

Samantha Young
Utility Regulator
Queens House
14 Queen Street
Belfast, BT1 6ED

30 January 2024

Dear Samantha,

RE: Consumer Protection Programme 2024-2029

Thank you for the opportunity to provide feedback on the consultation paper for the Consumer Protection Programme (CPP) 2024-2029.

We understand that the purpose of consultation is to facilitate engagement with interested parties to improve the quality of policy making by bringing to bear expertise and alternative perspectives, identifying unintended effects of actions and socialising practical solutions.

Electric Ireland support the consultation process and the opportunity to engage on these important considerations in the NI market, however we are concerned that the current approach and timelines may not lead to optimum outcomes from the process. This is due to the number of consultations currently issued, and the timing of such consultations running both consecutively and concurrently over and around the Christmas holiday period and alongside annual licence compliance obligations, creating a risk that stakeholders may not be in an optimal position to provide the comprehensive and robust response these consultations seek to obtain. We recognise this places a significant workload on industry participants as well as the UR.

We have outlined our responses to each of the questions and measures in the consultation paper in the subsequent pages. In forming our response, we have reflected on recent consultations including the Best Practice Framework for Vulnerable Customers, UR's Corporate Strategy and the Consultation on Guaranteed Standards of Service, as well as the currently live consultation on the Draft Forward Working Plan. Throughout our response we recognise that many of the views, feedback and concerns are repeated across each of the respective consultations.

In summary, Electric Ireland support the importance of ensuring Northern Ireland's consumers are protected and supported, both in the present and through a Just Transition on the path to Net Zero. Consumer protection, particularly for those who are vulnerable is a priority for Electric Ireland, and an area of continuous improvement. We agree that the three themes in the CPP 2024-2029 ensure that the programme is balanced and ensure an evidenced based approach to implementing measures that will support customers, both now and in the future, and we welcome the mid-term review approach that the UR has proposed. We also consider that suppliers can provide a positive input into the CPP, as a customer facing stakeholder, we have insights, knowledge and established practices that could help inform any proposed activities and policies.

In summary our key points of feedback, which we have captured in detail in our response, relate to (1) the risks associated with the implementation of the measures and the capacity for the UR and stakeholders to deliver the measures within the programme, (2) ensuring stakeholder collaboration and appropriate apportionment of responsibilities to stakeholders both in the energy industry and outside of the industry, and (3) specific concerns raised in recent previous responses which we consider are also reflected in this consultation.

As outlined in the GSS consultation, Electric Ireland recognise there are a number of concurrent changes occurring across the industry, and we consider this consultation adds another parallel stream of activity to an already congested period of change for an industry that is facing other challenges. We appreciate the intent of the various consultations but ultimately, each consultation incurs significant change, and this comes with a cost both in terms of resource and system development, which has a knock-on impact to consumers, competition and innovation within the market.

We recognise the role the UR has to play in ensuring consumers are protected, but we consider there is an opportunity to focus the Programme on a selected few net new measures, and ensure a collaborative effort across industry,



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government and with NGOs to ensure these measures are delivered with positive impacts on consumers during the five year period.

We welcome any comments and further engagement with the UR.

Yours sincerely,

A handwritten signature in black ink that reads "Philip McGrady". The signature is written in a cursive, flowing style.

Philip McGrady

Regulation & Compliance Manager

Electric Ireland NI

EI Responses to Questions

Q1: Do you agree with the three themes that have been identified for CPP 2024 - 2029? Please provide any additional information to support your view.

Response: Electric Ireland welcome that delivering Just Transition is represented significantly in the new CPP and we consider that the three themes identified ensure that the programme is balanced, addressing both immediate and longer terms goals.

In later questions we set out our concerns in relation to the delivery of outstanding objectives in CPP 2019-2024 whilst introducing new measures in the current CPP 2024-2029. We would ask the UR considers the if the objectives in CPP 2024-2029 are achievable, taking into consideration the number of activities outstanding in the CPP 2019-2014 programme and with the volume of new measures introduced in this programme.

