, the potential role of renewable gases should be taken into account.

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Enagás welcomes EU's ambition to establish an integrated methane emissions strategy to contribute to cost effective GHG reduction across the EU in the context of increased climate ambition for 2030 and the target of climate-neutrality by 2050. Therefore we consider this topic to be a priority to be included in the CEER's 2021 Work Programme. Methane emissions management and reduction have been a priority for Enagás and we remain strongly committed to tackle this issue. It is worth highlighting that Enagás committed to the Global Methane Alliance (GMA), which is sponsored by the United Nations Environment Programme (UNEP) and Climate & Clean Air Coalition (CCAC). Through the GMA, Enagás is committing to methane emission reductions of 45 percent by 2025 and 60 percent by 2030 compared to 2015. It should be ensured that the regulatory mechanisms to incentivise reductions in methane emissions in gas networks covers costs efficiently incurred related to the improvement of the MRV (monitoring, reporting and verification) system and to the implementation of mitigation measures (not only leakages (fugitives emissions), but all types of methane emissions). These costs should be allowed and accordingly incentivised by the Regulatory Authorities.

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

The existing gas storage capacity provided by LNG terminals and underground gas storage installations is higher than 1200 TWh which is equivalent to more than 5 billion Tesla PowerPack battery units of 210 kWh. Moreover, the gas infrastructure system allows for short, medium and long-term (seasonal) storage while batteries are only capable of providing energy storage on the short term.

This large storage capacity provided by the gas system allows for the cost-efficient integration of variable renewable electricity sources (i.e. wind and solar).

In the case of LNG regasification terminals, the amount of gas that these installations can send into the gas transmission network does not depend on the amount gas stored in the facility, unlike underground gas storage facilities, where gas withdrawal capacity depends on the storage level. LNG regasification terminals are therefore agile installations which can ramp up and decrease gas send-out flows on a very quickly and effective manner. As a result of the previous facts, LNG terminals provide cheap, flexible and responsive energy storage. The EU counts on some 70 TWh of LNG storage capacity while battery electricity storage associated to the power system is still in the range 1-2 TWh

The European Commission Staff Working Document "Energy Storage - the role of electricity" [SWD(2017)61] shows how methane offers the highest energy storage capacities and for the longest period

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

Enagás welcomes this work item, however, considers that it should be done in coordination with work item 9. See comments to work item 9.

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

No

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

No

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.s. CEP Implementation Do you have any specific comment on this individual deliverable?

No

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

No

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

No

CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

The new format adopted in 2019, providing a "Compact Description of the Regulatory Framework" per country, fails to provide a transversal comparison of practices summarising in one table the practice for each of the relevant parameters. ACER should aim at providing the information already in the report in the most user-friendly manner, if required in an annex.

Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No

Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

Enagás welcomes this initiative. However, findings should not preclude future hydrogen regulation. Due to the nature of their business, gas infrastructure operators are willing, and well-placed, to invest in the decarbonisation of the gas. Gas infrastructure operators could own, operate and roll-out these technologies which could bring renewable and low-carbon gases to enable the energy sectoral integration and the accomplishment of the EU energy and climate goals. On this way, the gas infrastructure system can be used in the long-term as an essential part of the EU future energy system and the energy transition would be delivered on a cost-efficient way. Enagás vision is that the development of hydrogen will start from the decarbonisation of the industry and for mobility purposes. Then, at a second stage energy sector integration will further advance. Thus, TSOs can play a positive, cost-effective and essential role kick-starting the necessary developments by being able to perform R&D, to invest in pilot projects and also by being part of the scaling-up and maturity phase, on a case by-case basis.

- Pilot project phase: A regulatory sandbox framework approach at EU level would promote innovation, system adaptation and optimisation for technologies at an early stage of development. This can play an important role in encouraging R&D and pilot projects by TSOs, among others. Such an approach can provide a boost to test and roll-out the required new technologies, prove their benefits in practice, and evaluate their contributions to the energy decarbonisation pathways to reward such contributions. It would allow R&D activities to be handled under more flexible terms regarding general rules such as state aid, funding access criteria, cost socialisation via regulated assets and based on specific regulatory oversight.
- Scaling-up phase: In the initial development phases is too early to rule out any regulated or liberalised approach, since all of them might be useful for the development of the sector. Where there is a limited commercial development of a technology, such as Power to Gas, an option would be to allow TSOs to invest in a regulated way. A regulated business might allow for a low-risk and cost-efficient development of the relevant economic activities and energy transition facilities, creating new services open to all market participants in a non-discriminatory way, being under NRAs oversight.
- Mature phase: Once the new sector is sufficiently developed/profitable and the risk/reward is well established, there should be the opportunity for regulation to be reduced to a minimum, allowing for a competitive market to develop via a smooth transition to fully commercial operations, which TSOs under certain conditions could also be part of.

Survey response 22

Contact details and treatment of confidential responses

Contact details: [Organisation][[]]

GD4S

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

Public

PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

GD4S supports the 2021 work programme priority areas.

2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

We think that an additional deliverable related to DSOs could be added to the digitalisation area. GD4S believes that a series of innovations in the way in which gas molecules are decarbonised are really at hand and that, with the appropriate legislative and regulatory signals, networks distribution systems can make a major contribution to the environmental goals set by the European Commission. One enabling factor of major innovations, physical and strategic, will be the digitalisation of the network. Gas DSOs must monitor and manage their infrastructure in real time, including the injected gases specifications and the gas blending they are distributing, the odourisation needs, the energy delivered to final customers... Smart meters roll out programs are important in this picture, but they are only part of the story: we need fully sensorised grids able to response quickly to the variability of renewable gases injection (production side) and eventually to different price signals of gas and electricity (customers side). Digitalisation will pay for itself in the medium and long term, as it will allow for significant efficiency in managing operations which will be shared by DSOs and final customers. But in the short term, digitalisation needs to be supported and the right regulatory framework to accelerate digitalisation must be implemented.

We think that an additional deliverable related to taxation could be added to the decarbonisation at least cost area. In 2021, the Commission will start the revision of the Energy Taxation Directive (ETD). The revision of the ETD is critical to provide a sound taxation framework allowing to support renewable and decarbonised energy carriers. The CEER and NRAs may want to investigate this topic from a regulatory perspective.

QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets
Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

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Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing")
Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

This work item focuses on green electricity contracts and the linked Guarantees of Origin and Green Certificates. We were wondering whether you considered looking at renewable gas contracts. A European register for biomethane GO is being implemented following the RED II Directive and several countries have already been operating a register for several years. Similarly, more and more suppliers include renewable gas contracts in their portfolio. A good level of information to clients on the gas they consume is critical as this will determine their energy choices as well as the efficient decarbonisation of the grid.

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector
Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

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Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations
Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

Digitalisation includes the installation of smart meters. This technology empowers consumers in terms of efficient energy consumption. To unlock the benefits of smart meters, the data collected by the technology must be accompanied by digital platforms enabling translation of energy data in a comprehensible way for customers. For example, the consumption in kWh must be translated into euro equivalents.

Work item 5: ACER-CEER Market Monitoring Report
Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

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Work item 6: CEER Customer Conference
Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

As mentioned above, smart meters can allow consumers to become market players. It would be interesting to hear at the CEER Customer Conference feedbacks from consumers having installed smart meters and from market players using the data from smart meters.

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This work item is placed within the electricity category, but it could be a cross-sectoral issue. In Germany, numerous biogas plants will see from this year their financial support time ending. It would be interesting to look at the regulatory options to see how these installations can remain operational. NRAs will be able to provide good insights in this sense, but the target group to fill the questionnaire could be larger (producers, grid operators etc.).

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

We support this work item. NRAs views is very much welcomed on the update of the TEN-E Regulation, in particular regarding the revision of the planning of future energy infrastructures (TYNDP, PCI) to fit EU climate and energy objectives. This work item is placed with the electricity category, but in our view should be moved to the cross-sectoral category as the TEN-E Regulation is not looking at electricity, but also at gas and CO2.

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automatism in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

We support the objective of the work item. However, we are wondering whether the title fits with the description. Sector coupling includes the integration of gas grids and electricity grids to reach an optimised energy system (decarbonisation at the lowest cost).

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

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GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This work item will be useful input in the EU methane strategy. We remain at the disposal of the CEER to present our members' initiatives to reduce methane emissions on their network.

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This work item fits very well with the Energy System Integration strategy. It will provide useful inputs for the revision of the internal gas market Directive. Long-term storage is critical to meet peak demand in winter. We remain at the disposal of the CEER to share the DSO view on the topic.

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

We support this work item and remain at the disposal of the CEER to provide DSOs insights. The outcomes of the paper will provide useful inputs for the revision of the internal gas market Directive.

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

We look forward contributing to this paper. We suggest that storage includes Power-to-Gas installations and demand side management allow by hybrid heating appliances.

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

We look forward this paper and remain at the disposal of CEER to provide our insights. We suggest that the paper look at how to integrate distribution network planning and transmission network planning at both national and European level. Development of renewable electricity and gases would make this integrated planning essential.

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.s. CEP Implementation Do you have any specific comment on this individual deliverable?

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Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

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CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

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Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

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Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

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Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

We remain at disposal for contributing with our experiences about crisis management.

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

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Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

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Survey response 23

Contact details and treatment of confidential responses

Contact details: [Organisation][[]]

ESMIG- THE EUROPEAN SMART ENERGY SOLUTION PROVIDERS

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

Public

PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

ESMIG agrees with this list of priority areas.
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Decarbonisation and digitalisation, through access to energy data, Cybersecurity/data protection and interoperability, are crucial areas.

Digitalisation and sharing data are the key to energy efficiency, lower consumption on end consumer side, which are important benefits for end consumers.

2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?
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Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing") Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

When developing this paper on digitalisation, ESMIG recommends to consider the unused opportunities of Smart Metering infrastructure in Energy Efficiency.

There are still untapped opportunities such as data interoperability and analytics, dynamic tariffs and real-time information which can be used for energy efficiency of buildings.

To ensure an efficient use of the smart meters data, we need:

- A regulatory framework that encourages rather than hinders the trend towards a multidirectional, dynamic, decentralised and interoperable participation in the energy system by building owners or tenants.
- Energy settlement to take place between market operators, for residential and business customers, on the basis of interval measured energy profiles (not synthetic)
- Solutions for energy management applications that work with near real-time energy consumption data
- Non-discriminatory access to the market for new players: regulated companies should offer non-discriminatory access to the system and consumption data to new players with consumer consent (independent aggregators, flexible energy services, such as demand-side flexibility and battery storage, and other energy service companies)
- Interoperable systems for metering and energy management that can be used for multiple commodities such as electricity, gas, water and heat upgraded with solutions for the consumers.

Work item 5: ACER-CEER Market Monitoring Report Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Work item 6: CEER Customer Conference Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automatisisation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.s. CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

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Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

Survey response 24

Contact details and treatment of confidential responses

Contact details: [Organisation][]

NODES

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

Public, but some sections may be confidential as indicated in individual questions
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PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

NODES support that these areas should be the priorities. We would especially like to highlight the importance of implementing the Clean Energy Package to ensure a well-functioning and competitive electricity market. In this regard guidance from CEER on the implementation of the articles in the E-directive and E-Regulation will be important.
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2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

The deliverables within each priority area are relevant and important. It is important to focus on the implementation of CEP, but also the policy developments foreseen in the Green Deal, in addition to how the work on implementing the regulations and developing policies within the Green Deal can go forward in light of the COVID-19 pandemic crisis.

QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?
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No specific comment.

Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing") Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

No specific comment.

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

No specific comment.

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

No specific comment.

Work item 5: ACER-CEER Market Monitoring Report Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

No specific comment.

Work item 6: CEER Customer Conference Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

No specific comment.

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Will be important to get an overview of how RES are integrated in the electricity mix of the Member States, what the current challenges might be and provide insight in the competitiveness of RES with conventional sources after the support time.

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

The TEN-E regulation should be revised to better reflect the need for energy system decarbonisation. NODES agree with ACER and CEER's recommendation to revise the energy infrastructure categories and develop specific criteria to ensure for new sustainable infrastructure categories.

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automatisisation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This work will be important going forward to ensure a well functioning system, where (as mentioned in the consultation document), the regulators experience and views on the capabilities and characteristics of the electricity system in the energy transition is taken into account.

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No specific comment.

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No specific comment.

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No specific comment.

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

No specific comment.

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additionally, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

NODES support the need for guidance on the market test for flexibility and storage, however it is important to underline that the procurement of these services should be market-based. Article 32 of the electricity directive underlines that procurement of flexibility should be transparent, non-discriminatory and market based. Flexibility markets today are mainly operating in regulatory sandboxes, focused on proving the concept. Hence, there is no special regulation that enables flexibility markets and no price signals in the market to attract flexibility. In the initial stage of the development the role of the DSO as a buyer in such a market will be crucial to establish price signals. Market-based signals, and thus market-based prices, will reflect the availability and/or scarcity of flexibility in any given area of the local network, providing both price transparency and investment signals around grid reinforcement.

The recently published CEER report on DSO Procedures of Procurement of Flexibility includes many of these points, and it is important that further work is consistent with the requirement of a market-based approach to procurement of flexibility services by the DSOs. The E-Directive leaves room for national adjustments to meet its objectives, and it will be important to create a regulatory framework that allows for innovation and growth of decentralized assets, customer participation, aggregators and flexibility markets.

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

The implementation of network development plans by the DSO will be important in order to indicate how far into the future the DSO will need flexibility, and give signals to the flexibility provider as to their decision to invest in new flexibility or not.

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems. CEP Implementation Do you have any specific comment on this individual deliverable?

No specific comment.

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

No specific comment

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

No specific comment.

CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

No specific comment.

Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No specific comment.

Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No specific comment.

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

It will be very important to get a better understanding of the consequences and lessons learned from the current COVID-19 crisis in the energy sector.

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No specific comment

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

No specific comment.

Survey response 25

Contact details and treatment of confidential responses

Contact details: [Organisation][[]]

BEUC

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

Public

PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

BEUC, the European Consumer Organisation, welcomes the opportunity to provide its feedback to CEER's 2021 work programme. The energy sector is undergoing profound changes, new energy offers are appearing in several markets and the way consumers will interact with energy is expected to change dramatically. Consumers will be able not only to produce their own energy, but also to provide their flexibility to the electricity system and to choose among a wide range of sustainable energy offers and products. This can represent both challenges and opportunities for consumers and for this reason we welcome that CEER intends to continue working on consumer-related aspects. We particularly welcome initiatives related to energy digitalisation and to trustworthy information on green gas offers and we look forward to collaborating with CEER, providing a consumer perspective.
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2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

BEUC generally agrees with the priorities and the deliverables identified. However, some activities should be better fleshed out in the work items, such as the report on pros and cons of dynamic price contracts and the work on cybersecurity and data access in the context of the PEER initiative. In the sections below we provide more detailed recommendations.

QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?
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National Regulatory Authorities (NRAs) should ensure proper monitoring of consumer aspects related to new energy services as envisaged in the Electricity Directive (for more details, please, BEUC response on work items 4 and 5). NRAs should monitor the fulfilment of legal obligations, such as the availability of pre-contractual information and compliance with horizontal and energy law, and to what extent consumers benefit from new energy offers. This work overall will be very important also to properly monitor and assess the implementation of the Clean Energy for All Europeans package.
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Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing") Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

Misleading 'green' tariffs can significantly undermine consumers' confidence and trust in electricity markets. Therefore, BEUC has been advocating for clear, comparable and credible information about 'green electricity' tariffs advertised by companies. We believe that 'green' claims should be tied to measurable criteria regarding additional environmental benefits and that NRAs play an important role in setting minimum binding sustainability requirements. To avoid consumers are misled, NRAs could put in place and run pre-approval schemes for 'green' tariffs which companies offering these tariffs should follow.

For this reason, we welcome CEER's plan to prepare advice on trustworthy information on green electricity contracts. When opting for a 'green' tariff, consumers expect that their choice has a positive impact on the environment and they contribute financially to an increase in renewable electricity generation. This is only the case if consumers' decisions lead to the generation of additional green electricity and additional benefit for the environment.

In addition, increasing quantities of green gas produced through different production processes, with different levels of sustainability, are entering into the market. There is a risk that this increasing complexity in the gas offer may lead to unclear or misleading commercial practices. Consumers should receive trustworthy and easy-to-understand information on the sustainability of the gas that they are purchasing.

References:

https://www.beuc.eu/publications/beuc-x-2017-021_joint_statement_on_green_electricity.pdf

https://www.beuc.eu/publications/beuc-x-2016-002_jmu_trustworthy_green_electricity_tariffs.pdf

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

BEUC strongly supports CEER's plans to develop guidelines on future-proof comparison tools and is keen on co-organising the upcoming PEER regulatory roundtable on challenges for comparison tools of new services and intermediaries.

Comparison websites have become extremely important tools to help consumers navigate increasingly complex energy markets and choose the best tariff for them. While price is very often the main trigger for consumers to switch their supplier, there are also other elements that consumers consider when they sign up for an offer with another energy supplier. Elements such as sustainability of the energy supplied and whether the energy supply is bundled with other products and services should clearly be featured in comparison websites.

In addition, the introduction of dynamic price electricity contracts, aggregation contracts, peer-to-peer energy trading and energy-as-a-service requires a reflection on how to include these new offers in comparison websites and on how these should simulate the costs for consumers.

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations
Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

BEUC has worked for years on consumer-related aspects related to energy digitalisation, including on rules on access to data. Robust compliance and enforcement of the GDPR is essential to prevent unlawful selling or sharing customers' data. In our paper 'Future of energy consumers', we recommend that data requirements should be based on 4 pillars: (1) guaranteeing well-functioning competitive energy and energy-related markets, (2) protecting consumers privacy and data protection rights, (3) promoting the public interest by enabling wider access to non-personal data and (4) ensuring consistent regulatory oversight and enforcement if consumer rights are not respected.

DSOs will have access to more granular data. Any use of network data must be compatible with the DSO's neutral market facilitator role and should not lead to discriminatory access to certain market players. It must be clear what is meant by data needed for different services (including new ones), what is the added value for consumers, how will data be used and with whom will it be shared. To access consumers' personal data (e.g. from smart meters) for network planning, DSOs must justify why they want a certain granularity of data and what benefits they can generate from receiving that data.

Guidance on how to best manage cybersecurity risks is another matter that should be explored. It needs to be stressed that the electricity grid is as secure as its least secure part. In addition, experience from other sectors teaches us that the increasing number of connected products may lead to increased risks for the system. Tests done by several consumer organisations, including Belgian consumer organisation Test-Achats and British consumer group Which?, exposed the vulnerability of several smart-home devices. To minimise cybersecurity risks to consumers and to the network, we recommend that rules on cybersecurity of connected products reflect the principles of 'security by design and by default' and that they ensure that consumers are informed and can react to products' vulnerabilities.

In addition, the development of the report on pros and cons for consumers of dynamic price contracts from the customer's perspective (mentioned on page 7 of the public consultation document) is of critical importance. As a result of the implementation of the Electricity Directive, consumers in all EU Member States will soon be able to choose dynamic price contracts. Most consumers today are used to fixed-price contracts and dynamic price ones require to manage the electricity consumption in a different way. Understanding the implications for consumers of the introduction of dynamic price contracts will help policymakers and regulators to identify those practices that are beneficial for consumers and avoid those that are detrimental.

We recently issued a report 'Fit for the consumer? Do's and don'ts of flexible electricity contracts' in which we identified some company practices that were causing a detriment to consumers and provided a set of recommendations on how to best design dynamic price and aggregation contracts. These include recommendations to:

- 1) provide clear and complete information on the offers, including on how the tariffs and rewards are set,
- 2) inform consumers if flexible energy contracts are adequate for their consumption patterns,
- 3) explain what products are necessary to benefit from the offers,
- 4) provide consumers with tools to save money and protect them from bill shocks
- 5) allow consumers to pay the bills by instalments if the amount paid exceeds the average charged in the past
- 6) ensure full compliance with GDPR and also to promote best practices going beyond it
- 7) allow consumers to easily terminate the contract and switch
- 8) limit termination fees and set early termination fees for fixed time contracts to a level that is proportionate to the early benefit received
- 9) be clear about the duration of the contract and termination clauses

In our analysis, we noticed that several considerations were valid both for dynamic price contracts and aggregation contracts. As there are efficiencies that can be exploited, we recommend CEER to extend the scope of this activity to cover not only dynamic price contracts, but also others, including aggregation and energy-as-a-service.

BEUC is keen to provide its expertise and comment on the draft paper e.g. via public consultation.

References:

- https://www.beuc.eu/publications/beuc-x-2019-055_the_future_of_energy_consumers.pdf
- https://www.beuc.eu/publications/beuc-x-2019-016_flexible_electricity_contracts_report.pdf
- <https://press.which.co.uk/whichpressreleases/the-hackable-home-investigation-exposes-vulnerability-of-smart-home-devices/>
- <https://www.youtube.com/watch?v=AoSsgDKeDL0>
- https://www.beuc.eu/publications/beuc-x-2020-046_a_european_strategy_for_data_-_beucs_response_to_public_consultation.pdf
- https://www.beuc.eu/publications/beuc-x-2019-068_european_data_policy.pdf

Work item 5: ACER-CEER Market Monitoring Report Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

ACER-CEER monitoring reports provide very useful insight for consumer organisations, policymakers and many other stakeholders both at the EU and national level. We certainly welcome CEER's plans to focus more on energy poverty. As new energy offers are entering the market and more consumers are engaging in renewables by producing electricity in their homes, we recommend to also cover aspects related to these offers and schemes in this report. It would provide a great added value if the report also assessed to what extent consumers are benefitting from new energy offers, monitoring issues such as:

- The number of consumers on dynamic price and/or aggregation contracts
- Whether consumers are benefitting from lower bills, how much is the average financial benefit or whether there are consumers affected by bill shocks
- Whether cross-subsidies, differences in quality of service or in consumer protection exist between those on a dynamic or non-dynamic price contracts
- Whether consumers receive clear, relevant and complete information to accurately assess the risks and opportunities of entering in a dynamic price contract
- Specific risks for consumers related to the fulfilment of legal obligations, such as availability of pre-contractual obligation and compliance with horizontal and energy-specific law.

Work item 6: CEER Customer Conference Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

BEUC will be keen on collaborating with CEER on its 2021 Customer Conference, providing its contribution in terms of speakers and topic selection.

