



CEER
Council of European
Energy Regulators



REPORT

Beyond the crisis:
Consumer protection and
market measures for better
functioning markets

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Information Page

Abstract

The energy crisis affected energy market actors as well as consumers, who in many cases suffered extreme hardships due to unexpected price spikes. To combat these effects, countries had to implement measures, sometimes urgently, to protect consumers. This report shares some of the measures that helped countries to overcome the consequences of the crisis, irrespective of whether they were decided prior to or during the crisis. It shows how countries developed a range of solutions to similar challenges, illustrating how these may have been addressed through different angles and depending on national specificities. The report provides some reflections on how such measures may continue to be impactful in promoting a more consumer-centric functioning of retail energy markets.

Target Audience

NRAs, European Commission, Member States, gas/electricity consumers, Consumer representative groups, energy suppliers, competent authorities for consumer protection, academics and other interested parties.

Keywords

Consumer protection and empowerment, energy offers, energy contracts, flexibility, bills, information, prudential regulation, vulnerable consumers, energy poverty, suppliers

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Related Documents

CEER documents

Energy Retail and Consumer Protection 2023 Market Monitoring Report

External documents

“Clean Energy for all Europeans,” 2019, European Commission. Retrieved from: Clean energy for all Europeans - Publications Office of the EU (europa.eu)

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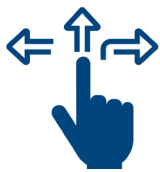
ACER-EEA report ‘Flexibility solutions to support a decarbonised and secure EU electricity system’ (September 2023)

Executive Summary

The energy crisis affected both energy market actors and consumers, many of whom endured severe hardships due to unexpected price surges. In response, European countries had to implement measures, often urgently, to protect consumers. The European Commission swiftly responded with the REPOWER EU plan and emergency measures, which provided support in tackling the crisis. While some countries were able to rely on existing mechanisms to help limit the effects of the crisis, others introduced new solutions that not only inspired other nations but also influenced subsequent EU legislative changes, particularly in areas such as prudential regulation.

This report identifies seven key issues highlighted by the crisis and outlines measures that helped countries to overcome its consequences, irrespective of whether they were decided before or during the crisis. The case studies illustrate that, when faced with similar challenges, countries came up with a variety of solutions, addressing issues from different angles. While conditions differ from one country to another, features of a successful solution may provide useful insights for enhancing consumer protection and engagement, both in preparation for future crises and in daily life.

Based on the national experiences presented in this report, CEER has identified the following recommendations:



**Choice
Adaptability
Incentives**

Unlocking energy efficiency and demand response for all consumers

- The recently adopted revisions to the EU's electricity market framework consider that consumers should have access to all types of offers and be free to choose one or even multiple options. This acknowledges the potential for consumers to engage in energy in a variety of ways. CEER agrees with this vision and considers that consumers should be able to **choose offers adapted to their specific needs, preferences, and financial and technical capabilities** – ranging from fully fixed-price, fixed-term contracts to variable and dynamic contracts. CEER recommends **encouraging consumers to engage with demand response and flexibility**, starting with solutions that can be applied in fixed-price, fixed-term contracts, including discounts or rewards for shifting consumption during critical periods. CEER believes that consumers can be successfully incentivised to engage with demand response and flexibility through contracts that **provide positive rewards and benefits**, rather than through negative penalties.
- Energy community one-stop shops already exist in several countries offering services, at national, regional or local level to help energy communities overcome barriers to setting up their organisations or projects at different stages. CEER considers that the experience drawn from these existing mechanisms should be used in implementing similar **independent bureaus to advise consumers** on the options best suited to their individual energy needs and situations, such as efficiency measures, investments, and types of offers. CEER recommends that competent authorities at all levels (European, national, regional and local) cooperate on setting up these one-stop shops to

¹ REPowerEU (europa.eu)

²https://energy-communities-repository.ec.europa.eu/setting-community-energy-one-stop-shops_en



Information Diversity Pros & Cons

provide better coordination of information and advice, helping consumers in the transition to a decarbonised system.

Taking into account evolution of consumer behaviour and expectations

- Some consumers may not be fully aware of the **conditions of their national supplier of last resort (SOLR) mechanism**. CEER recommends ensuring that consumers receive all the necessary information to smoothly transition back to a “normal” situation if they have been transferred to an SOLR. This should include clear details about the prices paid to the SOLR compared to standard prices, as well as the duration of the SOLR contract if it comes with an end-date.
- One of the objectives of the Improving the Union’s Electricity Market Design Directive is to shield consumers from price spikes by ensuring they have guaranteed access to a variety of offers, including dynamic contracts introduced under the Clean Energy Package, and fixed-price, fixed-term contracts introduced under the revised Electricity Directive. CEER considers that there are different types of consumers and that the **market should allow all types of supply offers to meet these differing needs**. Consumers should be able to choose freely any type of contract, whether they prefer the predictability of fixed-price, fixed-term contracts – which may come at a higher cost over time – or the potential optimisation of their bill with partly or fully variable or dynamic contracts.
- In addition to the EU requirements on providing information related to fixed-price, fixed-term and dynamic offers, CEER recommends that stakeholders **inform and advise consumers about the pros and cons of all types of offers, as well as subscription and termination conditions**. This will help consumers identify the best supply offer for their individual situation, considering their capabilities and the benefits or risks they are willing to take on.



Clarity Consistency Completeness

Ensuring suppliers convey understandable messages for informed consumer decision making

- The newly revised Gas Directive 2024/1788 requires harmonisation in the summary of key contractual conditions: “Final customers shall be provided with a single **summary of the key contractual conditions** in a prominent manner and in concise and simple language. Member States shall require the supplier to use a common terminology. The Commission shall provide non-binding guidance in this regard.” CEER considers this provision should be extended to electricity contracts. **Harmonised vocabulary and terms**, at least at national level, would benefit consumers by making energy contracts **easier to understand and improving the comparability** of offers between suppliers. Standardising terminology for both gas and electricity would further facilitate consumers’ comprehension of their contractual conditions.
- CEER recommends that the type and amount of information provided by suppliers when advertising and proposing offers, as well as the way this information is presented to consumers, should follow **transparency and complete-**

ness criteria defined by the competent national bodies in collaboration with relevant stakeholders, such as consumer associations, and in line with provisions in European Directives.

- To enhance consumer awareness and participation in market dynamics, CEER considers that suppliers should **inform consumers in a transparent and comprehensible manner about the financial impacts** of any price changes during the contract lifecycle. This would allow consumers to make informed decisions about whether to switch to another offer or supplier.



**Proportionality
Certainty
Calculation
model**

Increasing accuracy and transparency of termination fees

- Where termination fees are applied, they should respect the proportionality and “direct economic loss” rules, with the onus being on the supplier to **explain in a clear and understandable way to the consumer the level of resulting termination fees**. Pre-contractual and contractual terms and conditions should explicitly state whether termination fees apply to the offer and outline the calculation model used. CEER emphasises that it can be difficult to determine the exact amount in advance, and simply providing the calculation methodology and conditions of the termination fees does not guarantee consumer understanding or informed decision-making. CEER considers that consumers should **be able to request and consult the exact fee they would be charged** if they terminated their contract in advance. Additionally, consumers should be made aware of this information during the pre-contractual and subscription periods. CEER considers that public comparison tool and comparison tools with a trustmark should, at the very least, mention the presence of termination fees in offers and, if feasible, provide additional details such as the calculation methodology or an estimate of the fee.

Reinforcing suppliers’ reliability through prudential regulation

- CEER emphasises the need to strike a **balance between implementing prudential regulations and avoiding the risk of creating barriers to competition** or imposing stringent requirements that could stifle innovation and deter new entrants. It is essential to ensure that regulatory measures designed to enhance stability do not inadvertently hinder market dynamism or discourage competition, both of which are crucial for driving efficiency and innovation. CEER underlines that implementing prudential regulation mechanisms may require additional and expert resources within National Regulatory Authorities (NRAs) or other competent authorities designated by the Member State, as well as within suppliers, whose costs will ultimately be passed down to consumers.



**Balance
Security
Competition**



Identify Target Support



Education Assistance Engagement

Addressing energy poverty and vulnerability

- CEER believes that targeted mechanisms to **address consumers' vulnerabilities and needs** are the only way to ensure that no-one is left behind on the path to the green transition. Regulators have a crucial role to play in ensuring that energy markets tackle these challenges within the broader **national social support framework** led by public bodies of other sectors responsible for helping and supporting individuals and families in situations of hardship.

Providing better targeted measures for more energy efficient actions focused on vulnerable and energy poor consumers

- To address barriers that prevent vulnerable and energy-poor consumers to achieve energy savings, CEER recognises that various measures, adapted to national specificities, can be taken. **Financial assistance programmes, such as grants, subsidies, low-interest loans or on-scheme bills** specifically targeting vulnerable consumers, can help cover the upfront costs of energy efficiency upgrades. Educational **campaigns tailored to the needs of vulnerable communities** can explain the benefits of energy efficiency and available assistance programmes. **Energy one-stop shops**, as designed by the Energy Efficiency Directive (EED), can offer free or subsidised energy audits that will help consumers identify cost-effective energy-saving measures and prioritise improvements based on their individual situations. Expanding and promoting **utility bill assistance programmes** can help low-income consumers manage their energy costs. Increasing **incentives and rebates for energy-efficient appliances** and home upgrades can further incentivise investments.
- CEER considers that directly **engaging all relevant stakeholders**, particularly vulnerable communities and consumer-competent bodies, in the design and implementation of these measures is crucial to ensure they meet the specific needs and preferences of the target populations at a reasonable cost. Training and employing members of vulnerable communities in energy efficiency-related jobs can create job opportunities and increase trust within the community. Additionally, **ongoing evaluation and adaptation of these programmes** are essential to ensure their effectiveness in addressing energy efficiency barriers for vulnerable consumers.

1 Introduction

In light of the recent crisis in the energy sector, this report focuses on the immediate and medium-term effects on consumers and energy retail markets. The report aims to collect and share the experiences of implementing various crisis measures, focusing on lessons learned to improve the retail market and consumer protection, thereby contributing to (re)building consumer trust in a liberalised energy market.

In a context where the crisis seems to have eased with less price volatility in the retail market, and where the role of the consumer is crucial in decarbonising the energy system, CEER considers it important to reflect on how to achieve the objectives set by the Fit for 55 Package in a landscape heavily marked by the crisis, especially since these objectives were set before the crisis.

The energy crisis had a severe impact on many consumers. In addition to facing unprecedented price hikes, reports of widespread windfall profits and the complexities of price formation (based on the marginal price model) dented consumer trust in retail markets. For consumers to become key players in the energy transition, it is necessary to restore their confidence in the system and provide them with the tools and knowledge to act responsibly. This report examines some of the issues consumers faced and how countries assisted them overcome these challenges or the measures they implemented to do so.

Based on the information collected, this CEER report aims to share these experiences and also to provide recommendations so that countries and relevant stakeholders have at their disposal some of the solutions employed across Europe, along with the legislative revisions adopted in the meantime, to be better prepared to face a potential future new crisis and to improve the

overall functioning of retail markets in the interest of consumers.

This report has been elaborated under the CEER-BEUC “2030 Vision for Energy Consumers: LET’S ASPIRE!³”, calling on governments, industry, regulators, consumer bodies and authorities to deliver Affordability, Simplicity, Protection, Inclusiveness, Reliability and Empowerment (ASPIRE) for all consumers.

2 Solutions and measures to tackle challenges raised by the energy crisis

To overcome the energy crisis, countries implemented various measures and strategies to protect consumers from its effects. While some measures were new, certain countries were able to rely on pre-existing policies, estab-

lished before the crisis, but well-suited to protecting consumers. This section aims at assessing different types of measures implemented by European countries and providing several solutions in the face of the same problem.

2.1 Unlocking energy efficiency and demand response for all consumers

2.1.1 Consequences of the crisis and actions taken

When it comes to consumers, and even more so when discussing their engagement in demand response, it is essential to consider the existence of various types of consumers based on their needs, preferences, capabilities and willingness to participate in demand response. Therefore, it is important to provide them with different solutions to allow them to participate according to their profiles and to explore ways to democratise access to demand response and flexibility, ensuring that these benefits are available to all consumers. Beyond availability, the challenge lies further in redirecting consumer focus towards energy efficiency, noting that measures for increasing renewable capacity alone may not be sufficient without energy efficiency measures, such as home insulation, and that they benefit both the consumer (reducing bills) and the system (reducing demand). The revised Energy Efficiency Directive includes a series of welcome provisions to support consumers, particularly the most vulnerable, to implement energy saving solutions in their homes. Energy efficiency first and energy savings also took centre stage in the EU's emergency Regulations, when many countries applied measures to reduce consumption of electricity and natural gas. Maintaining and increasing energy efficiency first efforts, in particular through the revised Directive on Energy Performance of Buildings, are unquestionably the starting point for helping consumers to reduce their energy consumption needs, whilst encouraging

demand response and flexibility.

To face the high energy prices and wary of future price spikes, some consumers are going further than simply reducing their demand and have invested in self-generation. According to the International Energy Agency:

“The forecast for renewable capacity additions in Europe has been revised upwards by 40% from before Russia's invasion of Ukraine, which led many countries to boost solar and wind uptake to reduce their reliance on Russian natural gas. The growth is driven by high electricity prices that have made small-scale rooftop solar PV systems more financially attractive and by increased policy support in key European markets, especially in Germany, Italy, Spain and the Netherlands.

Newly installed solar PV and wind capacity is estimated to have saved EU electricity consumers EUR 100 billion during 2021-2023 by displacing more expensive fossil fuel generation. Wholesale electricity prices in Europe would have been 8% higher in 2022 without the additional renewable capacity, according to the new IEA report. [...] Multiple countries in Europe including Spain, Germany and Ireland will see wind and solar PV's combined share of their overall annual electricity generation rise above 40% by 2024.”⁴

⁴ Renewable power on course to shatter more records as countries around the world speed up deployment

Instruments for achieving demand response targets may include direct or indirect incentives to consumers and network operators to engage in and benefit from demand response, as well as consumer protection and tailored energy advice frameworks. Consumers can increase their flexibility and contribute to demand response by shifting their consumption to opportune periods, avoiding peak times. They can also subscribe to energy offers with tariffs with flexibility services or that encourage them not to consume during peak times, or even incentivise consumption during off-peak hours. The integration of renewable production can also influence a consumer's consumption profile, either as a result of their own generation via photovoltaic panels or by subscribing to supply offers based on incentivising renewable production. It is important to recognise that engagement, participation and flexibility can take many forms and that they can be undertaken, alike, by consumers with fixed-term, fixed-price contracts and those with variable and dynamic contracts.

The recently adopted revisions to the EU's electricity market framework consider that consumers should have access to all types of offers and be free to choose one or even several supply offers; this in recognition of the potential for consumers to engage in energy in a variety of ways. **CEER agrees with this vision and considers that consumers should be able to choose an offer adapted to their needs, preferences, financial and technical capabilities, ranging from fully fixed price, fixed term contracts to variable and dynamic contracts. CEER recommends encouraging consumers to engage with demand response and flexibility, starting with solutions that can be applied in fixed price, fixed term contracts, including discounts or rewards from shifting consumption at key times. CEER believes that consumers can be successfully incentivised to engage with demand response**

and flexibility through contracts that provide positive rewards and benefits, rather than through negative penalties.

Creation of energy advice bureau for consumers (one-stop-shops)

It may be difficult for household consumers to get an overview of the measures that can lower their electricity bill. Individually tailored information, for example, can help households understand how much appliances in the home affect electricity costs and can provide a basis for decisions about investments in steering equipment, energy efficiency or the choice of contracts. Comparison between different types of measures is lacking that could make it easier for consumers to weigh different measures against each other and understand potential synergies between measures, so that the most rational decisions can be made. Therefore, such information and such tools need to be presented together so that consumers can value them and assess different options without having to compile information from different sources.

Article 22 of Energy Efficiency Directive 2023/1791 states : “Member States, in cooperation with regional and local authorities, where applicable, shall ensure that information on available energy efficiency improvement measures, individual actions and financial and legal frameworks is transparent, accessible and widely disseminated to all relevant market actors, such as final customers, final users, consumer organizations, civil society representatives, renewable energy communities, citizen energy communities, local and regional authorities, energy agencies, social service providers, builders, architects, engineers, environmental and energy auditors, and installers of building elements as defined in Article 2, point (9), of Directive 2010/31/EU. [...] For the purpose of this Article, Member States shall in cooperation with competent authorities, and, where

appropriate, private stakeholders establish dedicated one-stop shops or similar mechanisms for the provision of technical, administrative and financial advice for energy efficiency.”

Energy community one-stop-shops⁵ already exist in several countries to provide services, at national, regional or local level, help energy communities overcome barriers towards setting up their organisations and/or projects at different stages of the process. CEER considers that experience should be drawn from these existing mecha-

nisms in implementing similar independent bureaus to advise consumers on the options that would be best suited to their individual energy needs and situations, including, for example efficiency measures and investments, types of offers, etc. CEER recommends that competent authorities at all levels (European, national, regional and local) should cooperate on setting up these one-stop-shops to provide better coordination of information and advice to help consumers in the transition to a decarbonised system.

