

Electricity Directive Trilogue negotiations

Eurelectric recommendations

May 2018

Eurelectric represents the interests of the electricity industry in Europe. Our work covers all major issues affecting our sector. Our members represent the electricity industry in over 30 European countries.

We cover the entire industry from electricity generation and markets to distribution networks and customer issues. We also have affiliates active on several other continents and business associates from a wide variety of sectors with a direct interest in the electricity industry.

We stand for

The vision of the European power sector is to enable and sustain:

- A vibrant competitive European economy, reliably powered by clean, carbon-neutral energy
- A smart, energy efficient and truly sustainable society for all citizens of Europe

We are committed to lead a cost-effective energy transition by:

investing in clean power generation and transition-enabling solutions, to reduce emissions and actively pursue efforts to become carbon-neutral well before mid-century, taking into account different starting points and commercial availability of key transition technologies;

transforming the energy system to make it more responsive, resilient and efficient. This includes increased use of renewable energy, digitalisation, demand side response and reinforcement of grids so they can function as platforms and enablers for customers, cities and communities;

accelerating the energy transition in other economic sectors by offering competitive electricity as a transformation tool for transport, heating and industry;

embedding sustainability in all parts of our value chain and take measures to support the transformation of existing assets towards a zero carbon society;

innovating to discover the cutting-edge business models and develop the breakthrough technologies that are indispensable to allow our industry to lead this transition.

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A Eurelectric paper

May 2018

KEY MESSAGES

The negotiations on the Electricity Directive between the European Commission (EC), the Council and the European Parliament (EP) are expected to start shortly. With this paper, Eurelectric would like to play a constructive role in the inter-institutional debates and underline its key messages on market design:

- **Retail Prices**

If prices continue to be regulated by national authorities, then the benefits brought by the Clean Energy Package (CEP) will be considerably reduced. Eurelectric is in favour of a complete phase out of regulated prices and therefore is fully supportive of the original Commission's proposal. We also endorse the European Parliament's approach to explicitly mention social policy as a way of tackling energy poverty and welcome the flexibility given to Member States by the proposal.

- **Dynamic Pricing**

We support the Council's proposed framework which would enable suppliers to offer dynamic price contracts and which clarifies that only final customers who have a smart meter installed can request such a contract from at least one supplier. However, the dynamic pricing definition (Art. 2.11) imposing reflection of day-ahead and intraday spot prices is much too restrictive. Dynamic pricing should refer to retail electricity prices that pass through at least part of wholesale price volatility.

- **Local Energy Communities (LEC)**

We agree with the definition of LEC proposed by the European Parliament (Article 2.7). For the rest, the Council's approach is preferable on Article 16. Indeed, it is not only requesting LECs to fairly contribute to network costs, it is also providing more clarity in terms of ownership structure, rights and obligations of LECs. Last but not least, a reference to the definition of the Renewable Energy Directive is necessary to ensure consistency across the Clean energy package.

- **Demand Response Aggregation**

Eurelectric welcomes the European Parliament's clarification that aggregators shall be financially responsible for the imbalances they cause in the electricity system. We also support the deletion of the Commission's proposal that aggregators shall not pay compensation to suppliers or generators. There is a need to ensure the remuneration for the energy injected into the system and this must be the rule by default in order to solve the bulk energy issue.

- **DSOs and storage**

We support a regulatory framework that allows and incentivises DSOs to procure flexibility services through the market and permits ownership and operation of storage by DSOs only under certain well defined circumstances. Similarly, NRAs should decide whether or not non-frequency ancillary services should be market-based. We support the inclusion of this and flexibility solutions more generally in the network development plan to be produced in a cycle determined by the NRA. Moreover, provisions must be identical for both TSOs and DSOs on this matter and the exception for “integrated network component” as introduced by the Council should be kept. Finally, we strongly oppose the newly proposed Article (36a) by the Parliament which aims at further defining what a DSO may or may not do. The current unbundling rules already ensure that the distribution system is operated independently from a generation and supply business, therefore the article does not add value and only risks constraining and blocking innovation in distribution networks.

- **DSOs and integration of electro-mobility into the electricity network**

We agree with the Commission that the ownership and operation of electric vehicles’ (EV) charging infrastructure is a market activity. DSOs should be allowed to own, develop, manage or operate it for a limited time and under well defined conditions. However, in this context DSOs should be able to operate charging infrastructure without overly prescriptive Member States derogation. Otherwise, this would prove disruptive in case a given DSO is currently operating EV charging points. Eurelectric thus prefers the more accurate wording put forward by the Parliament in combination with the Council’s concession for those cases where DSOs already own private recharging points solely for their own use.

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CHAPTER I SUBJECT MATTER AND DEFINITIONS				
Local Energy Communities Article 2	7. 'LEC' means an association, a cooperative, a partnership, a non-profit organisation or other legal entity which is effectively controlled by local shareholders or members, generally value rather than profit-driven, involved in distributed generation and in performing activities of a distribution system operator, supplier or aggregator at local level, including across borders.	7. 'LEC' means an association, a cooperative, a partnership, a non-profit organisation, SME or other legal entity which is based on voluntary and open participation and is effectively controlled by local shareholders or members, the predominant aim of which is to provide local environmental, economic or social community benefits for its members or the local area or areas where it operates rather than where it generates profits, and which is involved in activities such as distributed generation, storage, supply, provision of energy efficiency services, aggregation, electro-mobility and distribution system operation, including across borders.	7. 'Energy community' means a legal entity which is based on voluntary and open participation , effectively controlled by shareholders or members who are natural persons, local authorities, including municipalities, or small enterprises and microenterprises. The primary purpose of an energy community is to provide environmental, economic or social community benefits for its members or the local areas where it operates rather than financial profits. An energy community can be engaged in electricity generation, distribution and supply, consumption, aggregation, storage or energy efficiency services, generation of renewable electricity or provide other energy services to its shareholders or members.	Parliament Eurelectric is endorsing the Parliament's approach since it is providing more flexibility to Member States. Although we agree with the definition, we would like to highlight that we support the Council's approach for Article 16. Making a reference to the definition in the Renewable Energy Directive is crucial.
Dynamic pricing Article 2	11. 'Dynamic electricity price contract' means an electricity supply contract between a	<i>Not envisaged, which means they agree with Commission's approach</i>	11. 'Dynamic electricity price contract' means an electricity supply contract between a	Neither of options We don't agree with the original Commission's text neither with

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	supplier and a final customer that reflects the price at the spot market or at the day ahead market at intervals at least equal to the market settlement frequency.		supplier and a final customer that reflects the price variation at the spot markets including day ahead and intraday markets, at intervals at least equal to the market settlement frequency.	the Council’s approach in particular with the addition of reflecting day-ahead and intraday spot prices, as it is too restrictive. Eurelectric believes that DP should refer to retail electricity prices that pass through at least part of the wholesale price volatility.
Smart metering Article 2	20. “near real time” means, in the context of smart metering, the time, usually down to seconds, that elapses between data recording and their automated processing and transmission for use of information purposes.	<i>Not envisaged, which means they agree with Commission’s approach</i>	20. “near-real time” means a short time period , usually down to seconds or up to the imbalance settlement timeframe in the national market.	Council We support the Council’s approach, but we think that the reference to ISP should be taken off. It is inefficient for certain type of customers and it will trigger additional cost to amend the existing IT and meter infrastructure.
Fully integrated network components Article 2		39a. ‘integral part of the transmission system’ means network components that are integrated in the transmission or distribution system, including storage facilities, and are used for the sole purpose of ensuring a secure and reliable operation of the transmission or distribution system, however not for balancing or congestion management, except for the	39a. ‘fully integrated network components’ means static network components that are integrated in the transmission or distribution system, including storage facility, and are used for the only purpose of ensuring a secure and reliable operation of the transmission or distribution system but not for balancing nor congestion management;	Council The last half-sentence ‘(...) but not for balancing nor congestion management’ should apply only for transmission system operators as it otherwise defeats the purpose of having such a network component for grid support at local level. However, the word ‘static’ requires careful consideration in this definition as it should not preclude allow DSOs to use mobile storage