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automatisisation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Key for the achievement of decarbonisation at least cost will be consumers' active participation through self-generation and demand response. Adequate incentives and safeguards should be given to nudge consumers to provide these services. Ultimately, consumer participation will lead to lower system costs and lower energy bills, because it will reduce the need for the reinforcement of the electricity network and for flexible power generation.

Measures to stimulate consumers' contribution to the energy system through demand response should have the priority especially when they are more cost effective than investments in energy supply infrastructure. At the same time, consumers should also receive clear price signals, nudging them to be more flexible in their consumption, and should also receive trusted advice on whether demand response schemes are beneficial for them. For instance, when offering dynamic price contract, suppliers should provide consumers with the contract terms and conditions and a summary of key contractual conditions with clear guidance and warnings on the financial risk of such dynamic price contract. This summary should include an illustrative example showing the maximum financial liability for the consumer, such as an estimate of their annual bill, when compared to their current contract. The information provided should be comparable across suppliers.

BEUC will engage in the debate on energy sector integration and is keen to explore avenues of cooperation with CEER.

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

See comment to work item 9

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

Member States and NRAs should incentivise distribution system operators (DSOs) to improve efficiencies in the operation and development of the distribution system, reform the network to facilitate the growth of low carbon energy generation and ensure accountability that investments deliver value for money.

When operating outside of their natural monopoly role, e.g. in energy storage, the DSOs need to be strongly regulated in order not to limit competition in the energy market.

A set of principles should underpin DSO activities. They should:

- ensure the efficient reliable and secure operation of the distribution system
- act as neutral market facilitators, procuring services according to transparent, non-discriminatory and market-based procedures
- ensure fair competition between different technological solutions
- report transparently on revenue and performance targets and on incentives, including with respect to the cost and benefit for consumers
- demonstrate within the network development plan how the use of demand response has been built around the requirements and behaviours of consumers as well as the steps that were taken to guard against unfair discrimination within network charges
- safeguard consumer' control over their data when handling data
- contract with third party owners of storage assets.

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

Due to the expected electrification of transport and heating, DSOs are expected to invest in reinforcing their networks. Overall, this should be done in the most cost-efficient way possible, to limit the impact of these investments on consumers' bills.

The way DSOs have traditionally recovered their costs typically favoured CAPEX over OPEX. This model can lead to inefficient investments, as this will result in under-investments in flexibility assets and over-investments in more expensive infrastructural assets. To ensure that the cost recovery model is adapted so that it leads to lower overall system costs, DSOs should share relevant, complete and reliable information with regulators. In particular, information on the costs of reinforcing the grid compared to costs to digitalise it should be made available.

Consumers can provide flexibility to the grid by modifying their behaviour. There are mainly two ways in which DSOs can stimulate consumers to provide their flexibility. DSOs could introduce time-differentiated charges, which gives an incentive to consume less electricity at times of high prices, or they could procure flexibility on the market, hence remunerating consumers who lower their consumption at a certain time.

Member States, regulators and DSOs should adopt a consumer-centric approach when they appraise how to best activate consumer flexibility. In particular, they should:

- Measure the economic impact of a change in network tariffs or a market-based approach to households' flexible consumption on different types of consumers, as well as the impact on their well-being. Especially the impact on low-income, vulnerable households and those in rented houses and/or living in multi-storey buildings should be assessed, as they typically are those who find it more difficult to invest in products that can facilitate flexible electricity consumption.
- Consider real behaviour based on robust behavioural insights, as insight from theoretical models may not be sufficiently accurate. Consumers often react to incentives in unexpected and counter-intuitive ways, which theoretical models may not be able to accurately predict.
- Ensure that the benefits of reducing costs of the grid thanks to consumer's flexibility are passed on to consumers.
- Make sure that all consumers always have the option to choose a tariff that does not change at different times of the day or on different days of the week.
- Make clear what grid charges there are for households. Most flexibility is likely to come from products that require high initial investments. The more the uncertainties, the lower the number of consumers that will invest in these products.
- Keep time-differentiated grid charges as simple as possible. The more complex the tariff, the more difficult it will be for consumers to see how to change behaviour in order to save money. Even when consumers use automation, they must be able to understand what they are paying for.

In addition, NRAs, Member States and DSOs should increase transparency and oversight. They should:

- Conduct regular monitoring of the impacts on different consumer groups.
- Ensure that consumers have adequate information before any change (i.e. either when changing grid charges or moving to a market-based procurement of flexibility).
- Guarantee that there is enough oversight, enforcement and consumer protection for all new services that will harness consumer flexibility for the grid. For example, for aggregation services or automated decision-making services.
- Involve consumer organisations in the decision-making process.

References:

https://www.beuc.eu/publications/beuc-x-2019-059_consumers_and_future_electricity_grids.pdf

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.s. CEP Implementation Do you have any specific comment on this individual deliverable?

New businesses and community initiatives delivering innovative services that may be attractive to consumers start to emerge. Schemes such as community-based solar services may offer compelling value propositions to consumers and facilitate consumers' engagement in energy markets, but there are several issues which will determine the level of consumer acceptance and participation. Therefore, NRAs should carefully monitor these new schemes, e.g. whether consumers receive clear information, whether their privacy is protected as well as aspects related to contractual issues and liability. When participating in energy communities, consumers should always keep their rights as energy consumers and be able to exercise them.

BEUC supports new schemes and incentives facilitating consumers' access to renewables and those consumers producing electricity at home should not be burdened with undue charges. At the same time, it is important to assess the distributional impacts of supportive measures and ensure transparency on the network costs that are passed onto consumer groups who do not use such technologies. Cost distribution has to be balanced and fair.

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CROSS-SECTORIAL

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Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

The COVID-19 pandemic and the lockdown measures have had negative effects for consumers also in relation to their role as energy consumers and further consequences are yet to be seen once consumers start receiving bills reflecting their real consumption during the lockdown. Consumers' energy consumption increased because of the lockdown measures and their ability to pay decreased because of their loss of income. BEUC members found several implications and lessons learnt, some of which may not be evident, for instance:

- Consumers who were not in a condition of vulnerability before the beginning of the crisis began vulnerable as they suddenly found themselves without a job or with a significantly reduced income.
- Consumers with a pre-paid meter were unable to top it up, as shops were closed.
- Where consumers have to send their application for benefitting from social measures by post, they incurred the risk that the application did not reach the competent authorities by the deadline, because of increased pressure on postal services.

Our members have also seen that governments, regulators and companies were able to put in place emergency measures that were able to give relief to consumers, such as moratoria on the payment of energy bills, allowing households to settle their debts by instalments, emergency top-ups, lighter administrative measures. However, it is important to note that measures varied across the EU and were sometimes insufficient to adequately protect energy consumers.

On the other hand, we have seen that in some cases, for instance, the lower grid management costs due to consumers' flatter energy consumption profile were not passed onto them.

In addition, consumers who suffered a loss of income due to the COVID-19 outbreak risk to be again under financial pressure when, during the winter, energy consumption and hence energy bills will increase again. It is key that the impact of the aftermath of the crisis is closely monitored and, if necessary, that appropriate relief measures are put in place by Member States and NRAs.

BEUC is keen to contribute to this work item by providing more details to CEER and by facilitating exchanges with our members, for example by organising an online workshop.

References:

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<https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/energy-policy-research-and-consultation-responses/energy-policy-research/risks-to-consider-and-examples-of-good-practice-for-energy-suppliers-to-support-consumers-affected-by-covid-19/>

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

Survey response 26

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PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

Eurogas agrees that CEER should place the emphasis on continuity in its work programme priorities building on results achieved in previous years. The 3D strategy is still relevant in the context of the Green Deal and the post-COVID 19 recovery.

The Green Deal and the emphasis on sector integration will create a momentum for new technological developments, new business models for many market actors and new opportunities for customers. The energy market is becoming more complex and the energy regulators have a crucial role to play to guarantee the good functioning of the EU energy market.

Eurogas fully supports CEER's principle of cost-efficient decarbonisation. All customers should benefit from market developments arising from the Green Deal, and therefore CEER's work should support a framework that delivers on this objective, not only delivering benefits to prosumers, but ensuring a fair distribution of system costs. This will require tailored solutions for customers, among whom categories of vulnerable customers. Managing and setting a regulatory framework will face greater challenges.

Eurogas stresses the continuing need to work on the implementation of the Clean Energy Package, as the Green Deal initiatives will build on this regulatory framework. In this regard, Eurogas sees the monitoring activities of CEER in cooperation with ACER are essential. Eurogas also welcomes CEER's encouragement to share good practices, which is in line with the aim of dynamic regulation.

Building on the previous work carried out by CEER on the (FROG) Eurogas would welcome further work on several aspects (eg. clarifying the terminology for gaseous fuels), and particularly the clarification of the roles of and responsibilities of the market actors to enable them to harness the full potential of technological developments in the gas market. CEER should also take stock of the Integrated Energy System and the Hydrogen strategies in defining work items, as several overlaps but a few gaps may exist between the two. For instance, issues may arise related to cross-border and internal gas flows and consideration for end consumer being able to consume the energy they require in case system planning is exclusively done from above. Adequate consideration of DSOs and consumers would be necessary in this respect.

An emphasis on digitalisation and in particular the role of DSOs as well as aspects which can facilitate the energy transition at the local level would be welcome. These evolutions would eventually have an impact on customers too, this link should be analysed. The role of smart grids and increasingly digital solutions to monitor gas quality, such as sensors, would also warrant further analysis and consideration in the context of cost-efficient operation of grids.

As decentralisation of energy production becomes increasingly relevant on the gas side, but also considering the evolutions regarding decentralisation of electricity production, an assessment of the evolving role and dynamics of distribution at the local level could be useful. Consideration of future-proofing gas infrastructure should also feature prominently, along with R&I funding to ensure systems can easily accommodate increased levels of renewable and decarbonised gas. Additional work on dealing with methane emissions as outlined in the Bridge beyond 2025 should be undertaken, ensuring cost-efficient measures are further rolled-out, in line with best practices.

CEER has an important role to play in the work on the legislative initiative on "Empowering the consumer for the green transition" led by DG JUST. Reliability, affordability, simplicity and protection and empowerment should remain bedrock principles. Eurogas looks forward to engaging with CEER, DG JUST and other stakeholders on this initiative.

Eurogas continues to support the PEER initiative and to advocate for the suppliers to be more involved. Eurogas also recognises the value of CEER's international work.

CEER adequately mentions the need for a stable regulatory investment framework. As such, we would favour an assessment of the impact which the taxonomy regulation could have on the market and infrastructure in relation to consumers and the cost of energy in the decarbonisation process. This along with an analysis of some of the shortcomings in the proposed implementation by the Technical Expert Group (TEG), such as the exclusion of gas grid extension, would ensure these issues are addressed ahead of any negative impact materialising on the market.

2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

Eurogas welcomes that the 2021 Work Programme tackles the challenge of decarbonisation through two specific angles:

- From a perspective of sector coupling and integration that looks beyond the siloed gas/electricity system-based approach. Consideration of opportunities for convergence and innovative holistic approaches should build on FROG work that focused on infrastructure system interests and considerations. End-user relevant questions should be addressed, including the impact on competitive market structures of penetration of new types of gases.

- From a bottom-up perspective, looking at the next steps relevant to consumers in the efforts to decarbonise, especially their heating systems. The idea of cost-efficiency of solutions and ensuring an energy transition at least cost by building on existing infrastructure should also be at the core of any work undertaken by the CEER.

