Customers & Retail Markets WG Activities

Edin Zametica, ECRB CRM WG Chair Secretary (BIH-SERC)
CRM WG – 2019, General Information

2019 CRM WG Meetings
• 42nd Meeting, Vienna, 29 January 2019
• 43rd Meeting, Brussels, 24 June 2019
• 44th Meeting, Sarajevo, 22 October 2019

CRM WG Deputy Chair: Mrs Salome Janelidze

2019 Task Forces
TF1 – Retail market monitoring
  Co-Leaders: Mr Igor Telebak, Mr Aca Vučković
TF2 – Consumer Protection
  Leader: Mr Florian Pichler
TF3 – Quality of Supply
  Co-Leaders: Stefanovska Angelovski, Dubajić, Koval
TF4 – Prosumers
  Leader: Mr Petrit Haziri
TF5 – Power Losses
Customers and Retail Markets – Agenda Overview

1. Monitoring report on the functioning of gas and electricity retail markets in the Energy Community
   ✷ [Approval]

2. Prosumer survey
   ✷ [Agreement on written approval]

3. Update on other CRM WG activities
   ✷ [Information]

4. CRM WG Work Program 2020
   ✷ [Approval]
MONITORING REPORT ON THE FUNCTIONING OF GAS AND ELECTRICITY RETAIL MARKETS IN THE ENERGY COMMUNITY IN 2018

- **Background**
  - Assess the electricity and gas markets in the EnC
  - Identification of potential barriers
  - Recommendations on potential improvements

- **Report covers**
  - 9 EnC Contracting Parties, partly CRO and GRC

- **Methodology**
  - 3 detailed questionnaires to NRAs (electricity, gas and customer protection)

- **Document approved by CRM WG – 18 Nov 2019**
A. INTRODUCTION

B. FINDINGS: ELECTRICITY
- Market characteristics, Switching, End-user prices, HH price breakdown, Price regulation

C. FINDINGS: GAS
- Market characteristics, Switching, End-user prices, HH price breakdown, Price regulation

D. CONSUMER PROTECTION AND CUSTOMER EMPOWERMENT
- Background, SLR and disconnections, Vulnerable customers, Energy Poverty, Customer information, Customer complaints, Service quality

E. MAIN FINDINGS AND CONCLUSIONS
Market Monitoring Report

Main Findings – Electricity

- Total sale to final customers increased by 2.24 %, (without UKR increase 1.29 %), households consumption decreased
- Retail markets still highly concentrated (3 largest companies market share above 90 %; exception BIH 83.8 % & UKR 32 %)
- All customers can choose suppliers in BIH, KOS*, MLD, MNG & SRB; UKR-non HH, dynamics specified in ALB, GEO & MKD
- Only a limited number of customers switched their suppliers in BIH, MKD, KOS*, SRB & UKR (HH only in GRC & SRB), significant increase in MKD, SRB & UKR, decrease in BIH
- End-user electricity prices for households vary substantially (from 4.1 EUR cent/kWh in UKR to 10.27 in MNG) – EU: 20.8
- End-user electricity prices for industry more harmonized (from 5.36 in MNG to 7.59 in MKD)
- Prices for HH regulated in all CPs (except MNG); majority of non-HH customers have regulated prices (MKD & SRB small customers, BIH-0.4kV; no reg: ALB-35kV; KOS*-TSO network)
Main Findings – Gas

- ALB, KOS* & MNG do not have gas markets
- Gas consumption decreased in the period 2012-2018 (40%)
- Number of active suppliers ranged from 4 in BIH to 234 in UKR
- End-users of gas supplied mainly by regional retail suppliers, only in CRO, GRC, GEO, SRB & UKR distribution networks with more than one supplier; CRO, GRC & MKD: customers connected to transmission networks supplied by one supplier
- All customers can choose suppliers, but switching rates are low
- Obstacles to retail market entries mainly come from reasons other than retail market design – scarce infrastructure and status of wholesale market development (e.g. single source of gas, poor access to liquid wholesale markets)
- End-user HH gas and industry prices increased (except MOL & UKR – industry); HH much lower than EU average, industry near EU level; cross-subsidization reduced
- Regulated end-user prices for HH (exceptions MKD and CRO)
Main Findings – Customers

