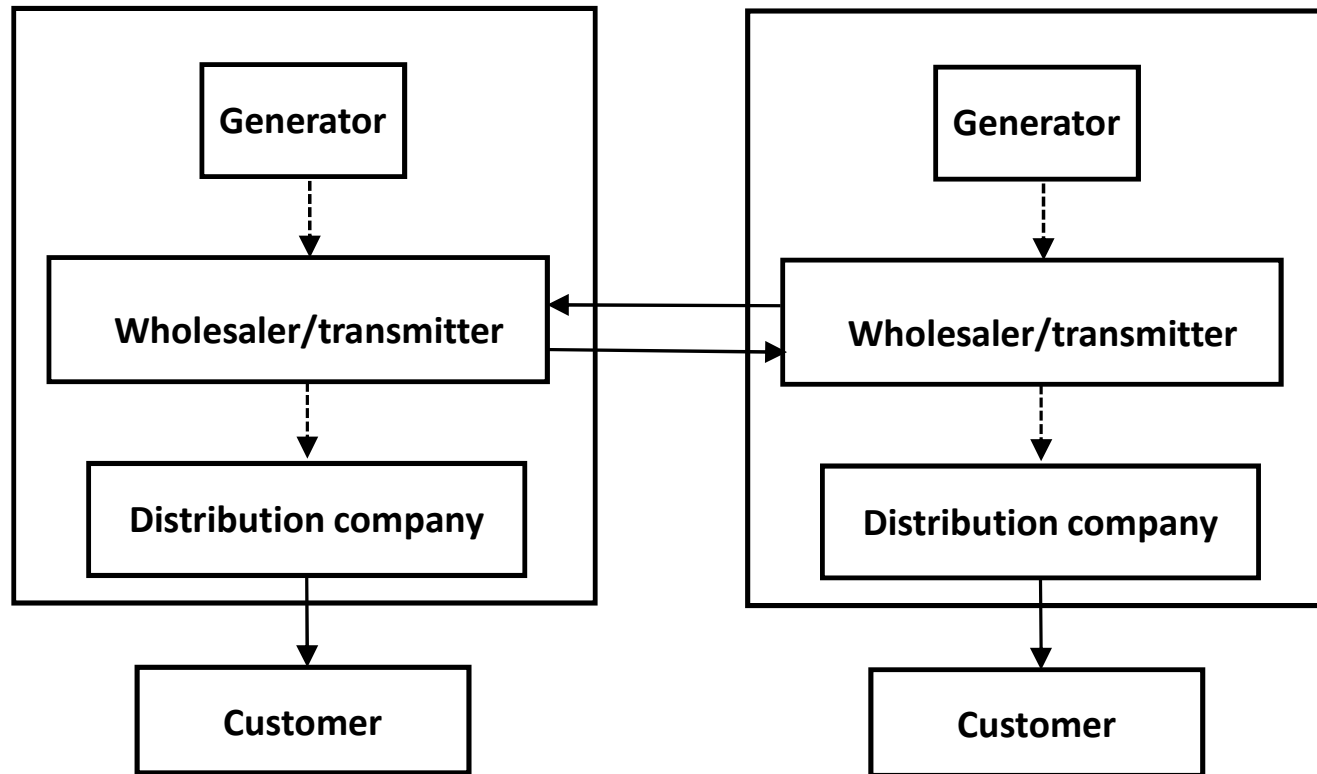


Electricity retailing in Europe: remarkable events (with a special focus on Belgium)

