RETAIL MARKET MONITORING

Annual Transparency Report

For January - December 2019

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Abstract

This paper is the latest of a series of Utility Regulator (UR) reports the Quarterly Transparency Reports (QTRs) and Annual Transparency Reports (ATRs) 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 and Eurostat. Some figures have been calculated internally.

These reports are released at the end of the second month after each calendar quarter (in Feb, May, Aug and Nov).

In this ATR we have published Supplier complaints data for the first time following completion of the Supplier Audits in 2019.

Audience

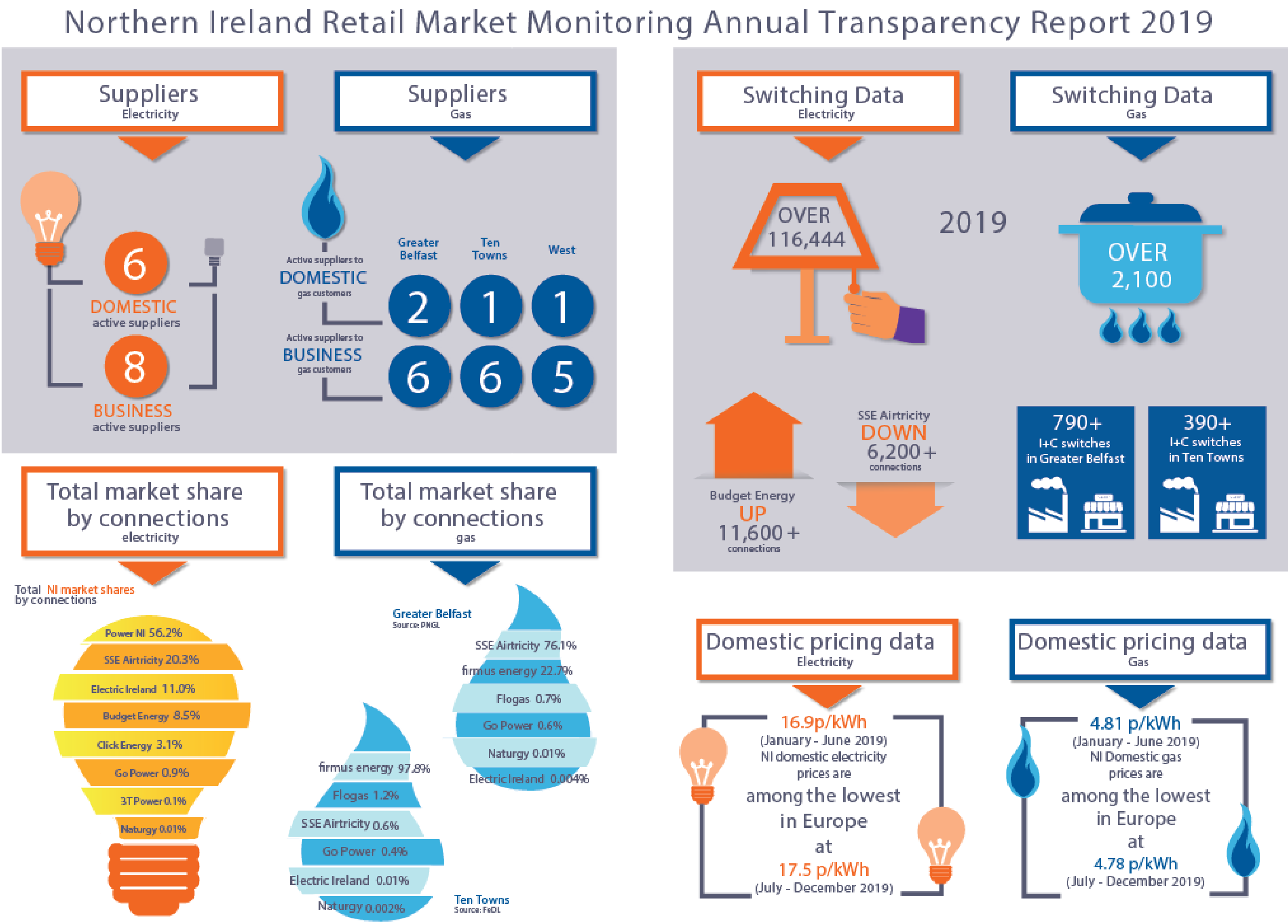
Electricity and gas industry, associations of consumers, regulators, statistical bodies, suppliers, potential new market entrants, consultants, researchers and journalists.

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, supplier complaints and NI prices compared against other jurisdictions.

Contents

1 Summary of key market indicators



1.1 Key developments during 2019

1.	The electricity pricing data is sourced from Eurostat and individual supplier's submissions under the REMM framework. The semester 2 2019 pricing data illustrates the following: • NI domestic electricity prices continue to rank amongst the lowest in Europe at 17.5 p/kWh and are considerably lower than the Republic of Ireland (22.4 p/kWh), the EU median (19.2 p/kWh) and the UK (19.5 p/kWh). • The NI I&C electricity price for the Very Small connections (which represent c68% of I&C connections) is 16.4 p/kWh, which is lower than the Republic of Ireland (19.3 p/kWh), the UK (17.2 p/kWh) and the EU median (16.5 p/kWh). • For medium customers, NI prices are lower than RoI and the UK. For large I&C customers (c0.02% of connections) NI prices are just above RoI but lower than the UK.
2.	The domestic gas prices in NI are amongst the lowest in Europe at 4.78 p/kWh. This is less than RoI at 6.73 p/kWh and the EU median at 6.76 p/kWh. NI prices are higher than the rest of the UK at 4.44 p/kWh.
3.	Market activity in the electricity domestic and I&C sectors continues to illustrate a gradual change in the market dynamics. Power NI (the incumbent price controlled electricity supplier) retain their dominant position with 56.2% of connections in the domestic market with continued growth of the competing suppliers.
4.	Domestic customers continue to actively engage in the electricity market with over 116,400 switches completed during 2019, indicating 13.1% of the market participating. This is an increase from 12.6% in 2018. However switching activity in the I&C sector remains at a similar level to 2018, with c7,200 switches completed (9.7%) in 2019.
5.	In the gas sector, there was an increase in switching activity in the Greater Belfast area during 2019 with over 1,711 switches compared to 1,144 in 2018. I&C switching in the Ten Towns also saw an increase during 2019 with 399 switches compared to 254 in 2018.
6.	During 2019, there were over 5,400 electricity complaints made by domestic and I&C customers and over 1,500 gas supplier complaints. The three most common supplier complaints made during 2019 related to: bills, payments and accounts, customer service and prepayment meter issues.

2 Introduction

2.1 Purpose, methodology and data sources

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.

The Quarterly Transparency Reports (QTRs) and Annual Transparency Reports (ATRs) are 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.

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. As a result of this framework, there have been a number of changes made to the format of this publication and how some of the indicators are presented. We will continue to make changes/additions as appropriate to represent the new indicators that we are monitoring under REMM. Included in this ATR is Supplier Complaint data which we are publishing for the first time (electricity in section 4 and gas in section 9). The main data sources for this ATR are as follows:

- Connections and consumption, market shares and market activity information is provided by the network companies:
  - Northern Ireland Electricity Networks (NIEN) for electricity data; and
  - 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. 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.

The ATR merges the relevant quarterly information for the calendar year from the Quarterly Transparency Reports (QTRs) and is therefore the summation of Quarter 1 (Q1) through to Quarter 4 (Q4) for 2019. The connections data and customer numbers reported in the ATR is as at December 2019.

2.2 Energy suppliers in NI energy market

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.

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[1] gas distribution area was a large I&C user during Q1 2017.

[1] 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.

Table 2 Suppliers in the Retail Market
End of Q4 2019

	Network Operator							
	NIEN		PNGL		feDL		SGN NG	
	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	💡	💡	🔥	🔥		🔥	🔥	🔥
Naturgy		💡		🔥		🔥		
3T Power		💡						
Suppliers	**6**	**8**	**2**	**6**	**1**	**6**	**1**	**5**

Source: UR

In summary there were **eight**[2] suppliers in the electricity market and **six** suppliers in the gas market during 2019, although not all of these suppliers are certified to operate in all sectors (or in all gas distribution areas).

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

2.3 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[3] are prepared by the Market Monitoring Unit (MMU) within the UR in joint collaboration with the Commission for Regulation of Utilities (CRU).

[2] In October 2019 the Energia supply business was transferred to Power NI and all Energia customers are now included within Power NI. Go Power took on their first domestic electricity customer in October 2019.
[3] SEM Monitoring Reports: Q1 2019, Q2 2019, Q3 2019, Q4 2019

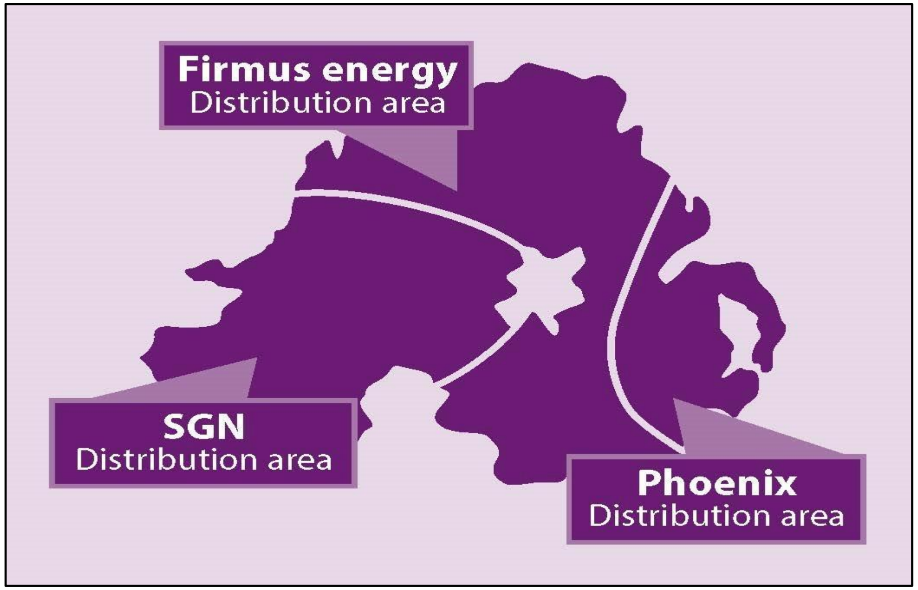
2.4 Northern Ireland gas market overview

The gas distribution network licensees are responsible for the medium and low pressure mains that convey to the licensed areas throughout Northern Ireland. There are three Distribution Network Operators (DNOs) who operate in separate distribution areas as illustrated on the map which follows:

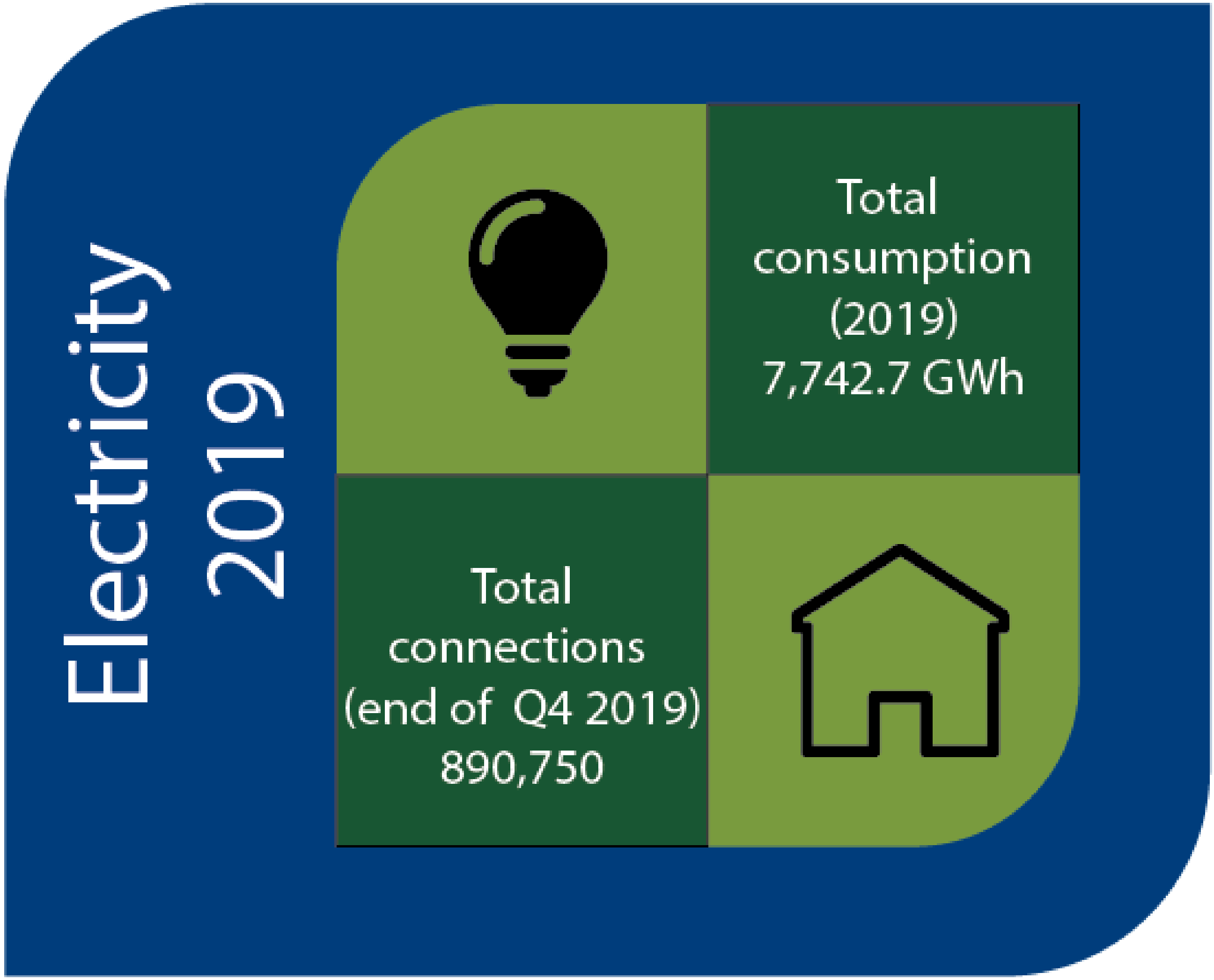
- firmus energy (Distribution) Ltd (feDL) from the North West through the Central region to the Southern areas of Northern Ireland;
- Phoenix Natural Gas Ltd (PNGL) mainly Greater Belfast, Larne and a recent extension into East Down; and
- SGN Natural Gas Ltd (SGN NG) in the West of Northern Ireland.

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.

Figure 1: Gas Distribution Licenced Areas



3 Electricity



3.1 NI connections and total consumption

The table below shows electricity customer numbers[4] at end December 2019 and consumption from January to December 2019.

Table 3 Electricity connections and consumption per market segment

Connections at end Q4 2019
Total consumption 2019

Customer groups	Number of connections	% share of connections in market sector	Consumption (GWh)	% share of consumption in market sector
Domestic prepayment	366,211	44.9%	1,221.2	42.9%
Domestic credit	449,844	55.1%	1,623.9	57.1%
Total Domestic	**816,055**	**100%**	**2,845.1**	**100%**
I&C < 20 MWh	50,721	67.9%	345.2	7.0%
I&C 20 – 49 MWh	12,937	17.3%	419.9	8.6%
I&C 50 – 499 MWh	9,934	13.3%	1,342.0	27.4%
I&C 500 – 1,999 MWh	817	1.1%	799.1	16.3%
I&C 2,000 – 19,999 MWh	268	0.4%	1,303.1	26.6%
I&C ≥ 20,000 MWh	18	0.02%	688.3	14.1%
Total I&C	**74,695**	**100%**	**4,897.6**	**100%**
Total	**890,750**		**7,742.7**	

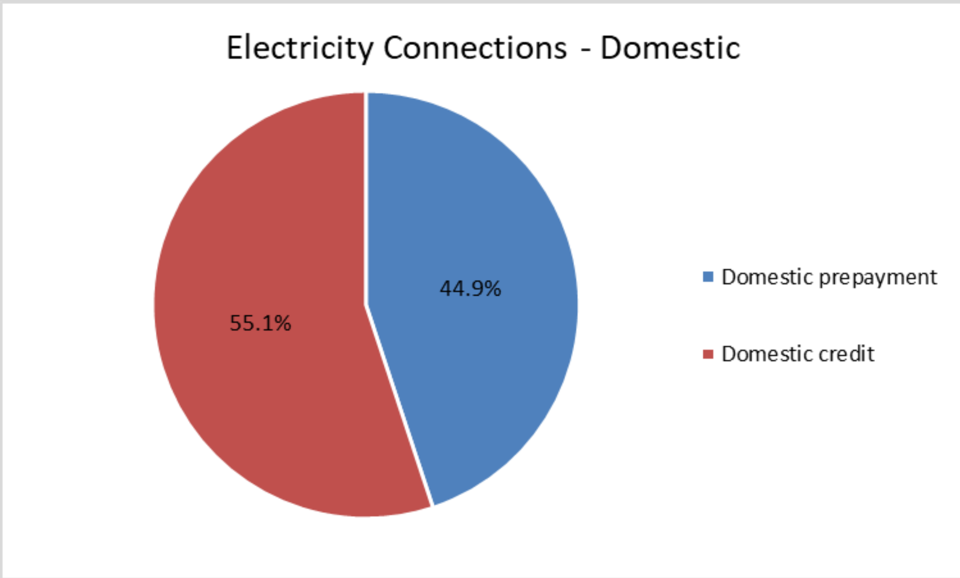
Of the total customers in Northern Ireland as at December 2019, 91.6% belong to the domestic sector, while the remaining 8.4% are I&C customers. This share translates into 36.7% and 63.3% in terms of consumption for the year.

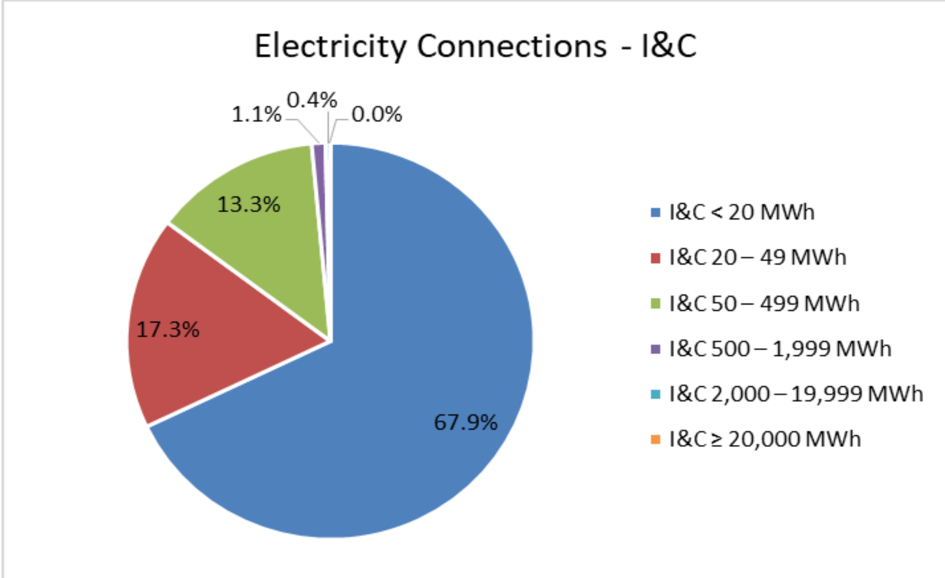
Within the domestic sector, at the end of the 2019 44.9% of the market use prepayment meters and 55.1% pay by credit (by connections).

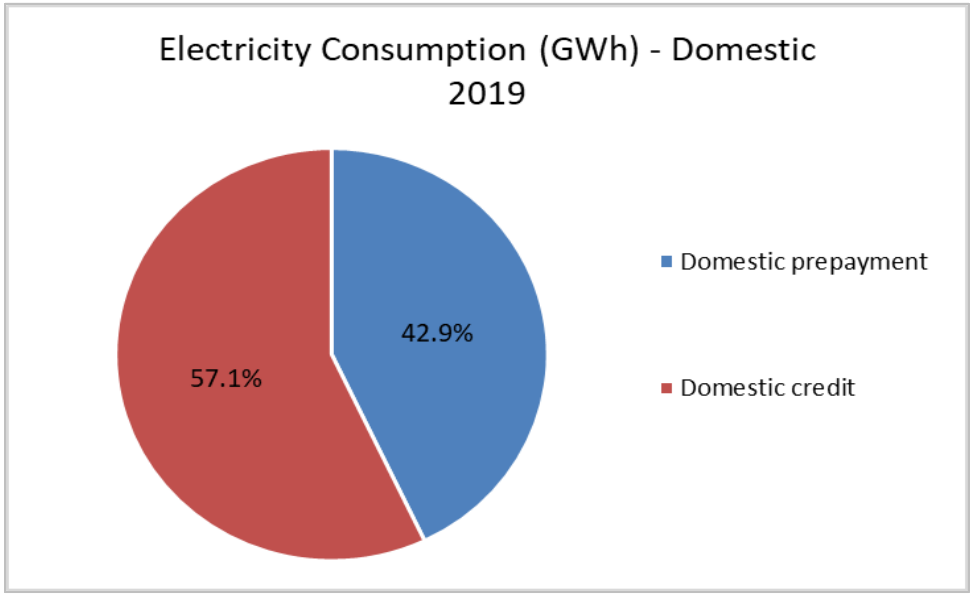
Within the I&C sector, at the end of the year more than 99.9% of the customers are small and medium enterprises (consuming less than 19,999 MWh), with 85.9% of the 2019 I&C consumption for the year. The remaining are Large Energy Users (LEU) connections that represent 8.9% of the total NI volume at the end of December, and 14.1% of I&C consumption for the year.

