Quarterly Retail Energy Market Monitoring Report

Quarter 3: 01 July to 30 September 2023

Published: 12th December 2023

Abstract

The Quarterly Retail Energy Market Monitoring (QREMM) report is the latest of a series of Utility Regulator (UR) reports (previously known as the Quarterly Transparency Reports (QTRs)) that provide a range of information about the retail energy market in Northern Ireland (NI).

The data relates mainly to market shares, market activity and domestic prices in the electricity and gas retail markets. The data also includes information on non-domestic, or industrial and commercial (I&C), electricity prices.

We collect and monitor market information through the Retail Energy Market Monitoring (REMM) framework.

The information shown in this report comes from network companies, suppliers, DESNZ (Department for Energy Security and Net Zero) and Eurostat. Some figures have been calculated internally.

Audience

Electricity and gas industry, associations of consumers, regulators, statistical bodies, suppliers, potential new market entrants, consultants, researchers and journalists.

Consumer impact

The information used to produce these reports allows us to monitor the retail market, flag potential concerns and to inform regulatory decisions. All of this directly impacts on consumers.

This set of reports increases transparency for consumers on matters of their direct interest, such as the active suppliers in each energy market sector and NI prices compared against other jurisdictions.

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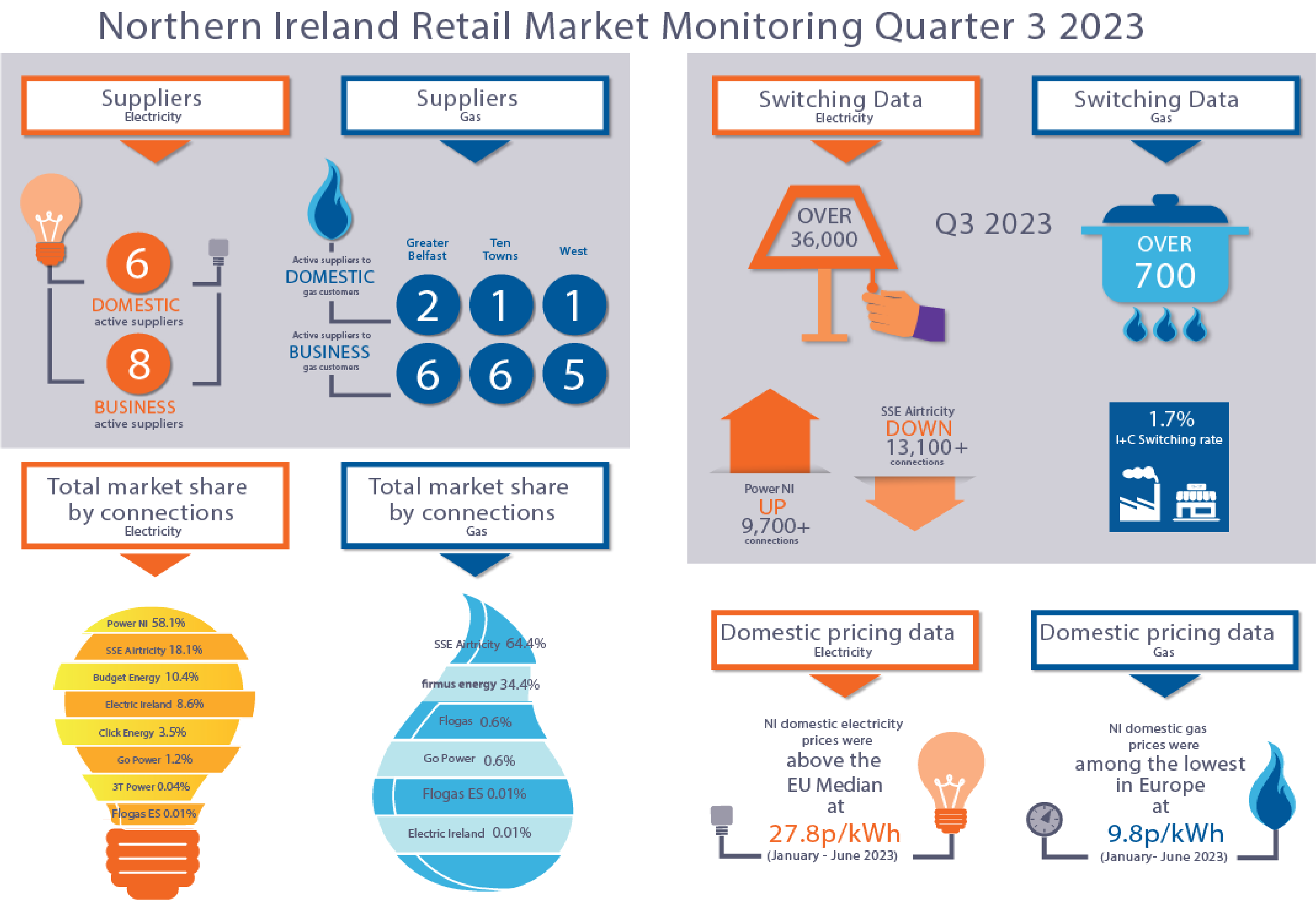
1. Summary of key market indicators



Key developments during Q3 2023

1. Overall electricity switching activity in Q3 2023 increased from the previous quarter. Domestic customers continue to engage in the market with just over 34,500 domestic switches completed during Q3 2023, a switching rate of 4.1% (an increase from 3.2% in Q2 2023). The I&C sector saw a decrease in the electricity switching rate from 3.8% in Q2 2023 to 2.1% in Q3 2023.

2. In the gas sector, domestic switching in the Greater Belfast area saw c500 switches completed during Q3 2023 (a slight decrease from c516 in Q2 2023). The I&C switching activity rate stayed the same between Q2 and Q3 2023 at 1.7%.

3. The semester 1 (January to June) 2023 electricity pricing data is sourced from Eurostat, DESNZ and individual supplier's submissions under the REMM framework. The pricing data for the period illustrates the following:

    - NI domestic electricity prices (27.8 p/kWh) ranked above the EU median (23.3p/kWh) and Ireland (21.7 p/kWh) and significantly lower than the UK (37.7 p/kWh).
    - The NI I&C electricity price for the Very Small connections (which represent c72% of I&C connections) was 30.4 p/kWh, which was higher than the EU median (23.4 p/kWh) and higher than the UK (28.6 p/kWh) but below Ireland (32.5 p/kWh).
    - For Large and Very Large I&C customers (c0.02% of connections) NI prices (19.8 p/kWh) were higher than the EU median (15.0 p/kWh), slightly below Ireland (20.5 p/kWh) and below the UK (24.8 p/kWh).

4. The semester 1 (January to June) 2023 domestic gas prices in NI were among the lowest in Europe at 9.8 p/kWh. This was less than the EU median (11.6 p/kWh), UK (13.7 p/kWh) and Ireland (12.8 p/kWh).

2. Introduction

2.1 The purpose of this report is to deliver transparency for stakeholders and consumers, providing readers with readily accessible information on the evolution and performance of Northern Ireland (NI) electricity and natural gas retail sectors.

2.2 This report (previously known as the Quarterly Transparency Reports (QTRs)) is one of the tools we use to communicate some of the main indicators we monitor in the retail energy markets. We protect consumers by promoting effective competition wherever appropriate, and by monitoring the markets. Therefore, monitoring the retail markets is key when complying with our statutory duties[1].

Energy suppliers in NI market

	Network Operator							
	NIE Networks		PNGL[2]		FeDL[3]		EVOLVE (formerly SGN) NG[4]	
	Electricity		Gas Greater Belfast		Gas Ten Towns		Gas West	
	Dom	I&C	Dom	I&C	Dom	I&C	Dom	I&C
Budget Energy	💡	💡						
Click Energy	💡	💡						
Electric Ireland	💡	💡		💧		💧		💧
firmus energy			💧	💧	💧	💧		💧
Flogas				💧		💧		💧
Go Power	💡	💡		💧		💧		💧
Power NI	💡	💡						
SSE Airtricity	💡	💡	💧	💧		💧	💧	💧
Flogas Enterprise Solutions (Flogas ES)[5]		💡		💧		💧		
3T Power		💡						
Suppliers	**6**	**8**	**2**	**6**	**1**	**6**	**1**	**5**

Source: Utility Regulator

[1] Detail on the background to this report, information sources and methodology is contained in Annex A.
[2] Phoenix Natural Gas Ltd
[3] firmus energy (distribution) ltd
[4] Evolve Network, previously known as SGN up to September 2023
[5] Flogas Enterprise Solutions, previously known as Naturgy Ltd.

2.3 The electricity and gas (in the Greater Belfast area) markets have been open to competition to domestic customers since 2007. However, there were no competing suppliers in the domestic market until 2010.

2.4 The Ten Towns area opened to gas competition for large I&C customers (those consuming over 732,000 kWh per annum) in October 2012, and to domestic and small I&C customers in April 2015. The first gas connection to the new West[6] gas distribution area was a large I&C user during Q1 2017.

2.5 During the third quarter of 2023 there were **eight** suppliers in the electricity market and **six** suppliers in the gas market although not all of these suppliers are certified to operate in all sectors (or in all gas distribution areas).

2.6 The detail of the dates of entry for the suppliers in each of the retail market segments is available in Annex B of this report. For more information about the retail energy market in NI, please visit: https://www.uregni.gov.uk/supply.

[6] It is anticipated that gas in the West distribution area will be developed as per Annex 2, Part 3 of the Scotia Gas Networks Northern Ireland licence.

3. Electricity

Electricity Q3 2023

Total Electricity Connections

917,338

841,715
Domestic connections

Domestic Credit = 458,744
Domestic Prepayment = 382,971

75,623
I&C connections

I&C <20 MWh = 53,565
I&C 20 - 49 MWh = 12,012
I&C 50 - 499 MWh = 9,007
I&C 500 - 1,999 MWh = 781
I&C 2,000 - 19,999 MWh = 240
I&C >20,000 MWh = 18

Total Electricity Consumption

1,620(GWh)

558.1(GWh)
Domestic consumption

Domestic Credit = 314.8 GWh
Domestic Prepayment = 243.2 GWh

1,061.5 (GWh)
I&C consumption

I&C <20 MWh = 71.1 GWh
I&C 20 - 49 MWh = 88.1 GWh
I&C 50 - 499 MWh = 274.1GWh
I&C 500 - 1,999 MWh = 175.5 GWh
I&C 2,000 - 19,999 MWh = 292.3G Wh
I&C >20,000 MWh = 160.3 GWh

Domestic Electricity Pricing

27.8p/kWh

January - June 2023

Total Electricity Switches

36,094

Total NI Electricity market shares by connections

3.1 The chart[7] to the right shows the percentage market share by connections[8] for each electricity supplier at the **end of September 2023**.

3.2 When looking at the electricity retail market as a whole by connections (domestic and I&C customers), Power NI, the incumbent supplier, has the leading position with 58.1% share of the market.

