

# Press Release

## ERSE launches a public consultation for revision of Electricity Sector Tariffs Regulation

ERSE (the Energy Services Regulatory Authority) is holding a public consultation on the revision of the Electricity Sector Tariffs Regulation between 23 May and 8 July 2025. The aim of the consultation is to update the regulatory methodologies in terms of allowed revenues and tariffs structure. This initiative forms part of the new regulatory period beginning in 2026.

In terms of the tariff structure, the proposed changes aim to introduce specific improvements to the Tariff Regulation (RT). The most notable is the introduction of greater flexibility for domestic consumers when switching between tariff options. This enables low-voltage consumers with a contracted power of up to 20.7 kVA to select a different tariff — ranging from simple to tri-hourly — when signing new contracts. This removes the current obligation to remain on the same tariff option for twelve months, thus enabling consumers to freely choose tariff options according to the offers available on the liberalised market.

With regard to allowed revenues, the changes proposed in the RT align with ERSE's strategic guidelines, which aim to promote a challenging regulation framework that encourages economic efficiency in the management of regulated activities, adapted to the current context of decarbonisation and decentralisation in the electricity sector. To this purpose, several changes in the RT to densify incentive regulation are proposed, particularly in the management of network activities. In this regard, improvements of the revenue cap regulation applied to the total costs (TOTEX) of electricity transmission and distribution in high voltage (HV) and medium voltage (MV) are emphasised, to make it more flexible and adapted to the expected network development in the coming years. It should also be noted the proposal to extend this methodology to the electricity distribution in the Autonomous Regions of the Azores and Madeira.

It is also worth noting the proposals to revise incentives for improving technical performance in transmission and distribution networks, as well as the introduction of a new incentive for improving overall system management. A regulatory mechanism is also proposed to ensure the economic and financial sustainability of the Supplier of Last Resort (SLR) activity.

In addition to this public consultation, ERSE will shortly make available the study on time periods in mainland Portugal. The preliminary results of this study were presented in the documents of the 2025 tariff decision. Based on this study, ERSE will shortly launch a public consultation for changes to the current time periods.

Contributions on these proposals should be sent to ERSE by 8 July.

Access [the documents submitted for public consultation](#).

Lisbon, 23<sup>rd</sup> May 2025