# Price Control for Northern Ireland's Gas Transmission Networks GT27

**Response by the Consumer Council for Northern Ireland**

**09 January 2026**

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# 1. Overview of our response

The Consumer Council for Northern Ireland (the Consumer Council) welcomes the opportunity to respond to the Price Control for Northern Ireland's Gas Transmission Networks GT27 from the Utility Regulator (UR).

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The energy sector is undergoing a significant transformation and there remains a great deal of uncertainty over the future of the gas industry in Northern Ireland as the energy transition gathers pace. This uncertainty will continue throughout the five-year period of GT27 unless we get clear policy direction.

The Consumer Council recognises the importance of the GT27 Price Control process given the role our TSO's play in ensuring Northern Ireland's natural gas network safety, affordability and security of supply, which are non-negotiable for consumers.

This means that the UR will need to balance many moving parts to ensure that GT27 provides appropriate incentives for the gas transmission companies, minimises price volatility, provides equitable treatments and delivers for Northern Ireland consumers.

The Consumer Council notes that, despite the current regulation encouraging growth in gas network connections, the transition from oil to gas for home heating remains slow since the COVID-19 pandemic. Consumers cite the higher cost of gas as the main reason for not switching. This provides the UR with the opportunity to use GT27 to help address this challenge.

Our response to this consultation states that:

- It is important that the UR's determination on GT27 is fully aligned with the Northern Ireland Energy Strategy, the approach being taken for RP8 in electricity and best practice arising from the recent GD3/GT3 Final Decisions in GB.

- Any proposed changes to the process should be fully assessed, including the impact on consumers, to reduce the risk of unforeseen consequences.

- Inefficient cost management by the TSOs must be avoided.

- The UR should work with Mutual Energy Limited (MEL) to reduce the risk of consumer price volatility from cost pass-through.

- New projects and innovation proposals should be carefully assessed, using good quality data, to ensure they provide value for money and do not lead to intergenerational inefficiencies.

- Existing licence conditions should form the starting point for any discussions on changes to allowance for network assets over 25 years old.

- The requirement for a Board Assurance Statement brings the price control into line with those in GB.

- There should be limited reopeners for costs determined ex ante.

- We welcome the increased stakeholder consultation proposals and requirements for increased transparency and simplification.

The Consumer Council welcomes the UR's commitment to ensuring the views of consumers and key stakeholders are taken into consideration during the GT27 Price Control process. We look forward to working with the UR to help ensure the Final Determination is fair and delivers the best possible outcomes for Northern Ireland consumers

# 2. About the Consumer Council

The Consumer Council is the statutory consumer representative body for Northern Ireland, responsible for protecting, empowering and representing consumers, and promoting their interests.

We operate under our sponsor department, the Department for the Economy (DfE), on behalf of the Northern Ireland Executive.

We are an insight-led evidence-based organisation:

- Providing consumers with expert advice and confidential guidance.
- Engaging with government, regulators and consumer bodies to influence public policy.
- Empowering consumers with the information and tools to build confidence and knowledge.
- Protecting consumers by investigating and resolving consumer complaints under statutory and non-statutory functions.
- Undertaking best practice research to identify and quantify emerging risks to consumers.
- Campaigning for market reform as an advocate for consumer choice, welfare and protection.
- Our statutory powers cover consumer affairs, energy, transport, water and sewerage, postal services and food affordability and accessibility.

These legal responsibilities are drawn from legislation, licences given to companies working in Northern Ireland, and cooperation agreements set in memorandums of understanding. The work we carry out also aligns with a number of the Articles in the Protocol on Ireland and Northern Ireland[1] (NI Protocol).

Our non-statutory functions educate, empower and support consumers against discriminatory practices in any market through advocacy work, as well as education and outreach programmes covering a broad range of topics including promoting consumer rights, financial inclusion and a more sustainable energy future.

We serve Northern Ireland's 1.9 million citizens and champion consumers in everything we do. We prioritise those who are disabled or chronically sick, who are of pensionable age, who are on low incomes and who live in rural areas.

We have responsibilities under the Rural Needs Act 2016 and Section 75 of the Northern Ireland Act 1998. Our aim is to ensure government policies recognise consumer needs in rural areas and promote equality of opportunity and good relations across a range of equality categories.