Prof. Damien ERNST



Electricity market: an integrated model till 2003



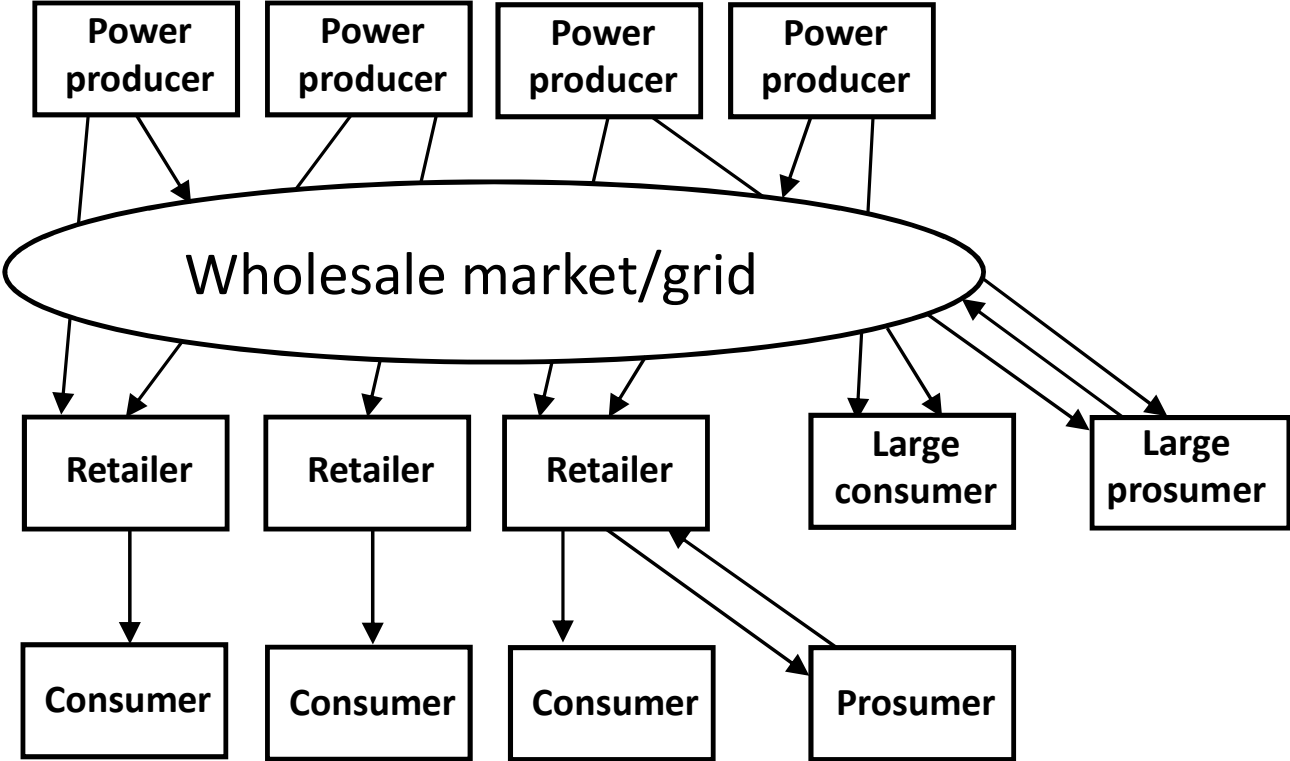
→ Electrical energy sales

Quelques dates

- **1996** : directive européenne concernant les règles communes pour le marché intérieur de l'électricité (**96/92/CE**)
- **1999** : transposition de la directive européenne au niveau fédéral via **la loi relative à l'organisation du marché du gaz et au statut fiscal des producteurs d'électricité**
- **2000** : un accord politique confie à la Région wallonne le soin de mettre en oeuvre la libéralisation dans le cadre de ses compétences.
- **2001** : la Région wallonne, avec le **décret du 12 avril 2001 relatif à l'organisation du marché régional de l'électricité**, transpose la directive européenne et régleme la libéralisation de ce marché.
- **2003** : nouvelles directives concernant les règles communes pour le marché intérieur de l'électricité et abrogeant celle de 1996 en vue d'une ouverture totale du marché (**2003/54/CE abrogeant 96/92/CE**)
- **Juillet 2004** : ouverture progressive du marché de l'électricité aux clients professionnels en Région wallonne
- **Janvier 2007** : ouverture du marché de l'électricité à l'ensemble de la clientèle en Région wallonne
- **Juillet 2008** : décret modifiant le décret du 12 avril 2001 relatif à l'organisation du marché régional de l'électricité
- **Juillet 2009** : Directive 2009/72/CE du parlement européen et du conseil du 13 juillet 2009 concernant des règles communes pour le marché intérieur de l'électricité et abrogeant la directive 2003/54/CE

Information taken from the CWAPE, the regulator for the Wallonia region, see: <https://www.cwape.be/?dir=4.5.01>

The market: how it is organized now (and since 2007 in )



Remarkable events in the retailing business

Low-cost retailers

Less than ten years ago: the Belgian market was dominated by the two historical retailers, Luminus and Electrabel.



Low-cost retailers have appeared. Their tricks for succeeding: (i) buying electricity at the cheapest price on electricity markets (ii) bet on a downward trend for electricity prices (iii) very lean companies (iv) regulation in their favor.



Effects: (i) pressure on retail prices for electricity (ii) historical actors have had to adopt leaner/more efficient operational practices.

Remarkable events in the retailing business

June



Technology.

June's patented technology helps you save automatically on your energy bill.

June consists of a gateway, one or more smart meter readers and an online platform. Our self-learning algorithms get smarter and smarter and help you to optimize your energy bill.

