

## Breaking down barriers and maximising opportunities

Breaking down the barriers and maximising the opportunities from the Northern Ireland Energy Strategy was the theme of a joint Utility Regulator/ Energy Institute conference held in Belfast on 15 June. The conference was the latest in a series of events facilitated by both organisations to promote a strategic dialogue on the energy transition.



The Economy Minister, Gordon Lyons MLA opened the well-attended conference, which included representation from across government, industry, the third sector and the academic community.

Our CEO John French provided the keynote address, emphasising the need for collaboration, an openness to change and the need to put consumers at the centre as being key to maximising the opportunities in implementing the energy strategy.



A series of contributions, from both private and public sector speakers, focused on making the most of new technology in implementing the energy strategy. There was also a focused discussion around how innovation could be promoted, to help deliver a flexible, resilient and integrated energy system



## High wholesale gas prices continue to impact market prices

International wholesale fuel prices remain extremely high and consumers continue to feel the impact in their bills. Over the past number of months, consumers have faced a range of energy price increases with SSE Airtricity gas the latest in announcing a 47.2% increase in gas bills for their customers in the Greater Belfast and West areas.

Although international wholesale prices remain volatile, we are cautiously hopeful that, if there are no further shocks affecting wholesale costs, we will likely see a period of stability in regulated tariffs. Should these tariffs stabilise, it is important to understand that it will be at levels considerably higher than previous normals. Should prices fall, we will act quickly to pass on any savings to consumers as soon as possible.

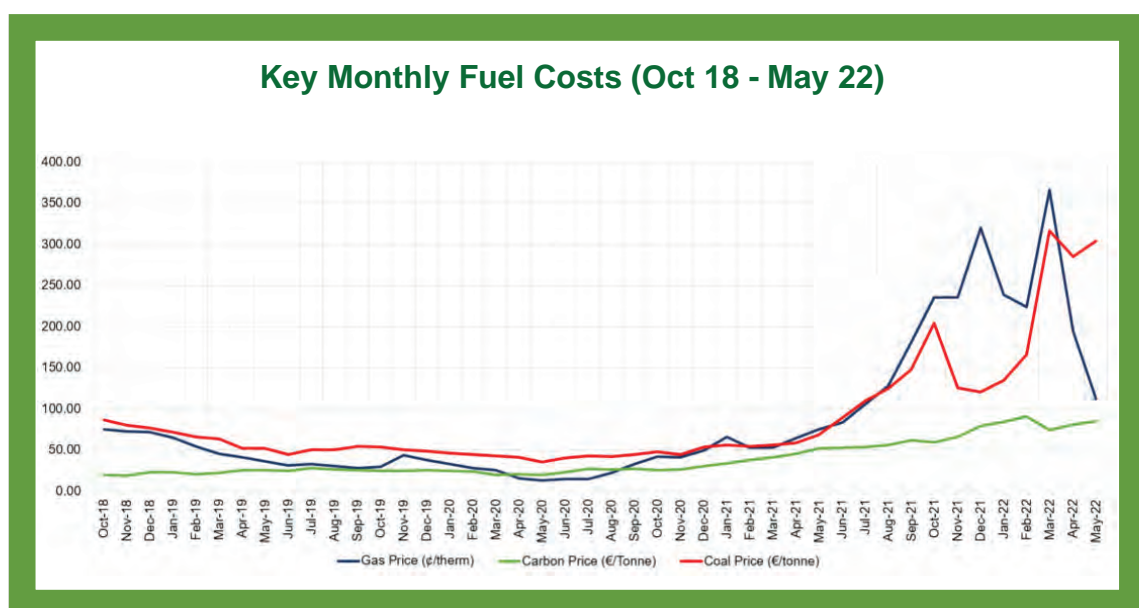
The below table compares regulated prices in Northern Ireland to the Great Britain price cap and average prices in Ireland. Note, OFGEM have recently announced that the Great Britain price cap will increase to over £2,800 per year from 1 October 2022.

Area	Electricity	Gas	Total
Belfast and West (Regulated prices)	£944 (from 1 July)	£1,243 (from 1 July)	£2,187
Ten Towns (Regulated Prices)	£944 (from 1 July)	£1,504	£2,448
GB Price Cap	£1,148	£1,142	£2,290*
Ireland (Most used tariff)	£1,185 (from 1 July)	£1,239	£2,424