[1] Protocol on Ireland and Northern Ireland, House of Commons Library

## 2.1 Our role in super-complaints

We are also a designated super-complaints body set up under the Enterprise Act 2002[2] and the Financial Services and Markets Act 2000 Order 2013[3].

Under both Acts, if the Consumer Council believes any feature or combination of features of a market in the United Kingdom (UK) is, or appears to be, significantly harming the interests of consumers, we can raise a super-complaint on behalf of consumers to the following regulators:

- Civil Aviation Authority (CAA)
- Competition and Markets Authority (CMA)
- Financial Conduct Authority (FCA)
- Office of Communications (Ofcom)
- Office of Gas and Electricity Markets (Ofgem)
- Office of Rail and Road (ORR)
- Payment Systems Regulator (PSR)
- Northern Ireland Utility Regulator (Utility Regulator)
- Water Services Regulation Authority (Ofwat)

Under the Gas and Electricity Licence Modification and Appeals Regulations (Northern Ireland) 2015[4], we can appeal to the CMA if we believe a modification by the Utility Regulator to the licence of a gas or electricity provider is detrimental to the interests of consumers.

## Our role in consumer affairs

Our principal statutory duty is to safeguard the interests of consumers in Northern Ireland by empowering them and providing a strong representative voice to policy makers, regulators and service providers. We do this by:

- Carrying out, or assisting in carrying out, inquiries.

- Considering and investigating complaints under statutory functions, and where appropriate, any complaint relating to consumer affairs.

- Promoting and disseminating any information related to consumer affairs in order to educate and empower consumers.

- Undertaking independent research and monitoring consumer experiences.

- Reporting to any Northern Ireland Executive Department on any matter relating to consumer affairs.

[2] Enterprise Act 2002, UK Parliament
[3] Financial Services and Markets Act 2000 Order 2013, UK Parliament
[4] Gas and Electricity Licence Modification and Appeals Regulations (Northern Ireland) 2015, Northern Ireland Assembly

## Our role in energy

Part IV of the Energy (Northern Ireland) Order 2003[5] (the 2003 Order) confers certain functions on the Consumer Council regarding “the interests of consumers” (that is the interests of consumers in relation to gas or electricity supplied by authorised suppliers) and “consumer matters” (that is any matter connected with “the interests of consumers”).

In considering “the interests of consumers”, we are required to have particular regard to those detailed earlier in this section, but this does not mean that regard may not be had to the interests of other descriptions of a consumer or consumer groups.

The functions of the Consumer Council under the 2003 Order (Articles 17 to 23) include the following:

- Obtaining and keeping under review information about consumer matters, and information about the views of consumers on such matters. In relation to this, where the Utility Regulator is required by any provision of the Electricity (Northern Ireland) Order 1992[6] and the Gas (Northern Ireland) Order 1996[7] to publish a notice or any other document, it shall send a copy to the Consumer Council.

- Making proposals or providing advice and information about consumer matters and representing the views of consumers on such matters to public authorities, persons authorised by a licence or exemption under the Electricity (Northern Ireland) Order 1992 and the Gas (Northern Ireland) Order 1996, and other persons whose activities may affect the interests of consumers. This includes undertaking independent research and monitoring consumer experiences.

- Providing information about consumer matters to consumers of electricity or gas supplied by authorised suppliers.

- Publishing statistical information about certain complaints about authorised electricity and gas suppliers.

- Publishing advice and information about consumer matters to promotes interests of consumers.

- Investigating certain complaints made by any customer, or potential customer of, or user of electricity or gas supplied by an authorised supplier.

- Investigating other matters relating to the interests of consumers in relation to electricity and gas supplied by authorised suppliers.

The Consumer Council also has the following statutory responsibilities in energy:

- Under the Electricity (Northern Ireland) Order 1992 and the Energy (Northern Ireland) Order 2003 regarding the standards of service, we deal with complaints and billing disputes between an electricity supplier and a customer.

[5] Energy (Northern Ireland) Order 2003, UK Parliament
[6] Electricity (Northern Ireland) Order 1992, UK Parliament
[7] Gas (Northern Ireland) Order 1996, UK Parliament

- Under the Gas (Northern Ireland) Order 1996, we deal with billing disputes between a gas supplier and a customer.