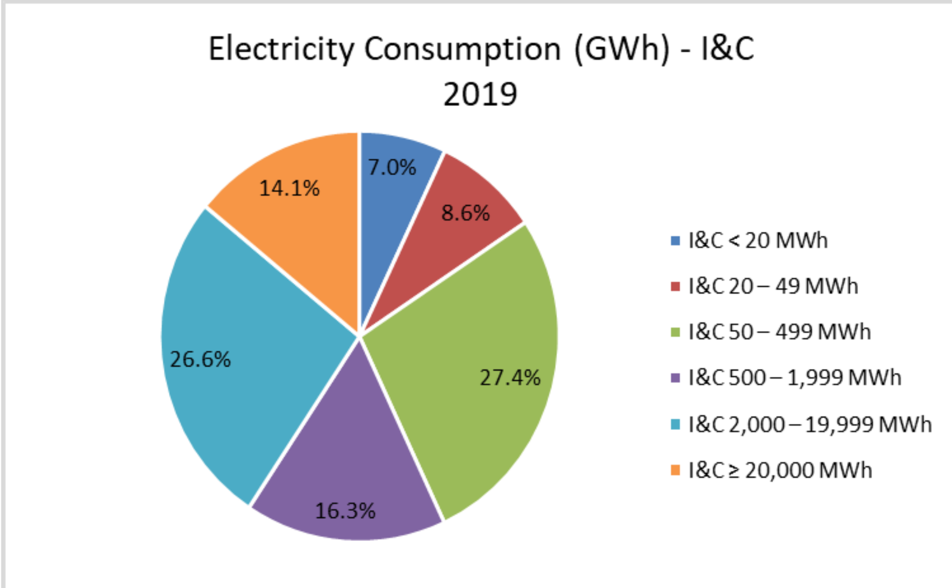
Source: NIEN

[4] Note that long term vacant sites are not included in connection numbers, and that combined premises are included in the <20MWh category


Electricity Connections - Domestic
55.1%
44.9%
Domestic prepayment
Domestic credit


Electricity Connections - I&C
1.1%
0.4%
0.0%
13.3%
17.3%
67.9%
I&C < 20 MWh
I&C 20 – 49 MWh
I&C 50 – 499 MWh
I&C 500 – 1,999 MWh
I&C 2,000 – 19,999 MWh
I&C ≥ 20,000 MWh


Electricity Consumption (GWh) - Domestic 2019
57.1%
42.9%
Domestic prepayment
Domestic credit


Electricity Consumption (GWh) - I&C 2019
14.1%
7.0%
8.6%
26.6%
27.4%
16.3%
I&C < 20 MWh
I&C 20 – 49 MWh
I&C 50 – 499 MWh
I&C 500 – 1,999 MWh
I&C 2,000 – 19,999 MWh
I&C ≥ 20,000 MWh

3.2 Electricity Market shares

Electricity shares by connections[5]

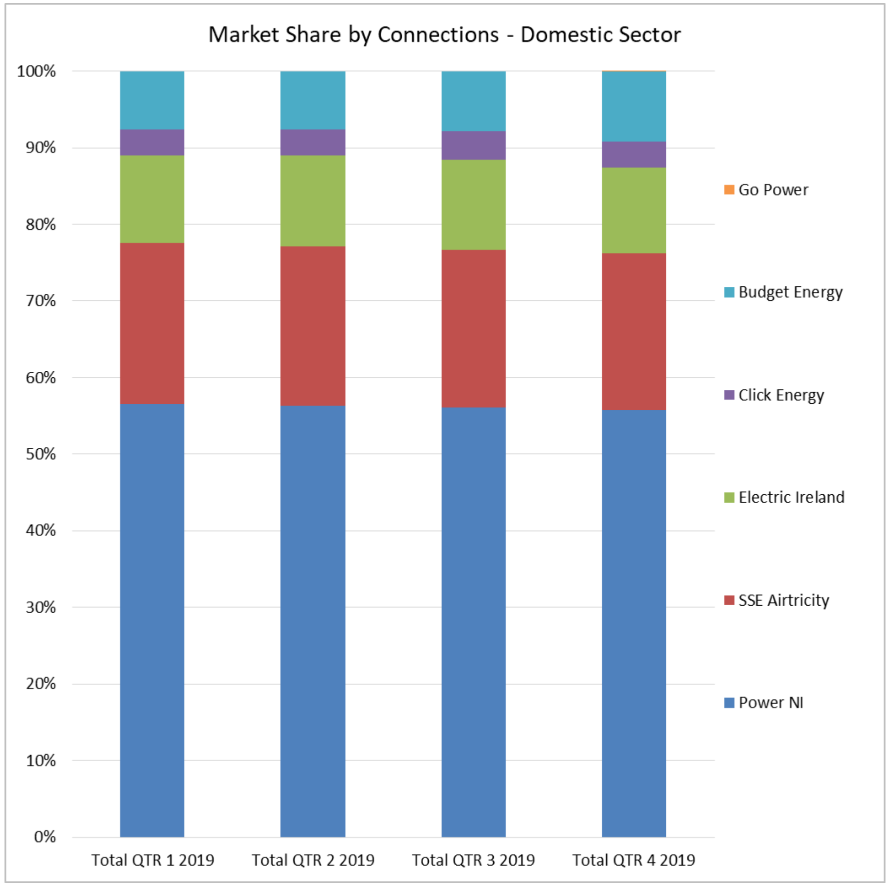
During 2019 there were six[6] domestic electricity suppliers in NI, and eight[7] active suppliers in the I&C electricity market. The total number of domestic customers at the end of 2019 was 816,055. As is evident from the table below a significant number of domestic customers (55.7%) remain with the previously incumbent supplier Power NI. The introduction of a number of new suppliers and the associated increase in competition indicates that the dynamic of the domestic market is gradually changing.

Table 4 Domestic market shares by connections

End of Q4 2019

Domestic Suppliers	Domestic Prepayment		Domestic Credit		Domestic Total	
Power NI	159,696	43.6%	295,367	65.6%	455,063	55.7%
SSE Airtricity	69,982	19.1%	96,814	21.5%	166,796	20.4%
Go Power	-	0.0%	32	0.003%	32	0.002%
Electric Ireland	43,664	11.9%	47,908	10.6%	91,572	11.2%
Click Energy	25,560	7.0%	2,009	0.4%	27,569	3.4%
Budget Energy	67,309	18.4%	7,714	1.7%	75,023	9.2%
Dom Market	**366,211**	**100%**	**449,844**	**100%**	**816,055**	**100%**

Source: NIEN



The market shares at the end of 2019 illustrate a similar position to the previous year for Power NI. At the end of 2019 Power NI supplied 43.6% of the domestic prepayment and 65.6% of the domestic credit market, this is a marginal reduction when compared to the same period in 2018 when Power NI held 44.1% of the domestic prepayment and 67.0% of the domestic credit connections. The continued slow growth of the new entrants in the domestic market is clear, given that the non-incumbents now represent over 44.3% of total domestic connections in NI (an increase from 43.2% in the same period last year).

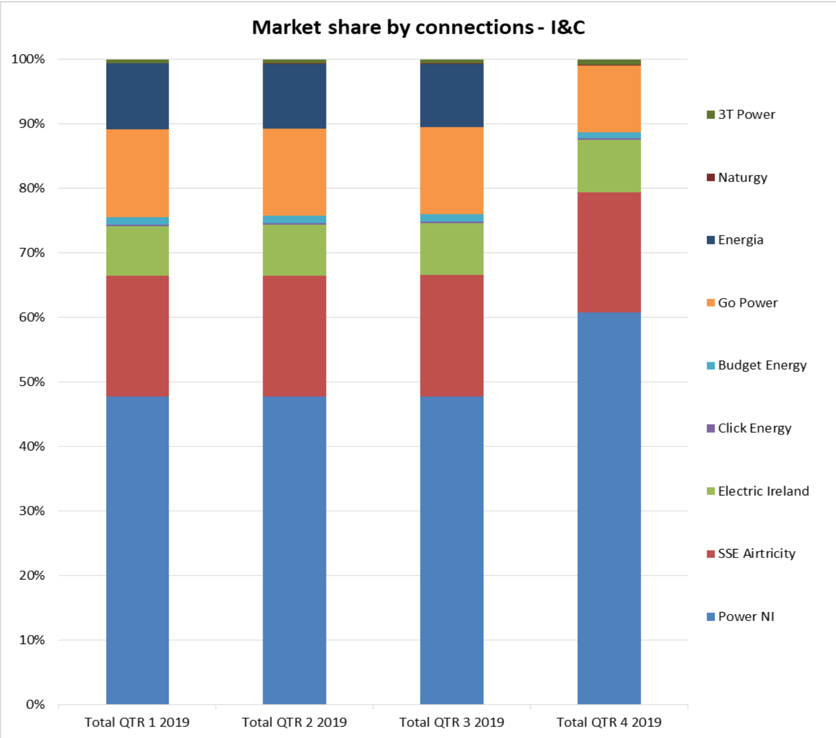
[5] Market shares figures do not include de-energised nor Long Term Vacant sites.
[6] Go Power took on their first domestic electricity customer in October 2019.
[7] In October 2019 the Energia supply business was transferred to PowerNI and all Energia customers are now included within PowerNI.

Table 5 I&C market shares by connections

End of Q4 2019

I&C Suppliers	I&C < 20 MWh		I&C 20 – 49 MWh		I&C 50 – 499 MWh		I&C 500 – 1,999 MWh		I&C 2,000 – 19,999 MWh		I&C ≥ 20,000 MWh		I&C Total	
Power NI	33,428	65.9%	6,631	51.3%	4,876	49.1%	355	43.5%	117	43.7%	3	16.7%	45,410	60.8%
SSE Airtricity	8,967	17.7%	3,150	24.3%	1,643	16.5%	94	11.5%	36	13.4%	4	22.2%	13,894	18.6%
Go Power	4,598	9.1%	1,651	12.8%	1,390	14.0%	118	14.4%	34	12.7%	4	22.2%	7,795	10.4%
Electric Ireland	2,813	5.5%	1,287	9.9%	1,709	17.2%	203	24.8%	75	28.0%	7	38.9%	6,094	8.2%
Budget Energy	411	0.8%	134	1.0%	69	0.7%	4	0.5%	-	0.0%	-	0.0%	618	0.8%
Naturgy	33	0.1%	5	0.04%	14	0.1%	14	1.7%	1	0.4%	-	0.0%	67	0.1%
Click Energy	153	0.3%	21	0.2%	16	0.2%	2	0.2%	2	0.7%	-	0.0%	194	0.3%
3T Power	318	0.6%	58	0.4%	217	2.2%	27	3.3%	3	1.1%	-	0.0%	623	0.8%
I&C Market	**50,721**	**100%**	**12,937**	**100%**	**9,934**	**100%**	**817**	**100%**	**268**	**100%**	**18**	**100%**	**74,695**	**100%**

Source: NIEN



The graph shows the trends in market shares (by customer numbers) for each active I&C supplier in NI by market segment, for year 2019. Competition in the I&C market is more developed than the domestic sector, and consequently market shares are much more dispersed. Out of the eight active suppliers at the end of 2019, based on customer numbers, three of these suppliers have shares in excess of 10% in the total I&C market.

In October 2019 the Energia supply business was transferred to Power NI and all Energia customers are now included within Power NI. This resulted in Power NI's market share increasing to 60.8% of the I&C sector (48.0% at the end of 2018).

Table 6 Total NI market shares by connections

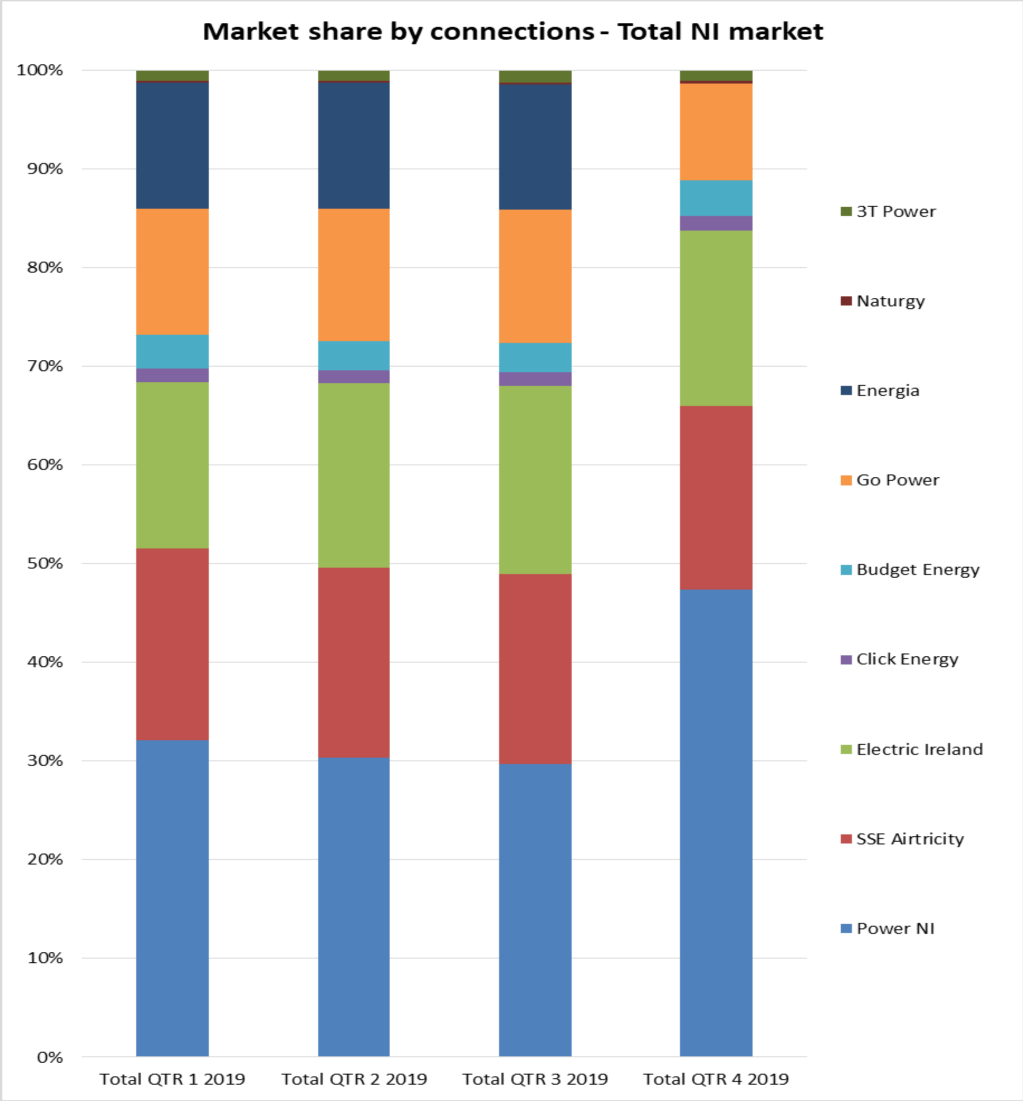
End of Q4 2019

Suppliers	Total	
Power NI	500,473	56.2%
SSE Airtricity	180,690	20.3%
Electric Ireland	97,666	11.0%
Click Energy	27,763	3.1%
Budget Energy	75,641	8.5%
Go Power	7,827	0.9%
Naturgy	67	0.01%
3T Power	623	0.1%
Total Market	**890,750**	**100%**

Source: NIEN

When looking at the electricity retail market as a whole by connections, (domestic and I&C customers) Power NI's leading position as the incumbent supplier has increased to 56.2% as at the end of 2019. This was mainly attributable to the transfer of Energia's I&C customers to Power NI in October 2019. Excluding these customers, Power NI's market share is 55.3% which is less when compared to their 56.1% total market share in the same period last year (end of 2018).

The graph to the right shows the trends in market shares (by customer numbers) for each active domestic and I&C supplier in NI for 2019 calendar year.



Electricity shares by consumption (GWh)

Table 7 Domestic market shares by consumption

Total consumption 2019

Domestic Suppliers	Domestic Prepayment		Domestic credit		Domestic Total	
	GWh	%	GWh	%	GWh	%
Power NI	517.5	42.4%	1,009.2	62.1%	1,526.7	53.7%
SSE Airtricity	252.4	20.7%	395.5	24.4%	647.9	22.8%
Electric Ireland	165.4	13.5%	181.3	11.2%	346.7	12.2%
Click Energy	89.3	7.3%	7.3	0.5%	96.6	3.4%
Budget Energy	196.8	16.1%	30.5	1.9%	227.3	8.0%
Go Power	0.0	0.0%	0.02	0.001%	0.02	0.001%
Dom Market	**1,221.2**	**100%**	**1,623.9**	**100%**	**2,845.1**	**100%**

Source NIEN

In 2019, Power NI's share of the market by consumption was 42.4% for domestic prepayment and 62.1% for domestic credit, this shows a decrease when compared to the same period in 2018 when Power NI's domestic credit market share was 64.3%. Their domestic prepayment market share has remained at 42.6% for the same period.

The graph to the right shows the trends in market shares (by consumption) for each active domestic supplier in NI for the 2019 calendar year.

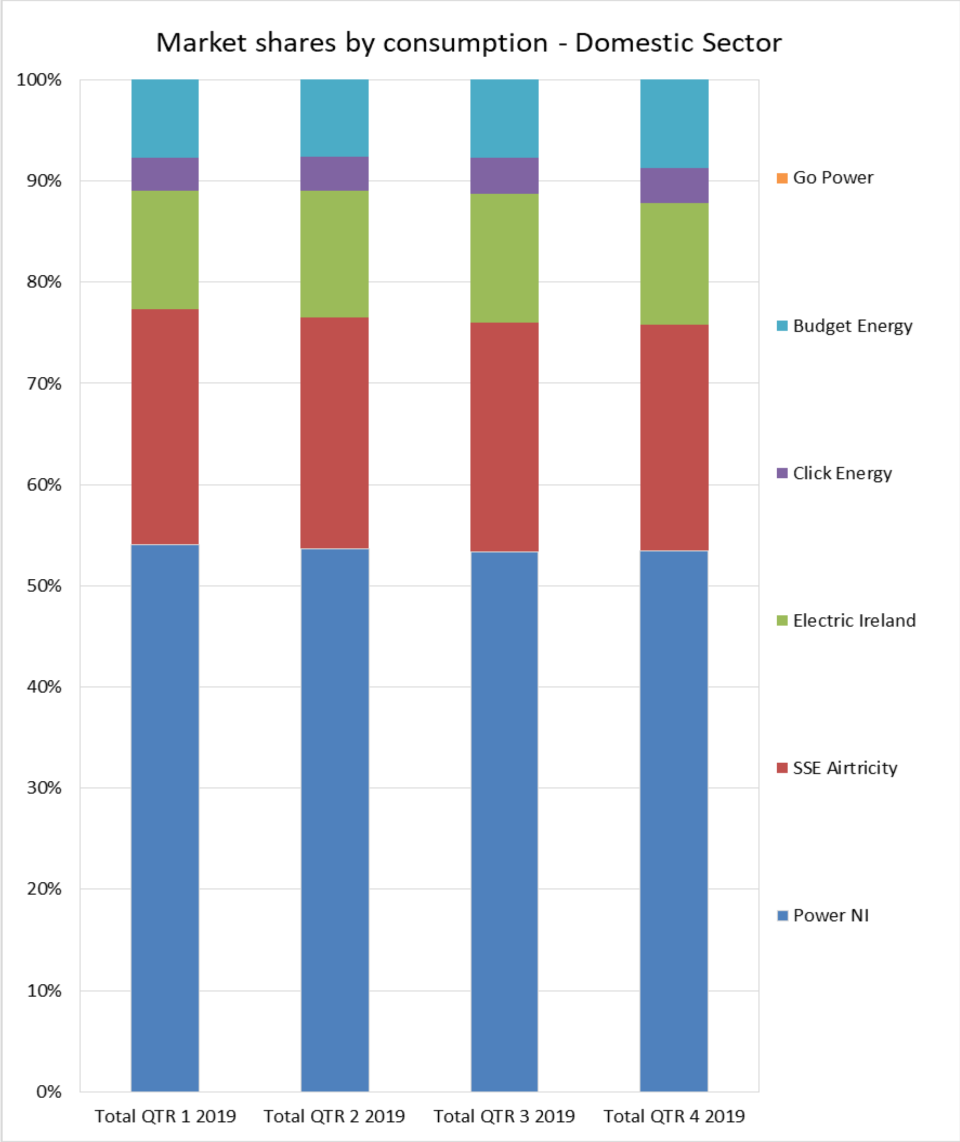


Table 8 I&C market shares by consumption

Total consumption 2019

I&C Suppliers	I&C < 20 MWh		I&C < 20 – 49 MWh		I&C 50 – 499 MWh		I&C 500 – 1,999 MWh		I&C 2,000 – 19,999 MWh		I&C ≥ 20,000 MWh		I&C Total	
	GWh	%	GWh	%	GWh	%	GWh	%	GWh	%	GWh	%	GWh	%
Power NI	170.7	49.5%	165.6	39.4%	424.3	31.6%	173.0	21.7%	256.1	19.7%	19.4	2.8%	**1,209.1**	**24.7%**
SSE Airtricity	67.4	19.5%	101.4	24.2%	197.8	14.7%	99.8	12.5%	216.2	16.6%	152.0	22.1%	**834.6**	**17.0%**
Go Power	50.7	14.7%	61.0	14.5%	229.8	17.1%	170.1	21.3%	156.5	12.0%	283.1	41.1%	**951.2**	**19.4%**
Electric Ireland	24.8	7.2%	42.0	10.0%	249.0	18.6%	170.3	21.3%	381.2	29.3%	179.7	26.1%	**1,047.0**	**21.4%**
Energia	25.5	7.4%	42.2	10.0%	182.9	13.6%	150.6	18.9%	263.1	20.2%	54.1	7.9%	**718.4**	**14.7%**
Budget Energy	3.4	1.0%	5.6	1.3%	9.7	0.7%	2.5	0.3%	2.4	0.2%	0.0	0.0%	**23.6**	**0.5%**
Naturgy	0.1	0.02%	0.1	0.02%	2.1	0.2%	10.2	1.3%	4.1	0.3%	0.0	0.0%	**16.6**	**0.3%**
Click Energy	0.8	0.2%	0.7	0.2%	1.9	0.1%	0.8	0.1%	9.6	0.7%	0.0	0.0%	**13.8**	**0.3%**
3T Power	1.8	0.5%	1.3	0.3%	44.5	3.3%	21.7	2.7%	13.9	1.1%	0.0	0.0%	**83.2**	**1.7%**
Total Market	**345.2**	**100%**	**419.9**	**100%**	**1,342.0**	**100%**	**799.1**	**100%**	**1,303.2**	**100%**	**688.3**	**100%**	**4,897.6**	**100%**

Source: NIEN

The main suppliers by consumption in the I&C sector are Power NI (24.7%), Electric Ireland (21.4%), Go Power (19.4%) and SSE Airtricity (17.0%). As mentioned previously, the transfer of Energia I&C customers to Power NI during Q4 2019 resulted in an increased market share for Power NI.