2.1.2 Collection of case studies (ES, FR, GB)

Tempo offer (France)

Consumers equipped with smart meters can choose an offer that incentivizes load shifting and avoiding peak hours, as well as peak days. This “Tempo” offer allows customers to pay a lower kWh price for the majority of the year, against a higher price during peak consumption periods at the national level. In this way, consumers are incentivized to shift their consumption during peak days and peak hours to relieve grid constraints.

The current Tempo variable components are the following (01/02/24 prices):

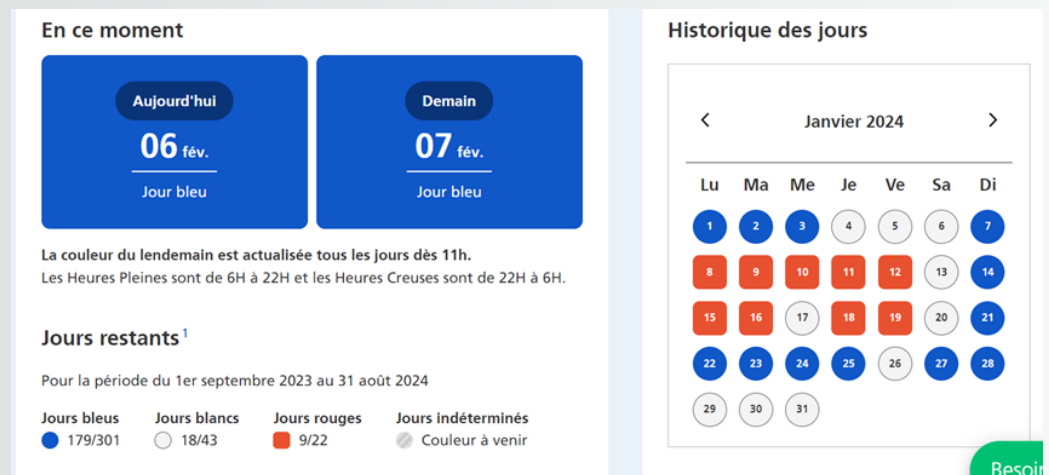
Contracted power (KVA)	Monthly fee (€/month all taxes included)	Price per kWh (cts €/kWh all taxes included)					
		Blue day Off peak price	Blue day Peak price	White day Off peak price	White day Peak price	Red day Off peak price	Red day Peak price
6	12,96	12,96	16,09	14,86	18,94	15,68	75,62
9	16,16	12,96	16,09	14,86	18,94	15,68	75,62
12	19,44	12,96	16,09	14,86	18,94	15,68	75,62
15	22,45	12,96	16,09	14,86	18,94	15,68	75,62
18	25,44	12,96	16,09	14,86	18,94	15,68	75,62
30	38,29	12,96	16,09	14,86	18,94	15,68	75,62
36	44,42	12,96	16,09	14,86	18,94	15,68	75,62

The offer proposes six fixed prices depending on:

- 3 colours based on the day: red, white, or blue, from most expensive (red) - and usually coldest day - to least expensive (blue);
- 2 tariffs based on the time of day: Peak/Off-Peak tariff.

Tempo peak hours are set throughout France between 6 AM and 10PM, the rest of the day is considered off-peak. The calendar year is divided into 300 blue days (defined as days of low consumption), 43 white days (defined as days with an intermediate level of consumption) and 22 red days (defined as days with the highest level of consumption). The red days have the additional constraints of being set between 1 November and 31 March, excl. weekends and national holidays.

Example of Tempo offers days in January 2024:



The colour for the next day is defined by the electricity transmission system operator (TSO) and known no earlier than 11 AM and no later than 8 PM to allow consumers to adjust their consumption behaviour. Customers under the Tempo offer then receive a text message and an email, warning them before noon, on the day itself, of whether the day is turning out to be blue, white or red. They can also read the notification directly on their smart meter on the previous day.

As with all French regulated tariffs, Tempo prices are determined by the NRA (CRE), by stacking up costs and establishing a fair level of remuneration for the supplier.

The Tempo option incentivizes load shifting through the price signal, which reflects quite well the tensions on the electricity market. The price structure also provides consumer visibility:

- In the short-run, consumers whose price is fixed the day before have time to anticipate the shifting of usual household chores, etc.
- In the long-run, giving consumers visibility on the price grid for several months (and limiting the number of red and white days) allows these consumers to consider longer term investments to reduce their energy bill, for instance regarding energy efficiency renovations in their homes.

The structure of the Tempo option is simple and readable for consumers who are aware of the exact prices they can be exposed to within the year and can then be incentivized to shift their consumption through a simple colour signal.

The balance between the efficiency of the load shifting incentive and the acceptability for consumers has been reached, as EDF has calculated a 23% reduction in consumption during red days.

The Tempo offer exists since the 1990s but has been more subscribed since the energy crisis. The number of clients went from 200 000 in 2022 to 500 000 in 2023, thus paving the way towards a high-scale demand-side response. EDF wishes to convince 5 million consumers to subscribe in the coming years. In March 2024, 4 suppliers proposed offers built on the model of “Tempo”, with a variable period of high prices which is identified only on a day-ahead basis.

As a step towards dynamic prices, these types of offers could respond to the need of consumers wishing to reduce their bills or contribute to demand response, but choosing to limit their price signal exposure.

Time of Use Network tariffs (Spain)

An adequate structure of network tariffs and charges that encourages the use of networks in less saturated time periods and discourages their use during peak demand hours, also contributes to providing the right signals to consumers in order to make their consumption more efficient and reduce the cost of their bill. Thus, the time-of-use (ToU) network access tariff structure approved in Spain by CNMC in 2020 - in effect since June 2021 - differentiates three consumption periods (peak, flat and valley) for households and SMEs with contracted power under 15kW. The prices associated with this regulated part of the bill (which represents around 40% of a household consumer's bill) are set in such a way as to encourage shifting consumption to off-peak hours.

Furthermore, the regulated price in Spain, the Voluntary Price for the Small Consumer (PVPC), incorporates the hourly result of the electricity market in the determination of the energy cost, which provides a clear price signal that encourages more efficient consumption behaviour by consumers, as long as the system operator publishes daily all the components of the cost of energy for the following day so that consumers know in advance which hours will have lower energy prices .

⁶ CNMC also publishes these prices in its energy consumers' web

National Grid Electricity System Operator's Demand Flexibility Service (Great Britain)

During the energy crisis and subsequent reduction in gas supplies across European markets over the winter of 2022/23, Great Britain (GB) experienced challenges associated with security of supply due to the additional stress placed on the network over and above the usual winter strain. As a result, GB's National Grid Electricity System Operator (NGESO) foresaw scenarios, such as reduced electricity imports from Europe, which would have potential margin shortfalls. Within this context, the NGESO developed a service, the Demand Flexibility Service (DFS), to access consumer demand side response (turn down) as a security of supply tool to reduce national electricity demand during periods of system stress in winter of 2022/23. NGESO anticipated that 2GW of DFS response was available through additional consumer flexibility, and this would return system margins close to 'base case'. Over that winter, flexibility was delivered through the DFS as a service that the NGESO procured and activated in the service of balancing the electricity system. The DFS was used as an 'enhanced' action which was utilised after all other commercial options were forecast to be insufficient. Ofgem's role was to approve the service, meaning that the relevant additions to the Terms and Conditions related to Balancing were made. Ofgem's assessment was based on the requirements of the Electricity Balancing Guidelines (as amended into UK law), the objectives of the Electricity Regulation (as amended into UK law) and consideration of the costs and benefits to the end consumer of providing additional security of supply. Ofgem also approved a derogation to allow the service, which is a balancing energy service, to be dispatched ahead of gate closure.

In order to bid into the DFS, providers (generally suppliers and aggregators) signed up to Terms & Conditions with NGESO. Providers then signed up their own customers (household and/or industrial and commercial customers) to their commercial offering for DFS. Household consumers were able to sign up via their current supplier or an alternative provider, provided they had a smart meter. Providers would then submit weekly volume and price estimates to NGESO for 'units' (aggregated volume between 1MW and 100MW) 7 days ahead. The NGESO would then issue warnings to providers in the morning day-ahead, and providers would firm up their offerings by the afternoon. Providers, if contracted, would then instruct their consumers to shift demand at the required time and in return consumers were paid for delivery, with no non-delivery penalty. Consumers change in usage was calculated through comparing their baselined usage (based on recent historic usage) to metered usage. Providers were then paid for the delta between the two, which was then passed on to the consumers based on the commercial offering of the Provider they signed up with.

The first trial of DFS included both live and test bids, which differed in terms of price offered (tests had a guaranteed minimum offer price, prices above this might not be considered, depending on volume indications whereas this did not exist for tests). The first trial in winter 2022/23 completed 20 onboarding and regular test events and 2 live events, through which over 2GWh of demand reduction was delivered. 1.6m consumers took part through 31 providers, and £11.1m was paid for 22 activations.

The first DFS service ended in April 2023. The DFS is running again in winter of 2023/24 as NGENSO see credible cases where 1GW of DFS might be needed, and as such are repeating the regime. For NGENSO to reintroduce the service, they required regulatory approval as for the 2022/23 service. Approval for both the Terms and Conditions related to Balancing and a derogation allowing dispatch ahead of real time was granted in October 2023. Ofgem considered that NGENSO has shown reasonable potential requirement for the service as an enhanced action and that some improvements to the nascent service had been made (such as allowing consumers to enter the service through asset meters rather than boundary meters, potentially adding to available generation). Ofgem is keen that the service continues to add value, and, while recognising the need to grow volume in the service to meet forecast requirements and enter a competitive bidding stage, testing of the service was identified as route to potential value by identifying key learnings, not just providing a guarantee of usage frequency.

Overall, flexible generation and demand is forecast to be a key part of the future electricity system in GB. DFS has demonstrated that consumer flexibility can play a role in balancing the system and has been a key test case for consumer uptake of such flexibility offers. The expectation is that, with other market developments, some flexible volume can offer into existing markets, while other volume might be incentivised through market mechanisms such as variably priced tariffs as this becomes more common across the industry.

2.2 Taking into account evolution of consumer behaviour and expectations

2.2.1 Consequences of the crisis and actions taken

Since the crisis, consumers sensitised by high energy prices have become more attentive and sensitive to energy-related issues. An examination of consumer preferences, behaviour and expectations is imperative for understanding the evolving landscape of the market, even more so when consumers are considered key to unlocking demand response and flexibility. This section aims at identifying changes in consumer behaviour, particularly those strongly hit by high energy prices or supplier bankruptcy, and measures put in place to foster trust.

Based on the data collected from the ACER-CEER Market Monitoring Report 2023, a significant decrease in switching was observed in a few countries in 2022, mainly: Great Britain, Austria, Czechia, Slovakia and The Netherlands. This decrease was influenced by

several factors:

1. Unattractive price offers (AT case);
2. Possible consumer distrust in switching due to significant supplier exits and involvement in supplier of last resort (SOLR) process (probably GB case); and
3. A reassessment from high switching rates experienced in previous years (e.g., 2021 in Netherlands, Belgium, Czech Republic, Norway). Further, there might have been a delay of the effect of high energy prices in 2022 on consumer choices; indeed, literature has shown that energy consumers often react in response to a predictable spike in prices, rather than in anticipation⁷. On the contrary, in the Spanish electricity market, the total switching rate increased by 9 percentage points from 2020 to 2022 (switching

rate was 12.5% in 2020 and it was 21.5% in 2022). For households, this increase was similar (from 12.1% in 2020 to 21.2% in 2022). Independent suppliers without hedges were not able to offer competitive prices like incumbent suppliers that benefit from natural hedging.

The SOLR mechanism proved its efficiency by maintaining the supply of energy to those consumers whose suppliers failed. Roughly 3.5 million household electricity customers and 2.7 million household gas customers were transferred to SOLRs across all MSs according to the ACER-CEER Market Monitoring Report. Conditions for the SOLR sometimes differ significantly from one country to another, for example regarding price setting, SOLR designation, etc⁸.

All countries were cautious about not setting the SOLR prices lower than the standard prices, for gas and electricity. Indeed, if the SOLR price is lower than the prices of other electricity suppliers, consumers may not be incentivised to switch out to an electricity supplier and stay with the SOLR, which is not the purpose of this mechanism. This bias may be even more significant where the contract with the SOLR has no end date. **Some consumers may not be fully aware of the conditions of their national SOLR mechanism. CEER recommends ensuring that consumers receive all the necessary information that will allow them to switch smoothly back to a “normal” situation if they have been transferred to an SOLR, in particular regarding the prices paid to the SOLR compared to standard prices and the duration of the SOLR contract if it comes with an end-date.**

One of the objectives of the Improving the Union’s Electricity Market Design Directive is to shield consumers from price spikes by giving them guaranteed access to all sorts of offers, be they

dynamic contracts as introduced in the Clean Energy Package, or fixed price, fixed term contracts introduced in the revised Electricity Directive as part of the Reform. **CEER considers that there are different types of consumers and that the market should allow all types of supply offers to meet these differing needs. Consumers should be able to choose freely any type of contract, whether they prefer the predictability of fixed price, fixed term contracts (which over time may come at a higher cost), or the potential optimisation of their bill with partly or fully variable or dynamic contracts.** The Improving the Union’s Electricity Market Design Directive goes in that direction in requiring Member States to ensure that the national framework enables suppliers to offer fixed-term, fixed-price electricity contracts as well as dynamic contracts. As it should be considered as a way of providing consumers with choices and not a regression on dynamic contracts, Member States should be able to exempt suppliers with more than 200 000 final customers who only offer dynamic price contracts from the obligation to offer fixed price and fixed term electricity supply contracts, provided that this does not have a negative impact on competition and retains sufficient choice of fixed price and fixed term contracts.

If during the crisis, there was an increased uptake of variable or dynamic offers compared to fixed-price offers in certain countries, for example in the Netherlands or Sweden, this can be explained by the absence or the high price level of fixed-price, fixed term offers. When energy prices returned to lower levels, allowing the emergence of more accessible fixed-price, fixed term offers, it is interesting to note that some consumers re-subscribed to fixed-price, fixed term offers, with some being convinced by the benefits offered by dynamic pricing. **In addition to the EU requirements on providing information related to fixed**

7 See, for example: Power to Choose? An Analysis of Consumer Inertia in the Residential Electricity Market by Ali Hortaçsu, Seyed Ali Madanizadeh and Steven L. Puller published on the American Economic Journal: Economic Policy, Vol. 9, No. 4 (November 2017), pp. 192-226.f
8 ACER/CEER Annual Report on the Results of Monitoring the Internal Electricity and Natural Gas Markets in 2021

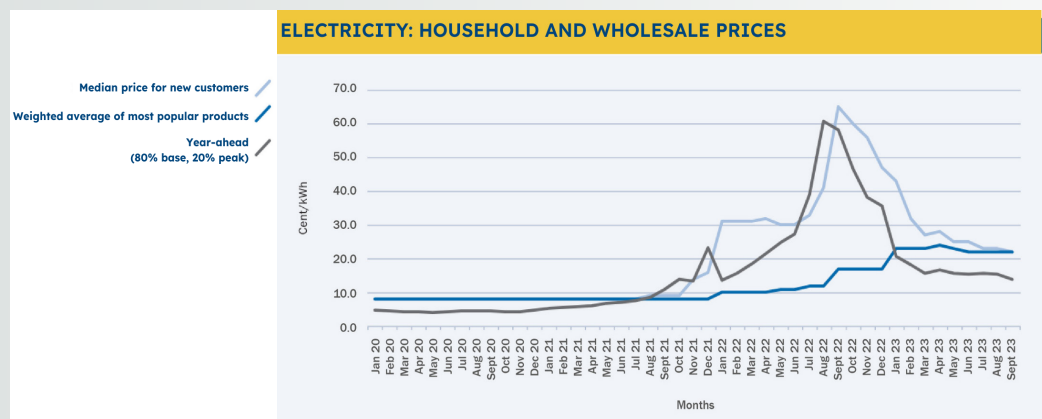
price, fixed term and dynamic offers, CEER recommends that stakeholders inform and advise consumers of the pros and cons of all types of offers, as well as subscription and termination conditions, thus, helping consumers to identify the best supply offer considering their individual situation in terms of capabilities and benefits/risks they are willing to engage with.

2.2.2 Collection of case studies (AT, ES, GB)

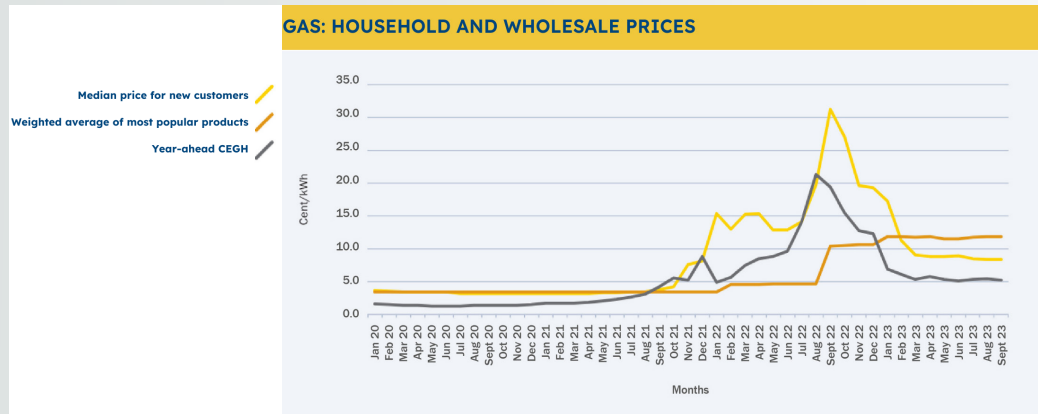
Supplier of last resort mechanism (Austria)

During summer 2022, household prices started to increase in Austria, with prices peaking between autumn 2022 and beginning of 2023. While many suppliers increased their energy prices, some suppliers also terminated contracts with their customers or left the market altogether, leaving many customers looking for new suppliers. Many suppliers also resorted to terminating existing contracts and offering a new contract with adjusted prices, instead of increasing prices within the existing contractual agreement.