- Under the Energy Act (Northern Ireland) 2011, we deal with disputes of standards of performance between gas suppliers and customers in individual cases.

# 3. Our approach

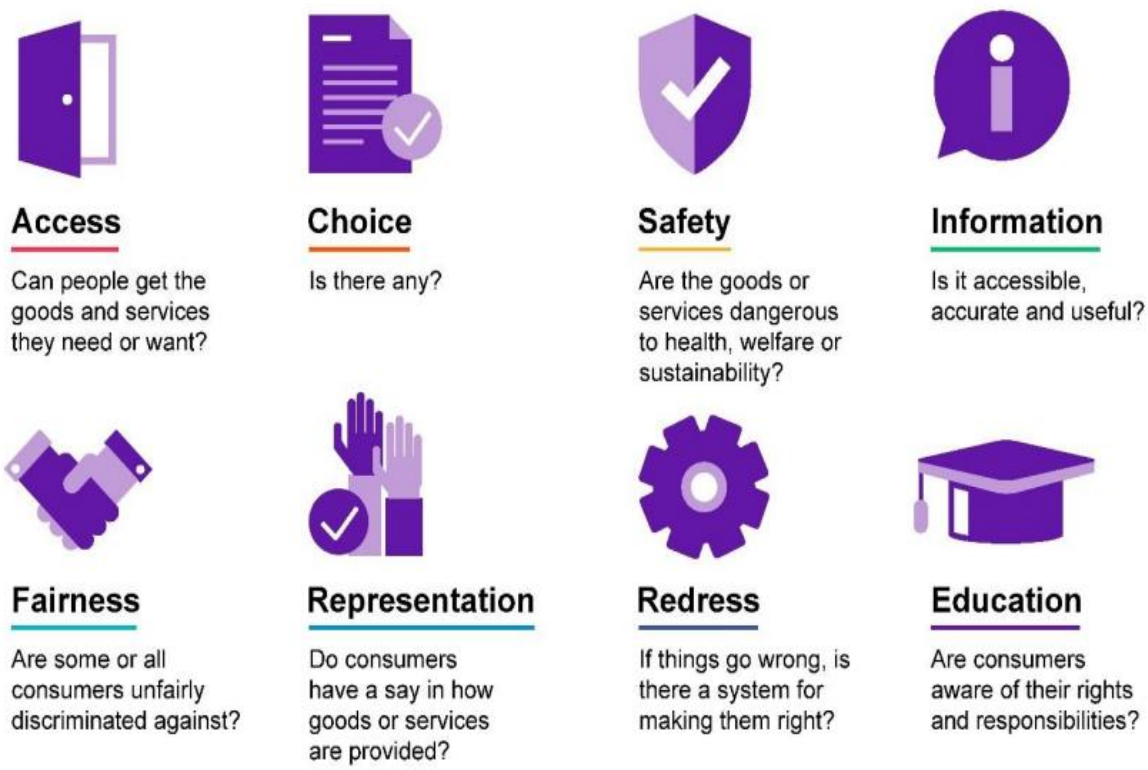
In this section, we have set out our approach to the Price Control for Northern Ireland's Gas Transmission Networks GT27 from the Utility Regulator (UR).

## 3.1 Consumer protection principles

The Consumer Council uses eight guiding principles to assess where the consumer interest lies, and develop and communicate our policies, interventions and support.

They provide an agreed framework through which we approach regulatory and policy work and ensure we apply a consistent approach across statutory and non-statutory functions, and in our engagement with consumers and stakeholders.

**Figure 1: Consumer protection principles**




They serve to protect consumers, setting out minimum standards expected from markets when delivering products or services in Northern Ireland.

They frame our policy position and approach to addressing emerging detriment and resolving consumer disputes with industry, offering a straightforward checklist to analyse and validate outcomes, in particular amongst vulnerable consumer groups.

## 3.2 Northern Ireland consumer position

Before setting out our response, we feel it is important to highlight some key considerations about the consumer position in Northern Ireland.

Northern Ireland has unique considerations with a more vulnerable population, a regional market, geographical separation from the remainder of the UK market, a land border with the Republic of Ireland (RoI) and European Union (EU), and a legislative environment impacted by regulatory divergence.