Eurogas welcomes consideration for LNG and storage in relation to their role in a decarbonised energy system. We trust that consideration of their role in certain sectors such as road and maritime transport, but also in connecting various markets producing renewable and decarbonised gases will be addressed in this context.

Digitalisation in the context of gas is an increasingly important challenge that the sector is facing, and digitalisation of the sector has already occurred to some level. Significant potential is there for smarter system operation and in the home. There is still room for further investigation on the role of digitalisation as an enabler for the injection of renewable and decarbonised gases and for an effective sector coupling. Eurogas supports any initiative by CEER that will look at the potential of digital solutions in gas, particularly with regard to customers' empowerment, affordability and competition. Cybersecurity should not be overlooked for gas and the development of legislation to this end should keep this in mind, all the while ensuring that the specificities of each system are taken into account. Additional elements related to smart gas grids and gas quality sensors, as outlined in Q.1, should also be addressed.

In the wake of the COVID-19 crisis, dynamic regulation is more relevant than ever. More generally, in a competitive and fast-moving energy world, regulation should not be prescriptive unduly rigid or incur disproportionate cost burdens where the market functions well, as these could have adverse consequences for the market and inhibit innovation. A balanced approach is essential, allowing also for the importance of stability and predictability of the regulatory framework.

Eurogas supports continuing exploration of sandbox solutions determined according to transparent and coherent criteria. These could also help identify risks and opportunities from allowing certain activities to be performed by regulated entities and the conditions under which sandbox solutions would be accepted.

QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets
Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

This new item is very important to Eurogas.

Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing") Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

Eurogas welcomes that the emphasis is placed on providing accurate information to the customers about their consumption. This work will be relevant in the future for renewable and decarbonised gas contracts. We believe that CEER should take this work item as an opportunity to contribute to the debate on Guarantees of Origin/Certificates for renewable and decarbonised gases, which are an important tool for customer empowerment. Most notably, we would welcome further clarification of the role of certificates in relation to the announced terminology of gases, and further work on how to make them operational without adding administrative burden or compromising internal market principles.

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

This new item is very important to Eurogas.

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

Eurogas welcomes a cross-sectoral approach to digitalisation, in line with the importance given to sector coupling. The rollout of smart meters for gas faces is subject to different conditions than in the electricity sector. Eurogas emphasises on the importance of conducting an assessment of the costs and benefits of deploying smart meters for gas. If the conditions for such a deployment are in place, this technology can empower consumers and allow them to better manage their energy consumption.

Work item 5: ACER-CEER Market Monitoring Report Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

This item is very important to Eurogas.

Work item 6: CEER Customer Conference Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

Next year's Customer Conference should give the floor to a wider range of sectors' representatives, as the public debate will centre around sector integration as an efficient way to achieve the objectives set by the CEP (cf work items 9 and 13). Representatives from the gas and electricity retail sectors, but also representatives from energy-intensive industries, would make a valuable contribution to the conference.

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This exercise should also take into account how this affects gas, as biogas and biomethane installations also receive support to inject and could provide valuable feedback.

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Eurogas believes in:

1. Maintaining, within the TEN-E, a focus on the Energy Union objectives of ensuring safe, sustainable, and affordable energy to final consumers
2. The scope of the TEN-E rules should be extended to allow DSO projects that help fulfil TEN-E objectives even without a formal cross-border aspect. EU-wide sharing of best practices related to these projects could be an additional added value.
3. Developing clear technical rules: clear rules are needed to facilitate the integration of renewable and decarbonised gas into the gas infrastructure, particularly hydrogen. TEN-E should enable and foster the blending of hydrogen and methane through a futureproofing of infrastructure to help underpin the energy transition.

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automatisisation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Eurogas would welcome a more balanced approach to sector coupling, looking also into the potential of the gas sector to directly (through biomethane and low-carbon hydrogen) and indirectly (through Power-to-Gas) contribute to the decarbonisation objectives.

This approach should favour increased and improved coordination between ENTSOE and ENTSOE in the TYNDP as well as increased cooperation with DSOs to adequately plan the system of the future.

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Eurogas is an associate member of the Methane Guiding Principles, along with a coalition of industry, international institutions, NGOs and academics, to further tackle energy related methane emissions.

In addition, Eurogas has taken part in discussion with the OGMP 2.0 initiative and ensures the sharing of best practices among DSOs in this respect.

Security and safety of the grid are at the core of the operations that infrastructure operators conduct. Through leak detection and repair (LDAR), regular inspection of their grids, and immediate intervention in case of incidents, they ensure the safety of the grid. LDAR ensures, through a constantly evolving array of technologies such as drone detection, a safe and reliable grid in line with the operators' public service mission and national technical regulation.

Eurogas welcomes the ambition from NGOs, industry, and regulators, notably highlighted in the recent Bridge Beyond2025, to commit to further efforts to reduce methane emissions. An assessment of the responsibilities of DSOs could be carried out to consider whether their activities should cover sustainability aspects related to reducing methane emissions.

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Eurogas has recently published a paper on storage and will be delighted to share its views with CEER in that regard.

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

Eurogas and its members are committed to climate neutrality in 2050. As such we believe that a strategy seeking to integrate various sectors and vectors across Europe would significantly help decarbonisation. To this end, we believe the aim should remain that of the Energy Union, namely that of ensuring sustainability, security of supply and affordability of energy for consumers.

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

Eurogas would be happy to be involved in the workshop – planning of infrastructure is crucial notably in relation to the decarbonisation of the system and the use of synergies between gas, power and heat. This should also be taken from the perspective of vertical planning with TSOs.

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems. CEP Implementation Do you have any specific comment on this individual deliverable?

This item should also include a preparatory assessment of what similar measures could mean in the gas sector, for instance with regards to local energy communities producing biomethane or hydrogen could pave the way for useful regulatory adjustments in the framework of the IES and Hydrogen strategies ambitions.

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

Eurogas welcomes this useful report, this should be considered also in light of alternative solutions to reduce power losses, notably power to gas which enables storage or alternative uses through conversion.

CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Eurogas welcomes this exercises and would support considerations on how to adapt this report to some of the regulatory questions in the wake of the IES/H2 strategies.

Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Eurogas would like to underline that in times of recovery such as the one Europe and the world are currently experiencing, where both companies and citizens are hard hit by the ripple effect of the crisis, cost-efficiency is paramount when choosing paths to decarbonise.

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Eurogas believes that the report should also ensure focus on preparing the “regulatory framework for competitive decarbonised gas markets” outlined in the hydrogen strategy – this could help provide advice to the Commission and initiate a dialogue with stakeholders at an early stage.

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

Survey response 27

Contact details and treatment of confidential responses

Contact details: [Organisation][[]]

Enedis

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Public

PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

Enedis supports these priority areas as they have a significant impact on the whole energy system.

Digitalisation is a key transformation of the grid and a mean to empower and involve consumers. Enedis is committed to facilitate consumer's active involvement in the energy sector to ensure consumer rights protection, to guarantee non-discrimination and to support consumers' interests.

Decarbonisation of the energy sector is necessary to achieve 2030 targets and climate neutrality by 2050. Through an efficient operation and a consistent development of the network, DSOs are both enabling and contributing to this decarbonisation. The cost of the decarbonisation for the consumers and the society should indeed be minimised, though not at the expense of its effectivity and security of supply.

These two priorities must be supported by a dynamic regulation. The document mentions that energy regulators "play a key role in helping to ensure that the regulatory framework is sufficiently dynamic to enable these policies to develop in the public interest". As the economy and in particular the energy sector are evolving and transforming rapidly, system operators have to adapt and innovate. Enedis is strongly committed in this regard and involved in numerous local, national and European projects. To encourage and effectively support this dynamic, adaptive regulation and regulatory sandboxes are needed especially at the European level.

That said, regarding the 3D Strategy the question of the interaction and coherence between these elements should remain a priority in the 2021 Work Programme.

As Clean Energy Package implementation is still ongoing, CEER should closely follow this process and draw the first lessons. Regarding its recurrent work, it is still relevant and there is no need for a change.

2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

Enedis regrets the absence of a cybersecurity work item or deliverable this year, whereas this subject is deeply linked with digitalisation. It has been addressed last year and could be a priority topic taking into consideration the announced recasts of both NIS and Critical Infrastructures Directives, the future cyber network code...

QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets
Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No opinion.

Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing")
Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

No opinion.

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector
Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

No opinion.

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations
Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

DSOs play a key role in digitalisation. Smart grids and in particular smart meters constitute a tool to empower customers and provide them with secure and reliable data. As neutral market facilitators, DSOs can also be considered as trustful data third party.

DSOs share the collected data with stakeholders, while remaining strongly committed to privacy and data protection. The upcoming energy European data space topic could be addressed in this deliverable and so does the work of the informal working group on data access interoperability - which might be over.

Enedis is particularly interested in this deliverable.

Work item 5: ACER-CEER Market Monitoring Report
Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

No opinion.

Work item 6: CEER Customer Conference Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

Customers' empowerment is a priority for Enedis. DSOs, as neutral market enablers, can provide the necessary tools and data in order to make this empowerment a reality. Enedis is developing several initiatives in this regards, for instance the app "Enedis à mes côtés", which provides all useful consumption data thanks to the smart meters Linky.

Enedis would be interested in attending a CEER Customer Conference.

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No opinion.

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

The revision of TEN-E Regulation is a critical for European energy infrastructure, which is undertaking major transformations towards a more decentralised and integrated network. DSOs have a key role to play in this transition, and the TEN-E should reflect this state of fact by allowing a proportionate support to smart grids projects.

To date, there are no alternative financial instrument to promote and support financially the deployment of smart grids projects including smaller ones. A shift of mindset is needed towards the importance and EU relevance of local and small scale infrastructure projects. Most of future investment will take place at LV and MV grids. The increasing digitalisation and decentralisation of the networks increase their EU relevance and should be taken into account.

Enedis welcomes CEER's contribution to this topic along with ACER.

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automatisisation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Sector coupling is strategic for the future of the electricity sector, as underlined in the recent Energy Sector Integration (ESI) strategy of the European Commission. Electrification constitutes the backbone of this process, essential for a successful energy transition. Distribution networks will play an increasing role in sector integration on various aspects: integrating a higher share of renewables, connecting EV chargers, digitalising the network... It will have major impacts for DSOs which might be evaluated in the CEER's document.

This document could constitute one of the most important CEER deliverable next year.

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No opinion.

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No opinion.

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No opinion.

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

To achieve decarbonisation goals for 2030 and 2050, a massive electrification should be prioritised as it is the most effective decarbonisation pathway for a lot of sectors. That said, gas will play a significant role, especially when coupled with electricity and in "hard to abate" sectors. This interaction is rather new and therefore a CEER paper focused on this topic could clarify and answer regulatory challenges.

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

The framework under which DSOs can own storage as defined in article 32(1) of Electricity Directive would indeed gain much from being clarified. Enedis would be very interested in this deliverable.

It should be mentioned that Enedis does not consider the double charging of network tariffs to storage facilities as an issue, since this network is used twice. Therefore it seems only right and fair to pay network tariffs reflecting the effective use of the infrastructure. On this matter also a clarification from the CEER would be very much welcomed

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

Distribution network development plans are now an obligation for DSOs every two years. Planning is both a challenge and a necessity for a good use of public money.

