



# **Third Party Intermediaries in the Energy Market**

**Utility Regulator**

**Power NI Response**

6 November 2025

## Introduction

Power NI welcomes the opportunity to respond to the Utility Regulator's (UR's) consultation paper on proposed measures on Third Party Intermediaries (TPIs) in the Energy Market. Power NI recognises that the UR have a statutory duty to protect consumers, and this extends to include non-domestic consumers.

Power NI are active in the non-domestic market and have developed good relationships with local business, representative organisations as well as with TPIs to ensure consumers are provided with the best products and services available. The removal of price regulation in the non-domestic electricity market brought Northern Ireland in line with the rest of GB. While this development has had a positive impact on the marketplace and there is active competition between several suppliers, the market for TPIs has grown significantly.

The UR has taken steps to regulate the sales activities of suppliers in the energy market through a mandatory Code of Practice. It is therefore inequitable and not in the interest of consumers that a situation exists in which one group of market participants are held to a different standard of sales activity than another. While TPIs can offer a useful service to consumers and there are many reputable TPIs, experience would suggest that this sales activity can have negative impacts, in particular regarding the impartiality of advice offered and the level of commission charged.

The activities of any party who is active in the energy market reflects on the industry as a whole and participants must work to ensure that the consumer is protected. The TPI experience in GB has undoubtedly had an adverse impact on the entire GB energy industry and it is important that such an outcome does not occur in the Northern Ireland energy markets.

Power NI has experience of working with over 30 TPIs in the market, ranging from large organisations to small, local businesses. While they can drive competition within the market and have a heavy influence, consumers do require some level of protection to ensure that they operate in a fair and transparent manner.

Power NI in the past have excluded themselves from tenders due to margin demands and been forced to make difficult decisions due to lack of regulation. This should not be a responsibility on suppliers, it is the URs statutory duty to protect consumers whilst ensuring integrity in the market and getting a fair, transparent deal for their energy should be paramount. Power NI remains committed to positively engaging with the UR on this work.

## Specific Questions

**1. Do you agree with our proposed strategic aim, objectives and scope in relation to this TPI project? If no, please provide reasoning.**

**Power NI response:**

The commercial energy market is highly complex and for that reason Power NI are broadly supportive of the aim, objective and scope in relation to this TPI project. Whilst in the most part non-domestic consumers have a different level of commerciality than residential consumers, they still should be afforded a level of consumer protection and treated accordingly.

Power NI do believe consumers should be more adequately informed about TPIs but believe there is an asymmetry in the current governance of the Northern Ireland energy market when it comes to regulation and consumer protection. Suppliers are subject to strict regulatory controls underpinned by licence. These requirements come with significant penalties for any failures compared to TPIs who have no equivalent governance or regulation. Power NI also recognises that there could be limitations on the level of intervention which the UR can mandate given the lack of statutory vires to directly regulate TPIs. Licenced suppliers also have limited powers over TPIs, and the UR should remain mindful of this.

Any issues identified within these focus areas need to be carefully considered and where they can be mitigated appropriately should be in the interests of a well-functioning market. Gaps or issues which lead to poor outcomes or practice reflect badly upon the energy industry as a whole and Power NI is keen to avoid that where possible.

**2a. Do you think development, publication and promotion of relevant Retail TPI information on the UR's website would be beneficial to consumers?**

**Please provide a clear rationale for your answer.**

**Power NI response:**

Power NI has experience of working with over 30 TPIs in the market, ranging from large organisations to small, sole trader businesses. While they can drive competition within the market and have a heavy influence, consumers do require some level of protection to ensure that they operate in a fair and transparent manner. While TPIs can offer a useful service to consumers and there are many reputable TPIs, experience would suggest that this sales activity can have negative impacts, in particular regarding the impartiality of advice offered and the level of commission charged.

It is the URs statutory duty to protect consumers whilst ensuring integrity in the market and getting a fair, transparent deal for their energy should be paramount, therefore it seems a reasonable step to at least provide some transparency around TPIs and their role in the market. Power NI therefore would be supportive of the UR approach to the development, publication and promotion of relevant Retail TPI information on the UR website to support consumers in their understanding of TPIs and what they need to consider before engaging with a TPI.

