

**THE COUNCIL OF EUROPEAN ENERGY REGULATORS,  
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**SPEECH: BETTER DEALS FOR ENERGY CONSUMERS**

Ladies and gentlemen,

I would like to thank Lord Mogg and the Council of European Energy Regulators for inviting me to this important conference. By organising this event and maintaining their commitment to improve conditions for energy consumers, the European Energy Regulators are leading by example.

I believe that greater attention to consumer issues must become a priority for all regulatory authorities active at the national and European levels.

We need to ensure that markets are delivering better deals for consumers. A cornerstone of our efforts is the completion of the Internal Energy Market. The Commission is intensively working to this end. However, this is not an easy task.

It has taken a lot of time to adopt a comprehensive legislative framework. We have a double task ahead of us:

- To make sure that the legislation is implemented and enforced at the national level, and
- To deliver better deals for consumers.

I strongly believe that competitive markets can and should benefit consumers. However, the important potential of the Internal Energy Market has not yet sufficiently translated into benefits for consumers. So my main message is that we need to act to ensure that this happens on the ground.

Recent Commission report on energy prices and costs in Europe estimated that wholesale electricity prices declined between 35-45% in the period 2008-2012. In the same period wholesale gas prices have fluctuated but did not significantly increase. In stark contrast to the wholesale prices, the energy prices that consumers have to pay have witnessed a constant increase over the last five years. In the EU on average, household electricity prices have risen 4% a year and gas, household prices have risen 3% a year.

The Eurostat statistics on consumer prices show that in the period 2003-2013 prices of electricity and gas services have been increasing more rapidly than the overall index of consumer prices. While the overall average was 25.8% gas prices increased for 90.2% and electricity increased for 61.8%.

Moreover, if we consider 2013 only, electricity prices increased 2.2% and gas 4.9% which is higher increase than overall inflation which was 1.5% on average.

To bridge this gap between decreasing wholesale prices and increasing retail prices we need to take decisive action to give consumers access to lower prices in a competitive market.

We know that competitive markets have the margins to reward active consumers that search for the right offer according to their priorities.

An important pre-condition for better energy deals is an improved information and transparency on energy consumption and prices. Consumers need to receive correct, clear, concise and comparable energy bills.

Our example for an electronic bill presented in last year's Citizens Energy Forum is testimony that best practice in information and communication exists across the EU.

We also know that online price comparison websites are another important tool for consumers, particularly with regard to presentation of energy tariffs.

With this in mind, we are currently reviewing comparison websites to see whether the data is presented fairly, transparently and understandably.

Through comparing prices and tariffs and through switching to an offer that best suits their needs, be it with the same or different provider, through individual or collective switching, consumers can save up to 250 euros per year.

The Commission recently organised a seminar on better deals for energy consumers in order to identify best practices and regulatory aspects of collaborative actions by energy consumers. We are currently preparing the report on lessons learnt which we will present at the next Citizens' Energy Forum.

For example, several EU Member States, launched awareness campaigns for individual switching, explaining the benefits and the rights for energy consumers. These practices will be analysed and shared among regulators and stakeholders across the EU.

In addition, the Commission report will also focus on the collective switching campaigns conducted in eight Member States. Apart from delivering better prices, collective switching is often a first step for some consumers to take more active role. Especially for those that would not otherwise consider switching energy supplier.

Collective switching can also increase competition on the energy markets – especially as a platform for new suppliers entering national markets. Through collective switching they are instantly able to gain new customers and bigger market shares.

Ladies and gentlemen,

I would now like to turn to another important aspect for consumers and that is energy efficiency.

By taking stronger action towards energy efficiency, we achieve the multiple effect of consuming less energy, thus paying less. But at the same time we pollute less. This represents a double victory: for consumers and for the environment.

Through energy saving campaigns policy makers, regulators, consumer representatives, industry and civil society need to join forces to help consumers to:

- change their behaviour and engage in specific actions in their everyday lives; and
- learn about national and EU funding to support energy efficiency actions in their homes.

Let me add that on a recent visit to Athens, I heard from the Greek Energy Minister that energy efficiency actions can also contribute to the mitigation of the economic crisis.

This is done by allocating funds for energy efficiency for households and thereby de facto supporting the construction and house renovation industry, which is heavily struck by the crisis. Through this programme more than 2500 new jobs have been created per year for the last three years.

This is an important lesson for policy makers.

Ladies and gentlemen,

In order to deliver “better deals” for energy consumers we need to implement legislation, protect energy consumer rights and establish transparent tools that can facilitate comparison of prices and contract terms;

Today, in spite of strong regulatory and policy actions seeking to address shortfalls for energy consumers, consumers still question that there are benefits from engaging in markets. It is essential to re-establish their trust in energy markets and to convince consumers to actively engage.

We need to increase efforts to improve the functioning of energy markets in many EU Member States. Energy regulators and competition authorities need also to remain vigilant ensuring that market players compete fairly and to the benefit of all consumers.

I would like to use this opportunity to invite you all to work together towards putting consumers at the heart of Europe's Internal Energy Market. Achieving better deals for energy consumers is our shared long-term endeavour.

I wish you all a successful and enjoyable event.

Thank you.

**End**

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