The smart meter readers are battery based and need charging once a year. Our innovative technology allows to bridge over seven floors between the smart readers and the communication gateway.

Using your personal consumption profile June constantly looks for ways to optimize your energy bill. She also helps with any administrative burdens so you will never need to worry about your energy bill again.

Effects: (i) better competition between retailers (ii) make sure you always grab the best offers.

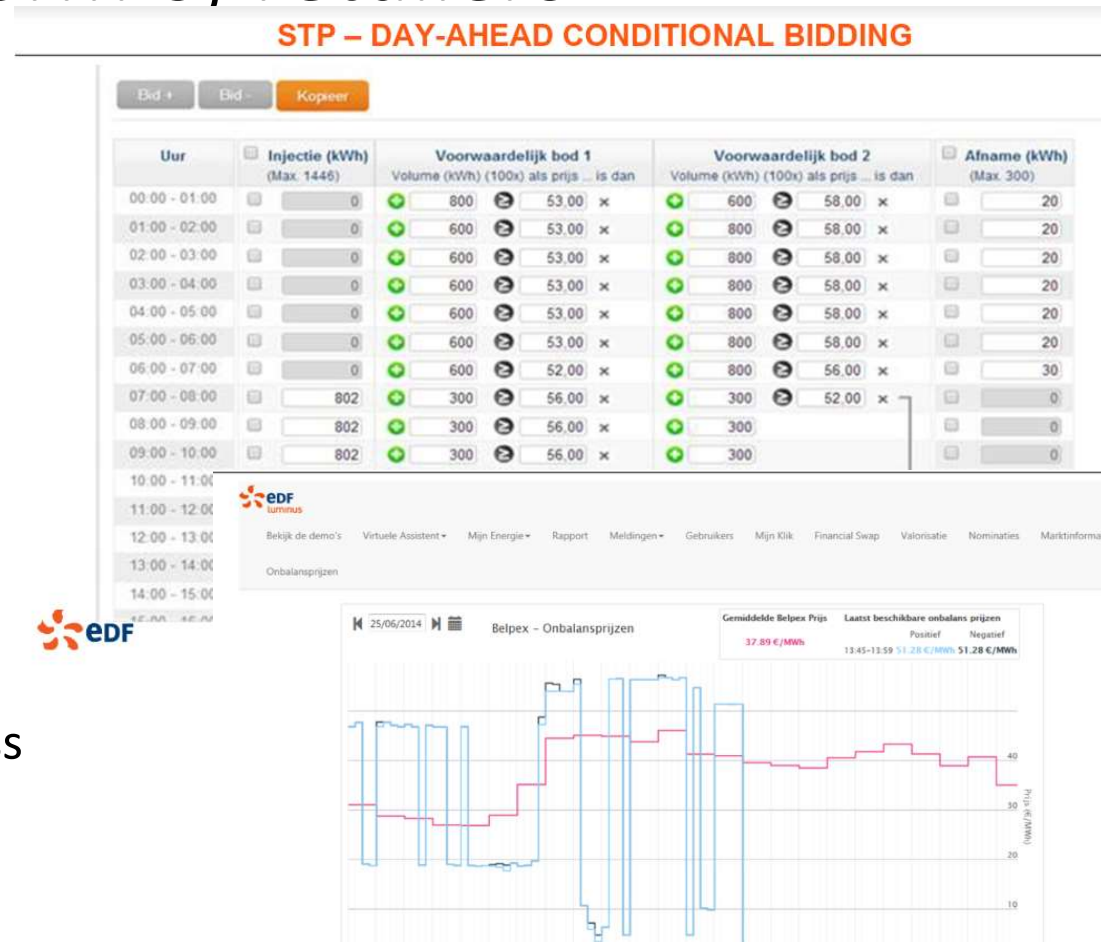
Remarkable events in the retailing business

The sales trading platform of retailers

Many electricity consumers, even if eligible cannot interact directly with electricity markets (too complex).

Retailers have developed platforms allowing them to play easily the *wholesale market game*.