Figure 1: Electricity Market Share by Connections – Total NI Market

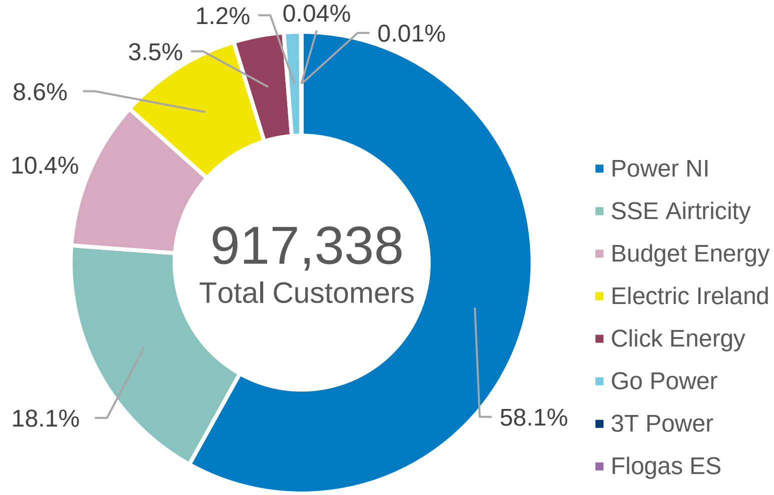


Table 1: Total Electric Market Share by Connections

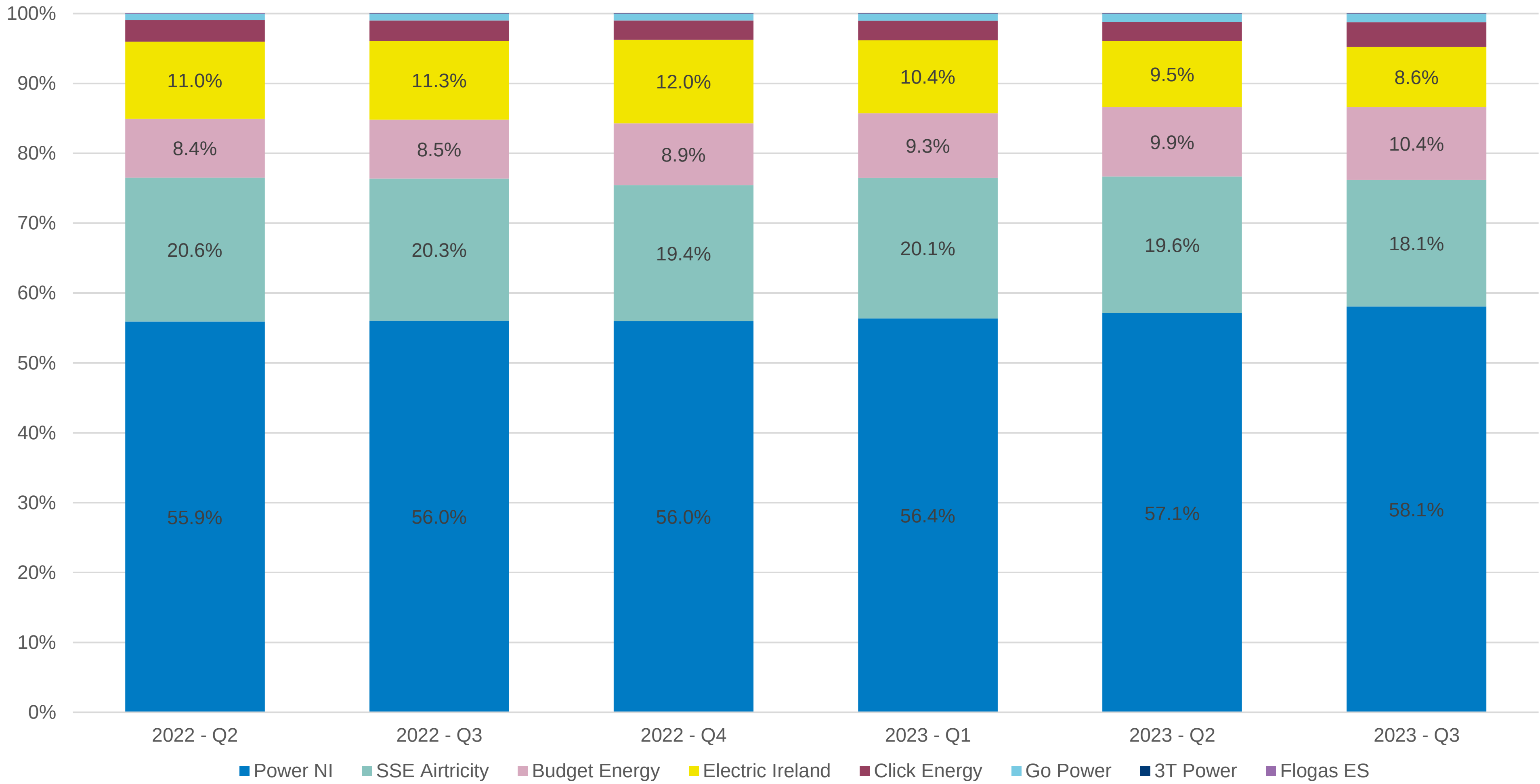
Market Segment	Power NI	SSE Airtricity	Budget Energy	Electric Ireland	Click Energy	Go Power	3T Power	Flogas ES	Total Customers
Domestic credit	303,037	100,912	10,697	35,063	8,182	853	0	0	458,744
Domestic prepayment	193,214	49,557	84,181	33,295	22,724	0	0	0	382,971
I&C < 20 MWh	28,913	10,556	498	6,039	796	6,565	177	21	53,565
I&C 20 – 49 MWh	4,588	2,972	141	2,168	257	1,836	46	4	12,012
I&C 50 – 499 MWh	2,838	1,899	46	2,329	257	1,525	96	17	9,007
I&C 500 – 1,999 MWh	202	168	0	251	10	123	9	18	781
I&C 2,000 – 19,999 MWh	44	45	0	106	6	29	3	7	240
I&C ≥ 20,000 MWh	0	5	0	11	0	2	0	0	18
Total	**532,836**	**166,114**	**95,563**	**79,262**	**32,232**	**10,933**	**331**	**67**	**917,338**

Data source: Northern Ireland Electricity Network (NIEN)

[7] Please note the percentages in the chart may not tally to 100% as the data labels for some suppliers are not labelled due to the size of their market share.
[8] Note that long-term vacant sites are not included in connection numbers, and that combined premises are included in the <20MWh category.

3.3 The bar chart below shows the trends in the market shares (by customer numbers) for each active domestic and I&C supplier in NI for the previous six quarters.

Figure 2: Electricity Market Share by Connections, Q2 2022 – Q3 2023



Data source: NIEN

Total Electricity NI market shares by consumption

3.4 The chart to the right shows the percentage market share by consumption for each electricity supplier for the period **July to September 2023.**

3.5 Electricity consumption in the NI retail market for Q3 2023 was 1,712 GWh.

Figure 3: Electricity Market Share by Consumption – Total NI Market

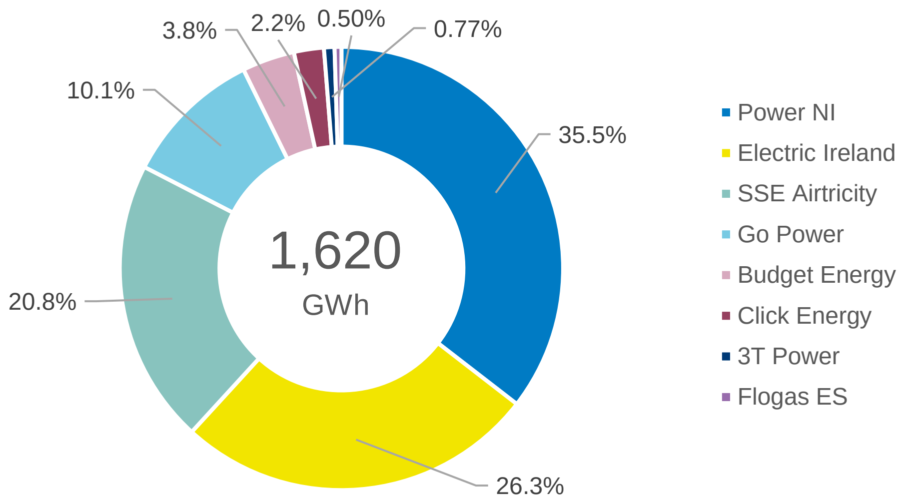


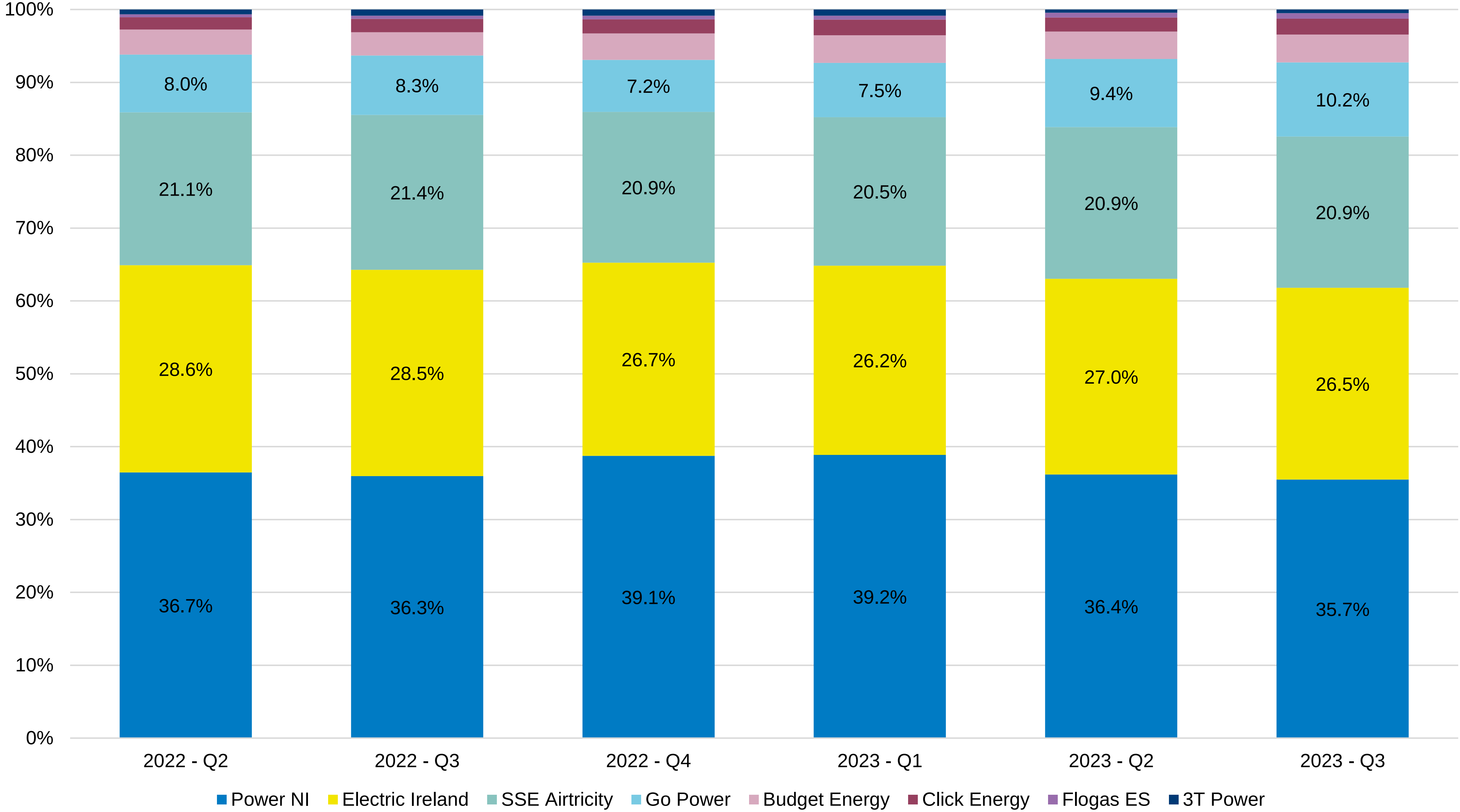
Table 2: Total Electric Market Share by Consumption (GWh)

Market Segment	Power NI	Electric Ireland	SSE Airtricity	Go Power	Budget Energy	Click Energy	Flogas ES	3T Power	Total Consumption
Domestic credit	198	25	76	1	8	6	0	0	315
Domestic prepayment	124	22	32	0	52	14	0	0	243
I&C < 20 MWh	34	9	17	9	1	1	0	0	71
I&C 20 – 49 MWh	32	17	23	13	1	2	0	0	88
I&C 50 – 499 MWh	80	79	60	44	1	6	1	3	274
I&C 500 – 1,999 MWh	48	53	37	29	0	2	4	2	176
I&C 2,000 – 19,999 MWh	58	143	47	30	0	5	7	2	292
I&C ≥ 20,000 MWh	0	78	44	38	0	0	0	0	160
Total	**575**	**426**	**336**	**164**	**62**	**35**	**12**	**8**	**1,620**

Data source: NIEN

3.6 The bar chart below shows the trends in the market shares (by consumption) for each active domestic and I&C supplier in NI for the previous six quarters.

Figure 4: Electricity Market Share by Consumption Over Time, Q2 2022 to Q3 2023



Data source: NIEN

Domestic Electricity Market Analysis by connections

3.7 This section of the report provides a more detailed analysis of the electricity domestic market, by connections.

3.8 The non-incumbents represent 41.0% of total domestic connections in NI.

Figure 5: Electricity Domestic Market Share (by Connections)