**2b. Do you suggest any alternative/additional methods of sharing this TPI information with non-domestic consumers? If so, please describe.**

**Power NI response:**

Given suppliers have working relationships with TPIs and that consumers enter into a commercially written agreement directly with a TPI, Power NI feels this strengthens the need for any information sharing on TPIs to be held independently.

Organisations like the Consumer Council are the statutory body for consumers in Northern Ireland and are responsible for protecting, empowering, understanding and representing consumers. The Consumer Council already have a business electricity price comparison tool in place and provide information to business consumers, so may be a logical place to help support the hosting of this information and remain a reliable trusted resource for consumers requiring further information.

Further opportunities to sharing this information could lie with the Non-Domestic Energy Market Forum which is made up of designated members of business representative organisations and advice agencies who would be in a better position to share information across their networks.

**3a. Would you consider enhanced monitoring and reporting (to include i) regular supplier information submission and ii) a programme of engagement) to be beneficial in ensuring that consumers are adequately protected? Please provide clear rationale for your answer.**

**Power NI response:**

Before determining whether enhanced monitoring through reporting would be beneficial, it is incumbent on the UR to determine their policy and establish their powers in this area. Absence of a clear policy and confirmed ability to intervene reporting runs the risk of being ineffective. The UR need to be mindful of the existing regulatory burden placed on suppliers and the significant amount of reporting already submitted to the UR on a regular basis. Suppliers have multiple UR reporting requirements across the business including monthly reporting on telephony, debt, warrants etc alongside quarterly and annual REMM submissions.

In order to ensure an effective programme of engagement, the UR would need to have the right people in the room who are willing to engage and share insights into the TPI activity that they have seen in the market whilst being mindful of commercial sensitivities and working relationships which will limit the ability to be open in a wider forum.

**3b. Should a regular supplier information submission be voluntary or implemented through a licence requirement?**

**Power NI response:**

Power NI does not believe that the information submission should be mandated. Under supplier Licence Condition 10 Provision of Information, the UR already have the powers necessary to request any information they require. Suppliers are already under enough regulatory burden particularly in the area of reporting without further licence amendments, especially in an area where there is little governance or regulation which will allow for changes to TPI activity based on supplier information provided.

**3c. Can you suggest any alternative methods of monitoring and reporting TPI activity?**

**Power NI response:**

The monitoring and reporting if only based upon a suppliers interaction and data associated with TPI activity may be limited. If the UR wish to gain a broader understanding of how TPIs operate then gaining a consumer perspective may be of more benefit.

The Non-Domestic Consumer Insight Tracker Survey, which measures consumer engagement and any issues impacting this consumer group may provide a further opportunity to gain insights into TPI activities.

**3d. Would it be beneficial for the TPI information gathered by UR to be anonymised and published (in addition to being used internally by UR for market monitoring)?**

**Power NI response:**

The UR must be cognisant of commercial sensitivities and the commercial impact that the publication of certain information may have and therefore information published should be anonymised. Power NI understand that publishing this information would not only help to support the URs work in the development, publication and promotion of relevant Retail TPIs but also demonstrate the UR's transparency when it comes to protecting consumers. The UR would also need to be mindful that if the information shows areas for improvement, then the UR may be questioned as to what steps can be taken to make changes, which may be extremely limited.

**4a. Are you of the view that TPI commissions being published would increase levels of transparency and benefit consumers? Please provide clear rationale for your answer.**

**Power NI response:**

Commission is a contentious area and Power NI have experience of seeing large differences in costs between various TPIs and even varying differences at customer level. Experience has shown that TPIs operate with limited transparency when it comes to pricing and commission earned. This is coupled with little evidence of commissions being agreed with the customer. For Power NI's non-domestic consumers who have contracted via a TPI, c.95% are paying commission and Power NI holds the rates for billing purposes. This does not necessarily translate that a customer is always aware of the commission on their contract. Therefore, Power NI supports the UR in the view that the publication of TPI commissions would increase transparency for consumers and their understanding of fees they are paying for TPI services and strongly advocate for this published.

**4b. Which publication format should be used for Third Party Costs: i) consumer bills and on request, ii) a customer's Principal Terms and upon request iii) both i and ii or iv) another publication? Please provide information to support your answer.**

**Power NI response:**

In Power NI's experience some consumers do pay significant sums of money under TPIs, therefore Power NI already do request that commission information is published as part of a

Letter of Authority to ensure consumers are provided with clear, transparent information before agreeing to any commercial contract. Power NI believes this is best practice.