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		reactive instantaneous restoration of network security in case of network contingencies;		batteries for power outtages.
CHAPTER 3 CONSUMER EMPOWERMENT AND PROTECTION				
Market based supply prices Article 5	2. MS shall ensure the protection of energy poor or vulnerable customers in a targeted manner by other means than public interventions in price-setting.	2. Member States may ensure the protection of energy poor or vulnerable household customers in a targeted manner by social policy or other means than public interventions in the price-setting for the supply of electricity.	2. MS shall ensure the protection of energy poor or vulnerable customers pursuant to Article 28 by other means than public interventions in the price-setting for the supply of electricity.	<u>Parliament</u> Eurelectric supports the explicit mention of social policy as a way of tackling energy poverty and welcomes the flexibility brought by the Parliament's proposal.
	3 and 4. - MS can maintain price regulation for energy poor or vulnerable consumers for 5 years after the entry into force of the Directive. - The interventions shall not go beyond what is necessary to achieve the general economic interest which they pursue, be limited in time and proportionate as regards their beneficiaries. - After 5 years, public interventions allowed for vulnerable household customers for reasons of	4. From 5 to 10 years after the entry into force of the Directive, interventions in price setting allowed for energy poor or vulnerable household customers. The interventions shall not go beyond what is necessary to achieve the general economic interest which they pursue, be limited in time and proportionate as regards their beneficiaries.	3. The Council leaves it open for MS to keep regulated prices in place for all customers. Public interventions in price setting shall be limited in time and proportionate as regards their beneficiaries. 3b. Public interventions shall among other requirements avoid influencing the wholesale electricity market.	<u>Commission</u> Eurelectric strongly supports the Commission's proposal to phase out regulated prices, which negatively impact price formation and the potential for demand response. In this regard, the Parliament's position is better than the Council's, as the latter offers Member States to maintain regulated prices for an indefinite period of time, thus deeply undermining benefits brought by the CEP.

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	extreme urgency.			
Basic contractual rights Article 10	2b. Suppliers shall notify their customers directly of any adjustment in the supply price as well as of the reasons and preconditions for the adjustment and its scope, at an appropriate time no later than one normal billing period before the adjustment comes into effect.	2b. Suppliers shall notify their customers directly of any adjustment in the supply price as well as of the reasons and preconditions for the adjustment and its scope, as soon as they have the information on the adjustment, and no later than one month before the adjustment comes into effect.	2b. Suppliers shall notify their customers directly of any adjustment in the supply price as well as of the reasons and preconditions for the adjustment and its scope, at an appropriate time no later than two weeks, and as far as household consumers are considered, one month before the adjustment comes into effect.	Council Eurelectric welcomes the explicit reference to household customers.
	2j. MS shall ensure that customers receive a final closure account following any change of electricity supplier no later than six weeks after the change of supplier has taken place.	2j. MS shall ensure that customers receive a final closure account following any change of electricity supplier no later than two weeks after the change of supplier has taken place.	2j. MS shall ensure that customers receive a final closure account following any change of supplier no later than six weeks after the change of supplier has taken place.	Council Two weeks after the change of supplier has taken place is a too short deadline; six weeks is a more suitable timeline.
		2ja. MS shall ensure that customers are provided with a summary of the key contractual conditions (such as the main features of the service, detailed information on prices, conditions for switching and price increase) in concise and simple language on the first page of the contract or together with the		Reject The electricity industry is fully committed to improving comparability of energy offers, as illustrated by our joint statement with BEUC (February 2016). However this commitment can take different forms and displaying the key contractual conditions on the first page of the contract should remain one

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		contract.		non-legally binding option among others.
Dynamic pricing Article 11	1. MS shall ensure that every final customer is entitled to a dynamic electricity price contract by his supplier.	<i>1. Not envisaged, which means they agree with Commission's approach.</i>	1. MS shall ensure that the NR framework enables suppliers to offer a dynamic electricity price contract , and final customers who have a smart meter installed can request to conclude a dynamic electricity price contract from at least one supplier.	Council We support the Council's proposed framework which enables suppliers to offer a DP contract and which clarifies that final customers who have a SM installed can request such a contract from at least one supplier.
	2. Final customers are fully informed by the suppliers of the opportunities and risks of such contract.	2. Final customers are fully informed by the suppliers of the opportunities and risks of such contract including the need to have an adequate electricity meter installed 2a. Every final customer shall always be required to give consent before being switched to a dynamic price contract. 2b. MS shall aim at reducing the share of fixed components in final customers' electricity bills.	2. MS shall ensure that final customers are well informed by the suppliers of the opportunities, costs and risks of such dynamic electricity price contract and that the suppliers are required to provide information to the final customers accordingly. Regulatory authorities shall monitor the market developments and assess the risks that the new products and services may entail and modify safeguards in case of abusive practices.	Commission We support the EC's original approach. Suppliers should not be requested to perform analysis for customers, as proposed by the Council and EP. The offers from suppliers have to be transparent and clear enough, but it should ultimately be up to customers to decide whether an offer is suitable for them (with the help of e.g. price comparison tools).

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	<p>3. NRA shall monitor and report annually, for at least a ten-year period after such contracts become available, on the main developments including market offers, the impact on consumers' bills and the level of price volatility, and on consumers' sensitivity to the level of financial risk.</p>	<p>3a. MS shall ensure that adequate safeguards on the exposure of price changes for final customers are in place to avoid bill shocks or high levels of financial liability.</p>	<p>3. Where dynamic electricity price contracts account for less than 80% of the electricity consumed by households, MS or their NRA shall monitor and publish an annual report, for at least a ten-year period after such contracts become available, on the main developments of such contracts including market offers.</p>	<p>Commission Eurelectric supports the original approach. The additions seem unnecessary.</p>
<p>Right to switch supplier and rules on switching-related fees Article 12</p>	<p>1. Switching has to take place within 3 weeks (provided consumers respect contractual conditions).</p>	<p>1a. By 2022, technical process of switching within 24 hours.</p>	<p>1. Switching or change in aggregation within 3 weeks. By 2025, the technical process of switching shall take no longer than 24 hours, unless a Member State concludes there is a negative cost-benefit analysis.</p>	<p>Commission Clarification is needed regarding the meaning of “technical process of switching” and “negative cost-benefit analysis”.</p>
	<p>3. MS may choose to permit suppliers to charge contract termination fees to customers willingly terminating fixed term supply contracts before their maturity. Such fees may only be charged if customers receive a demonstrable advantage from these contracts. In addition, such fees shall not exceed the direct</p>	<p>3. MS may choose to permit suppliers to charge contract termination fees to final customers willingly terminating fixed term, fixed price supply contracts before their maturity provided that the customer has willingly entered into such a contract. Such fees may only be charged if final customers receive a demonstrable</p>	<p>3. MS may choose to permit suppliers or market participants engaged in aggregation to charge contract termination fees to customers, willingly terminating fixed term, fixed price supply contracts before their maturity, as long as such fees are part of a contract that the customer has willingly entered into and</p>	<p>Council Eurelectric supports the Council’s position which is clearer than the Parliament (putting the burden of proof on the supplier and having to prove that the customer receives a “demonstrable advantage” when switching is counterproductive).</p>