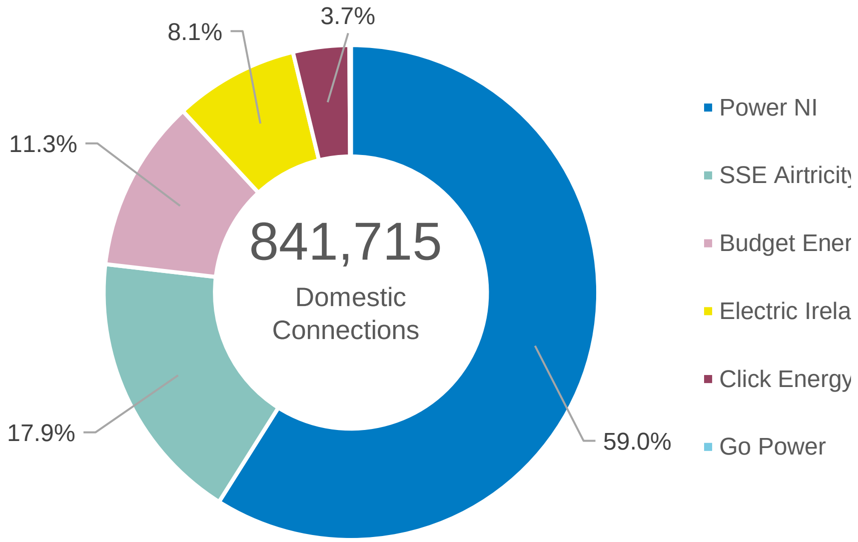


Figure 6: Electricity Domestic Market Share by Connections

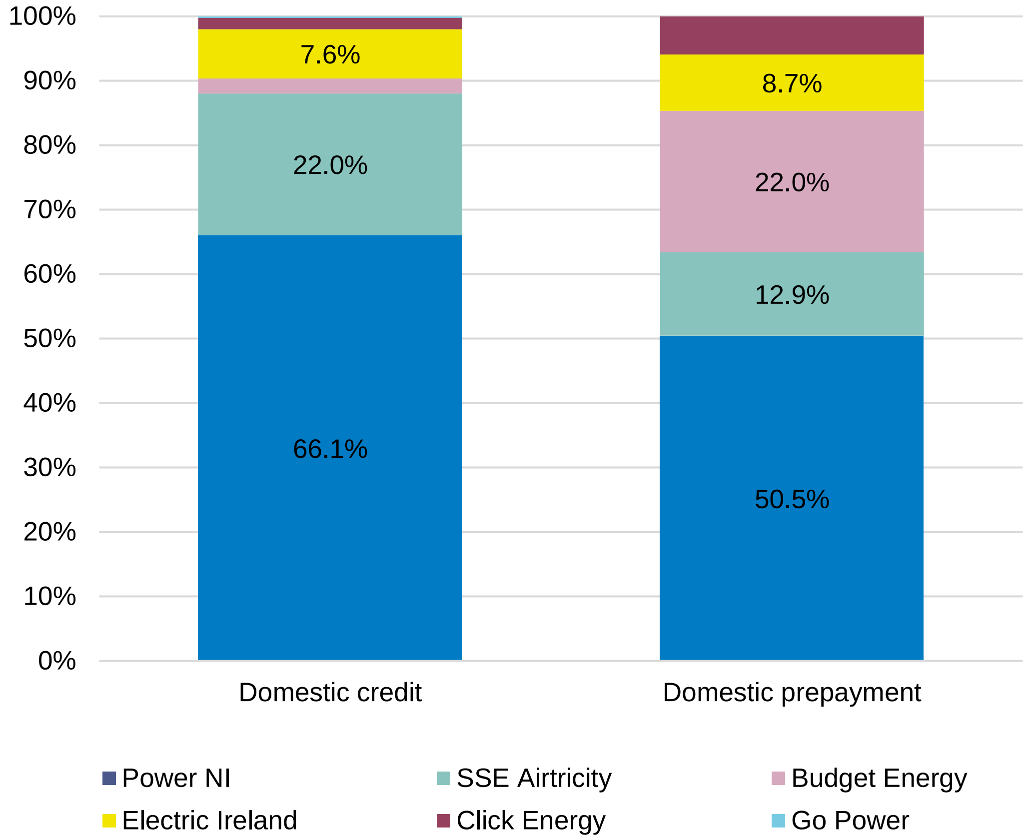


Table 3: Electricity Domestic Connections by Market Segment

Market Segment	Power NI		SSE Airtricity		Budget Energy		Electric Ireland		Click Energy		Go Power		Total Customers	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Domestic prepayment	193,214	39%	49,557	33%	84,181	89%	33,295	49%	22,724	74%	0	0%	382,971	45%
Domestic credit	303,037	61%	100,912	67%	10,697	11%	35,063	51%	8,182	26%	853	100%	458,744	55%
Total	**496,251**		**150,469**		**94,878**		**68,358**		**30,906**		**853**		**841,715**	

Data source: NIEN

I&C Electricity Market Analysis by consumption

3.9 This section of the report provides a more detailed analysis of the electricity I&C market, by consumption. I&C consumption for the period was 1,061 GWh.

Figure 7: Electricity I&C Market Share by Consumption

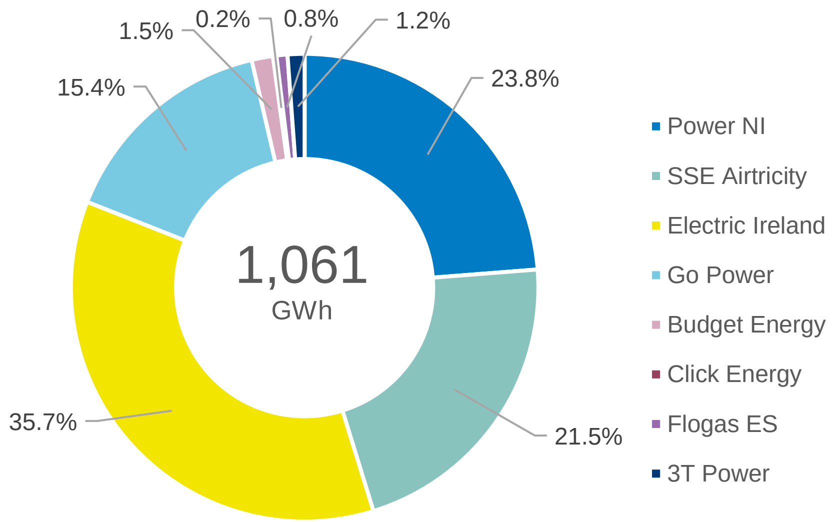


Figure 8: Electricity I&C Market Share by Consumption and Market Segment

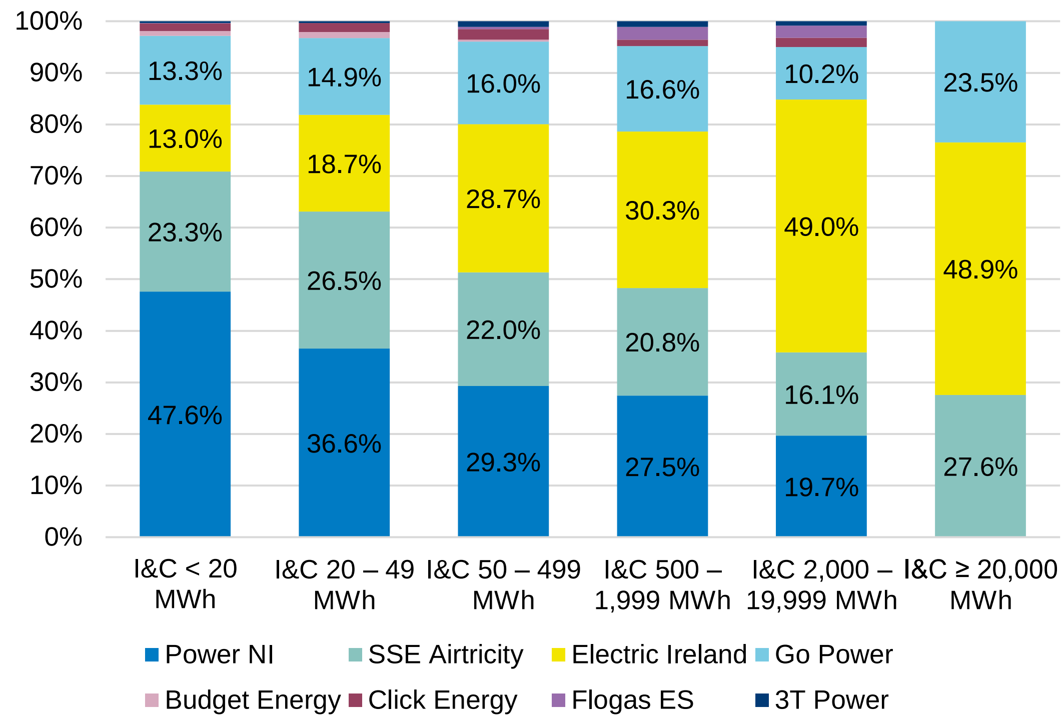


Table 4: Electricity I&C Consumption by Market Segment (GWh)

Market Segment	Electric Ireland	Power NI	SSE Airtricity	Go Power	Click Energy	Flogas ES	3T Power	Budget Energy	Total Consumption
I&C < 20 MWh	9.2	33.9	16.6	9.5	1.1	0.0	0.3	0.6	71.1
I&C 20 – 49 MWh	16.5	32.2	23.4	13.2	1.5	0.0	0.3	1.0	88.1
I&C 50 – 499 MWh	78.7	80.4	60.3	44.0	5.7	1.0	3.1	0.9	274.1
I&C 500 – 1,999 MWh	53.2	48.2	36.6	29.1	2.1	4.3	2.0	0.0	175.5
I&C 2,000 – 19,999 MWh	143.3	57.5	47.1	29.8	5.2	7.0	2.4	0.0	292.3
I&C ≥ 20,000 MWh	78.4	0.0	44.2	37.7	0.0	0.0	0.0	0.0	160.3
Total	**379.3**	**252.2**	**228.1**	**163.2**	**15.7**	**12.4**	**8.0**	**2.6**	**1,061.5**

Data source: NIEN

Market Activity - Switching

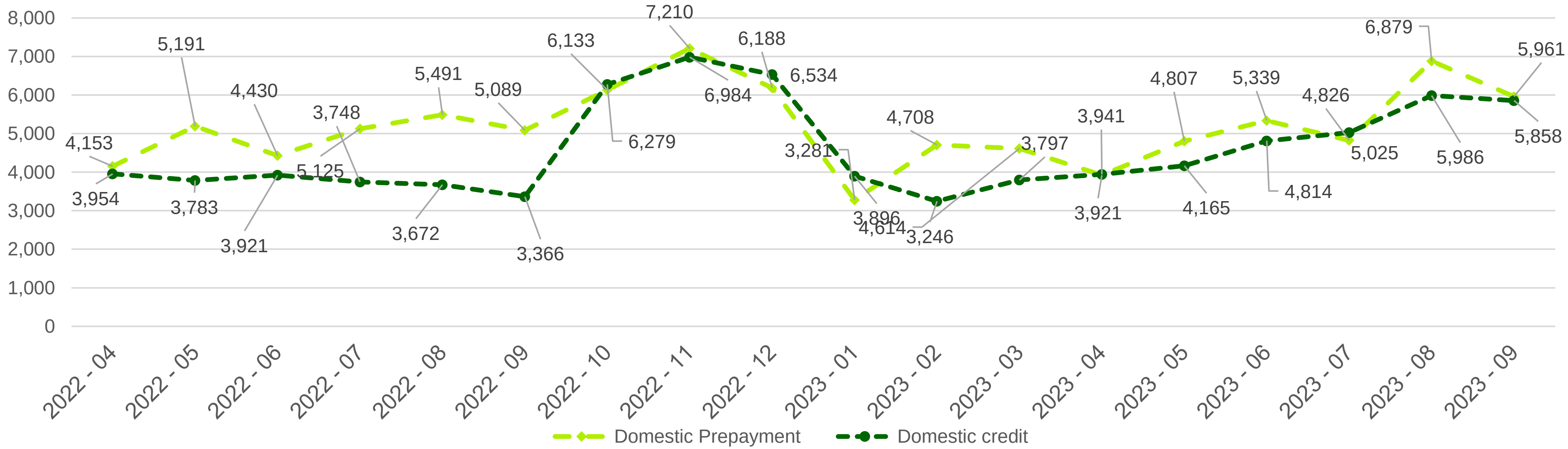
3.10 The table below shows the total market activity through changes of supplier (CoSs) on a quarterly basis for the domestic and I&C sectors including the quarterly switching rate[9] .

Table 5: Switching rate – Total NI market

Quarter	2022 - Q2	2022 - Q3	2022 - Q4	2023 - Q1	2023 - Q2	2023 - Q3
Number of Switches	26,285	27,343	40,241	24,232	29,870	36,094
Switching rate (%)	2.9%	3.0%	4.4%	2.6%	3.3%	3.9%

3.11 The graph below shows the number of domestic switches, split by domestic credit and domestic prepayment on a monthly basis, followed by a table with the total domestic switches and domestic switching rate for the quarter.

Figure 9 - Electricity - Monthly Domestic Switching



Data source: NIEN

[9] The switching rate percentages are calculated using the number of quarterly switches divided by the number of customers at the end of the quarter in the relevant market.

Table 6: Switching rate – Domestic market

Quarter	2022 - Q2	2022 - Q3	2022 - Q4	2023 - Q1	2023 - Q2	2023 - Q3
Number of Switches	25,432	26,491	39,328	23,542	26,987	34,535
Switching rate (%)	3.1%	3.2%	4.7%	2.8%	3.2%	4.1%

3.12 The graph below shows the number of I&C switches on a monthly basis and the table details the total switches and switching rate for the quarter.

Figure 10 - Electricity - Monthly I&C Switching

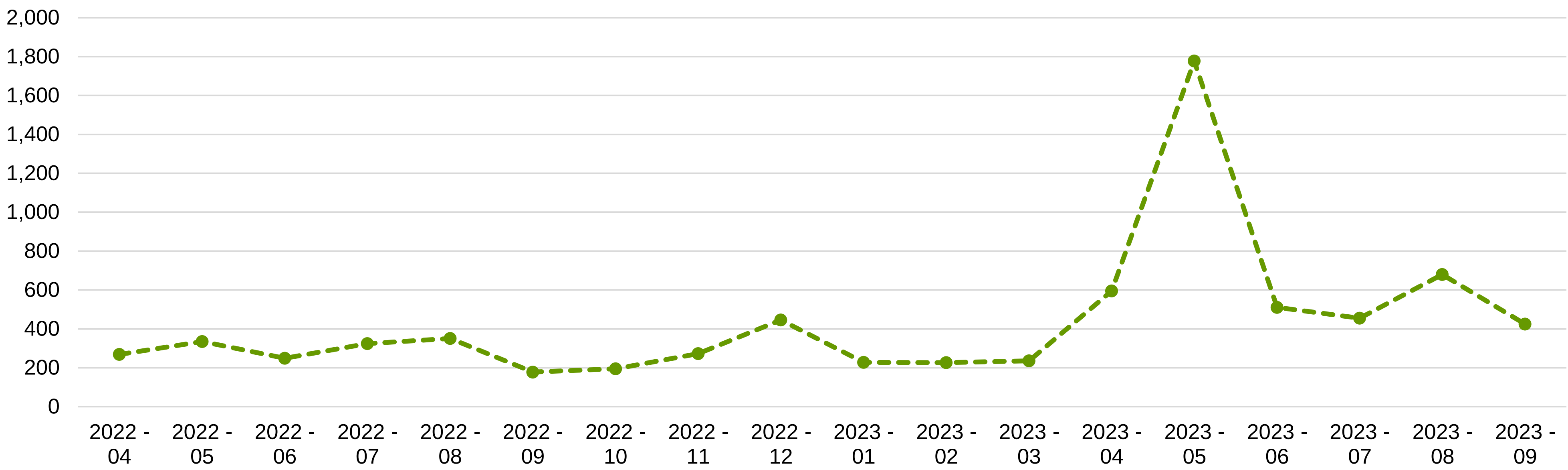


Table 7: Switching rate – I&C Market

Quarter	2022 - Q2	2022 - Q3	2022 - Q4	2023 - Q1	2023 - Q2	2023 - Q3
Number of Switches	853	852	913	690	2,883	1,559
Switching rate (%)	1.1%	1.1%	1.2%	0.9%	3.8%	2.1%

Data source: NIEN

4. Electricity Pricing – Semester 1 2023

4.1 **Domestic price comparison with EU[10]:** In the domestic graphs shown, we use unit prices which include Climate Change Levy (CCL) and include VAT as this reflects the final prices paid by domestic customers. The medium sized domestic customers (annual consumption of between 2,500 and 4,999 kWh) have been selected for the purpose of analysis, as this consumption category reflects the majority of domestic customers in NI.

