

# Discussion on EPEX and EURELECTRIC presentations

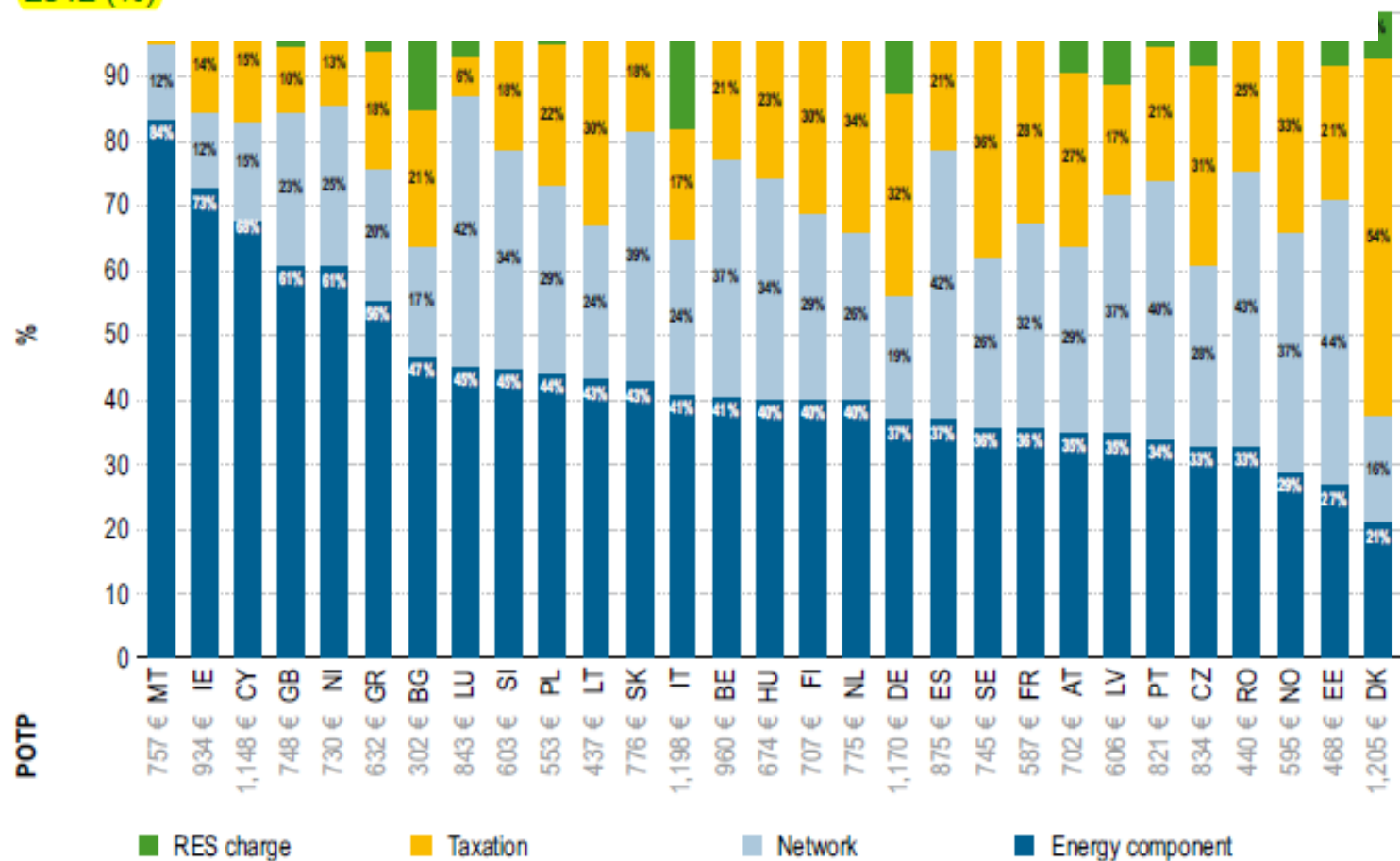
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- The two presentations altogether illustrate the wedge between wholesale and retail prices
- Different objectives seem to drive price formation on these two segments of the market
- In the upstream market, price transparency (and zonal convergence) predominates
- In the downstream market, heterogeneity of approaches and objectives makes the main trends more difficult to follow