The two charts below show the development of Austrian household electricity and gas prices from 2020 until September 2023. The blue (orange) line represents the weighted average price of products offered by incumbents for electricity (gas), whereas the light blue (yellow) line represents the median value of new contract prices for electricity (gas).



Development of wholesale and household electricity prices. Source: E-Control



Development of wholesale and household gas prices. Source: E-Control

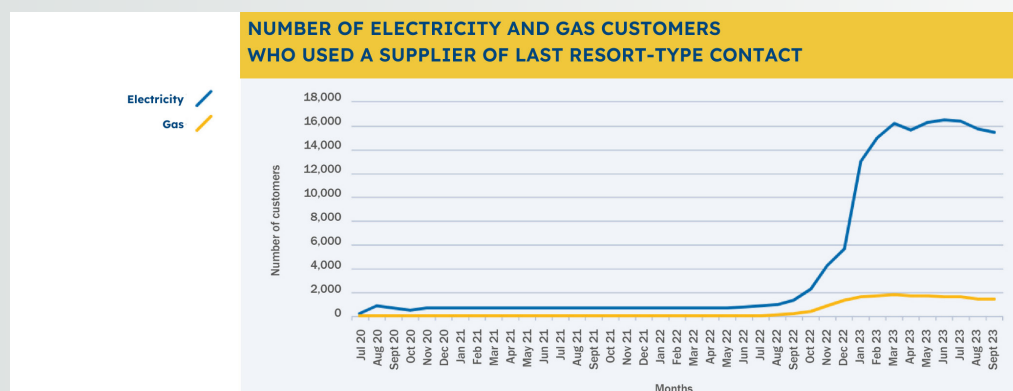
With significantly increased prices, many customers faced financial difficulties to cover their energy bills. Because of the vast number of terminated contracts by suppliers, many customers were also in need of a new supplier. On the market, however, there was only a small number of operating suppliers to switch to and the new contracts offered were extremely highly priced. Hence, the number of people entering the Austrian supplier of last resort system, i.e. Grundversorgung, increased significantly.

The Austrian SOLR is based on an obligation to contract. This means that, if the customer invokes their right to a SOLR contract, the supplier must accept the customer and cannot deny the supply of energy. The Austrian SOLR system is initially designed for customers with poor credit ratings and payment difficulties. In cases where these customers cannot find any supplier willing to supply them because of their payment difficulties, the customers can invoke their right to a SOLR contract. This ensures that also customers with poor credit ratings are supplied with energy. However, the legislation in Austria does not specifically imply that the SOLR contract is only granted to vulnerable customers. It is also not based on any conditions e.g. proof of refusal to conclude a contract or social neediness. This means that potentially every customer in Austria can enter into a SOLR contract. The price of a SOLR contract is fixed by law and cannot exceed the price the largest group of customers the respective supplier pays.

Until the end of 2022, the SOLR prices were higher than the prices of new contracts on the market. The incentive for customers to enter a SOLR contract was therefore very low. With increasing energy prices, however, the SOLR prices suddenly became lower than the prices of new contracts, leading to a significant increase in SOLR contracts in the beginning of 2023. The chart below shows the increase in the number of customers on SOLR contracts from 2020 until September 2023 – with almost 16,000 customers having a SOLR contract for electricity and 1,600 for gas in the first half of 2023; an all-time high record. The majority of SOLR contracts were concentrated in a handful of suppliers, mostly incumbents.

The substantial increase in SOLR contracts resulted in suppliers coming

up with conditions for contract conclusion that were not foreseen by law. Customers who wanted to invoke their right to a SOLR contract were thus often asked by suppliers to either prove their social hardship or prove that they were unable to enter into a contract with other suppliers. Furthermore, the suppliers also did not offer the cheaper existing customer tariff, only the more expensive market customer prices for new contracts. Since the suppliers' behaviour was not in accordance with the respective law of the SOLR system, E-Control subsequently conducted supervisory procedures to restore the legally compliant status. Since then, multiple suppliers appealed, hence the underlying regulation of the SOLR system is currently pending before the constitutional court.

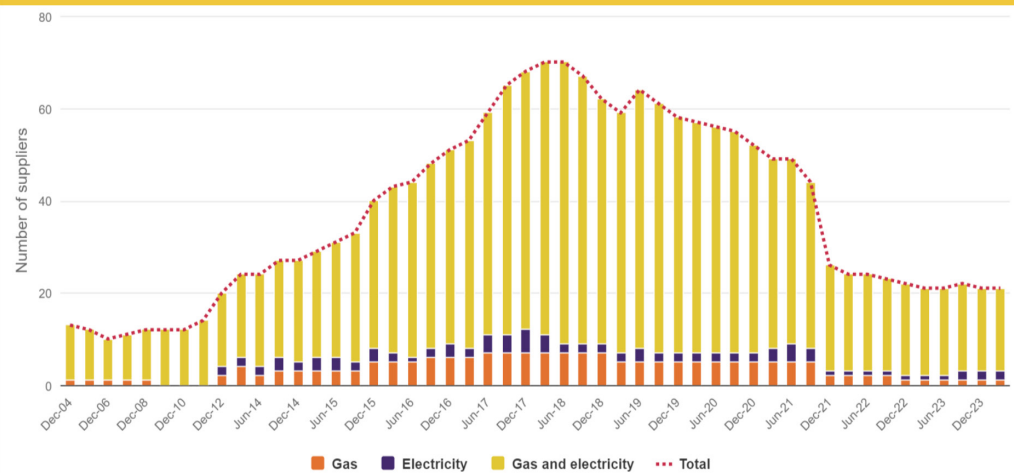


Number of customers with active SOLR contracts. Source: E-Control

Consumer energy support package in the context of the energy crisis (Great Britain)

As a result of increased gas and electricity prices in the market during the energy crisis, household energy prices rose, with many suppliers increasing their energy prices significantly. As a result of the crisis, 29 suppliers went into administration through the 'Supplier of Last Resort' process (SOLR). Through this process, Ofgem directs any gas or electricity firm to take on a failed supplier's customers. When choosing a supplier, Ofgem must be satisfied that they can supply additional customers without significantly prejudicing their ability to continue to supply their existing customers. Through the SOLR process, Ofgem chooses the new supplier following a competitive process designed to get the best deal for the consumer. One supplier also entered the Special Administration Regime. Customers of failed suppliers who were switched to a new supplier were protected by the Energy Price Cap. This is a GB Government scheme which sets the maximum price for standing charges and each unit of gas and electricity used by customers on default energy tariffs. Suppliers cannot charge customers of failed suppliers more than the level of the price cap. Consumers who have been switched to a SOLR are able to switch to another energy supplier without being charged exit fees.

NUMBER OF ACTIVE DOMESTIC SUPPLIERS BY FUEL TYPE (GB)



Source: Retail market indicators | Ofgem

Due to the crisis, many households faced much higher energy bills than they had previously. In response to energy price increases leading to rising household and business costs during winter 2022 – 2023, in Great Britain HM Government announced the delivery of a consumer energy support package. This package included support for both household and non-household consumers via four key government interventions. Ofgem has supported the Department for Energy Security and Net Zero (DESNZ), in the delivery of the schemes HM Government introduced, specifically in the areas of compliance monitoring and enforcement action and assisted with broader policy development. The package included the:

- Energy Bills Support Scheme (EBSS) - In response to the rising cost of energy, the government announced a package of support to help households with rising energy bills. As part of this, the government introduced the EBSS, a £400 discount on energy bills between October 2022 and March 2023 for domestic electricity customers in Great Britain (GB). The scheme was intended to provide universal support to around 28 million households.
- Energy Price Guarantee (EPG) - From 1 October 2022 up until 30 June 2023 the Energy Price Guarantee provided a support rate discount to all households with a domestic gas and/or electricity contract. This brought a typical household energy bill for dual-fuel gas and electricity down to:
 - around £2,500 per year in Great Britain
 - around £2,109 per year in Northern Ireland.

Amendments to Voluntary Price for the Small Consumer (PVPC) to reduce the price volatility impact on consumers (Spain)

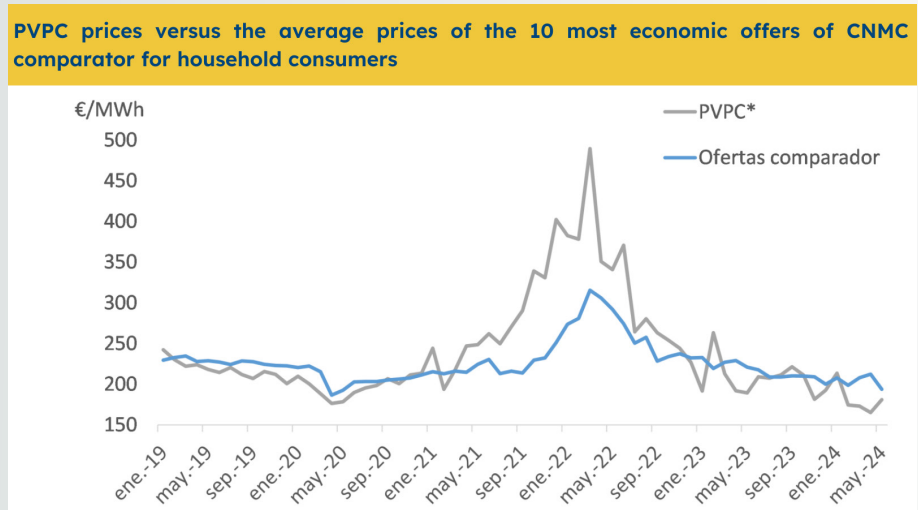
In Spain, the impact of the electricity price increase on end consumers especially affected those with a PVPC contract. PVPC is the regulated price offered by the suppliers of last resort which, since its creation in 2014, is configured as a dynamic price that fully internalises the volatility of the wholesale market price signal. This price has been one of the most competitive electricity supply offers in the market, as evidenced by the annual supervision reports on the retail electricity market conducted by CNMC.

During the crisis, consumers switching from PVPC to the free market increased considerably, due to the PVPC's indexation to the spot market prices which increased heavily its prices in comparison to those in the free market, and more specifically to fixed price offers. Switching from PVPC to the free market in 2022, compared to 2021, increased by 41% (reaching almost 1.8 million).

As a consequence, some modifications were introduced so that consumers with a PVPC contract would be less exposed to spot market volatility. The Spanish government introduced in its formula an additional reference to futures products traded in OMIP (the regulated market operator that provides a trading platform for energy products to the market), which includes a distribution of weights between the monthly, quarterly and annual products. Thus, the PVPC has a spot component and a long-term component based in futures products.

This distribution between forward products allows, on the one hand, to index (at least partially) the PVPC to price signals with a clear long-term component while, at the same time, introducing short-term products. On the other hand, this change encourages the contracting of hedging instruments by the suppliers of last resort, which also increases liquidity in forward markets.

The following figure shows that the PVPC has been more volatile during the crisis period than the average of the 10 most economic offers of the CNMC's price comparison tool for household consumers (contracted power of 4.4 kW and annual consumption of 3000 kWh)



Source: CNMC gas and electricity offers comparison tool and PVPC.

2.3 Ensuring suppliers convey understandable messages for informed consumer decision making

2.3.1 Consequences of the crisis and actions taken

Informed and active consumers are essential to realising the benefits of competition in retail markets. Consumer empowerment requires suppliers, among other things, to provide information about their offers in a clear and concise manner and to inform consumers about the evolution of the contract they subscribed.

At the European level, the legal framework requires suppliers to provide a minimum set of information about the contract in a clear and comprehensible manner and a summary of the key contractual conditions in a prominent manner and in concise and simple language in addition to informing consumers about any intention to modify contractual conditions (Articles 10(3) and 10(4) on basic contractual rights in Directive (EU) 2019/944 (Electricity Directive) and Article 11 on basic contractual rights in the Directive on common rules for the internal markets in renewable gas, natural gases and in hydrogen, amending Directive (EU) 2023/1791 and repealing Directive 2009/73/EC (Gas Directive)).

Articles 11(1a) and 11(2) on entitlement to a fixed term, fixed price electricity supply contract and dynamic electricity price contract in the Directive amending Directives (EU) 2018/2001 and (EU) 2019/944 as regards improving the Union's electricity market design go a step further and would require suppliers to provide to final customers the summary of the key contractual conditions⁹ prior to the conclusion or extension of any contract. For both energies, the Commission has been tasked with providing non-binding guidance in that regard, which is planned for summer 2024.

Other relevant European legislation on consumer contractual rights in the energy sector is:

- Articles 21(2) and 21(3) on basic contractual rights for heating, cooling and domestic hot water in Directive (EU) 2023/1791;
- Directive 2011/83/EU (Consumer Rights Directive) and, more specifically, information requirements for contracts other than distance or off-premises contracts (Article 5) and for distance and off-premises contracts (Article 6);
- Unfair Commercial Practices Directive, enabling national enforcers to curb a broad range of unfair business practices such as untruthful information to consumers or aggressive marketing techniques to influence their choices.

The precontractual phase is especially delicate as it represents the final step before signing a contract: an informed choice requires consumers to fully understand many contractual conditions (e.g. billing frequency, payment methods, conditions for renewal and termination of the contract, prices). However, reading a (often jargon-heavy) contract in its entirety might be challenging for consumers and the effort grows exponentially if different contracts from different suppliers need to be compared.

For this very reason, it is important that contractual information is clear, comparable and transparent. Studies on consumers' understanding of energy offers show that European consumers often have difficulties comparing contractual conditions (e.g. conditions for terminating the contract), energy prices and other features of the offers such as the environmental impact.¹⁰ Improving demand-side engagement, on the one hand, allows consumers to make better and more informed choices and, on the other hand, reduces the risk and impact of inaccurate or misleading information.

⁹ This summary shall include at least information on total price, its breakdown, explanation on whether the price is fixed, variable or dynamic, supplier's email address and a consumer support hotline and, where relevant, one-time payments, promotions, additional services and discounts and shall set out the rights referred to in Article 10(3) and 10(4) of the Electricity directive.

¹⁰ EU Commission's consumer study on "Pre-contractual information and billing in the energy market – improved clarity and comparability"

The newly revised Gas Directive 2024/1788 requires harmonisation in the summary of key contractual conditions: “ Final customers shall be provided with a single summary of the key contractual conditions in a prominent manner and in concise and simple language. Member States shall require the supplier to use a common terminology. The Commission shall provide non-binding guidance in this regard. “

CEER considers this provision should be extended to electricity as it is beneficial for consumers to have, at least at national level, harmonised vocabulary and terms in energy contracts to make it easier for them to understand and improve the comparability of offers between suppliers. Having a common terminology for both gas and electricity would also further facilitate consumers’ understanding of their contractual conditions.

CEER recommends that the type and amount of information provided by suppliers when advertising and proposing offers and the way such information is presented to consumers should follow transparency and completeness criteria defined by the competent bodies at national level with relevant stakeholders such as consumer associations and in line with provisions in European Directives.

Instances of misconduct by energy suppliers have been widely reported for years in virtually every European country. Common wrongdoings refer to the lack of transparency in promotional and precontractual materials, aggressive marketing practices (e.g., through doorstep selling) and the unsolicited subscription of additional products/services.

Following the energy crisis, however, new types of malpractice have been observed, to counteract the increase of wholesale prices and preserve operational margins. Examples reported across many countries include chang-

es to energy prices without warning or without providing enough time for consumers to react, as well as unilateral termination of the contract. To address these situations, public authorities have intervened to varying degrees depending on the severity of the offenses, ranging from establishing a code of conduct to financial penalties or prohibiting the acquisition of new customers. The issue of suspending a supplier’s license remains complex, as it requires switching the supplier’s existing customers out of its portfolio.

In November 2023¹¹, for example, the Italian Competition Authority (AGCM) imposed fines of over €15 million on six energy suppliers (whose market share in the household segment equals more than 90%) because they adopted aggressive commercial practices by pressuring consumers to accept increases in electricity and gas prices. Indeed, in order to ensure protection of customers, Decree Law n. 115/2022 had prohibited unilateral price increases for the supply of electricity and gas from 10 August 2022 to 30 June 2023. According to AGCM, however, the six companies sent letters to users under fixed-price, fixed-term contracts persuading them to accept price changes during the above-mentioned period, resulting in significant bill increases for their customers.

The revised Electricity Directive requires specific requirements in the case of unilateral changes of contractual conditions (including prices): “Final customers shall be given adequate notice of any intention to modify contractual conditions and shall be informed about their right to terminate the contract when the notice is given. Suppliers shall notify their final customers, in a transparent and comprehensible manner, directly of any adjustment in the supply price and of the reasons and preconditions for the adjustment and its scope, at an appropriate time no later than two weeks, or no later

11 <https://en.agcm.it/en/media/press-releases/2023/11/PS12450-PS12453-PS12458-PS12460-PS12461-PS12462>

than one month in the case of household customers, before the adjustment comes into effect”.