The graph to the right shows the trends in market shares (by consumption) for each active I&C supplier in NI during 2019.

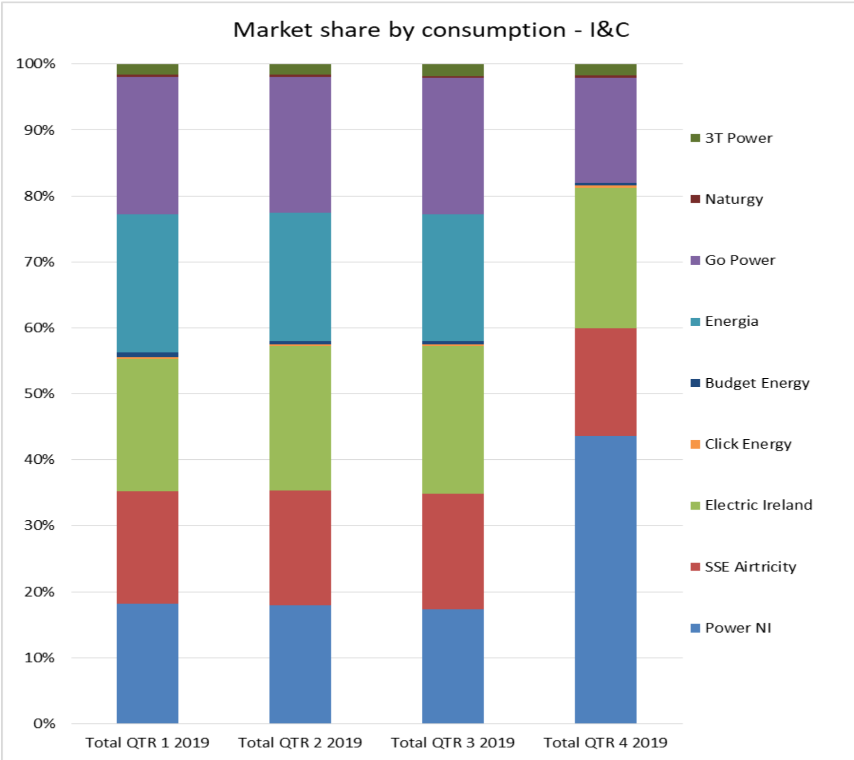


Table 9 Total NI market shares by consumption

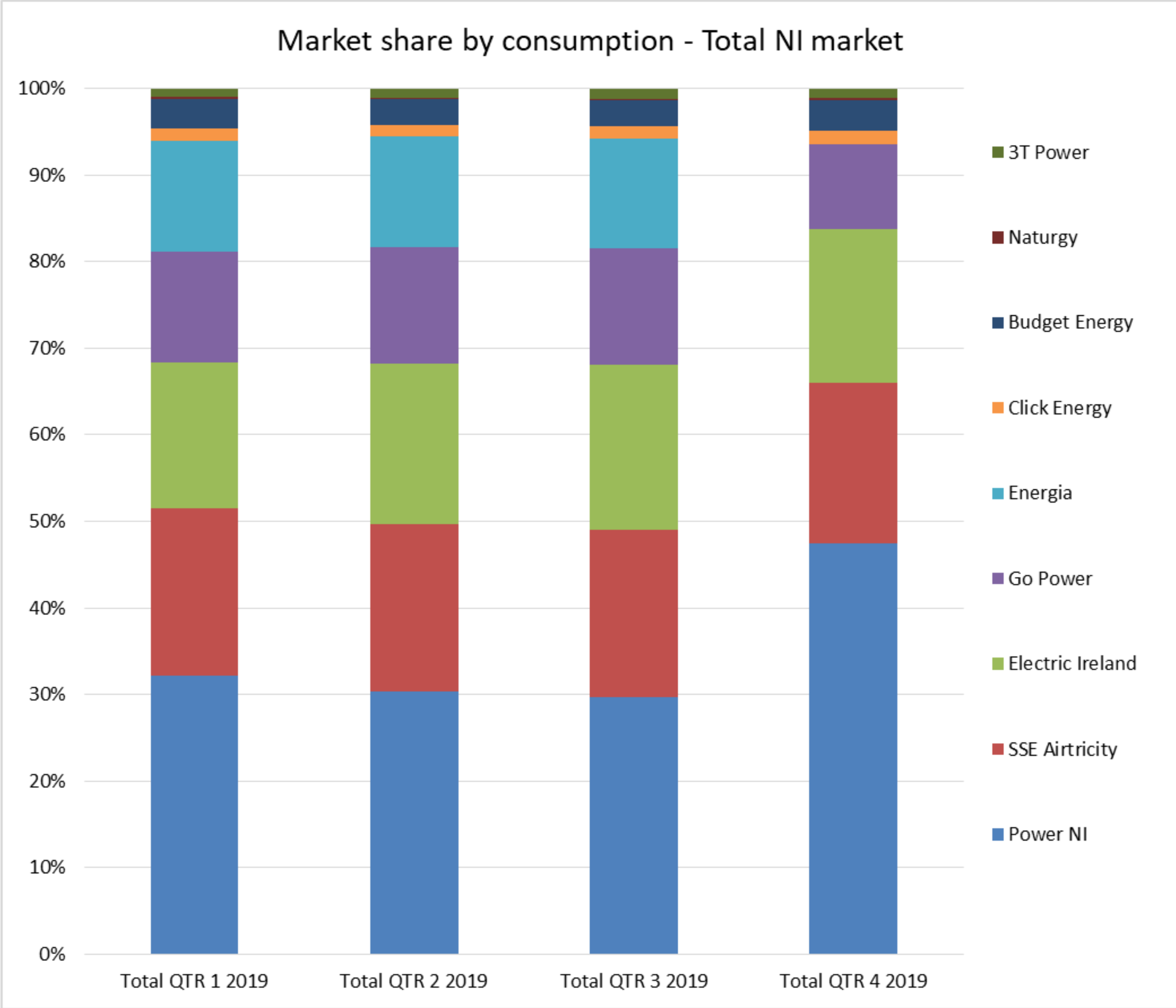
Total consumption 2019

Total Market	Total	
	GWh	%
Power NI	2,735.8	35.3%
SSE Airtricity	1,482.5	19.1%
Electric Ireland	1,393.7	18.0%
Energia	718.4	9.3%
Click Energy	110.4	1.4%
Budget Energy	250.9	3.2%
Go Power	951.2	12.3%
Naturgy	16.6	0.2%
3T Power	83.2	1.1%
Total Market	**7,742.7**	**100%**

Source: NIEN

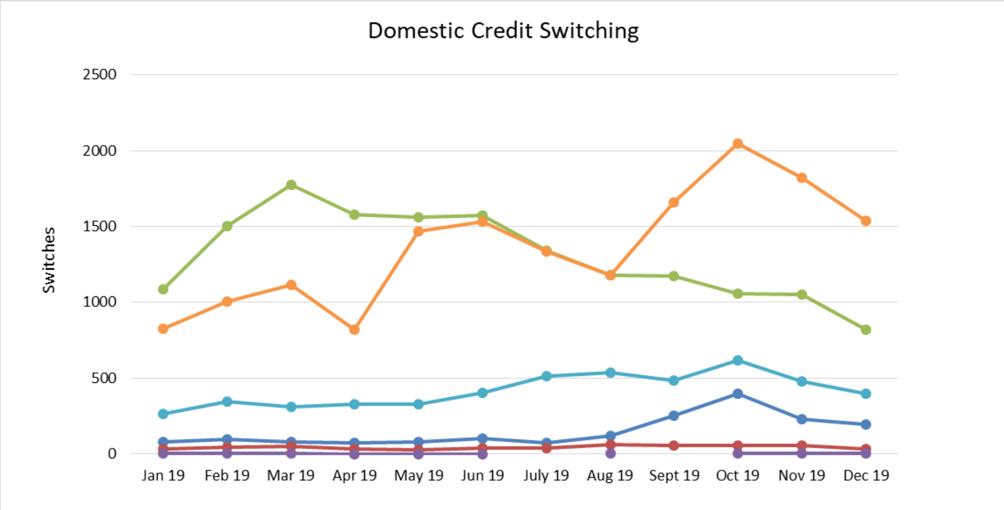
Electricity consumption in NI retail market for 2019 was over 7,743 GWh, which indicates a year on year decrease when compared to 7,950 GWh consumed in 2018.

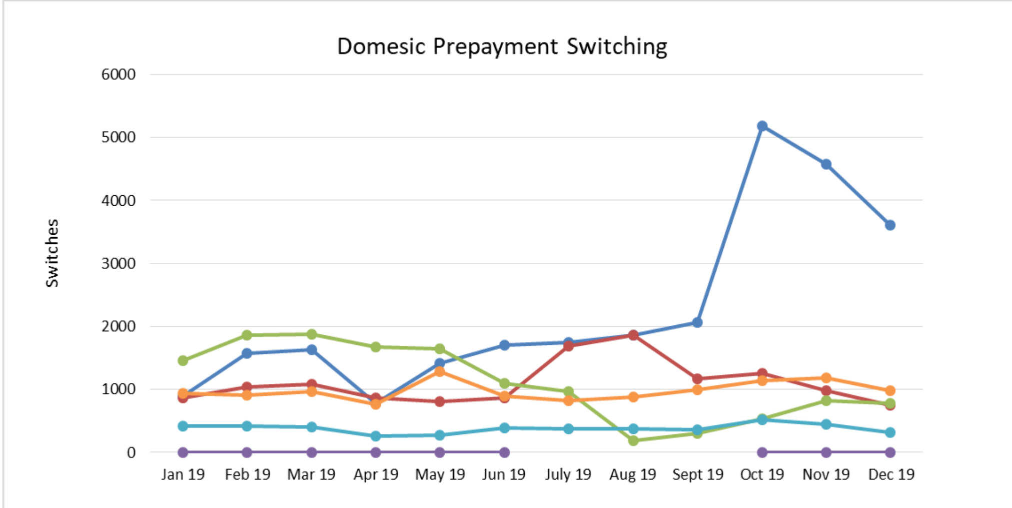
The graph to the right reflects the trends in market shares (by total consumption) for each active domestic and I&C supplier in NI for the previous four quarters.

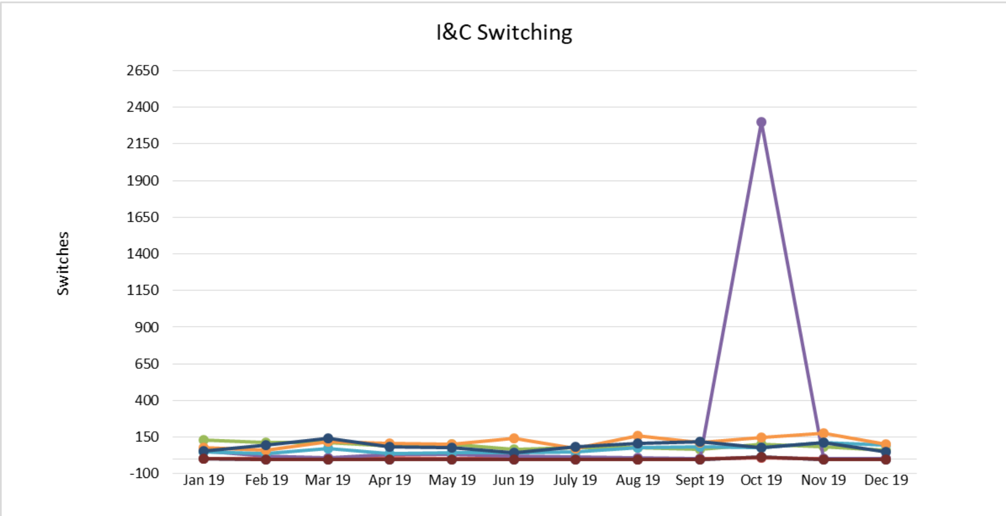


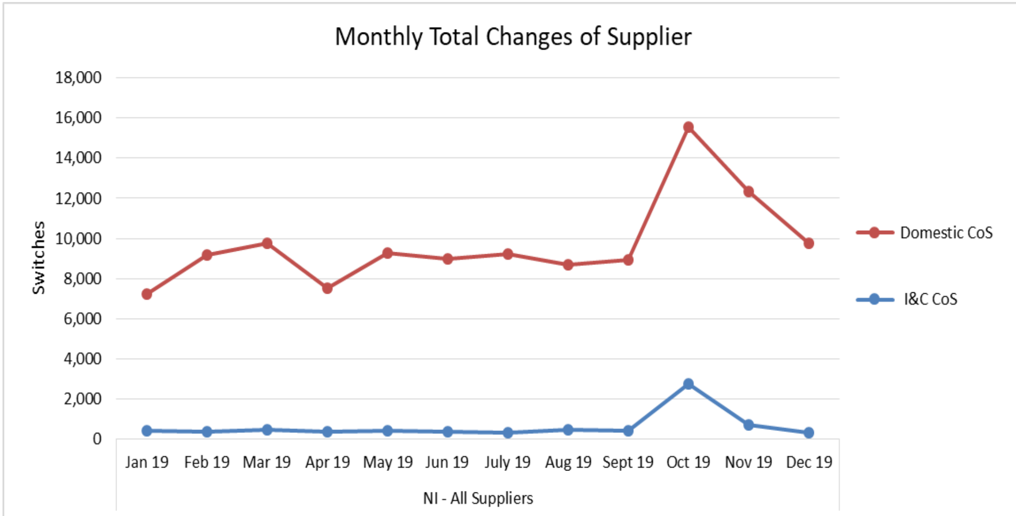
3.3 Electricity market activity

The line charts below reflect the change of customer numbers (gains per supplier), per market segment and anonymised supplier for 2019.









The table below shows market activity through changes of supplier (CoSs) on a quarterly basis in the whole NI market split by domestic and I&C for 2019. These 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 10 Electricity market activity

Q4 2019

Period	Domestic Switching		I&C Switching		Total Switching	
2019 Q1	24,956	3.1%	1,204	1.6%	26,160	3.0%
2019 Q2	24,673	3.0%	1,100	1.5%	25,773	2.9%
2019 Q3	25,690	3.2%	1,174	1.6%	26,864	3.0%
2019 Q4	33,895	4.2%	3,752	5.0%	37,647	4.2%
2019 Total	**109,214**		**7,230**		**116,444**	

Source: NIEN [8]

The number of domestic switches which took place during 2019 (109,214) increased when compared to 2018 (104,421). In 2019, there were an average of c9,100 domestic switches per month in comparison to c8,700 per month in 2018.

In the I&C market, switching activity remained at a similar level to 2018, with a total of c7,200 switches completed during 2019.

[8] The transfer of the Energia supply business and their customers to PowerNI has not been classified as a customer switch.

3.4 Electricity prices

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 BEIS's Quarterly Energy Prices reports[9] and Eurostat data base[10]) once these figures have been converted to GBP.

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:

- **Volume** of electricity sold to consumers.
- The **value**, or revenue gained from the sale, split into three categories: excluding all taxes, excluding VAT, and including all taxes.
- 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

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

the comparable six-month period for NI.

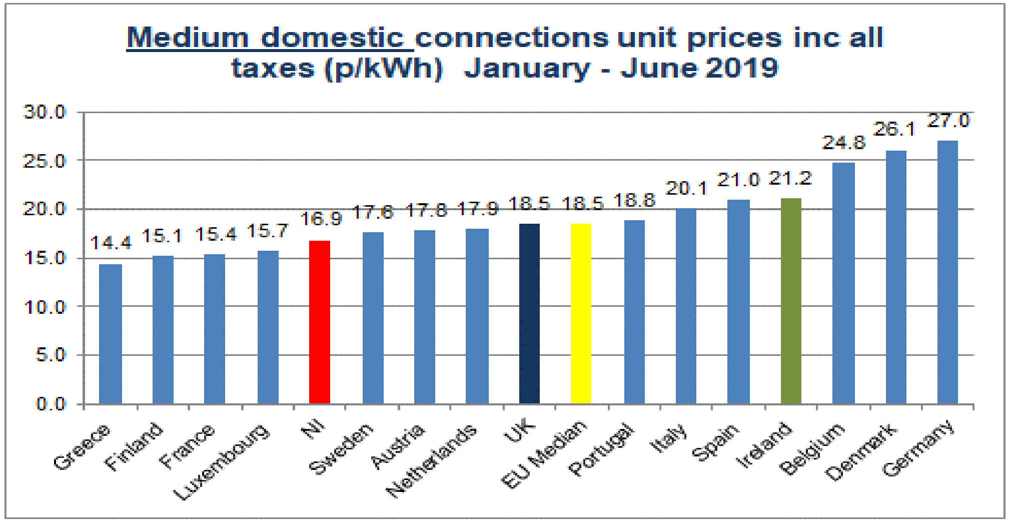
It should be noted that the comparability of the derived NI prices to the other Member States can be greatly affected by fluctuations in the Euro GBP exchange rate. For the purposes of tariff comparisons we convert the EU tariff data from Euro to GBP using the monthly average exchange rate applicable 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.

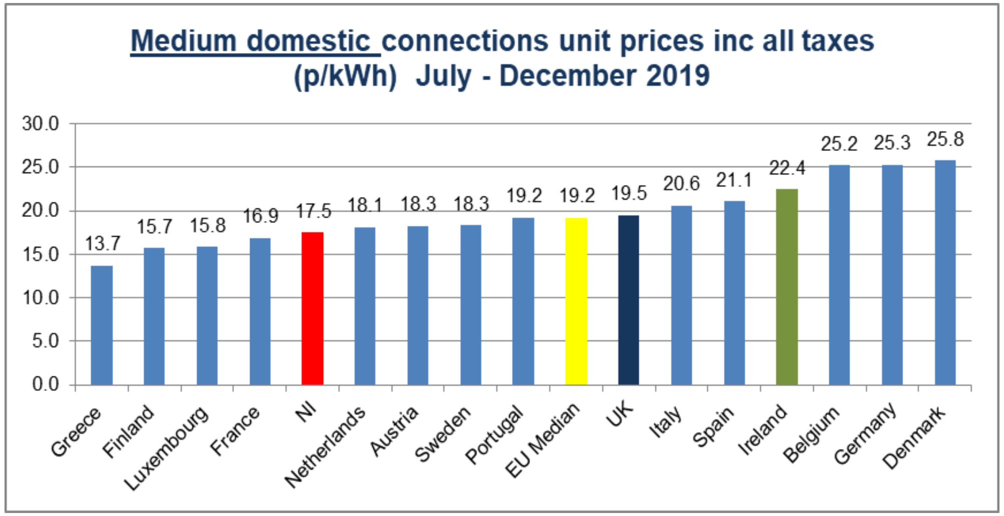
The pricing data detailed in this ATR provides a comparison for the period January – June 2019 (semester 1) and July – December 2019 (semester 2).

Domestic price comparison with EU

In the domestic graph shown below, 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.

In S1 2019 and S2 2019 the NI price was significantly below the EU median, and ranks among the cheapest in Europe. The NI domestic price is also less than that of GB and considerably less than RoI.





I&C price comparison with EU

The following graphs show I&C electricity prices in the 15 EU countries[11] (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.

The tables to the right show the percentage of connections and consumption for the relevant period at the end of each semester.

