

The Workshop on the QoS Recommendations - Section I: Introduction -

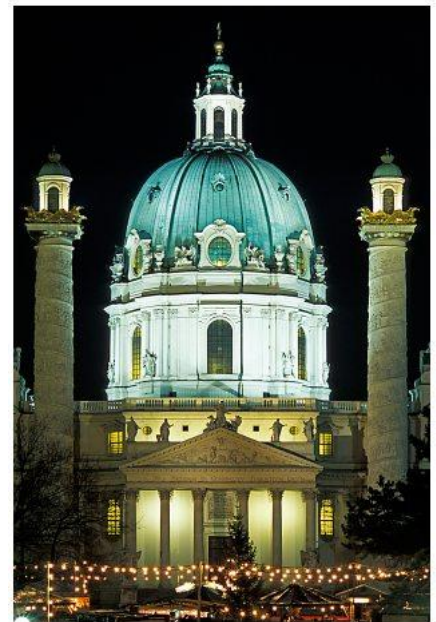
Energy Community Study: 'Recommendations for Quality of Service Data Collection, Reporting and Auditing in the Energy Community'

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Content

- Part I:** Summary of Previous Relevant Activities
- Part II:** Study Objectives and Scope
- Part III:** Overview of the Energy Community Acquis and EU's Third Package Legislation

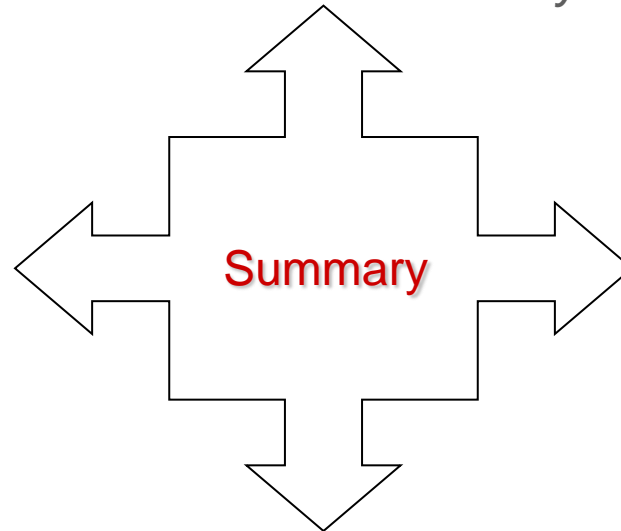
Summary of Previous Relevant Activities

ECRB (2008):

*Report on the Quality of Electricity Service –
Standards and Incentives in Quality Regulation*

EnC (2011/2012):

*Incorporation of the
Quality Related Third
Package provisions into
the EnC Energy Acquis*



