

Towards a European charter on the rights of energy consumers

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PURPOSE: the development of a 'European Charter on the Rights of Energy Consumers?.

CONTENT: this paper has been prepared by the Commission within the context of two Communications, published in January 2007, the first on an EU energy policy and the second on the internal gas and electricity market (see [INI/2007/2089](#)). In these two Communications, approved by both Council and Parliament, the Commission reiterated its commitment to improving the rights of the consumer in a liberalised energy market.

The purpose of this paper, therefore, is twofold. Firstly, to examine existing energy related provisions vis-à-vis consumer rights and, secondly, to consider options for a future 'Charter on the Rights of Energy Consumers?', which can be found in the annex to the document.

The 2007 Energy Policy Communication, made a number of observations regarding consumer rights within a liberalised market:

- a) that energy is essential for every European;
- b) that public service obligations must be met in order to combat any negative effects an internal market may have on the consumer; and
- c) that the EU needs to go further in tackling energy poverty.

In order to take account of these issues the Commission is proposing the European Charter. It is to focus on four issues:

- 1) assisting in the establishment of schemes that help the most vulnerable deal with energy price increases;
- 2) improving the level of information made available to the consumer in order to help them make real choices when choosing between suppliers;
- 3) reducing the amount of paperwork when consumers change suppliers; and
- 4) protecting consumers from unfair selling practices.

The Charter is a non-legal document that sets out, in a comprehensive and easy way, existing legislation and future actions. Actions will be based on a set of nine headings:

- 1) Connection: for example, gas consumers should have the right to be supplied where available, with natural gas of specified quality, and at a reasonable price.
- 2) Contracts: for example, tariffs and conditions should be presented in a comprehensible manner.
- 3) Prices, tariffs and monitoring: for example, national authorities should be allowed to monitor and compare prices and make their findings available to the public.
- 4) Free choice of supplier: for example, consumers should be allowed to benefit from more efficient switching procedures. The period required for switching to a new electricity/gas supplier should not last longer than one month.
- 5) Information: for example, information should be made available without incurring excessive costs.
- 6) Complaints: for example, non-judicial disputes should be settled fairly, promptly (within a period of 3 months) and with no cost to the consumer.
- 7) Representation: for example, setting up a system for regular dialogue between energy consumer organisations and other stakeholders such as the social partners, government representatives etc.
- 8) Social measures: for example, allowing those with special needs or those in a poor financial situation, to benefit from essential energy services at reasonable prices, or where necessary, free of charge.
- 9) Unfair commercial practices: for example, ensuring that any authority responsible for defending consumer rights and national energy regulators cooperate effectively.

The Charter, based on the principle of 'shared responsibility?', should contribute to improving the production, transmission and efficient consumption of electricity and gas in a socially, economic and environmentally sustainable manner.

In presenting this Communication, the Commission wishes to launch a wide-ranging consultation of all interested parties and stakeholders. Depending on the results of this consultation process the Commission may consider presenting legislative proposals.