

# Effective Implementation of the Third Energy Market Package

## Consumer Protection and Vulnerable Customers

- **3rd Package amendments regarding:**

- Retail markets (*new article*)
- Role of regulatory authorities (*more tasks*)
- Consumer protection (*more provisions*)

- **Vulnerable customers in the Energy Community:**

- Definitions- national and regional
- Treatment

- Contracting parties to ensure that the roles and responsibilities of market players are defined with respect to contractual arrangements, commitment to customers, data exchange and settlement rules, data ownership and metering responsibility.
- These rules shall be:
  - ✓ published
  - ✓ designed with the aim to facilitate customers' and suppliers' access to networks
  - ✓ subject to review by the RA or other relevant authorities (*RA more logical due to its role in retail market monitoring*)

## Objectives:

- Ensuring that customers benefit from efficiently functioning market
  - Promoting effective competition
  - Helping to ensure consumer protection
  - Helping to achieve high standards of public service
  - Contributing to the protection of vulnerable customers
  - Contributing to the compatibility of necessary data exchange processes for customer switching
- disconnection rates
  - complaints by household customers
  - distortion of competition
  - Helping to ensure that consumer protection measures from Annex 1 are effective and enforced
  - Publishing annually recommendations regarding compliance of supply prices with Art.3
  - Ensuring access to customer consumption data and providing format

## Duties:

- Monitoring:
  - level and effectiveness of retail market opening
  - prices for household customers incl. prepayment systems
  - switching rates
- Monitoring compliance with and reviewing the past performance of network security and reliability and setting or approving standards and requirements for quality of service and supply

- **Switching** within 3 weeks
- Information on energy consumption (to enable switching):
  - Customer to/from Supplier (incl.DSO where needed)
  - No charge
  - Final closure after switching in 6 weeks
- **Billing**: transparent and frequently enough
- **Payment**: wide choice of methods, prepayment to reflect likely consumption
- **Single point of contact**: info on consumer rights, current legislation and means of dispute settlement
- **Independent mechanism for out-of-court dispute settlement**:
  - For example: ombudsman or consumer body
  - To settle dispute preferably within 3 months

- **Intelligent metering systems:** to implement and ensure interoperability, CB analysis optional
- **Energy consumer checklist:**
  - Suppliers or DSOs, in cooperation with RA, to provide consumers with a copy of checklist and to make it public
  - PHLG to adopt checklist prepared by the EC
- **Vulnerable customers:**
  - CPs to define the concept
  - CPs to ensure that rights and obligations linked to vulnerable customers are applied
  - Link between energy and social policy



Energy Community Regulatory Board

A Review of Smart Meters Rollout for Electricity in the Energy Community



## Final Report

Development of Best Practice Recommendations for Smart Meters Rollout in the Energy Community



By order of: Energy Community Secretariat  
Am Hof 4, 5th floor  
A-1010 Vienna, Austria

Submitted by: KEMA International B.V., Utrechtseweg 310.



Energy Community Regulatory Board

Survey on the status quo of gas billing practices in the Energy Community

December 2011



Energy Community Regulatory Board

Status Review of Complaint Handling Practices in the Energy Community



Customer Switching Study – Final Report

Development of Best Practice Recommendations for Customer Switching in the Energy Community

bofest consult ■ evroenergie

25 January 2013

December 2011

Survey on the status quo of electricity billing practices in the Energy Community

- A 2011 Update of the 2010 Findings –



## Scope and methodology:

- Energy Community Contracting Parties + Greece and Slovenia
- Questionnaire in 2011, afterwards updating the document directly every year
- Information provided by the regulatory authorities
- Where information for BIH differ for its entities and Brčko District of BIH, it is displayed separately

## DEFINITION OF A VULNERABLE CUSTOMER:

- Exists in 6 Contracting Parties: Bosnia and Herzegovina, Croatia, Kosovo\*, Moldova, Montenegro, Serbia
- In Moldova in non-energy related act
- However, in all CPs some customer categories are protected with respect to energy

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence”.