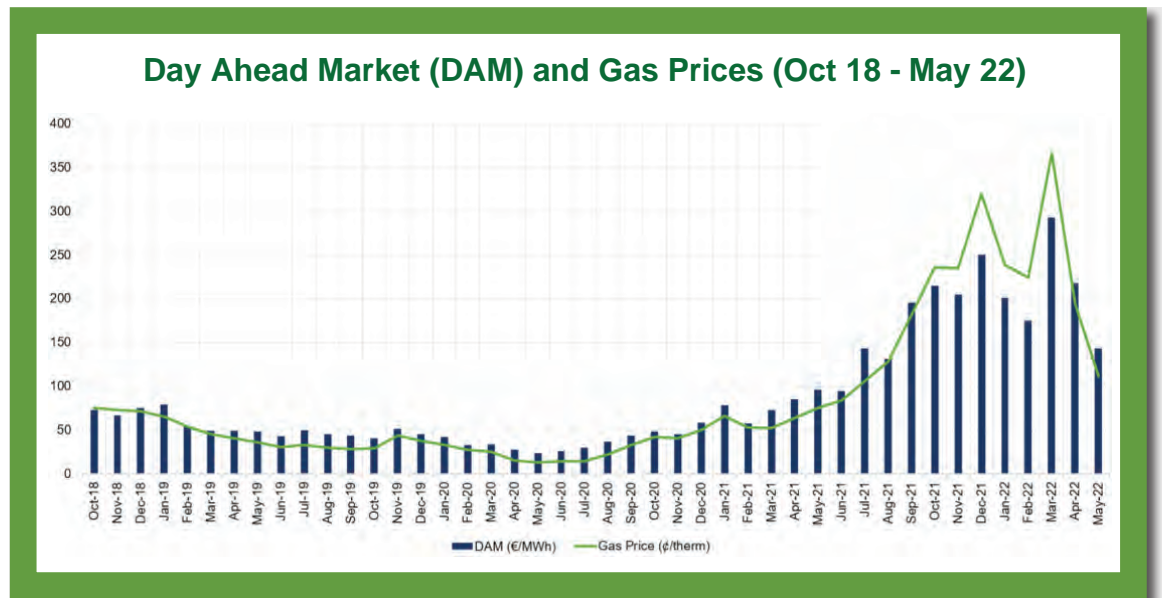
\*Expected to rise to £2,800 from 1 October 2022

We continually track wholesale fuel costs and monitor our markets. During May, we saw a drop in the average price of gas compared to April, however prices were still 48% higher compared to the same period last year. Coal continues to provide a small portion of our fossil fueled generation. The price of coal during May was 341% greater than the same period last year. In May 2022, the average price of carbon emissions increased by 5% compared to April 2022 and 63% compared to the same period last year.

Graph 1



Graph 2



The average price in the Day-Ahead Market, the main market in which electricity is traded, was 38% less than April 2022 but a 48% increase on the same period last year. Actual electricity system demand decreased by 5% compared to last month and was at a similar level compared to May 2021. The future price of gas remains extremely high. Market projections continue to predict sustained high prices which will keep consumer bills at historic highs.

Further information on the support available to energy customers is available at [www.nidirect.gov.uk/covid-19-energy-debt-advice](http://www.nidirect.gov.uk/covid-19-energy-debt-advice) and on the Utility Regulator's website. The Consumer Council's website has energy advice for consumers during these difficult times and also provides an independent energy price comparison tool.

A number of agencies can provide free and independent advice including Advice NI, Money and Pensions Service and Christians Against Poverty. The NI Energy advice line also offers free comprehensive advice on saving energy in the home and energy efficiency grants.

## Diversity and inclusion takes centre stage at UR

We want to be a diverse and inclusive organisation that puts the 'you are' in UR.

At UR, we know that our employees drive our culture and we are committed to diversity and inclusion. Having received our Bronze Diversity accreditation in 2021, we have since formed a diversity and inclusion working group. This group is made up of volunteers from UR who are committed to furthering the UR diversity and inclusion programme, while embracing and championing diversity and inclusion in the workplace and beyond.

The group will be working together to come up with events, policies and training that they think would be beneficial to all at UR, while also celebrating diversity and inclusion. We are continually learning and are now exploring programmes with other local organisations to drive these values forward within UR and our wider community.



**Diversity Mark**



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**Kevin Lenaghan****Analyst in the Wholesale Directorate**

I joined the UR in May 2017 as a Wholesale Markets Analyst within the Capacity Remuneration Mechanism (CRM) Team. Within the team, I am involved in the preparation for Capacity Auctions and the analysis of their out workings. I am also the Chairperson for the Capacity Market Code (CMC) modifications

process and I am responsible to implementing changes to the CMC. Aside from this, I also provide support on a variety of areas including Market Modelling and Secondary Trading

In my life before the UR, I studied Biology at Ulster University and following on from this I started my career in energy at Phoenix Natural Gas where I worked in their connections team. I moved on to Firumus Energy in 2011, where I held roles within the Customer Operations team as the team Co-Ordinator and as an analyst within the Transportation Services team.

Outside of work I spend most of my time playing for the Belfast Sliders within the Ulster Softball League and in any other spare time I play bass guitar. I love movies and reading and have a not-so-mild obsession with Star Wars and the Lord of the Rings.

**Consultations/news update**

We publish a range of consultations, decisions and reports on our website. Please click on the links below to access our latest publications.

- Research published on consumer barriers to engaging in the energy transition
- SONI Evaluative Performance Framework (EPF): Independent Expert Panel Recommendations
- Utility Regulator comments on SSE Airtricity Gas Supply's regulated tariff increase
- Decision on the generation and export of electricity by micro-generators published
- Latest Quarterly Retail Energy Market Monitoring report on NI's retail energy market published
- Consultation published for the firmus energy (Supply) Ltd 2023-2026 price control

**Regulation and Analysts and Modelling Analysts**

We are recruiting for new roles that will help us play our part in delivering Government's commitment to delivering net zero carbon. This is your opportunity to develop your expertise in highly sought after specialist regulation roles, providing analysis and advice on energy (electricity and gas) and water issues. More information please visit our website.