

Brussels, 16 April 2014

Response to Public Energy Retail Market Consultation

Orgalime, the European Engineering Industries Association, speaks for 38 trade federations representing some 130,000 companies in the mechanical, electrical, electronic, metalworking & metal articles industries of 23 European countries. The industry employs some 10.3 million people in the EU and in 2012 accounted for some €1,840 billion of annual output. The industry not only represents some 28% of the output of manufactured products but also a third of the manufactured exports of the European Union.

This industry supplies technologies throughout the entire energy value chain, from generation, transmission, distribution to (private and industrial) end use, while it depends on reliable and continuous access and availability of energy at cost-reflective and efficient prices for its own manufacturing processes in Europe. The industry is also the target of the Eco design and Energy Labelling Directives, for which implementation is ongoing for some 46 product groups of our sector.

The European engineering industries welcome the Commission's public consultation on the Energy Retail Market and possibility to provide comments to the debate.

We regret that the stakeholder questionnaire does not recognise the role of technology providers in itself in the given list of different roles of the responding stakeholder in the energy market. The structure of some 10 questions and suggested multiple choice answers do unfortunately not allow for a response by Orgalime in its nature as a European association.

We therefore take this means to provide our comments to the debate taking into account the given questionnaire to the maximum extent possible.

MAIN MESSAGES

Orgalime pursues a fully completed, interconnected, consumer centric future energy market in Europe. We support the liberalisation of the energy retail market as an important element of a well-functioning European energy market that allows consumers to enjoy the benefits of available, innovative energy efficiency and low carbon technologies and services. Consumers need to be able to achieve better control of their energy costs, consumption and overall autonomy through the combination of decentralised energy generation, with energy management systems and smart appliances.

We welcome that the Commission confirms that the technologies for providing more added value to consumers are mostly in place, and agree that the market now needs to open up and adapt to new production and consumption patterns, as well as a different role and evolving expectations of the consumer.

We invite the Commission to encourage retail models that facilitate greater involvement of energy end users and distributed generation (notably self production and net balancing).

The role of the consumer is crucial for the future energy system - the consumer ("prosumer") needs to have the right to decide. Switching should be made easier and faster.

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Flexible tariffs are in our view needed to reflect the real costs of energy. Energy bills should become more meaningful and transparent. The status of aggregation still needs to be recognised in many Member States and remaining barriers be removed.

Demand Side Flexibility bears significant potentials for increasing the overall efficiency of the EU energy system, integrating an ever higher share of Renewable Energy Source and of realising cost savings for private and industrial consumers. It should be boosted and barriers need to be removed (see Orgalime Position Paper to the [CEER Consultation on Demand Side Flexibility](#)). In both, wholesale and retail markets, demand response needs to be centred on fair reward to consumers for demand flexibility.

The introduction of time-differentiated prices and load-based tariffs as an option accessible to everybody gives all consumers the possibility to opt into demand response and get rewarded. However, the removal of blanket price regulation, where it exists, is necessary for such dynamic prices to be offered. It is equally necessary for market transparency without which time-differentiated prices cannot be effective in reflecting true conditions in the market in real time.

To deliver its full potential, demand response needs an internal energy market that treats demand-side participation fairly in comparison with supply and that is equipped with a smart infrastructure system, opening up new possibilities for participation. We advocate for placing demand response on an equal footing with generation and in a transparent and non-discriminatory manner. Consumers should be allowed to participate balancing power markets and offer their flexibilities on a normal commercial basis.

A timely and proper implementation of the relevant EU legislation, in particular the Third Energy Package and Energy Efficiency Directive, is essential.

Grid codes, including in particular the Demand Connection Code and Balancing Code, need to reflect the relevant business case without mandatory shut off of appliances and with rewarding the consumer for his flexibility.

In the future energy market under business models operating smart grids, the role of DSOs should be limited to balancing and distribution of energy through the grid.

We support strong and independent National Regulatory Authorities (NRAs), which are not necessarily in place in all Member States today.