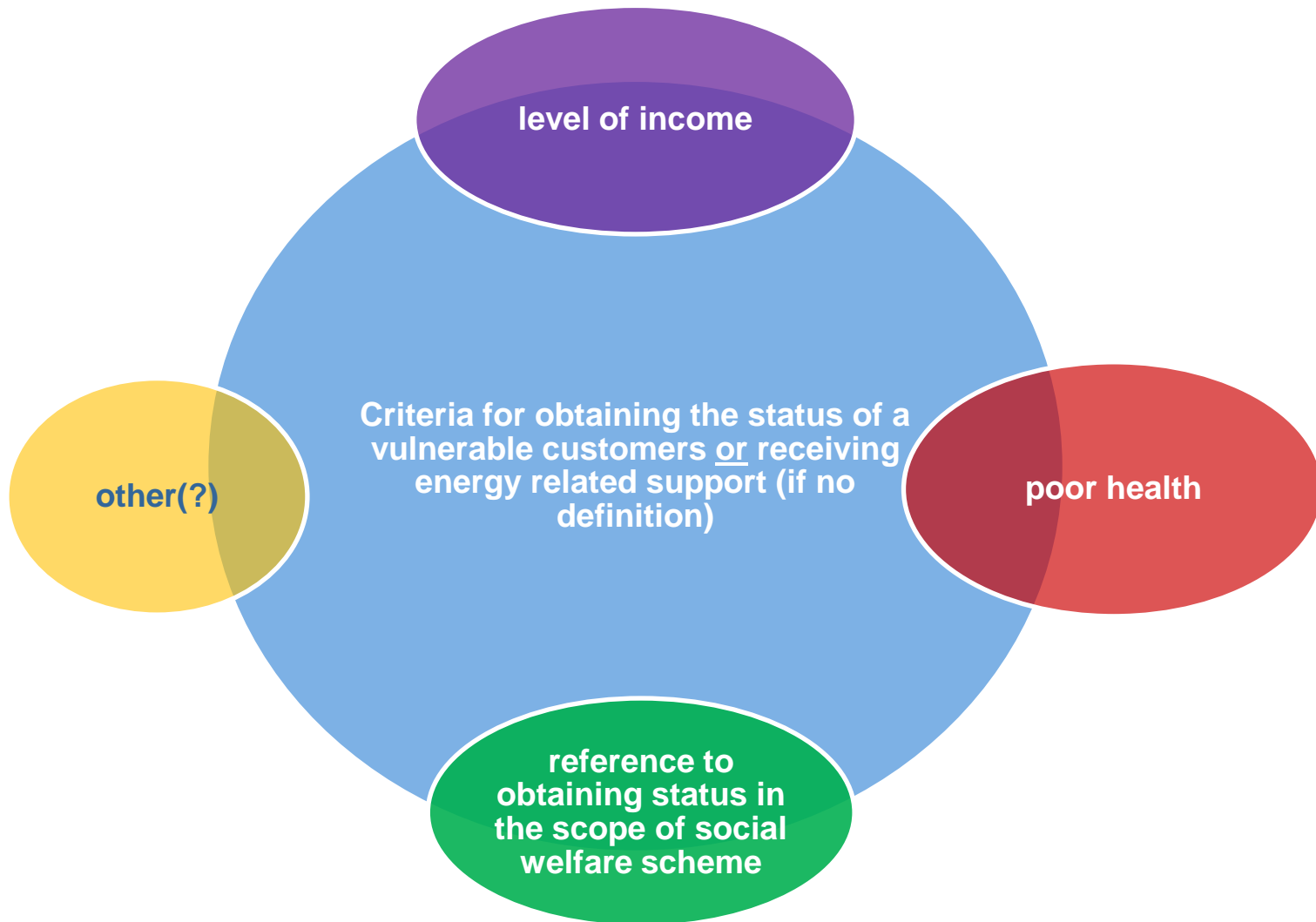


Table 4 Support schemes for vulnerable customers within the energy sector

	Electricity				Gas			
	Economic	Non-economic	Both	No	Economic	Non-economic	Both	No
<b>Albania</b>	X							
<b>Bosnia and Herzegovina</b>	X				X <sup>23</sup>			
<b>Croatia</b>				X				X
<b>Greece</b>	X					X		
<b>FYR of Macedonia</b>	X							X
<b>Kosovo*</b>				X				
<b>Moldova</b>				X	X			
<b>Montenegro</b>	X				X			
<b>Slovenia</b>	X				X			
<b>Serbia</b>			X				X	
<b>Ukraine</b>	X				X			