During S1 2019, for the Very Small I&C category, NI prices were slightly higher than the rest of the UK and EU median, but were lower than RoI. In S2 2019 the NI price for the Very Small I&C category ranked amongst the most reasonable in EU, ranked below the UK, EU median and RoI (two thirds of I&C connections in NI are in this size category).

In S1 2019 the Medium and Larger I&C categories, prices are above those in RoI but are lower than the UK. In S2 2019 the NI price for the aforementioned categories remained below the UK and in the Medium I&C category the NI price was also lower than RoI. The following table shows the percentage of connections and consumption for the period end detailed in the I&C graphs (S1 & S2 2019).

Table 11 Electricity market % by I&C consumption band

End of Q2 2019 (June 2019)

Size of customer	Annual consumption bands (MWh)	% of I&C connections	% of I&C consumption	I&C connection numbers
Very small	< 20	67.7%	6.5%	49,809
Small	20 – 499	30.8%	33.8%	22,707
Small / Medium	500 – 1,999	1.1%	16.7%	832
Medium	2,000 – 19,999	0.4%	27.7%	252
Large & Very Large	>20,000	0.02%	15.3%	18

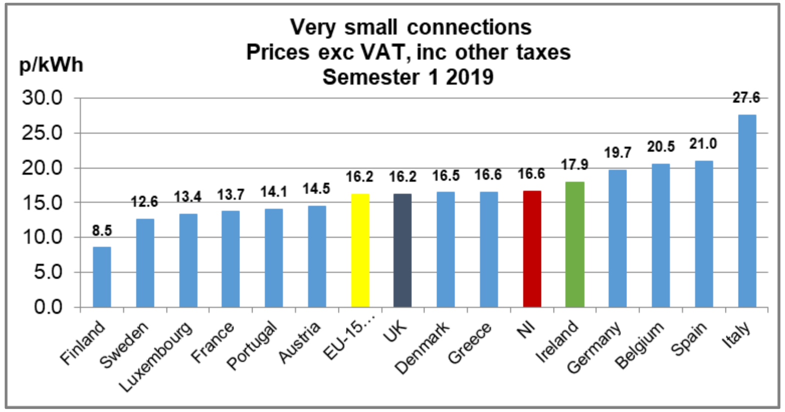
Source: NIEN

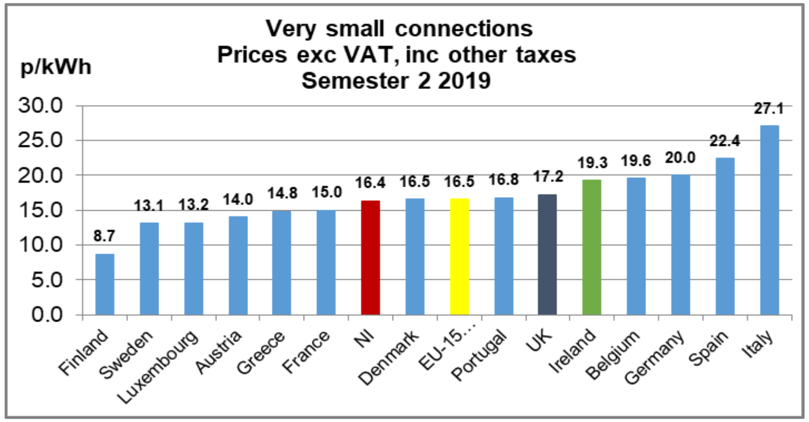
End of Q4 2019 (December 2019)

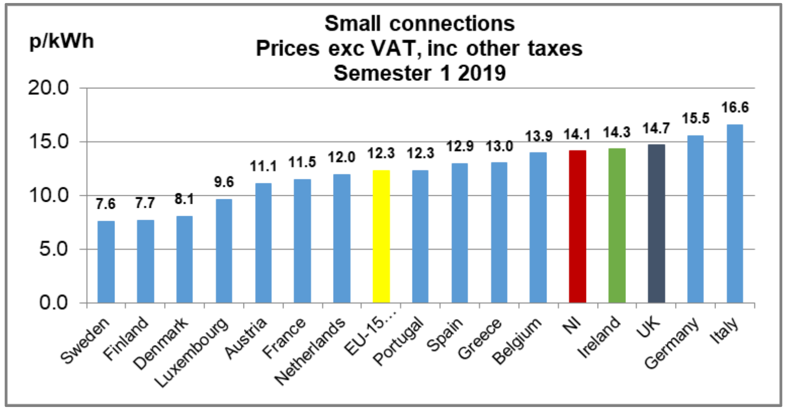
Size of customer	Annual consumption bands (MWh)	% of I&C connections	% of I&C consumption	I&C connection numbers
Very small	< 20	67.9%	7.2%	50,721
Small	20 – 499	30.6%	38.6%	22,871
Small / Medium	500 – 1,999	1.2%	16.0%	817
Medium	2,000 – 19,999	0.4%	25.7%	268
Large & Very Large	>20,000	0.02%	12.6%	18

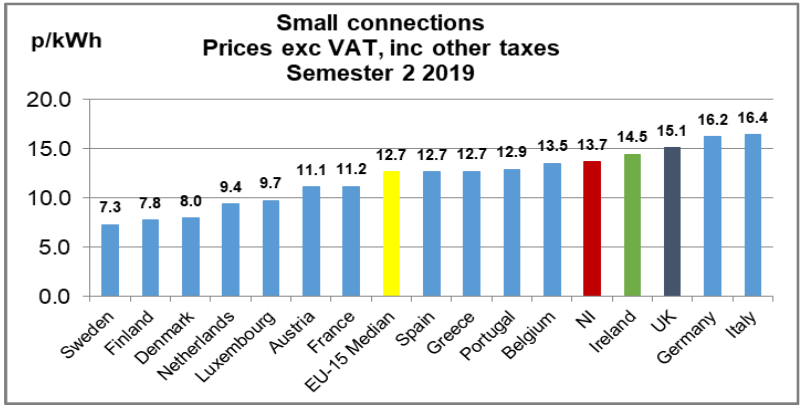
Source: NIEN

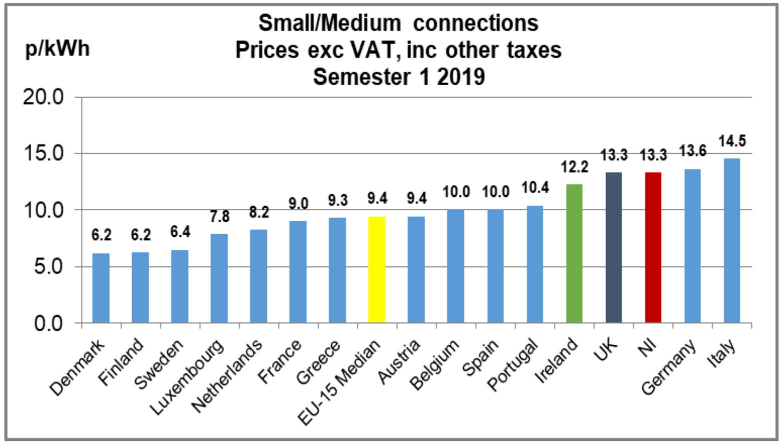
[11] Some graphs do not include all of the 15 EU countries due to availability of data from Eurostat.

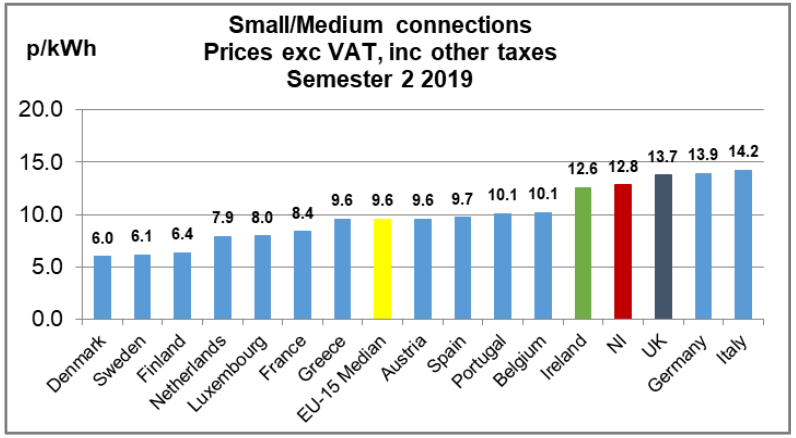

Very small connections
Prices exc VAT, inc other taxes
Semester 1 2019
p/kWh
30.0
25.0
20.0
15.0
10.0
5.0
0.0
8.5
12.6
13.4
13.7
14.1
14.5
16.2
16.2
16.5
16.6
16.6
17.9
19.7
20.5
21.0
27.6
Finland
Sweden
Luxembourg
France
Portugal
Austria
EU-15…
UK
Denmark
Greece
NI
Ireland
Germany
Belgium
Spain
Italy

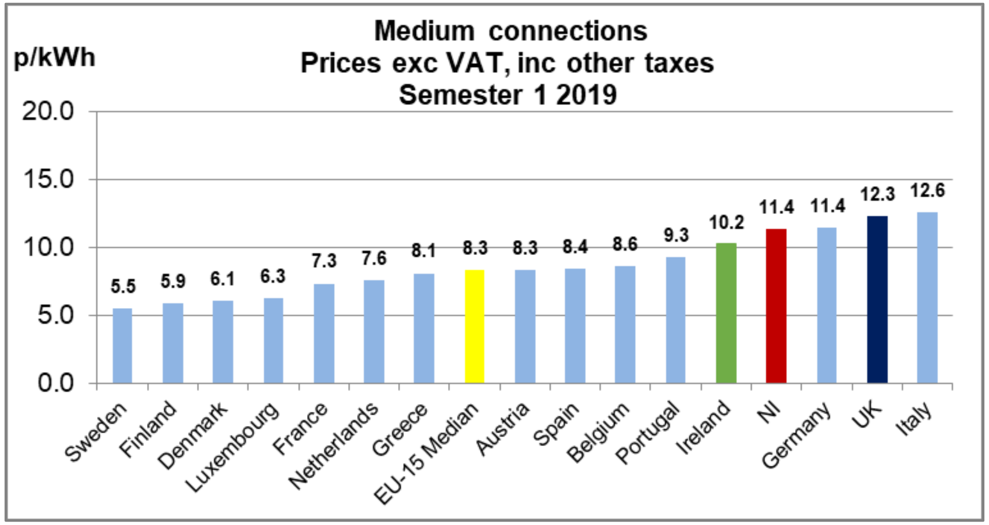

Very small connections
Prices exc VAT, inc other taxes
Semester 2 2019
p/kWh
30.0
25.0
20.0
15.0
10.0
5.0
0.0
8.7
13.1
13.2
14.0
14.8
15.0
16.4
16.5
16.5
16.8
17.2
19.3
19.6
20.0
22.4
27.1
Finland
Sweden
Luxembourg
Austria
Greece
France
NI
Denmark
EU-15…
Portugal
UK
Ireland
Belgium
Germany
Spain
Italy

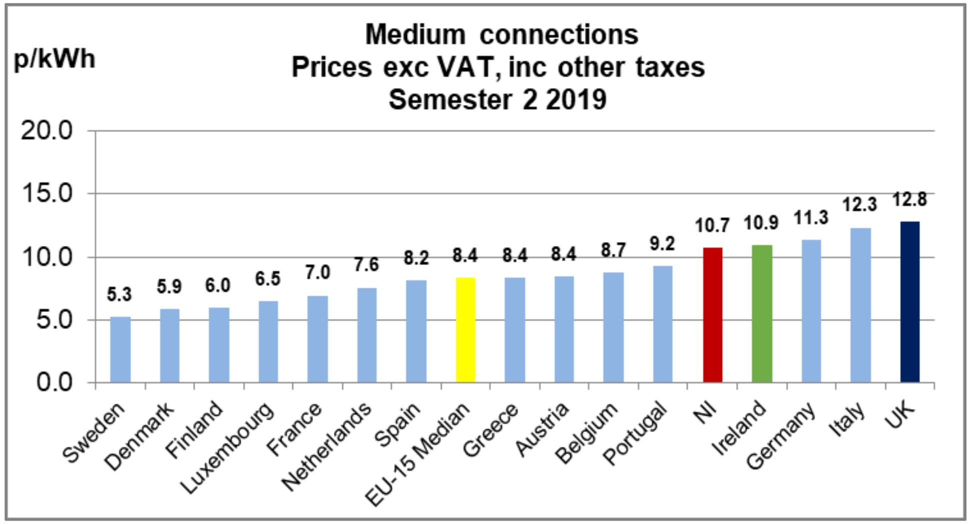

Small connections
Prices exc VAT, inc other taxes
Semester 1 2019
p/kWh
20.0
15.0
10.0
5.0
0.0
7.6
7.7
8.1
9.6
11.1
11.5
12.0
12.3
12.3
12.9
13.0
13.9
14.1
14.3
14.7
15.5
16.6
Sweden
Finland
Denmark
Luxembourg
Austria
France
Netherlands
EU-15…
Portugal
Spain
Greece
Belgium
NI
Ireland
UK
Germany
Italy

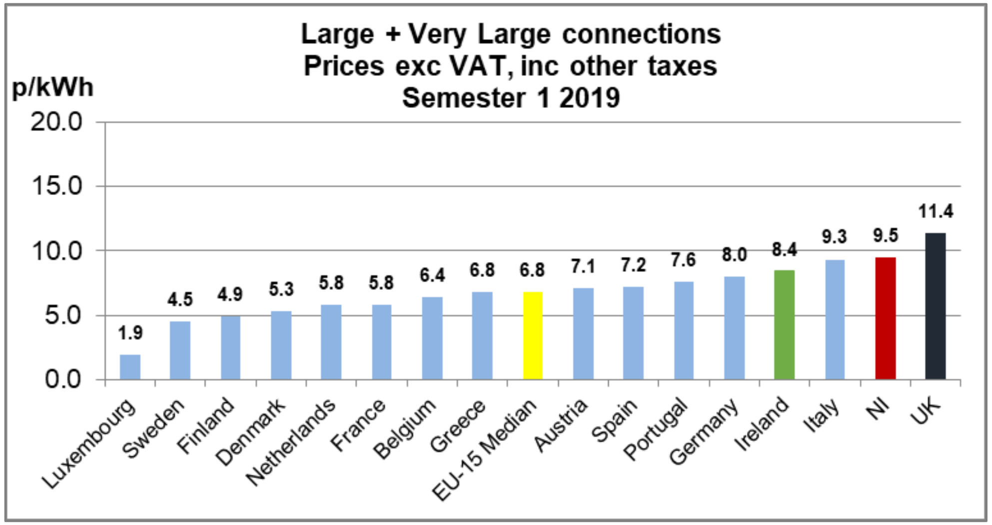

Small connections
Prices exc VAT, inc other taxes
Semester 2 2019
p/kWh
20.0
15.0
10.0
5.0
0.0
7.3
7.8
8.0
9.4
9.7
11.1
11.2
12.7
12.7
12.7
12.9
13.5
13.7
14.5
15.1
16.2
16.4
Sweden
Finland
Denmark
Netherlands
Luxembourg
Austria
France
EU-15 Median
Spain
Greece
Portugal
Belgium
NI
Ireland
UK
Germany
Italy

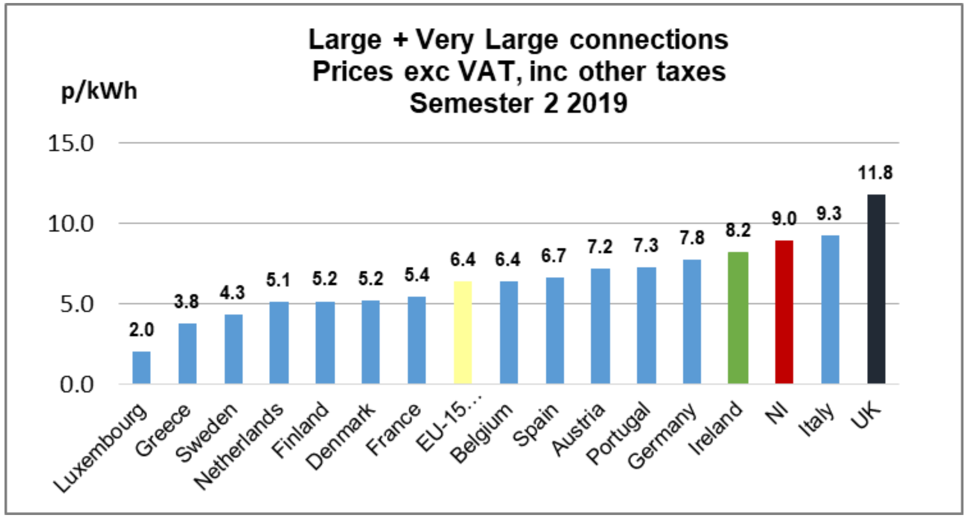

Small/Medium connections
Prices exc VAT, inc other taxes
Semester 1 2019
p/kWh
20.0
15.0
10.0
5.0
0.0
6.2
6.2
6.4
7.8
8.2
9.0
9.3
9.4
9.4
10.0
10.0
10.4
12.2
13.3
13.3
13.6
14.5
Denmark
Finland
Sweden
Luxembourg
Netherlands
France
Greece
EU-15 Median
Austria
Belgium
Spain
Portugal
Ireland
UK
NI
Germany
Italy


Small/Medium connections
Prices exc VAT, inc other taxes
Semester 2 2019
p/kWh
20.0
15.0
10.0
5.0
0.0
6.0
6.1
6.4
7.9
8.0
8.4
9.6
9.6
9.6
9.7
10.1
10.1
12.6
12.8
13.7
13.9
14.2
Denmark
Sweden
Finland
Netherlands
Luxembourg
France
Greece
EU-15 Median
Austria
Spain
Portugal
Belgium
Ireland
NI
UK
Germany
Italy









Source: NI electricity suppliers, Eurostat and UR internal calculations

4 Electricity Supplier Complaints

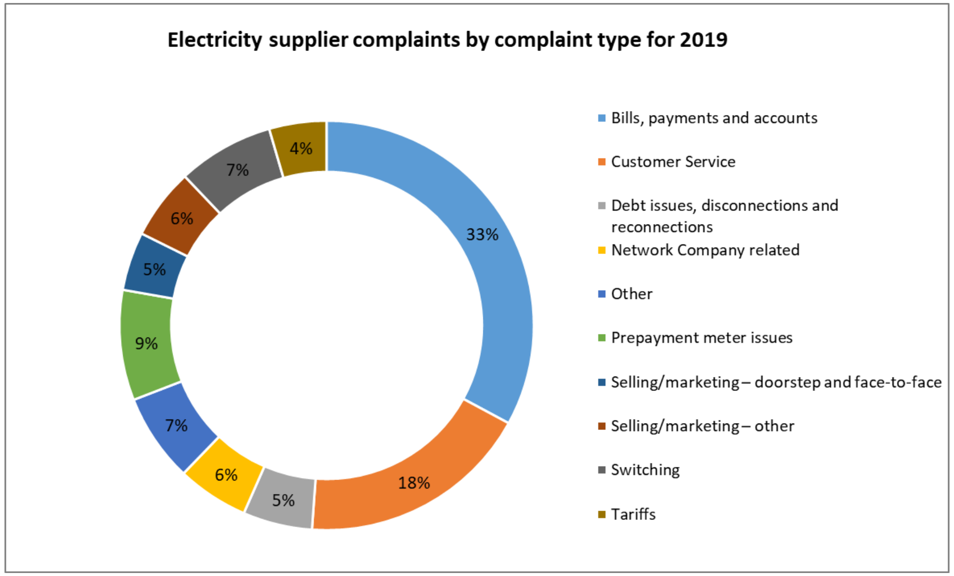
This section of the report provides readers with information in relation to electricity supplier complaints collated in 2019. The definition of a complaint is outlined in our Code of Practice minimum standards for complaints handling[12]. A complaint is "*The expression (through various possible channels: letter, email, phone call or physical claim) of a person's dissatisfaction*". The complaints data is provided by electricity suppliers as per the REMM framework[13][14].

4.1 Total supplier complaints

The table below shows the total number of complaints received by suppliers during 2019, per complaint type, for domestic and I&C customers. The corresponding graph to the right shows the percentage breakdown of the type of complaints made to suppliers during 2019 for all customers.