# Upstream vs downstream cost breakdown

POTP break-down – incumbents' standard offers for households in capital cities – December 2012 (%)



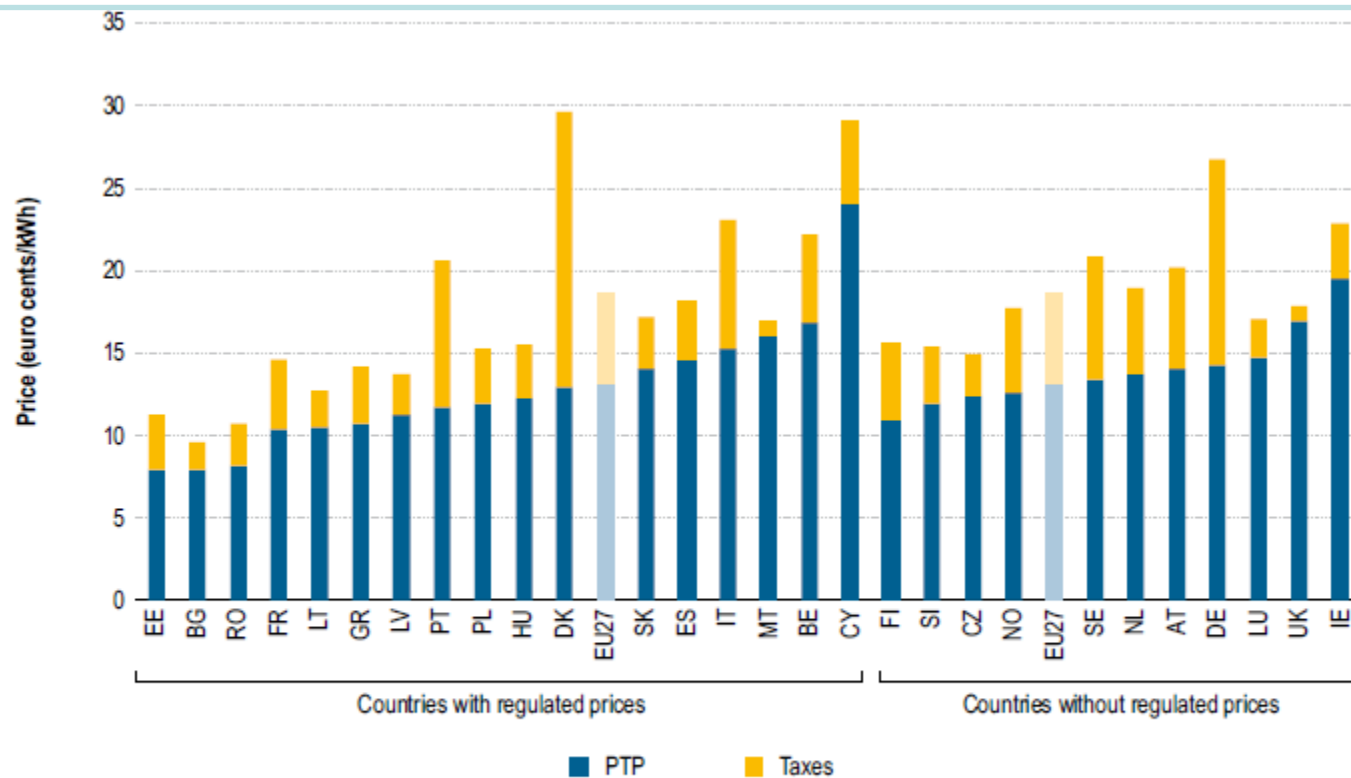
Source: ACER retail database<sup>17</sup> (December 2012) and information from the NRAs (September 2013)

- **Market foresight and transparency**
- **Need for fast data analysis**
- **Interaction with “financial regulations”:**
  - Regulation on Energy Market Integrity and Transparency (REMIT). REMIT will prohibit market abuse (insider trading and market manipulation) in physical and over-the-counter financial transactions in wholesale energy markets. It extends to these transactions the market abuse regime currently applicable to transactions in securities.
- **Variables in the deterministic part: how closer are electricity markets to financial markets?**