To enhance consumer awareness and participation in market dynamics, CEER considers that suppliers should inform consumers, in a transparent and comprehensible manner, about

the monetary impacts of all types of price changes during the contract lifecycle on consumer energy spending; this way, consumers can make an informed decision on whether to switch to another offer and/or another supplier.

2.3.2 Collection of case studies (AT, FR, ES, IT, PT)

2.3.2.1 Pre-contractual information

In the last few years, countries have adopted several initiatives to further improve transparency and clarity of electricity and gas offers and to make consumers more aware about changes in prices during the contract lifecycle.

A common measure regarding the precontractual phase is the provision to consumers and SMEs of information that improve awareness and trust in the market dynamics and helps to prevent unaware choices and misleading practices. In Portugal, the Commercial Relations Code of the Energy Services Regulatory Authority (ERSE) requires suppliers to detail the main characteristics of the offer when they present it to consumers. A similar measure was implemented in Italy by the Italian Regulatory Authority for Energy, Networks and the Environment (ARERA) with the Commercial Conduct Code (“Codice di condotta commerciale”).

However, information overload could occur if suppliers are left free to present such information in any way they prefer (e.g., within the contract itself). To make this information clear and comparable and to provide consumers with reliable and trustable information, since 2015 (ERSE’s Directive no. 6/2015), in Portugal it is mandatory for suppliers to provide consumers with a standardised pre-contractual information template (“Ficha de Caracterização Padronizada”). Similarly, in 2020, ARERA introduced a summary docu-

ment (in Italian, “Scheda sintetica”) that suppliers must use to summarise and convey such information (Resolution 426/2020/R/com). While some information in the ERSE template can be personalised with consumer-specific details (e.g., installed power), all information in the ARERA template is standardised and of general nature.

Pre-contractual information: Portugal

The “Ficha de Caracterização Padronizada” template includes the following main sections:

- Supplier and offer identification
- Specific conditions of the offer, such as service provided (electricity, natural gas or both) contract duration; billing and payment information
- Specific items on electricity (including price details)
- Specific conditions for natural gas (including price details)
- Consumer information, that includes social tariff benefit conditions and client with special needs registration conditions

With this information, consumers can compare offers easily and choose their energy suppliers. The pre-contractual information template is also a means to raise questions and answers between customers and suppliers, so the contractual information is clear and known by both parties. In addition, it helps to create awareness of some very relevant aspects of the offers such as the existence of a loyalty period, with termination fees associated, and a fixed or dynamic price, that many times are items that cause confusion and uninformed choices. (See appendixes)

Precontractual information: Scheda sintetica (Italy)

The “Scheda sintetica” is characterised by a standardised and concise layout plus a set of rules on how to fill in each section. The document is composed of the following parts:

- general information: e.g., offer’s name, supplier’s contact information, contract duration;
- yearly expenditure of the offer, estimated across representative consumption levels;
- economic conditions: e.g., as price type (fixed/variabile), discounts, bundled products/services;
- additional information: e.g., consumer rights, payment delay, termination of the contract.

Alongside price information, suppliers are also required to display price indicators (“indicatori sintetici di prezzo”) computed by summing up all price components characterised by the same measurement unit, either €/kWh-m³ or €/year. This way, consumers can easily compare across offers how much suppliers are charging for electricity or gas consumption and how much they are charging in terms of a yearly fixed fee. Otherwise, customers must find all price components – usually scattered within the contract – and compute by themselves the total price. The most intuitive and immediate cue to assess the monetary value of an offer of course remains the yearly expenditure – price indicators are useful for customers who want to delve into price components during the precontractual phase. (See appendixes)

Comparison table between the Portuguese and the Italian pre-contractual documents:

Comparing both Italian and Portuguese templates highlights some common items. The main differences come from the fact that the template is customised with consumer’s information in Italy, which is not the case in Portugal.

Common items	Portugal-specific items	Italy-specific items
<ul style="list-style-type: none"> • Supplier’s name and contact information • Type of commodity (electricity, gas or dual fuel) and customer (households/businesses) • Offer name and validity period • Duration of the contract/price • Payment methods • Billing information (type – electronic or physical – and frequency) • Price information (fixed/variable, price per kWh/m³, whether it is differentiated across time slots and/or consumption levels) • Estimated offer spending (yearly or monthly) • Additional products/services • Conditions for renewal and early termination (e.g. fees) • Information on consumer rights and complaint handling 	<ul style="list-style-type: none"> • Technical assistance contact (DSO) • Metering reading contact (DSO/supplier) • Complaints response deadlines • Installation ID • Contracted power (electricity) • CO2 emissions (per 100kWh) • Social tariff (information and conditions) • Clients with special needs (information and specific rights) 	<ul style="list-style-type: none"> • Unique code identifying the offer • Limiting condition of the offer • Deposit policy • Type of index if indexed price, frequency of update and graph with past values • Network costs and taxes • Discounts and bonuses • Information on ADR and right of withdrawal • Information on meter reading, activation of a new connection and delayed payments • Identity of the vendor agent if door-to-door or physical store • Maximum amount of termination fees and, if any, a formula to compute the actual fee

Monitoring precontractual information given to consumers (Spain)

CNMC monitors periodically suppliers’ customer services, lately in 2019 and 2022. The aim is to assess the agility, ease of access and transparency of the contracting and consultation operations that consumers may carry out by telephone and online channels.

These operations are performed by mystery shoppers, namely instrumental clients who purchase energy/services and carry out consultation/complaint actions. All these actions are recorded, and their results registered through a survey answered by the mystery shopper. CNMC evaluates the agility and ease of access to these customers services, together with their compliance with the regulations regarding the information provided to the consumer, as well as the good and bad practices that are detected.

The precontractual information given to the consumer before concluding the contract was one of the monitored items. In particular, it was analysed if the characteristics of at least four basic offer were communicated to consumers: price, duration, termination fees and their withdrawal right. In 2019, CNMC detected, among other deficiencies, that the five largest suppliers gave

insufficient verbal precontractual information in the contracts concluded by phone. In consequence, CNMC required these suppliers to take action to tackle the detected deficiencies.

In 2022, the study scope added 5 new suppliers. CNMC found a significant improvement in the precontractual information given by phone by the five largest companies in the household market, but detected additional deficiencies in the precontractual phase of these 5 new suppliers. Currently, CNMC is about to start a new study to check if these suppliers have taken corrective measures and if the rest of market players keep improving transparency in the precontractual phase.

2.3.2.2 Information during the contract lifecycle

Information on unilateral change and renewal (Italy)

Unilateral change clauses allow suppliers to change the terms of an energy contract (typically, the price) at their discretion; Italian regulation requires suppliers to notify consumers of the change with a 3-month notice period. Over the years, ARERA has updated its Code of Commercial Conduct (“Codice di condotta commerciale”) to improve the transparency of information requirements in such cases and to implement similar requirements to other cases where suppliers are allowed to change contractual conditions.

More specifically:

- from October 2021 (Resolutions 426/2020/R/com and 97/2021/R/com), suppliers need to inform consumers about the estimated yearly spending generated by the proposed unilateral change and, if the change entails a price increase, the difference in yearly spending with respect to the counterfactual (that is, if the change weren’t applied);
- from October 2021 (Resolutions 426/2020/R/com and 97/2021/R/com), suppliers need to remind consumers with a 2-month notice period about all price changes that are part of the contract that the consumer has voluntarily entered into (the so-called “automatic evolutions”); e.g., expiring discounts or the change from a fixed to an indexed price (as long as the indexed price was part of the contract itself). Information requirements are the same as those required in the case of unilateral changes (including estimated yearly spending and the difference in spending if there is a price increase);
- from January 2024 (Resolution 250/2023/R/com), suppliers have to inform consumers about renewal of economic conditions with a 3-month notice period following the same information criteria required for unilateral changes and automatic evolutions. This case, which has become widely used in the Italian liberalised market, is common when the original price has a specific duration (typically, 12 or 24 months). Renewals differ from unilateral changes because the latter occur after the old price has expired (instead of occurring when the price is still valid) and they differ from automatic evolutions because the new price is not known to consumers beforehand, when signing the contract.

Example of supplier code of conduct (France)

On 5 October, 2022, energy suppliers in France were summoned by the government due to concerns over abusive practices. 32 energy suppliers and 5 supplier associations signed a code of conduct with 25 commitments until 30 April, 2024, ensuring transparency and fair treatment for consumers, committing to providing contracts to all businesses and communities in need, notably:

- to offer, as a supplier of last resort, “under certain conditions,” at least one contract to all businesses and communities that request it.
- to notify clients two months in advance about the contract renewal;
- to propose an offer on a date and time agreed upon in advance, to allow price comparison and competition to play out,
- to facilitate payment arrangements for businesses or communities that request them and are experiencing difficulties.

Sanctions are to be imposed for non-compliance. Structural responses are proposed, including energy savings instruction.

Improving the transparency and understanding of supplier communications to consumers (Spain)

Before the crisis, in Spain there was already a comparison tool on the CNMC website where consumers could compare the current offers from suppliers by introducing basic data that characterise their supply (consumption in the period, contracted power, etc.). Since September 2021, suppliers are obliged to place a QR code in a visible and clearly identified place in the bill (including a link, in the case of electronic invoices), with the necessary information so that consumers can have direct access to the CNMC’s electricity offers comparison tool (with no need to re-enter the supply data) and the “Understand your bill” tool. This tool provides useful information about the main concepts of their bill: who their electricity supplier and distribution system operator (DSO) are, what type of contract they have, their consumption profile, their contracted and demanded power, when the contract is renewed and whether they have penalties, among others.

The exceptionally high prices registered in the wholesale electricity market since the second half of 2021 were progressively transferred to consumers by Spanish suppliers. In some cases, this transfer was immediate (for those consumers with contracts indexed to the wholesale market) and, in others, it occurred during the contract renewal.

In this context, the information available to consumers is particularly relevant, both to anticipate the impact that these price changes may have on their bill and to be able to choose the best contracting option.

The number of consumer complaints to suppliers increased significantly since 2021, especially those cases related to billing in terms of the higher prices applied in the contract renewal and the modification of contractual conditions.

In this respect, Royal Decree-Law 23/2021 amended the Electricity System Law (article 44.1) ensuring the right of consumers to receive prior communication on contract condition modifications, and to be notified directly by their supplier on any price revision derived from new requirements. Accordingly, suppliers' communications to consumers must comply with the following:

a) In relation to communications regarding modifications to the contractual terms and conditions:

- They must be transparent and understandable;
- They must expressly state the consumer's right to terminate the contract free of charge.

b) In relation to the communication of price revisions derived from the contract conditions:

- They must be transparent and understandable;
- They must be communicated directly to consumers;
- They must be communicated at least one month in advance of their application;
- They must include a comparison of the prices applied before and after the modification;
- They must include an estimate of the annual cost of the supply and its comparison with the previous annual cost.

CNMC received a significant number of queries regarding the new legal text, and in response, the NRA published an Agreement which included some indications to clarify how to estimate the annual cost (based on the best available estimate of annual consumption), as well as some recommendations addressed to suppliers (e.g. the convenience to inform about the new price and the estimated annual cost not only before its application but also in the renewal or extension of the supply contract).

In March 2022, CNMC issued a request for information to 19 large electricity suppliers, accounting for 92% of household consumers in the free market.

Once the information provided by the companies was analysed, it was observed that many suppliers were not making these price revision communications with the required level of transparency, so it was considered necessary to make new requests for information to ask for a correction. These new requests were made between June 2022 and May 2023.

But the information provided by suppliers also allowed identification of good practices being carried out by the companies:

- Include a title/subject with the reason for the communication clearly differentiating it from the bill;
- Include the clause according to which the contractual conditions are modified, or the price forecast revision is made;

- Include the dates of issue and application of the new conditions or prices;
- Include tables for price comparisons before and after the change;
- Include tables for annual cost comparisons before and after change;
- Include the method for estimating the parameters for calculating the annual cost and use the best information available from the consumer, specifically for estimating annual consumption, warning that the estimate could be altered if the actual consumption pattern deviates from the forecasts made;
- Include the formula for calculating the energy term in the indexed products;
- Include the QR code/electronic link to access the CNMC comparison tool for small consumers with contracted power under 10 kW;
- As a result, in September 2023 CNMC issued a report concluding that the analysed suppliers had complied in their price revision communications with the new legal requirements and, in general, they have significantly improved the transparency and comprehensibility of the communications on price changes with their consumers. Moreover, an annex was included with a price revision communication template for households, for those cases when the revision coincides with the renewal of the contract.

Increasing customer Service Quality (Austria)

Throughout 2022 and into 2023 customers experienced a deterioration of relationships with energy suppliers. During the energy crisis customers faced, amongst others, price spikes, contract terminations, limited offers and queues at services centres. All these information deficits and insecurities led to a substantial increase of service centre visits, single contact points and an increase in Alternative Dispute Resolution Bodies (ADR). The insufficient protection of customers within the suppliers' existing realms of possibilities and already established commitments resulted in the publication of 10 demands by E-Control beginning of 2023. These 10 demands span from clear individual customer communication and waivers of disconnections in social hardship cases to simply being available via hotline and e-mail for customer questions. Based on the 10 demands, E-Control conducted the following internal investigations.

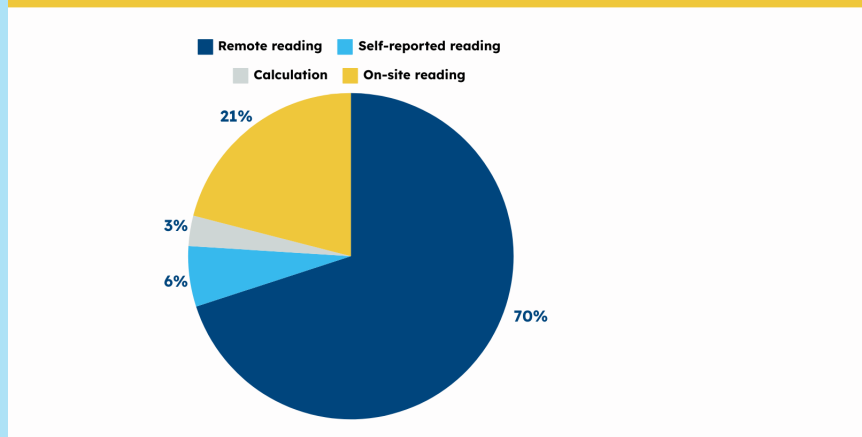
In a first step, a voluntary questionnaire was sent out to a pre-selected group of suppliers asking for information about i.a. support measures for vulnerable customer groups, customer information regarding price adjustments and contract changes as well as opening hours and waiting time in customer service centres. The results of the questionnaire provided a contradictory picture compared against the experience in E-Control's consumer services – e.g. whereas the suppliers stated that they issued the invoices on time, a significant amount of customer complaints regarding energy bills being either issued to late or not at all reached E-Control's consumer services.

For a further in-depth investigation of the customer service quality, queries were sent out to energy suppliers and distribution system operators to check for sample letters used for customer communication and to gather information about the use of actual meter readings for yearly and final bills.

In addition, customer portals and supplier websites were checked for ease of accessibility and findability of information.

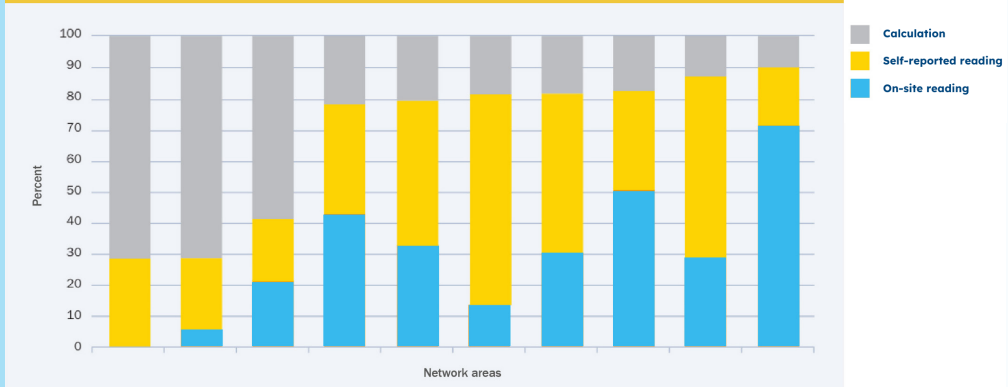
The investigation on sample customer information resulted in a particularly large variety of examples of information on consumption and electricity costs. The implementation of the information sheet ranked from best practice examples, in which consumption and costs are easily explained to the customer, to non-existent information. Regarding customer portals, the investigation showed that essential contract information, i.e. price or tariff name are often not included in customer portals. The analysis of suppliers' websites showed a wealth of information that is often not comprehensibly structured or easy to find. Moreover, a check regarding existing apps was conducted with the result that only one supplier offers an app that replicates the customer portal and thus enables customers to conduct self-services via the app. Moreover, E-Control sent out a questionnaire to the biggest distribution system operators requesting information on the usage of actual metering data for final and annual electricity and gas bills as well as the usage of monthly bills. As the smart meter rollout is already almost finished, electricity bills are usually based on actual smart meter data, especially annual bills. Graph below shows the distribution of meter readings for annual electricity bills. For approx. 70% of annual electricity bills, the consumption data was based on smart meter data, 21% of the data was read by the distribution system operator and only 3% was based on calculated values. However, for final bills, which are presented to the customer, e.g. when the customer switches their supplier or if the customer relocates, the percentage of calculated values increases significantly. The number of final bills based on calculated values is especially high for gas final bills as can be seen in graph below. According to the data of the questionnaire, three distribution system operators use, almost exclusively calculated values as the basis for their final bills. In some network areas, there is a successfully established self-reading process in place. In these cases, the customers read the meter data by themselves and send the information to their distribution system operator, who then in turn uses the self-read data as a basis for the energy bills. Regarding monthly bills, the data shows a significantly low number of monthly bills.