Complaint type	Domestic complaints	I&C complaints	Total
Bills, payments and accounts	1,567	221	1,788
Customer Service	892	97	989
Debt issues, disconnections and reconnections	155	139	294
Network Company related	250	54	304
Other	343	34	377
Prepayment meter issues	473	0	473
Selling/marketing – doorstep and face-to-face	236	15	251
Selling/marketing – other	295	8	303
Switching	381	28	409
Tariffs	206	37	243
Grand Total	**4,798**	**633**	**5,431**

Source: Suppliers

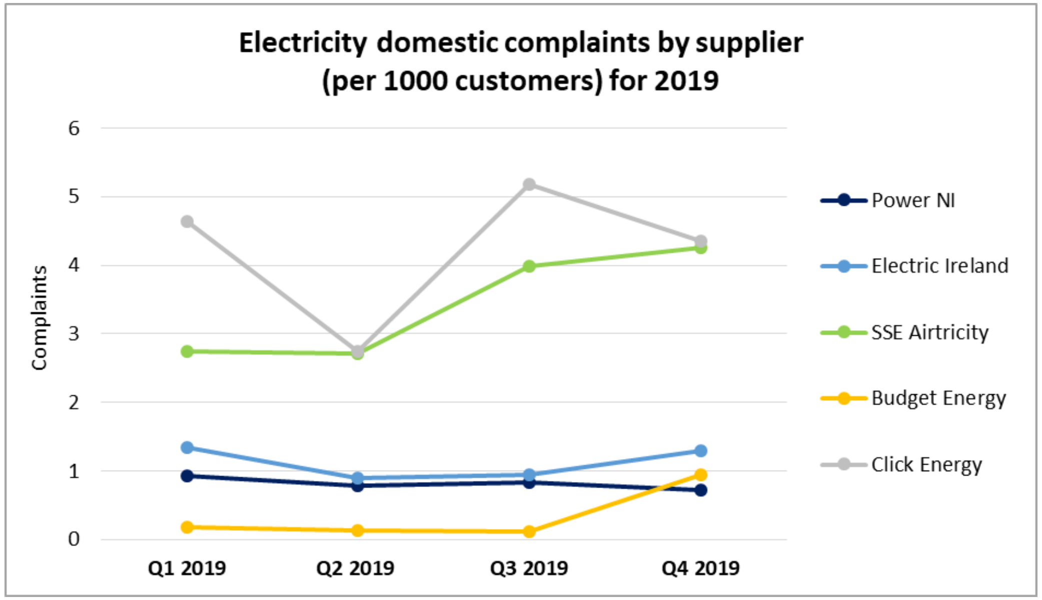


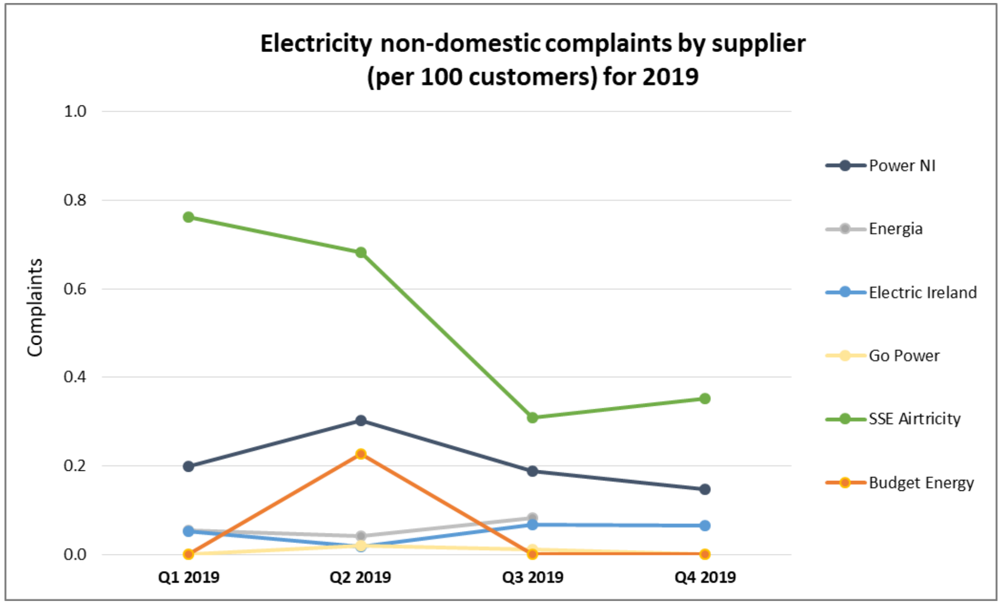
The three most common electricity supplier complaints made during 2019 related to: bills, payments and accounts (33%), customer service (18%) and prepayment meter issues (9%)[15].

[12] As defined in the Code of Practice minimum standards on complaint handling (June 2015)
[13] REMM final decisions paper (June 2015)
[14] CCNI have a statutory duty to deal with customer complaints which they publish each year: CCNI Enquires and Complaints annual report 2019/20
[15] It should be noted that complaints in relation to prepayment meter issues are only applicable to domestic customers (and hence domestic suppliers). Prepayment meter complaints equated to 10% of the total domestic complaints during 2019.

4.2 Supplier complaints (per customer numbers)

In order to effectively compare electricity suppliers and the number of complaints received in relation to their total customer numbers, the graphs below show the number of complaints received by each supplier in relation to their customer base (per 1000 customers for domestic and per 100 customers for non-domestic)[16]. This is split over the four quarters of 2019.



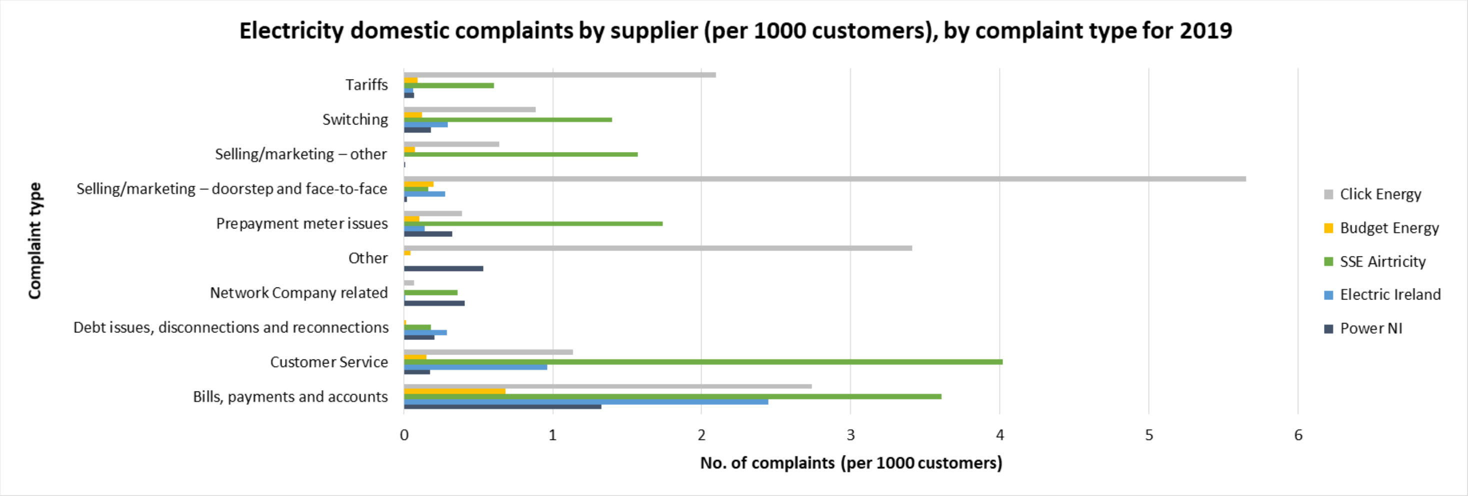


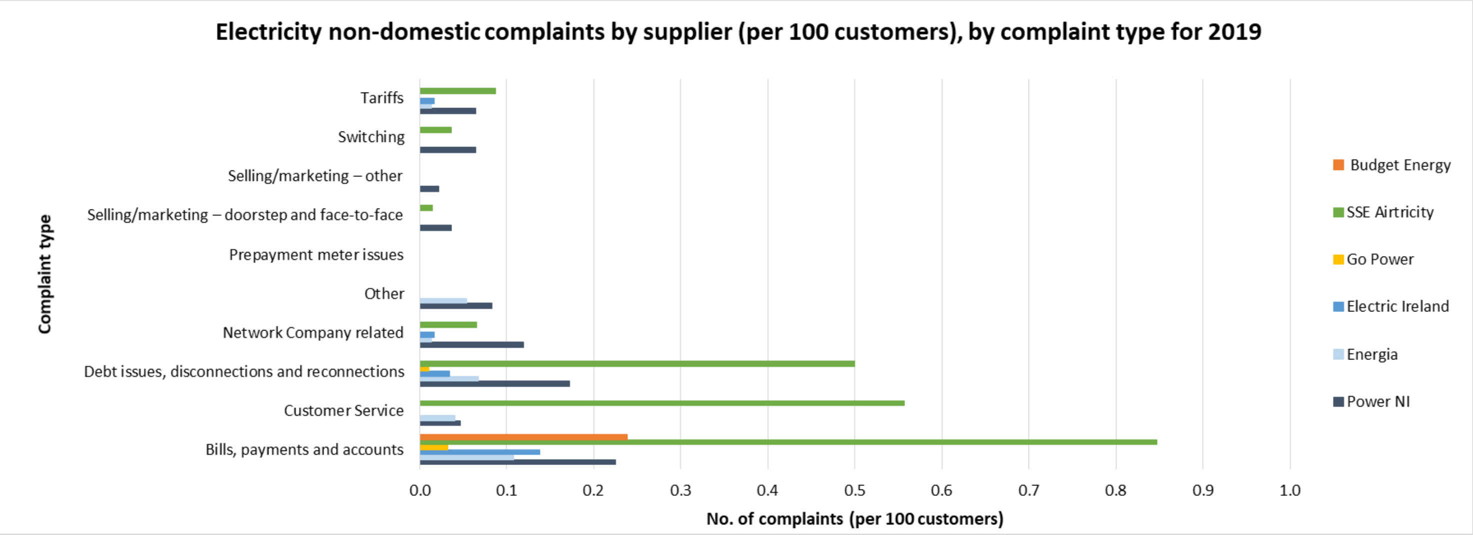
Source: Suppliers

[16] A de-minims threshold has been applied - suppliers who have less than 1% market share (by connections) have been excluded from these graphs.

4.3 Supplier complaints by complaint type (per customer numbers)

The graphs below show the number of complaints received by suppliers (per 1000 domestic customers and per 100 I&C customers)[17], for each complaint type. This analysis is based on the supplier's average number of customers during 2019.





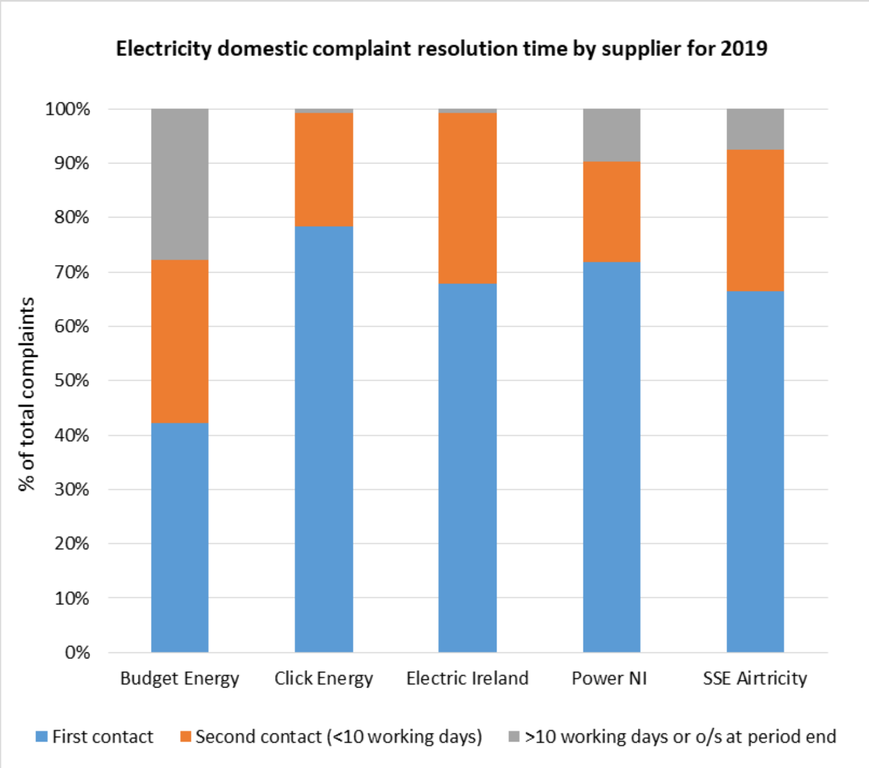
Source: Suppliers

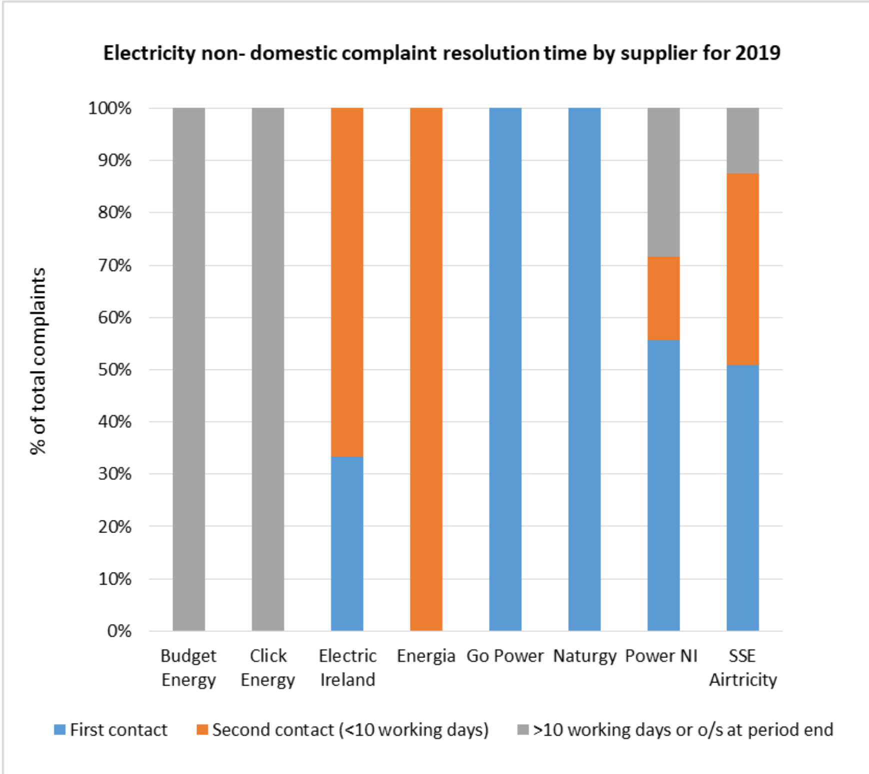
[17] A de-minims threshold has been applied - suppliers who have less than 1% market share (by connections) have been excluded from these graphs.

4.4 Supplier complaints by resolution time

Of the total supplier complaints received during 2019, the graphs below provide an indication of how quickly complaints are resolved by suppliers[18]. There are three categories[19] in this analysis:

1. Resolved at first stage of contact.
2. Resolved at second (or further) stage of contact and within 10 working days.
3. Resolved greater than 10 working days or still outstanding at period end.

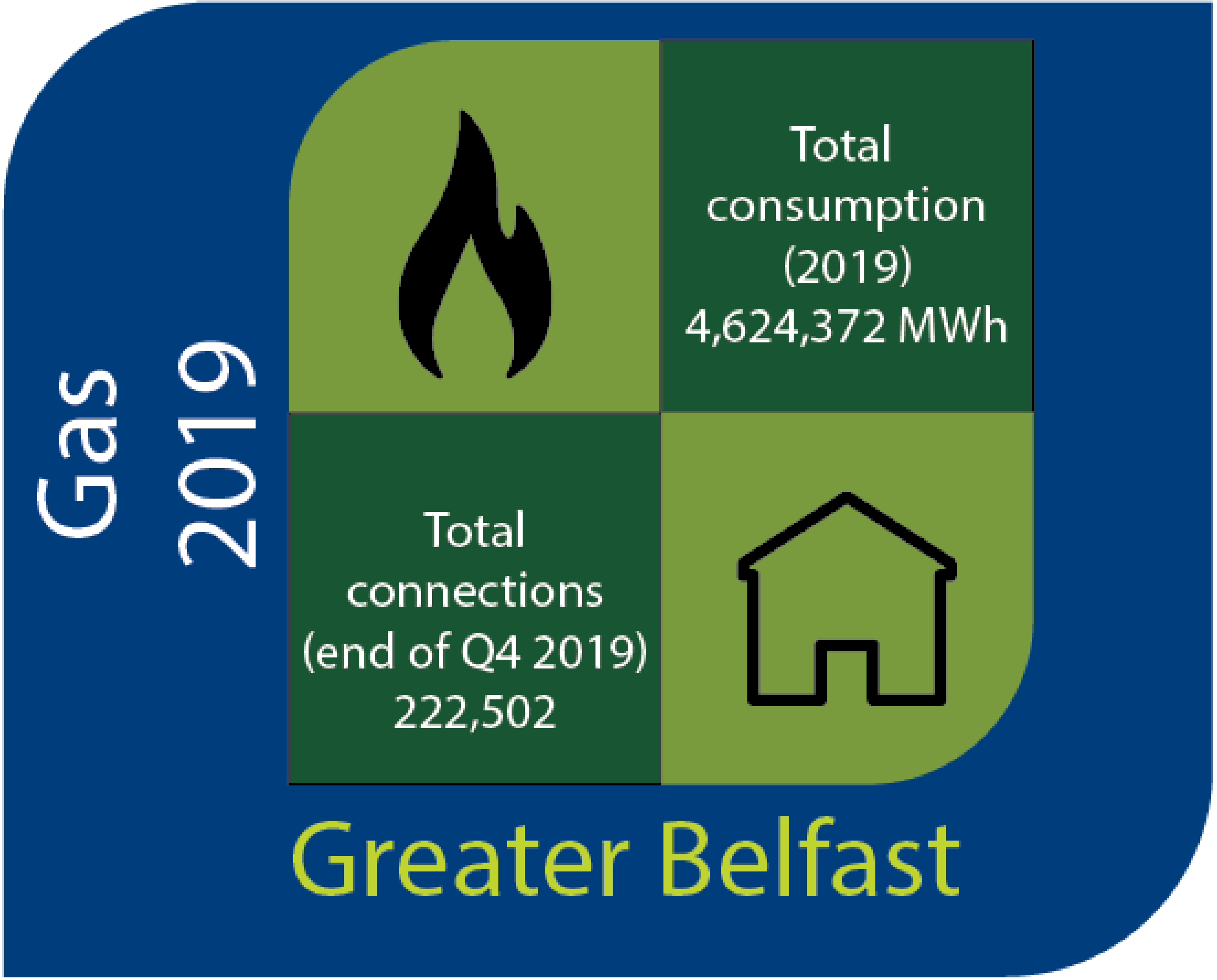




Source: Suppliers

[18] Those suppliers with no complaints reported during the period are excluded from the graphs.
[19] Suppliers are required to record complaints in their REMM submissions to the UR as per the category definitions outlined in the [REMM final decisions paper (June 2015)]() for complaint resolution times.

5 Gas in the Greater Belfast area (PNGL)



5.1 Connections and consumption in the Greater Belfast area

The table below shows gas connection numbers in the Greater Belfast area at the end of December 2019 and the consumption in this area during January to December 2019.

Table 12 Gas connections and consumption per market segment in the Greater Belfast area

Connections at end of Q4 2019
Total consumption 2019

Market sector	Number of connections	% share of connections in sector	Consumption (MWh)[20]	% share of consumption in sector
Domestic prepayment	136,437	62.2%	1,300,526	49.9%
Domestic credit	74,819	34.1%	1,303,137	50.1%
I&C < 73,200 kWh	8,021	3.7%		
Total Domestic and Small I&C[21]	**219,277**	**100%**	**2,603,663**	**100%**
I&C 73,200 to 732,000 kWh	2,829	87.7%	626,323	31.0%
I&C 732,001 to 2,196,000 kWh	279	8.7%	324,458	16.1%
I&C > 2,196,000 kWh	117	3.6%	1,069,928	52.9%
Medium & Large I&C[22]	**3,225**	**100%**	**2,020,709**	**100%**
Total	**222,502**		**4,624,372**	

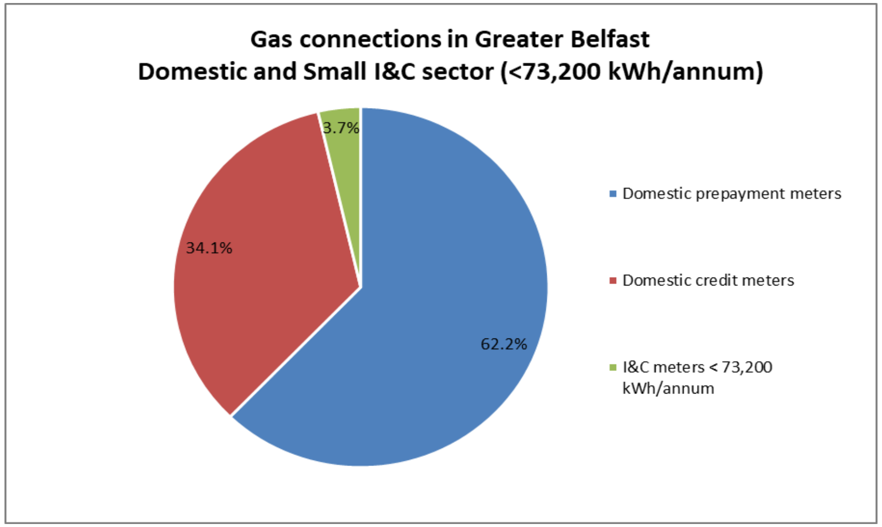
Source: PNGL

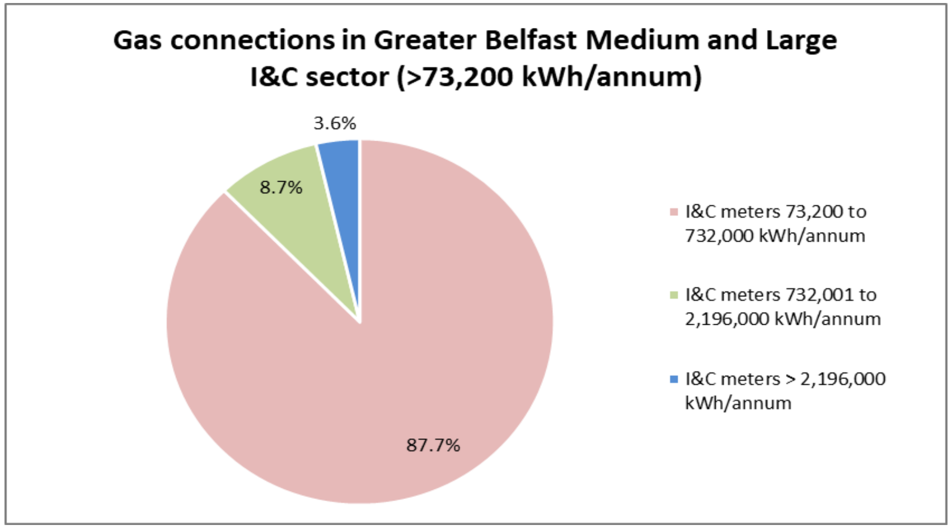
At the end of 2019, the domestic and small I&C connections represent 98.6% of the total connections and 56.3% consumption for the year. The remaining 1.4% of connections are medium and large I&C which represent 43.7% of 2019 consumption.