Consumer detriment levels in Northern Ireland can be significant but given our relatively small population in comparison to the UK, the detriment our consumers face can sometimes struggle to be prioritised, reported and monitored on, at a national level.

## We are more rural

Northern Ireland represents just 3% of the total UK population[8] but we have more than double the proportion of citizens living in rural areas (36%)[9] compared to England (16.6%)[10] and Scotland (17%)[11].

This is particularly relevant as our population growth in rural areas from 2001-2020 has outstripped urban areas by a factor of almost three to one (20% to 7%)[12]. Rurality can heighten vulnerability in some markets and supply chains.

## We are more vulnerable

Every day, we support consumers with expert, confidential advice and services.

Between April 2021 and March 2024, we have supported over 70,000 consumers through to our consumer helpline and free and independent complaint investigations, and outreach and education programmes across Northern Ireland. Our casework shows heightened vulnerability with more complex and multi-faceted needs.

This work is underpinned by our extensive portfolio of consumer monitoring and research into their lived experiences, expectations and perspectives. We therefore have unique insights into the socio-economic trends influencing consumers' behaviour and confidence, and the challenges and opportunities they face.

We also take quarterly temperature checks of the cost of living impacts on consumers in Northern Ireland. Our latest Pulse Survey from March 2025[13] found:

- 37% felt that their household was worse off when compared to 12 months ago and only a third (33%) believed their household would be better off in 12 months' time.

- Almost three-quarters (74%) of respondents agreed that their household could keep up with bills and buying essentials, but 16% said they have £50 or less each month, with 36% stating they have £150 or less left over each month, after mortgage/rent and all essential bills had been paid.

[8] Estimates for the population for the UK, England, Wales, Scotland, and Northern Ireland: Mid-2024, September 2025, Office of National Statistics
[9] NI: IN PROFILE Key statistics on Northern Ireland, November 2022, Northern Ireland Statistics and Research Agency
[10] Statistical Digest of Rural England - GOV.UK, May 2025
[11] Rural Scotland Data Dashboard: Overview, December 2023, Scottish Government
[12] Key Rural Issues: Northern Ireland, 2024, Department of Agriculture, Environment and Rural Affairs
[13] Consumer Pulse Survey November 2025, November 2025, Consumer Council

- 44% agreed dealing with financial matters was a burden and more than a third (35%) agreed their mental health was negatively affected by their financial situation.

- Almost three in five (58%) stated they have had to cut back on spending on essentials after their mortgage/rent and any loan or overdraft payments have been made.

## We are less well off

The Consumer Council has monitored household income and expenditure since 2021. The latest Northern Ireland Household Expenditure Tracker[14] found half of our households had less than £110 per week after paying taxes and essential spending.

Between April and June 2025, our lowest earning households:

- Had a total household income per week before tax of just over £295.94, which is 6% lower than the UK average.

- Had just over £52 per week after paying taxes and paying for essentials, which is 19% lower than the peak of Q1 2021, of just over £64.

- Spent almost half (46%) of their total basic spending on food and non-alcoholic beverages, housing, water, electricity, gas and other fuels, and transport.

- Are more reliant on social securities, with 70% of income coming from benefits compared to 8% for the highest earning households in NI.

## We have lower financial resilience

Northern Ireland has lower financial capability, and our citizens are almost twice as likely to use cash to pay for things[15]. We also have the highest rate of economic inactivity at 27.5% compared to 21% in the UK[16], and almost double the Disability and Carer's Benefit claimants[17] at c22.8%, compared to England and Wales at c13.3%[18].

Illegal lending remains an issue that is particularly prevalent in Northern Ireland, although it is accepted that the problem is significantly underreported. Our recent study into consumers' views and behaviours in response to the rising cost of basics[19] found 3% of respondents reported using illegal lenders.

Northern Ireland's largest debt advice charity, Advice NI, reported its debt service was dealing with increasingly higher levels of illegal lending, with nearly £46,022 of

[14] Household Expenditure Tracker Q2 2025, October 2025, Consumer Council
[15] Financial Lives Survey 2024, May 2025, Financial Conduct Authority
[16] Regional labour market summary 16 December 2025, Office of National Statistics
[17] Northern Ireland Benefits Statistics Summary August 2025, 26 November 2025, Northern Ireland Statistics and Research Agency
[18] DWP benefits statistics: August 2025, 1 October 2025, Department for Work & Pensions
[19] Consumers' views and behaviours in response to the rising cost of basics, March 2024, Consumer Council

debt dealt with during 2023-2024[20], averaging approximately £3,287 per debt. This was an increase of 16% from 2022-2023.

