



Electricity Market Opening in Estonia



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Market Opening in Two Parts

At the accession with EU it was agreed that Estonian electricity market would open in two parts.

- 2009, electricity market was opened up to 35%, only eligible customers (at least 2 GWh/year) could choose their electricity suppliers.
- 2013, the market is opened 100%, every customer is eligible and can choose an electricity supplier.



Preparation

- Technical preparation for market functioning
- Preparing the population for the opening of electricity market



Electricity Market Data Exchange

All the technical information needed for the electricity market functioning is held via data exchange platform (DEP).

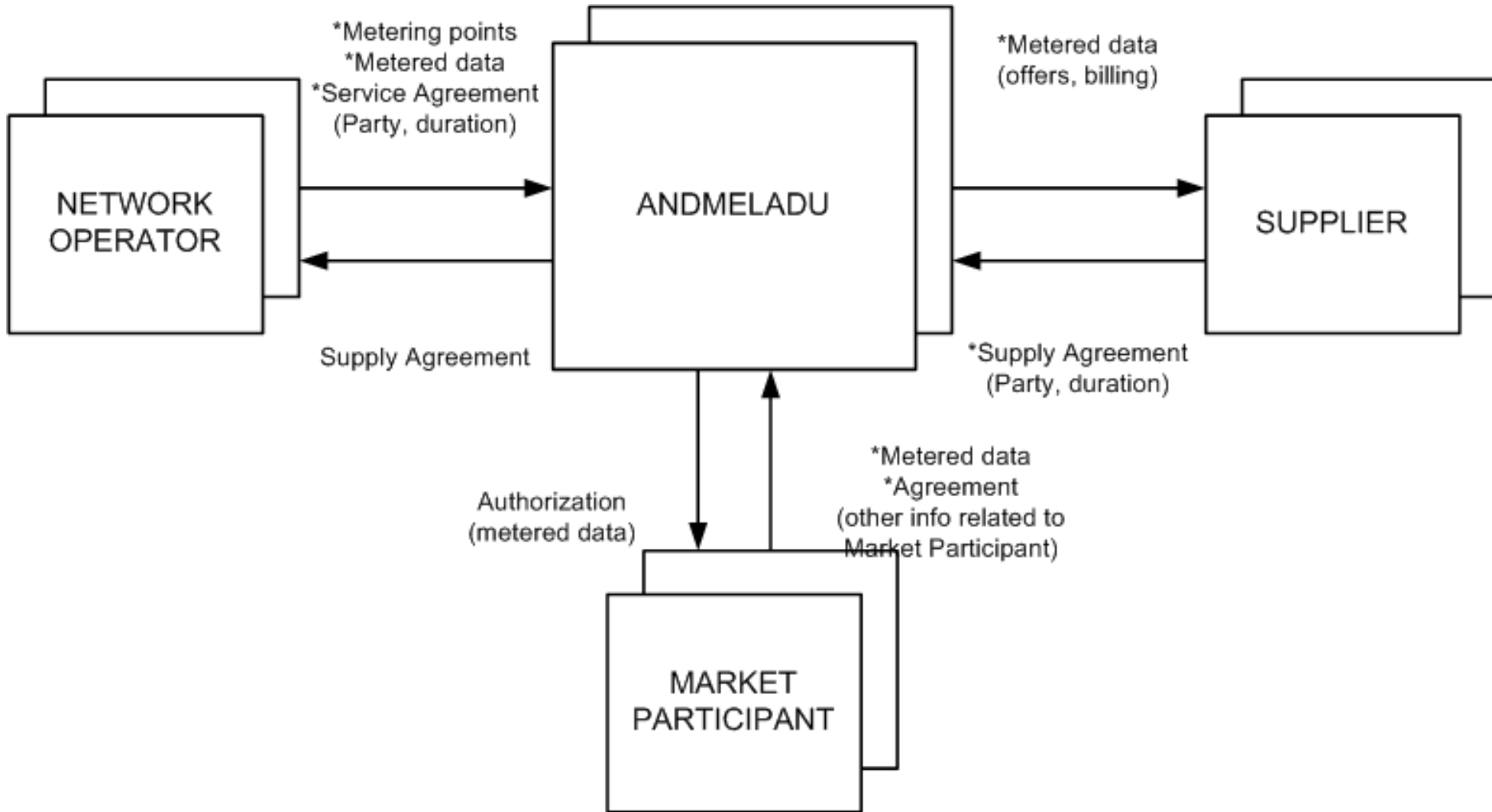
DEP is a digital environment that holds the data of all

- metering points
- electricity purchase contracts
- metering data.