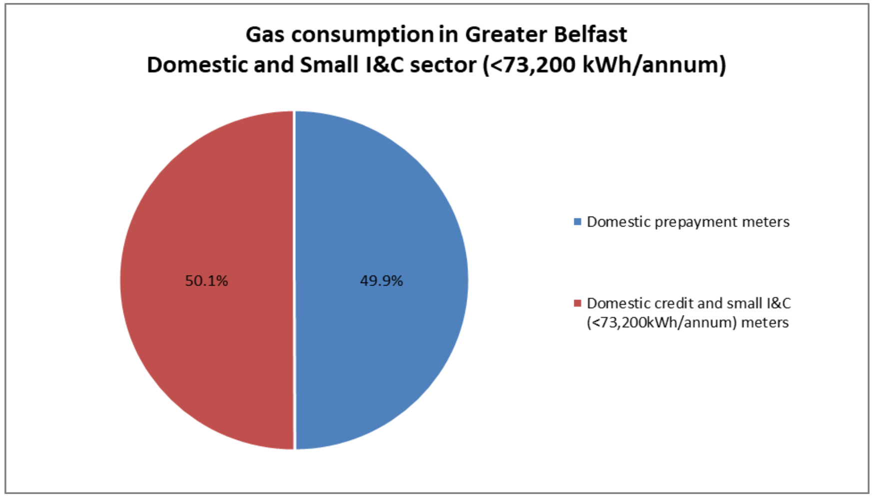
Within the domestic sector, 64.6% of the connections use prepayment meters and 35.4% use credit meters to pay for their gas.

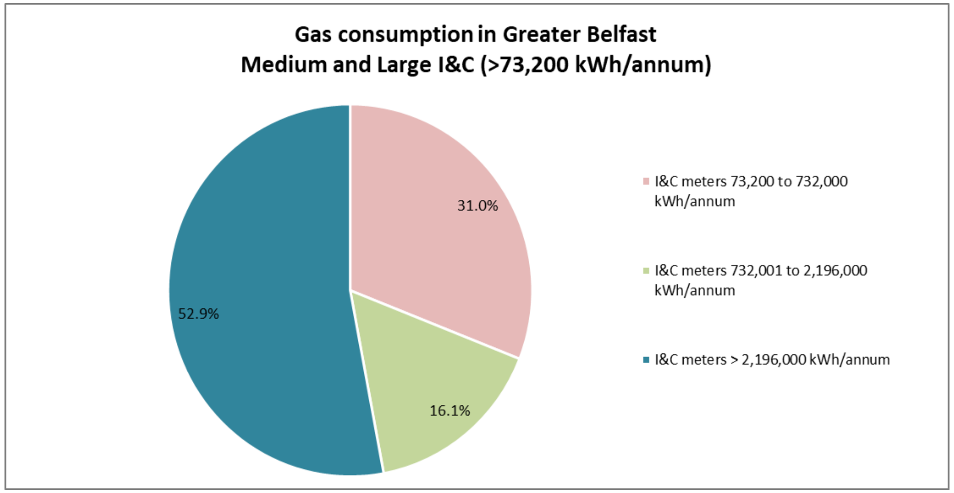
[20] Gas consumption is presented in MWh (previously up to 2015 gas consumption was presented in Therms in the QTRs.
[21] The domestic and small I&C sector relates to any customers using less than 73,200 kWh per annum. The consumption information for domestic credit and small I&C are combined as this information is not available separately.
[22] 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 charts below show the numbers of gas connections in the Greater Belfast area at the end of 2019 and the consumption in this area during January to December 2019.









5.2 Gas market shares in the Greater Belfast area

This section provides information on the connection numbers and consumption, by supplier, in the Greater Belfast area. The market shares in terms of connections are as at the end of 2019 and the market shares in terms of consumption are for the period January to December 2019.

There are five suppliers in the domestic and small I&C sector, although only two of these suppliers are active in the domestic market. In the medium and large I&C market there are currently six active suppliers.

Gas shares by connections numbers

The table below shows the market shares for each supplier within the domestic and small I&C sector in the Greater Belfast area. The market shares are shown as number of connections per supplier and also as a percentage share within the sector (as at the end of 2019).

Table 13 Domestic and small I&C[23] market shares by connections

End of Q4 2019

Supplier	Domestic prepayment		Domestic Credit		I&C < 73,200 kWh		Total for Domestic and Small I&C	
SSE Airtricity	101,274	74.2%	61,805	82.5%	5,113	63.6%	168,192	76.7%
firmus energy	35,163	25.8%	13,001	17.5%	1,290	16.1%	49,454	22.6%
Naturgy	-	0.0%	-	0.0%	4	0.0%	4	0.0%
Go Power	-	0.0%	-	0.0%	697	8.7%	697	0.3%
Flogas	-	0.0%	-	0.0%	930	11.6%	930	0.4%
Total	**136,437**	**100%**	**74,806**	**100%**	**8,034**	**100%**	**219,277**	**100%**

Source: PNGL

In terms of market shares by connections, SSE Airtricity (the incumbent supplier) retains a significant share of the domestic and small I&C market of currently 76.7%.

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

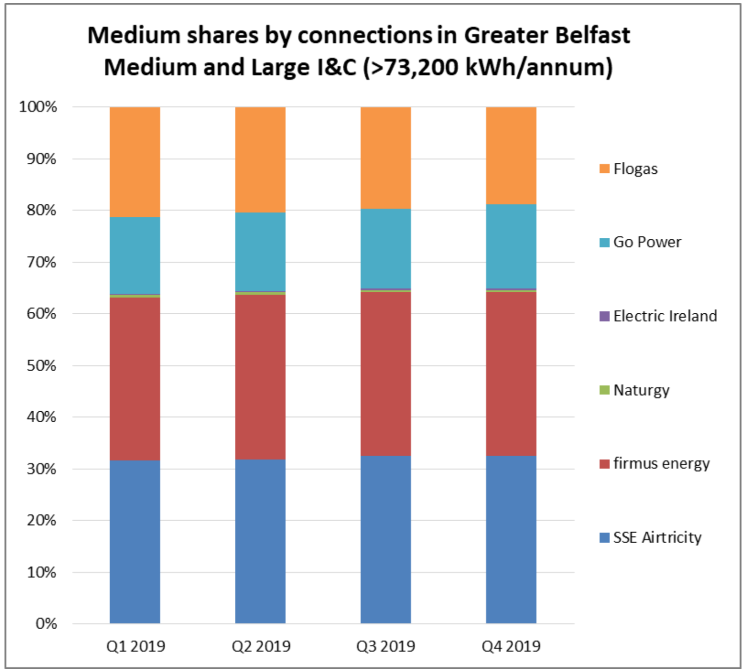
The table below shows the market shares for each supplier within the medium and large I&C sector (i.e. I&Cs with consumption over 73,200 kWh per annum) in the Greater Belfast area at the end of 2019. The corresponding graph shows the change in market shares by supplier within the same sector during 2019.

Table 14 Medium and large I&C[24] market shares by connections

End of Q4 2019

Supplier	I&C 73,200 to 732,000 kWh		I&C 732,001 to 2,196,000 kWh		I&C > 2,196,000 kWh		Total for Medium and Large I&C	
SSE Airtricity	920	32.5%	90	32.3%	37	31.6%	1,047	32.5%
firmus energy	886	31.3%	97	34.8%	37	31.6%	1,020	31.6%
Naturgy	12	0.4%	-	0.0%	3	2.6%	15	0.5%
Electric Ireland	-	0.0%	-	0.0%	8	6.8%	8	0.2%
Go Power	433	15.3%	63	22.6%	31	26.5%	527	16.3%
Flogas	578	20.4%	29	10.4%	1	0.9%	608	18.9%
Total	**2,829**	**100%**	**279**	**100%**	**117**	**100%**	**3,225**	**100%**

Source: PNGL



Competition in the medium and large I&C market is more active in the Greater Belfast area. At the end of 2019, SSE and firmus continue to have the majority share of the medium and large I&C market, with 32.5% and 31.6% respectively (similar shares were held in 2018). Out of the six active suppliers at the end of 2019, based on connections, four of these have market shares in excess of 15% of the total I&C market.

[24] 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.

Gas shares by consumption[25]

This section provides information on the consumption, by supplier, in the Greater Belfast area during 2019. The table below shows the market shares for each supplier within the domestic and small I&C sector in the Greater Belfast area.

Table 15 Domestic and small I&C[26] market shares by consumption

Total consumption 2019

Supplier	Total for Domestic and Small I&C Sector (MWh)	% share
SSE Airtricity	1,925,179	73.9%
firmus energy	631,217	24.2%
Naturgy	114	0.1%
Go Power	16,232	0.6%
Flogas	30,920	1.2%
Total	**2,603,663**	**100%**

Source: PNGL

SSE Airtricity has retained the majority of the domestic and small I&C market share in the Greater Belfast area during 2019. Based on consumption their percentage market share in 2019 was 73.9% compared with 72.5% in 2018.

firmus energy's market share was 24.2% during 2019 in comparison to 25.4% in the previous year. The market share of the remaining suppliers based on consumption levels continues to be minimal as they are not active in the domestic market and supply only to a limited number of small I&C customers.

[25] Gas consumption is presented in this ATR in MWh.
[26] The domestic and small I&C sector relates to any customers using less than 73,200 kWh per annum.

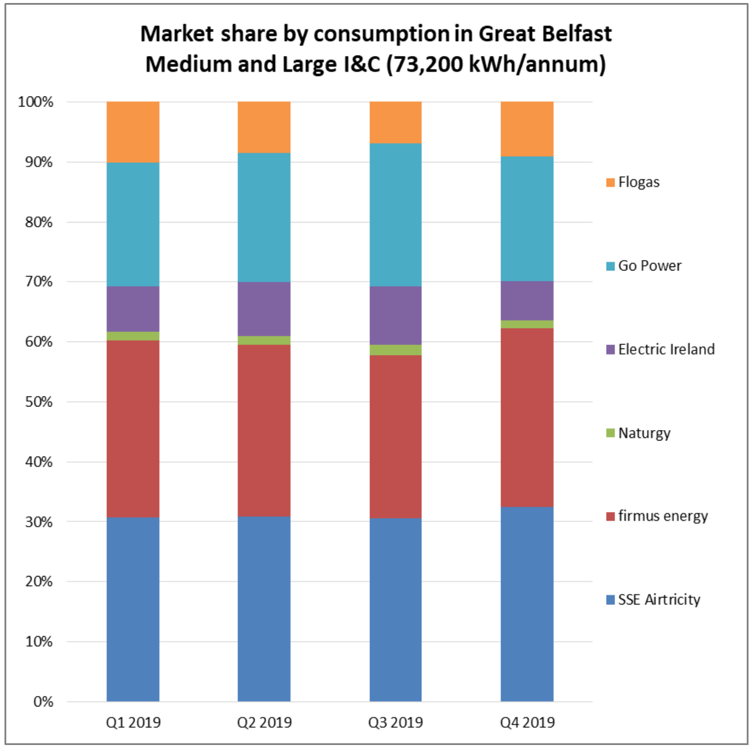
The table below shows the market shares for each supplier within the medium and large I&C sector (i.e. those using at least 73,200 kWh per annum) in the Greater Belfast area during 2019. The corresponding graph shows the change in market shares by supplier within the same sector over the last twelve months.

Table 16 Medium and large I&C[27] market shares by consumption

Total Consumption 2019

Supplier	I&C 73,200 to 732,000 kWh		I&C 732,001 to 2,196,000 kWh		I&C > 2,196,000 kWh		Total for Medium and Large I&C	
	(MWh)	% share	(MWh)	% share	(MWh)	% share	(MWh)	% share
SSE Airtricity	194,362	31.0%	109,255	33.7%	328,325	30.7%	**631,941**	**31.3%**
firmus	210,279	33.6%	103,690	32.0%	272,641	25.5%	**586,609**	**29.0%**
Naturgy	1,897	0.3%	274	0.1%	26,473	2.5%	**28,644**	**1.4%**
Electric Ireland	-	0.0%	-	0.0%	160,481	15.0%	**160,481**	**7.9%**
Go Power	89,068	14.2%	76,131	23.5%	267,420	25.0%	**432,619**	**21.4%**
Flogas	130,717	20.9%	35,109	10.8%	14,588	1.4%	**180,415**	**8.9%**
Total	**626,323**	**100%**	**324,458**	**100%**	**1,069,928**	**100%**	**2,020,709**	**100%**

Source: PNGL



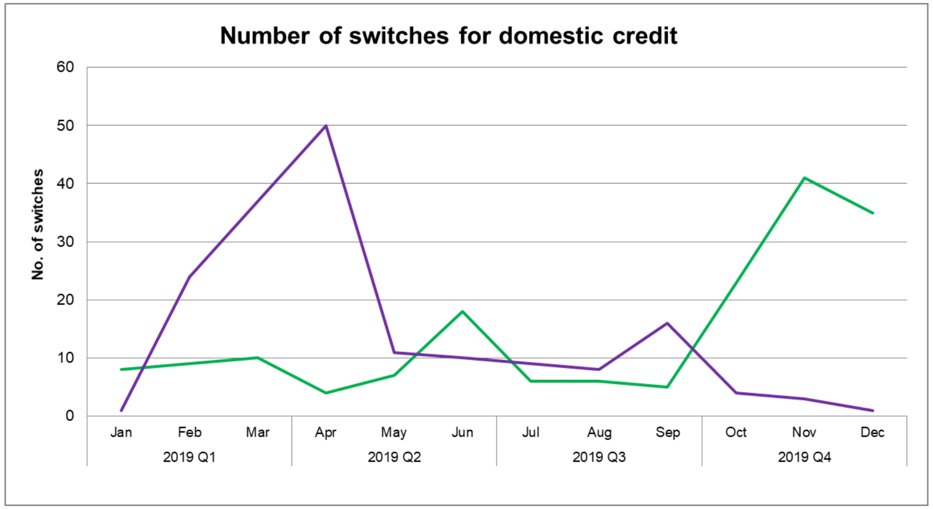
Market share by consumption fluctuates throughout the year due to the movement of customers between suppliers, and also due to the amount of gas consumed by each customer during different seasons (as gas usage can be weather dependent for many, but not all, customers).

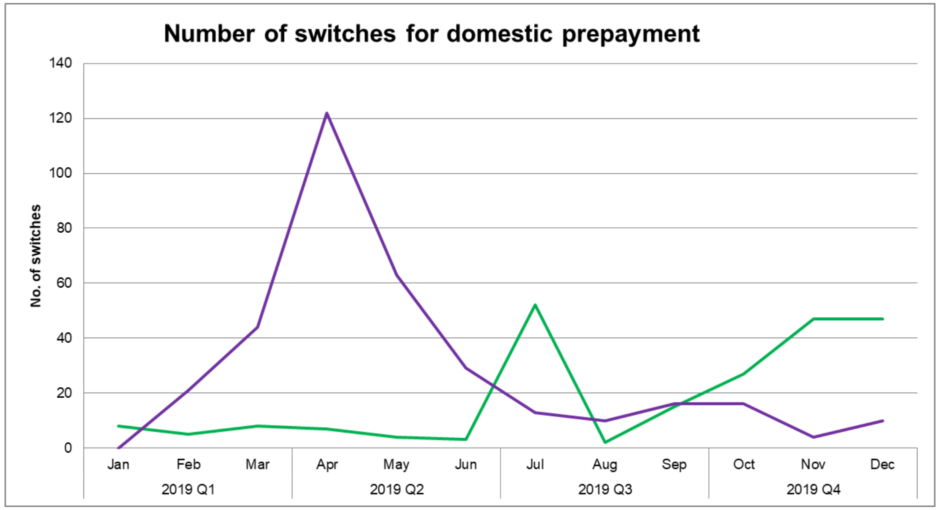
SEE Airtricity are the largest supplier in the Medium and Large I&C market with 31.3%, closely followed by firmus energy with 29.0%. New market entrants continue to display growth in this market with Go Power's market share for 2019, by consumption, 21.4%.

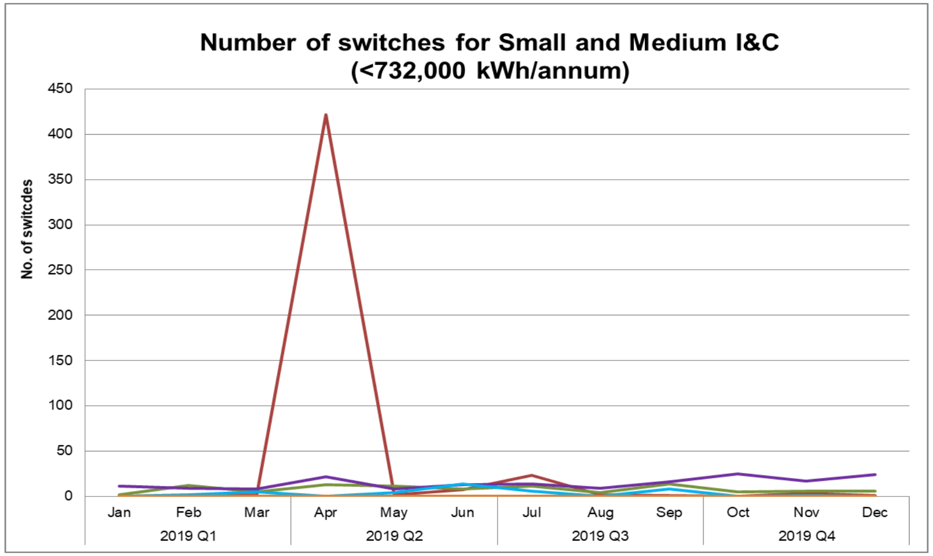
[27] The medium and large I&C sector relates to any customers with annual consumption that is greater than or equal to 73,200 kWh per annum.

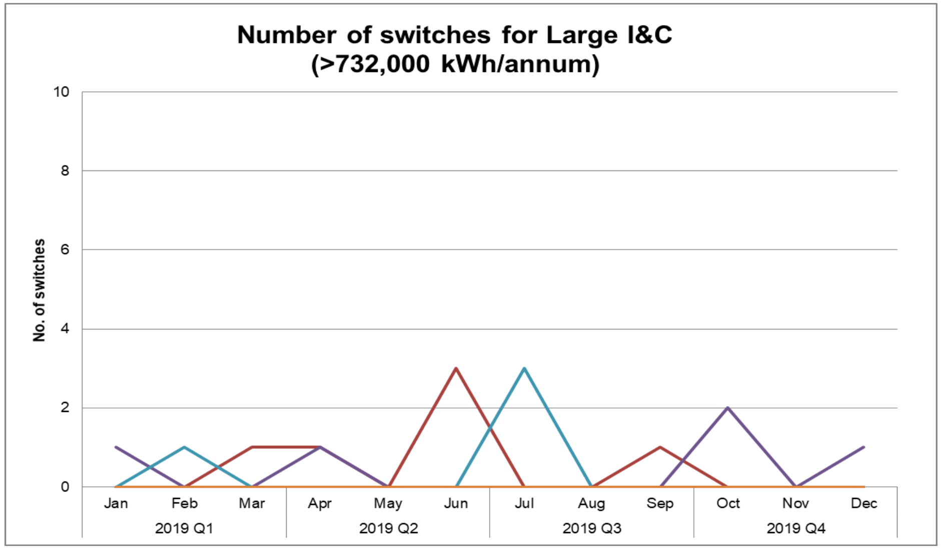
5.3 Market activity in the Greater Belfast area

The line charts below reflect the number of switching gains per market sector in the Greater Belfast area during the year. The switching gains are displayed by supplier; however the supplier names have been anonymised. 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.