Finally, as outlined in Electric Ireland's response to the Corporate Strategy, careful consideration should be given to the use of best/best-in-class' as a measurable goal, which we recognise is intended to be aspirational, however we consider this to be subjective without context, clarity of who this relates to or an example of what best looks like in practice.

Q2: Do you agree that a 5-year CPP with a mid-term review after 3 years is a suitable duration and approach? Please provide your rationale.

Response: Electric Ireland agree that the 5-year term frame is suitable, and we welcome the mid-term review, however we have shared thoughts on question 8 in relation to composition of what is included in the CPP. We consider that what is included in the 3-year period should capture a balance of focussed delivery to ensure completion as a well as net new planning and consultation. We consider the mid-term review to provide a platform to update stakeholders on progress, request feedback, recognise delivery milestones and make adjustments to objectives where appropriate.

In relation to 'Theme 1: Research and Leadership':

Q3A: Do you agree with the proposed areas of work and projects identified under this theme? Please provide any additional information to support your view, including any additional areas or projects that you feel should be of focus.

Response: Please see below our response to each of the proposed areas of work under Theme 1: Research and Leadership.

(2.8 & 2.9) Electric Ireland are supportive of an evidence-based approach in the development of policy, strategy and statutory frameworks. We welcome the continuation of the UR's three core quantitative research vehicles. We consider that different methods of quantitative research could be used to measure both consumer preference and propensity, in order to help the impact of trends and new measures. Such measures include Conjoint Analysis and Propensity Modelling, and we consider this could offer rich insight to the UR and the other industry stakeholders.

(2.10) Electric Ireland are supportive of continued qualitative research on focussed topics, and we consider that it would be beneficial to not only understand consumer attitudes and preferences in a NI market, but also other markets in order to help inform benchmarking. We would also welcome any opportunity from the UR for industry stakeholder to input into the line of questioning in the research approaches, both quantitative and qualitative to help generates insight to inform change.

(2.11) Electric Ireland recognise that consumers who live in private rented accommodation could experience detriment, and we welcome research in this area. From an energy supplier perspective our goal is to ensure energy equity for consumers, whilst we recognise some consumers require extra support in order to achieve this, such as those identified as vulnerable. We consider that capturing whether a customer is in private rented accommodation as

an attribute to identify vulnerability could have unintended consequences and as a supplier, we do not currently capture whether the property is owned or rented in order to ensure GDPR compliance around data minimisation. We would welcome further dialogue on this with the UR and other industry stakeholders, through working groups or other mechanisms, and we look forward to the key points from the research.

(2.12) Electric Ireland supports an evidence-based approach to enhancing understanding of the NI non-domestic market and we welcome outcomes from the Cfi. We would also welcome any opportunity from the UR for industry stakeholder to input into the line of questioning in the research approaches.

(2.13) Electric Ireland consider that continued partnerships and cross industry collaboration will be vital to ensuring consumer protection through the delivery of Just Transition, as the challenge and responsibilities extend beyond energy.

Q3B: Are there any projects that require prioritising within years one to three of the CPP? Please provide your rationale as to why

Electric Ireland would like to see the list of the URs research topics, and we would welcome the opportunity to share input on which topics we consider should be prioritised.

In relation to 'Theme 2: Enablement':

Q4A: Do you agree with the proposed areas of work and projects identified under this theme? Please provide any additional information to support your view, including any additional areas or projects that you feel should be of focus.

Response: Please see below our response to each of the proposed areas of work under Theme 2: Enablement.

(2.14) Electric Ireland supports the UR's objective. The areas of work outlined are critical in terms of enabling consumers to engage in the market which is fundamental to the delivery of a Just Transition.

(2.15) Electric Ireland appreciate that improving energy literacy is fundamental to empowering the consumer to engage effectively with the energy market and we agree that this is a multi-dimensional challenge, impacting all consumer groups, e.g. those who are engaged in the market as well as vulnerable consumers.

Electric Ireland considers there is a role to play by the UR in conducting a review of the various regulatory frameworks, policies and Codes of Practice to identify where simplification could be delivered. Suppliers design products, processes and services for customers that are compliant with these policies. We consider there may be opportunities to support improvements in energy literacy by striking a balance between the requirement to provide mandatory information vs. designing innovative, simplified communications, which make it easier for consumers to understand the information that is most relevant to them.