METER READING METHOD FOR ANNUAL ELECTRICITY BILLS



Distribution of the method of determining meter readings for annual electricity bills. Source: E-Control

METER READING METHOD FOR FINAL GAS BILLS



Distribution of the method of determining meter readings for final gas bills per anonymised network area.
Source: E-Control

Although, suppliers made an effort to improve customer communication and availability of service centres over the course of the year, the following demands and recommendations for good customer service quality persist:

- Bills should be based on actual meter readings instead of calculated consumption values, especially in case of price changes. If there are no actual values, distribution system operators should be more active in receiving them by e.g. promoting self-reading by customers;
- Meters should be read once per year, either by the distribution system operator or by the customer;
- Information on websites must be easily accessible and simple to find, especially contact information, for vulnerable customer groups;
- Information sent to customers should include all necessary information and possibilities for action e.g. in case of price adjustments the information should include the current price and the new price after the adjustment as well as possible action points for the customer;
- Customer portals should not only include information on consumption, but also essential contract details such as the price, product name, contract duration and price adjustment methods.

2.4 Increasing accuracy and transparency of termination fees

2.4.1 Consequences of the crisis and assessment of actions taken

In accordance with Article 12(3) of Directive (EU) 2019/944 (Electricity Directive 2019), Member States may permit suppliers to charge termination fees on household customers and small enterprises contracts termination fees where those customers voluntarily terminate fixed-term, fixed-price electricity supply contracts before their maturity. Termination fees should be fair and based on actual costs that the supplier has when a customer breaks a contract. However, the termination fees are not present in every country and when they are, their calculation may be challenging for consumers to fully understand. Therefore, accuracy and transparency of termination fees, particularly within contractual information, are key for fostering trust and consumer engagement.

The recent energy crisis shed light on the risks associated with offering fixed contracts under these conditions. Suppliers that had consumers with fixed price, fixed term contracts, but whose energy portfolios were not fully hedged to cover the consumption of those consumers were faced with a significant financial challenge: to fulfil the prices agreed with the consumer in their fixed price contracts while having to secure the energy on the wholesale market at a much higher price. Partly due to this hedging risk, many suppliers wanted to switch consumers out of existing fixed contracts, as it was impossible to fulfil the (lower) contracted price if they had to procure the energy on the wholesale market, where prices were increasing. In the same vein, these suppliers could not take on new consumers at the fixed prices that had been generally available before the crisis, leading to a decline in the number of fixed price offers available on the market. More generally, given the level of prices in the wholesale market, many suppliers refrained from offering fixed contracts, leaving

consumers in a state of uncertainty.

Finally, from a consumer perspective, it is not always easy to obtain accurate and understandable information about termination fees in the event of termination of a fixed-price, fixed term contract. By nature, these fees are specific to each consumer as they are calculated based on the costs incurred or remaining to be covered following the departure of the customer from the fixed-price offer. They depend, for example, on the remaining duration of the contract, the contracted tariff, and other costs related to the suppliers. Additionally, termination fees may become even more complex to calculate and be more costly for consumers with the prudential regulation requirements set by the Improving the Union's Electricity Market Design Directive.

Where termination fees are applied, they should respect the proportionality and “direct economic loss” rules, with the onus being on the supplier to explain in a clear and understandable way to the consumer the level of resulting termination fees. Pre-contractual and contractual terms and conditions should explicitly state whether termination fees apply to the offer and outline the calculation model used. CEER emphasises that it can be difficult to determine the exact amount in advance, and simply providing the calculation methodology and conditions of the termination fees does not guarantee consumer understanding or informed decision-making. CEER considers that consumers should be able to request and consult the exact fee they would be charged if they terminated their contract in advance. Additionally, consumers should be made aware of this information during the pre-contractual and subscription periods. CEER considers that public comparison tool and comparison tools with a

trustmark should, at the very least, mention the presence of termination fees in offers and, if feasible, provide additional details such as the calculation methodology or an estimate of the fee.

2.4.2 Collection of case studies (ES, IT, NL)

In the dynamic landscape of energy consumption, consumers in the Netherlands have long enjoyed the flexibility of terminating their fixed-price, fixed term energy contracts prematurely by paying a nominal penalty. This mechanism allowed consumers to exit contracts early while mitigating the financial impact of the contract breach on energy suppliers. When a supplier enters into a fixed-price, fixed term contract with a consumer, they hedge (a portion of) the period by purchas-

ing energy in advance. Meanwhile, in Italy, for consumers and small enterprises terminating a contract before its maturity was always free of charge. The possibility to charge early termination fees was introduced by Legislative Decree 210/21 in December 2021. In Spain, where the CNMC has long monitored termination fees, rules were reinforced in 2021 during the crisis so as to include them in the public comparison tool managed by the Spanish regulator.

Early termination fees (the Netherlands)

In response to the challenge of market offers during the crisis, the Dutch energy regulator, the ACM, devised a solution to incentivize suppliers to reintroduce fixed contracts into the market. The ACM revamped the calculation method for determining the termination penalty, linking it indirectly to market conditions. Under this new framework, if market prices rise or remain stable, and the supplier incurs no hedging losses, the termination penalty is set at zero Euro. However, in the case of declining market prices, the penalty equals the supplier's hedging losses. These losses are calculated by subtracting the retail rates of the relevant contract (or a comparable product) at the time of termination from the rates at the time of signing. The resulting figure is then multiplied by the remaining contracted energy volume yet to be supplied. This number serves as a proxy for the supplier's hedging losses.

While this approach provides suppliers with greater incentives to offer fixed contracts, it does come with a caveat. At the time of signing, consumers are unaware of the exact penalty amount they might face if they choose to terminate their contract prematurely. This uncertainty poses a challenge for consumers, but it aligns the interests of both parties, encouraging suppliers to offer stable contracts while ensuring consumers have the flexibility to adapt to changing energy needs.

Increasing customer Service Quality (Austria)

With the aim of helping customers in making an informed choice when switching contracts and properly and quickly quantifying switching-related fees, ARERA enhanced the information set that suppliers must provide to small customers both before signing a contract (see case study on pre-contractual information) and within the contract itself (Resolution 250/2023/R/com). Starting from January 2024, ARERA requires energy suppliers to

inform small customers about:

- the maximum monetary value of the early termination fee, possibly differentiated in terms of number of days/months between the voluntary termination and the ordinary end-date of the contract;
- the possibility that the actual fee could be lower than the maximum value in proportion to the direct economic losses sustained by the supplier resulting from the customer's termination of the contract;
- the criteria or formula to quantify the actual fee (at the discretion of the supplier), which must in any case abide by the rules established by the Electricity Directive 2019.

More information to consumers on early termination fees (Spain)

Since 2002, no fees are applied when a consumer ends the electricity contract provided that this is notified at least 15 days prior to the beginning of the extension of the contract (which is generally for an annual period). However, if such a termination occurs during the first year of the contract (before the first extension begins and, therefore, entailing an economic loss for the supplier), the termination fee cannot exceed 5% of the contract price for the estimated energy remaining to be supplied (as long as the supplier is financially harmed).

During the crisis, there was a need to reinforce the information provided to the consumer, and thus, in 2021, the Electricity Act was amended to oblige suppliers to publish in a transparent, comparable, adequate and updated manner, not only the applicable prices for all the offers available at any time, but also the conditions related to the termination of the contracts. This information must be sent to the CNMC (which has long been monitoring the application of termination fees), to be included in the comparison tool developed by the Spanish NRA.

2.5 Reinforcing suppliers' reliability through prudential regulation

2.5.1 Consequences of the crisis and actions taken

The crisis has demonstrated the need to ensure the reliability of suppliers and the coverage of bankruptcy risks. Prudential regulation, notably through hedging or financial requirements, has been considered one of the key solutions in the recent Improving the Union's Electricity Market Design Directive. While some countries already applied such measures in their

energy market before the crisis, others addressed the crisis with a variety of mechanisms.

As reported in the ACER-CEER Market Monitoring Reports for 2021 and 2022, the energy crisis led many suppliers to exit national markets for financial reasons, with substantial consequences for the customers of their portfolios:

Table 1: Number of suppliers exits due to financial reasons in 2021 and 2022

2021&2022	Electricity - supplier exits		Gas - supplier exits		Number of electricity suppliers (2022)	Number of gas suppliers (2022)
	HH	nHH	HH	nHH		
AT	1	1	1	1	58	33
CZ	9	0	15	15	90	99
ES	10	10	0	0	243	139
FI	3	3	0	0	34	8
FR	2	0	1	1	53	13
GB	24	3	25	4	60	55
HR	0	0	3	3	7	10
HU	0	0	0	1	31	2
IE	0	2	2	2	12	9
LT	1	2	0	0	24	35
NL	6	0	6	0	58	59
PT	4	5	1	1	29	18
SI	1	1	0	0	13	12
SK	3	3	3	0	14	20

Source: ACER-CEER MMR2021 and MMR2022, consumer protection and retail markets volume

In order to shield consumers from high variations on wholesale market prices, the Improving the Union's Electricity Market Design Directive establishes a new provision on supplier risk management in Article 18a. The accompanying recital states:

“(18) When suppliers do not ensure that their electricity portfolio is sufficiently hedged, changes in wholesale electricity prices can leave them financially at risk and can result in their failure and their passing on costs to consumers and other network users. Hence, suppliers should be appropriately hedged when offering fixed-term, fixed-price electricity supply contracts. An appropriate hedging strategy should take into account the suppliers' access to its own generation and its capitalisation as well as its exposure to changes in wholesale market prices, the size of the supplier or the market structure. The existence of appropriate hedging strategies can be ensured by general rules overseen without undertaking a specific review of the positions or strategies of individual suppliers. Stress tests and reporting requirements on suppliers could be tools by which to assess supplier hedging strategies.”

Article 18a on supplier risk management states “1. Regulatory authorities or, where a Member State has designated an alternative independent competent authority for that purpose, such a designated competent authority, taking into account the size of the supplier or the market structure and including, if relevant, by carrying out stress tests shall ensure that suppliers: (a) have in place and implement appropriate hedging strategies, to limit the risk of changes in wholesale electricity supply to the economic viability of their contracts with customers, while maintaining liquidity on and price signals from short-term markets; (b) take all reasonable steps to limit their risk of supply failure.”

In the newly revised Gas Directive

2024/1788, the provisions aim to ensure the financial strength of natural gas suppliers through the criteria for granting a supply licensing. Article 8 on Authorisation procedure states:

”For natural gas suppliers, Member States may assess the financial strength and technical capabilities of applicants as criteria for authorisation. Such criteria shall be fully transparent and non-discriminatory.”

Some countries like the United Kingdom and the Netherlands have already implemented prudential regulation mechanisms to address the crisis and others, like France, plan to quickly establish similar mechanisms. Other countries had implemented a variety of mechanisms before the crisis, which allowed them to overcome its effects.

It is important to recognize that there is no unique definition of prudential regulation and that not every country may find it relevant or necessary to implement the same level of prudential regulation, primarily due to factors such as their economic situation, market structure and the effectiveness of existing mechanisms prior to the crisis in safeguarding both suppliers and consumers. Indeed, various mechanisms were in existence before the crisis and have proven to be effective.

The implementation of prudential regulation mechanisms such as those in the United Kingdom or the Netherlands requires in-depth analysis at national level to take into account the unique challenges and circumstances within each country's energy system. Therefore, a range of options and tailored regulatory responses should be considered to fit the specific needs and circumstances of their respective situations.

Moreover, CEER emphasizes that a balance should be found between implementing prudential regulations and the risk of creating barriers to

competition or imposing stringent requirements that could stifle innovation and deter new entrants. It is essential to ensure that regulatory measures aimed at enhancing stability do not inadvertently impede market dynamism or discourage competition, which plays a vital role in driving efficiency and innovation.

CEER underlines that implementing prudential regulation mechanisms may require additional and expert resources within NRAs or the competent authority designated by the Member State, and within the suppliers, whose costs will be passed down to consumers.

2.5.2 Collection of case studies (ES, GB, NL, PT)

Financial Resilience and Controls policies: Great Britain

There were a large number of supplier failures in the UK during the energy crisis, with 29 suppliers exiting the market between July 2021 and May 2022.

Since 2021 Ofgem has implemented a package of measures to strengthen the financial resilience of retail energy companies. These reforms will benefit consumers by ensuring a better balance of risks between supply licensees and consumers and, in doing so, reduce the likelihood and cost of widespread failures. A resilient, profitable, investable market is also essential for sustainable competition, where energy retailers have incentives to innovate in the pursuit of net zero and receive a reasonable profit as they drive up consumer service standards.

Ofgem has introduced:

- Enhanced licence application process and milestone assessments;
- Rules to require licensees to have sufficient control of their assets to reduce costs for consumers in the event of insolvency;
- Enhanced monitoring of supplier finances including stress testing, a proactive reporting framework of Trigger Points, and Annual Adequacy Self-Assessments;
- Renewable Obligation receipts ring-fencing;
- Licence modifications to direct Customer Credit Balance ring-fencing in certain circumstances;
- Capital adequacy requirements, including a common minimum capital requirement, due to take effect from Q1 2025, with the Capital Floor, Target and associated compliance framework.

Early termination fees (the Netherlands)

During the recent energy crisis, the repercussions of inadequate risk management and speculative strategies within the energy sector became glaringly evident. Five suppliers in the Netherlands, constituting a total market share of 2%, succumbed to financial turmoil. Their downfall was primarily attributed to their practice of offering fixed contracts to consumers without fully hedging their positions, essentially banking on a decrease in energy prices to turn a profit. However, the sudden surge in energy prices during the crisis forced these suppliers to purchase energy at significantly higher rates, leading to their financial downfall.

In response to this crisis and to fortify the stability of the energy market ACM has taken decisive action. Following an external investigation into the oversight of energy suppliers, the ACM has tightened licensing regulations. These revisions include stringent financial assessments and organizational evaluations aimed at ensuring the financial health and risk management proficiency of energy suppliers.

The enhanced regulations consist of a financial assessment, wherein suppliers must demonstrate:

1. **Positive Equity:** Suppliers are required to maintain a positive equity;
2. **Positive Solvency:** Suppliers must exhibit positive solvency, indicating their ability to meet long-term obligations;
3. **Robust Liquidity Projections:** Suppliers are mandated to provide liquidity forecasts, including stress testing scenarios such as higher energy prices, increased energy demand, and a 2% default rate.

Additionally, an organizational assessment has been introduced, focusing on whether suppliers have:

1. **Comprehensive Business Plans:** Suppliers must present detailed business plans incorporating sound risk management strategies;
2. **Qualified Risk Managers:** Suppliers are expected to employ qualified risk managers to oversee and manage risk factors effectively;
3. **Financial Recovery Plans:** Suppliers must devise and submit a financial recovery plan outlining corrective measures to be taken in the event of failing the financial assessment.

To ensure compliance, existing suppliers will undergo these assessments twice annually. Furthermore, these evaluations have been seamlessly integrated into the standard licensing procedure, becoming an integral part of the regulatory framework. By implementing these stringent assessments, the ACM aims to create a resilient energy market, safeguarding both consumers and suppliers from the adverse impacts of market volatility.

Risk and collateral regulatory framework in electricity and gas systems: Portugal

Following the bankruptcies of 3 electricity suppliers in 2017 and 2018, Portugal implemented a risk and collateral management regulatory framework for electricity in 2018, extended to gas in 2021.

Its general principles are:

- Integrated risk and collateral management (lower exposure to systemic risk) at two levels: (i) between activities in the same sector and (ii) with a combined assessment of the electricity and gas markets;
- Integrated and professionalised risk and collateral counterpart: more efficient operation in terms of administrative and financial costs borne by market agents and allows a reduction in barriers to market participation.
- Prudential rules to minimize risk exposure: with pre-default measures activated to reduce risk exposure (e.g. suppliers with unpaid TPA or ancillary services' costs are prevented from building up their portfolio in order to contain the risk)
- Collateral fund mechanism: coexists with an individual collateral component (that represents the main part of the fund) and promotes cohesion in systemic risk management.
- Differentiation of risk by agent according to their profile and actions: it discriminates positively market agents with a history of compliance.
- Different types of (presenting) collateral: diversity allows flexibility in the presentation of collateral and lower dependence on the financial sector (depending on MA decision) possibility of providing real assets as collateral (namely stored gas in gas sector).

Information about contracting instruments, monitoring of supplier's guarantees: Spain

The electricity price hike during the energy crisis led to a review of the transparency requirements concerning contractual hedges. By a Royal Decree-Law published in October 2021, electricity suppliers' obligations were extended to send the CNMC the information corresponding to the electricity forward contracting instruments that they have subscribed, both physical and financial, as well as any other type of purchase transaction. Thus, the regulation is ready for future implementation by the CNMC.