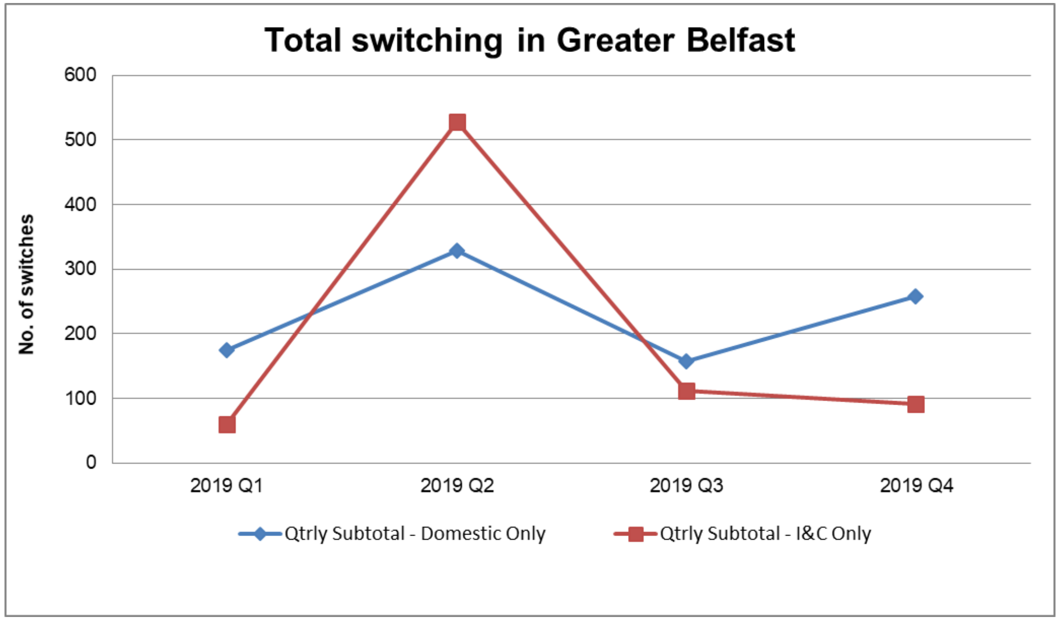
There are only two active suppliers in the domestic market, and the number of domestic switches during 2019 increased by 258 switches when compared to 2018. The I&C graphs above represent the split between the small and medium I&C customers (i.e. customers consuming less than 732,000 kWh per annum) and large I&C consumers (i.e. consuming more than 732,000 kWh per annum).

The table below shows market activity through the number of customer switches on a quarterly basis in the Greater Belfast gas market and the associated percentage switching rate during 2019. 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 17 Quarterly market activity in the Greater Belfast area

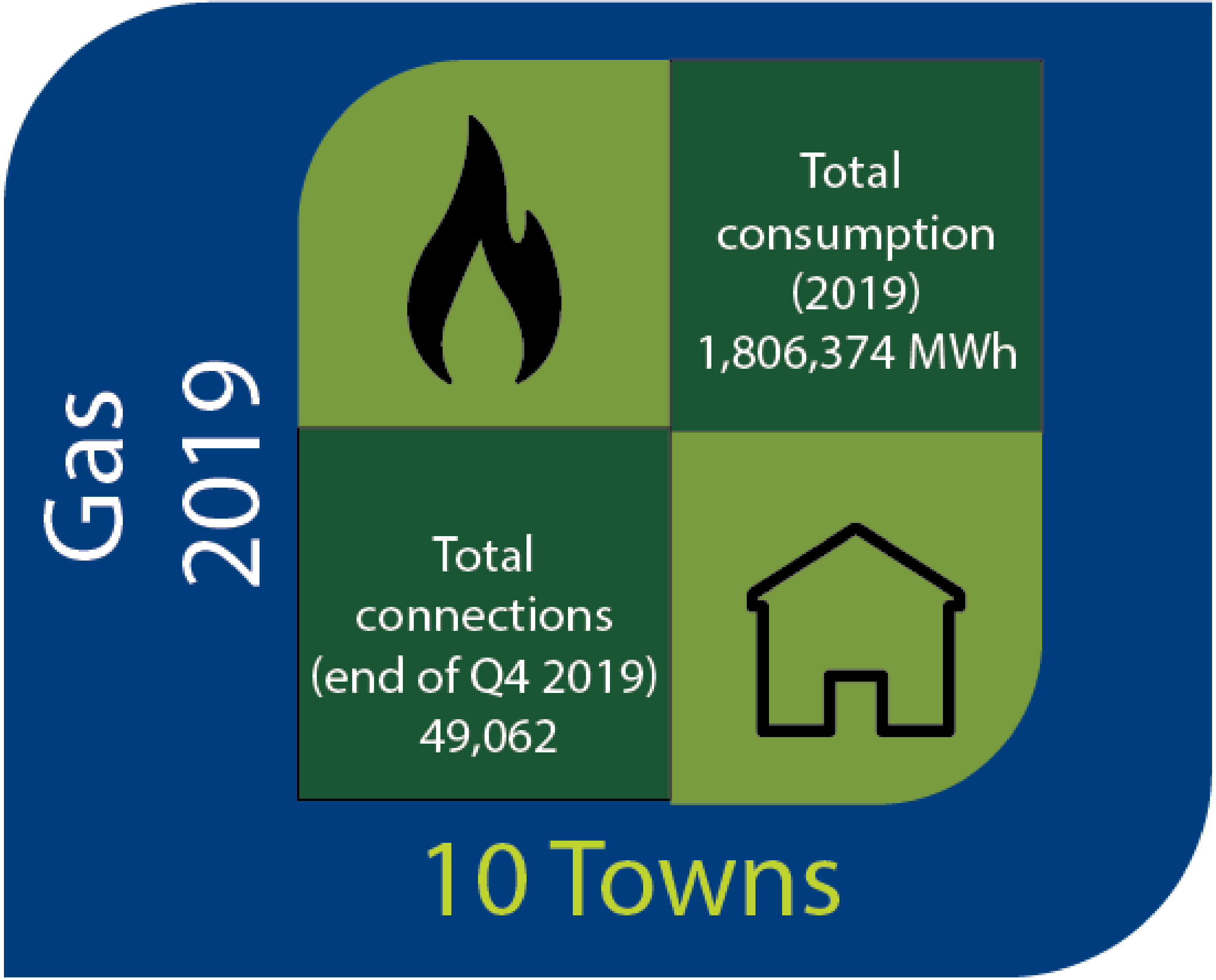
Period	Domestic Switching		I&C Switching		Total Switching	
2019 Q1	175	0.1%	60	0.5%	235	0.1%
2019 Q2	328	0.2%	529	4.7%	857	0.4%
2019 Q3	158	0.1%	112	1.0%	270	0.1%
2019 Q4	258	0.1%	91	0.8%	349	0.2%
2019 Total	**919**		**792**		**1,711**	

Source: PNGL



The number of domestic switches in the Greater Belfast area in 2018 has increased from 661 in 2018 to 919 in 2019. The number of I&C switches also increased from 483 in 2018 to 792 in 2019.

6 Gas in the Ten Towns area (FeDL)



6.1 Connections and consumption in the Ten Towns area

The table below shows gas connection numbers in the Ten Towns area at the end of 2019 and the consumption in this area during January to December 2019.

Table 18 Gas connections and consumption per market segment in the Ten Towns area

Connections at end of Q4 2019
Total consumption 2019

Market segment	Number of connections	% share of connections in sector	Consumption (MWh)[28]	% share of consumption in sector
Domestic prepayment	38,971	81.5%	353,066	76.2%
Domestic credit	7,322	15.3%	110,537	23.8%
I&C < 73,200 kWh	1,513	3.2%		
Total Domestic and Small I&C[29]	**47,806**	**100%**	**463,603**	**100%**
I&C 73,200 to 732,000 kWh	1,010	80.4%	238,263	17.7%
I&C 732,001 to 2,196,000 kWh	160	12.7%	217,258	16.2%
I&C > 2,196,000 kWh	86	6.9%	887,250	66.1%
Medium & Large I&C[30]	**1,256**	**100%**	**1,342,771**	**100%**
Total	**49,062**		**1,806,374**	

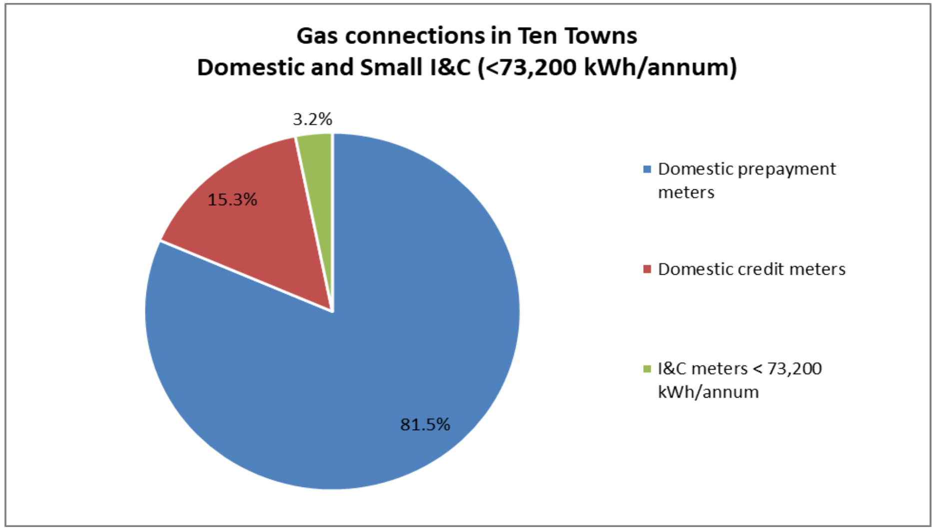
Source: feDL

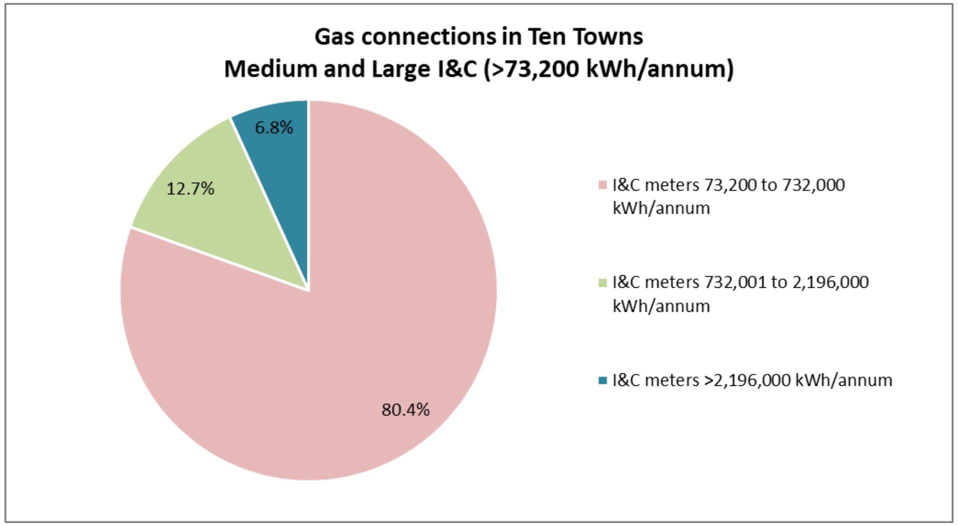
At the end of 2019, the domestic and small I&C connections represent 97.4% of the total connections and 25.7% of consumption. The remaining 2.6% are medium and large I&C connections and represent 74.3% of total consumption in this area.

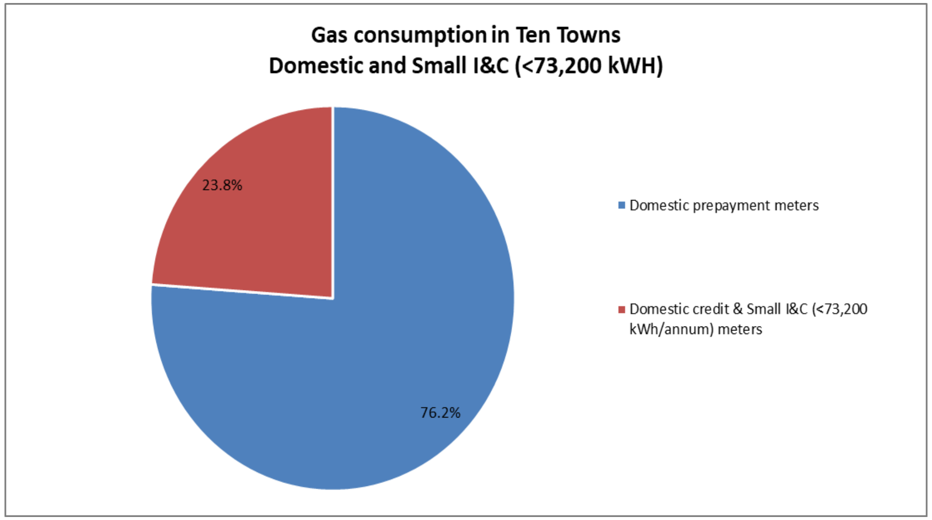
Within the domestic sector, 84.2% of the domestic connections use prepayment meters and 15.8% use credit meters to pay for their gas.

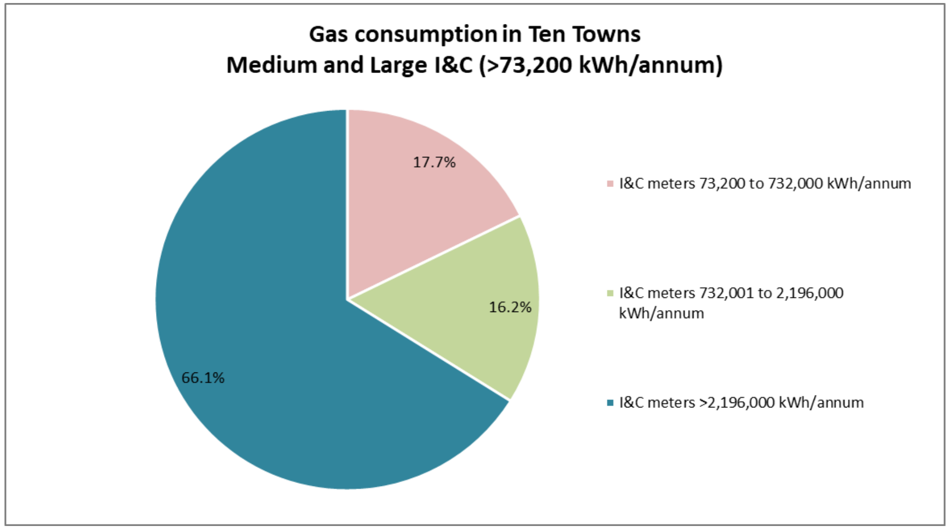
The charts on the following page show the numbers of gas connections in the Ten Towns area at the end of 2019 and the consumption in this area during January to December 2019.

[28] Gas consumption is presented in this QTR in MWh. It is important to note that gas consumption was presented in Therms in the QTRs for 2015 and previous years.
[29] The domestic and small I&C sector relates to any customers using less than 73,200 kWh per annum. The consumption information for domestic credit and small I&C are combined as this information is not available to us with a full split.
[30] 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.


Gas connections in Ten Towns
Domestic and Small I&C (<73,200 kWh/annum)
3.2%
15.3%
81.5%
Domestic prepayment meters
Domestic credit meters
I&C meters < 73,200 kWh/annum


Gas connections in Ten Towns
Medium and Large I&C (>73,200 kWh/annum)
6.8%
12.7%
80.4%
I&C meters 73,200 to 732,000 kWh/annum
I&C meters 732,001 to 2,196,000 kWh/annum
I&C meters >2,196,000 kWh/annum


Gas consumption in Ten Towns
Domestic and Small I&C (<73,200 kWH)
23.8%
76.2%
Domestic prepayment meters
Domestic credit & Small I&C (<73,200 kWh/annum) meters


Gas consumption in Ten Towns
Medium and Large I&C (>73,200 kWh/annum)
17.7%
16.2%
66.1%
I&C meters 73,200 to 732,000 kWh/annum
I&C meters 732,001 to 2,196,000 kWh/annum
I&C meters >2,196,000 kWh/annum

6.2 Gas market shares in the Ten Towns area

This section provides information on the connection numbers and consumption, by supplier, in the Ten Towns area. The market shares in terms of connections are as at the end of 2019 and the market shares in terms of consumption are for the period January to December 2019.

Competition opened in the Ten Towns large I&C market (>732,000 kWh per annum) in October 2012. The remainder of the market opened to competition in April 2015. There were four suppliers in the domestic and small I&C sector during 2019, although only one supplier was active in the domestic market (the incumbent supplier). In the medium and large I&C market there were six active suppliers.

Gas shares by connections numbers

The table below shows the market shares for each supplier within the domestic and small I&C sector in the Ten Towns area.

Table 19 Domestic and small I&C[31] market shares by connections

End of Q4 2019

Supplier	Domestic prepayment		Domestic credit		I&C < 73,200 kWh		Total for Domestic and Small I&C	
SSE Airtricity	0	0%	0	0%	63	4.2%	**63**	**0.1%**
firmus energy	38,971	100%	7,322	100%	1,024	67.7%	**47,317**	**99.0%**
Go Power	0	0%	0	0%	112	7.4%	**112**	**0.2%**
Flogas	0	0%	0	0%	314	20.8%	**314**	**0.7%**
Total	**38,971**	**100%**	**7,322**	**100%**	**1,513**	**100%**	**47,806**	**100%**

Source: feDL

firmus energy, the incumbent supplier, is the only domestic supplier in the Ten Towns area. In terms of market share by connections, firmus energy retains the majority of the small I&C market with 67.7% share at the end of 2019 which is an increase from 60.4% at the end of 2018. The collective share of the competing suppliers in the small I&C market, SSE Airtricity, Go Power and Flogas has decreased during 2019. At the end of 2019, the collective market share of these three suppliers was 32.3% in comparison to 39.6% at the end of 2018.

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

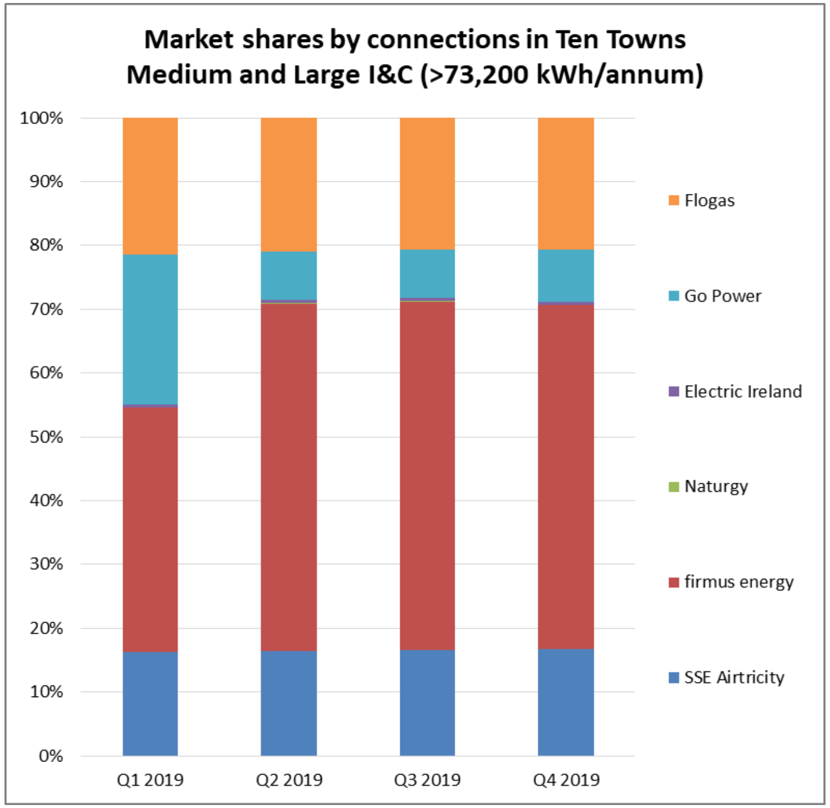
The following table shows the market shares for each supplier within the medium and large I&C sector (i.e. I&Cs with consumption over 73,200 kWh per annum) in the Ten Towns area at the end of 2019. The corresponding graph shows the change in market shares by supplier within the same sector over the last twelve months.

Table 20 Medium and large I&C[32] market shares by connections

End of Q4 2019

Supplier	I&C 73,200 to 732,000 kWh		I&C 732,001 to 2,196,000 kWh		I&C > 2,196,000 kWh		Total for Medium and Large I&C	
SSE Airtricity	144	14.3%	40	25.0%	26	30.2%	**210**	**16.7%**
firmus energy	545	54.1%	88	55.0%	44	51.2%	**677**	**53.9%**
Naturgy	0	0.0%	0	0%	1	1.2%	**1**	**0.1%**
Go Power	79	7.8%	17	10.6%	6	7.0%	**102**	**8.1%**
Flogas	242	24.0%	14	8.8%	4	4.7%	**260**	**20.7%**
Electric Ireland	0	0.0%	1	0.6%	5	5.8%	**6**	**0.5%**
Total	**1,010**	**100%**	**160**	**100%**	**86**	**100%**	**1,256**	**100%**

Source: feDL



Competing suppliers are more active in the medium and large I&C market than the small I&C market in the Ten Towns area.

Overall in the medium and large sector market shares of Flogas, SSE Airtricity and Go Power were 20.7%, 16.7% and 8.1% respectively at the end of December 2019. The market share of firmus energy, the incumbent supplier, stands at 53.9%. This is an increase from 38 .1% when compared to the same period in 2018.