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	economic loss to the supplier of the customer terminating the contract, including the cost of any bundled investments or services already provided to the customer as part of the contract.	advantage from these contracts. In addition, such fees shall be proportionate to the advantage provided to the customer and shall not exceed the direct economic loss to the supplier of the final customer terminating the contract, including the cost of any bundled investments or services already provided to the final customer as part of the contract. The burden of proof of the direct economic loss shall be on the supplier and shall be monitored by the national regulatory authority.	such fees are clearly communicated to the customer before the contract is entered into. Such fees shall be proportionate and not exceed the direct economic loss to the supplier or market participant engaged in aggregation of the customer terminating the contract, including the costs of any bundled investments or services already provided to the customer as part of the contract.	
Aggregation Article 13	4. Final customers are entitled to receive all relevant demand response data or data on supplied and sold electricity at least once per year.	4. Final customers are entitled to receive all relevant demand response data or data on supplied and sold electricity and settlement data upon request and without being charged any additional fees and at least once per month .	4. Final customers are entitled to receive all relevant demand response data or data on supplied and sold electricity free of charge at least once every billing period if requested by the customer.	Council Eurelectric is fully supporting that customers should be receiving the data on a regular basis such as every billing period, since aggregation will have an impact on the customer's bill.
Comparison tools Article 14	1. MS shall ensure that customers have access, free of charge, to at least one tool comparing the offers of suppliers that meets the certification criteria set out in	1. MS shall ensure that customers have access, free of charge, to at least one tool comparing the offers from both individual and bundled contracts, including dynamic	1. At least household customers, and microenterprises with an expected yearly consumption of below 100,000 kWh have access, free of charge, to at	Council Comparison tools should be available for household customers and small professionals only, as large customers benefit from tailored

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	Annex I. The comparison tools may be operated by any entity, including private companies and public authorities or bodies. Customers should be informed of the availability of such tools.	price contracts, offers from electricity suppliers, electricity service providers and independent aggregators that meets at least the certification criteria set out in Annex I. The comparison tools may be operated by any entity, including private companies and public authorities or bodies. At least one tool per MS shall cover the whole of the market. Customers shall be informed of the availability of such tools in or together with their bills.	least one tool comparing the offers of suppliers.	offers.
	4. Any tool comparing the offers of suppliers shall be eligible to apply for certification in accordance with this Article on a voluntary and non-discriminatory basis.	4. Any tool comparing the offers of electricity suppliers, electricity service providers and aggregators, including independent aggregators, shall apply for certification in accordance with this Article on a non-discriminatory basis.	4. Any tool comparing the offers of market participants shall be eligible to apply for verification in accordance with this Article on a voluntary and non-discriminatory basis. (4a) MS may choose not to provide for verification of comparison tools should a public authority or body provide a comparison tool fulfilling the obligation set out in paragraph 1.	Parliament Eurelectric supports the specifications provided by the Parliament. Eurelectric is strongly opposed to the Council's proposal, as verification is a quality guarantee for both customers and suppliers and it is key to ensure both consumer protection and competition on a level playing field.

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<p style="text-align: center;">Active consumers Article 15</p>	<p>1. MS have to ensure that active consumers: (a) are entitled to generate, store, consume and sell self-generated electricity in all organised markets (individually or aggregators) without being subject to disproportionately burdensome procedures and charges that are not cost reflective; (b) are subject to cost-reflective, transparent and non-discriminatory network charges accounting separately for the electricity fed into the grid and the electricity consumed from the grid.</p>	<p>1.(a) are entitled to generate, store, consume and sell self-generated electricity in all organised markets either individually or through aggregators without being subject to discriminatory or disproportionately burdensome procedures and charges that are not cost reflective. (b) <i>Not envisaged, which means they agree with Commission's approach</i></p>	<p>1. MS shall ensure that final customers: (a) are entitled to act as active customers, without being subject to discriminatory technical and administrative requirements, procedures and charges; (b) are entitled to self-generated electricity including through power purchase agreements ... (f) are financially responsible for the imbalances they cause in the electricity system. To this extent they shall be BRP or shall delegate their balance responsibility in accordance with Article 4 of the [Electricity Regulation]. 1b.(new) MS may provide different frameworks for jointly and individually acting active customers.</p>	<p>Council Eurelectric supports the Council's approach which is providing more clarity and take in account the financial responsibility of final customers for the imbalances caused in the electricity system. Such responsibility is delegated to a Balance Responsible Party (BRP) most of the time Furthermore we are also in favour of the Council's approach regarding the definition of active consumers (Art 2.6), which is clearer than the one proposed by the Commission.</p>
<p style="text-align: center;">Local Energy Communities Article 16</p>	<p>1. MS shall ensure that LEC: (c) benefit from a non-discriminatory treatment with regard to their activities, rights and obligations as final customers, generators, DSO or</p>	<p>1. (a) [...] as long as the concession system of the MS is respected; 1.(ba) shall be subject to balance responsibility in</p>	<p>1. MS shall provide an enabling regulatory framework for energy communities ensuring that: (c) shareholders shall not lose</p>	<p>Council We support the Council's approach, which requests LECs to contribute to network costs. We welcome the provision (f), as well to ensure that wider network</p>

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	aggregators.	<p>accordance with Art.4 of Regulation (EU); (c) benefit from a non-discriminatory treatment with regard to their activities, rights and obligations as final customers, generators, distribution system operators, suppliers or aggregators;</p> <p>(ca) adequately contribute to the costs of the electricity system to which they remain connected;</p> <p>(cb) operate on the market on a level playing field without distorting competition.</p>	<p>their rights and obligations as household or active customers;</p> <p>(f) energy communities are subject to non-discriminatory fair, proportionate and transparent procedure, including registration and licensing, and transparent and non-discriminatory and cost reflective network charges ensuring they contribute in an adequate and balanced way to the overall cost sharing of the system.</p>	<p>infrastructure costs are also shared across energy communities, and are not to be paid by non-energy community customers only. However, we support the Parliament’s approach on 1.a and 1.ca as it recognises that LECs should adequately contribute to distribution system costs.</p> <p>Furthermore <u>concerning the Art 16.2 (b,c)</u> Eurelectric also <u>welcomes Council’s</u> approach and the fact that such provisions are optional for MS to implement. Any system impact originating from the activities of energy communities should be charged accordingly. Eurelectric also supports that LEC be subject to the same obligations and rights when acting as other actors, notably DSOs.</p>
Demand response Article 17	3d. aggregators shall not pay compensation to suppliers or generators	3.(d) Deleted (da) market participants	3.(d) Deleted (da) market participants	Parliament Eurelectric supports the fact that both EP/Council are recognising

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	<p>4. In order to ensure that balancing costs and benefits induced by aggregators are fairly assigned to market participants, MS may exceptionally allow compensation payments between aggregators and BRP. This must be limited to situations where one market participant induces imbalances to another market participant resulting in a financial cost. Such exceptional compensation payment shall be subject to approval by the national regulatory authorities and monitored by the Agency</p>	<p>engaged in aggregation shall be financially responsible for the imbalances they cause in the electricity system as defined in accordance with Article 4 of Regulation (EU)</p> <p>(db) non-discriminatory and transparent rules and procedures to compensate market participants for the energy they deliver during the demand response period in a proportionate manner, under the supervision of the NRA, without creating a barrier for market entry of aggregators or a barrier for flexibility. Compensation shall be strictly limited to cover the resulting costs. The calculation method may take account of the benefits induced by the independent aggregators to other market participants and subject to approval by the regulatory authority.</p> <p>(dc) final customers who have a contract with independent aggregators shall not face</p>	<p>engaged in aggregation shall be financially responsible for the imbalances they cause in the electricity system. To this extent they shall be BRPs or shall delegate their balance responsibility in accordance with Art 4 of the electricity Regulation.</p> <p>(db) MS may require undertakings, including independent aggregators to pay compensation to other market participants or their balancing responsible party if they directly induce imbalances to these market participants including situations where a perimeter correction is introduced without creating a barrier for market entry of aggregators or a barrier for flexibility. In such cases the compensation payment shall be strictly limited to cover the resulting costs. The calculation method for such compensation may take account of the benefits induced by the independent</p>	<p>the need for aggregators to be responsible for the imbalances they cause in the electricity system.</p> <p>Concerning the bulk energy issue, the Council’s proposal seems to suggest that compensation is optional. However Eurelectric believes that it must be the rule per default. Furthermore the last sentence of paragraph (db) of Council’s approach is unclear in economic terms. When there is a new actor entering the market, (e.g. aggregators or any other competing actor), the wholesale price changes (supposedly down). In this regard there is no reason to reward a specific new entrant.</p>