Additionally Electric Ireland consider that digital can play a key role in helping to support an improvement in energy literacy. Whilst we appreciate that digital may be a challenge for the most vulnerable consumers in society, we consider there is a balance to be struck in any programme developed that looks at ways of improving energy literacy for the majority of society through efficient and engaging means, as well as providing tailored support for those most in need. We also consider that supporting the most vulnerable in society requires a collaborative approach and shared responsibility, with energy stakeholders playing a role, but also other government agencies and NGOs.

(2.16) Electric Ireland welcome the proposed research in relation to energy literacy, however we would ask that UR considers carefully the timing, priority and impact of initiatives on the back of the research and that any process and system related changes require realistic lead times to understand, develop and implement, as well as manage investment appropriately.

(2.17, 2.18, 2.19) Electric Ireland support the UR's view the consumer must be at the core to the development of Smart Metering in Northern Ireland. As a supplier who operates in multiple jurisdictions we would welcome the opportunity to share insights, knowledge and learnings from our firsthand experience in Smart Metering.

(2.20) Finally, Electric Ireland look forward to the outputs from the Cfi for non-domestic consumers and we would ask that UR considers carefully the timing, priority and impact of initiatives on the back of the research and that any process and system related changes require realistic lead times to understand, develop and implement, as well as manage investment appropriately.

Q4B: Are there any projects that require prioritising within years one to three of the CPP? Please provide your rationale as to why.

Response: We consider enablement is a critical theme to support a Just Transition and that the UR can play the role of an 'ambitious enabler' to great effect, in their unique position as overseer of the market, to support delivery of strategic change across the industry. The UR is ideally placed to support increased and necessary cross industry collaboration and we consider a focussed objective to be included in the CPP 2024-2029 defining how the UR will support this in years one to three.

Specifically on the areas of work outlined, we consider that the research and stakeholder engagement on Smart Metering to support the High-Level Implementation Plan should be prioritised in years one to three

In relation to 'Theme 3: Protection':

Q5A: Do you agree with the proposed areas of work and projects identified under this theme? Please provide any additional information to support your view, including any additional areas or projects that you feel should be of focus.

Response: Please see below our response to each of the proposed areas of work under Theme 3: Protection.

(2.23) Electric Ireland recognise that affordability continues to be a challenge for consumers across Northern Ireland and the recent Energy and Cost of Living Crisis has compounded this challenge for a greater number of consumers.

(2.24) Electric Ireland are in support of the establishment of working groups to collaboratively work together on the various aspects of affordability and debt. It would be our view that these working groups be comprised of a diverse group of stakeholders, from the Energy Industry as well as those from outside the industry, as we consider, there are more appropriate organisations offering support and that these organisations may be more effective in delivering positive outcomes for consumers.

From an energy supplier perspective whilst we will continue to do all we can to support customers with paying their bills especially during these challenging times, debt continues to remain a challenge for the business and we recognise that higher levels of debts can impact on investments in innovative solutions and services that will enhance the consumers experiences and deliver positive impacts, including affordability.

(2.23, 2.26 & 2.27) Electric Ireland recognise that ensuring fair and transparent retail tariffs is a key goal for the UR and that the UR considers that price regulation for suppliers with a monopoly position provides a mechanism to support this. We recently responded to the Power NI Supply Price Control Approach Consultation outlining our views and feedback in relation to transparency, K factor mechanism and the existing form of price regulation in the market and we look forward to the engaging further with the UR as the consultation process progresses.

(2.28) In our response to the Best Practice framework, we raised a number of concerns in relation to the creation of a single customer register, the broader definition of vulnerability, the lack of detail with regards the proposed measures, and the associated risks for consumers, business and the industry as a whole.

We would ask that the UR considers the views and feedback provided in that consultation when making any determination in relation the CPP 2024-2029.

(2.29) Electric Ireland continue to support that vulnerability should be a senior management level focus, we have concerns that the development and reporting on a Vulnerability strategy was not a key measure that was consulted upon as part of the Best Practice Framework consultation. Electric Ireland would welcome engagement with the UR, through the working group or other means, to provide further context in relation to this measure.

