



EUROSTAT QUALITY PROFILE

Indicator (definition)	Electricity prices (for industrial users and households): The indicator referring to industrial users gives the electricity price charged to final industrial end-users of electricity. Data referring to industrial prices until 2007 is defined for an annual consumption of 2000 MWh, maximum demand of 500 kW and annual load of 4000 hours. From 2008 onwards, industrial prices refer to users that have an annual consumption between 500 and 2000 MWh. Data referring to household prices until 2007 are defined for a typical standard consumer with 3500 kWh annual consumption of which 1300 kWh is consumed overnight. From 2008 onwards, the household's prices for electricity refer to a consumption band between 2500 and 5000 kWh per year. Prices of both indicators are given in Euro per kWh. Until 2007, these prices correspond to prices applicable on 1 January each year, taxes excluded. From 2008 onwards, the prices are average prices for the first semester of each year.
Eurostat Unit	Energy Statistics
Other Commission DGs	DG for Energy and Transport
European Statistical System Working Group (WG)	Energy Statistics Committee
Date	May 2009

1. Overall assessment of accuracy and comparability (Description of quality grades under the following link: http://circa.europa.eu/Public/irc/dsis/structind/library?l=/general_information/quality_profiles/annex_enpdf/EN_1.0_&a=d)

A B C Indicator to be developed

Data is collected from reliable sources applying high standards with regard to the methodology and ensuring a high degree of comparability across countries. Restrictions to comparability over time are related with the lack of adjustment for changing price levels.

As of the price data for 2008, the data is collected with a new methodology which effects a break of series between 2007 and 2008. The main changes that are introduced as of 2008 are the use of consumption bands instead of typical standard consumers, and the averaging over 6 months instead of fixed prices on 1st January.

2. Objective and relevance of the indicator:

The indicator measures price trends in the electricity market. Electricity prices are of vital importance for the society and the economy. Prices for the industry have a significant impact on production costs and also affect energy efficiency. Similarly, prices for households affect the cost of living in a country. They are influenced by the cost of the energy sources and the efficiency of the electricity markets.

The expansion of the European Single Market has accelerated the process of market liberalisation. The aim is to boost market supply, bring down prices for consumers, and encourage an increase in competition, investment and productivity leading to a rise in economic efficiency. These goals have been taken up by the Lisbon Strategy which is promoting economic growth and improvement of citizens' quality of life. The indicator can reflect the competitiveness of markets for electricity, the impact of electricity market liberalisation and better cross border connections upon the price. Also, Lisbon Strategy aims at creating a friendly environment for starting up and developing business through further efforts of lowering the costs of doing business.

In addition the renewed EU Sustainable Development Strategy supports market transparency and states that prices should reflect the real economic, social and environmental costs of products and services.

Restriction of the indicator's relevance and other characteristics which may lead to restrictions in using it in monitoring and reporting

The value reported refers to current prices:

- until 2007 applicable on the 1st January;
- from 2008 onwards for the first semester of each year (1 January – 30 June)

The prices are not adjusted for inflation or different price levels in each country.

Break of series due to the use of a new methodology as of 2008 price data.

3. Data availability: details

(t1: earliest reference year available; t2: latest reference year available in May 2009)

Electricity prices (Industry)

	Member States	Candidate and Acceding Countries	US and Japan	EEA-EFTA ¹
t ₁	1991: BE, DK, DE, IE, EL, ES, FR, IT, LU, MT, NL, PT, UK; 1992: HU, SI; 1995: FI, AT; 1996: SE; 1999: CY 2000: CZ; 2001: PL 2002: EE; 2003: RO, LT 2004: SK, BG, LV	2005: HR 2008: TR	-	1995: NO
t ₂	2007: IT 2008	2008	-	2008

No data for NL 2002-2004, AT 2000-2003

Electricity prices (Households)

	Member States	Candidate and Acceding Countries	US and Japan	EEA-EFTA
t ₁	1991: BE, DK, DE, IE, EL, ES, FR, IT, LU, MT, NL, PT, UK; 1992: HU, SI 1995: FI; 1996: AT 1997: SE; 1999: CY 2000: CZ; 2001: PL 2002: EE; 2004: BG, LV, LT, SK; 2005: RO	2005: HR 2008: TR	-	1995: NO
t ₂	2007: IT 2008	2008	-	2008

¹ While being a member of the EEA, Liechtenstein has complete or partial exemptions from several statistical requirements due to its size. Thus, Liechtenstein is excluded from this overview as most of the data are missing.