Enedis does not agree with the statement "Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments" as it implies that DSOs do not optimise their network investments. Indeed Enedis is already considering every options and not only grid physical reinforcement, as proven by its ongoing call on local flexibilities solutions.

Such a document could provide inputs on the first DNDP to be established by DSOs in application to Electricity Directive.

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.s. CEP Implementation Do you have any specific comment on this individual deliverable?

Enedis does provide consistent support to energy communities or self-consumptions schemes; for instance Enedis is involved in setting up the first French energy community, on Île d'Yeu.

It is important that such communities and self-consumers contribute in a fair manner to the network operation, and that network tariffs reflect properly the induced cost. If the mentioned CEER paper can help to determine this just and equal contribution, Enedis would definitively be interested.

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Enedis would welcome a report on quality regulation. This type of regulation, and the associated bonus and penalty system, is important to encourage the implementation of DSOs' missions. It is also essential to give proper incentive to innovation and excellence. For instance, it has the potential to facilitate DSO role of neutral data manager at the service of market stakeholders, allowing them to develop new services.

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

Power losses are an interesting element of comparison between countries. A third report on this topic is important in this regard as well as from an evolution perspective.

CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

This report provides useful information on the different frameworks in Europe, and constitutes one of the most enlightening report of CEER; a 2021 version is indeed called for.

Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No opinion.

Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

No opinion.

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Enedis warmly welcomes the integration of a specific Covid-19 deliverable following the unprecedented situation. Network operators and energy providers' mobilisation allowed for a continued and secure supply during the crisis. To draw lessons is essential for the future and CEER could bring a wide and neutral approach, especially with regard to consumers. Beyond mere lessons, recommendations to stakeholders and policy makers would be valuable inputs.

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Dynamic regulation is a topic followed by CEER, which could help to share best practices among NRAs. Adapted regulation is especially important now after the Covid 19 crisis, in order to allow DSOs to massively invest and contribute to a rapid and green recovery.

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

Enedis implemented a strict unbundling policy. An updated report assessing the situation in this regard could be interesting. Assessing the potential impact of the Clean Energy Package on unbundling would be relevant. Now that the implementation of unbundling requirements has been almost completed, some other aspects could be further detailed such as: energy communities, sector coupling issues with regards to non-unbundled stakeholders...

Survey response 28

Contact details and treatment of confidential responses

Contact details: [Organisation][[]]

EDF

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

Public

PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

We do support the priority proposed by CEER for its 2021 Work Programme. With regards to the digitalization priority, we could also regret the lack of work items on cybersecurity considering the stake at hand and the objective of securing of the overall service from end to end expected by consumers.
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2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?
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Beyond the indicators defined in 2017 and used for assessing the retail market, some indicators to assess customer satisfaction and protection in a more qualitative way could also be monitored, for example the number of disputes/litigations. Also, while extremely useful for the analysis of the functioning of the markets, the report should not set arbitrary normative thresholds or values which determine if the markets is functioning properly or not. Furthermore, assessments should not base on a few isolated indicators.

Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing") Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. 3D Strategy: Decarbonisation and CEP Implementation Do you have any specific comment on this individual deliverable?

EDF agrees with CEER that this issue is important and requires protecting the customers. With the development of renewable energy and of competition on the retail market, energy consumers are surrounded by a bunch of new various offers and notably the green contracts which can be hard to compare. Some customers want to know where the energy comes from, some don't. But still, customers need to get serious information in order to make informed choice. EDF agrees with CEER that consumers must be protected by getting proper and correct information about the offers, both in the pre-contractual and contractual phases, especially because they are often misled as regards "green contracts". If they do not give accurate information, green contracts marketing can indeed turn into "greenwashing", for example by letting the consumer think that the electrons he consumes come directly from a renewable source, or that there is at any time enough green production to cover for his consumption. On the other hand, guarantees of origin (GOs) are often wrongly accused of greenwashing. GOs are the only mechanism that allow the traceability of green production without desoptimising the efficiency of the power market, and should be the central pillar of green contracts. The guidelines should ensure that the GOs are used properly by the suppliers and that adequate information about the GOs is given to consumers. Regarding GOs, another complex issue in the future will be to reduce the timeframe between the production of a guarantee of origin and the clients' consumption, in order to better reflect real-time life of the system (intermittency) and different valuations for the energy provided. EDF also proposes to introduce a carbon criteria in the offers and GOs, so as to provide customers with the most accurate information about all the energies contributing to the decarbonisation objectives of the EU, not only RES. GOs should be opened to storage too.

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. 3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

EDF agrees with the 2017 CEER guideline of good practices and its 14 recommendations for energy comparison tools covering: their independence, the necessary transparency, the exhaustiveness of information provided, clarity and comprehensibility by the customers, correctness and accuracy of the information provided, user-friendliness of the tools, accessibility and customer empowerment.

Exhaustiveness might sometimes be complex to handle as offers are getting very sophisticated. We see already today that comparison tools cannot correctly handle many options/services associated to the supply. Tomorrow, the issue of dynamic prices offers will be a challenge for comparison tools. Regarding this type of offer, beyond the complexity issue, there is also a customer protection issue. For example, the French consumer association UFC-Que Choisir, recently decided to take out from its comparison tool a dynamic price offer from a supplier, and alert customers on the risks associated to this offer.

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

Energy consumers are and will be big providers of data. Indeed, with the trigger of smart meter roll-outs, great amount of consumption data will be collected. Of course, data needs to be protected and accessed when useful, with the consumers consent, so as to provide better suited offers, advice, etc.

This CEER report could be the opportunity to provide a meaningful insight on the state of play of the roll-out of smart meters in the EU.

Regarding access to data, there will still some issues to solve. For example, data about the charging of Electric Vehicles (EV) will be crucial to the development of V2G, though car manufacturers do not seem willing to provide access to this data to suppliers. Is there any link envisaged with works on artificial intelligence?

With regards to the digitalization priority, we could also regret the lack of work items on cybersecurity since what should be secured in fine is the overall service from end to end expected by consumers. This should remain a priority topic taking into consideration the announced recasts of both NIS and Critical Infrastructures Directives, the future cyber network code...

Work item 5: ACER-CEER Market Monitoring Report Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

EDF thanks ACER and CEER for the overall valuable reports, though some indicators used should remain subject to cautious interpretation.

Work item 6: CEER Customer Conference Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

No.

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

EDF supports CEER's initiative to investigate this issue. It is indeed important to see if RES can live normally in the market, as any other electricity source, once the support scheme comes to an end. In this perspective, some clarifications should be made. It is important not to just consider the support scheme (direct subsidy through feed-in tariffs or premiums) but all the indirect subsidies (connection charges, etc.). For example, CEER mentions in its first short report published last May that some large scale PV installations already live without subsidies. In France, these new installations still benefit from specific connection arrangements. Therefore, all sources of support should be taken into account.

The report could provide a very valuable analysis of:

- The national perspectives with a more detailed insight on the situation of the no longer subsidized RES facilities in the various European countries ;
- The breakdown of those facilities opting for repowering (and a new support scheme), going on the market, with what kind of contracts, the durations, etc.);
- The strategies: are these facilities choosing to propose other services than energy injection?
- The operational practices, to see if these are different once the facilities are in the market : for example, do such installations curtail their production when prices are negative? are there changes in the balance responsibility of such facilities? Is there an impact on the market (imbalance prices and volumes)?

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

No.

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automatisisation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This deliverable seems to intend to provide input with view to the coming EC strategy on Smart Sector Integration. It should therefore mention and deal with all energies (electricity, gas and heat) and how all have to coordinate with the others, in order to provide a relevant insight. It is not just electricity having to adapt its rule for the others.

The analysis envisaged is particularly important when considering networks (electricity, gas and heat) that will have to be coordinated at European as well as at local level, in order to evolve and contribute to carbon neutrality. There is need for transparency on this aspect as it is of paramount importance with view to future decisions. First, there should be a serious and sound study on the table about the adaptation costs for gas networks. There should also be a feasibility study to evaluate gas networks real capability to adjust. Otherwise it could lead to large scale stranded costs. Second, there should also be a study about the capability of gas storages to be used with new and renewable gases.

EDF encourages CEER to investigate further these question in the perspective of the Green Deal discussions. More generally on sector coupling and sector integration, EDF would like to highlight the following priorities to be pursued: (i) implementing an ambitious electrification strategy for heating, transport, building and industry to effectively decarbonise the economy; (ii) integrate in the upcoming Renovation Wave a CO2 criteria to drive investments towards climate-proofed low-carbon technologies and acknowledge the contribution of electricity for energy savings; (iii) Support a meaningful and predictable carbon price and, in particular, a more efficient ETS which is essential for shifting investment to more efficient and carbon neutral technologies ; promote long-term price signals and arrangements within the competition policy to foster the development of both capital-intensive renewable and carbon neutral technologies, and (iv) review the TEN-E regulation in order to support climate-neutral investments, such as electric infrastructures, to go with the electrification rate doubling.

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

It is not very clear what is meant by "hybrid" grids. EDF however agrees that CEER should investigate the connection of offshore generation and connectors. The investment framework for these activities requires analysis (who can invest? what is the market design, who bears the risks?). This work would provide relevant input with view to the coming EC strategy on offshore RES.

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

EDF agrees that this is a very important question, also to be addressed within the Green Deal, as methane emissions are much worse than CO2 emissions in the battle against climate change, and encourages CEER to investigate this issue. Though we remain very conscious that methane emissions do not only happen on networks but on all the gas value chain.

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

There are technical and economic challenges to the deployment of long-term decarbonized flexible and firm solutions, in particular storage. While the implementation of the CEP will improve the functioning of short-term markets, there are still challenges for providing long-term investment signals including for storage, to achieve the energy transition cost-effectively.

The main interest of "power-to-gas" lies in the management of long-term RES production surplus (over one or more consecutive days). This phenomenon should nevertheless remain limited by 2030/2035. Different studies show that the surplus is expected to remain low in Europe at this time horizon.

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

CEER's contribution is expected to bring economic rationale in the debate. Indeed, elements of economic efficiency are essential to reach the EU decarbonation objectives at least cost. See answer to item 9 for priorities with view to sector integration.

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

This CEER contribution will be valuable for the implementation of the Electricity Directive provisions. Market participants promoted the idea of those market tests and they should be involved in the process.

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

Network planning is of paramount importance, especially in the perspective of smart sector integration, and also with the development of flexibility in order to avoid unnecessary network investments. The revised Electricity Directive calls on DSOs to produce DNPs. This will be a difficult exercise, notwithstanding the fact that there are different voltage levels across Europe. Assessing the adaptation costs for networks induced by political choices is an important and necessary process. It has been estimated that the RES development calls for doubled investments in networks. In France, 75% of RES generation is connected to the low voltage network.

EDF also takes the opportunity to call again for an analysis of the decarbonation costs for DSOs and notes that only few NRAs ask for such data to be published (OFGEM for example).

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems. CEP Implementation Do you have any specific comment on this individual deliverable?

EDF welcomes this CEER deliverable on this new function of "sharing" of energy, introduced with the concept of energy communities. Indeed, this function is not to be mixed with the supply function. Therefore it must be clearly defined and should not be twisted to an alternative supply function, benefiting from less obligations or many derogations. EDF wants to stress that economic neutrality should be ensured and cross-subsidies should be avoided. Network tariffs should ensure a level playing field, without discrimination with regards to its use (sharing or supplying).