(2.30) Electric Ireland continue to support the Consumer Energy Charter and commend the impact this has had to date for consumers in Northern Ireland.

(2.32) In our response to the consultation on the Review of Electricity Guaranteed Standards of Service and Overall Standards of Performance, Electric Ireland shared a number of thoughts and concerns. In principle we agree that compensatory payments are appropriate if the service standards drop below the standards that are expected, and the GSS provides a self-managing mechanism to deliver this. Whilst we recognise the intent of GSS and OSP, we consider that many of the practices intended to be delivered through the proposed measures are already in place across our operating procedures.

We raised a number of concerns in the consultation relating to (1) the risks associated with the implementation of the measures, (2) lack of clarity on the definition of certain measures, and (3) the use of email and written communication as viable channels to uphold the standards. We would ask that the UR considers the views and feedback provided in that consultation when making any determination in relation the CPP 2024-2029.

(2.33) Electric Ireland recognise that bereavement is an important issue, and we would welcome dialogue through working groups in relation to the topic of bereavement as we consider that suppliers are ideally positioned to share insight, knowledge and leading practice based on our experiences in order to help inform any future requirements or principles.

(2.34 and 2.36) Electric Ireland welcome a review of the existing CoPs and that this is an activity that should be conducted periodically in order to ensure they remain relevant and appropriate in light of current and future trends. As outlined in Electric Ireland's response to the URs Corporate Strategy, we consider that a review of all codes is needed in light of the changing market to accurately reflect supplier and network operator's obligations, to enhance consumer protection across the industry and to enable innovation. A balance is required between a regulatory environment that encourages and rewards innovation and one that protect customers effectively. It is key that these reviews do not add further complexity, which may act as a barrier to new entrants, but that they seek to simplify the regulatory frameworks.

Q5B: Are there any projects that require prioritising within years one to three of the CPP? Please provide your rationale as to why

Response: Electric Ireland consider that the key objectives and measures from the 2019-2024 CPP should be completed effectively before new measures are introduced. The ongoing status of these measures in the current CPP will require the new measure to be considered post year three, given there is a lot of concurrent change occurring at present across the industry, and taking into consideration the ability and capacity for the UR, energy stakeholders, government and NGOS, to deliver on both outstanding measures as well as any new measures.

We consider priority should be given to ensuring stakeholder alignment to the measures proposed across the numerous ongoing consultations and that the appropriate platforms, be that through working groups or other means, should be established as a priority.

Q6: Do you agree that where this document has an impact on the groups listed, those impacts are likely to be positive in relation to equality of opportunity for utility consumers?

Response: Electric Ireland agree that this document will not have any negative impact with regards equality for electricity users in Northern Ireland.

Q7: Do you consider that the proposals need to be refined in any way to meet the equality provisions? If so, why and how? Please provide supporting information and evidence

Response: Electric Ireland do not consider that the proposals need to be refined to meet the equality provisions.

Q8: In relation to developing and implementing CPP 2024-2029, is there anything else not covered by questions 1-7 that UR should consider?

Response: Whilst we appreciate that what has been outlined to CPP 2024-2029 is a 5-year delivery strategy, when we reflect on delivery progress for the 2019-2024 CPP, as well as the volumes of other change occurring across the industry, we would have general concerns that the programme could be perceived as aspirational vs. realistic. We consider that careful consideration should be given to the volume of activity and challenges facing the industry as a whole, as well as both the ability and capacity for the UR, energy stakeholders, government and NGOS, to deliver change during these times.

We consider that the CPP 2024-2029 which outlines new activities of focus, whilst this is commended any momentum and progress will be challenging as outstanding actions from the previous CPP still requires delivery.

We would request that the UR reflects upon the volume and impact of activity in their refined plan, which should recognise the completion of the 2019-2024 activities as well as a selected number of new impactful activities. We consider this approach within years one to three will be pragmatic, with the mid-term review mechanism offering the platform to introduce new activities based on progress and the impact of key trends three years from now.