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		<p>undue payments, penalties or contractual restriction from their suppliers.</p> <p>4. Deleted</p>	<p>aggregators to other market participants and be subject to approval by the regulatory authority;</p> <p>(dc) final customers who have a contract with independent aggregators shall not face undue payments, penalties or contractual restriction from their suppliers.</p>	
Billing and billing information Article 18	<p>3Billing shall take place on the basis of actual consumption at least once a year. Billing information shall be made available at least once every three months, upon request or where the final customers have opted to receive electronic billing or else twice a year.</p>	<p>3.1 Same as EC + Billing information including information on actual consumption shall be made available at least once a month, upon request or where the final customers have opted to receive electronic billing or else twice a year.</p>	<p>3Deleted</p>	<p>Council Eurelectric supports the wording of the Council in Annex II, and does not believe that information on actual consumption should be displayed as often as required by the Parliament if the customer has not explicitly requested it.</p>
	<p>4. Where final customers have meters that allow remote reading by the operator, accurate billing information based on actual consumption shall be provided at least once a month.</p>	<p>4.Same as EC + shall be provided at least once a month also through websites or other innovative means.</p>	<p>4. Deleted</p>	<p>Council Eurelectric is in favour of more flexibility for suppliers in the timeline.</p>
	<p>8. MS shall require that information and estimates for electricity costs are provided to final customers on demand</p>	<p>8. Same as EC + If the contract includes a future change of product or price or a discount, this should be indicated on the</p>	<p>8. Deleted</p> <p>8a. MS shall ensure that bills and billing information fulfil the minimum requirements</p>	<p>Council Eurelectric supports the wording of the Council in Annex II. Eurelectric is also strongly</p>

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	in a timely manner and in an easily understandable format.	<p>bill together with the date when the change takes place.</p> <p>8a. MS shall consult consumer organisations when they consider changes to the format of bills.</p> <p>8b. Where a final customer has been on the same tariff for more than 2 years, MS shall require suppliers to notify the customer, in or alongside the energy bill, whether a more suitable or advantageous tariff is available, and facilitate their move to the new tariff.</p>	set out in Annex II.	opposed to the provision 8b of the Parliament: commercial policy shall be left to each supplier, as differences foster the development of a competitive market and improved offers for customers, while encouraging them to become active in their relation with their supplier (e.g. switching).
Smart metering Article 19			<p>5a. The SM provisions in this Directive shall apply to future installations and to installations replacing older SM. SM systems that are already installed, or for which the “start of work” as defined in Communication 2014/C 200/01 1.3. 19 (44) has started before the date of entry into force of this Directive, may remain in operation over their lifetime.</p>	<p><u>Council</u> In some MS smart meters have already been implemented or the roll-out has already started. To this aim, we support the Council’s approach to introduce a transitional provision on existing smart meters.</p>
Smart metering functionalities Article 20	Where SM is positively assessed as a result of cost-benefit assessment referred to	Where SM is positively assessed as a result of cost-benefit assessment referred to	Where SM is positively assessed as a result of cost-benefit assessment referred to	<p><u>Council</u> Shortening the time period to get data cannot be provided without</p>

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	<p>in Article 19(2), or systematically rolled out, MS shall implement SM systems in accordance with EU standards, the provisions in Annex III, and in line with the following principles:</p> <p>(a) the metering systems accurately measure actual electricity consumption and provide to final customers information on actual time of use. That information shall be made easily available and visualised to final customers at no additional cost and at near real time in order to support automated energy efficiency programs, demand response and other services;</p> <p>(b) the security of SM system and data communication should comply with relevant EU security legislation having due regard of the best available techniques for ensuring the highest level of cybersecurity protection.</p> <p>(g) SM shall enable customers</p>	<p>in Article 19(2), or systematically rolled out after the entry into force of this Directive, MS shall implement SM systems in accordance with EU standards, the provisions in Annex III, and in line with the following principles:</p> <p>(a) the metering systems accurately measure actual electricity consumption and provide to final customers information on actual time of use. Validated historical consumption data shall be made easily available and visualised to final customers on at least an in-home display at no additional cost. Unvalidated near-real time consumption data shall be made available to final customers through a standardized interface in order to support automated energy efficiency programmes, demand response and other services;</p> <p>(b) <i>Not envisaged, which means they agree with Commission’s approach</i></p>	<p>in Article 19(2), or systematically rolled out, MS shall implement SM systems in accordance with EU standards, the provisions in Annex III, and in line with the following principles:</p> <p>(a) the metering systems accurately measure actual electricity consumption and are able to provide to final customers information on actual time of use. Validated historical consumption data shall be made easily and securely available and visualised to final customers on request and at no additional cost. Non-validated near-real time consumption data shall also be made easily and securely available to final customers at no additional cost, through a standardised interface or remote access, in order to support automated energy efficiency programmes, demand response and other services;</p> <p>(b) the security of the SM</p>	<p>any additional cost and will make the cost benefits analysis negative. However only the Council is taking into account that it would be costly to maintain the system since it will require regular updates of softwares.</p> <p>Eurelectric is also concerned by paragraph (g). We believe that it will require additional costs, especially if the EP approach of Art. 19.3 is adopted (stating that the requirements of the SM “must be met when the metering system is replaced by a new one, at the end of its economic lifetime or earlier”). Therefore we would suggest deleting Art. 20 (g).</p>

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	to be metered and settled at the same time as the resolution of the imbalance period in the national market.	<i>(g) Not envisaged, which means they agree with Commission's approach</i>	systems and data communication is ensured in compliance with relevant Union security legislation having due regard of the best available techniques for ensuring the highest level of cybersecurity protection whilst bearing in mind the costs and principles of proportionality. <i>(g) Not envisaged, which means they agree with Commission's approach</i>	
Data format Article 24	1. MS shall define a common data format and a transparent procedure for eligible parties to have access to data.	1. MS shall define a common data format to enable interoperability and facilitate exchange of data and a transparent procedure for eligible parties to have access to data.	1. Deleted	Council Eurelectric supports interoperability but we do not think that imposing a common data format across the EU is appropriate especially without prior CBA. The subsidiarity principle should apply due to numerous national specificities.
	2. The EC shall determine a common European data format together with non-discriminatory and transparent procedures to access the data that will replace the national data format and procedure	2. The EC shall determine interoperability standards and a common European data format and non-discriminatory and transparent procedures for accessing the data, and provide for a cost-effective transition,	2. In order to facilitate the full interoperability of cross-border energy services within the EU, the EC shall determine, interoperability requirement and non-discriminatory and transparent procedures for	Council Eurelectric supports the Council's mention of existing national practices.

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	adopted by MS.	taking into account conditions in MS. (...) Where necessary, the EC may request that standards be drawn up by the relevant European standards organisations.	accessing data. These requirements and procedures will build upon existing national practices adopted by MS.	
Vulnerable customers Article 28	<p>1. MS shall take appropriate measures to protect customers and shall, in particular, ensure that there are adequate safeguards to protect vulnerable customers. In this context, each MS shall define the concept of vulnerable customers which may refer to energy poverty and, inter alia, to the prohibition of disconnection.</p> <p>2. MS shall take appropriate measures, such as formulating national energy action plans, providing benefits in social security systems to ensure the necessary electricity supply to vulnerable customers, or providing for support for energy efficiency improvements, to address energy poverty where identified, including in the broader context of poverty.</p>	<p>1. MS shall take appropriate measures to protect customers and shall, in particular, ensure that there are adequate safeguards to protect vulnerable customers. In this context, each MS shall define the concept of vulnerable customers which shall refer to energy poverty and may ensure their protection through national social security systems and, inter alia, the prohibition of disconnection.</p> <p>2. Deleted</p>	Same as EC + 1a. Where MS identified energy poverty among household customers they shall publish the parameters and criteria used to identify, measure and to monitor energy poverty.	Council Eurelectric supports the Commission's proposal to take into account the "broader context of poverty" when dealing with vulnerable customers. Eurelectric also welcomes the Council's position on energy poverty, as it leaves room for national specificities when measuring it, in line with the subsidiarity principle.

