



## ***Regulators' Perspectives on the Clean Energy Package***

**Andrew Ebrill, CEER Secretary General**  
**ELG Energy Event, 22 Sept 2017, Warsaw**

# Agenda

- Introduction to CEER
- Energy context in Europe
- Overview of Regulators' Clean Energy Positions



## CEER: Fostering energy markets, empowering consumers

- Independent voice for 36 European energy regulators
- Promotes competitive, secure and sustainable markets for consumers
- Champions sound energy regulation with stakeholders, incl. policy-makers
- Supports NRAs and encourages best practices:
  - ▶ Training Academy
  - ▶ Workshops, e.g. international events on security of supply
  - ▶ Papers, reports, benchmarking

### Putting consumers at the heart of energy policy: CEER-BEUC 2020 Vision



# European Energy Market Context

## Liberalised Markets

Competition  
Consumer choice  
Demand-side and  
prosumer growth  
at DSO level

## Renewables Growth

Dispersed and  
Variable  
Low marginal  
cost  
Often small-scale  
at DSO level

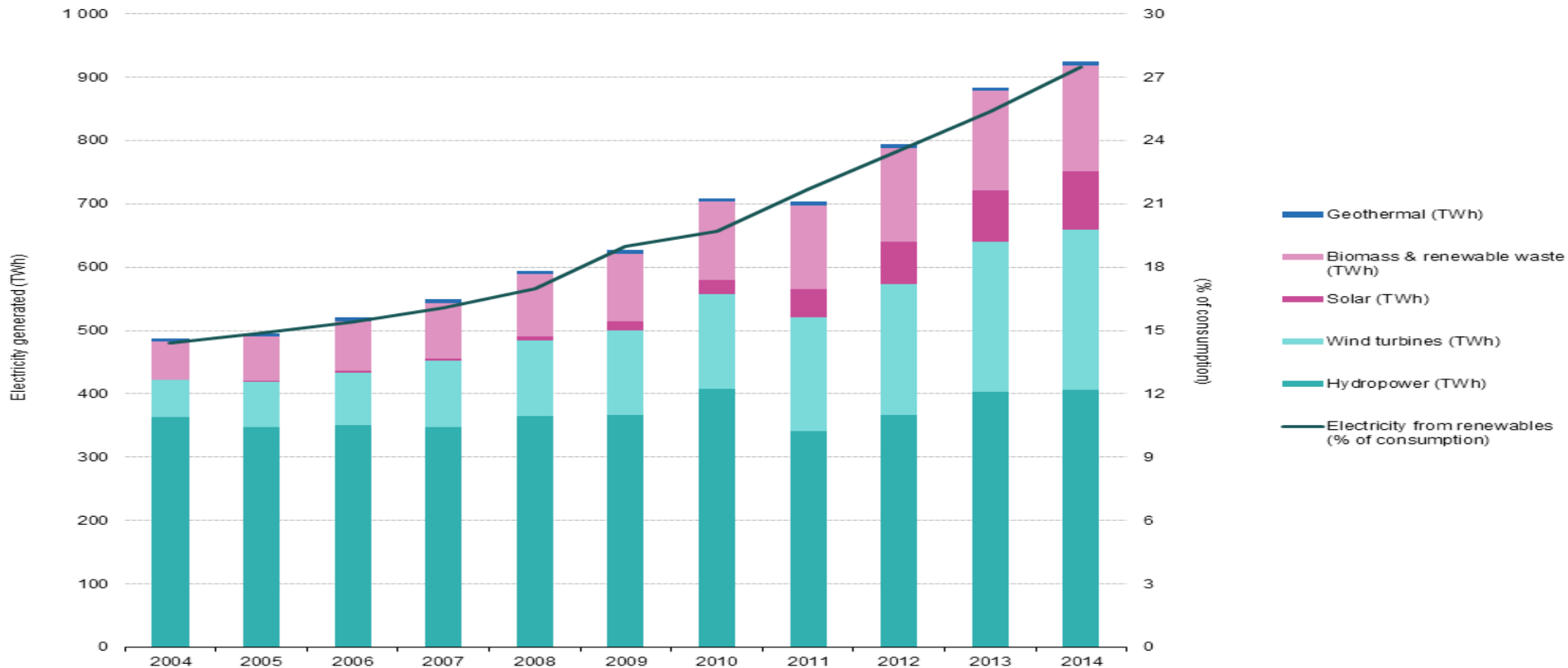
## New Technology

Smart Meters  
Smart Grids  
Smart Heating  
Electric Vehicles  
Internet of Things  
Data Management  
Cybersecurity