4.2 Figure 11 shows for semester 1 2023[11] (January – June) the NI price was higher than Ireland and the EU median, but lower than the UK price.

4.3 Figure 12 shows the medium domestic connections unit price (inc all taxes) over the last five years compared to the EU median, UK and Ireland.

Figure 11: Medium domestic connections unit prices inc all taxes (p/kWh) January – June 2023

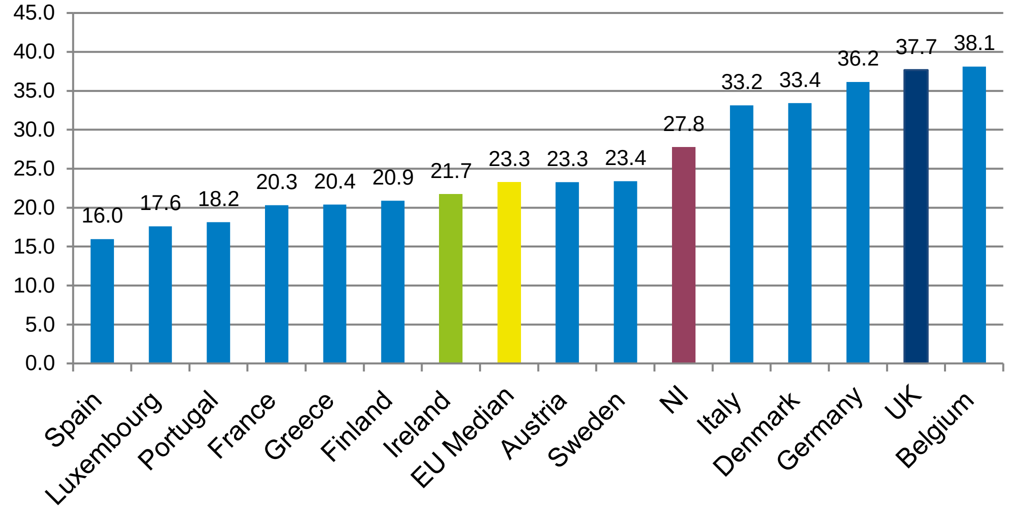
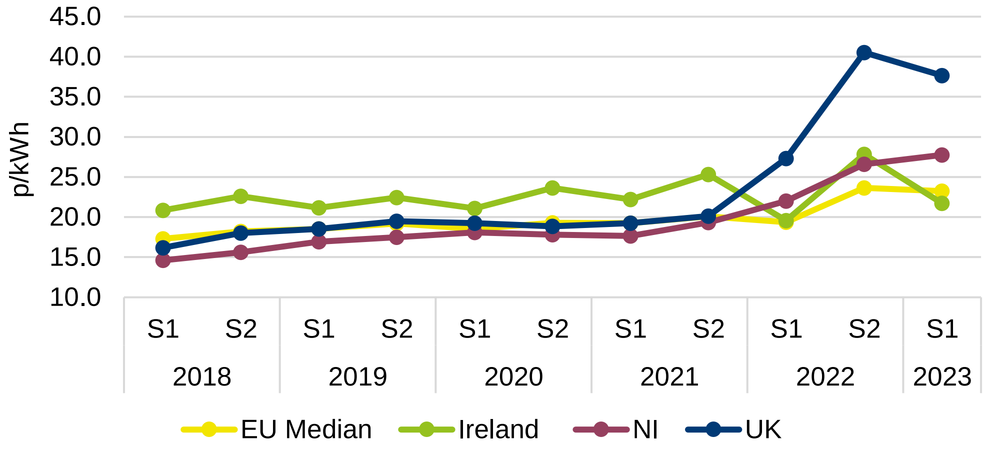


Figure 12: Medium domestic connections - Unit price over time



Source: NI electricity suppliers, DESNZ, Eurostat and UR internal calculations

[10] The NI price includes the discount provided to consumers via the Energy Price Guarantee scheme which was implemented in November 2022 and remained relevant for the period to June 2023 covered in this section. Various governments across the EU have taken different actions to mitigate against rising energy costs. This Eurostat article provides some information on the measures implemented for domestic electricity consumers – link.

[11] The pricing data relates to the period end Q2 2023 (S1 January - June 2023) as opposed to Q3 2023. This is due to the timing of the availability of pricing data from Eurostat, DESNZ and Suppliers.

4.4 **I&C price comparison with EU**[12]: The graphs below show I&C electricity prices in the 15 EU[13] countries (converted to GBP) and in NI, per consumption size bands (following standard EU categorisation). The I&C graphs use unit prices which include Climate Change Levy (CCL) but exclude VAT, as VAT is a refundable expense for many businesses. This reflects the final prices paid by I&C customers. We amalgamate the two largest categories of annual consumption (large and very large connections) to avoid any confidentiality issues in sectors where there are a small number of customers and suppliers involved.

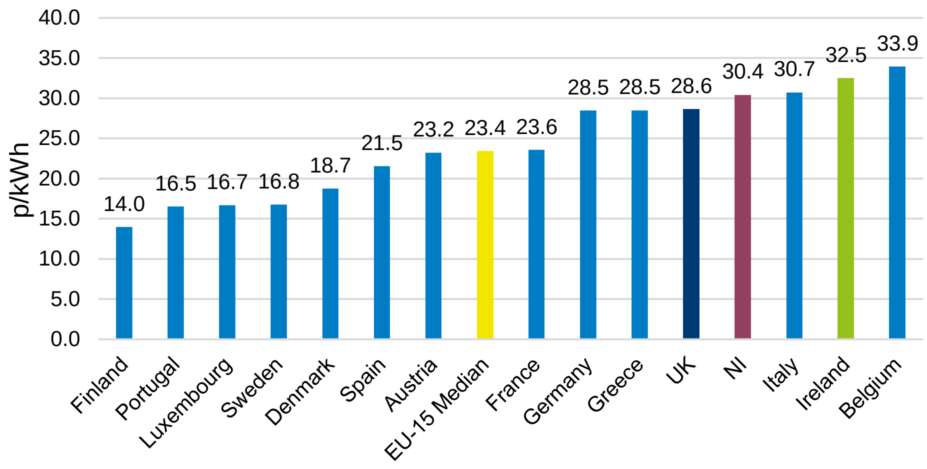
4.5 During semester 1 2023 (January - June), the NI prices in the very small I&C category were higher than the EU median and UK but lower than Ireland (c72% of I&C connections in NI are in this size category). During the same period, for the large and very large I&C customers (c0.02% of connections), NI prices were lower than the UK and Ireland, but higher than the EU median[14].

Table 8: I&C Connections and Consumption End of Q2 2023

Size of Customer	Annual Consumption bands (MWh)	% of I&C connections	% of I&C consumption	I&C connection numbers
Very small	< 20	71.7%	6.9%	57,330
Small	20 – 499	26.9%	35.4%	21,524
Small / Medium	500 – 1,999	1.1%	16.5%	845
Medium	2,000 – 19,999	0.3%	26.3%	259
Large & Very Large	>20,000	0.0%	14.9%	18

Source: NIEN

Figure 13: Very small connections Prices exc VAT, inc other taxes



[12] The NI price includes the discount provided to consumers via the Energy Price Guarantee scheme which was implemented in November 2022 and remained relevant for the period to June 2023 covered in this section. Various governments across the EU have taken different actions to mitigate against rising energy costs. This Eurostat article provides some information on the measures implemented for non -domestic electricity consumers – link.

[13] Some graphs do not include all 15 EU countries due to availability of data from Eurostat.

[14] The pricing data relates to the period end Q2 2023 (S1 January - June 2023) as opposed to Q3 2023. This is due to the timing of the availability of pricing data from Eurostat, DESNZ and Suppliers.

Figure 14: Small connections Prices exc VAT, inc other taxes

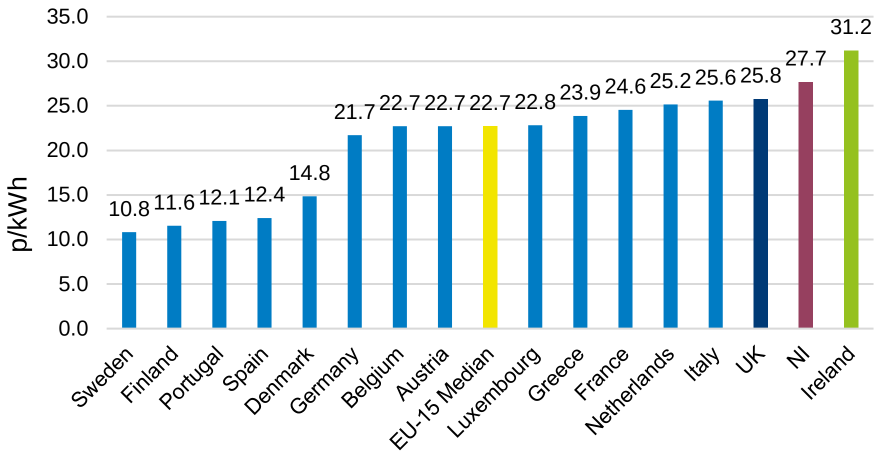


Figure 15: Small/Medium connections Prices exc VAT, inc other

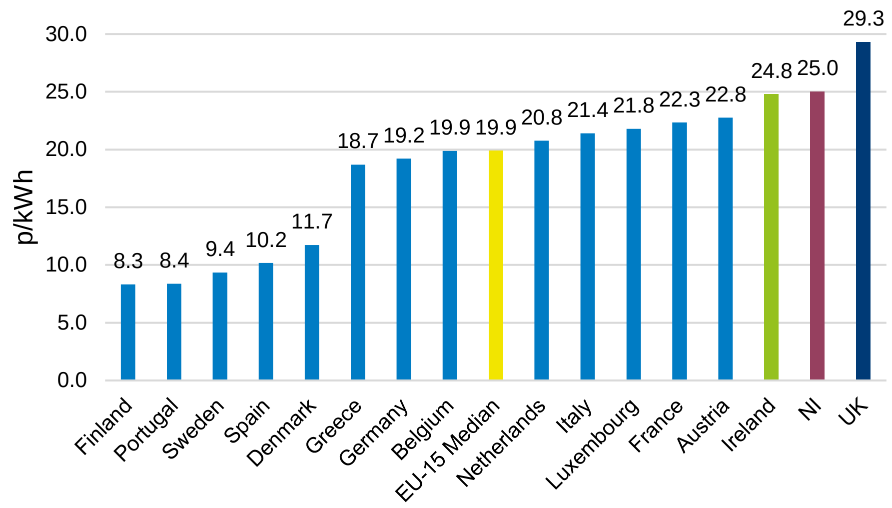


Figure 16: Medium connections Prices exc VAT, inc other taxes

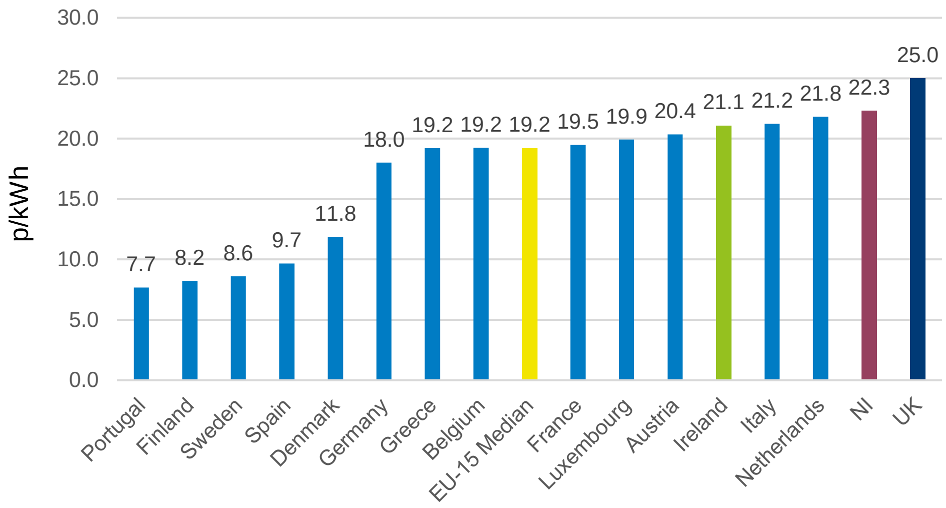
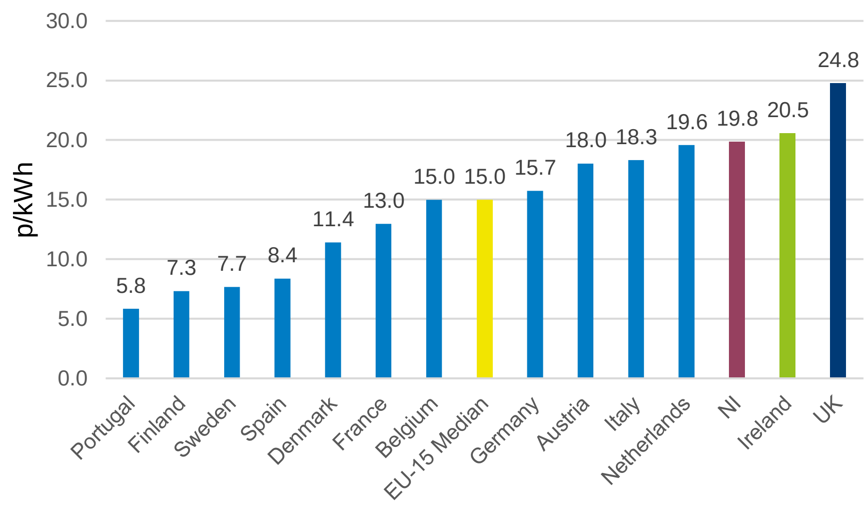


Figure 17: Large + Very Large connections Prices exc VAT, inc other



Source: NI electricity suppliers, DESNZ, Eurostat and UR internal calculations

4.6 The graphs below show the unit price over time for the two I&C groups (Small and Medium) which have the majority percentage share of I&C sector, by consumption.