In the case of companies belonging to the same business group, the experience of the crisis showed that it is more relevant to monitor the supply contracts of their customers than the contracting instruments between the companies of the group.

This made monitoring the impact of emergency measures in these companies a major challenge during the crisis.

In addition, the non-payment of required guarantees by suppliers -due to differences between their consumers consumption and the purchases made

in the wholesale market- significantly increased in 2022. In September 2022, the CNMC modified the operating procedures to allow the system operator to identify early the lack of electricity purchases in the market. Therefore, suppliers are monitored from the very beginning of their activity, aiming to detect if they are not buying enough energy for their consumers before the first settlement of measures is available.

2.6 Providing a better definition of vulnerability and energy poverty

2.6.1 Consequences of the crisis and actions taken

The energy crises especially affected those who are recognised as being in vulnerable situations and suffering from energy poverty, as they were the ones that experienced more difficulties to pay their bills, due to rising prices. They also needed more support quickly. Besides the crises, the green transition aims to include all types of consumers, meaning that consumers in those situations must be helped and supported to be able to be part of the transition.

The concepts of energy poverty and vulnerable consumers diverge among the Member States as they take into account national specificities. For example, in Portugal, vulnerable consumers are eligible according to an economic criterion (only people with specific economic social benefits or households with a maximum annual income are eligible). In this case, it may be said that the economic criterion is the only requirement to be eligible as a vulnerable customer. In Portugal, vulnerable customers have an automatic discount on their bills, i.e. the social tariff. These customers can also ask to be supplied by the supplier of last resort (SOLR). In other Member States, the concept of vulnerable customers diverges: in Greece, for example, people who live in remote islands are eligible as vulnerable consumers, and in Belgium, families in which some member has a disability may also be eligible as vulnerable. In Spain, the definition of vulnerable consumers may include either econom-

ic and social criteria, for instance, low-income households, families with 3 or more children and retired people, while some groups have more flexible requirements like dependent or disabled people, victims of gender violence or terrorism, and single-parent families. In France, a vulnerable consumer is not necessarily in a situation of energy poverty, while a consumer in a situation of energy poverty is considered as a vulnerable consumer.

The Energy Efficiency Directive (EU 2023/1791) states that Member States should define the concept of vulnerable customers “which may refer to energy poverty and, inter alia, to the prohibition of disconnection of electricity to such customers in critical times. The concept of vulnerable customers may include income levels, the share of energy expenditure of disposable income, the energy efficiency of homes, critical dependence on electrical equipment for health reasons, age or other criteria. This allows Member States to include people in low-income households.”

The Directive defines itself the concept of energy poverty, stating that “energy poverty means a household’s lack of access to essential energy services, where such services provide basic levels and decent standards of living and health, including adequate heating, hot water, cooling, lighting, and energy to power appliances, in the relevant national context, existing national

social policy and other relevant national policies, caused by a combination of factors, including at least non-affordability, insufficient disposable income, high energy expenditure and poor energy efficiency of homes”.

In October 2023, the European Commission published a new Recommendation on energy poverty (EU 2023/2407). The supporting Q&A document notes that energy poverty includes situations “in which households are unable to access essential energy services and products, thus affecting health, living standards and the levels of heating, cooling and lighting of homes. It occurs when a high percentage of consumers’ income is spent on energy bills, when the energy efficiency of buildings and appliances is low or when household’s energy consumption needs to be reduced to a degree that negatively impacts health and well-being.

Energy poverty is a complex and multi-dimensional issue, further aggravated by factors including high and volatile energy prices, low income, geographic location, climate, household characteristics, gender, family composition, health and specific household energy and transportation needs and practices.”

Perhaps as a reflection of growing societal challenges, European legislation has evolved and deepened in this area, requiring Member States to define and adopt concepts that make the challenges of vulnerability and energy poverty tangible, so that the protection and inclusiveness of consumers who are in such situations can be effective, with concrete measures taken. It is worth noting that EU legislation distinguishes between the concepts of ‘energy poverty’ and of ‘vulnerable customers’, based on Article 3 of Directive 2009/73/EC, on Article 28 of Directive (EU) 2019/944 and on Article 24(1), first subparagraph, of Directive (EU) 2023/1791. The newly revised Gas Directive (2024/1788) states in article 26 that

“each Member State shall define the concept of vulnerable customers which may refer to energy poverty” and in article 28 that “Member State shall take measures to prevent the disconnection of vulnerable customers and customers affected by energy poverty”. It also ensures consistency of the definition of vulnerable customers with “the concept of vulnerable customer as defined by a Member State pursuant to Article 28 of Directive (EU) 2019/944.” Also in article 26, the Directive says that Member States shall “take appropriate measures to protect final customers in remote areas who are connected to the natural gas or hydrogen systems”, including in the concept of people in remote areas. Deliberate mechanisms to address these challenges are the only way to ensure that no-one is left behind on the path to the green transition.

It must be underlined that these matters are not the exclusive domain of energy NRAs. On the contrary, other public bodies of other sectors are responsible for helping and supporting individuals and families in situations of hardship. Nevertheless, **CEER believes that regulators have a role to play in ensuring that energy markets take into account consumers’ vulnerabilities and needs, within the broader national social support framework.**

2.6.2 Collection of case studies (study over 20 countries, ES)

Study of vulnerable consumers and energy poverty across Europe (20 countries)

Vulnerable consumers and energy poverty study

A survey was carried out in December 2023 among all CEER members to explore how various countries identify and define vulnerable consumers. In addressing complex social issues like vulnerability and energy poverty, a significant challenge lies in avoiding false positives and false negatives. Ideally, definitions would be precise enough to encompass all truly vulnerable individuals within the scope of protective policies, while excluding those who are not vulnerable, thus optimizing resource allocation. However, the complex nature of these issues limits clear-cut categorizations, often resulting in either over-inclusion or under-inclusion. Especially when taking in to account the varying economic, cultural, and legal contexts of each country.

The survey aimed to gather insights for regulators and policy makers into how CEER member define vulnerable consumers and energy poverty. It included a series of questions focused on the definition of vulnerable consumers and energy poverty, and the advantages and disadvantages of utilizing these definitions. In addition, it included questions with regards to specific instruments to provide general support to vulnerable consumers and regulation or policy measures that support the inclusion of vulnerable consumers in the energy transition.

A total of 20 members responded to the survey, providing a diverse range of perspectives and definitions. The responses varied in detail and scope, with some countries offering comprehensive definitions while others provided more general descriptions.

Vulnerable consumers across the EU: general observations

The initial distinction that can be drawn is between countries that possess an explicit definition of vulnerable consumers and those that do not. While seven countries do not have a formal definition, three of these have related categories such as low-income households or protected residential consumers. In another seven instances, definitions are derived from other legal frameworks, such as social welfare or health policies. Moreover, ten countries mention that a definition or a related equivalent is explicitly outlined in legislation. Most countries incorporate the definition into a single energy law, while one country uses separate electricity and gas laws. The level of detail in these definition differs significantly, ranging from broad categories like “personal circumstances” and “market conditions” to more specific criteria, including specific income thresholds, specific health issues, and specific number of children.

Factors used for defining vulnerability often encompass a variety of factors, with household status being the most common consideration. In ten countries, the level of household income or relating factors such as unemployment benefits or social welfare status play a determining role in the defini-

tion. Additionally, seven countries state that the health status of individuals, including physical, sensory or mental health conditions is factored into the definition. In some cases, health status is defined very broadly, such as “health status” or “critically dependent on electrically powered equipment”, and in others more specifically, such as “hemodialysis renal patients” or “paraplegic”. Sensory factors mentioned are “deafness” and “blindness”. Age and family size are considered in three countries each, with specific criteria such as having more than three children.

In two countries, unique factors such as electricity capacity (e.g., a maximum of 10KW) or being a foster parent, play a role in identifying vulnerable consumers. Geographical factors, like living in rural areas or on an unconnected island, are mentioned by three members. Another interesting observation that can be made is that most of the answers provided ignore the differentiation between temporary and permanent vulnerability.

Vulnerable consumers across Europe: analysis

The definitions of vulnerable consumers vary significantly across countries and no clear consensus on the advantages and disadvantages of these varying definitions has emerged. Some countries use the general protection standards already in place for all consumers, while others address vulnerability through social policies rather than through energy market regulation. These countries also decide to delegate the responsibility for vulnerable consumers entirely to specific government bodies.

Some regulatory frameworks do not explicitly define vulnerable consumers but use a set of criteria from other regulatory frameworks to identify households needing specific protection and support. This approach aligns well with existing welfare systems, facilitating straightforward implementation, application, assessment, and evaluation processes. This can create administrative advantages for vulnerable consumers and cost-effectiveness for the system, especially when linked to existing social support mechanisms like housing allowances. Nonetheless, relying on definitions derived from other social policies means that the same individuals might receive support from multiple systems, while others might be excluded from all. When this is a conscious and coordinated design choice, it is not problematic in itself. However, it could complicate the social security system for people, and double counting leads to over-inclusion.

Adopting a high-level definition that must be translated to specific situations highlights that vulnerability is more linked to the (temporary) circumstances in which consumers find themselves, rather than inherent personal characteristics. This approach allows for policies to be more precisely tailored to meet individual needs given a certain context. However, the drawback of this method is that in some instances it incurs significant administrative effort to implement such personalized support. One country mentions that the supply license conditions set out this definition and include a vulnerability principle that clarifies to suppliers that, in order to uphold their obligation to treat all domestic customers fairly, they need to make an extra effort to identify and respond to the needs of those in vulnerable situations. The factors suppliers are expected to consider when identifying vulnerable

consumers are broad and go beyond income level/age/disability and could include: someone experiencing mental health issues, going through relationship breakdown, temporary illness, bereavement, etc.

Some challenges lie in implementing the definition due to the dynamic and transient approach, however changing the definition to make it less dynamic would not do justice to the many types of vulnerable situations customers can face. More prescription in the definition could result in a box ticking exercise by licensees. In one definition, the wording “aspects of the market” is insufficiently vague and does not capture that it refers to situations when companies cause or exacerbate a vulnerability. This may lead to a focus on individual circumstances and characteristics (e.g. age, disability, gender, housing tenure etc.) instead of looking at the behaviour of companies and markets themselves.

Adopting a specific set of detailed criteria in the definition of vulnerability presents, in some countries, the significant advantage that the national social security system allows for the automation of grants or subsidies to eligible individuals based on specific criteria. This, similarly, would limit administrative burden. This approach also allows the addition of further eligible categories during crises. One identified drawback is that some definitions are overly specific, excluding certain vulnerable aspects. As a result, not all vulnerable consumers meet the criteria. Examples are provided such as those who rent their homes or live in multi-use buildings. In addition, over-specifying the definition could lead to a checkbox approach. On the contrary, a broad definition of vulnerability can become so broad that it encompasses up to 50% of households during extreme situations like an energy crisis. While this approach ensures that few individuals in need are overlooked, it also increases the likelihood of benefits being provided to those who may not necessarily require them. This illustrates the trade-off between the cost of reducing false positives and the cost of oversupplying support to false positives.

Some countries recognize that the term ‘vulnerability’ itself can be perceived as insensitive when used to label consumers, despite its widespread acceptance across various industries and in the European legislative framework. One country addresses this concern and refers to consumers in vulnerable positions.

An important consideration is that procedural complexity can deter households from applying for official vulnerable consumer status, which is essential for accessing targeted support. An example of this is the requirement for consumers to annually reapply for vulnerable status with their Distribution System Operators, which previously placed a significant administrative burden on them. Fortunately, this process has now been automated, stream-

Energy Poverty across Europe: general observations

Similar to the analysis of vulnerable consumers, an initial distinction in the context of energy poverty is between those with explicit definitions and those without. A significant portion, twelve countries, currently lacks an explicit definition, although one is in the process of establishing it. Conversely, the concept of energy poverty is explicitly defined in legislation in a subset of four countries. Following the adoption of the Energy Efficiency Directive, it can be expected that countries will use the definition contained therein.

Several countries approach energy poverty through broader social policy lenses, considering electricity costs within income support schemes or embedding the concept within consumer protection and social security laws based on income levels and household statuses. This indicates a tendency to integrate energy poverty within existing welfare structures rather than isolating it within energy market regulations.

In the majority of countries with an explicit definition, energy poverty is commonly defined through the relationship between household income and energy costs, which results from a household's energy consumption volume and energy prices. Among these, seven countries incorporate household income into their criteria, with some specifying a particular percentage of income allocated to energy expenses as an indicator of energy poverty. For example, in four of these countries, the threshold is set at 10%. In addition, there are four countries that consider the energy efficiency of residences. This implies that additional assistance is offered to households that are living in homes with poor energy efficiency.

Lacking access to sustainable energy products is included in the definition by one country, expanding the scope beyond traditional energy costs. Another definition extends further to encompass other utility services, such as water. One country defines energy poverty based on the residual income after energy costs; if this residual income falls below the official poverty line, the household is considered energy poor.

The diverse indicators used by countries to assess energy poverty, including household energy expenditure ratios and the capacity to maintain adequate home temperatures, underscore the complexity of defining and measuring the phenomenon. Some countries adopt a programme-specific approach, defining qualifying criteria for energy poverty reduction initiatives within each programme, thereby tailoring interventions to specific needs.

Energy poverty across Europe: analysis

Many countries lack an explicit definition, often relying on general welfare measures and guidelines established by health or social security departments. Conversely, seven countries adopt a quantitative measure, basing their definition on the ratio of energy costs to household income. This method is advantageous due to the often-ready availability of income and energy consumption data, facilitating the identification of households eligible

for support. However, it comes with the risk of false positives and negatives, which arises because household energy costs, being a product of consumption and tariffs, may disincentivize energy-saving measures or efficient usage, leading to misallocation of support.

A few countries employ a fixed energy cost to household income threshold, some at 10%, to define energy poverty. Ultimately, the challenge lies in balancing the precision of definitions against the operational feasibility of support mechanisms, warranting further investigation into the impacts of false positives and negatives on the effectiveness of energy poverty alleviation efforts.

The dilemma of false classifications can potentially be addressed by considering both household income and the energy cost-to-income ratio simultaneously. Setting an appropriate threshold can help exclude wealthy households from the definition, irrespective of their energy consumption levels. Moreover, incorporating energy efficiency of homes into the criteria, as practiced by a subset of countries, could further refine the identification process, despite the higher assessment costs involved. However, specific instances in some countries highlight the complexity of this factor, as households with energy-efficient homes may still struggle with energy bills but do not fall under the energy poverty category due to their home's energy performance rating.

Applying a dynamic combination of multiple criteria for energy poverty is beneficial in that it allows for a broad spectrum of households to be identified as energy poor. However, this approach lacks a systematic method for addressing the issue comprehensively, due to the absence of a unified definition. Meanwhile, when a definition encompasses a wide range of circumstances and situations, it risks diluting the clear conceptual understanding of energy poverty, potentially leading to the assumption that all forms of poverty automatically equate to energy poverty. This can obscure the targeted efforts needed to address the specific challenges associated with energy poverty, such as access to energy efficiency measures and the affordability of energy bills. Moreover, the strategy of specifying precise criteria for each energy poverty reduction programme offers adaptability but may lead to inconsistencies and a lack of precision in identifying and supporting the truly energy-poor households. Furthermore, excessive dynamics and the presence of multiple variables or definitions may diminish the chances of households recognizing their qualification under the established criteria. This highlights the delicate balance needed between flexibility and consistency in defining and addressing energy poverty. Households facing energy poverty are bathed by stability and visibility on the supports they can benefit from.

Definition and monitoring (Spain)

Spain has internalised this complexity and currently the specific regulation on vulnerable consumers coexists with the definition and monitoring of situations of energy poverty.

Energy poverty was defined in the National Strategy Against Energy Poverty approved in 2019 by the Spanish government, with a multidimensional approach: energy poverty is the situation of a household whose basic needs of energy supply cannot be met, as a consequence of an insufficient level of income and that may be aggravated by energy inefficiency.

Four official indicators of the European Observatory on Energy Poverty (EPOV) were set to monitor energy poverty:

- Disproportionate expenditure (2M): percentage of households whose energy expenditure in relation to their income is more than twice the national median.
- Hidden energy poverty (HEP): percentage of households whose absolute energy expenditure is less than half the national median.
- Inability to maintain the adequate temperature: percentage of the population that cannot maintain their dwelling at an adequate temperature.
- Delayed payment of bills: percentage of the population that has delays in the payment of bills for housing supplies.

These indicators are updated on an annual basis (the latest available information corresponds to 2022).

In the meantime, the definition of vulnerable consumers in Spain, which was already regulated by Royal Decree in 2017, was amended during the crisis to temporarily incorporate more low-income households particularly affected by the price hikes, increasing the discounts provided in the energy bill and ensuring more protection against disconnection.

Some of these specific measures had already been foreseen in the National Strategy Against Energy Poverty and have been maintained after the crisis, e.g., the Minimum Vital Supply (social protection instrument against energy poverty for vulnerable consumers who are granted 6 months to pay their electricity bill while the electricity capacity of their house is limited to 3.5 kW, thus guaranteeing minimum comfort conditions).

Totally protection against gas and electricity disconnection for vulnerable consumers is in force until the 31 December 2024 and the increase in the energy bill discount remains in effect until 30 June 2025.

