

PRACTICAL TOOLS TO IMPROVE REGULATORY COMPLIANCE AND COMPETENCES



What are regulations for?

Energy is a vital component of modern society, but it also has significant environmental and social impacts. **Regulations** are one of the **key tools** that governments and regulators use **to ensure that energy is produced, distributed, and consumed in a way that is safe, reliable, affordable, and sustainable**. The Mediterranean region, with its vast population exceeding 540 million people, is of particular interest in the energy landscape.

Regulatory Power in Action

The example of the Maltese Regulator for Energy and Water Services (REWS)

Strengthening Regulatory Compliance

The example of the Egyptian Gas Energy Regulator (GasReg)

Advancing Renewable Energy Development

The example of the French Energy Regulatory Commission CRE

Embracing New Texts and Tools to Increase Competences

MISSION

- Protect consumers and in particular vulnerable ones
- Address disputes within the industry
- Ensure fair competition

FUNCTIONS

- Regulate and enforce
- Oversee grid access
- Define price structures and tariffs
- Grant licences
- Establish quality standards
- Resolve disputes

MEANS

- Request information from regulated entities
- Conduct necessary investigations
- Impose administrative penalties for non-compliance

To ensure that the rules and regulations are followed by the energy players, the regulator can take actions to achieve the desired regulatory outcomes.

In Egypt, the “DREAM framework” is an enforcement strategy which consists of five critical phases:

- Detecting
- Responding
- Enforcing
- Assessing
- Modifying

Ensuring **broad regulatory enforcement** also requires:

- The involvement of civil society, market players, and industry;
- Coordinated efforts;
- Clarity and awareness on the monitoring process;
- The creation of guidance materials, hotlines, and support channels for both regulated entities and the public.

The **overarching goal** is to foster a **regulatory environment** that is **informative, responsive**, and capable of effectively **addressing potential risks**, all the while **maintaining a balance between persuasion and sanctions**.

CRE is a key player in the advancement of renewables in France, with **five central missions**.

- 1 Evaluating public sentiment on governmental renewable energy support
- 2 Managing auction procedures for renewable energy projects
- 3 Inspecting production costs
- 4 Promoting the growth of offshore wind projects
- 5 Ensuring the fairness of public service energy charges

Recently developed laws call for **new strategies** that **enable energy regulators to embrace new competences** effectively and require them to:

- Foster agility and creativity in using new tools to promote energy efficiency and eliminate obstacles to it;
- Monitor dynamic tariffs, facilitating flexibility services and regulating access for aggregators to the electricity market;
- Play an active role in the response to the energy crisis by boosting renewable energy investments, protecting consumers, and enhancing market monitoring;
- Anticipate changes and adapt to the evolving energy landscape.

Regulators use **incentives and sanctions** to **stimulate innovation**, push further the **integration of renewables**, increase the use of **storage technologies**, and accelerate the **electric mobility, paving the way to the grid of the future**.

For more information, go to our [report](#) on that subject.