



Description of the process leading to the determination of end-user prices for natural gas and electricity

Definitions

EP	Energy Prices; organization reporting on the current prices for energy
Website	https://energy.eu
Respondents	End-users -individuals and organizations- submitting data to EP through assigned channels.
Energy commodity	Natural Gas and electricity
Usage Pattern	Annual consumption volume per energy commodity (natural gas and electricity)
EnergyEdgesm	In-house developed software platform. Collects, processes and warehouses data input from respondents
Energy Statement	Indicates usage and costs of energy, e.g. energy invoice, contract, quotation or notification

Chapters

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Chapters

1. Respondents

Energy Prices offers European citizens and EU-based organizations the option to sign-up as a respondent. Respondents are encouraged to submit data periodically. The input encompasses their energy consumption and the energy tariffs charged.

EP's EnergyEdge software platform provides respondents the opportunity to check and analyse their own energy consumption historically and compare this with peers. Personally identifiable information from respondents will not be shared with any third party.

2. Identification

Three different types of respondents are identified: **households** and **commercial** end-users.

- a. Domestic end-users price data is gathered from individual- and family households.
- b. Commercial end-users price data is gathered from respondents that are commercial or government entities. Power plants, used for electricity generation, are not included.

3. Reception

There are two main ways of submitting data **to Energy Prices**.

Commonly used is by using the **Energy Edge** platform which has a web interface. This interface is an online form that asks the respondent to enter a number of details from their energy statement or contract. To avoid mistakes, the respondent enters the values and quantities as mentioned on their statement, in their own currency. All applicable conversions, e.g. to euro currency for non-Eurozone EU states and from cubic meters of natural gas to kWh, are processed by the platform.

An alternative method to submit data is by uploading the energy statement as an Adobe PDF-document; this input is subsequently manually processed.

4. Integrity

The **EnergyEdge** platform functions as a gatekeeper for data integrity. The platform analyses the respondent's input and determines if the entered values are within an expected range; based on past input and known data for the specific consumption pattern and region.

5. Units

Price data and volumes are daily converted to the **Energy Prices** standard units for both electricity and natural gas; euro per one kilowatt-hour.

6. Analysis

Energy Prices utilizes Data Sampling Methodology. A certain minimum number of respondents per country are deemed sufficient to produce weighted average price data. The determined price data is per energy commodity, per consumption pattern and per country. **Energy Prices** has sufficient respondents in all 27 EU countries and the United Kingdom.

EnergyEdge requires regular data input from a minimum number of its respondents before prices can be calculated by our team. This is a continuous, daily process. In case an input threshold is not reached, respondents are approached via e-mail and requested submit data.

- a. Respondents may have a variable contract or a fixed contract for a certain term, both contracts may be accepted in the calculation is construct reliable price date.
- b. **Energy Prices** strives to build a respondent's database that fairly represents the different provinces and regions per country. The data is weighted when regions are over- or underrepresented.

7. Quality procedures

The system checks for non-conformity directly upon entry of data by respondents, this means that e.g. in case of a typographical error, the respondent is immediately alerted to correct the entry. Inconsistent entries are requested to be corrected, or alternatively discarded. Before the price data is anchored in the main database, it is manually checked to capture possible deviations.

8. Price Data Components

The final price data point is a price in euro per kilowatt-hour.

For example, in a purchased data-set you would find an end-user would pay on average:

0.1290 euro/kWh for electricity for an office building in Croatia on February 4th, 2022.

For **domestic consumers** (households), the end-user price comprises of the following components:

- a. Natural gas, or electricity market price
- b. Main transport of natural gas or transmission of electricity, to local distribution centres.
- c. Local distribution to households
- d. Administrative costs, e.g. standing charges and metering
- e. All applicable taxes: excise duties, value added tax, green taxes, VAT etc.

For **commercial consumers** (office buildings, manufacturing or industrial plants), the end-user price comprises of the following components:

- a. Natural gas, or electricity market price
- b. Main transport of natural gas, or transmission of electricity.
- c. Local distribution (when applicable)
- d. Administrative costs
- e. All applicable taxes and duties. **Recoverable taxes, such as Value Added Tax (VAT) are not included.**

Appendices

I. Miscellaneous

- a. For local currencies to be converted to euro, the average exchange rate for the referenced day is applied.
- b. Reports contain end-user price data, the price data is not broken down into components (market price, transport, duties and taxes).
- c. Usage bandwidths are applicable to consumption patterns and are identified on energy commodity order form (step 2) on the website.
- d. EU Average Gross Calorific Value for natural gas is set at 38.48 (MJ/m³).
- e. There is insufficient data to report on the natural gas markets for Finland, Cyprus and Malta.

II. Active Respondents

Country	Respondents General Domestic	Commercial respondents Natural Gas	Commercial respondents Electricity
Austria	145	29	30
Belgium	266	26	28
Bulgaria	92	18	17
Croatia	45	7	7
Cyprus	64	0	6
Czech Republic	132	21	22
Denmark	182	25	26
Estonia	70	14	13
Finland	45	20	22
France	242	32	35
Germany	272	34	32
Greece	82	0	15
Hungary	36	21	21
Ireland	105	23	19
Italy	68	31	33
Latvia	38	15	15
Lithuania	24	13	14
Luxembourg	44	17	19
Malta	28	0	9
Netherlands	214	41	45
Poland	75	26	28
Portugal	92	23	25
Romania	32	21	21
Slovakia	28	19	20
Slovenia	34	22	28
Spain	128	39	44
Sweden	101	19	30
United Kingdom	223	30	33

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Number of active respondents as per April 15th, 2022.