2.7 Providing better targeted measures for more energy efficient actions focused on vulnerable and energy poor consumers

2.7.1 Consequences of the crisis and actions taken

Investment in energy efficiency, for example via home improvements, can be an effective way of reducing energy consumption and lower overall energy costs over time. However, not all consumers are currently able to make these investments. Low income households and other consumers in vulnerable situations in particular, may face barriers to investment. These include affordability (prioritising immediate expenses over longer-term investments), as well as lack of information or access to assistance. It is important for policy makers to understand these barriers to be able to design effective measures to ensure all consumers can benefit from energy efficiency improvements.

Consumers may not be aware of the benefits of energy efficiency or the available programs and incentives. Lack of information can be a major hindrance to taking action. Even if consumers recognize the potential savings from energy efficiency, the upfront costs of energy-efficient upgrades can be prohibitive. This financial burden can be a major deterrent. Furthermore, access to loans or credit for energy efficiency improvements can be challenging for vulnerable consumers or in a situation of energy poverty due to poor credit history or a lack of collateral.

Language and literacy issues can further compound the problem, making it difficult for some consumers to understand energy efficiency information, available programmes and technologies and administrative procedures. Additionally, the housing situation plays a crucial role. Tenants often lack control over energy-efficient upgrades in their homes, making it challenging to invest in improvements. Meanwhile, landlords may do not see the immediate financial interest for them to invest, aside from increasing the rent, which

the tenant may not be able to afford, leading in turn to “renoviction”.

Trust issues can also be a barrier. Consumers may be cautious about engaging with unfamiliar programmes or contractors due to concerns about scams or exploitation. Building trust and confidence is crucial to overcoming these concerns.

To address these barriers to facilitating energy savings by vulnerable and energy poor consumers, CEER recognises that various measures can be taken in the context of national specificities. Financial assistance programmes, such as grants, subsidies, low-interest loans or on-scheme bills specifically targeting vulnerable consumers, can help cover the upfront costs of energy-efficiency upgrades. Educational campaigns tailored to the needs of vulnerable communities can explain the benefits of energy efficiency and available assistance programmes. Through energy one-stop-shops, as designed by the Energy Efficiency Directive, offering free or subsidised energy audits can also help identify cost-effective energy-saving measures, making it easier for consumers to prioritise improvements based on their individual situations. Expanding and promoting utility bill assistance programmes can help low-income consumers manage their energy costs. Increasing incentives and rebates for energy efficient appliances and home upgrades can further incentivise investments.

Advocating for policies that protect vulnerable consumers from exploitation or scams related to energy efficiency is essential. Collaboration with community organisations, non-profits, and local governments can provide comprehensive support to vulnerable consumers. Flexible financing options that consid-

er their financial constraints, including income-based repayment plans or on-scheme bills, can facilitate investments. Legal aid services can also address issues related to housing, energy bills or energy efficiency improvements. Community-based programmes that bring together neighbours to invest collectively in energy efficiency improvements can share costs and resources, making it more accessible. Incentives for landlords to make energy-efficiency upgrades in rental properties can benefit both tenants and property owners.

CEER considers that engaging all rele-

vant stakeholders directly, in particular vulnerable communities and consumer competent bodies, in the design and implementation of these measures is crucial to ensure they meet the specific needs and preferences of the target populations at a reasonable cost. Training and employing members of vulnerable communities in energy efficiency-related jobs can create job opportunities and increase trust within the community. Additionally, ongoing evaluation and adaptation of these programmes are essential to ensure their effectiveness in addressing energy efficiency barriers for vulnerable consumers.

2.7.2 Collection of case studies (GB, GR)

Energy efficiency Measures (Greece)

In response to the enduring economic crisis that has plagued Greece, the Greek government has undertaken a commendable initiative to prioritize sustainable energy efficiency projects, with a particular focus on aiding vulnerable consumers. Recognizing the long-term benefits of such endeavours, these initiatives not only bolster the country's environmental sustainability but also alleviate the financial burden on its most disadvantaged citizens. By investing in energy efficiency, Greece is not only mitigating its environmental impact but also fostering social equity and resilience in the face of ongoing economic challenges. In this scope, the Greek government recently launched the “Exoikonomo 2023”¹², “Anakiklono - allazo thermosifona” and “Anakiklono - allazo syskevi” programmes.

“Exoikonomo 2023” programme

The “Exoikonomo 2023” programme takes an integrated approach to energy-saving interventions in the residential building sector. It aims to reduce energy needs, lower emissions of pollutants contributing to the greenhouse effect, save costs for citizens, improve daily living conditions, and enhance safety and health. Additionally, it strives to achieve a cleaner environment. The programme provides incentives for energy-saving interventions in residential buildings used as main residences and owned by individuals meeting specific income criteria. It is funded through the Recovery and Resilience Fund, offering grants and interest subsidies on loans. The programme builds upon previous initiatives and allocates €300 million, including €60 million to combat energy poverty.

Eligible actions that can be funded under the Programme to enhance building energy efficiency include the replacement of windows, frames, and doors, the installation of shading systems and mechanical heat recovery ventilation systems, as well as the improvement of internal or external thermal insulation. Additionally, the Programme supports upgrades to heating

¹² <https://www.gov.gr/en/ipiresies/periouisia-kai-phorologia/epidoteseis-politon/exoikonomo-2023>

or cooling systems, including the installation of new biomass, heat pump, or combined heat and power (CHP) systems, or the replacement of existing heating systems running on conventional liquid or solid fuels with new natural gas or liquid gas systems. It also encourages the installation of Heat Pump air-to-air split units or multi-split units for space cooling and heating, along with devices for automated control of heating system operations. For buildings lacking solar thermal water heaters, their installation is mandatory for application approval. Furthermore, the Programme can consider smart systems capable of adjusting and maintaining energy consumption (for appliances, lighting, heating, hot water, etc.) based on user preferences to save energy, collecting, analyzing, and presenting energy consumption data, and regulating shading levels to achieve optimal energy savings. Specific caps on eligible expenditure limits are determined by the category and characteristics of the interventions.

Applications are evaluated based on factors such as the cost-effectiveness of energy savings, beneficiary income, climate data, energy efficiency labels, building age, family composition, and disabilities. Depending on the building owner's income and family income, as well as occupancy status, the programme can cover between 40% and 75% of the total costs, making it a vital tool for promoting energy efficiency and reducing energy-related financial burdens on vulnerable consumers.

Personal Income	Family Income	Grant rate	
		Owner-occupied building	Building assigned to another person or is rented
≤5,000	≤10,000	75%	65%
>5,000 - 10,000	>10,000 - 20,000	70%	60%
>10,000 - 20,000	>20,000 - 30,000	55%	45%
>30,000	>40,000	40%	40%

“Anakiklono - allazo syskevi” programme

The “Anakiklono - allazo syskevi” programme offers vouchers to households, promoting the replacement of specific energy-consuming household appliances with environmentally friendly and more energy-efficient alternatives, all while ensuring the responsible recycling of the old appliances. The eligible categories for appliance replacement within this programme include: a) Air conditioners, b) Refrigerators and c) Freezers. Public funding for this initiative is a collaborative effort, with support from the European Regional Development Fund (ERDF) of the European Union and National Participation. The overall public expenditure for this initiative totals € 286,000,000. This amount covers the subsidy provided to beneficiaries through the voucher system, which also includes the VAT expenses, while excluding any supplementary expenses associated with programme management, subject to separate approval.

For every new appliance for which a voucher is issued, an old appliance of the same category must be recycled through an approved alternative waste management system for electrical and electronic equipment. This programme is poised to yield substantial benefits, both for households and the national economy. Its primary goal is to reduce electricity consumption in households, resulting in decreased energy costs for the average family. Simultaneously, this will diminish the dependence of Greece on imported fossil fuels and enhance its energy import-export balance. Beyond these economic advantages, the programme is expected to have a significant positive environmental impact. By replacing outdated appliances and fostering energy conservation, it will play a crucial role in curbing greenhouse gas emissions.

The programme presents a vital lifeline for low-income consumers, addressing their unique needs and challenges. By offering vouchers for the replacement of specific energy-consuming household appliances with more energy-efficient options, the programme aims to alleviate the financial burden of high electricity bills, a common concern for low-income households. This initiative not only helps in reducing energy costs but also contributes to improving the overall living conditions of these families. By ensuring the responsible recycling of old appliances, the programme makes it feasible for low-income consumers to access environmentally friendly and cost-effective appliances that were previously out of their financial reach. The programme, therefore, plays a crucial role in enhancing the quality of life for low-income families, bridging the economic gap and promoting energy efficiency within this vulnerable segment of the population.

In particular, the programme’s voucher provides financial support by covering a percentage (%) of the purchase cost for each new device. To facilitate this, each beneficiary is granted a set number of vouchers, equal with their chosen devices, enabling them to offset a portion of their total expenditure when purchasing from a vendor of their preference. The Programme’s Certification and Payment Authority will directly disburse the voucher’s value to the vendor upon the successful completion of the transaction. The exact amount of each voucher is contingent upon several factors, including the beneficiary’s category, the device’s specific attributes, and its purchase price, with the precise calculations detailed in the following table:

		Percentage (%) of financial aid on the retail selling price of the appliance (as established at the time of purchase)			
		1st Income category of beneficiary	2nd Income category of beneficiary	3rd Income category of beneficiary	4th Income category of beneficiary
		50%	45%	35%	30%
Maximum voucher amount per case (pre-VAT nominal value)	A/C 9,000 btu/h	274.19 €	249.77 €	191.94 €	164.52 €
	A/C 12,000 btu/h	322.58 €	290.32 €	225.81 €	193.55 €
	A/C 18,000 btu/h	459.68 €	413.71 €	321.77 €	275.81 €
	A/C 24,000 btu/h	572.58 €	515.32 €	400.81 €	343.55 €
	Refrigerators	342.74 €	308.87 €	240.32 €	205.65 €
	Freezers	181.42 €	163.71 €	127.42 €	108.87 €

In determining the income categories, the calculation is based on the average annual income per family member (AI). The beneficiary's placement within the income categories is determined as follows:

- If AI is less than or equal to €5,000, the beneficiary is categorized as the 1st income category.
- If AI is between €5,000 and €10,000, the beneficiary is classified as the 2nd income category.
- If AI falls within the range of €10,000 to €20,000, the beneficiary is allocated to the 3rd income category.
- If AI is €20,000 or greater, the beneficiary is assigned to the 4th income category.
- In all scenarios, the final grant amount is determined as the lower of the two available calculations, i.e., either the maximum voucher amount or a percentage of the retail selling price of the appliance.

Voucher examples:

1. Example #1: A beneficiary in income category 2 is entitled to a voucher for the purchase of an air conditioner. For the purchase, the beneficiary selects a 12,000 Btu/h A/C with a total price of €558 (€450 net value + €108 VAT). The applicable VAT rate in this case is 24%.
 - a. Applying the voucher's percentage rate to the net value results in $€450 \times 45\% = €202.50$.
 - b. Since this amount is less than the maximum nominal value pre-VAT for this device and income category ($€202.50 < €290.32$), the subsidy will be applied to both the net value and the VAT, totalling $€202.50 + €48.60 = €251.10$.
2. Example #2: A beneficiary in income category 2 is provided with a voucher for the purchase of an air conditioner. The beneficiary chooses a 12,000 Btu/h model with a purchase price of €868 (€700 net value + €168 VAT). The VAT rate for this purchase is 24%.
 - a. Applying the voucher's percentage rate to the net value results in $€700.00 \times 45\% = €315.00$.
 - b. This amount exceeds the maximum pre-VAT nominal value for this device and income category ($€315.00 > €290.32$).
 - c. Therefore, the subsidy will be applied to the maximum nominal value and the VAT on this value, totalling $€290.32 + €69.68 = €360.00$

The new devices eligible for voucher coverage and the old ones marked for recycling must meet specific criteria to qualify. For instance, the new air conditioners must feature a minimum A++ cooling and heating label, possess CE certification, and offer a factory warranty of at least 2 years. Old air conditioning units eligible for replacement or recycling should contain specific refrigerants, namely R22, R407C, or R410A. Furthermore, the responsible dismantling of air conditioning units must be conducted by a certified air conditioning installation technician. Similar government-mandated criteria apply to both refrigerators and freezers, ensuring compliance with environmental and performance standards.

“Anakiklono - allazo thermosifona” programme

The “Anakiklono - Allazo Thermosifona” Programme¹⁴ provides financial support to households for two main purposes: a) Replacing energy-consuming Electric Water Heaters with advanced Solar Water Heaters, promoting energy efficiency, and ensuring the responsible recycling of the old water heaters that are being replaced. Under the Programme, Electric Water Heaters with a capacity of 40 litres or more are eligible for replacement. For each new solar water heater that receives a voucher, an old one must be properly recycled through an approved waste management system and associated equipment at a recycling facility.

The “Anakiklono - Allazo Thermosifona” Programme emerges as a beacon of support for vulnerable electricity consumers in Greece. By incentivizing the replacement of energy-consuming Electric Water Heaters with more efficient Solar Water Heaters, the programme significantly reduces the energy costs borne by Greek households. This measure is particularly beneficial for low-income families, who often struggle with high electricity bills. Moreover, the responsible recycling of the old water heaters adds an environmental dimension, as it contributes to curbing greenhouse gas emissions. As this initiative targets the most energy-intensive household appliances, it aids not only in reducing financial burdens but also in lessening Greece’s dependence on imported fossil fuels and non-renewable energy sources. The programme is further designed to ensure equitable access, reserving 30% of the total public expenditure¹⁵ for beneficiaries in the lowest income category, thereby addressing the needs of the most vulnerable segments of the population.

Each funding application pertains to the following aspects:

a) Covering the purchase cost of a new solar water heater, with subsidy rates ranging from 50% to 60%, capped at a maximum allowable grant rate. This maximum grant rate depends on both the capacity of the Hot Water Tank (Boiler) of the specific Solar Water Heater and the income category of the beneficiary (refer to table below).

b) Optionally, covering the expenses related to necessary additional work required for the replacement of the old electric water heater with the new solar water heater. These expenses may include costs such as transportation, installation of the new solar water heater or removal of the old one, consumables, and accessories. The subsidy for these additional services also ranges from 50% to 60%, with a maximum allowable subsidy rate based on the beneficiary’s income category.

Each approved applicant receives two vouchers: one for the product purchase and the other for additional services. These vouchers can be redeemed with

¹⁴ <https://allazothersifona.gov.gr/>

¹⁵ Public funding for this initiative is jointly sourced from the European Union and the public budget. The overall public expenditure for this initiative amounts to €100,000,000. This sum encompasses subsidies for beneficiaries through the voucher system, inclusive of VAT, while it excludes any additional programme management costs, which are subject to separate approval. To ensure equitable distribution, 30% of the public expenditure is reserved for beneficiaries in the 1st (lowest) income category, with the remaining 70% designated for beneficiaries in the 2nd and 3rd income categories within the Programme.

a supplier of the beneficiary's choice, resulting in a reduced final payment for the water heater purchase or the provision of additional services. The grant amount is subject to two limits: it cannot exceed the product of the subsidy rate corresponding to the beneficiary's income category multiplied by the purchase price or services' cost, and it must not surpass the maximum nominal value of each voucher allocated for the respective income category. The Certification and Payment Body of the programme disburses the value of the voucher directly to the supplier after the transaction is completed, and the beneficiary covers the remaining cost for the purchase of the new appliance or the provision of related services.

Solar Water Heater Boiler's capacity (Litres)		Maximum voucher amount per case (pre-VAT nominal value)	Percentage (%) of financial aid on the retail selling price of the Solar Water Heater (as established at the time of purchase)		
From	To		1st Income category of beneficiary	2nd Income category of beneficiary	3rd Income category of beneficiary
110	135		60%	55%	50%
136	185		491.13 €	450.00 €	409.68 €
186	--		650.81 €	596.7 €	542.74 €
			783.87 €	718.55 €	653.23 €

The maximum nominal value of each service voucher (without taking into account the voucher to cover part of the VAT expense) is determined according to the following table:

Maximum voucher amount per case (pre-VAT nominal value)	Percentage (%) of financial aid to cover installation services of the solar water heater		
	1st Income category of beneficiary	2nd Income category of beneficiary	3rd Income category of beneficiary
	60%	55%	50%
	120.97 €	111.29 €	100.81 €

The prices mentioned above represent the net retail pre-VAT value. It's important to highlight that VAT is eligible to be covered by the voucher and is applied at the same rate as presented in the above tables, albeit calculated up to the absolute maximum amount of the voucher. This means that the VAT applicable in the region where the supplier conducts the transaction is added separately.

Voucher examples:

1. Example #1: A beneficiary in the first income category, residing in the Peloponnese Region, purchases a 120-litre solar water heater from a local supplier. He is eligible for the maximum voucher amount, which is €609.00. This is computed as follows:
 - a. Net amount: €491.13 (from line 1, column 1 of Table A, representing the maximum voucher amount on the net value of the heater)
 - b. VAT: €117.87 (calculated by applying a 24% VAT rate to the above value, constituting the amount of VAT covered by the voucher)
2. Example #2: A beneficiary in the second income category, residing in Chios, purchases a 190-litre solar water heater from a local supplier on the island of Chios. He is entitled to the maximum grant amount of €840.70, determined as follows:
 - a. Net amount: €718.55 (extracted from line 3, column 2, representing the maximum grant on the net value)
 - b. VAT: €122.15 (calculated by applying a 17% VAT rate to the above value, constituting the amount of VAT covered by the voucher)
 - c. Total: €840.70 (€718.55 + €122.15, the maximum voucher amount - TOTAL)

In determining the income categories, the calculation is based on the average annual income per family member (AI). The beneficiary's placement within the income categories is determined as follows:

- If AI is less than or equal to €5,000, the beneficiary is categorized as the 1st income category.
- If AI is between €5,000 and €10,000, the beneficiary is classified as the 2nd income category.
- If AI falls within the range of €10,000 to €30,000, the beneficiary is allocated to the 3rd income category.

