

ROADMAP (DRAFT VERSION 2.0)			
TITLE OF THE INITIATIVE	Proposal for a Regulation of the European Parliament and of the Council on electricity and natural gas price statistics, repealing Council Directive 2008/92/EC		
LEAD DG – RESPONSIBLE UNIT	ESTAT - DIRECTORATE E - UNIT E5	DATE OF ROADMAP	March 2014
<p style="color: red; font-weight: bold;">This indicative roadmap is provided for information purposes only and is subject to change. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content and structure.</p>			

A. Context and problem definition	
<p>(1) What is the political context of the initiative?</p> <p>(2) How does it relate to past and possible future initiatives, and to other EU policies?</p> <p>(3) What ex-post analysis of existing policy has been carried out? What results are relevant for this initiative?</p>	
<p>For more than 50 years, the European Commission collects data on energy prices. In the fifties and sixties, price data was mainly collected for coal, and this survey was replaced in the seventies by a survey of electricity and natural gas prices.</p> <p>In 1990, Council Directive 90/377/EEC was adopted that defines the procedure to improve the transparency of gas and electricity prices charged to <i>industrial end-users</i>. This legal act was drafted by Directorate General ENER in close co-operation with Eurostat and it contains two Annexes that describe the methodology for the half-yearly survey of the natural gas and for the electricity prices and the <i>responsibility of Eurostat</i> to collect and to publish the data.</p> <p>In 2007, the methodology for the price survey was significantly modified to cope with the liberalised energy markets. The modifications to the technical Annexes that describe the methodology for the collection of the natural gas prices (Annex I) and for electricity (Annex II) had been agreed via the comitology procedure, and the modified Directive entered into force in June 2007. This Directive has been recasted in 2008 (Directive 2008/92/EC¹).</p> <p>Parallel to the price survey for industrial end-users, a survey on natural gas and electricity prices for <i>household end-users</i> has been carried out on a <i>voluntary basis</i> since 1985. Although the reporting authorities are not obliged to report this data to Eurostat, there is a 100% response rate.</p>	
<p>What are the main problems which this initiative will address?</p>	
<p>Financial and human resources in the private sector are decreasing similar to the available resources in the national statistical authorities. This problem has been reported by several Member States at the Energy Statistics Working Group meetings. Therefore, the data providers (electricity and gas companies) are looking to cut reporting activities that are not covered under a legal act. As a consequence, the quality of the survey of the electricity and natural gas price data for the household sector will deteriorate significantly as not all electricity and gas companies will be reporting the price data anymore. This will lead to a decreased market coverage and consequently to a reduced quality of the price data.</p>	
<p>Who will be affected by it?</p>	
<p>The formalisation of the gas and electricity price survey for household consumers will not change the burden for the reporting authorities. Micro data on gas and electricity prices will continue to be</p>	

¹ OJ L 298, 7.11.2008, p. 9.

reported by gas and electricity companies and the price data will continue to be collected by the competent national authority. The users of the price data can however be ensured that the provision of high quality price data for the household sector is guaranteed.

Is EU action justified on grounds of subsidiarity? Why can Member States not achieve the objectives of the proposed action sufficiently by themselves? Can the EU achieve the objectives better?

The collection of electricity and natural gas prices has to be done at EU level. National authorities provide national data. Eurostat collects national datasets, performs quality control and disseminates the data at national as well as at EU level (EU and EA aggregates)

B. Objectives of the initiative

What are the main policy objectives?

- Formalisation of the data survey on gas and electricity prices for the household sector;
- Streamlining and simplification of the methodology that describes the survey both for the household sector as well as for the industrial sector;
- Reduction of reporting burden for reporting authorities related to a change of frequency of reporting of the price systems from annual to bi-annual.

Do the objectives imply developing EU policy in new areas?

No

C. Options

- (1) What are the policy options (including exemptions/adapted regimes e.g. for SMEs) being considered?
- (2) What legislative or 'soft law' instruments could be considered?
- (3) How do the options respect the proportionality principle?

Based on the analysis of the current situation, two different options have been considered:

Option 1: "No change scenario" which preserves the existing status quo.

In this option there is no policy change: data for the household sector will continue to be collected on a voluntary basis, while the data for industrial end-users will continue to be covered under Directive 2008/92/EC. However, the absence of a legal obligation for Member States to report gas and electricity price data will result in a deterioration of the quality of the information or in a reduced response rate.

Option 2: new European legislation, a Directive or a Regulation

In order to guarantee the continuation of a high quality data survey on gas and electricity prices for the household sector, the delivery of the information will be changed from a voluntary to a mandatory basis.

Proposed instrument: Regulation of the European Parliament and of the Council.

Given the information needs at Union level, the trend in Union statistics has been to use regulations rather than directives as the basic acts. A regulation is preferable because it lays down the same law throughout the Union, leaving the Member States with no leeway to apply it incompletely or selectively. It is directly applicable, which means that it does not need to be transposed into national law. Directives, on the other hand, aim to harmonise national laws, are binding on Member States as regards their objectives, but leave it up to the national authorities to choose the form used to achieve these objectives. They also have to be transposed into national law.

Conclusion: Directive, Regulation or soft law have been considered but a Regulation seems the best approach, as it is the only one that offers sufficient legal certainty.

The proposed Regulation is limited to the minimum required to achieve its objective and does not go beyond what is necessary for that purpose.

D. Initial assessment of impacts

What are the benefits and costs of each of the policy options?

The methodology and the output for the survey for the industrial and for the household sector that has been in place since 2007 will remain identical and there will be consequently no changes or additional costs for the data providers. One minor change that will be introduced will be a reduction of the frequency of the provision of the price systems (this is a report that describes the data collection in each country) from the current annual to a bi-annual basis.

The benefit of the proposal will be a guarantee that the quality of the price data collection will remain at a high level.

Could any or all of the options have significant impacts on (i) simplification, (ii) administrative burden and (iii) on relations with other countries, (iv) implementation arrangements? And (v) could any be difficult to transpose for certain Member States?

There are no difficulties expected to implement the new legal framework in the Member States, as the activities will remain unchanged. Assuming that there will be a continued 100% response rate for the voluntary survey, the administrative burden will stay identical.

- (1) Will an IA be carried out for this initiative and/or possible follow-up initiatives?
- (2) When will the IA work start?
- (3) When will you set up the IA Steering Group and how often will it meet?
- (4) What DGs will be invited?

As the scope of the proposal does not go beyond the activities that are defined in the voluntary agreement and in the legal act, there will be no additional burden for the stakeholders. The methodology that is currently in place guarantees a harmonisation of the survey.

It is therefore proposed not to carry out an IA.

- (1) Is any option likely to have impacts on the EU budget above € 5m?
- (2) If so, will this IA serve also as an ex-ante evaluation, as required by the Financial Regulation? If not, provide information about the timing of the ex-ante evaluation.

No

E. Evidence base, planning of further work and consultation

- (1) What information and data are already available? Will existing IA and evaluation work be used?
- (2) What further information needs to be gathered, how will this be done (e.g. internally or by an external contractor), and by when?
- (3) What is the timing for the procurement process & the contract for any external contracts that you are planning (e.g. for analytical studies, information gathering, etc.)?
- (4) Is any particular communication or information activity foreseen? If so, what, and by when?

The methodology for the prices surveys, which has been introduced in 2007 has proven to be an effective method, and therefore, no modifications are envisaged.

Which stakeholders & experts have been or will be consulted, how, and at what stage?

DG ENER, EU Member states, Members of the Task Force on future of energy statistics, Members of the Energy Statistics Working Group, Members of DIMESA.