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

This deliverable could also analyze if quality regulation regimes have been relaxed to integrate distributed generation.

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

EDF fully subscribes to the CEER response sent to the ESMA consultation paper on the MIFID II review.

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

EDF supports the CEER initiative. It is indeed necessary to draw lessons in order to improve the preparedness of the energy sector to the pandemic risk but also to assess the crisis from a customer perspective in order to better protect them in the future.

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

EDF appreciates CEER's initiative to also analyze NRAs present practices and their evolution towards dynamic regulation.

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

Survey response 29

Contact details and treatment of confidential responses

Contact details: [Organisation][<input type="checkbox"/>
Eurelectric
Please, mark the box if you wish your response to be treated as confidential.
Public

PRIORITY AREAS

1. CEER proposes that the 2021 Work Programme should focus on these priority areas: Digitalisation in the consumer interest; Decarbonisation at least cost; Dynamic regulation: European solutions for adaptive regulation in a fast-changing world; Clean Energy Package Implementation; and Significant recurring work. Do you support that these areas should be the priorities or should some areas be deleted and others included?

Eurelectric welcomes the focus given on the “3D” Strategy defined by CEER in 2019. This is a very useful framework to tackle the challenges that the energy sector is facing today. We also appreciate the focus given to the Clean Energy Package implementation, which is also crucial and needs to be efficiently monitored.

Digitalisation:

We welcome the objective to make the most of the opportunities created by digital tools in the energy transition. Together with CEER, Eurelectric is strongly committed to promoting a properly regulated digitalisation, bringing opportunities across the whole electricity value-chain actors: generation assets, transport/distribution grids, and end- consumers. Eurelectric would also like to underline the key principles that should apply :

- First, it is essential not to consider digitalisation as a target in itself but as a catalyst to facilitate new businesses, cost savings and consumer empowerment, as well as an efficient operation of the grids; particularly when taking into account changes in the functioning of economy and companies related to Covid-19 crisis.
- Second, as the digital transformation is ongoing in various sectors (energy, telecoms...), regulators should aim at developing a cross-sectoral approach. Eurelectric strongly approves CEER’s intention to promote cooperation between sectorial authorities, namely through its PEER initiative launched in 2017.
- Regulators should avoid the definition of unilateral standards responding to political considerations rather than technical feasibility. Bottom-up approach should be favored in order to allow for a real flexibility and freedom of choice in the market.
- Regulators should create the right incentives also for digitalisation investment so DSOs can contribute to network operation efficiency.
- Finally, as shown in our “15 pledges for consumers” initiative (see below), Eurelectric would like to highlight the essential role of energy suppliers in helping consumers through the digital services and solutions as to contribute to costumer empowerment.

Decarbonisation :

Ensuring a decarbonisation process at least cost and leaving no one behind is the cornerstone of the work of Eurelectric. We therefore fully support all the initiatives taken by CEER to achieve this goal, particularly in the new framework defined by the EU Green Deal and EU Recovery plan following the Covid-19 crisis. Eurelectric believe that this unprecedented crisis will have very heavy consequences all over the continent and must therefore encourage the EU economy to build the Green Recovery. Eurelectric is also convinced that decarbonised electricity can play a key role in this time and has developed a set of recommendations to tackle the impacts of the crisis all across the electricity value-chain, in order to ensure that the potential of electricity is fully used to reach the EU decarbonisation target.

Dynamic Regulation:

Eurelectric fully endorses CEER’s objective to define efficient and adaptable regulation, but also to assure regulatory certainty over a multiannual perspective as a key point of its strategy. Eurelectric has been advocating for many years for more principle-based regulation, meaning that enforceable principles should be preferred to rigid rules prescribing how things should be done. The different initiatives included in the Draft Programme, particularly the CEER’s Roadmap to well-functioning retail energy markets, are very useful tools to achieve this goal. However, sufficient time for implementation of current regulations should be ensured.

We would like to highlight the importance of the workstream aiming at reflecting on lessons learned about the Covid-19. Since the beginning of this unprecedented crisis, Eurelectric has led an in-depth work to understand and assess its consequences on the whole electricity value-chain. Specific recommendations have also been defined in order to prepare the Recovery. The analysis of these consequences is still ongoing and we would be very interested to contribute to the work of CEER on this topic.

Clean Energy Package :

Eurelectric believes that the implementation of the texts of the CEP is an essential step of the energy transition and must therefore be monitored efficiently. We have been leading follow-up works on all relevant articles, through the publication of dedicated reports or best-practices sharing between our members. We therefore welcome the priority given by CEER to this important element.

2. Within each priority area, do you think the Work Programme focuses on the right deliverables or should some be deleted or added?

Eurelectric regrets that the opportunity of the upcoming review of the Energy Taxation Directive is not mentionned in CEER 2021 Work Programme. This question is indeed a crucial tool of consumer’s empowerment and of the attractiveness for consumers of decarbonisation/electrification technologies. With regards to the digitalization priority, we could also regret the lack of work items on cybersecurity. It has been addressed last year and could be a priority topic taking into consideration the announced recasts of both NIS and Critical Infrastructures Directives, the future cyber network code...

QUESTIONS ON INDIVIDUAL WORK ITEMS

In total, there are 24 work items proposed in the draft CEER 2021 Work Programme divided into several areas: Customers and retail markets, Electricity, Gas, Distribution systems and Cross-sectoral.

CUSTOMERS AND RETAIL MARKETS

Work item 1: Title: Self-Assessment Status Report 2019 for the Roadmap to 2025 Well-Functioning Retail Energy Markets
Description: This second Status Report continues to implement the framework developed by CEER in its roadmap to well-functioning retail energy markets in Europe that are expected to deliver reliable, affordable and simple-to-use services to protect and empower consumers by the year 2025. This exercise starts for each NRA with data collecting on the basis of CEER's established 25 metrics, continues with the actual self-assessment together with a gap analysis, which leads up to national recommendations and monitoring of the implementation of those recommendations. By identifying a gap between the national data for a metric and the national objective for that metric, each NRA can target improvements and seek ways to achieve those improvements. **3D Strategy: Dynamic Regulation** Do you have any specific comment on this individual deliverable?

We highly value this report as it provides very useful input for evidence-based discussion on major issues related to consumers in the context of the implementation of the CEP and of the future legislative initiative on "Empowering customers in the energy transition".

Work item 2: Advice on trustworthy information on green electricity contracts/the origin of electricity and consumer protection against misleading marketing ("greenwashing")
Description: In the context of both the related provisions in the revised renewable energy directive 2018/2001/EU and the European Commission's forthcoming legislative initiative on "Empowering the consumer for the green transition" led by DG JUST, CEER will look at how green contracts are marketed and how customers are informed about them, both at the pre-contractual as well as in the contractual phases, and which role these contracts might play in delivering the renewable penetration goal at least costs. It will also consider the relationship between Guarantees of Origin (GOs), Green Certificates (GCs) and other support schemes and whether the current governance of the GOs is fit for any new role that they might be called to play in the future. **3D Strategy: Decarbonisation and CEP Implementation** Do you have any specific comment on this individual deliverable?

Eurelectric is very interested in the topic of green electricity contracts, which is key to consumer's trust in the market. After having discussed the question of consumer empowerment in various Member-States and following the publication of the "15 pledges for consumers" document last March 2020, we believe that ensuring information and awareness of consumers in the energy is crucial, and play a key role in encouraging them to participate in the energy transition.

While we still do not have a final position on the question of green electricity contracts, we will be working on this topic in the coming months and are therefore willing to contribute to CEER reflection on this question.

Work item 3: Guidelines of Good Practice on future-proof comparison tools for the energy sector
Description: Insights gained from the PEER cross-sectoral and cross-authority Regulatory Roundtable on "Challenges for Comparison Tools of New Services and Intermediaries" (to be organised by CEER in Q3/4 2020) will inform the review of CEER 2017 "Guidelines of Good Practice for comparison tools for electricity and gas contracts" for both publicly run (e.g. by energy regulators) and privately run comparison tools, in light of the even more dynamic nature of contracts in various market places (due to digitalisation, technology developments and decentralisation). The challenge of incorporating into comparison tools the risks and benefits of dynamic offers, allowing consumers to make informed choices, will also be addressed. **3D Strategy: Digitalisation; Dynamic regulation and CEP Implementation** Do you have any specific comment on this individual deliverable?

Eurelectric believes that the implementation of CEP is an essential step that needs to be properly achieved. We have been leading follow-up works on all relevant articles, through the publication of dedicated reports or best-practices sharing between our members.

Comparison tools are very useful tools that can be very helpful for all consumers. We will therefore follow with interest the planned Guideline of good practice on future-proof comparison tools for the energy sector.

Work item 4: Paper on digitalisation as a driver for better retail market functioning - key challenges and recommendations
Description: In considering the implications of digitalisation for the energy system, the NRAs' objective is to enable the benefits to consumers and to protect them against risks. For example, one key consideration will be how to use data in increased and more efficient forms whilst satisfying the requirements of the General Data Protection Regulation (GDPR). Following the observations made, CEER would then make recommendations on how those challenges could be overcome. 3D Strategy: Digitalisation Do you have any specific comment on this individual deliverable?

We fully support the planned publication of this paper. Eurelectric is directly involved on these topics through various Working Groups of its Structure of Expertise. As highlighted in our answer to question 1, we believe that key principles should be respected in order to ensure an efficient use of digital tools in the energy transition.
Moreover, in line with our answer to the European Commission consultation on an EU strategy for data, we think that more data should be available to ensure the success of the energy transition (for example for improving mobility, and reducing energy consumption), and we also acknowledge the objective of CEER to promote interoperability of data format.
However, while we agree that a strong focus should be given to privacy and data protection, we think that additional consumer protection measures on which CEER is considering to work should not lead to disproportionate obligations for energy operators.

Work item 5: ACER-CEER Market Monitoring Report Description: This annual ACER-CEER Market Monitoring Report covers wholesale gas and electricity markets and monitors consumer empowerment and retail markets developments across Europe. The report will include deep insights into retail market developments, incl. prices, price regulations and market structures, and standing and new consumer issues such as energy poverty and active energy consumption. The primary data source of CEER inputs is CEER's national indicators and respective surveys. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Eurelectric considers the ACER-CEER Market Monitoring Report as a key document to understand the evolutions and trends of both wholesale and retail electricity markets. Following the joint publication of the 2018 edition of the Market Monitoring report (Electricity Wholesale Markets Volume) by ACER and CEER, the experts of Eurelectric's structure of expertise elaborated a feedback questionnaire to ACER & CEER after a detailed analysis of the report. This feedback has been sent to ACER and CEER in order to contribute to its continuous improvement.

Eurelectric would be happy to engage bilateral discussion with ACER and CEER to exchange on the upcoming editions of the Market monitoring Report.

Work item 6: CEER Customer Conference Description: CEER's flagship event to engage directly with consumer representatives on how the Clean Energy for All Europeans legislation can be best implemented in practice, with a focus on empowering and engaging consumers to become fully-fledged market players. 3D Strategy: Digitalisation, Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

The focus given by CEER on customer empowerment following the implementation of the Clean Energy Package seems very relevant.