- **Comparison with Eurostat: why these discrepancies? Does the same problem arise with gas data?**
- **Is there an inventory of the different policies shaping these differences?**
- **Which is the role of CEER-ACER?**

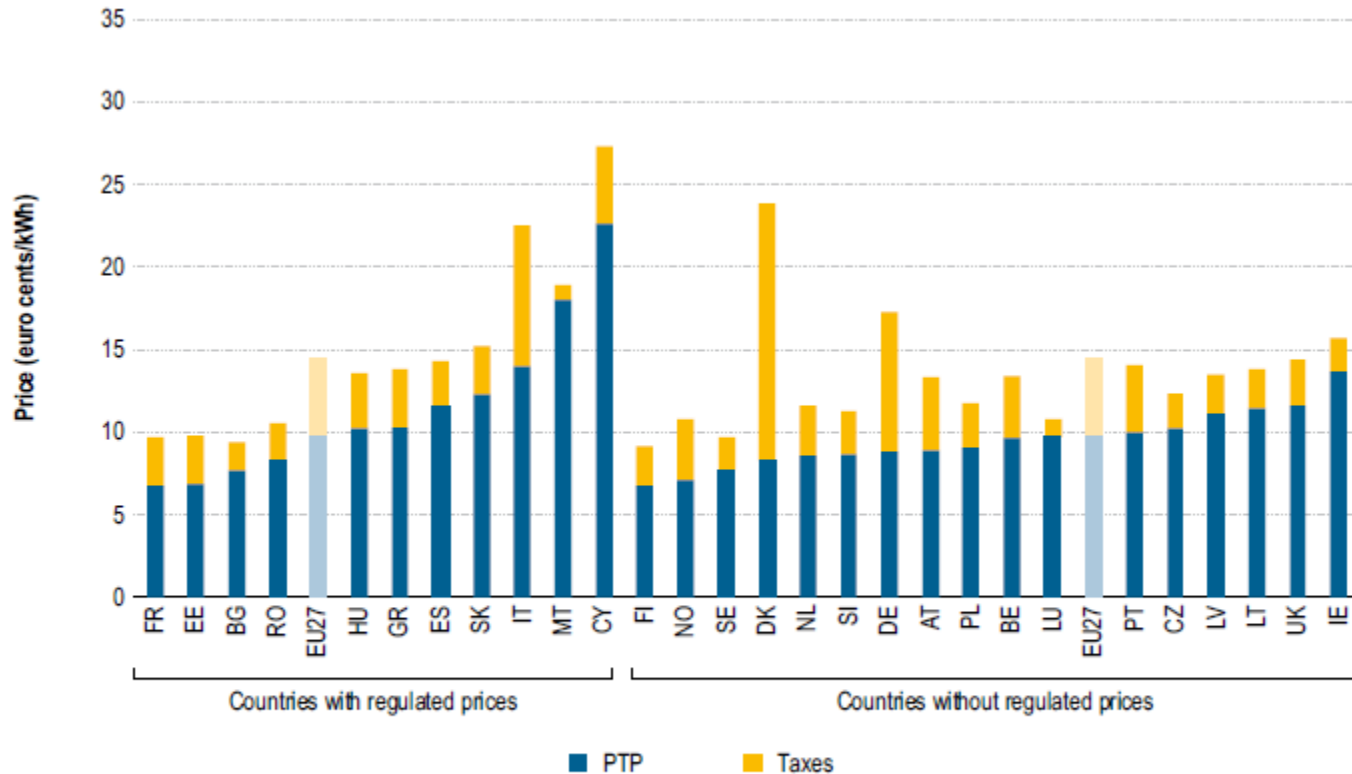
# Tariffs: households



Source: ACER, based on Eurostat (25/5/2013), DC: 2,500-5,000kWh

Note: Within each group, MSs are ranked according to the PTP level.

# Tariffs: industrial consumers



Source: ACER, based on Eurostat (25/5/2013), DC: 2,500-5,000kWh

Note: Within each group, MSs are ranked according to PTP.