- Appointed electricity SLR, except in GEO & UKR, CRO & GRC
- Gas SLR exists in MKD, MOL, SRB & UKR
- HH disconnections due to non-payment in electricity vary substantially (0.9 % - 11.19 %) previous report (1.89 % - 10.92 %)
- Vulnerable customers and protection measures defined in most CPs (including disconnection and social benefits to cover energy expenses); the share of vulnerable customers varied between 0.77 % in BIH to 8.01 % in GRC
- Customers informed about price changes in advance
- Monthly billing based on actual consumption in all CPs
- Intelligent (smart) metering systems roll-out in BIH, KOS*, MNG, MKD (KOS 6.26 % – MNG 76.91 %)
- Wide choice of payment methods
- Mostly reasonable timelines for processing complaints. Majority of complaints refer to bills; in BIH & UKR significant part is related to QoS
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   ⚡ [Approval]
Survey on Prosumers

- Assessing the upper level of ‘prosumers’ capacity qualifying them as small generators
- Legal procedures, identifying potential barriers
- Recommendations on potential improvements
  - Detailed questionnaire on regulatory framework for prosumers prepared, data collection finalized
  - Draft report that covers 9 EnC Contracting Parties + GRC & ARM prepared and discussed
  - Editorial work in its final stage
  - Survey to be approved by CRM WG
  - Agreement on ECRB Written Approval Procedure
1. Monitoring report on the functioning of gas and electricity retail markets in the Energy Community
   [Approval]

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   [Approval]
WS1: *Market Monitoring Report on the functioning of gas and electricity retail markets in EnC CPs*

WS2: *Input to the annual market monitoring report of ACER-CEER on retail market developments*

- Breakdown of household prices based on retail offers
- NRAs completed questionnaire on electricity and gas offer breakdowns
- Requested data submitted to ACER
- ACER-CEER published Report on 30 October 2019
Joint CEER-ECRB benchmarking report on QoS

• Special TF established
  - Commercial quality
  - Voltage quality & Continuity of supply
  - Gas quality

• Close contact with CEER established (joint sessions of ECRB CRM WG and CEER QoS TF)
  - Data collection questionnaires finalized and approved
  - Questionnaires completed by seven CPs (ALB & MOL to submit their responses)
  - Joint session of two TFs in Vienna 14-15 Nov 2019
  - Bulk of work in 2020
TF5: Power Losses

Contribution to the 2\textsuperscript{nd} CEER Report on Power Losses

- Benchmark the level of network losses in European and Energy Community countries
- Financial, environmental and technical importance of losses reduction
- Identify different national practices regarding the definition and calculation of such losses
  - NRAs completed questionnaire on network losses
  - Requested data submitted to CEER
  - Draft report to be finalized by 12 Dec 2019
  - CEER CRM WG to approve report on 10 Jan 2020
  - CEER GA approval planned for 23 Jan 2020
  - Report to be published afterwards
TF1 – Retail Market Monitoring
Co-Leaders: Mr. Igor Telebak, Mr. Aca Vučković
- Retail Markets Monitoring Report
- Input to the ACER-CEER market monitoring report

TF2 – Customer Protection
Leader: Mr. Florian Pichler
- Joint ECRB-CEER-MEDREG customer workshop

TF3 – Quality of Supply
Co-Leaders: A. Stefanovska Angelovski, N. Dubajić, R. Koval
- Joint CEER-ECRB benchmarking report on QoS
- Policy guideline on QoS (in cooperation with ECDSO-E)

TF4 – Digital Communication Channels
TF Leader: Mr. Petrit Haziri
- Report on customers next generation and digital channels

TF5 – E-mobility
TF Leader: Mrs. Dragana Josimović
- Survey on legal, regulatory, technical and economic aspects
Thank you for your attention!

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