## We have a unique energy market

Northern Ireland has a unique energy mix to the rest of the UK. Most households here (62.5%)[21] use heating oil as their primary source of energy to heat their homes, rising to 82% in rural areas[22]. Alongside this, approximately 51% of gas and electricity customers in Northern Ireland are on prepayment meters[23], compared to approximately 14% overall in the UK[24].

This presents higher risks of self-disconnection, particularly amongst vulnerable consumer groups, against a continuing backdrop of high energy prices, and a unique challenge for Northern Ireland net zero ambitions.

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[20] Debt Advice - A Complex Issue, March 2025, Advice NI
[21] NISRA Census 2021 health & housing statistics, (main statistics tables (phase 2)) December 2022, Northern Ireland Statistics and Research Agency
[22] The cost of living crisis in Scotland, Wales and Northern Ireland, 19 July 2023: Centre for Progressive Policy
[23] Quarterly Retail Energy Market Monitoring Report for Q2 2025 , 30 September 2025, Utility Regulator
[24] Calculated based on the estimated number of pre-payment customers (Ofgem launches national evidence-call on prepayment meters, March 2023, Ofgem) as a percentage of the total estimated number of UK households (Families and households in the UK: 2023, July 2025, Office of National Statistics).

# 4. Our response to the Utility Regulator's Approach to GT27

In this section, we have set out our response to the Price Control for Northern Ireland's Gas Transmission Networks GT27 from the UR.

## Comments on the proposed approach

The Consumer Council supports the proposed continuation of the GT22 approach, with amendments limited to those required by energy transition policies, best practice regulation in neighbouring jurisdictions and improved stakeholder engagement.

We understand that the price control process will need to be run, taking account of the UR's current vires. It remains important for the UR to work closely with the DfE and other key stakeholders to ensure that relevant regulatory decisions align with policy objectives, that the factors shaping gas demand (and pricing) are well understood, and that future requirements such as potential investments in the gas network to support hydrogen and/or biomethane blending can be incorporated as and when required.

In areas of the price control process where there is potential for change, the Consumer Council would expect the UR to undertake analysis to determine whether existing mechanisms have worked as intended and whether there have been unexpected impacts on consumers before making decisions on proposed changes, and to reduce the risk of unforeseen consequences.

The Consumer Council would expect the UR to ensure consistency between GT27, the next gas distribution price controls, RP8 in electricity and the Final Decisions made by Ofgem on the GD3/GT3 price controls in GB.

## Consumer impact

Whilst we recognise that gas transmission costs only represent around 10% of an end consumer's bill, ensuring operating costs are efficient, having an evidence-based estimate of uncontrollable, pass-through costs, and ensuring new investments or replacement projects are well-justified and value for money, will be important components in encouraging switching from oil to gas for home heating.

The Consumer Council expects the UR to assess how the incentive mechanisms to grow the gas network have been working in practice, and to consider as part of the GT27 price control whether it would be appropriate to make adjustments to the incentives to encourage more consumers to switch to gas as a transition fuel.

In particular, we support the UR's proposal to work with MEL to manage the risk of price volatility from passthrough of uncertain and uncontrollable costs to consumers.

We emphasise the need for robust data provision by the transmission companies to enable both regulatory review and to demonstrate value for money of specific projects or cost expenditure categories. We see this as particularly important in the area of innovation, where costs incurred in GT27 may show most benefit to consumers in later years.

As we stated in our response to the Call for Evidence:

- 'Regulatory proposals should provide affordability for today's consumers without creating undue burden on future consumers. That includes assessing how different consumer groups may be affected and what forms of support may be needed to mitigate uneven impacts. … We expect the UR to require gas network companies to target and clearly justify new investments and to demonstrate value for money.'
- 'The Consumer Council would expect that, as the energy system evolves, any changes to investment models would be aligned with wider policy developments to minimise the risk of future affordability issues or stranded costs. We note that this is an area where ongoing UR scrutiny will be required to protect consumers over the long term.'