Figure 18: Small I&C connections - Unit price over time

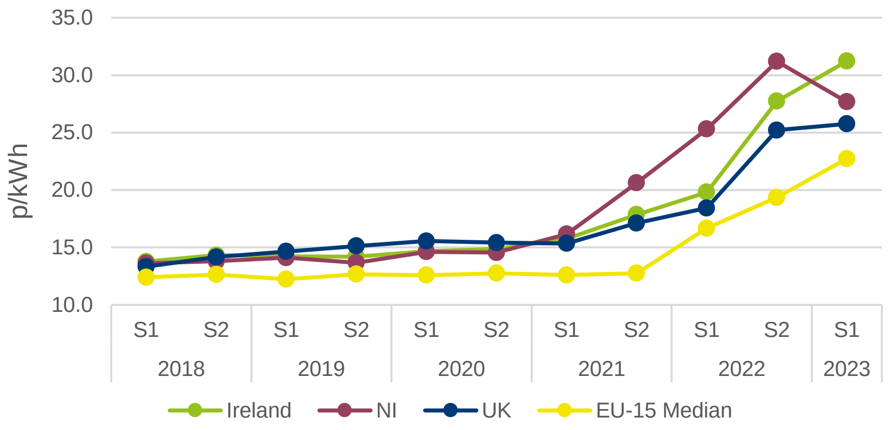
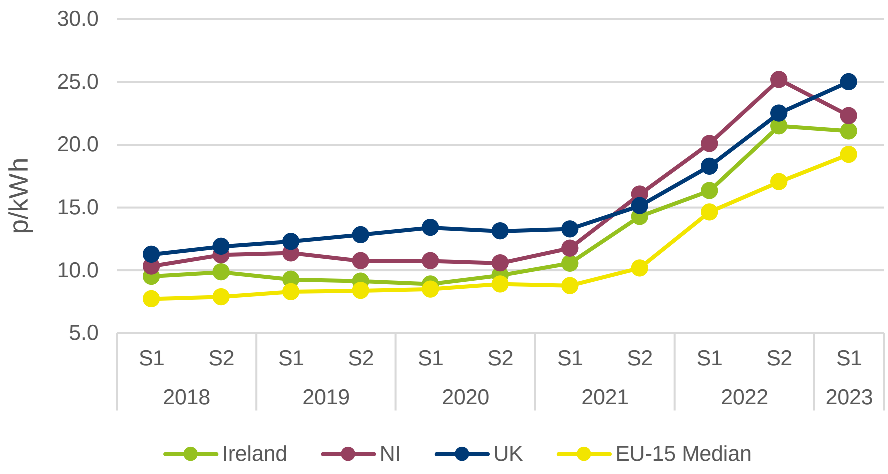


Figure 19: Medium I&C connections - Unit price over time



Source: NI electricity suppliers, DESNZ, Eurostat and UR internal calculations

5. Gas[15]

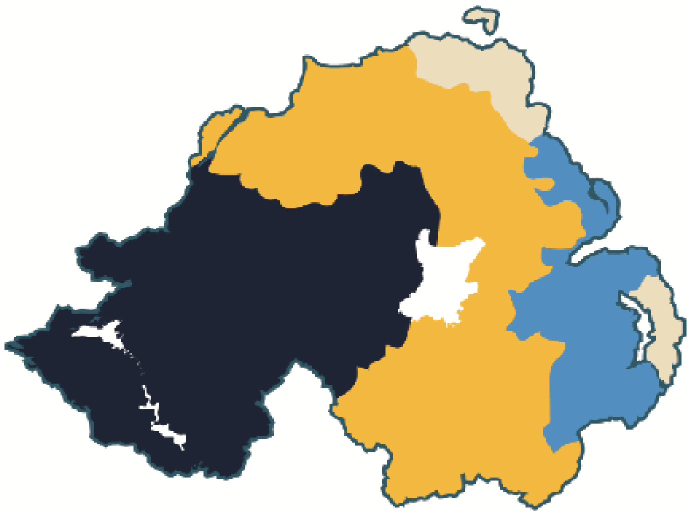
GAS Q3 2023

Total Gas Connections
321,674

Total Gas Consumption
1,015,526(MWh)

West
Connections = 3,718

West
Consumption = 181,492 (MWh)



G.Belfast
Connections = 250,072

G. Belfast
Consumption = 513,035 (MWh)

Ten Towns
Connections = 67,884

Ten Towns
Consumption = 320,999 (MWh)

Domestic Gas Pricing
9.8 p/kWh
January - June 2023

Total Gas Switches
750

[15] Section 5 consolidates the gas connection, consumption and switching data from the three gas distribution areas (where applicable).

Total Gas NI market share by connections

5.1 This section provides information on the total connection numbers in NI, by supplier, in all three-distribution areas. The market shares in terms of connections[16] are as at the **end of September 2023.**

Figure 20: Gas Market Share by Distribution License Area by Connections

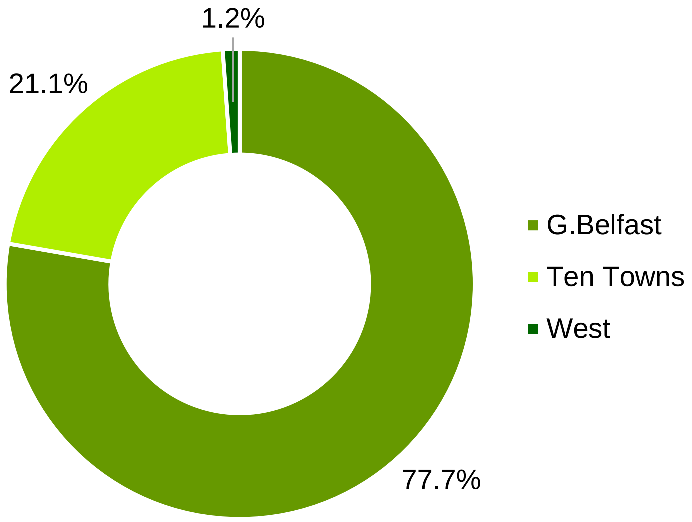


Figure 21: Gas Market Share by Supplier by Connections

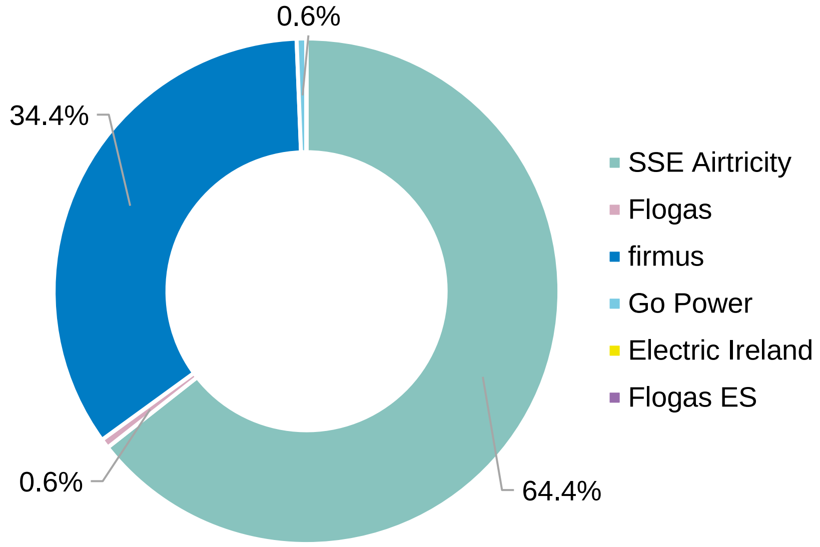


Table 9: Gas Market Share by Connections

Distribution Licensed Area	Market Segment	SSE Airtricity	firmus	Flogas	Go Power	Flogas ES	Electric Ireland	Total Connections
G.Belfast	Domestic Only	197,406	40,897	0	7	0	0	238,310
G.Belfast	I&C Only	6,024	2,708	1,421	1,583	19	7	11,762
Ten Towns	Domestic Only	0	64,844	0	0	0	0	64,844
Ten Towns	I&C Only	70	2,066	509	388	0	7	3,040
West	Domestic Only	3,625	0	0	0	0	0	3,625
West	I&C Only	17	49	18	7	0	2	93
Total		**207,142**	**110,564**	**1,948**	**1,985**	**19**	**16**	**321,674**

Data source: PNGL / FeDL / SGN NG

[16] Please note the percentages in the chart may not tally to 100% as the data labels for some suppliers are not reflected due to the size of their market share.

Total Gas NI market share by consumption

5.2 The pie chart below shows the total gas consumption in NI for the period **July to September 2023**, with a breakdown by distribution area.