Item	Commission	Parliament	Council	Eurelectric preferred option
	(...)			
Energy poverty Article 29	MS shall define a set of criteria for the purposes of measuring energy poverty. MS shall continuously monitor the number of households in energy poverty and shall report on the evolution of energy poverty and measures taken to prevent it to the EC every two years.	MS shall define a set of common criteria to measure energy poverty and adopt a broad and common definition of energy poverty. MS shall continuously monitor the number of households in energy poverty and the number of consumers at risk of energy poverty. MS shall report on the evolution of energy poverty and measures taken to prevent and reduce it to the EC every 2 years.	Deleted	Council Eurelectric supports the Council's position for consistency with article 28.
CHAPTER 4 DISTRIBUTION SYSTEM OPERATION				
Tasks of DSOs Article 31	<ul style="list-style-type: none"> - Operating, maintaining and developing under economic conditions a secure, reliable and efficient electricity distribution - No discrimination - Information to users - MS may give priority to renewable generation - Procurement of non-frequency ancillary services - Market-based and ensuring effective participation of all market participants including RES, demand response, energy 	Similar to EC	<p>Same as EC +</p> <ul style="list-style-type: none"> - Where a DSO is responsible for the procurement of products and services necessary for the efficient, reliable and secure operation of the distribution system, rules adopted by the DSO shall be elaborated in coordination with TSOs and other relevant market parties. - DSO shall cooperate with TSOs for the effective participation of market participants connected to their 	Council Eurelectric expresses its preference for the Council's amendments because we recognise the importance of the collaboration between system operators when procuring flexibility. However, we call for reciprocal cooperation requirement to be placed on the TSOs and DSOs when procuring balancing services or services for congestion management on distribution level (in the article 5 of the recast of the Electricity

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	storage facilities and aggregators.		grid to the retail, wholesale and balancing markets. - market-based procurement only if economically efficient - rules do not apply to fully integrated network components	Regulation and in the article 40 of the recast electricity Directive) and to define the technical modalities for the participation in the markets in close cooperation with the DSOs according to the article 182 of the guideline for system operators and to the article 53 of the recast of the Electricity regulation, and in line with all relevant provisions of EB GL. The aforementioned shall be in line with market-based approaches.
Tasks of DSOs in the use of flexibility Article 32	1. Member States shall provide the necessary regulatory framework to allow and incentivise distribution system operators to procure services in order to improve efficiencies in the operation and development of the distribution system, including local congestion management.	1. The same as the Commission but with the addition: when such services cost-effectively supplant the need to upgrade or replace electricity capacity and which support the efficient and secure operation of the distribution system	1. Member States shall provide the necessary regulatory framework to allow and incentivise distribution system operators to procure flexibility services, including congestion management in their service area , in order to improve efficiencies in the operation and development of the distribution system.	Parliament and Council We endorse the amendments made by the Council as they are more accurate even though missing the other means of access to flexibility by DSOs such as flexible network tariffs and connection agreements. We support the Parliament's amendment to call for cost-effectiveness.
	1.2 DSO shall define standardised market products for the services procured ensuring effective participation of all market participants	1.2 Standardised market products for such services shall be defined at least at the national level. DSO shall, in a transparent and participatory	1.2 - DSO subject to an oversight by the regulatory authority, or the regulatory authority itself, shall define the specifications	Parliament Eurelectric prefers the amendments tabled by the Parliament as the products need to be defined. However,

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	including renewable energy sources, demand response, and aggregators. DSO shall exchange all necessary information and coordinate with TSO to ensure the optimal utilisation of resources, the secure and efficient operation of the system and facilitate market development.	process that includes all relevant system users, the national regulatory authority and the TSO , define standardised market products for the services procured ensuring effective participation of all market participants including renewable energy sources, demand response, storage and aggregators. (...)	for the flexibility services procured in close cooperation with the TSO . - DSO shall exchange all necessary information and coordinate with TSO to ensure the optimal utilisation of resources, the secure and efficient operation of the system and facilitate market development.	standardisation <u>should be only done at a later stage</u> to avoid delay in the process. In practice, specifications for the flexibility services are naturally defined prior to the introduction of the standardised market products.
	2. The network development plan shall be submitted every 2 years to the regulatory authority and shall contain the planned investments for the next 5 to 10 years. It shall also demonstrate the use of demand response, energy efficiency, energy storage facilities or other resources that DSO is using as an alternative to system expansion.	2. Same + in developing the network development plan, the DSO shall involve all current or potential system users . The network development plan shall contain the planned investments for the next 5 to 10 years, with particular emphasis on the main distribution infrastructure, including energy efficiency, demand response and energy storage (...).	2. - Network development plan published at least every two years by DSOs and submit to the regulatory authority and the TSO . - The regulatory authority may request amendments . - The network development plan shall: provide transparency on the medium and long-term flexibility services needed ; contain the planned investments for the next 5 to 10 years (emphasis on the main distribution infrastructure required to connect new generation capacity and new loads); include the use of demand	Commission In our opinion the network development plan should be regulated at national level. However, if we had to choose one of the options, we would go for the first provision from the Commission . We don't support an obligation for DSOs to submit their network development plans to the TSO every two years.

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			<p>response, energy efficiency, energy storage facilities or other alternative to system expansion.</p> <p>- The DSO shall consult all relevant system users on the network development plan and publish the results of the consultation process along with the network development plan.</p>	
<p>Integration of electro-mobility into the electricity network Article 33</p>	<p>MS may allow DSOs to own, develop, manage or operate recharging points for electric vehicles only if:</p> <p>a) other parties, following an open and transparent tendering procedure, have not expressed their interest;</p> <p>b) the regulatory authority has granted its approval.</p>	<p>(...) to own, develop, manage or operate recharging points for electric vehicles only if all the following conditions are fulfilled (...)</p>	<p>1a. Distribution system operators shall not be allowed to own, develop, manage or operate recharging points for electric vehicles, with the exception of those cases where distribution system operators own private recharging points solely for their own use.</p> <p>2. By way of derogation from paragraph 1a, Member States may allow distribution system operators to own, develop, manage or operate recharging points for electric vehicles only if the following conditions are fulfilled: MS may allow DSO to own, develop, manage or operate recharging</p>	<p><u>Council on Art. 33 1a and Parliament on remaining provisions in Art. 33</u></p> <p>We welcome the Council's provision 1a as it enables DSOs to operate their own operational fleet of EVs in a non-disruptive way where it is already the case at present.</p> <p>Besides the Council's addition of 1a we welcome the Parliament's subsequent proposal on this Article as it gives the necessary clarity to the Commission's original proposal.</p>

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			<p>points for electric vehicles only if:</p> <p>a) other parties, following an open and transparent tendering procedure, could not be awarded with a right to own, develop, manage or operate recharging points for electric vehicles;</p> <p>b) the regulatory authority has carried out an ex-ante review of the tendering procedure and has granted its approval;</p> <p>(c) no discrimination from the DSO in operation of the recharging points.</p>	
<p>Tasks of DSOs in data management Article 34</p>	<p>In countries where DSOs are involved in data management, compliance programs shall include specific measures to exclude discriminatory access to data from eligible parties. MS shall also take all necessary measures to ensure that vertically integrated companies do not have privileged access to data for the conduct of their supply activity.</p>	<p>MS shall take all necessary measures to ensure that the vertically integrated undertaking do not have privileged access to data for the conduct of its supply activity, if necessary by requiring the creation of a central data management platform to be managed by the transmission system operator or another neutral entity .</p>	<p>Similar to EC</p>	<p><u>Council</u> It should be up to MS to decide if they want to set up central data management platforms.</p>
<p>Ownership of storage facilities</p>	<p>- DSO shall not be allowed to own, develop, manage or</p>	<p>- DSO shall not be allowed to own, develop, manage or</p>	<p>DSO shall not be allowed to own, develop, manage or</p>	<p><u>Council</u> Eurelectric endorses the Council</p>