To qualify for inclusion in the “Anakiklono - Allazo Thermosifona” Programme, eligible new solar water heaters must adhere to stringent criteria, ensuring their energy efficiency and reliability. These solar water heaters must bear the prestigious CE certification, signifying compliance with European safety and quality standards. Furthermore, they are required to achieve a C energy label or better, underlining their commitment to energy efficiency. The boiler's capacity must meet or exceed 110 litres, guaranteeing an ample supply of hot water. Additionally, they must come with a minimum 2-year factory warranty, assuring consumers of the product's durability and performance. The inclusion of Solar Keymark certification, both as a Solar Thermal System (Standards EN 12976-1 & EN 12976-2) and Solar Collector (Standards EN 12975-1 & ISO 9806), highlights their compliance with rigorous international quality standards, reinforcing their suitability for this energy-efficient programme. These stringent criteria ensure that only the most reliable and efficient solar water heaters are considered for the programme, benefiting both households and the environment.

Energy Company Obligation (ECO) (Great Britain)

Energy efficiency and decarbonisation of homes is a key government policy towards the UK's net zero targets. The Energy Company Obligation (ECO), first introduced in 2013, is a series of energy efficiency schemes that places legal obligations on energy suppliers to deliver energy efficiency and heating measures to homes. Ofgem is the administrator of the ECO schemes.¹⁶ ECO has delivered over 3.8 million measures to over 2.5 million households up to the end of October 2023.¹⁷

The previous scheme, ECO3 (2018-2023), is estimated to have achieved lifetime bill savings of £8.547 billion.¹⁸ It delivered over 1 million energy saving measures, including the installation of cavity wall insulation in 152,000 households, underfloor insulation in 133,000 households, and loft insulation in 88,000 households.

The current scheme, which is the fourth iteration (ECO4), runs from April 2022 to March 2026 at an average cost of £1 billion per year (2021 prices). The main objective of the current scheme is to improve the least energy efficient homes occupied by low income and vulnerable households, reducing carbon emissions and contributing to a fair transition to net zero. To qualify, households have either to occupy social housing, receive state benefits or be referred by their local authority. Compared to previous ECO schemes, ECO4 places greater focus on low income, fuel poor and vulnerable households to improve the least energy efficient homes. It also requires a more complete upgrade, shifting to a fabric first, multiple measure, whole house retrofit policy with the aim of encouraging the combined installation of insulation and heating measures. It sets minimum requirements for the improvements that installations provide to the energy efficiency levels of the home.

ECO4 requires suppliers to achieve a total of £224.3m in annual bill savings for homes. This obligation is divided between energy suppliers based on their respective shares of the domestic gas and electricity supply market. A supplier meets its obligations under ECO4 by delivering measures to eligible homes. Suppliers also have sub-obligations to:

- target a minimum number of homes with Energy Performance Certificate (EPC) bands E, F and G;
- deliver solid wall insulation to a minimum number of homes.

To complement ECO4, government also introduced the Great British Insulation Scheme (GBIS), which runs from July 2023 to March 2026 and is also administered by Ofgem.¹⁹ This scheme is similarly designed to deliver improvements to the least energy efficient homes in GB to tackle fuel poverty and help reduce bills. Unlike ECO4's multiple measure GBIS mostly delivers single insulation measures to homes and will be available to a wider range of consumers. The scheme places an obligation on medium and large energy companies to deliver measures that result in reduced energy usage.

¹⁶ Energy Company Obligation (ECO) | Ofgem

¹⁷ Household Energy Efficiency Statistics, headline release December 2023 - GOV.UK (www.gov.uk)

¹⁸ Household Energy Efficiency Statistics, headline release December 2023 - GOV.UK (www.gov.uk)

¹⁹ <https://www.ofgem.gov.uk/environmental-and-social-schemes/great-british-insulation-scheme>

ECO policy is set by the Department for Energy Security and Net Zero (DESNZ), who appoint Ofgem as scheme administrator through legislation. Ofgem's duties as administrator include:

- determining each supplier's obligations;
- monitoring supplier progress and deciding whether they've achieved their obligations;
- reporting to the Secretary of State for DESNZ;
- auditing, monitoring compliance, and preventing and detecting fraud.

3 Conclusion

While the crisis highlighted the importance of existing and emergency measures in mitigating its impacts, it also emphasised the need for ongoing adaptation and improvement of the energy system/framework. Sustained efforts and adaptive systems are essential to address unexpected challenges arising from the crisis even if countries are now better prepared.

Sharing the implemented measures that allowed countries to face the effects of the crisis led to the following learnings:

- Some measures were already in place before the crisis, while others were implemented during the crisis and will remain. The crisis triggered major changes in the energy market, which can help create a better functioning retail market.
- There is no one-size-fits-all solution; rather, countries have responded differently to the same issues based on their national circumstances and existing frameworks. A successful solution in one country may not work or may be more costly in another or may require adaptation or may be more effective.
- Many measures work best when timely and targeted, with support adapted to consumer type (households, small and medium-sized enterprises (SMEs) and non-households).
- The crisis raised awareness among consumers and stakeholders regarding energy matters, presenting an opportunity to facilitate the transition to decarbonisation. Further actions should be taken to transform awareness into concrete actions and consumer engagement.

Transparency is key in improving consumer knowledge and building trust, particularly as energy systems become more complex and require consumer engagement/contribution where they are more exposed to risks. However, transparent information alone, without further understanding and decision-making from the consumers' side, is not sufficient. The recent legislative and regulatory developments, as well as forthcoming guidance from the European Commission, aim to strengthen these aspects in particular regarding contractual information, prudential regulation and energy sharing.

Recent legislative developments, such as the reform of electricity market design and the Gas Decarbonisation Package, offer a tremendous opportunity for countries to enhance the energy consumer rights. However, while the new Directives and guidance from the European Commission can provide the foundation for a resilient and robust energy system, effectively implementing both new and existing provisions from the Clean Energy Package requires concerted actions from all energy stakeholders and consumers. One of the key challenges lies in striking a balance between unlocking and even increasing the flexibility potential of household consumers, which depends on external and behavioural factors, and the consequences of an overly rapid growth of decentralised generation, especially in the context of the emergence of negative pricing in off-peak times.

Finally, while collaboration between competent bodies and relevant stakeholders would ensure providing tools to consumers, it is essential to define tools tailored to the diverse needs and capabilities of consumers to allow their gradual engagement. Harmonisation at European level can enhance consumer outcomes, while national convergence on specific issues between electricity and gas provisions such as contractual information still has to be completed to further benefit consumers. Sharing experiences among countries is crucial to allow for the

adaptation of effective solutions to national challenges. While conditions may not be identical from one country to another, features of a successful solution may provide hints for an adapted solution and help European countries build a more reliable energy system for all consumers.

As highlighted in the CEER-BEUC 2030 Vision for Energy Consumers, a consumer-centric lens is fundamental to ensure the delivery of effective policies and frameworks that promote and protect consumer rights. Beyond the crisis, the experiences shared in this report reinforce the importance of energy policy being driven by the core principles of the Vision: Affordability, Simplicity, Protection, Inclusiveness, Reliability and Empowerment (ASPIRE). As the energy transition deepens, these principles will become increasingly vital to enabling consumers to participate and contribute actively to the decarbonisation of our society and economy, each according to their means and capabilities.



Annex – List of abbreviations

Term	Definition
CEER	Council of European Energy Regulators
ACER	Agency for the Cooperation of Energy Regulators
ACM	Dutch Energy Regulator
ADR	Alternative Dispute Resolution
ARERA	Italian Energy Regulator
CNMC	Spanish Energy Regulator
CRE	French Energy Regulator
CT	Comparison tool
DESNZ	Department for Energy Security and Net Zero
DFS	Demand Flexibility Service
DSO	Distribution System Operator
EBSS	Energy Bill Support Scheme
ECO	Energy Company Obligation
E-CONTROL	Austrian Energy Regulator
EPG	Energy Price Guarantee
EPOV	European Observatory on energy poverty
ERDF	European Regional Development Fund
ERSE	Portuguese Energy Regulator
EU	European Union
MS	Member States
NGESO	National Grid Electricity System Operator
NRA	National Regulatory Authorities
OFGEM	British Energy Regulator
PV	Photovoltaic
PVPC	Voluntary Price for Small Consumers
REMIT	Regulation on Wholesale Energy Market Integrity and Transparency
SMEs	Small and medium-sized enterprises
SOLR	Supplier of last resort
ToU	Time-of-Use
TSO	Transmission System Operator

Appendix 1

Precontractual information – Ficha de Caracterização Padronizada (Portugal)

Parte I - IDENTIFICAÇÃO DO COMERCIALIZADOR E DA OFERTA	
Comercializador (fornecedor)	«Designação comercial do comercializador, conforme inscrito no contrato de fornecimento»
Oferta comercial (designação)	«Designação completa da oferta comercial disponibilizada»
Segmento da oferta	«Especificação do segmento a que a oferta se destina (p.e., Baixa tensão, clientes particulares com potência até 6,9 kVA e Baixa pressão, clientes particulares até 2.º escalão de gás natural)»
Contactos comerciais, para reclamação e pedido de informação	«Identificação dos contactos comerciais a utilizar com o comercializador, incluindo os que são específicos da oferta comercial e os que são de utilização genérica»
Contacto para assistência técnica ou avaliações	«Identificação dos contactos para comunicação de avarias ou necessidade de assistência técnica e menção de custo associado»
Contacto para leituras de contador	«Identificação dos contactos para comunicação de leituras e menção de custo associado»

Parte II - CONDIÇÕES ESPECÍFICAS DA OFERTA	
Fornecimento	<input type="checkbox"/> Eletricidade <input type="checkbox"/> Gás natural <input type="checkbox"/> Dual (Elet.+Gás Natural)
Duração	____ meses <input type="checkbox"/> Renovação automática
Vigência	<input type="checkbox"/> Permanente <input type="checkbox"/> Promocional, até _____ (ddmmaaaa)
Fidelização	<input type="checkbox"/> Não <input type="checkbox"/> Sim, por _____ meses Benefício associado: _____ Custo quebra de fidelização: _____
Faturação	Periodicidade _____ Pagamento até ____ dias da emissão da fatura <input type="checkbox"/> Fatura eletrónica obrigatória <input type="checkbox"/> Modalidade de pagamento fixo
Meio(s) de pagamento	_____ (identificar todos os disponíveis) Preço diferenciado? <input type="checkbox"/> Não <input type="checkbox"/> Sim Se sim, quais os que têm custo adicional: _____
Prazo de resposta a reclamações	____ dias <input type="checkbox"/> Sem compensação <input type="checkbox"/> Com compensação Valor da compensação: _____ €
Serviços adicionais	«Especificação do serviço» Custo mensal de _____ €

Parte III.ele - Fornecimento de ELETRICIDADE	
CPE	PT _____
Potência contratada	_____
Preço total	_____, para fornecimento indicativo de 100 kWh/mês
Preço da energia	<input type="checkbox"/> Fixo, de _____ <input type="checkbox"/> Indexado, a _____ Cálculo do preço indexado: _____ Informação do indexante disponível em: _____
Emissões de CO2	____ g CO2/100 kWh, de acordo com última informação anual

Parte II.gn - Fornecimento de GÁS NATURAL	
CUI	PT _____
Escalão de consumo	_____
Preço total	_____, para fornecimento indicativo de 100 kWh/mês
Preço da energia	<input type="checkbox"/> Fixo, de _____ <input type="checkbox"/> Indexado, a _____ Cálculo do preço indexado: _____ Informação do indexante disponível em: _____

Parte IV - Informação ao CONSUMIDOR	
TARIFA SOCIAL	«Informação sobre as condições de aplicação da tarifa social, atribuição da mesma e meios de contacto com o comercializador para este efeito»
CLIENTES COM NECESSIDADES ESPECIAIS	«informação sobre a condição de cliente com necessidades especiais (CNE), respetivos direitos e forma de contacto com o comercializador para esclarecimento de dúvidas ou solicitação da condição de CNE»

Appendix 2

Precontractual information - Scheda sintetica template (Italy)

"NOME OFFERTA" E CODICE "XXXX" OFFERTA ENERGIA ELETTRICA VALIDA DAL ... AL ...	
Venditore	Venditore, www.venditore.it Numero telefonico: 00.0000000 Indirizzo di posta: via Uno, 1, Milano Indirizzo di posta elettronica: venditore@venditore.it
Durata del contratto	Es. Indeterminata
Condizioni dell'offerta	Informazioni su condizioni limitative dell'offerta
Metodi e canali di pagamento	Es. Domiciliazione bancaria/postale
Frequenza di fatturazione	Es. Mensile
Garanzie richieste al cliente	Es. Nessuna/Deposito cauzionale

SPESA ANNUA STIMATA IN €/ANNO (ESCLUSE IMPOSTE E TASSE)	
Consumo annuo (kWh)	Spesa annua stimata dell'offerta
Cliente con potenza impegnata 3 kW – contratto per abitazione di residenza	
1.500	0,00 €/anno
2.200	0,00 €/anno
2.700	0,00 €/anno
3.200	0,00 €/anno
Cliente con potenza impegnata 3 kW – contratto per abitazione non di residenza	
900	0,00 €/anno
4.000	0,00 €/anno
Cliente con potenza impegnata 4,5 kW – contratto per abitazione di residenza	
3.500	0,00 €/anno
Cliente con potenza impegnata 6 kW – contratto per abitazione di residenza	
6.000	0,00 €/anno
Per informazioni sulla spesa personalizzata e su altre offerte disponibili nel mercato può consultare il Portale Offerte Luce e Gas www.ilportaleofferte.it .	

CONDIZIONI ECONOMICHE		
Prezzo materia prima energia	Prezzo Fisso per 12 mesi	
Costo fisso anno	Costo per consumi	Costo per potenza impegnata
0,00 €/anno*	0,00 €/kWh*	0,00 €/kW*
Altre voci di costo	Indicazioni dei corrispettivi di trasporto e gestione del contatore e degli oneri di sistema con evidenza componente Asos	
Imposte	Indicazione di uno strumento informativo circa le aliquote delle imposte	
Sconti e/o bonus	Descrizione sintetica degli sconti e tempistiche di applicazione	
Prodotti e/o servizi aggiuntivi	Es. Nessuno	
Durata condizioni e rinnovo	Es. 12 mesi e aggiornamento del Costo fisso anno dal tredicesimo mese	
Altre caratteristiche	Eventuali altre caratteristiche dell'offerta sotto il profilo economico	

*Escluse imposte e tasse.

ALTRE INFORMAZIONI	
Reclami, risoluzione delle controversie e diritti del consumatore	<p>Modalità di presentazione dei reclami e di risoluzione delle controversie.</p> <p>Per ottenere ulteriori informazioni generali sui propri diritti, anche relativi agli obblighi di servizio pubblico universale dei venditori, e in merito al Codice di condotta commerciale, che impone precise regole di comportamento per i venditori, consulti il sito dell'Autorità di Regolazione per Energia Reti e Ambiente www.arera.it o chiami il numero verde 800.166.654.</p>
Diritto di ripensamento	Informazioni sull'esercizio del diritto di ripensamento ed eventuale richiesta di esecuzione anticipata del contratto
Modalità di recesso	Modalità per l'esercizio del recesso
Attivazione della fornitura	Modalità e tempi per l'avvio dell'esecuzione del contratto di fornitura ed eventuali oneri a carico del cliente finale
Dati di lettura	Informazioni sulle modalità e sull'utilizzo dei dati di lettura
Ritardo nei pagamenti	Eventuali penali o interessi di mora e riferimenti alla regolazione in materia di procedura di messa in mora e di sospensione della fornitura

About CEER

The Council of European Energy Regulators (CEER) is the voice of Europe's national regulators of electricity and gas at EU and international level. CEER's members and observers (from 33 European countries) are the statutory bodies responsible for energy regulation at national level.

One of CEER's key objectives is to facilitate the creation of a single, competitive, efficient and sustainable EU internal energy market that works in the public interest. CEER actively promotes an investment-friendly and harmonised regulatory environment, and consistent application of existing EU legislation. Moreover, CEER champions consumer issues in our belief that a competitive and secure EU single energy market is not a goal in itself, but should deliver benefits for energy consumers.

CEER, based in Brussels, deals with a broad range of energy issues including retail markets and consumers; distribution networks; smart grids; flexibility; sustainability; and international cooperation. European energy regulators are committed to a holistic approach to energy regulation in Europe. Through CEER, NRAs cooperate and develop common position papers, advice and forward-thinking recommendations to improve the electricity and gas markets for the benefit of consumers and businesses.

The work of CEER is structured according to a number of working groups and task forces, composed of staff members of the national energy regulatory authorities, and supported by the CEER Secretariat. This report was prepared by the Retail Market Functioning Task Force of CEER's Customer and Retail Market Working Group.

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