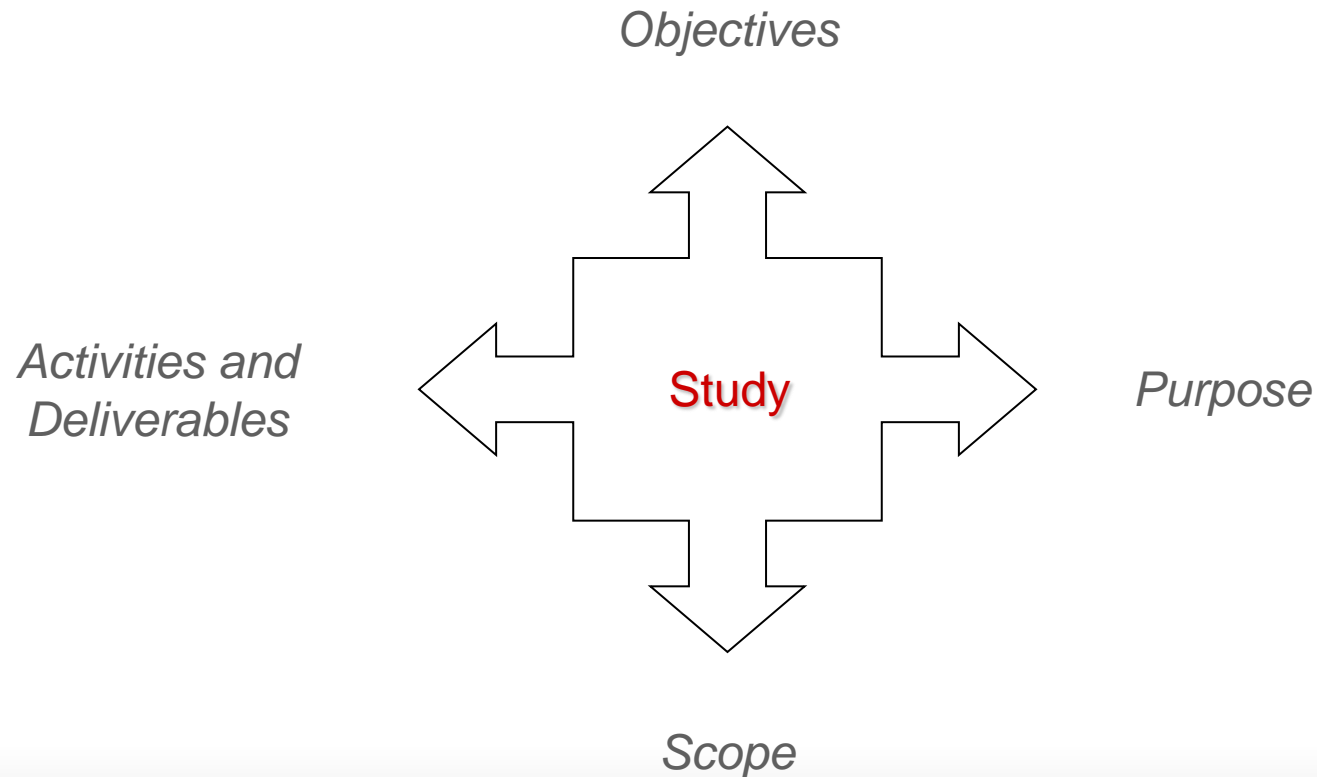
EnC (2009/2010):

*Assistance to Regulators in
Introducing and Improving
Service Quality Regulation
in the Energy Community*

ECRB (2011):

*Quality of Electricity Supply in the Energy Community,
Annex to the 5th CEER Benchmarking Report*

Study Objectives and Scope



Study Objectives and Scope

The objective of the study is to provide recommendations for:

the quality of electricity service data collecting, reporting and auditing

the gradual development of the quality of service (QoS) regulation

The purpose of the study is to provide recommendations with regard to:

the continuity of supply (CoS)

the voltage quality (VQ)

the commercial quality (CQ)

Study Objectives and Scope

The **scope** of the study consists of the following tasks:

1. to recommend **data collecting methodology** for different aspects of the quality and different indices,
2. to delineate detailed **guidelines for collecting data** needed for determining QoS indices and for statistical analyses of data/indices,
3. to provide **exact and precise definitions of indices** including in-depth calculation and data collecting,
4. to provide **glossary of terms** needed to harmonize procedures for the calculation of indices,
5. to set down **guidelines for utilities reporting to the national regulatory authorities (NRAs)** together with a template providing an appropriate set of indices,

Study Objectives and Scope

The **scope** of the study consists of the following tasks:

6. to set down *guidelines for utilities reporting to customers* with examples of such reports,
7. to set down *reporting guidelines for the NRAs for benchmarking on the Energy Community level* together with a proposal for a benchmarking report (structure),
8. to inform on *acceptable and indicative values of individual QoS indices* commonly used by the utilities and NRAs,
9. to set down *guidelines for introducing verifiable data collecting procedures*,
10. to provide *recommendations for auditing digital registers*, software and systems used for the quality of service,

Study Objectives and Scope

The **scope** of the study consists of the following tasks:

11. to provide *recommendations for appropriate complaint handling* with examples/best practice carried out by the utilities and NRAs,
12. to provide *recommendations on gradual introduction of regulatory instruments* such as MQS, PRS, and PC,
13. to provide *detailed overview of the Energy Community acquis and the EU's Third Package legislation* regarding the QoS in the electricity sector,
14. to provide *specific aspects of the quality*.

Study Objectives and Scope

The activities and deliverables:

1. *Organization and preparation of the project activities with the ECRB CWG,*
2. *The Inception Report outlining the envisaged approach to the study,*
3. *Analysis of the current status (the Annex based),*
4. *The Draft Final Report,*
5. *The Workshop, and*
6. *The Final Report.*

Overview of the EnC Acquis and EU's Third Package Legislation

Directive 2003/54/EC from the Second Package to be replaced by Directive 2009/72/EC from the Third Package by 1 January 2015.