## Remuneration and risk

The Consumer Council notes the UR’s comments about provisions in GNI (UK)’s current licence for allowed revenues and maintenance of the network after 25 years since pipeline commissioning and agree that these would form a sensible starting point for any discussions about future changes.

## Setting allowances and efficiency targets

The Consumer Council supports the proposed approach of setting ex ante allowances where costs are certain and basing the allowances on a bottom-up review and assessment of efficiency gaps. We support the limited reopener opportunities relating to controllable opex/repex to exceptional circumstances, as that provides more certainty on pricing to consumers.

We encourage the UR to review the transmission companies’ uncontrollable costs to check that their procurement is efficient and that their aim is to minimise the impact on consumers.

The Consumer Council understands the need to include allowances for physical security, cyber resilience and security of supply, particularly as we see increased dependency on digitalisation. However, our view is that, although there are challenges, costs should be forecastable and subject to similar efficiency challenges as other costs.

The Consumer Council particularly supports innovation that focuses on addressing the needs of the “worst served” customers, provided this is delivered in a cost effective and targeted way.

We agree that there should be no allowance for profit margins for affiliated businesses or contracts any of the licensees have to support the Gas Market Operator Northern Ireland (GMO(NI)), or for contingency estimates.

The Consumer Council supports the benchmarking between the licence holders, given the lack of external comparators, and expects the UR to challenge the companies on the resulting trends and reasonableness of their forecasts in developing its views on efficiency. We recognise the need to include factors such as Real Price Effects and encourage the UR to liaise with Ofgem and others to benefit from their experience.

## Other aspects of the approach to the price control

The Consumer Council supports the proposed approach of a business plan reporting template to aid consistency and a higher level of scrutiny on areas of high expenditure or new costs.

However, we would also expect scrutiny of cost categories where there has been significant change, whether increases or decreases. The Consumer Council would wish to see the UR challenge the companies when data is of poor quality or sparse, so that benchmarking or other statistical analysis can be undertaken where appropriate, demonstrating efficiency and value for money.

We welcome the requirement for a Board Assurance Statement, which brings the price control in line with the process in GB, ensuring senior challenge to business plan submissions.

The Consumer Council would expect to see clarity on how the costs of projects being carried over from GT22 to GT27 are to be treated. It is important that consumers are not expected to pay for expenditure when an allowance has previously been made. Where there are changes in scope, these should be justified, and any cost implications shown to be efficient.

We would expect the UR's business plan assessments to address not only the four themes namely:

- service contribution to good outcomes,
- services and costs,
- trust in delivery and
- transition to net zero

but also, alignment with the interests of consumers, other stakeholders and the wider energy system.

In areas of the price control process where there is potential for change, the Consumer Council would expect the UR to undertake analysis to determine whether existing mechanisms have worked as intended and whether there have been unexpected impacts on consumers before making decisions on proposed changes.

## Stakeholder engagement

The Consumer Council welcomes the opportunity to work with the UR on engagement with gas consumers to ensure their voice is represented, as well as engaging with representatives of other major energy users.

As we noted in our response to the Call for Information, consumer engagement is essential to gather views on what matters to them and to help ensure that the regulation delivers efficiency, value for money services that reflect consumers' evolving needs. We welcome the proposed requirement that the licence holders will be required to explain the impact of their plans in a way that can be understood by network users.

In the Consumer Council response to the Call for Information - Future Gas Distribution and Transmission Price Controls in Northern Ireland dated 11 September 2025, we stated that many consumers feel underinformed or unable to engage due to the complexity and lack of transparency of the price control processes and regulatory mechanisms.

As the statutory consumer body for Northern Ireland, our recent research on "Attitudes to the Energy Transition" [25] tells us that consumers are interested and would like to be more engaged.

We note that consumer engagement should recognise, and take account of, the diverse nature of consumers, from those who are technologically savvy to those who are digitally excluded.

[25] www.consumercouncil.org.uk/research/attitudes-energy-transition-2 October 2025, Consumer Council

# 5. Contact information

If you have any questions, require further information or wish to discuss any aspect of our consultation response, please contact:

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The Consumer Council consents to this response being published.

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