ANNEX: ORGALIME REPLIES TO THE STAKEHOLDER QUESTIONNAIRE (considering that questions 19, 21, 22, 25, 26, 27.1, 28, 29, 32, 34 and 39 target actors on the national level in one particular Member State)

I. GENERAL FUNCTIONING OF THE RETAIL MARKET AND CONSUMER PARTICIPATION

A well-functioning retail energy market offers consumers means of managing their energy procurement and consumption as well as controlling their energy costs. This should increase consumers' trust in the energy sector. However, the functioning of retail energy markets is affected by a number of factors as briefly described in the introduction and more in detail in e.g. the Communication on the Internal Energy Market (COM/2012/0663 final). Furthermore, in addition to functioning retail markets, there are other important factors that determine if consumers obtain their energy on the terms that are best for them. Please give your opinion on the relative importance of the following factors in helping residential consumers and SMEs better control their energy consumption and costs.

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- a. Irrelevant
- b. Unimportant
- c. Important
- d. Very important
- e. No opinion

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
a) Well-functioning wholesale market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Customer choice between competing Offers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Easy access to technology such as smart meters or appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Secure access to more detailed energy consumption data	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Easy access to demand response Services	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Easy access to energy efficiency Services	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Strong consumer protection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
h) Market-based consumer prices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i) Regulated consumer prices	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j) Transparent contracts and bills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
k) Bill reflecting real instead of estimated Consumption	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
l) Light permitting and grid connection procedure for self-production	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
m) Right to sell excess energy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
n) Protection against misleading selling methods and places	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
o) Protection of vulnerable consumers	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
p) Independent and competent National Regulatory Authority	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

2. Are there other factors which would enable residential consumers and SMEs to better control their energy consumption and costs?

A full implementation of the Energy Efficiency Directive and Electricity Supply Directive, especially of DSR related provisions, is in Orgalime's view a prerequisite in this context.

So is the completion of EU internal energy market, more interconnectivity between Member States, speeding up implementation of Projects of Common Interest (PCIs) and overall national energy policy frameworks that treat demand side flexibility on equal footing with generation and in a transparent and non-discriminatory manner.

Finally, the development of a mechanism for the implementation of self-production schemes and the recognition of the role of the aggregator would enable consumers and SMEs to better control of energy consumption and costs.

3. ACER/CEER Annual Report concludes that consumers are dissatisfied with the information they receive in their contract and in their billing information. The report also shows the frequency with which consumers switch from one energy supplier to another. This varies between 0% to 14,8% in the EU Member States. In your opinion, what are the key factors that influence switching rates?

- Consumers are not aware of their switching rights
 Prices and tariffs are too difficult to compare due to a lack of tools and/or due to contractual conditions
 Switching offers insufficient benefits
 Complex switching procedures
 Loyalty to local, publicly owned suppliers
 Unfair commercial practices such as misleading branding and communication strategies applied by Integrated DSO/ retail suppliers
 Other

4. Please indicate if you agree or disagree with the following statements concerning ways to increase consumers' interest in comparing offers and switching to a different energy supplier.

- a. Disagree
b. Neutral
c. Agree

	<u>A</u>	<u>B</u>	<u>C</u>
a) Include standardised minimum information In commercial offers for easier comparison	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Ensure the availability of web-based price comparison tools	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Ensure consumers are aware of their rights	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Develop further rights for consumers:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) There is no need to encourage switching	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. With the implementation of related provisions in the Energy Efficiency Directive by December 2014, consumers can be billed on the basis of their actual energy consumption and have the right to access their actual and historical consumption data. Do you think that bills provide consumers with sufficient information about their consumption patterns?

- Yes No No opinion

5.1. Why does the bill for actual consumption not provide sufficient information?

- Because the bills are not sufficiently transparent and meaningful
 Because the bills showing actual consumption are sent too rarely (e.g. once a year)
 For other reasons

6. If you were able to receive more detailed information on your energy consumption, do you think this would affect your consumption patterns?

- Yes No No opinion

7. In your opinion, which of the following factors will be the main drivers of future developments in the retail market?

- Smart meters and smart grids
 Security of supply
 Energy poverty
 Data management
 Local autonomy due to decentralised generation
 High costs of investment in network capacity
 Other

8. My reply to the previous question concerns the following Member State(s)

Orgalime's reply concerns the 23 countries to which its membership is affiliated, see http://www.orgalime.org/sites/default/files/Member%20Associations_1.pdf

II. MARKET DESIGN

Market design refers to the way the roles, responsibilities and interaction of electricity and gas market actors (including distribution system operators, energy suppliers, energy service companies and consumers) are organised in a country or region. Decisions on market design also influence the scope and degree of competition in the market.