Directive 2003/54/EC:

Preamble (24) – in the context of universal service

Article 3 paragraph 2 – in the context of public service obligations

Article 3 paragraph 3 – in the context of universal service

Article 4 – in the context of monitoring of security of supply

Annex A – in the context of measures on consumer protection

Overview of the EnC Acquis and EU's Third Package Legislation

Directive 2009/72/EC :

Preamble (45) – in the context of universal service

Preamble (51) – in the context of strengthening consumer interests

Preamble (61) – in the context of provision of information by NRAs

Article 3 paragraph 2 – in the context of public service obligation

Article 3 paragraph 3 – in the context of universal service

Article 4 – in the context of monitoring of security of supply

Article 37 paragraph 1 indent h – in the context of regulatory monitoring

Annex I – in the context of measures on consumer protection

Overview of the EnC Acquis and EU's Third Package Legislation

Directive 2009/72/EC :

Article 37 paragraph 1 indent h – in the context of regulatory monitoring

The regulatory authority shall have the following duties:

*monitoring compliance with and reviewing the past performance of network security and reliability rules **and setting or approving standards and requirements for quality of service and supply** or contributing thereto together with other competent authorities*

Overview of the EnC Acquis and EU's Third Package Legislation

Directive 2009/72/EC :

Annex I – in the context of measures on consumer protection

... the measures referred to in Article 3 are to ensure that customers:

- (a) have a right to **a contract** with their electricity service provider that specifies*
- the services provided, **the service quality levels offered**, as well as the time for the initial connection,*
- **any compensation and the refund arrangements** which apply if contracted service quality levels are not met, including inaccurate and delayed billing.*

Overview of the EnC Acquis and EU's Third Package Legislation

These provisions of Directive 2009/72/EC shall be **transposed** into national legislation of the Contracting Parties in a satisfactory manner.

With respect to the quality of service and supply, **the new Slovenian draft Energy Law (2011)** may serve as an example for transposition.

Four specific provisions on assurance of the quality in the transmission and distribution systems are given:

- A) on the regulation of the quality,
- B) on the monitoring of the quality of supply,
- C) on the impact of the quality of supply to the regulatory framework, and
- D) on the minimum standards for the quality of supply.

Overview of the EnC Acquis and EU's Third Package Legislation

A) on the regulation of the quality:

NRA to take into account regulation of the quality of electricity supply when determining *justified costs* in the regulatory framework

Quality of supply to be assessed on the basis of *all three quality dimensions*

NRA to determine reference values for parameters of the quality dimensions (*achieved and target ones*) for each dimension and each DSO

Operators to be held *responsible* for the quality

NRA to *specify parameters* of the quality dimensions, their reference *values*, and *methods* for their calculation (in the *methodology* for determining the regulatory framework and the *methodology* for calculating network charges)

Overview of the EnC Acquis and EU's Third Package Legislation

B) on the monitoring of the quality of supply:

Operators to determine parameters, calculate and report them to NRA in the prescribed manner and within the prescribed time limits

*Operators may also authorize other persons for **monitoring** of parameters, but they remain responsible*

*NRA may conduct an **assessment** of monitoring of the quality and report on*

*The **assessment** must not obstruct business operation of operators*

*In case of **irregularities**, the largest negative impact shall be taken as the impact on justified costs*

*NRA to prescribe by a **general act** further details*

Overview of the EnC Acquis and EU's Third Package Legislation

C) on the impact of the quality of supply to the regulatory framework:

*The quality of supply to have an **impact on the regulatory framework***

*In determination of justified costs for the next regulatory period, NRA to take into account **achieved** values of parameters in relation to **reference** values*

***Incentives/sanctions** for the supply's quality to be determined with respect to deviation (achieved-reference) and reflected in the share of justified costs*

*NRA to prescribe **detailed rules** for calculating the impact of the quality to the regulatory framework within the **methodology** for determining the regulatory framework and the **methodology** for calculating network charges*

Overview of the EnC Acquis and EU's Third Package Legislation

D) on the minimum standards for the quality of supply:

*The minimum standards in the form of the **guaranteed standards** to be determined by the minimum values of parameters*

*NRA to specify the minimum standards for the quality **within the methodologies***

***Violated guaranteed standard:** operator to pay **compensation** to the user on the basis of his **written** request*

*NRA to determine the **amount of compensation** and the manner and dates for its payment for each individual type of breach within the methodologies*