Figure 22: Gas Market Share by Distribution License Area by Consumption

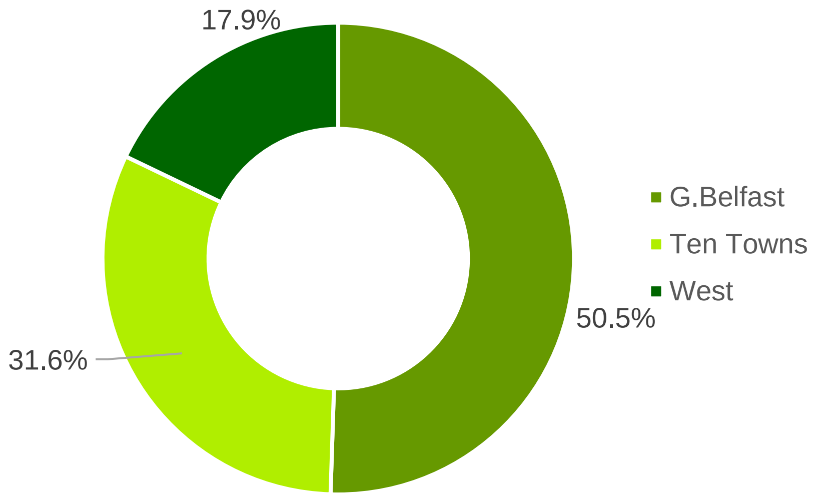


Figure 23: Gas Market Share by Supplier by Consumption

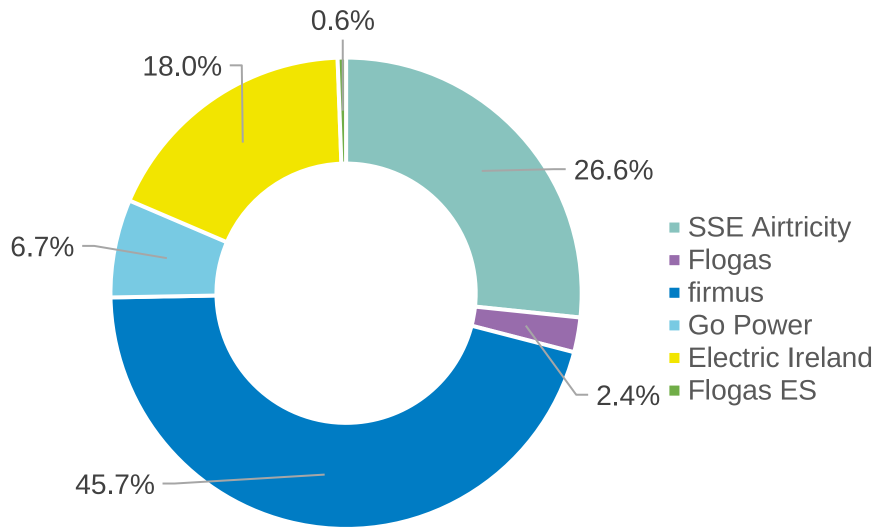


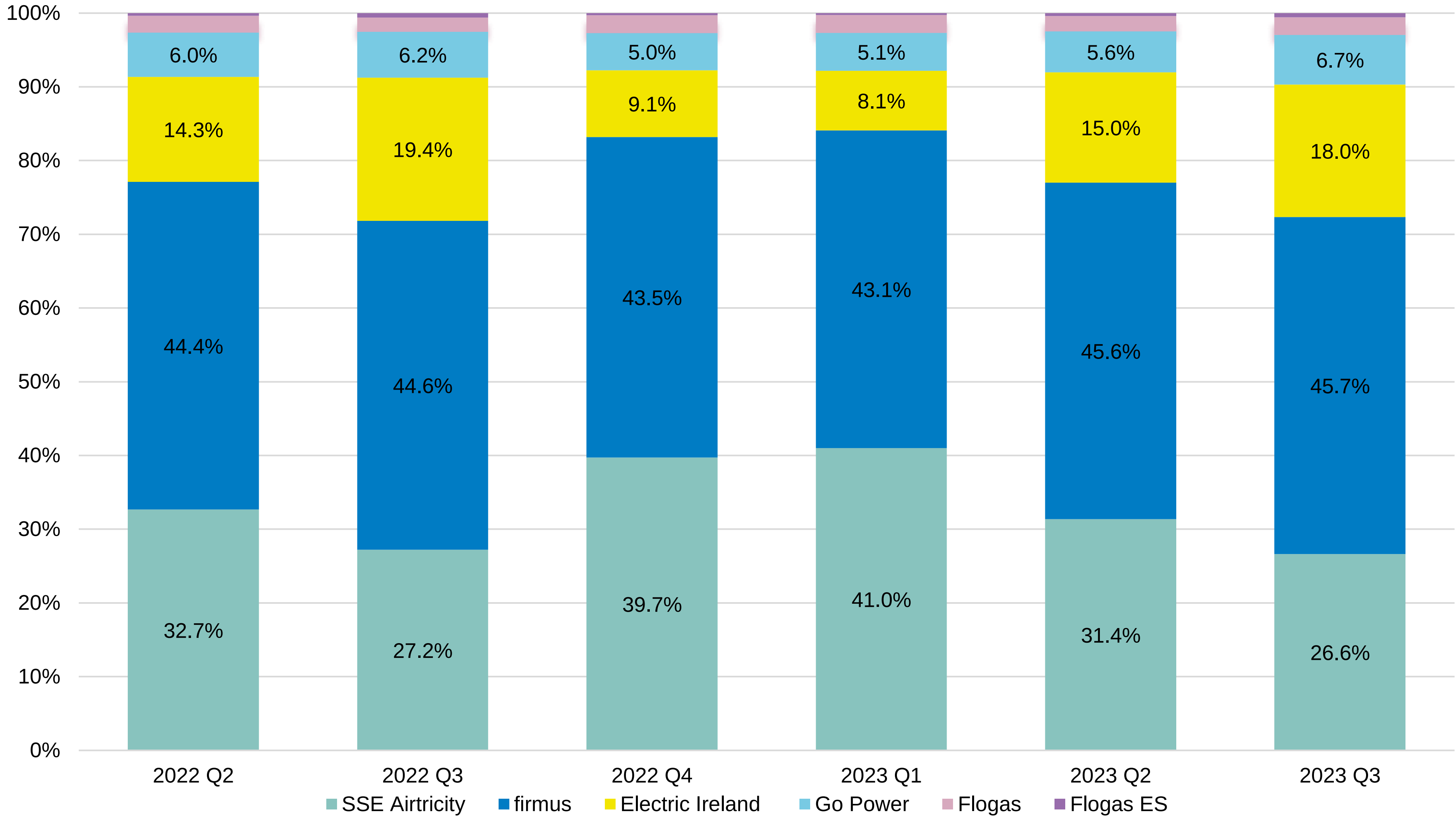
Table 10: Gas Market Share by Consumption (MWh)

Distribution Licensed Area	SSE Airtricity	firmus	Flogas	Go Power	Flogas ES	Electric Ireland	Total Consumption
G.Belfast	232,671	168,256	15,636	51,566	5,856	39,050	513,035
Ten Towns	20,579	246,142	7,133	15,960	0	31,185	320,999
West	17,345	49,543	1,433	738	0	112,433	181,492
Total	**270,595**	**463,941**	**24,203**	**68,265**	**5,856**	**182,667**	**1,015,526**

Data source: PNGL / FeDL / SGN NG

5.3 The bar chart below shows the trends in the market shares (by consumption) for each active domestic and I&C supplier in NI for the previous six quarters.

Figure 24: Gas Market Share by Consumption Over Time - Total NI Market



Data source: PNGL / FeDL / SGN NG

Domestic and Small I&C analysis by Gas connections

5.4 This section of the report provides a more detailed analysis of the gas **domestic and small I&C sector**[17], by connections (at the end of September 2023).

Figure 25: Domestic and Small I&C Market Shares by Connections

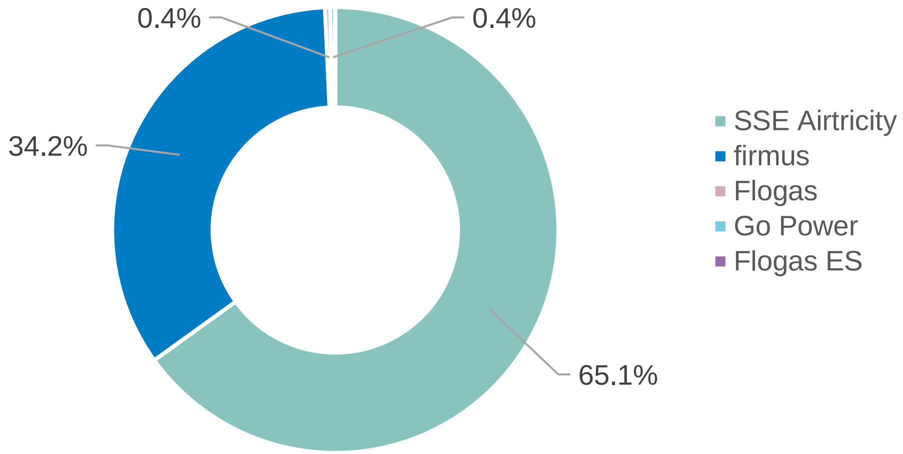


Figure 26: Domestic and Small I&C Connections by Market Segment

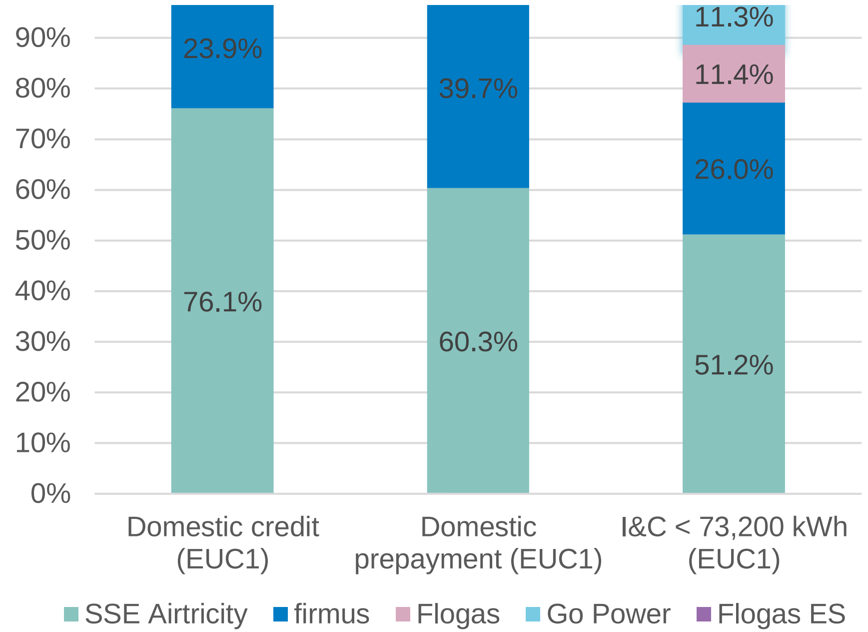


Table 11: Domestic and Small I&C Analysis by Connections

Distribution Licensed Area	Market Segment	SSE Airtricity	firmus	Flogas	Go Power	Flogas ES	Total Connections
G.Belfast	Domestic credit (EUC1)	75,721	10,643	0	7	0	86,371
G.Belfast	Domestic prepayment (EUC1)	121,685	30,254	0	0	0	151,939
G.Belfast	I&C < 73,200 kWh (EUC1)	5,230	1,420	848	957	6	8,461
Ten Towns	Domestic credit (EUC1)	0	13,523	0	0	0	13,523
Ten Towns	Domestic prepayment (EUC1)	0	51,321	0	0	0	51,321
Ten Towns	I&C < 73,200 kWh (EUC1)	6	1,234	311	200	0	1,751
West	Domestic credit (EUC1)	1,172	0	0	0	0	1,172
West	Domestic prepayment (EUC1)	2,453	0	0	0	0	2,453
West	I&C < 73,200 kWh (EUC1)	12	14	10	1	0	37
Total		**206,279**	**108,409**	**1,169**	**1,165**	**6**	**317,028**

Data sources: PNGL / FeDL / SGN

[17] The domestic and small I&C sector relates to any customers using less than 73,200 kWh per annum.

Medium and Large I&C analysis by Gas consumption

5.5 This section of the report provides a more detailed analysis of the gas **medium and large I&C sector**[18], by consumption.

Figure 27: Medium and Large I&C Market Share (by Consumption)

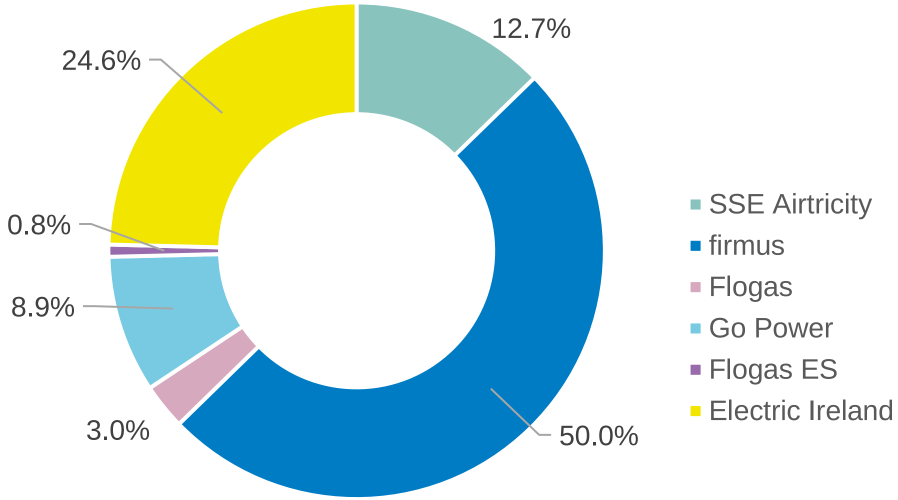


Figure 28: Medium and Large I&C Market Share by Market Segment and Consumption

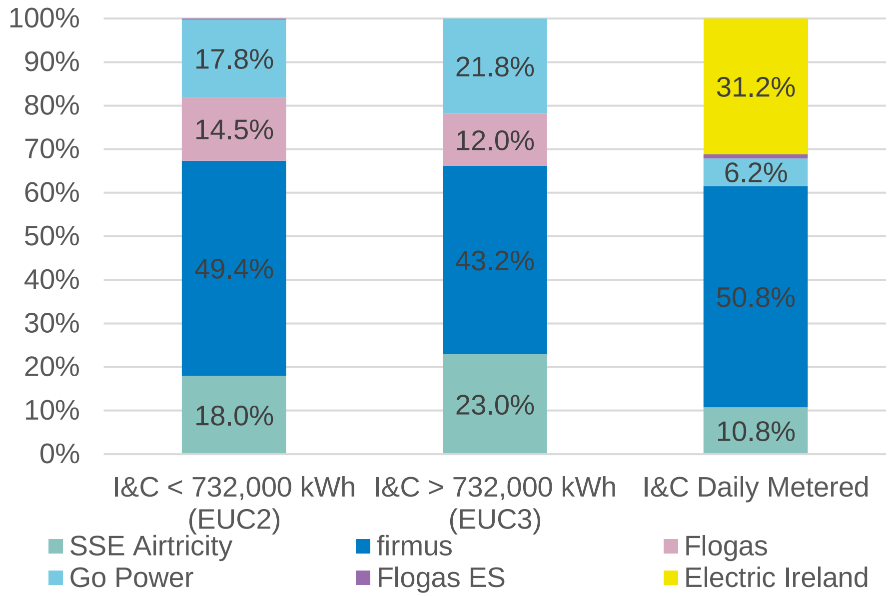


Table 12: Medium and Large I&C Analysis by Consumption (MWh)

Distribution Licensed Area	Market Segment	SSE Airtricity	firmus	Flogas	Go Power	Flogas ES	Electric Ireland	Total Consumption
G.Belfast	I&C < 732,000 kWh (EUC2)	15,917	26,358	9,442	12,134	237	0	64,089
G.Belfast	I&C > 732,000 kWh (EUC3)	8,872	14,809	4,747	9,590	0	0	38,019
G.Belfast	I&C Daily Metered	35,506	91,661	0	28,332	5,604	39,050	200,152
Ten Towns	I&C < 732,000 kWh (EUC2)	1,217	20,432	4,316	4,730	0	0	30,696
Ten Towns	I&C > 732,000 kWh (EUC3)	4,829	9,929	2,181	3,541	0	0	20,479
Ten Towns	I&C Daily Metered	14,527	158,392	0	7,293	0	31,185	211,397
West	I&C < 732,000 kWh (EUC2)	60	402	139	160	0	0	760
West	I&C > 732,000 kWh (EUC3)	254	1,516	367	142	0	0	2,279
West	I&C Daily Metered	13,291	47,575	916	434	0	112,433	174,649
Total		**94,472**	**371,074**	**22,108**	**66,357**	**5,841**	**182,667**	**742,519**

Data sources: PNGL / FeDL / SGN NG

[18] The medium and large I&C sector relates to any customers with annual consumption that is greater than or equal to 73,200 kWh per annum. The I&C Daily Metered sector relates to any customer with annual consumption that is greater than 2,196,000 kWh per annum.