9. In your opinion, is the level of competition in retail energy markets appropriate?

- Yes No, there is too little No, there is too much

Why do you think there is too little competition?

- Excessive regulatory intervention
 Insufficient regulatory intervention
 Lack of interest by new suppliers
 Market dominance by a few market actors
 Regulation of consumer prices
 Unfavourable market conditions
 Ownership restrictions
 Other barriers to entry

10. My reply to the previous question (9) concerns the following Member State(s):

Orgalime's reply concerns the 23 countries to which its membership is affiliated, see http://www.orgalime.org/sites/default/files/Member%20Associations_1.pdf

11. Market functioning and the degree of competition are also determined by impartial operation of the networks and therefore by the independence of network operators from commercial retailers of energy. DSOs have a specific role in their key task of distributing energy. Some DSOs belong to vertically integrated companies that have departments selling energy and/or providing other types of commercial services in the retail market. In your view should:

- The role of DSO be limited to balancing and distribution of energy through the grid?
 DSOs be able to carry out other activities in a competitive retail market provided that a clear separation is ensured between DSOs and related retail branches of vertically integrated companies?
 No opinion

12. In your opinion, which of the following task(s) should DSOs carry out?

- Billing
 Data management
 Balancing of the local grid, including distributed generation and demand response
 Connection of new generation/capacity (e.g. solar panels)
 Curtailment on the basis of a contract and against reward
 Other

13. In your opinion, what are the requirements for DSOs to efficiently fulfil their tasks that you identified above?

- Good regulatory oversight
 Independence from supply activities
 Independence from political influence
 Clear definition of the roles of DSOs and TSOs
 Clear definition of the DSO's relationship with suppliers
 Clear definition of the DSO's relationship with consumers

14. The provisions in existing EU legislation aimed at achieving network operators' independence include the requirement of a clear separation of the visual identities (distinct branding) of the operators of distribution networks (DSO) and commercial retailers in order to avoid any consumer confusion. This is particularly relevant in cases where the network operators are owned by businesses that also offer retail supply services on a commercial basis. How clearly are the distribution and retail branches of vertically integrated companies in your country separated in visual branding terms?

- Not clearly Clearly No opinion

15. The roles of market actors, including DSOs and energy service companies, with regard to distribution networks vary in the Member States. Should any of the following be defined at EU level?

- a. Yes
b. No
c. No opinion

	<u>A</u>	<u>B</u>	<u>C</u>
a) Billing	X	<input type="checkbox"/>	<input type="checkbox"/>
b) Data management	X	<input type="checkbox"/>	<input type="checkbox"/>
c) Balancing of the local grid	X	<input type="checkbox"/>	<input type="checkbox"/>
d) Distributed generation	X	<input type="checkbox"/>	<input type="checkbox"/>
e) Demand response	X	<input type="checkbox"/>	<input type="checkbox"/>
f) Connection of new generation/capacity (e.g. solar panels)	<input type="checkbox"/>	<input type="checkbox"/>	X
g) Curtailment on the basis of a contract and against reward	<input type="checkbox"/>	X	<input type="checkbox"/>
h) Other	X	<input type="checkbox"/>	<input type="checkbox"/>

"Other" should in Orgalime's view include self-production and net balancing.

16. In line with the spirit of existing legislation, the principle of the consumer owning his or her energy consumption data is promoted. Allowing other parties to have access to such consumption data in an appropriate and secure manner, subject to the consumer's explicit agreement, is a key enabler for the development of new energy services for consumers. The manager of energy consumption data must share the data with the market actors in a non-discriminatory and safe fashion.

X Agree Disagree No opinion

17. In your view, which of the following entities should manage the consumption data flows?

- X Consumer or a market actor designated by the consumer
 Entity independent from DSOs, ESCOs, suppliers and other market actors
 DSO
 ESCOs
 Telecommunication companies
 Data processing companies (e.g. Google, Spotify)
 Other

18. Network charges represent an important part of the final energy cost for households. The method of setting the DSO tariff is therefore as important for retail energy consumers' bills as the level of competition and transparency in the prices of the energy commodity. The DSO tariffs are regulated nationally and different models are applied in individual Member States. Provisions in Directive 2009/72/EC (Art. 25.6) require tariffs to be non-discriminatory, cost-reflective and to be published. These tariffs are of key importance in measuring the efficiency of DSOs (see background document). Against this background, please indicate to what extent you agree with the following statements.