DEP Enables Consumers:

- To see information on their metering points and electricity purchase agreements (electricity contracts) concluded for these metering points.
- To view historical electricity consumption data (12 months).
- To authorize one or more electricity sellers to get access to the consumer's consumption data in order that the seller could make them personalized offers.



WELCOME TO DATA WAREHOUSE!

Data warehouse named Andmeladu is a system that holds all agreements related to electricity transfer and consumption and all measurement data.

Electricity consumers can:

- Look at their electricity consumption points and their agreements
- View historical electricity consumption data
- Authorize one or more electricity sellers to access your data, so they can make personalized offers



Please log-in:



After logging in it is possible to log in yourself as a private entity

Frequently asked questions

Technical support:
help.andmeladu@ele

Data Warehouse information

 6 160



Security of the Data

The personal data, metering data and consumption history can be seen only by the consumer and this seller who has contract with that consumer.

All this data can also be seen by the seller who has got the relevant authorisation from the consumer.



Who May Conclude the Electricity Contract and Choose a Seller?

Any market participant may conclude the electricity contract if he or she holds a valid network contract in respect of the metering point of his place of consumption.



No Electricity Contract?

If a small consumer has no electricity purchase contract, he or she may purchase electricity from the network operator as universal service.

Small consumers are household consumers, apartment associations and such commercial consumers whose electrical installation is connected to the network on low voltage (up to 1000V) and the main fuse is up to 63A.



The Price of Universal Service

- The price of universal service changes every month and it differs between distribution system operators.
- Each DSO calculates monthly universal service price on the basis of the weighted average of the hourly amounts of electricity sold as universal service and the hourly prices at the power exchange.
- Standard terms and conditions of universal service must be approved by the Regulator (Competition Authority).



Media Campaign

The media project began in November 2011

The price of the project was about 300 000 euros for the period from 2011 – 2013 (it contains the cost of advertising campaign, design and printing publications, creating the website, information phone service, public opinion research).



Public Awareness

In the end of 2011 the public awareness was quite low – people had heard about the market opening but there was no clear understanding about it.



The Purpose of the Project

To inform people about the market opening and changes that follow.

To give practical information on what the consumers have to do and why it is necessary.

To calm the fear about not having electricity.



Activities under the Project

Goodwill agreement between ministry and electricity undertakings to facilitate the market opening.

Public website www.avatud2013.ee which was visited about 293 000 times

Continuous communication with media

Answering the inquiries on website

Performances on seminars and conferences in all counties of Estonia



The Messages Delivered

- Competition between sellers.
- The consumer can choose suitable electricity seller.
- Changing the seller is quite easy – it can happen every month.
- Choosing the seller is the right, not obligation (universal service for small consumers).
- Electricity price rises due to climate policy, not the market opening.



Public Awareness

Public awareness on electricity market opening grew from 64% in January 2012 to 98% in December 2012.



Outcome of the Project

- 65% of the consumers had concluded the electricity contract by midnight of the 31 December 2012.
- 9% of consumers had changed their seller.



Main Concerns Before the Opening

- How much the price would change?
- How many sellers would come to the market?
- How many consumers would not choose the supplier and use the universal service?



The Price

Prognosis about the price was quite accurate - the common rise was about 20-30%.

Unfortunately the price of network services (about 40% of the total bill) rose at the same time – so the rise of the total price felt quite sharp.



The Number of the Sellers

The number of active sellers on the market was up to expectations (and even more).

Some new sellers came to the market and by the end of 2012 most of sellers had lowered their offers.



Market Share on 01.01.2013

| Seller | No of Contracts |
|----------------------------|-----------------|
| Eesti Energia AS | 408 284 |
| 220 Energia OÜ | 13 871 |
| Elektrum Eesti OÜ | 11 982 |
| Elektrimüügi AS | 7 885 |
| VKG Elektrivõrgud OÜ | 7 712 |
| Imatra Elekter AS | 7 192 |
| Baltic Energy Services OÜ | 1 960, |
| AS Eesti Gaas | 699 |
| Nordic Power Management OÜ | 535 |
| others | 1 300 |



Changes in Market

In February, the number of electricity contracts grew by 1%, the universal service was used in 202 009 metering points, that is 16% of total consumption and 205 consumers decided to change the seller.

In April, the universal service was used by 13% of total consumption and 1009 consumers changed the seller.



Market Price

The most advantageous price package so far has been the market price package.

In January, market price packages were 8% lower than fixed price packages, in February they were 13% lower, in March the prices were almost at the same level but in April, the market packages were again lower – for 6%.



Thank you!