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<p>Article 36</p>	<p>operate energy storage facilities unless other parties have not expressed their interest in doing so after a transparent tendering procedure, and if such facilities are necessary for the DSO to fulfil their obligations.</p> <ul style="list-style-type: none"> - Public consultation performed by the regulators to re-assess the potential interest of markets parties to invest, develop, operate or manage energy storage facilities. - MS shall ensure that DSO activities in this regards are phase-out in case third parties are able to do it. 	<p>operate energy storage facilities, except equipment used by the DSO for local short-term control of the distribution system where there is no influence on energy and non-frequency ancillary services markets, and where the NRA has granted its approval.</p> <ul style="list-style-type: none"> - MS may allow DSO to do so unless other parties, following an open and transparent tendering procedure, subject to review by the NRA, have not expressed their interest to do so or cannot deliver those services at a reasonable cost and in a timely manner; AND if such facilities are necessary for the DSO to fulfil their obligations and the ownership or operation of the facility does not influence competitive energy markets. 	<p>operate energy storage facilities, but may be allowed to do so for facilities which are fully integrated network components if the NRA has granted its approval OR if all of the following conditions are fulfilled:</p> <ul style="list-style-type: none"> - Such facilities are necessary for the DSO to fulfil their obligations and they are not used to buy or sell electricity to the wholesale market (including balancing markets) - Other parties, following a tendering procedure subject to approval by the regulatory authority have not been awarded with a right to do so. - The regulatory authority has assessed the necessity of such derogation. - Every 5 years: public consultation performed by the DSO or the regulatory authority to assess the potential availability and interest of market parties to invest in storage facilities. - Where the public consultation indicates that 3rd parties are 	<p>position where DSOs are allowed to own storage facilities which are fully integrated network components or must fulfill the tendering conditions.</p> <p>However, our support comes under the strict condition that the last half-sentence '(...) <i>but not for balancing nor congestion management</i>' of the related article 2.39a doesn't apply as it otherwise defeats the purpose of having such a network component for grid support at local level. We fully agree that such facilities are necessary for the DSO to fulfil their obligations and they are not to be used to buy or sell electricity to the wholesale market (including balancing markets).</p> <p>We also support the Council wording for Art. 36.4 re public consultation. However, it should begin with the words 'Except for fully integrated network components' as it does for the TSOs in Article 54.4</p>

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			<p>able to own, develop, operate or manage such facilities in a cost-effective manner, regulatory authorities shall ensure that DSOs' activities are phased-out within 24 months. Regulatory authorities may allow DSO to receive reasonable compensation (except for the usual depreciation period of new battery storage facilities with a final investment decision until 2024).</p>	
		<p>36a, new New activities of DSOs: 1. DSO shall not be allowed to carry out activities beyond those set out in this Directive and in Regulation (EU) ... [recast of Regulation 714/2009 as proposed by COM(2016)861/2]. 2. MS may allow DSO to carry out other activities where the regulatory authority has assessed the necessity of such a derogation and has granted its approval and the following conditions are met: (a) other parties,</p>		<p><u>We strongly oppose Art. 36 (a)</u> newly proposed by the Parliament which further defines what a DSO may or may not do. The current unbundling rules ensure that the distribution system is operated independently from a generation and supply business. Therefore the article only constrains and blocks innovation in the distribution network and does not add value.</p>

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		<p>following an open and transparent tendering procedure, have not expressed their interest to carry out those activities;</p> <p>(b) such activities are necessary for the DSO to fulfil their obligations for the efficient, reliable and secure operation of the distribution system;</p> <p>(c) such activities are necessary for the DSO to fulfil their obligations, including an obligation to cooperate with TSO, ensuring the cost-efficient, secure and reliable development and operation of the distribution and transmission networks as a whole.</p>		
CHAPTER V GENERAL RULES APPLICABLE TO THE TSO				
<p>Tasks of TSOs Article 40</p>		<p>1, new Each TSO shall be responsible for: (ha) standardisation, in cooperation with DSO, of relevant data formats and protocols to facilitate crossborder exchange of data. (ja) digitalisation of</p>	<p>1, new (ja) participate in establishing of the European and national adequacy assessments pursuant to Chapter IV of [recast of Regulation 714/2009 as proposed by COM(2016)861/2];</p>	<p>The matters mentioned here – data formats and exchanges, data management, cyber security and development of demand response – are not areas of exclusive TSO competence. Rather they are a shared competence with the DSOs. Each must look after these issues</p>

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		<p>transmission systems to ensure, among others, efficient real time data acquisition and use, smart substations</p> <p>(jb) data management, cyber security and data protection.</p>	<p>(jb) digitalisation of transmission systems;</p> <p>(jc) data management, including development of data management systems, cyber security and data protection subject to applicable provisions and rules and without prejudice to the competences of other authorities;</p> <p>(jd) participation in development of demand response.</p>	<p>in their respective grids and both TSOs and DSOs must mutually cooperate.</p> <p>We suggest that this be properly recognised in the formulation otherwise the carrying of the the tasks will be frustrated</p>
	<p>1j. Adopting a framework for the cooperation and coordination between ROCs.</p>	<p>1j. Cooperating with the Agency, regional coordination centres and the ENTSO for electricity on the adoption of a framework for the cooperation and coordination between RCC.</p>	<p>1j. Adopting a framework for the cooperation and coordination between RSC e.g. participate in establishing of the European and national adequacy assessments & in development of demand response.</p>	<p><u>Council</u></p>
	<p>2. MS may provide that one or several responsibilities listed under points (a) to (j) of paragraph 1 be assigned to a TSO other than the one which owns the transmission system to which the concerned responsibilities would otherwise be applicable. The</p>	<p>2. MS may provide that one or several responsibilities listed under points (a) to (j) of paragraph 1 be assigned to a TSO other than the one which owns the transmission system to which the concerned responsibilities would otherwise be applicable. The</p>	<p>2. MS may provide that one or several responsibilities listed under points (a) to (jd) of paragraph 1 be assigned to a TSO other than the one which owns the transmission system to which the concerned responsibilities would otherwise be applicable. The</p>	<p><u>Parliament</u></p>

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	<p>TSO to which the tasks are assigned shall be certified as ownership unbundled and fulfil the requirements provided for in Article 43, but does not have to own the transmission system it is responsible for. The TSO which owns the transmission system shall fulfil the requirements provided for in Chapter VI and be certified in accordance with Article 43.</p>	<p>TSO to which the tasks are assigned shall be certified as ownership unbundled, independent system operator or independent transmission operator and fulfil the requirements provided for in Article 43, but does not have to own the transmission system it is responsible for. The TSO which owns the transmission system shall fulfil the requirements provided for in Chapter VI and be certified in accordance with Article 43.</p>	<p>TSO to which the tasks are assigned shall be certified as ownership unbundled, independent system operator or independent transmission operator, and fulfil the requirements provided for in Article 43, but does not have to own the transmission system it is responsible for. The TSO which owns the transmission system shall fulfil the requirements provided for in Chapter VI and be certified in accordance with Article 43. This is without prejudice to the possibility for TSOs which are certified as ownership unbundled, independent system operator or independent transmission operator to delegate on their own initiative and under their supervision certain tasks to other transmission system operators which are certified as ownership unbundled, independent system operator or independent transmission operator where this delegation of tasks does not</p>	