Our "15 pledges for consumers" initiative, launched in March 2019, has allowed us to get a very good understanding of the needs of consumers in the energy transition. Our report, developed after a series of 8 workshops which took place all through the EU, has shown that supplier could play a crucial role to help consumers to take part in the energy transition, particularly on the 3 following domains:

- Empowering customers with new services and electric solutions
- Striving for an affordable and inclusive energy transition
- Improving customer's energy experience through simplicity and transparency

More than 90 signatories have therefore committed to help their consumers in these 3 key pillars.

In 2021, Eurelectric intends to work concretely on the follow-up of this initiative by continuing the promotion of the new products and services and working to break all barriers that could hamper this movement. As underlined by CEER, the implementation of the CEP is of course a first essential step of this objective, which Eurelectric also fully endorses. Other legislative initiative on "Empowering the consumer for the green transition" are also directly related to this workstream. Based on the outcomes of our discussions on this topic, we will of course be very interested to participate to the future Customer Conference.

Eurelectric will follow with interest CEER customer conference, particularly as a follow-up of this initiative and in the context of the future initiatives of the Commission on this topic. We'll be happy to share the views and opinions gathered in our work with CEER.

ELECTRICITY

Work item 7: Updated Paper on unsupported RES Description: The 2019 CEER paper on unsupported RES showed how RES electricity is handled in the Member States after their financial support time ended. One of the main conclusions of that paper was that starting from 2020, the support time for more and more RES installations will end throughout Europe. Therefore, this paper aims to provide an updated overview and will include a short questionnaire to NRAs. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

We are looking forward to further CEER analysis as the amount of unsupported capacity grows. In this perspective, some clarifications should be made. It is important not to just consider the support scheme but all the indirect subsidies. The report could provide a more detailed insight on the national situations, on the breakdown of those facilities opting for repowering, going on the market, with what kind of contracts, the durations, etc.), their strategies and operational practices. The study may benefit from including a reference to power purchase agreements (PPAs) for renewables as well as proposed measures at the Member State level to modernize some of RES installations for example hydropower plants.

Work item 8: ACER-CEER contribution(s) on revision of TEN-E Regulation Description: This paper will analyse the proposed revision (planned for Q4 2020) of the Trans-European Networks for Energy (TEN-E) Regulation and to share the views of the European energy regulators. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

We welcome the objective of CEER to work on the revision of TEN-E Regulation as part of the Decarbonisation priority. Eurelectric thinks that the current TEN-E regulation is not fit for purpose to drive Decarbonisation, and therefore needs to be revised. The review of the TEN-E Regulation should incorporate climate neutral targets as an element of the integration of the energy EU markets. In particular, a key focus should be on projects fostering electrification and direct use of electricity supplied from renewable and low carbon sources, i.e. on the key means of decarbonisation.

More specifically, the number of eligible DSO projects targeting the upgrading of grids and their digitalisation should be significantly increased to facilitate the integration of renewable and electrification of use, and the demand response and other flexibility tools, which can be seen as alternative to transmission interconnection lines promoting the EU markets integration. To date, there are no alternative financial instrument to promote and support financially the deployment of smart grids projects. According to our analysis of the use of EU funding during the past 5 years, the share of funding allocated to distribution projects has been systematically lower compared to transmission assets (gas and electricity). Indeed, TEN-E and PCI label might be crucial to receive financial assistance towards the CEF but also other financial institutions such as the European Investment Bank. A shift of mindset is needed towards the importance and EU relevance of local and small scale infrastructure projects. Most of future investment will take place at LV and MV grids. The increasing digitalisation and decentralisation of the networks increase their EU relevance and should be taken into account. The Treaty objectives, namely the interconnection and interoperability of networks mentioned at article 170 doesn't contradict with the widening of the scope of TEN-E to smaller scale projects. These projects will help to achieve the regional development aswell as strengthening of the economic and territorial cohesion which are also underlying objectives of the Article 170.

In addition, we would welcome an increasing oversight by ACER and CEER towards the TYNDP process to make sure that methodologies, scenarios are aligned with the decarbonisation objectives, ensure the energy efficiency principle, transparency and avoid any conflict of interests that might arise during the selection process. Eurelectric has published various paper on the matter and will be happy to further exchange with CEER on the topic.

Eurelectric is currently performing a study to map the investments needed in distributions grids for the next decade in EU 27+UK countries to achieve the climate targets. Eurelectric hopes to provide first results by November and seeks to demonstrate the future role of EU instruments such as TEN-E Regulation in triggering and channeling adequate investments towards distribution grids.

Work item 9: Sector coupling - integration across sectors Description: The energy transition foresees an increasingly important role for electricity because of its role in decarbonisation with a high share of renewables, a growing level of digitalisation in communication and automation in industry and a shifting of energy demand through the electrification of additional areas. It is important to consider how the electricity system needs to adapt to cope with these new developments and requirements. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Our association is encouraging CEER to continue its work extensively on the topics of sector coupling (electricity-gas) and sector integration. Eurelectric recently published its recommendations on the topic. The energy system integration strategy should (i) unlock all the system benefits resulting from positive synergies among sectors, (ii) foster energy efficiency and (iii) benefit from decarbonised and renewable energy sources across the economy. Electrification will make a key contribution to these objectives by providing concrete solutions for the decarbonisation of transport, building and industry. In this context, we believe that, the coupling of electricity and gas systems, notably through power-to-gas, will be a key link in the transition to a carbon-neutral economy. In a high-renewable future, sector coupling through e.g. power-to-gas assets will therefore be crucial to support the electricity system to balance the networks and ensure security of supply.

In this context, maintaining leadership and market-based approach in the development of key emerging technologies coming from electricity and gas sector coupling (such as electrolytic hydrogen). Moreover, electricity and gas sector coupling can be consolidated through a clear classification of decarbonised & renewable gases (see Eurelectric paper on Common terminology for gases) and an updated gas market design suited for cost-effective decarbonisation. For instance, power-to-gas plants, alike gas-fired power plants, are facilities converting an energy carrier to another one which should not be carried out by regulated entities (see more detailed remarks in Eurelectric response paper on EC questions).

For more general comments on the smart sector integration, please refer to our contribution on Work item 13.

Work item 10: Paper on the integration of offshore/hybrid grids into the electricity market design Description: This CEER paper aims to address how offshore grids are to be integrated in the electricity market. Connecting markets (with interconnectors) and offshore generation (with connection lines) is complex and expensive. Synergies might exist in combining the functions, but roles and responsibilities need to be clear cut and conformity with operational requirements, and market design should be investigated. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

This kind of project will require better coordination in particular on planning between Member States. In the current regulatory and market framework hybrid projects require long-term investment signals.

GAS

Work item 11: Report on regulatory mechanisms to incentivise reductions in methane emissions in gas networks Description: The reduction of methane emissions in the gas sector is an important task for the whole gas industry. Through the regulatory framework, NRAs contribute to this task by applying different mechanisms that incentivise network operators to reduce methane emissions in their networks. This report summarises the mechanisms applied. It will cover different aspects including metering actual emissions (tools existing or to be developed), the adaptation of installations to reduce leakages and regulatory incentives based on the effectiveness of operators' management of emissions reduction. 3D Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Our association welcomes the work driven by NRAs to reduce methane emissions while considering a specific approach for some highly efficient natural gas fired units needed for security of supply. Reaching carbon neutrality by 2050 will require drastic changes in the way we generate, transport and consume energy.

Regarding the gas sector, the decarbonisation challenge is massive while the role of gas will change and its carbon footprint should be aligned with the climate objectives. In the context of the elaboration of the technical screening criteria for the EU Taxonomy, Eurelectric expressed the need for a transitional flexible setup for highly efficient natural gas fired units, especially while large scale deployment of demand response, storage and power-to-gas technologies is yet to happen. In our view, such set up should be clearly defined and should be subject to strict conditions:

- Fugitive emissions (especially methane emissions) across the gas supply chain need to be physically measured rather than estimated.

- New natural gas-fired units must not be developed in replacement of generation units with less carbon emissions and must not be built if alternatives with less carbon emissions are economically and technically viable while ensuring the security of supply.

- Such set up should be used for highly efficient natural gas-fired units (both Combined Cycle Gas Turbines and Open Gas Turbines) according to EU Best Available Techniques reference documents (BREFs).

See more information in Eurelectric response paper to the TEG report on EU taxonomy for environmentally sustainable activities.

Work item 12: Paper on long-term storage Description: Energy storage is an important aspect of sector coupling; solutions to the intermittence of RES power generation are expected to come from the gas sector. Different technologies could be at stake, including power-to-gas, allowing the development of solutions aimed at storing energy to a larger scale than in batteries, for example. New issues would arise in terms of regulatory treatment of installations or storage services, with questions of valuation for users and cost coverage/services pricing. Starting from the experience of underground storage, this CEER paper will investigate the implementation of long term storage under technical, economic and regulatory aspects. 3D

Strategy: Decarbonisation Do you have any specific comment on this individual deliverable?

Eurelectric welcomes the expected publication of this paper on storage. We are currently finalising a report on the same topic, which will be published in autumn 2020. In our view, energy storage as an operational source of flexibility is a significant component in achieving transition to low emission economy with higher share of RES.

Eurelectric has identified technical and economic challenges to the deployment of long-term decarbonized flexible and firm solutions. While the implementation of the CEP will improve the functioning of short-term markets, there are still challenges for providing long-term investment signals especially for storage solutions.

It must be our priority to secure a constant electricity supply at all times and to ensure system stability. Storage technologies (such as batteries or pumped storage, whereas the latter is the best option to store large-scale amounts of electricity with a high round-trip efficiency) providing flexibility as well as essential system services, can and will compete on the market with other flexibility providers such as dispatchable generation assets (like reservoir storage hydropower, storing natural inflow of water in natural or artificial reservoirs for several days, months or even years) and demand side management (prosumers/active consumers with their PVs, EVs and residential batteries). Access to all relevant markets must be possible without any restrictions for all technologies providing these services.

Work item 13: Paper on regulatory innovations for smart sector integration Description: Under the European Green Deal priorities, the EC launched a strategy to meet climate objectives, while also guaranteeing secure and affordable energy for consumers by exploiting the synergies enabled by an integrated energy system. Sectoral integration aims include: - the electrification of sectors that currently still rely on fossil fuels, for example, electric vehicles in the transport sector, or heat pumps for heating buildings;- renewable and decarbonised hydrogen, gases and fuels for sectors which are hard to decarbonise such as air transport and some industrial processes;- a more 'circular' and efficient energy system, for example, the use of waste heat from industry or data centres to heat buildings. This strategy naturally entails regulatory challenges for the gas sector. To this end, CEER intends to continue to develop position papers that can contribute to this discussion, investigating the areas of convergence and the associated challenges. 3D Strategy: Decarbonisation and Dynamic Regulation Do you have any specific comment on this individual deliverable?

Eurelectric fully supports the CEER intention to continue developing position papers that can contribute to the discussion on smart sector integration.

Our association believes that the Smart Sector Integration Strategy should be fully aligned with ambitious decarbonisation goals for 2030 and 2050, with carbon-free electrification and energy efficiency recognized as the main drivers to remove carbon emission in all sector of the European economy.

In this context, Eurelectric highlights that the coupling of electricity & gas systems is a key link in the transition to a carbon-neutral economy (see our comments to Work item 9).