- a. Disagree
b. Neutral
c. Agree

	<u>A</u>	<u>B</u>	<u>C</u>
a) The tariffs should be time-differentiated	<input type="checkbox"/>	<input type="checkbox"/>	X

to enable demand response

- | | | | |
|--|--------------------------|-------------------------------------|-------------------------------------|
| b) The tariffs should be measurable | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) The cost breakdown of tariffs should be transparent | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) The methodology to calculate the tariffs should be transparent | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) The tariffs should be favourable for distributed generation | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| f) The principles to determine network tariffs should be the same for both distribution and transmission to avoid distortion | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| g) European wide principles for setting distribution network tariffs are needed | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

19. Internal Energy Market legislation foresees that Member States designate DSOs for a period of time to be determined by them and having regard to efficiency and economic balance. In this context the operation of distribution networks may be measured against cost efficiency, long-term sustainability and consumer interest. In Member States where the DSOs do not own the network; the awarding of concession to operate distribution networks varies but must be governed by the principle of non-discrimination and public procurement legislation. If applicable, do you view the procedure for awarding concessions for gas and electricity distribution in your country as adequate?

- Yes No No opinion

No answer possible for Orgalime, since question is targeted to one particular national country.

20. In your opinion, a suitable period of time for a concession contract would be:

- 10 years 20 years 30 years
 unlimited Other No opinion

21. The general objective of National Regulatory Authorities (NRAs) as defined in the Electricity and Gas Directives is the promotion of competitive, secure and environmentally sustainable internal energy markets. Monitoring of the implementation and revision of the rules and responsibilities of regulated companies and ensuring the effectiveness and enforcement of consumer protection measures are further tasks for NRAs. The capacity of NRAs to act independently, vigorously and in the interest of a long-term, consumer-centred vision for the electricity and gas markets affects the achievement of the general objectives presented above. Please indicate your opinion on the National Regulatory Authority in your country with regard to:

- a. Very poor
b. Poor
c. No opinion
d. Good
e. Very good

- | | <u>A</u> | <u>B</u> | <u>C</u> | <u>D</u> | <u>E</u> |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a) Taking autonomous decisions in its regulatory duties concerning retail energy markets and their actors (DSOs, energy service companies, consumers) independently from any political body or other public or private entity | <input type="checkbox"/> |
| b) Helping to ensure consumer protection in the energy market | <input type="checkbox"/> |
| c) Fixing or approving distribution tariffs or their methodologies | <input type="checkbox"/> |
| d) Monitoring the level and effectiveness of market | <input type="checkbox"/> |

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opening and competition at retail level

- | | | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| e) Reading to occurrences of contractual practices restricting the freedom of consumers to contract more than one energy supplier | <input type="checkbox"/> |
| f) Bringing cases of distortion of competition before the competent competition authorities | <input type="checkbox"/> |
| g) Efficiency | <input type="checkbox"/> |

No answer possible for Orgalime, since question is targeted to one particular national country.

22. Does the NRA in your country (in your view) have sufficient resources to fulfil its role?

- Yes No No opinion

No answer possible for Orgalime, since question is targeted to one particular national country.

III. DEMAND-SIDE PARTICIPATION AND SMART USE OF ENERGY

23. Advances in innovation have enabled a broad range of distributed generation and demand response technologies for industrial, commercial (including small businesses) and residential consumers to control their consumption and to help balance the grid while decreasing dependency on energy supply from other sources. Energy efficiency, demand response, self-generation, auto-consumption and local storage go hand-in-hand in this respect. Do you think that consumers have the information they need to use energy more efficiently?