Market activity - Switching

5.6 The graph below shows the market activity through changes of supplier (CoSs) on a quarterly basis in the NI gas market (domestic and I&C) across the three distribution areas. The table that follows shows the number of switches and switching rate[19] per quarter.

Figure 29: Gas - Quarterly Total Change of supplier

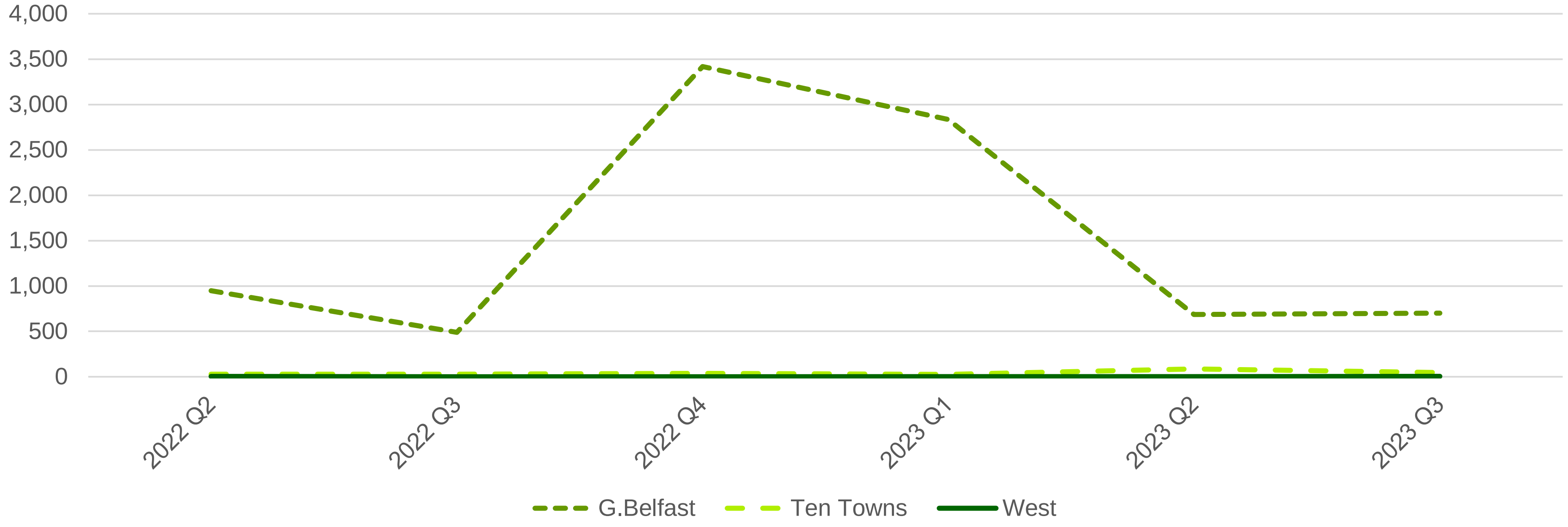


Table 13: Switching rate - Total NI Market

Quarter	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3
No. of switches	980	516	3,456	2,863	775	750
Switching rate (%)	0.3%	0.2%	1.1%	0.9%	0.2%	0.2%

Data source: PNGL / FeDL / SGN NG

[19] The switching rate percentages are calculated using the number of quarterly switches divided by the number of customers at the end of the quarter in the relevant market.

5.7 Greater Belfast is the only distribution area in which there is competition within the domestic credit and prepayment[20] sectors. The Figure below reflects the monthly change of customer numbers (gains), per market segment within the domestic sector. The table shows the total domestic gains and switching rate per quarter.

Figure 30: Gas - Monthly Domestic Switches (G.Belfast)

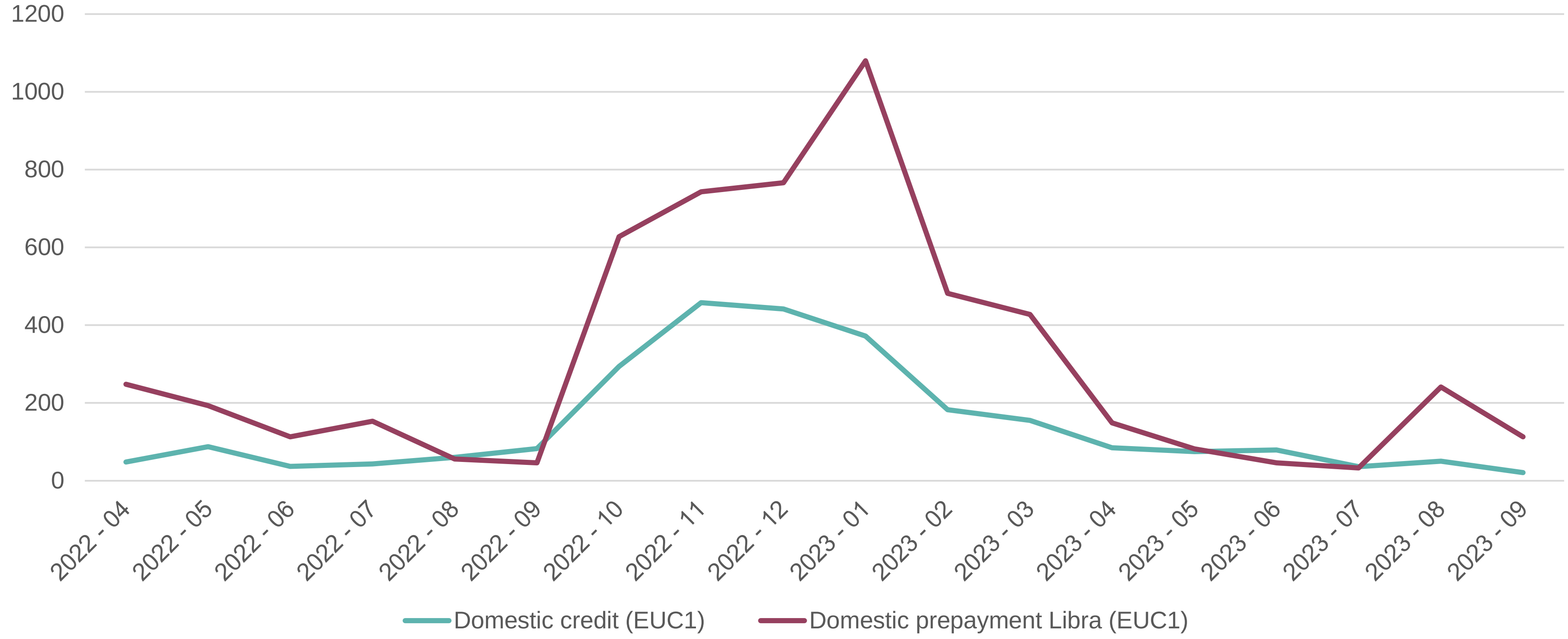


Table 14: Switching rate - Domestic Market (G. Belfast only)

Quarter	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3
No. of switches	727	441	3,331	2,700	516	494
Switching rate (%)	0.3%	0.2%	1.4%	1.1%	0.2%	0.2%

Data source: PNGL / FeDL / SGN NG

[20] Note that prepayment switches, within the domestic sector, include switches back to the previous supplier in cases where the customer has not taken the required action to complete their switch.

5.8 The Figure below reflects the monthly change of customer numbers (gains), within the I&C sector across the three gas distribution areas. The table that follows shows the number of I&C switches and switching rate per quarter.

Figure 31: Gas I&C Switches by Distribution Licensed Area

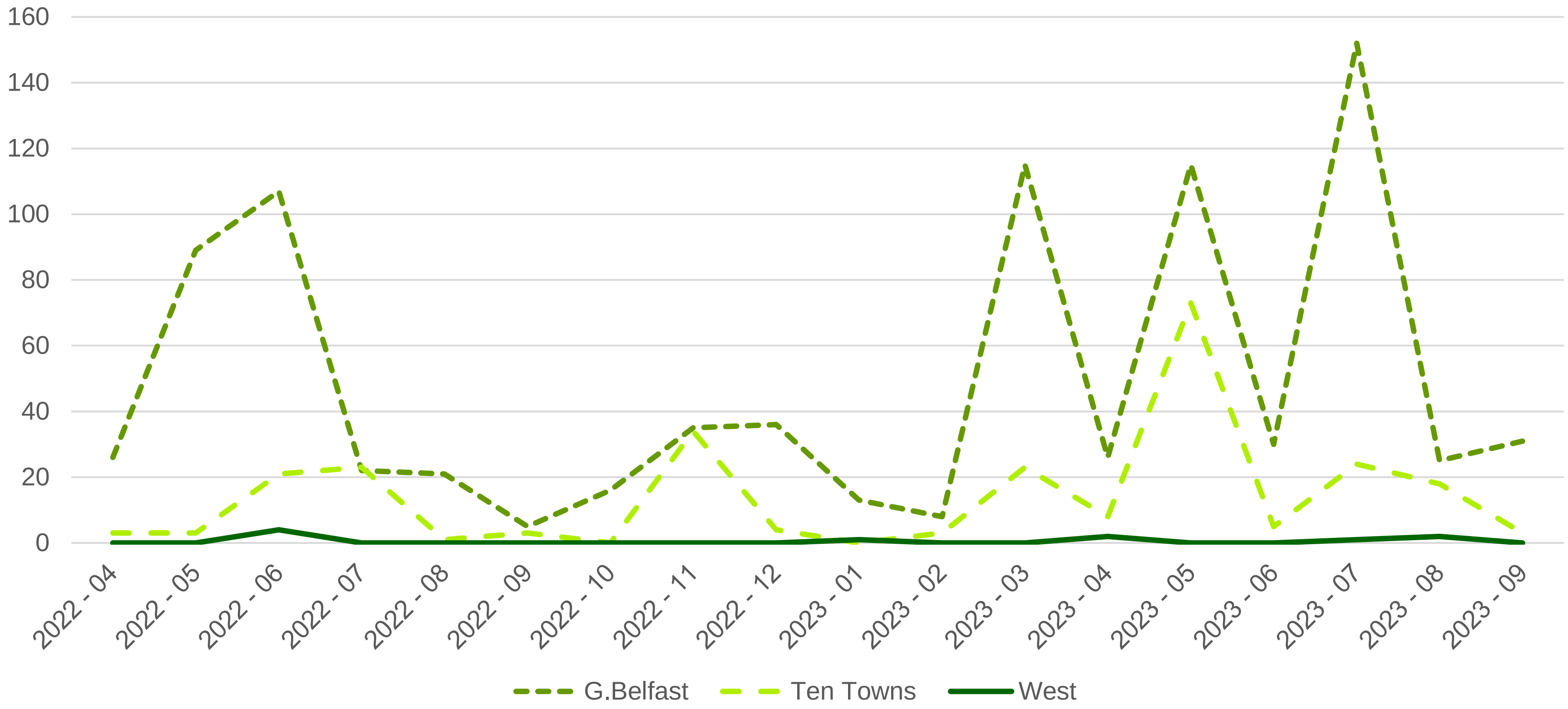


Table 15: Switching rate – I&C market

Quarter	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3
No. of switches	253	75	125	163	259	256
Switching rate (%)	1.7%	0.5%	0.8%	1.1%	1.7%	1.7%

Data source: PNGL / FeDL / SGN NG

6. Gas Pricing – Semester 1 2023[21]

6.1 The pricing data detailed in this report is for the semester January – June 2023(S1 2023). In the domestic graph to the right, we use unit prices which include Climate Change Levy (CCL) and include VAT, as this reflects the final prices paid by domestic customers. The medium sized domestic customers (annual consumption between 5,557 - 55,557 kWh) have been selected for the purpose of analysis, as this consumption category reflects the majority of domestic customers in NI.

6.2 The NI unit price is the average pence per kWh for medium customers for the Greater Belfast, Ten Towns and West network areas. For semester 1 2023 (January - June), the NI domestic gas prices ranked among the lowest in the EU. The NI gas price was lower than the EU median, Ireland and the UK[22].