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			<p>endanger the effective and independent decision-making rights of the delegating TSO.</p>	
	<p>4. TSO shall ensure that the procurement of balancing services and, unless comforted by a CBA, non-frequency ancillary services, ensures effective participation of all market participants including RES, demand response, energy storage facilities and aggregators.</p>	<p>4. TSO shall ensure that the procurement of balancing services and, unless justified by a cost-benefit or technical viability analysis and approved by the competent authority, non-frequency ancillary services.</p>	<p>4. - TSO shall procure balancing services and ensure effective participation of all qualified electricity undertakings and market participants including RES, demand response, energy storage facilities and market participants engaged in aggregation. - Regulatory authorities and TSO shall, in close cooperation with all market participants, define technical modalities for participation in these markets on the basis of the technical requirements of these markets.</p>	<p><u>Council</u></p>
		<p>5a, new MS shall provide the necessary regulatory framework to allow and incentivise TSO to procure services in order to improve efficiencies in the operation and development of the transmission system, including local congestion management. In particular, regulatory frameworks shall ensure that</p>	<p>5. Deleted (5a) The requirements of paragraph 4 shall apply to the provision of those non-frequency ancillary services by transmission system operators, unless the regulatory authority has assessed that the market-based provision of non-</p>	<p><u>Council</u> We disagree with the provisions from the Parliament as their proposal is a copy paste from the DSO procurement rules. Those rules are well defined in the CACM Network Code and in the SO Guideline.</p>

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		<p>TSO can procure services from resources such as demand response or storage and consider energy efficiency measures, when such services cost-effectively supplant the need to upgrade or replace electricity capacity and which support the efficient and secure operation of the transmission system. Standardised market products for such services shall be defined at least at the national level. TSO shall, in a transparent and participatory process that includes all relevant system users and the NRA, define standardised market products for the services procured ensuring effective participation of all market participants including RES, demand response, storage and aggregators. TSO shall exchange all necessary information and coordinate with DSO in order to ensure the optimal utilisation of resources, ensure the secure and efficient operation of the</p>	<p>frequency ancillary services is economically not efficient and has granted a derogation. (5b) This obligation to procure non-frequency ancillary services does not apply to fully integrated network components.</p>	

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		system and facilitate market development. TSO shall be adequately remunerated for the procurement of such services in order to recover at least the corresponding expenses, including the necessary information and communication technologies expenses.		
Decision-making powers regarding the connection of new power plant to the transmission system Article 42	2. TSO shall not be entitled to refuse the connection of a new power plant or energy storage facility on the grounds of possible future limitations to available network capacities, such as congestion in distant parts of the transmission system.	2. Same as EC	2. Same + This shall be without prejudice to the possibility for TSO to limit the guaranteed connection capacity or offer connections subject to operational limitations to ensure economic efficiency regarding new power plants or energy storage facilities where such limitations have been approved by the regulatory authority. Where the power plant or energy storage facility bears the costs related to ensuring unlimited connection, no limitation shall apply.	<u>Council</u>
CHAPTER VI UNBUNDLING OF TSOs				
Independence of the TSO Article 47	3. The vertically integrated undertaking and its subsidiaries performing functions of generation or	3. Subsidiaries of the vertically integrated undertakings performing functions of generation or supply shall not	3. Subsidiaries of the vertically integrated undertaking performing functions of generation or supply shall not	<u>Council</u>

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	supply shall not have any direct or indirect shareholding in the TSO. The TSO shall neither have any direct or indirect shareholding in any subsidiary of the vertically integrated undertaking performing functions of generation or supply, nor receive dividends or any other financial benefit from that subsidiary.	have any direct or indirect shareholding in the transmission system operator. (...)	have any direct or indirect shareholding in the TSO. (...)	
Ownership of storage and provision of ancillary services by TSOs Article 54	1. TSO shall not be allowed to own, manage or operate energy storage facilities and shall not own directly or indirectly control assets that provide ancillary services.	1. TSO shall not be allowed to own, manage or operate energy storage facilities and shall not own directly or indirectly control assets that provide ancillary services, unless those facilities or assets are an integral part of the transmission system and where the NRA has granted its approval.	1. TSOs shall not be allowed to own, develop, manage or operate energy storage facilities.	<u>Commission</u>
	2. MS may allow TSOs to own, manage or operate storage facilities or assets providing non-frequency ancillary services if the following conditions are fulfilled: (a) other parties, following an open and	2. MS may allow TSOs to own, manage or operate storage facilities or assets providing non-frequency ancillary services if all of the following conditions are fulfilled: (a) other parties, following an open and transparent	2. MS may allow TSOs to own, develop , manage or operate energy storage facilities which are fully integrated network components and the NRA has granted its approval or, if all of the following conditions are fulfilled:	<u>Council</u> The provisions for TSOs should be aligned with those for DSOs (Article 36)

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	<p>transparent tendering procedure, have not expressed their interest to do so</p> <p>(b) such facilities or non-frequency ancillary services are necessary for the TSOs to fulfil their obligations under this Directive for the efficient, reliable and secure operation of the transmission system and they are not used to sell electricity to the market;</p> <p>(c) the NRA has assessed the necessity of such derogation and has granted its approval.</p>	<p>tendering procedure, subject to review by the NRA, have not expressed their interest to do so or cannot deliver these services at a reasonable cost and in a timely manner;</p> <p>(b) such facilities or non-frequency ancillary services are necessary for the TSOs to fulfil their obligations under this Directive for the efficient, reliable and secure operation of the transmission system, in particular as an alternative to investments in new grid lines, and they are not used to sell electricity to the market;</p> <p>(c) Same as EC</p>	<p>(-a) such facilities are necessary for the TSOs to fulfil their obligations under this Directive for the efficient, reliable and secure operation of the transmission system and they are not used to provide balancing services and to buy or sell electricity to the wholesale markets, including balancing markets;</p> <p>(a) other parties, following an open, transparent and non-discriminatory tendering procedure, subject to review and approval by the NRA have not been awarded with a right to own, develop, control, manage or operate such facilities. Regulatory authorities may draw up guidelines or procurement clauses to help TSOs in ensuring a fair tendering procedure; and</p> <p>(b) deleted</p> <p>(c) the NRA has assessed the necessity of such derogation, has carried out an ex-ante review of the applicability of a tendering procedure, including the conditions, and has granted</p>	

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			its approval.	
		2a, new NRA may draw up guidelines or procurement clauses to aid TSO in ensuring a fair tendering procedure.		Support We support the Parliament addition.
	3. The decision to grant derogation shall be notified to the Agency and the Commission along with relevant information about the request and the reasons for granting the derogation.	3. Same as EC	3. Deleted	Parliament We support the provisions from the Commission and the Parliament
	4. The TSO shall perform at regular intervals or at least every five years a public consultation for the required storage services in order to assess the potential interest of market parties to invest in such facilities and terminate its own storage activities in case third parties can provide the service in a cost-effective manner.	4. MS shall perform at regular intervals or at least every five years a public consultation for the required storage services in order to assess the potential interest of market parties to invest in such facilities. Where the public consultation indicates that third parties are able to own, develop, operate or manage such facilities, MS shall ensure that the activities of TSOs in this regard are phased out.	4. Except for fully integrated network components, the NRA shall perform at regular intervals or at least every five years a public consultation for the required energy storage facilities in order to assess the potential interest of market parties to invest in such facilities. Where the public consultation, as assessed by the NRA, indicates that third parties are able to do so in a cost-effective manner, NRAs shall ensure that TSOs' activities in this regard are phased-out within 24 months.	Parliament We support the amendment from the Parliament, as it doesn't make sense for the TSO to perform such a consultation. It would go against the principle of transparency. It is also clarified by the Parliament that the phase out of the activities would be based on the results of the consultation.