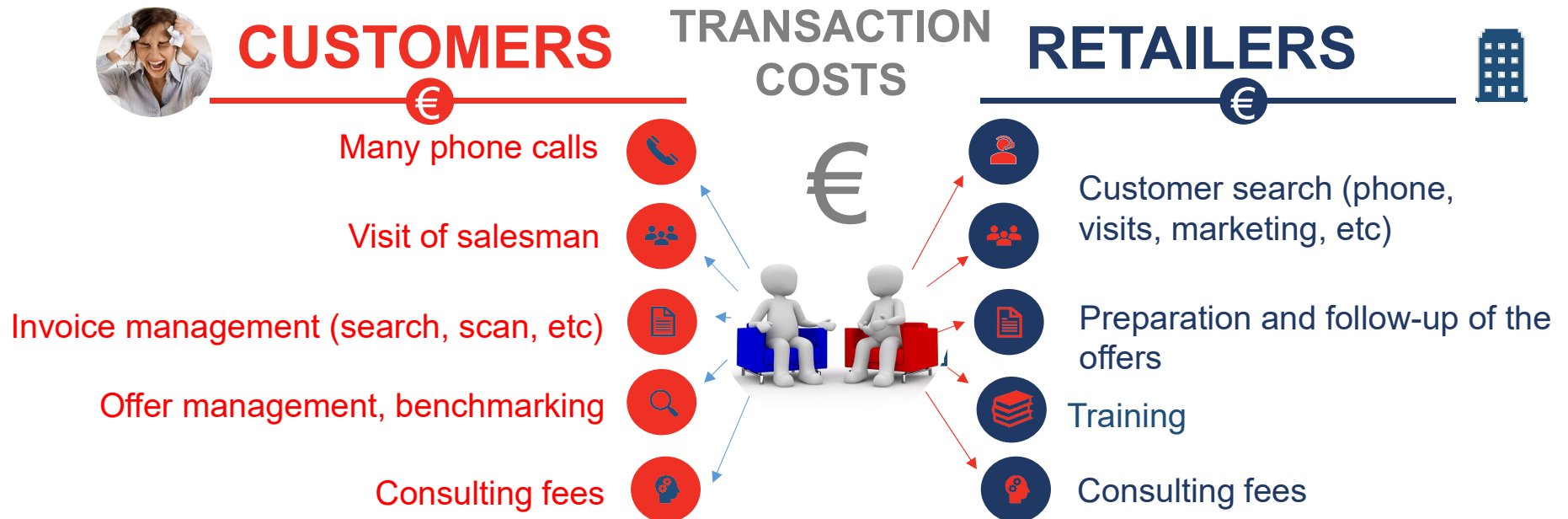
Effects: (i) de-risking the retailing business
(ii) better possibilities for consumers to exploit their flexibility
(iii) cheaper electricity prices.



Remarkable events in the retailing business

E.Luminati

Before:



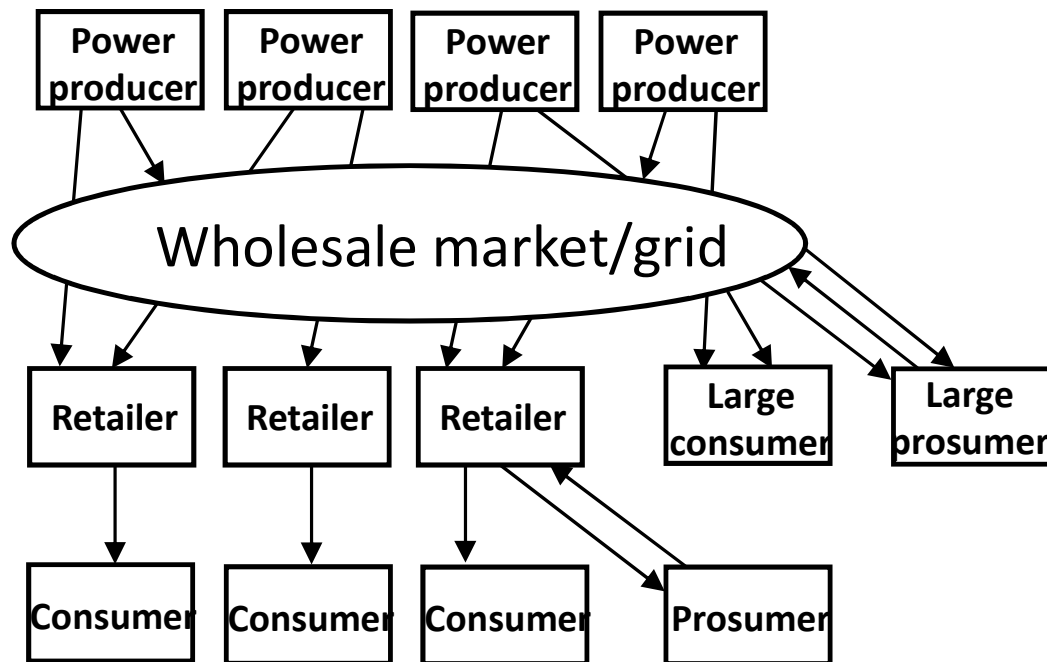
With  :
E-Luminati



Effects: (i) additional competition between retailers (ii) standardization of contracts for electricity (iii) the retailers will have to focus on non-standard products that bring value to their customers (e.g., products that better exploit their load profile or their flexibility) to get again decent margins.