## Economic support

### Specific tariffs

Montenegro  
Ukraine

### Direct subsidies

Albania  
Bosnia and  
Herzegovina  
Croatia  
FYR of Macedonia  
Kosovo\*  
Moldova  
Serbia

Percentage of households qualifying  
for/receiving economic support:

30% Albania  
App.9% BIH  
10% Kosovo\*  
15% Serbia  
All for electricity

## Non- economic support:

- Protection against disconnection
- Mostly for customers with poor health status
- In BIH and UKR all households eligible, but only in certain cases

**Protection seasonally based?**

**YES**

BIH (Republika Srpska and Sarajevo Canton), Moldova (only heating), Montenegro, Serbia (only gas), Ukraine (only electricity)

**NO**

Albania, BIH (Federation BIH and Brčko District), Croatia, FYR of Macedonia, Kosovo\*

**Quantity threshold?**

**YES**

BIH (Federation BIH), Moldova, Montenegro, Serbia, Ukraine

**NO**

Albania, BIH (Republika Srpska, Sarajevo Canton and Brčko District), Croatia, FYR of Macedonia, Kosovo\*

## Electricity

- For permanent housing
- Max consumption per person (indicative 200kWh/month for up to 4 member family)
- Reflect seasonality
- Lowest income (incl. available assets)
- Electricity supplied through single-phase meter with a connection not exceeding max power (indicative 16A)

## Gas

- For permanent housing
- Max consumption per person (indicative 70m<sup>3</sup>/month for up to 4 member family)
- Reflect seasonality
- Lowest income (incl. available assets)

**Definitions to include minority of population**

**Consumption of vulnerable customers to be financed by social allowances**

**Electricity or gas**

Thank you!

Questions/discussion

Branislava MARSENIC MAKSIMOVIC  
ECRB Natural Gas Expert  
Energy Community Secretariat  
Mail: A-1010 Vienna , Am Hof 4  
Main: +43 1 535 2222  
Direct: +43 1 535 2222 30  
GSM: +43 664 849 81 17

Email: [branislava.marsenic@energy-community.org](mailto:branislava.marsenic@energy-community.org)

- Questions to be answered when preparing national energy consumer checklist
- Lists not exhaustive, national specific questions may be added
- Competent body to be designated
- Issues covered by questions:
  - Information obligations
  - Contracts and billing
  - Prices, tariffs and monitoring
  - Free choice of supplier
  - Connection to network
  - Complaint handling
  - Consumer representation
  - Social measures
  - Unfair commercial practices

## Questions

**Who** are the active suppliers in my area?

**How** do I cancel my contract and switch to a new supplier?

- **What** are the minimum general conditions for cancellation in case of switching?
- I found a more interesting offer for energy supply and have decided to switch. **Who** takes care of the paper work?
- When switching supplier, **is there a risk** of disconnection?
- **What** reasons may exist that would stop me switching supplier?

**Are there situations** that would prevent me from switching to a new supplier without penalties?

- **How** much will it cost me to change supplier?
- **What** is the maximum duration a supplier is able to tie a consumer for contractually?

**Who** should I contact if I think that I have been unfairly charged to change supplier?



## Questions

**What** will happen once I have not reacted to a payment notice?

**How** can I avoid disconnection if I cannot pay my bill?

**What** do I do if I am disconnected?

**Is** there a definition of vulnerable consumers applied in my area? **What** criteria do I have to fulfil to be considered as an aid worthy (vulnerable) consumer?

**What** support and protection are available for consumers in delicate financial situations in my area?

**How** can I reduce my consumption in order to pay less?

**Who** can I contact to find out about local measures to vulnerable consumers in my area?