Whilst Power NI strongly advocates that there should be a requirement to publish this information, given that consumers engagement with TPIs is outside of supplier control, including this information on the bill is not appropriate given suppliers are not involved in any discussions or negotiations that a consumer has with a TPI. This alongside the complexities of different rates, different approaches taken and the retrospective nature would make it difficult to manage and ineffective. For this reason, Power NI have implemented the practice of having commission approaches and levels being transparent on the Letter of Authority, a document the customer signs in advance.

Any publication of information should be consistent across all suppliers, as any inconsistencies in doing so poses a risk that TPIs may tend to opt for suppliers who choose not to publish the commission. This would lead to consumer being given less choice and would incentivise those suppliers who chose to implement the requirements to revisit that decision.

***4c. Which publication cost structure would be most beneficial to consumers: i) a lump sum for contract duration ii) a cost per unit iii) combined approach (both i&ii) iv) other? Please provide information to support your answer.***

***Power NI response:***

The cost structure currently varies depending on the individual broker and the supplier that they are working with. If the key is to provide the consumer with better transparency of costs they are paying, then the cost structure is irrelevant as long as the information is available for the consumer and is clear and upfront, hence the Letter of Authority is the best vehicle to deliver the required transparency.

Given the limited powers that UR currently have over the TPI market, Power NI would argue that regardless of which way is most beneficial to the consumer, it is ultimately up to how the TPI's operate and how they best decide to manage the cost structure. The key for suppliers is ensuring where possible that this information is published so the consumer is aware of total fee they will be responsible for.

***4d. What changes to billing systems—or wider systems and processes - would be required in order to enable the publication of TPI commissions on a customer's bill? Do respondents have any view of the difficulty and cost of these changes?***

***Power NI response:***

As previously discussed, Power NI already do request that commission information is published as part of a Letter of Authority and have this built into the sales process.

Any changes which require updates to suppliers' bills, billing systems or process are usually quite complex. Given Power NI's previous experience of implementing changes to bills, however small, it is not something that can happen quickly and does require a lead in time with both internal and external resources available in order to implement. Requirements for including such information on the bill would be challenging particularly given the complexities around the various pricing structures that TPIs operate, nor does it account for changes to TPI product offerings.

Power NI do not believe that TPI commission should be published on a customer's bill but should be included within the contract paperwork, so the consumer has visibility.

**5a. Do you agree with the exclusion of the potential measures (4-6) for the reasons described above? If not, please provide reasoning.**

**Power NI response:**

Power NI do agree with the exclusion of these potential measures given the lack of powers to introduce any additional codes and no TPI governing bodies / associations which could help to support the introduction of such measures.

**5b. Are there any alternative measures, not discussed that you think should be considered? If so, please provide a description.**

**Power NI response:**

Until there is a change in legislation or a regulatory regime with the powers to manage TPIs, Power NI do not believe that there are any alternative measures that could be considered to monitor TPI activity in the market but that it should be kept under review.

**6. Are you aware of any issues/concerns impacting micro/small scale generators through their arrangements with TPIs? If yes, please specify.**

**Power NI response:**

Given the small number of suppliers operating in the NI market who offer terms for micro / small scale generators, market activity in this area is extremely minimal. Power NI have had very little experience of TPIs in this area of the market.

**7. Do micro/small scale generators require regulatory protection when engaging with TPIs in the energy market in Northern Ireland? Please provide any information to support your answer.**

**Power NI response:**

Power NI understand that any TPI activity in this area is very limited and believe that consumer awareness of any TPIs operating in this area is also minimal. Therefore, at this stage Power NI do not believe that any activity in this area warrants protection measures for the energy market in NI but believe it should be kept under review.

**8. If you answered yes to Q7, what regulatory protections do you feel would benefit micro/small generators in Northern Ireland? Please provide examples to support your answer where necessary.**

**Power NI response:**

No specific response.

**9. Do you think that any of the potential measures outlined in Section 3 in relation to Retail TPIs could or should be considered for application to Wholesale TPI operations? Please provide any information to support your answer.**

**Power NI response:**

As market activity in this area is minimal, at this stage it would not be appropriate to consider any further potential measures.

If activity was to increase within this area, it may be something worth reconsidering, but the UR may run into the same issue of very limited powers over these TPIs and the ability to effectively regulate.