Remarkable events in the retailing business

The rise of uber-like models for electricity



→ Electrical energy sales

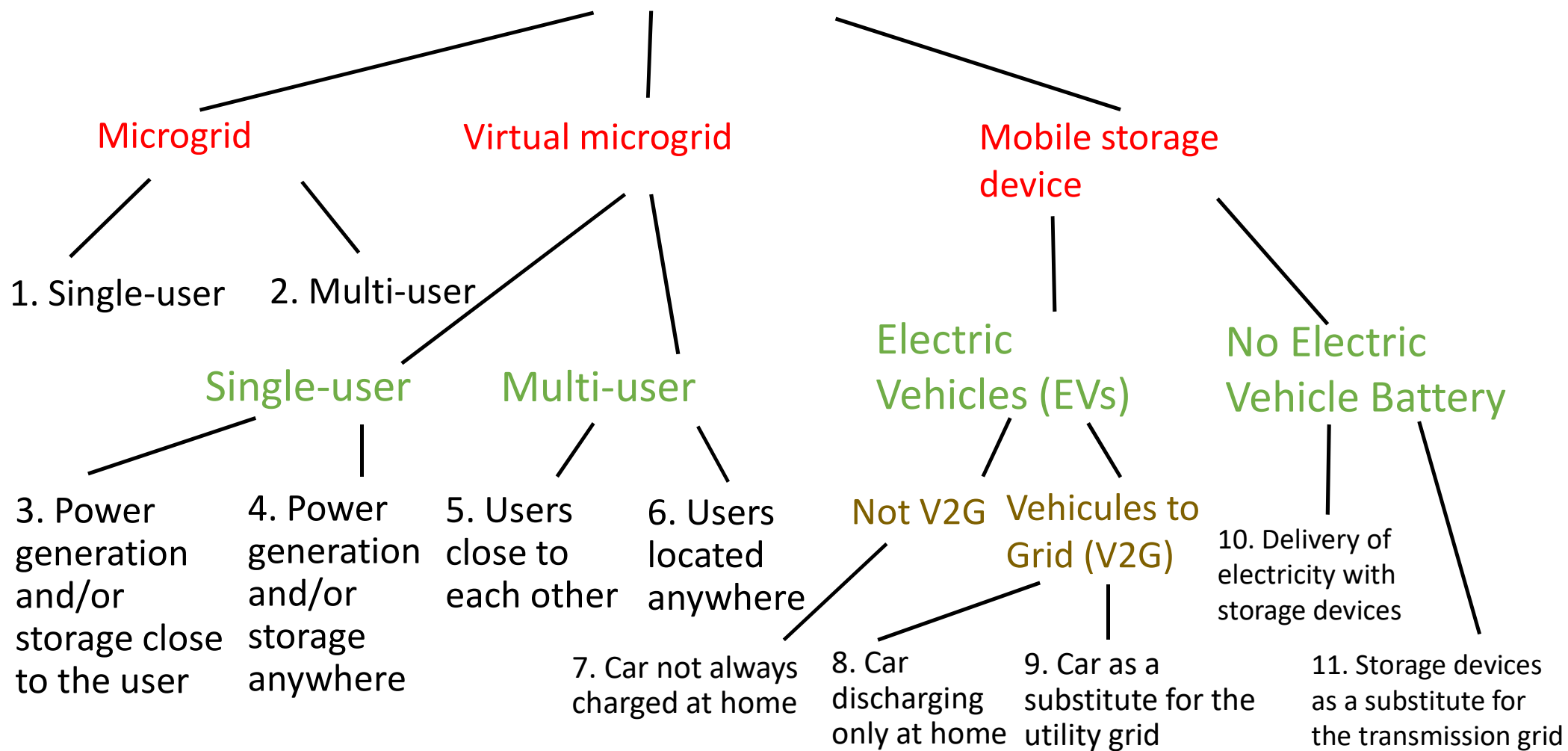
Uber-like models for electricity: a definition

Electrical energy consumed by loads that does not go (only) through the electrical energy sale channels defined by →

See for more info the document “Uber-like models for the electrical industry” available at:

<http://hdl.handle.net/2268/205035>

A taxonomy for uber-like models for electricity



Uber-like models relying on (self-driving) electric vehicles



Effects: (i) no intermediary between production and consumption (ii) may favor the rise of fully autonomous microgrids