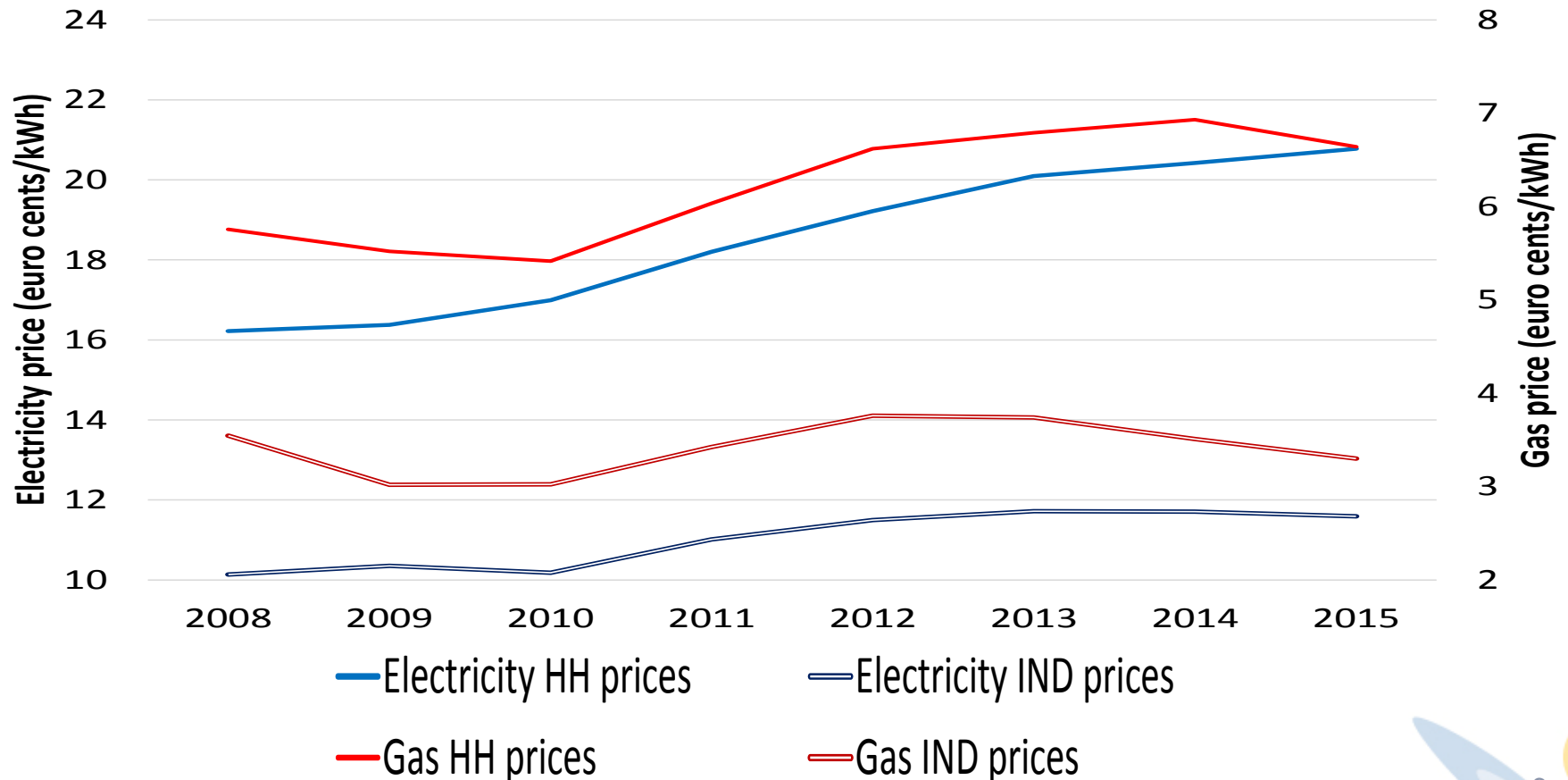
# Growth of Renewables

- Renewable generation is now over 28% of European electricity demand
- Growth driven by 2020 RES 20% energy target and support schemes
- Clean Energy Package to drive circa 50% RES by 2030



# Energy Prices

- ACER/CEER MMR: retail prices falling again, except for elec HH
  - ▶ RES subsidies and other levies are an issue!