Figure 31: Medium domestic connections unit prices incl all taxes (p/kWh) January - June 2023

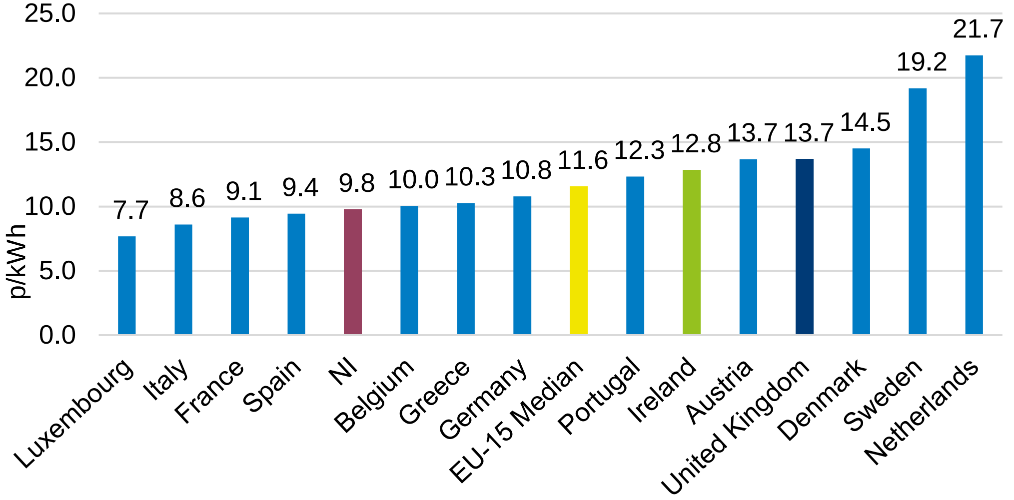
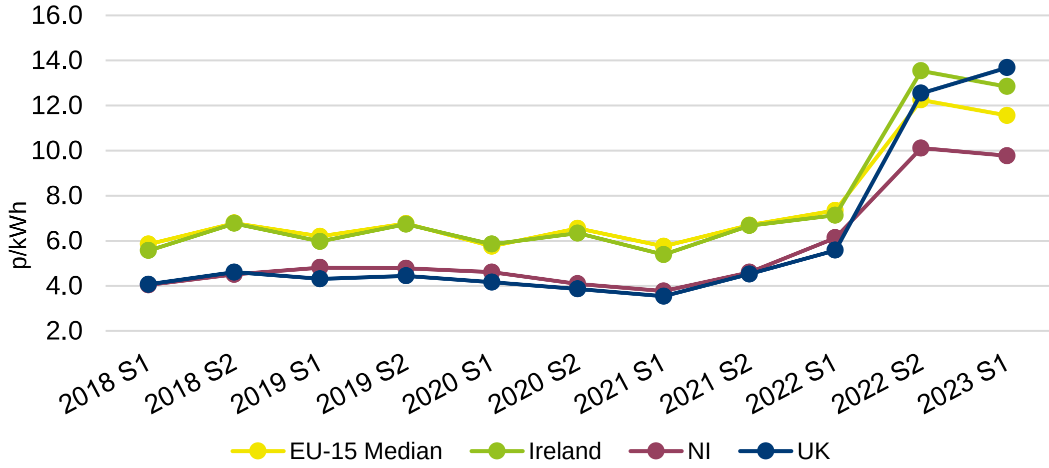


Figure 32: Medium Domestic Connections - Unit price over time



Data source: Eurostat, DESNZ and NI gas suppliers collated by UR

[21] The NI price includes the discount provided to consumers via the Energy Price Guarantee scheme which was implemented in November 2022 and remained relevant for the period to June 2023 covered in this section. Various governments across the EU have taken different actions to mitigate against rising energy costs. This Eurostat article provides some information on the measures implemented for domestic gas consumers – link.

[22] The pricing data relates to the period end Q2 2023 (S1 January - June 2023) as opposed to Q3 2023. This is due to the timing of the availability of pricing data from Eurostat, DESNZ and Suppliers

6.3 During the period illustrated in the graph on the previous page (Semester 1: January to June 2023), there has been a couple of decreases to the regulated tariff within the Ten Towns. There hasn't been an update in Greater Belfast and West during S1 2023. Further detail on these regulated tariffs is available in the UR tariff review briefing notes[23]. The table below illustrates the regulated tariffs for S1 2023 period.

Table 16: Regulated tariffs for G.Belfast and West Area

SSE Airtricity G. Belfast and West area	Rates from 1st October 2022			Rates from 1st July 2023		
	Domestic (inc 5% VAT)	PAYG (inc 5% VAT)	IC1 (inc 20% VAT))	Domestic (inc 5% VAT)	PAYG (inc 5% VAT)	IC1 (inc 20% VAT))
Up to 2,000 kWh	18.01	13.10	20.58	15.811	11.502	15.811
Over 2,000 kWh	12.34	13.10	14.10	10.833	11.502	10.833
Over 73,200 kWh	-	-	10.833	-	-	10.833
Direct debit discount	£22.05	-	£22.05	£22.05	-	£22.05

Table 17: Regulated tariffs for Ten Towns Area

firmus energy Ten Towns area	Rates from 3rd October 2022			Rates from 1st January 2023			Rates from 1st April 2023		
	Domestic (inc 5% VAT)	PAYG (inc 5% VAT)	IC1 (inc 20% VAT)	Domestic (inc 5% VAT)	PAYG (inc 5% VAT)	IC1 (inc 20% VAT)	Domestic (inc 5% VAT)	PAYG (inc 5% VAT)	IC1 (inc 20% VAT)
Single Unit Rate p/kWh	26.90	18.65	27.51	15.14	14.82	14.85	12.29	12.03	12.05
Direct debit discount	£18.13	-	£18.27	£22.00	-	-	£22.00	-	-

[23] The latest gas regulated tariff reviews are available here.

Annex A: Background & Sources

Purpose, methodology and data sources

The framework in which this set of quarterly reports lies is called Retail Energy Market Monitoring (REMM) which was introduced in July 2015. The ultimate objective of introducing this enhanced framework was to develop the current monitoring of retail indicators, and to provide increased transparency in the retail energy markets in NI.

The main data sources for this report are as follows:

1. Connections and consumption, market shares and market activity information are provided by the network companies:
2. Nien
3. Northern Ireland Electricity Networks (NIEN) for electricity data; and
4. Phoenix Natural Gas Limited (PNGL), firmus energy (Distribution) Limited (feDL) and Scotia Gas Networks Northern Ireland (SGN NG) for gas data.

EU domestic and I&C electricity prices are from Eurostat and the Department for Energy Security and Net Zero (DESNZ). NI domestic and I&C electricity prices are derived directly from REMM data submitted by suppliers. NI domestic gas prices are also derived from REMM data submitted by suppliers.

Electricity pricing

For the electricity prices section, we follow Eurostat's format and methodology. As a result, the average prices for NI are comparable with prices in other EU countries (those published in the DESNZ's Quarterly Energy Prices reports[24] and Eurostat data base[25]) once these figures have been converted to GBP (Note: from 01 January 2021, DESNZ no longer provide pricing data to Eurostat. Therefore, the UK figures reported in the pricing graphs have been obtained directly from DESNZ publicised data).

The base figures are all submitted on a quarterly basis by suppliers, split by domestic and non-domestic (I&C). The UR performs a high-level reasonableness check of the base figures, but the suppliers are responsible for the accuracy of the information that is provided to the UR. The base figures are as follows:

[24] https://www.gov.uk/government/collections/quarterly-energy-prices
[25] http://ec.europa.eu/eurostat/web/energy/data/database

1. **Volume** of electricity sold to consumers.

2. The **value**, or revenue gained from the sale, split into three categories: excluding all taxes, excluding VAT, and including all taxes.

3. The **number** of customers supplied in that particular size category.

The volume and value are used to calculate a NI quarterly average value per size band. This value per unit (per size band) is what we refer to in this paper as "price". For clarity we do not receive from suppliers the actual price paid by their customers. Instead, we calculate the average value or revenue collected per unit in that particular size category, as per the Eurostat methodology.

As the Eurostat figures are published on a semester basis (semester 1 (S1) January to June and semester 2 (S2) July to December) we therefore average the two relevant quarters to obtain the comparable six-month period for NI.

It should be noted that the comparability of the derived NI prices to the other Member States can be greatly affected by fluctuations in the Euro GBP exchange rate. For the purposes of tariff comparisons, we convert the EU tariff data from Euro to GBP using the monthly average exchange rate applicable for the semester (published by Eurostat). Therefore, tariff movements and comparisons between NI and other Member States can be impacted by both an increase and decrease in a tariff and/or also by any variation in exchange rates.

Gas pricing

The gas prices section also follows the Eurostat format and methodology (as outlined in Electricity Prices). As a result, the average prices for NI are comparable with prices in other EU countries (those published in DESNZ's Quarterly Energy Prices reports[26] and Eurostat data base[27]) once these figures have been converted to GBP.

Electricity wholesale market monitoring data

Readers should also be aware of the Quarterly Market Monitoring Report which provides an overview of the SEM and sets out recent trends in the market in relation to pricing, demand, scheduling and contract prices. It focuses in particular on the wholesale element of electricity prices, which makes up roughly 60% of customers' bills. These reports[28] are prepared by the Market Monitoring Unit (MMU) within the UR in joint collaboration with the Commission for Regulation of Utilities (CRU).

Northern Ireland gas markets

The gas distribution network licensees are responsible for the medium and low-pressure mains that convey to the licensed areas throughout

[26] www.gov.uk/government/collections/quarterly-energy-prices
[27] http://ec.europa.eu/eurostat/web/energy/data/database
[28] The latest SEM market monitoring report is here

Northern Ireland. There are three Distribution Network Operators[29] (DNOs) who operate in separate distribution areas as follows:

1. firmus energy (Distribution) Ltd (feDL) from the North West through the Central region to the Southern areas of Northern Ireland;
2. Phoenix Natural Gas Ltd (PNGL) mainly Greater Belfast, Larne and a recent extension into East Down; and
3. SGN Natural Gas Ltd (SGN NG) in the West of Northern Ireland.

Each DNO owns and manages the natural gas distribution network in their distribution area. Those companies who supply gas (suppliers) pay the relevant DNO a fee to transport natural gas, and then sell it straight to the consumer. Although a DNO is responsible for making sure the natural gas reaches individual homes, it is the responsibility of the gas supplier to bill consumers for the gas they use.

[29] Natural Gas NI – Natural Gas Network Operators and Suppliers

Annex B: Supplier Entry to NI Retail Markets

The tables below set out the dates that each supplier entered the retail market sectors.

Electricity	
Domestic	Incumbent supplier: Power NI June 2010: SSE Airtricity June 2009: firmus supply June 2011: Budget Energy October 2011: Electric Ireland October 2015: Click Energy October 2015: Open Electric December 2016: Open Electric ceased supply October 2019: Go Power November 2020: bright January 2022: bright ceased supply
I&C	Incumbent supplier: Power NI July 1999: ESB Independent Energy (NI) t/a Electric Ireland August 1999: Energia January 2008: SSE Airtricity April 2009: firmus supply[33] July 2011: Budget Energy February 2012: VAYU (Naturgy as of 29th November 2018) (Flogas Enterprise Solutions Ltd as of 20th December 2021) April 2012: Go Power October 2015: Click Energy April 2018: 3T Power October 2019: Energia supply business transferred to Power NI

Gas: Greater Belfast[30]	
Domestic	Incumbent supplier since September 1996: SSE Airtricity[31]
I&C	Incumbent supplier since September 1996: SSE Airtricity September 2008: firmus energy March 2009: Vayu (Naturgy as of 29th November 2018) (Flogas Enterprise Solutions Ltd as of 20th December 2021) May 2013: Electric Ireland August 2014: Go Power December 2014: Flogas

Gas: Ten Towns[32]	
Domestic	Incumbent supplier since 2005: firmus
I&C	Incumbent supplier since 2005: firmus January 2013: SSE Airtricity May 2015: Flogas June 2015: Go Power January 2017: Vayu (Naturgy as of 29th November 2018) (Flogas Enterprise Solutions Ltd as of 20th December 2021) April 2017: Electric Ireland

Gas: West[34]	
Domestic	July 2017 Designated Commissioning Supplier: SSE Airtricity
I&C	January 2017: Electric Ireland July 2017: SSE Airtricity January 2018: Flogas Q1 2019: firmus energy Q3 2019: Go Power

[30] The Greater Belfast area is defined in Schedule 1 of the Phoenix Natural Gas Limited conveyance licence.
[31] Formerly Phoenix Supply Ltd (PSL).
[32] The Ten Towns area is defined in Schedule 1 of the firmus energy (Distribution) Limited conveyance licence.
[33] Note that firmus supply left the electricity market at the end of 2015.
[34] The West area is defined in Schedule 1 of the Scotia Gas Networks Northern Ireland Ltd (Distribution) Limited conveyance licence.

Glossary

CCL	The Climate Change Levy (CCL) is a tax on electricity, gas and solid fuels delivered to I&C consumers. Its objective is to encourage businesses to reduce their energy consumption or use energy from renewable sources. The rate changes every year.	Ofgem	Office of the Gas and Electricity Markets
CoS	Change of supplier	PNGL	Phoenix Natural Gas Limited
EU	European Union	Q	Quarter. In this report, Q refers to the calendar year (i.e., Q1 refers to the quarter January-March).
Eurostat	Statistical office of the EU. Its task is to provide the EU with statistics at European level that enable comparisons between countries and regions	QTRs	Quarterly Transparency Reports published by the UR at the end of the second month after each calendar quarter (at the end of Feb, May, Aug and Nov).
feDL	firmus energy (Distribution) Limited	REMM	Retail Energy Market Monitoring
firmus energy	firmus energy (Supply) Limited	SGN NG	SGN Natural Gas (now Evolve Network)
GB	Great Britain	S1	Semester 1
GBP	Great British Pound		
I&C	Industrial and Commercial	S2	Semester 2
kWh	Kilowatt hour. Unit of energy equivalent to one kilowatt (1kW) of power expended for one hour (1h) of time. 1,000kWh = 1MWh. 1,000MWh = 1GWh.	UR	Utility Regulator
NI	Northern Ireland	VAT	Value Added Tax
NIEN	Northern Ireland Electricity Networks	UK	United Kingdom
LEU	Large Energy Users		