- Yes No Don't know / no opinion

23.1. To which extent could the availability of such information be improved through the following sources?

- a. Not at all
b. A little
c. A lot
d. No opinion

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
a) Real-time data through metering equipment opening and competition at retail level	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Historical data graphics or graphics that compare similar household consumption	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) In-home displays visualising metering information similar household consumption	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) More frequent and informative billing	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

24. Are there other information sources that could improve energy efficient behaviour? Please specify.

For energy using products, the Energy Labelling Directive applies and enacts information requirements regarding the energy consumption of certain appliances. These measures are in our view complementary to the tools mentioned in question 23 but not self-sufficient. More information regarding market surveillance activities, outcomes of these activities and sanctions would be helpful.

25. ESCOS are businesses that design and implement integrated energy solutions, including energy supply, energy conservation and financing. They can facilitate favourable contractual arrangements for consumers and provide information that can be used by consumers to achieve better prices (e.g. in demand response programmes). Energy services - specifically in the context of energy efficiency - are services that can deliver measurable energy efficiency improvements on the basis of a contract between energy service providers and consumers. They can also help finance initially high investment costs against the cost benefits over time (e.g. through

- Aggregators
 DSOs
 None

31. Who should offer dynamic pricing to residential consumers and SMEs?

- Suppliers
 Aggregators
 DSOs
 None

32. If there is little or no dynamic pricing in your country, what are the barriers?

Note: The following Orgalime answer is given from a European overall perspective:

- Technical standards
 Regulatory barriers
 Unclear legal framework
 Unclear benefits
 Other

Please specify

The format of questions 28 and 29 do not allow Orgalime to provide an appropriate reply.

We refer to [Orgalime's Response to the "CEER Consultation: Regulatory and Market Aspects of Demand Side Flexibility"](#) of 20.12.2013. It describes the main barriers that remain existing today to the disadvantage of EU consumers.

33. Regarding the participation of consumers in balancing markets, to which extent do you agree with the following statements?

- a. Disagree
b. Neutral
c. Agree

	<u>A</u>	<u>B</u>	<u>C</u>
a) The load (demand capacity) that can be adapted by the consumer upon request should be measured at aggregated level	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Consumer should be able to enter aggregation programmes regardless of the size of their load	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) On-site qualification tests for demand-side units should be carried out at an aggregated level	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Consumers should be able to participate in the primary balancing market	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Network operators should be obliged to offer products, services and contracts which match the characteristics of flexibility that residential and small industrial/commercial consumers can typically provide (i.e. smaller loads for limited time)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) The full activation time within primary reserve capacities must be provided should be sufficiently long for the demand side to prepare and react	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) The minimum duration of the requested adaptation of the demand should be kept within limits that are acceptable for consumers (for example maximum 15 minutes)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

33.1. The time within which primary reserve capacities must be fully activated should be:

- Longer than 15 minutes
 30 secondes
 Shorter than 30 secondes
 No opinion

33.2. The minimum duration for which the adaptation of demand is offered at the balancing market should be

- Longer than 15 minutes
 30 secondes
 Shorter than 30 secondes
 No opinion

34. Aggregators cluster consumer loads and market them at wholesale level. Regarding the role of aggregators in your country, to which extent do you agree with the following statements?

- a. Disagree
b. Neutral
c. Agree

Note: The following Orgalime answer is given from a European overall perspective:

	<u>A</u>	<u>B</u>	<u>C</u>
a) Aggregators have full access to the market	X	<input type="checkbox"/>	<input type="checkbox"/>
b) Aggregators appear today as active players in the energy market	X	<input type="checkbox"/>	<input type="checkbox"/>
c) Suppliers should be allowed to act as aggregators	X	<input type="checkbox"/>	<input type="checkbox"/>
d) Member States should incentivise aggregators	X	<input type="checkbox"/>	<input type="checkbox"/>

35. Regarding consumer engagement in demand response programmes, to which extent do you agree with the following statements?

- a. Disagree
b. Neutral
c. Agree

	<u>A</u>	<u>B</u>	<u>C</u>
a) A large number of consumers would engage in demand response programmes if they were offered simple services and hassle-free technical solutions	<input type="checkbox"/>	<input type="checkbox"/>	X
b) Only very specific consumer segments (like young people without children) would engage in demand response programmes	X	<input type="checkbox"/>	<input type="checkbox"/>
c) Overall few consumers would engage in demand response programmes	X	<input type="checkbox"/>	<input type="checkbox"/>

36. Metering systems able to measure and display energy consumption in short intervals (even every 15 minutes) are important element for consumers to control their consumption and participate in flexibility services (demand response). Accessibility and cost of these systems depend on modern meters which are necessary for commercial arrangements set by the grid operators and non-regulated market actors to integrate their services in the grid.