Moreover, different flexibility solutions (Power-to-X, demand-side response including V2G, thermal firm power generation capacity) will compete on a level-playing field. To this end, Europe needs to maintain leadership and market-based approach in the development of key emerging technologies coming from the energy system. This can be done by developing market-based economic signals for all the services provided outside natural monopolies by market parties in competition.

Strong grids will be essential to support the integration of decarbonised and renewable energy carriers in all sectors of the economy, whether they are related to power, gas or heat. In addition to the development of a proper investment framework, we call to identify best links between sectors through coordinated, cost-effective and future-proof infrastructure planning tools.

Finally, in a more decarbonised, decentralised and digitalised energy system, closer cooperation is required among all stakeholders (especially TSOs and DSOs) to anticipate possible evolutions of the electricity, heat and gas networks, supply & demand.

The issue of the weight of taxes and levies and their impact on electrification should also be raised in order to make the most out of the potential of smart sector integration. For more details of Eurelectric views on successful smart sector integration, please consider the following documents:

- [Eurelectric recommendations for a Smart Sector Integration Strategy](#)

- [Eurelectric response paper to European Commission consultation on an EU Strategy for Smart Sector Integration](#)

DISTRIBUTION SYSTEMS

Work item 14: Short paper on the market test on flexibility and storage Description: This short paper is to provide guidance for DSOs on the market test for flexibility and storage, as a requirement in case DSOs want to own storage following Article 32(1) of the Electricity Directive. The paper would also look to clarify the issue of double charging network tariffs to storage facilities. Additional, the paper plans to include information on the platforms, and it follows up on the priority area of ensuring effective price-signals from the CEER (2019) Digitalisation paper. 3D Strategy: Digitalisation, Dynamic Regulation and CEP Implementation Do you have any specific comment on this individual deliverable?

Eurelectric welcomes this initiative as this particular provision in the CEP is only superficially outlined and any such market test should follow common principles among all NRAs while still respecting the variety of distribution network characteristics that need to be taken into account when conducting such an assessment.

The question of double grid fees, tariffs and taxes for storage at large should also be raised.. In some Member States, the electricity storage (e.g. EV – V2G technologies, pumped hydropower storage) and power-to-gas systems are exposed to double taxes and levies and/or to grid tariffs. With regard to levies and grid tariffs,, it has to be acknowledged that, while all service providers should be able to fully cover their costs and a fair burden sharing should take place, market distortions compared to other flexibility options have to be avoided. Grid tariffs always have to be cost-reflective and non-discriminatory.

Work item 15: Short paper on distribution network planning Description: This paper will focus on distribution network planning and will be a follow-up from the workshop to be organised by the end of 2020. The paper intends to include Distribution Network Development Plans (DNPs), while also touching upon current challenges such as sector coupling, whole system approach and stranded assets. With the development plans, NRAs will be able to monitor DSOs network development, especially on flexibility and energy storages. Plans will help NRAs to see whether DSOs are considering alternative solutions to traditional network investments. They will enhance the possibility to follow DSOs investment cost efficiency and measures done for energy efficiency. CEP Implementation Do you have any specific comment on this individual deliverable?

Eurelectric welcomes this paper as useful publication, and will be interested to contribute to the workshop organized in Q4 2020. It is important that DSOs consider flexibility provisions in their network development plan. To this end, different remuneration models for system operators should be considered by NRAs as incentives to procure flexibility. We believe that CEER should focus on the level of cooperation between TSOs and DSOs as well, in order to make sure that inputs delivered by DSOs are reflected by TSOs for the development of National Development Plan.

Work item 16: Paper on tariffs for sharing for energy communities Description: This paper will be a more specific follow-up from the 2019 CEER report on regulatory aspects of self-consumption and energy communities. As the concepts of jointly acting active consumers, jointly acting renewable self-consumers and citizen and renewable energy communities are being transposed into national law energy sharing will become more prevalent across Europe. Network tariffs applied to sharing schemes are an important factor for the "business model" of such schemes and need to be in line with the general principles of network tariffs. Directive 2019/944 (Art 16.3) for instance says that "For the purposes of point (e) [sharing] of the first subparagraph, where electricity is shared, this shall be without prejudice to applicable network charges, tariffs and levies, in accordance with a transparent cost-benefit analysis of distributed energy resources developed by the competent national authority." CEER could evaluate what such a CBA could look like and how cost-reflective tariffs could be implemented for communities in different tariff systems.s. CEP Implementation Do you have any specific comment on this individual deliverable?

Following the publication of our report on Energy Communities (May 2019) and our future report on network tariffs (Q2 2020). We will be very interested to follow the work of CEER on tariffs for sharing for energy communities. Consistency should be ensured with the good practices paper to be drafted by ACER.

Work item 17: Report on Quality Regulation Description: The report should give an overview of the use of quality regulation regimes among the Members and Observers of CEER. This report will focus on national regulatory regimes that use bonus and penalty system based on continuity indicators in the electricity sector. In addition, it will give an overview of the impact of distributed generation on quality standards and Continuity of Supply (CoS) regulation. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

We welcome this initiative. While individual approach towards respective DSOs is needed, it is worth to have a comparison of differing approaches. The report should also provide more details about the methodology and formulas for rewards/penalties mechanisms adopted by each Member.

Work item 18: 3rd CEER Report on Power Losses Description: The 2nd edition of the CEER Report on Power Losses was published in early 2020. As a preparation for working on the next edition, CEER will start the preliminary work in 2021 for publication of the next edition in 2022. This report will again provide a detailed overview of power losses (transmission and distribution) in electrical grids – the levels of losses, how they are defined, calculated and valued across as many European countries as possible (the 2nd report included 35 countries). 3D Strategy: Decarbonisation and Dynamic regulation Do you have any specific comment on this individual deliverable?

We welcome this initiative. While individual approach towards respective DSOs is needed, it is worth to have a comparison of differing approaches.

CROSS-SECTORIAL

Work item 19: Regulatory Frameworks Report 2021 Description: The Regulatory Frameworks Report is an annual report which delivers a general overview of the implemented national energy regulatory regimes, the efficiency developments and analyses the overall determination of capital costs. This report was previously named the Investment Conditions Report. For years, the report is highly appreciated by many stakeholders as it provides a clear overview of the national regulatory regimes for the energy sector. The 2021 report will be the 10th edition of such a report. 3D Strategy: Dynamic regulation Do you have any specific comment on this individual deliverable?

Eurelectric would welcome CEER to provide information on the impacts of regulatory regimes on investment performed by DSOs and the type of investment being authorized. This would give an overview of the type and the scale of investment being authorized, especially in digitalization, decentralization and decarbonisation context. We also believe that a general analysis and perspective on investment needed within each country to achieve 2030 and 2050 targets are missing from the paper. A general overview of type of regulatory regimes could be provided as well as recommendations on the following questions (if possible): how regulatory frameworks could help to materialize the needed investments, how the regulator is adapting to facilitate the delivery of National Energy and Climate Plans, and subsequent infrastructures. This analysis would provide very meaningful insights and inspire good practices to deliver investment needed for achieving the energy transition.

Work item 20: TSO Cost Efficiency Benchmark (TCB21) Description: The TSO Cost Efficiency Benchmark is a CEER deliverable that periodically measures the TSOs' cost efficiency. Such a benchmark is to ensure that tariffs that are based on efficient costs as stipulated by European law. This TSO Cost Efficiency Benchmark 2021 (TCB21) will be the sixth edition for electricity and the third for gas. The research will likely again include several workshops for the participating NRAs and TSOs. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

We welcome this initiative. We are especially interested in comparison of efficiency of measures which were newly regulated by the Clean Energy package, such as redispatching / curtailment of assets and congestion management in general.

Work item 21: Advice on financial regulation and the links to REMIT Description: Gas and electricity markets have their own dedicated regulation to address market abuse and transparency – the REMIT – where energy regulators play a key role in ensuring compliance. Energy regulators will stay abreast of development and will advise where appropriate on any proposed legislative changes. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

We find REMIT related reports very useful. We especially welcome focus on newly regulated measures by the Clean Energy Package such as redispatching and their REMIT reporting.

Work item 22: The COVID-19 pandemic: lessons learned about crisis preparedness and management in the energy sector and approaches to protecting energy consumers Description: Beyond the immediate impact on health, the current COVID 19 crisis has major implications for global economies and the energy markets. The entire energy sector, national energy regulators and ministries have been working hard to keep the lights on and ensuring energy system are resilient, protecting the interests of consumers, particularly the most vulnerable. We are still in the process of developing a clear picture of its immediate effects, let alone the long-term consequences. However, we can already observe that more and more consumers are falling behind on paying their energy bills and this is a challenge for energy companies who are likely to see arrears paid back over a longer period and some debt might be irrecoverable. Attempts to draw wider lessons from the measures and policies adopted, in particular, to make sure the right protections are in place to support consumers, will be instrumental in order to be prepared to respond to future crisis. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Since the beginning of the Covid-19 crisis, Eurelectric has led an in-depth work to understand and assess its consequences on the whole electricity value-chain. Specific recommendations have also been defined in order to prepare the Recovery :

- The establishment of concrete measures for ramping up the deployment of zero carbon infrastructure projects, as well as for closely monitoring the risk of shortage of critical materials and of skilled workforce (i.e. construction and maintenance) via the national recovery plans.
- Stimulating capital-intensive investments in carbon-neutral generation through an efficient framework that provides long-term visibility and certainty.
- Supporting the electrification of buildings and transport, while paving the way for ambitious skilling objectives for workers, through the Renovation wave initiative.
- Enabling the equipment of entrants to the labour market with the right skills and provide access to adequate reskilling and upskilling for experienced employees, particularly in digital and new technologies.
- The preservation of the financial capacity of distribution grids and the mitigation of economic risks for electricity suppliers, as they have been directly impacted by the break on bills and delayed payments.

The analysis of these consequences is still ongoing and we would be very interested to contribute to the work of CEER on this topic. We therefore think that the proposal of CEER to work on this question is of course very relevant.

The analysis should also take into taking into account the content and consequences of the Recovery package released by the Commission, which Eurelectric is currently analyzing in details.

Work item 23: Report on Dynamic regulation from NRAs' perspective (tools and processes) Description: Following the paper on dynamic regulation of 2020, CEER will continue to analyse and report on the tools and processes of dynamic regulation within NRAs and will update the overview on how the dynamic regulation is being implemented. 3D Strategy: Dynamic Regulation Do you have any specific comment on this individual deliverable?

Regulation must become agile, create an environment where innovation may flourish, allow for trial and error experimentation and leverage on efficient market functioning, without unnecessary overregulation and aiming at social welfare maximization. The new sector paradigm also demands an innovation friendly regulation, capable of attracting the necessary investment that rewards initiatives that add value to the consumer, that are sustainable and promote welfare. This report should measure and be able to compare how Member States implement dynamic regulation in these different aspects, and come up with recommendations and best practices for NRAs.

Work item 24: Status Report on unbundling 2021 Description: The report will assess developments in the certification of the TSOs at a national level since the previous unbundling & certification report. What has changed? How many NRAs' certification decisions have been modified, renewed or withdrawn? What are the consequences for the unbundling? What is the possible impact of the Clean Energy for All Europeans proposals on unbundling? CEP Implementation Do you have any specific comment on this individual deliverable?

We welcome this initiative. We would be interested in CEER views on unbundling issues related new technologies regulated by the Clean Energy package and upcoming Decarbonisation package – such as energy storage, gas-to-power facilities and other sector integration technologies.