4. Overall accuracy

High	<input checked="" type="checkbox"/>	<p>The overall accuracy can be considered as high. Prices of electricity charged to industrial end-users are collected under Council Directive 90/377/EEC. The data collection has been extended on a gentlemen's agreement basis to cover also households. Electricity prices, excluding taxes, are originally collected in national currencies per kWh, for countries outside the euro area, they are converted into EUR per kWh using the current monthly or semestrial (as of 2008 data onwards) average exchange rates.</p> <p>Price information is reported by national authorities. It is based on representative figures, especially after the liberalisation of electricity market which resulted in an increasing number of suppliers/ retailers offering various types of supply-contracts and tariffs. Data collected by national authorities from relevant companies, customs authorities and in some cases also professional associations.</p> <p>Collected prices must include all charges payable: network charges plus energy consumed minus any rebates or premiums, plus other charges (capacity charges, commercialisation, meter rental, etc.). Initial connection charges are excluded. Member States must ensure that a representative share of the national market is covered in the survey. EU-27 and euro area figures are weighted averages of national prices based on the corresponding annual national consumptions. Eurostat carries out quality checks, mainly on the consistency of the provided information across countries and with historical data.</p>
Restricted (sources, errors, methodology, etc.)	<input checked="" type="checkbox"/>	<p>A new methodology that defines details of the data collection was introduced as of the prices for 2008. As the new methodology is significantly different, the user should pay attention when comparing old methodology with new methodology prices.</p>

5. Comparability across countries

High	<input checked="" type="checkbox"/>	<p>Comparability across countries is high as data collection is based on a prescribed methodology. Besides, Eurostat verifies to the extent possible if the reported data respect the prescribed methodology. However, differences among average price levels should be taken into account when electricity prices are compared across countries.</p>
Restricted	<input type="checkbox"/>	

6. Comparability over time

High	<input type="checkbox"/>	
Restricted	<input checked="" type="checkbox"/>	<p>The series of price data contain current prices and not constant (i.e. adjusted for inflation) prices. Comparisons of values between different years are therefore hampered by changes in the general price levels.</p> <p>A new methodology that defines details of the data collection was introduced as of the prices for 2008. As the new methodology is significantly different, the user should pay attention when comparing old methodology with new methodology prices.</p>

7. Development perspective for improving the quality of this indicator (including as far as possible an indication of the burden on Member States and respondents.)

A new methodology has been introduced in 2007, and this is used for the data collection of industrial electricity prices from 2008 onwards. A similar methodology has been developed for household consumption prices, but these declarations are made on a voluntary basis. Main changes are attributed to consumption bands that will replace typical standard consumers, and to the averaging over 6 months of the price data.

8. Contribution to the coherence of the set/potential to qualify for an integrated policy analysis

The indicator of electricity prices is part of a group of indicators related to the cost of main utilities (along with price of gas and telecommunications). It can be used together with these for grossly assessing related costs. It can also be analysed along with information on the market situation in each country to assess the effect of electricity market liberalisation to the price charged to customers.

Relevant European legislation

Council Regulation (CE) No 322/97 of 17 February 1997 (OJ No L 52/1) and Council Regulation (EURATOM, EEC) no 1588/90 of 11 June 1990 on the transmission of the data subject to statistical confidentiality to the Statistical Office of the European Communities (OJ No L 151/ 1).

Commission Decision 2007/394/EC of 7 June 2007 amending Council Directive 90/377/EEC with regard to the methodology to be applied for the collection of gas and electricity prices charged to industrial end-users.

Council Directive of 29 June 1990 concerning a Community procedure to improve the transparency of gas and electricity prices charged to industrial end-users.

[Top of the page](#)