- a. Yes
b. No
c. Don't know / no opinion

	<u>A</u>	<u>B</u>	<u>C</u>
a) Have a smart meter installed on his own request and at his expenses even if smart meters are not rolled out systematically in his area?	X	<input type="checkbox"/>	<input type="checkbox"/>
b) Have a smart meter with functionalities of his own choice even if a different type is rolled out in his area?	X	<input type="checkbox"/>	<input type="checkbox"/>

37. Smart appliances (i.e. heating devices, air conditioners, dishwashers etc. Capable of adapting to price/network signals) and/or smart energy management systems could help shift consumption to low price periods or to network off-peak times according to user preferences. Energy management

systems can, in addition, factor in parameters like weather conditions and light intensity. Home automation systems thus help reduce energy costs for consumers. Regarding smart appliances and energy management systems, do you agree with the following statements?

- a. Disagree
b. Neutral
c. Agree

	<u>A</u>	<u>B</u>	<u>C</u>
a) Smart appliances and/or smart energy management systems are a precondition to make the field of demand response accessible to a broad range of consumers	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Smart appliances and/or smart energy management systems are a facilitator to make the field of demand response accessible to a broad range of consumers	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Smart appliances should also display information on consumption patterns	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Smart appliances and/or energy management systems, if correctly set up, will not mean a reduction of user comfort	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

38. The Energy Performance of Buildings Directive lays down that all new buildings will have to be nearly-zero energy buildings by 2020. This means that buildings will have to be very energy-efficient while covering the low remaining energy need for heating and cooling with renewable energy produced on site or nearby. In line with the Renewable Energy Directive, consumers can decide to generate renewable energy without having to face disproportionate permitting and grid connection procedures. When combining energy management systems and smart appliances with self-production, consumers can achieve greater energy autonomy. Do you think that it is sufficiently easy for a consumer to install and connect renewable energy generation or micro-CHP equipment in their house?

- Yes No X No opinion

If not, what is the most important obstacle?

- Obtaining the permit from a competent authority
 Getting connected to the distribution grid
 Sorting out the contractual arrangements with the network operator
 Sorting out the contractual arrangement with the energy supplier
 Other reasons

39. In your country, can consumers sell:

- a. Yes
b. No
c. Don't know / no opinion

	<u>A</u>	<u>B</u>	<u>C</u>
a) Their self-produced electricity to the grid?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Electricity to different suppliers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Electricity to their neighbours?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

No answer possible for Orgalime, since question is targeted to one particular national country.

40. If not, please specify why this is not possible:

No Orgalime answer – same as previous.

41. Regarding self-generation and auto-consumption, do you agree with the following statements?

- a. Disagree
b. Neutral
c. Agree

	<u>A</u>	<u>B</u>	<u>C</u>
a) Self-generation and auto-consumption reduces the need	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

for generation and network capacity for society as a whole and should therefore be exempt from additional charges

- | | | | |
|---|--------------------------|-------------------------------------|-------------------------------------|
| b) Self-generators/auto-consumers should contribute to the network costs even if they use the network in a limited way | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) The further deployment of self-generation with auto-consumption requires a common approach as far as the contribution to network costs is concerned | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) The further deployment of self-generation with auto-consumption requires a common approach for the simplification of related administrative procedures | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) Member States should give more financial incentives for promoting self-generation and auto-consumption of heat from renewable energy sources and micro CHP | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

42. Do you agree or disagree with the following statements?

- a. Disagree
b. Neutral
c. Agree

- | | <u>A</u> | <u>B</u> | <u>C</u> |
|--|--------------------------|-------------------------------------|-------------------------------------|
| a) There should be incentives for electrical heating appliances that are demand response-ready | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) There should only be incentives for electrical heating that is demand response-ready if the underlying technology is very efficient (e.g. heat pumps) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) Member States should give more financial incentives for the purchase of highly efficient heating technologies, irrespective of the fuel | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |



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