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			<p>As part of the conditions for this procedure, NRAs may allow TSOs to receive reasonable compensation, in particular the residual value of the investment they made into energy storage facilities.</p> <p>4a. The decision to grant derogation shall be notified to the Agency and the Commission along with relevant information about the request and the reasons for granting the derogation.</p> <p>4b. Paragraph 4 shall not apply for the usual depreciation period of new battery storage facilities with a final investment decision until 2024.</p>	
ANNEX I				
<p>Comparison tools</p>	<p>The tools established in accordance with Article 14 shall:</p> <p>(a) be operationally independent and ensure that suppliers are given equal treatment in search results;</p> <p>(b) clearly disclose their owners and the natural or</p>	<p>The tools established in accordance with Article 14 shall:</p> <p>(a) be independent from all market players and ensure that all suppliers are given equal treatment in search results;</p> <p>(b) clearly disclose their owners and the natural or legal</p>	<p>Deleted (in Article 14 itself)</p>	<p>Council</p> <p>Eurelectric supports the requirements listed by the Commission and the Council.</p>

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	<p>legal person operating the tool;</p> <p>(c) set out clear, objective criteria on which the comparison will be based;</p> <p>(d) use plain and unambiguous language;</p> <p>(e) provide accurate and up-to-date information and state the time of the last update;</p> <p>(f) include an as complete a range of energy offers as practicable covering a significant part of the market and, where the information presented is not a complete overview of the market, a clear statement to that effect, before displaying results;</p> <p>(g) provide an effective procedure to report incorrect information on published offers.</p>	<p>person operating the tool as well as information on how the tools are financed;</p> <p>(c) set out clear, objective criteria on which the comparison will be based, displaying included services;</p> <p>(ca) rank and display the search results according to an impartial algorithm independent from any remuneration from suppliers;</p> <p>(d) Same as EC</p> <p>(da) be accessible for persons with disabilities;</p> <p>(e) Same as EC</p> <p>(f) include an as complete a range of energy offers, including information on energy sources, and provide transparency of various offers covering both dynamic and non-dynamic tariffs, individual and bundled contracts, from suppliers, aggregators and service providers, and, where the information presented is not a complete overview of the market, a clear statement to that effect, before displaying results;</p>		

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		(g) Same as EC (ga) allow consumers to perform comparisons without having to submit personal information.		
ANNEX II				
Minimum requirements for billing and billing information	1.1 The following information shall be prominently displayed to final customers in their bills and periodical settlement bills: (a) the price to pay; and, where possible, the breakdown of price; (d) the contact details of the supplier including a consumer support hotline ; (f) the duration of the contract; the date of end of the contract and the deadline for sending an advance notice of cancelation if the consumer considers switching at the end of the current fixed contract, while for contracts of indeterminate duration: the length of the advance notice period and the methods of communication on this choice. (h) information on their rights as regards the means of dispute settlement available	1.1 The following key information shall be prominently displayed to final customers in their bills and periodical settlement bills, distinctly apart from other parts of the bill (same as EC except): (a) the price to pay and, where relevant, the final price per kWh ; and, where possible, the breakdown of price; (aa) When the payment is due (d) the contact details of the supplier with at least the phone number and email address ; (da) the information on switching and dispute settlement (ga) a link or reference to where price comparison site(s) can be found (h) contact details of the entity responsible for dispute	1.1 The following information shall be prominently displayed to final customers in their bills and billing information (same as EC except): (c) the name and the contact details of the supplier including a consumer support hotline ; (d) deleted (f) the end date of the contract, if applicable ; (h) the contact details of the entity responsible for dispute settlement	Council Eurelectric supports the Council’s requirements. We would, however, suggest to remove the reference to “consumer support hotline” or at least define in article 2, what this is. If it is interpreted solely as a call center it will add administrative costs and could become an obstacle for developing more intelligent customer solutions (online chats, chatbots etc.). We would also suggest deleting paragraph (h) regarding information of the entity responsible for dispute settlement as this concerns contract requirements, not billing

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	<p>to them in the event of a dispute.</p>	<p>settlement; (ha) the single point of contact referred to in Article 25</p>		
	<p>1.2 Where appropriate, the following information shall be prominently displayed to final customers in or with their bills and periodical settlement bills:</p>	<p>1.2 The following information shall be displayed to final customers in or with their bills and periodical settlement bills: (ca) information on their rights as regards the means of dispute settlement available to them.</p>	<p>1.2 Where appropriate, the following information shall be made available to final customers in, with or signposted to within their bills and periodical settlement bills: (a) deleted (ca) comparisons with an average normalised or benchmarked customer in the same user category; (cb) information on their rights as regards the means of dispute settlement available to them in the event of a dispute.</p> <p>1a. Frequency of billing and the provision of billing information: (a) billing shall take place on the basis of actual consumption at least once a year; (b) where final customers do not have meters that allow remote reading by the operator, or where the final</p>	<p>Council Eurelectric supports the Council's position for consistency reasons with article 18. However we believe that the requirement regarding ca) will be difficult to achieve – who is to decide the benchmark/average normalised customer?</p> <p>We would also suggest deleting paragraph (h) regarding information of the entity responsible for dispute settlement as this concerns contract requirements, not billing</p>

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			<p>customers have actively chosen to disable remote reading in accordance with provisions under national law accurate billing information based on actual consumption shall be made available to final customers at least every six months, or once every three months on request or where the final customer has opted to receive electronic billing;</p> <p>(c) where final customers do not have meters that allow remote reading by the operator, or where the final customers have actively chosen to disable remote reading in accordance with provisions under national law, the obligations in subparagraphs (a) and (b) may be fulfilled by a system of regular self-reading by the final customers, whereby they communicate readings from their meter to the supplier. Only when the final customer has not provided a meter reading for a given billing interval billing or</p>	

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			<p>billing information may be based on estimated consumption or a flat rate; (d) where final customers have meters that allow remote reading by the operator, accurate billing information based on actual consumption shall be provided at least every three months, or once every month on request or where the final customer has opted to receive electronic billing.</p>	
	<p>2.1 The customers' price is the sum of 3 main components: the energy and supply component, the network component (transmission and distribution) and the component comprising taxes, levies, fees and charges.</p>	<p>2.1 The customers' price is the sum of the following three main components: the energy and supply component, the network component (transmission and distribution) and the component comprising taxes, levies, all subsidies, fees and charges.</p>	<p>2.1 Same as EC</p>	<p><u>Commission/Council</u> It is essential to distinguish between the 3 main components which appear on customers' bill.</p>
	<p>3.2 (b) detailed data according to the time of use for any day, week, month and year. These data shall be made available to final customers in near real time via the internet or the meter interface for the</p>	<p>3.2 (b) detailed data according to the time of use for any day, week, month and year. These data shall be made available to final customers in near real time in a user-friendly format, via the internet or the meter</p>	<p>3.2 MS shall require that, to the extent that complementary information on historical consumption is available, it is made available, at the request of the final customer, to a supplier or service provider</p>	<p><u>Council</u> Eurelectric welcomes the flexibility offered to suppliers by the Council.</p>

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	period of at least the previous 24 months or the period since the start of the supply contract if this is shorter.	interface for the period of at least the previous 24 months or the period since the start of the supply contract if this is shorter.	designated by the consumer. Same as EC	
ANNEX III SMART METERS				
Smart meters Point 3	MS or, where a MS has so provided, the designed competent authority, shall prepare a timetable with a target of up to 10 years for the deployment of smart metering systems. Where roll-out of smart meters is assessed positively, at least 80 % of final customers shall be equipped with smart metering systems within 8 years from the date of their positive assessment or by 2020 for those MS that have initiated deployment before entering into force of this Directive.	MS or, where a Member State has so provided, the designed competent authority, shall prepare a timetable with a target of up to 5 years for the deployment of smart metering systems. Where roll-out of smart meters is assessed positively, at least 80 % of final customers shall be equipped with smart metering systems within 5 years from the date of their positive assessment or by 2020 for those MS that have initiated deployment before entering into force of this Directive.	MS or, where a Member State has so provided, the designed competent authority, shall prepare a timetable with a target of up to 10 years for the deployment of smart metering systems. Where roll-out of smart meters is assessed positively, at least 80 % of final customers shall be equipped with smart metering systems within 8 years from the date of the adoption of a national legal framework for the roll-out.	<u>Commission and Council</u> If there is only 5 years period for SM roll-out, the result of CBA for many countries could be negative. The 10 years period coincides better with the lifetime of old meters, and is thus more cost-efficient.

Eurelectric pursues in all its activities the application of the following sustainable development values:

Economic Development

- Growth, added-value, efficiency

Environmental Leadership

- Commitment, innovation, pro-activeness

Social Responsibility

- Transparency, ethics, accountability



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