# Clean Energy Package

- Energy regulators broadly welcome the Clean Energy package
- Our Overview Paper of 23 January 2017 highlighted the key issues



## Clean Energy Package

- Energy regulators published papers explaining our Clean Energy positions on wholesale, network, retail and governance issues

ACER-CEER Regulatory White Papers		CEER Regulatory White Papers	
Renewables in the Wholesale Market	May 2017	Distribution and Transmission Network Tariffs and Incentives	May 2017
The Role of the DSO	May 2017	Technology that Benefits Consumers	May 2017
Facilitating Flexibility	May 2017	Consumer Empowerment	May 2017
Efficient Wholesale Price Formation	May 2017	Efficient System Operation	June 2017
		The Independence of National Regulatory Authorities (NRAs)	June 2017
		Infrastructure	July 2017
		System Adequacy & Capacity Mechanisms	July 2017
		Renewable Self-Consumers and Energy Communities	July 2017



# Key CEER Clean Energy Positions

## 1. Customers

- Deliver 24-hour supplier switching
- Data operability, not necessarily a common EU data standard
- Keep required consumer bill information simple
- Enable but not require supplier dynamic tariffs
- Maintain flexibility: on smart meters and PCT certification



## 2. Electricity Market Design

- All participants should have balance responsibility
- Allow scarcity pricing - remove price restrictions; rise to value of lost load (VOLL) as determined by NRAs
- No minimum interconnector target and allow congestion income to reduce domestic network tariffs
- Maintain flexibility for non-frequency ancillary services



## Key CEER Clean Energy Positions

### 3. Networks

- Distribution is increasingly important with decentralised RES, more demand-side, EVs...
- DSO is a neutral market facilitator: storage & EV charging are competitive activities
- Maintain flexible local solutions rather than EU network tariff harmonisation / Network Code
- Better planning and coordination:
  - TSOs/DSOs to consult and take responsibility for network plans
  - Regulatory discretion is better than exemption for plans of small and integrated DSOs
  - Have requirement for EU DSO and ENTSO-E to coordinate
  - TYNDP and NDPs subject to regulatory approval



# Key CEER Clean Energy Positions

## 4. Renewables

- Remove priority dispatch for existing (as well as new) RES plants
- Renewable self-consumers and energy communities:
  - Definitions should be refined and consistent
  - Consumer involvement should be voluntary with consumer rights protected
  - Prevent cross-subsidies between consumer groups: use cost-reflective network tariffs and avoid net metering
  - Energy communities that operate as DSO should be regulated as a DSO



## 5. Maintain strong ACER Board of Regulators

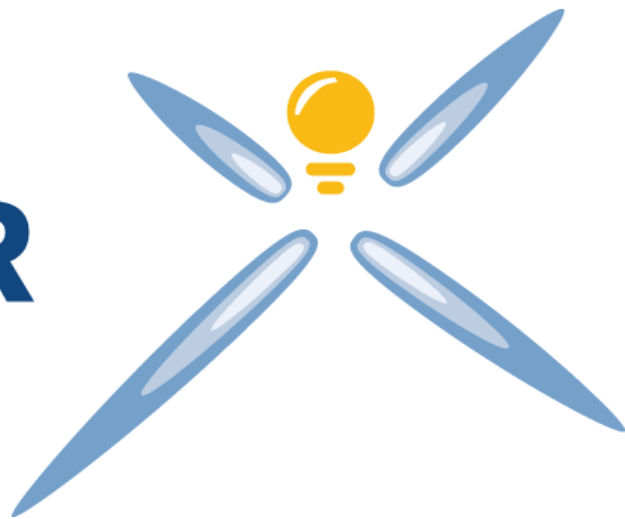
- Keep 2/3 ACER BoR voting regime
- Ensure adequate BoR role in ACER decision-making
- Also concern with regional decision-making





# CEER

Council of European  
Energy Regulators



[www.ceer.eu](http://www.ceer.eu)

