Bijlage 1 Europese consumentenorganisatie

Putting Regulators in the Driving Seat, Beuc's Comments on the European Commission's Proposals to Complete the Internal Market for Energy van 20 december 2007;

- Demand 2: Consumer organizations and regulators should discuss the roll-out of smart metering technology to ensure that consumers' interests are taken into account. Smart meters might allow consumers to reduced demand at peak time and in case electricity is priced according to actual demand, consumers could make savings, with the preliminary condition that energy supply reacts to demand i.e. that energy markets are competitive (see demand 1). Because demand is linked to weather conditions and the time of the day, consumers should always be entitled to be supplies with an amount of energy at a fixed price. Price increases of energy following environmental measures can only bring about the desired efficiency increases which they intend to result in when they are fully understood by consumers.
- > At the same time, the Commission has suggested to specify that the measures suggested in article 3 of the Gas and Electricity directives are to ensure that consumers: (i) shall be properly informed every month of their actual electricity/gas consumption and costs. No additional costs can be charged to the consumer for this service. (p. 42 in the proposed electricity directive and p 46 in the proposed gas directive). BEUC supports this additional right because it will enable consumer to react to price changes in the electricity and gas markets. Currently, electricity and gas consumption do not adapt quickly to price signals, partially because of the importance of other drivers of demand such as the weather conditions and the time of the day -energy demand peaks in the morning and during dinner time and drops significantly during the night-, but also because consumers were never exposed to price signals before. The inflexibility of demand increases the possibility for dominant companies to abuse their position during peak times. In order to inform consumers, the metering equipment will have to be changed in most Member States, leading towards the installation of so-called "smart meters" which "communicate" actual consumption to the supplier and inform the consumer about the cost of the actual consumption. Consumer organizations and regulators should therefore discuss the roll-out of smart metering technology to ensure that consumers' interest in terms of clearness of the information provided, easiness to handle these systems, etc. is taken into account. Only if price increases of energy following environmental measures are fully understood by consumers could they bring about the desired efficiency increases in which they intend to result in. Smart meters might allow consumers to reduce demand at peak time and in case electricity is priced according to actual demand, consumers could make savings. A preliminary condition is of course that energy supply reacts to demand i.e. that energy markets are competitive. But, because demand is equally linked to weather conditions and the time of the day, consumers should always be entitled to be supplies with an amount of energy at a fixed price. Furthermore, additional rights as to transparency of prices and billing, protection against disconnection and representation in the relevant decision bodies remain equally important. As we highlight below, relying solely on market forces to protect consumers remains insufficient.
- > Generally speaking, BEUC finds it necessary to integrate the rights suggested in the Commission's communication: "Towards a European Charter on the Rights of Energy Consumers" into the 3rd package. It is crucial to understand that the competitive market cannot fully protect consumers. In the UK, which has the longest liberalization record, it has become apparent that protection is necessary, especially as regard to vulnerable consumers. We very much welcomes the fact that consumers will dispose of more information on their actual consumption in due time as are the provisions to have better

rules on settling accounts in case of switching, but more needs to be done. In that respect, we refer to our 2nd demand in relation to informing consumers on the cost of their actual consumption. Our Norwegian member highlights the potential of smart meters and stresses the need for long term planning. Full-scale implementation of smart/automatic metering is planned in Norway by 2013.

The EU Energy Markets after the Liberalisation: Consumers Still Waiting to Reap the Full Benefits. Summary of results of a survey carried out among our member organisations within the EU in the first half of 2008 van 23 oktober 2008.

- Empower consumers. Consumers must be provided with information on the cost of energy and on their consumption in a regular and timely manner. They need up to date and proper information to find their way in the complex energy market, become active and more rational market players and better manage costs and their own consumption. Concrete actions on a national level by regulators, consumer organisations and national governments:
 - o Explore the possibilities of digital metering.
 - o Provide better information on the possibilities to switch to alternative suppliers.
 - o Inform consumers on energy efficiency measures, but not through bills
 - o Ensure offers on the market are comparable and easily accessible for consumers through websites, tariff calculators, etc.
- As far as information on costs and consumption is concerned in 50% of the countries information is difficult to obtain. In our view this reflects the problems reported with billing (...) Technological changes in the metering equipment will also help inform consumers if well implemented. We would call on the regulators to thoroughly analyse this issue.
- > Explore the possibilities to inform consumers on accurate consumption on a regular basis for example by the introduction of digital metering.

Beuc's 8 Priorities for the Swedish Presidency

➤ Ensure consumers can have access to their actual consumption, notably through Smart Metering.

Beuc's 8 Priorities for the Czech Presidency

> Ensure consumers can choose to be informed about their actual consumption, notably through Smart Metering.

Beuc 's 8 Priorities for the French Presidency

Inform consumers about their actual consumption, notably through Smart Metering and by making bills intelligible and understandable.