



The Consumer Council for Northern Ireland response to the Utility Regulator Consultation on Guidance for Conditional cost sharing, Evaluative Performance Framework and Uncertainty mechanisms 15 February 2021.

The Consumer Council

1. The Consumer Council is a non-departmental public body (NDPB) established through the General Consumer Council (Northern Ireland) Order 1984. Our principal statutory duty is to promote and safeguard the interests of consumers in Northern Ireland.
2. The Consumer Council has specific statutory duties in relation to energy, postal services, transport, and water and sewerage. These include considering consumer complaints and enquiries, carrying out research, and educating and informing consumers.

Consumer Principles

The Consumer Council welcomes the opportunity to respond to the Utility Regulator Consultation on Guidance for Conditional cost sharing, Evaluative Performance Framework and Uncertainty mechanisms. We use the eight consumer principles shown in Figure 1 as a framework that asks important questions about service design and delivery, consumer impact and how services should look and feel to the consumer, and that helps assess regulatory decisions from a consumer perspective.

Figure 1: The Consumer Council's Eight Consumer Principles





4. The consumer principles also establish a common language that all stakeholders (Government, Regulator, Consumer Advisory Body, and the Company) can use to meaningfully and constructively engage with consumers to develop trust and a better understanding about how the Energy Market in Northern Ireland should operate to ensure it meets consumer needs. The Consumer Council recommends that DfE uses the consumer principles as a framework for its work in relation to the EU Electricity (Recast) Directive 2019.

Consultation on Guidance for Conditional cost sharing, Evaluative Performance Framework and Uncertainty mechanisms

5. The Consumer Council welcomes this consultation on Guidance for Conditional cost sharing, Evaluative Performance Framework and Uncertainty mechanisms and that the framework is also defined to deliver good outcomes for Northern Ireland consumers.
6. The Consumer Council agree with the high level Framework goals set out in 2.2 and believes that the development of greater transparency and accountability of SONI's operations will ensure positive outcomes for consumers.
7. The Consumer Council fully approve of the four SONI outcomes of Decarbonisation; Grid Security; System-wide costs and SONI service quality in the evaluative performance framework. Delivering on these four high-level outcomes should indeed be both a reputational and financial incentive for SONI. The Consumer Council agree that electricity consumers in Northern Ireland need to get good value for money which reflects efficiency within, and across, different parts of the Northern Ireland electricity system in both the short term and the longer term.
8. The Consumer Council supports the establishment of an evaluation panel by the UR for the purposes of evaluating the performance of SONI once they publish their annual forward plan. The Consumer Council would hope that the panel members consist of an equal split of both industry and consumer bodies. We welcome a review at the end of each financial year against the evaluation criteria concerning SONI's plan delivery and wider performance. It is reassuring to know that the UR may establish one or more stakeholder groups to help inform the panel's assessment, and to help guide SONI's planning and performance.
9. The Consumer Council agree that any submissions for additional funding from SONI under uncertainty mechanisms should include proposed deliverables that clearly set out what is to be delivered and how this is to be measured; time scales for delivery and that SONI are adhering to consumer interests by ensuring that any additional costs are being kept to a minimum.



10. The Consumer Council welcomes the evaluative performance framework guidance which has been devised as part of the SONI 2020 to 2025 price control and aims to ensure SONI operates effectively in the interests of consumers across Northern Ireland. The Consumer Council in its response to the UR draft determination on the SONI price control 2020/25 highlighted the importance of SONI operating efficiently, so that consumers are not paying higher prices created by inefficient operations. We look forward to continuing to contribute to this important project

11. It is vital that The Consumer Council and the UR work together throughout 2021/22 to protect all consumers across Northern Ireland especially the most vulnerable consumers.

12. If you would like to discuss this response please contact Raymond Gormley, Interim Head of Energy Policy. Details provided below.

Consumer Council Contact: Raymond Gormley
Email: Raymond.Gormley@consumercouncil.org.uk
Telephone: 02890251521
15 February 2021