[32] 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.

Gas shares by consumption (MWh[33])

This section provides information on the consumption, by supplier, in the Ten Towns area. The market shares in terms of consumption are for the period from January to December 2019.

Table 21 Domestic and small I&C[34] market shares by consumption

Total Consumption 2019

Supplier	Total for Domestic and Small I&C Sector (MWh)	% share
SSE Airtricity	1,905	0.4%
firmus energy	449,105	96.9%
Go Power	3,897	0.8%
Flogas	8,695	1.9%
Total	**463,603**	**100%**

Source: feDL

As firmus energy is the only supplier in the domestic market they hold the large majority of the market share by consumption in the domestic and small I&C sector.

The other competing suppliers in the small I&C section of this market (SSE Airtricity, Go Power and Flogas) have been active since Q3 2015 . During 2019 their combined market share in terms of consumption in the domestic and small I&C market was 3.1% in comparison to 3.9% in 2018.

[33] Gas consumption is presented in this QTR in MWh. It is important to note that gas consumption was presented in Therms in the QTRs for 2015 and previous years.
[34] The domestic and small I&C sector relates to any customers using less than 73,200 kWh per annum.

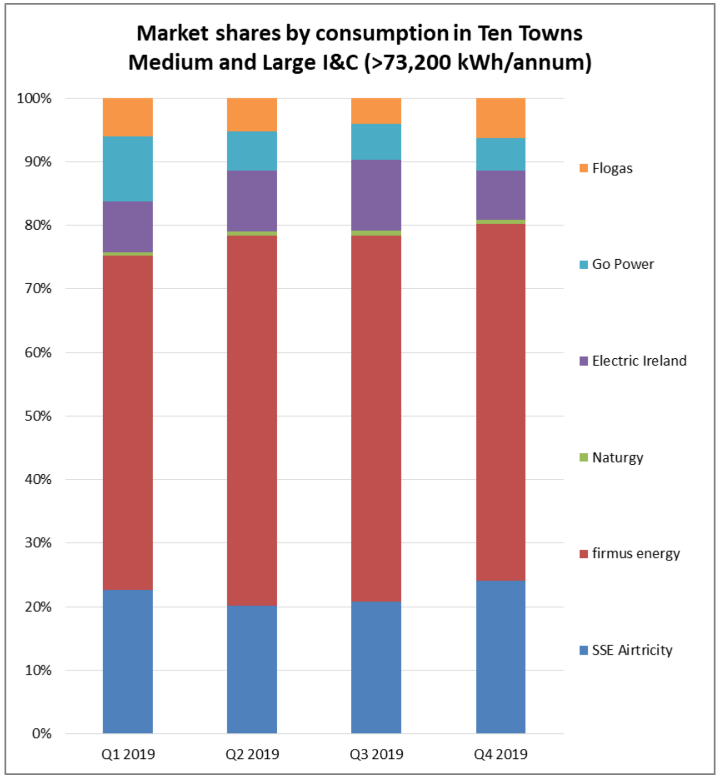
The table below shows the market shares for each supplier within the medium and large I&C sector (I&Cs using more than 73,200 kWh per annum) in the Ten Towns area during 2019.

Table 22 Medium and large I&C[35] market shares by consumption

Total Consumption 2019

Supplier	I&C 73,200 to 732,000 kWh (MWh)	% share	I&C 732,001 to 2,196,000 kWh (MWh)	% share	I&C > 2,196,000 kWh (MWh)	% share	Total for Medium and Large I&C (MWh)	% share
SSE Airtricity	40,720	17.1%	54,127	24.9%	202,490	22.8%	**297,337**	**22.1%**
Firmus energy	113,899	47.8%	104,250	48.0%	531,592	59.9%	**749,741**	**55.8%**
Naturgy	-	0.0%	-	0.0%	8,686	1.0%	**8,686**	**0.6%**
Go Power	34,834	14.6%	18,751	8.6%	40,682	4.6%	**94,267**	**7.0%**
Flogas	48,810	20.5%	15,209	7.0%	9,924	1.1%	**73,943**	**5.5%**
Electric Ireland	-	0.0%	24,921	11.5%	93,876	10.6%	**118,797**	**8.8%**
Total	**238,263**	**100%**	**217,258**	**100%**	**887,250**	**100%**	**1,342,771**	**100%**

Source: feDL

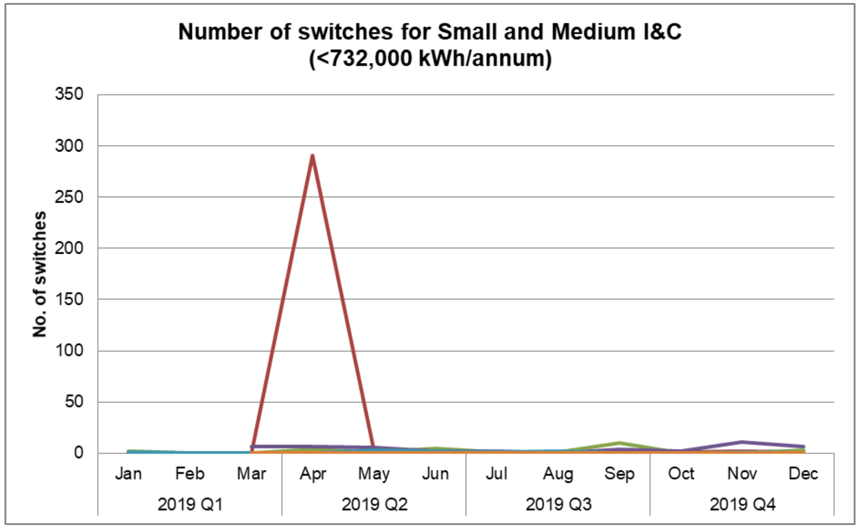


In terms of market share by consumption, firmus energy retains the largest share of the medium and large I&C sector. By the end of 2019, firmus energy has 55.8% share of this market sector by consumption, which is an increase from 54.8% in 2018.

[35] 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.

6.3 Market activity in the Ten Towns area

The line graphs below reflect the number of switching gains in the I&C market sector in the Ten Towns area. The switching gains are displayed by supplier; however the supplier names have been anonymised. There is no information provided on domestic switching in the Ten Towns area as there are no competing suppliers in the domestic market.



These line graphs represent the split between the price-regulated and non-price-regulated sectors in the Ten Towns.

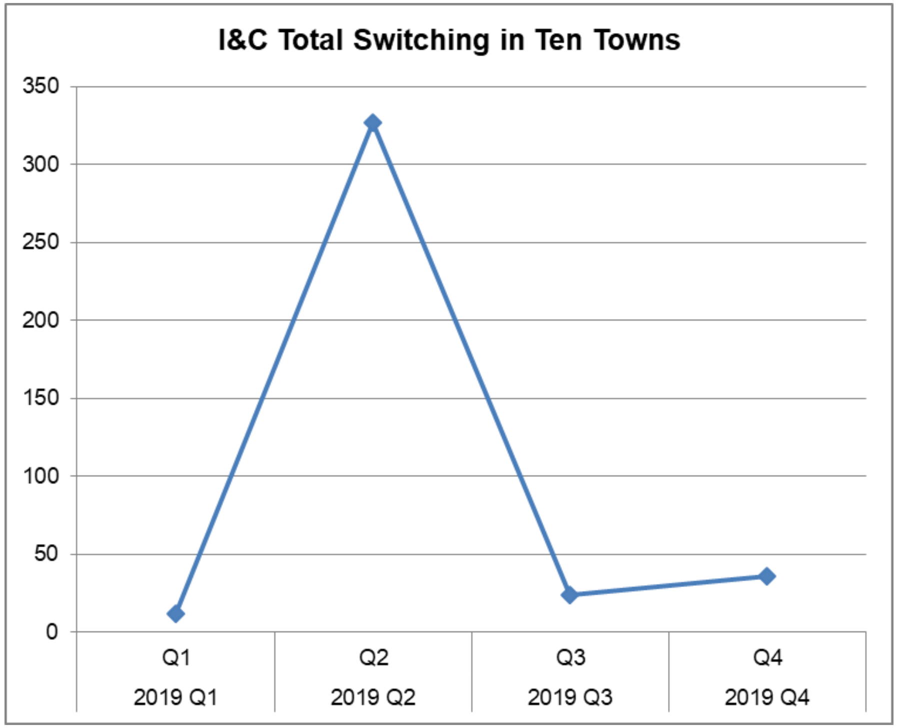
The table below shows market activity through the number of switches on a quarterly basis in the Ten Towns gas market and the associated percentage switching rate. The switching rate percentages are calculated using the number of quarterly switches divided by the number of customers at the end of the quarter in the relevant market.

Table 23 I&C Market activity in the Ten Towns area

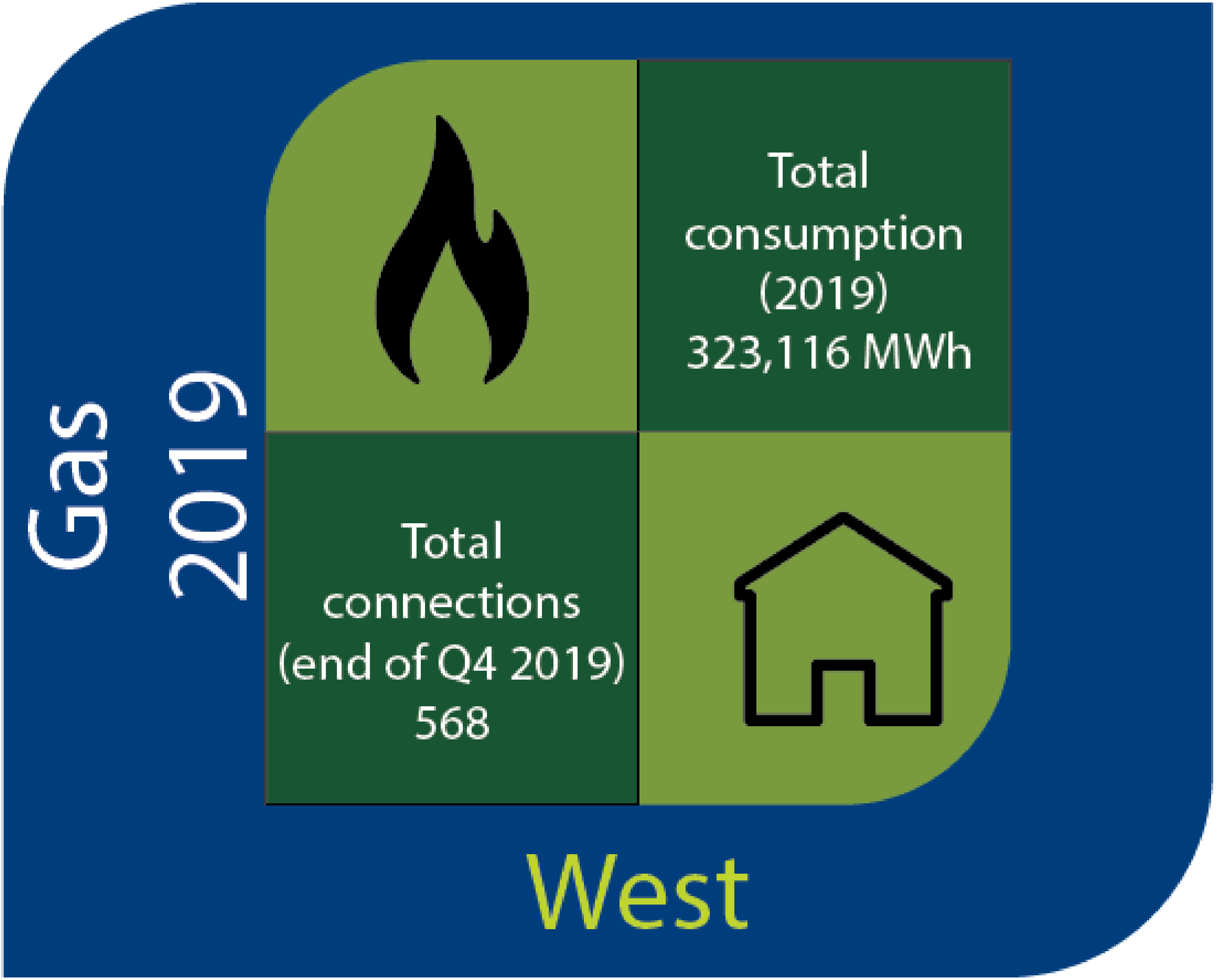
2019 Q1	12	0.5%
2019 Q2	327	12.1%
2019 Q3	24	0.9%
2019 Q4	36	1.3%
Total	**399**	

Source: feDL

The overall level of switching has been consistently low in the Ten Towns during 2019. There was an increase in switches within the I&C sector during Q2 2019, which related to one I&C supplier that won a large public contract. The switching rate returned to normal levels in Q3 and Q4 2019. Overall the number of switches in the Ten Towns has increased from 254 in 2018 to 399 in 2019.



7 Gas in the West Area (SGN NG)



7.1 Connections and consumption in the West area

The table below shows gas connection numbers in the West area at the end of 2019 and the consumption in this area during January to December 2019.

Table 24 Gas connections and consumption per market segment in the West area

Connections at end of Q4 2019
Total Consumption 2019

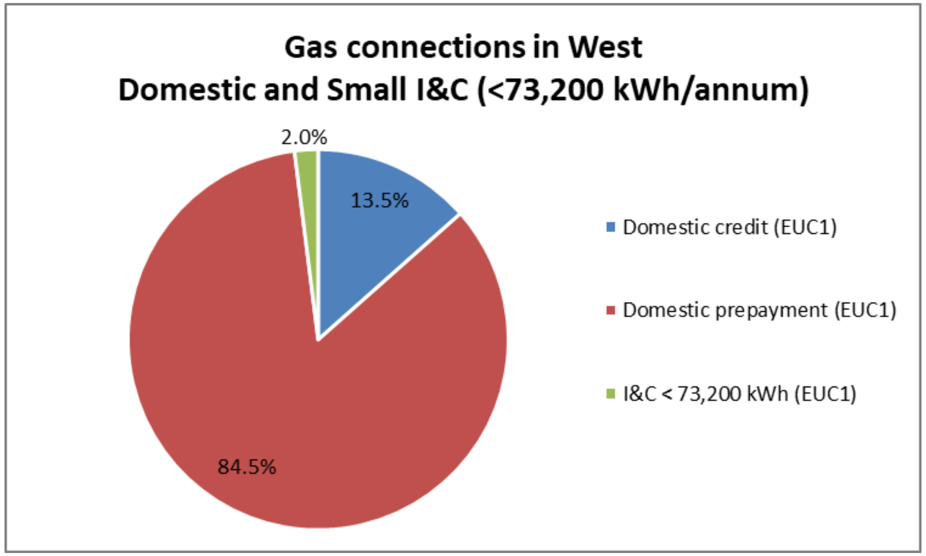
Market segment	Number of connections	% share of connections in sector	Consumption (MWh)[36]	% share of consumption in sector
Domestic prepayment	465	84.5%	3,236	79.6%
Domestic credit	74	13.5%	827	20.4%
I&C < 73,200 kWh	11	2.0%		
Total Domestic and Small I&C[37]	**550**	**100.0%**	**4,063**	**100%**
I&C 73,200 to 732,000 kWh	7	38.9%	984	0.3%
I&C 732,001 to 2,196,000 kWh	2	11.1%	532	0.2%
I&C > 2,196,000 kWh	9	50.0%	317,537	99.5%
Medium & Large I&C[38]	**18**	**100%**	**319,053**	**100%**
Total	**568**		**323,116**	

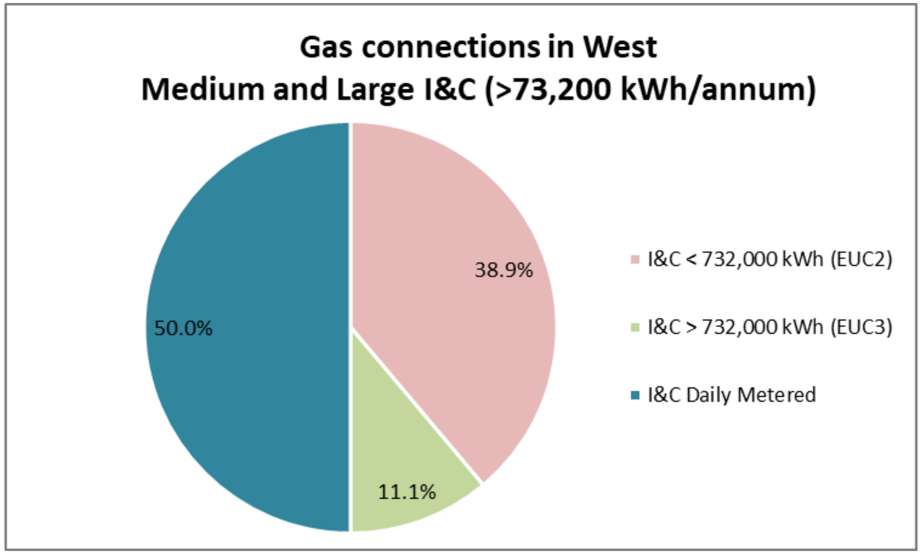
Source: SGN NG

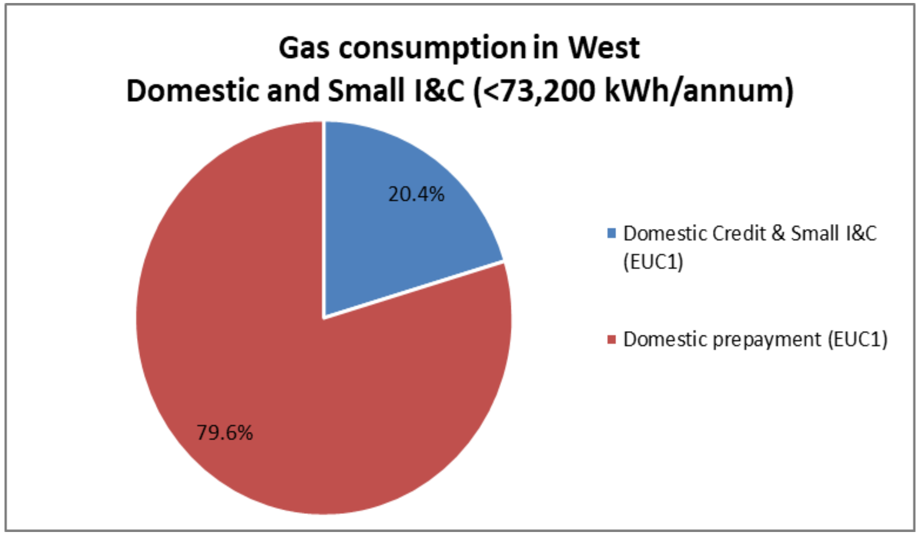
At the end of 2019, the domestic and small I&C connections represent 96.8% of the total connections and 1.3% of consumption. The remaining 3.2% are medium and large I&C connections and represent 98.7% of total consumption in this area. Within the domestic sector, 86.3% use prepayment meters and 13.7% use credit meters to pay for their gas.

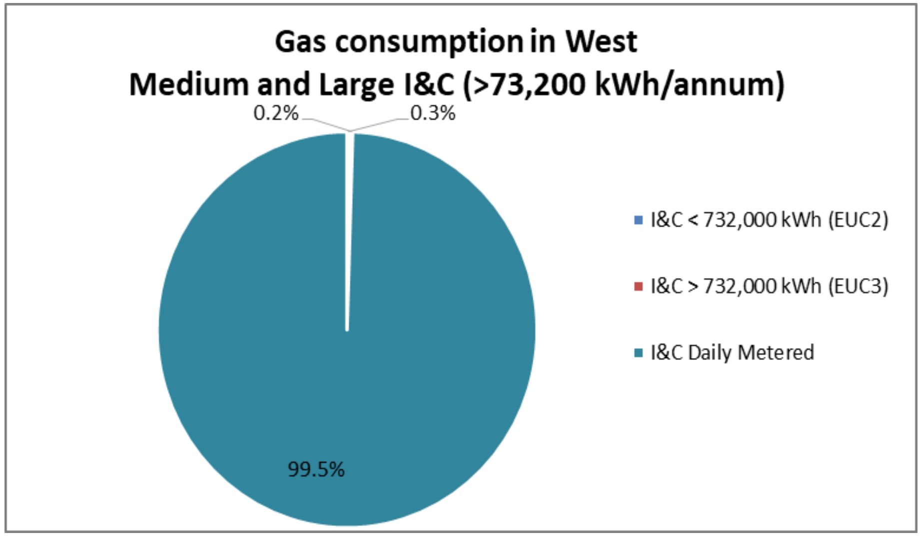
There are now 5 active suppliers in the West area, namely SSE Airtricity Gas NI (as the commissioning domestic supplier), Electric Ireland, firmus energy, Flogas and Go Power.

[37] The domestic and small I&C sector relates to any customers using less than 73,200 kWh per annum. The consumption information for domestic credit and small I&C are combined as this information is not available to us with a full split.
[38] 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.


Gas connections in West
Domestic and Small I&C (<73,200 kWh/annum)
2.0%
13.5%
84.5%
Domestic credit (EUC1)
Domestic prepayment (EUC1)
I&C < 73,200 kWh (EUC1)


Gas connections in West
Medium and Large I&C (>73,200 kWh/annum)
38.9%
50.0%
11.1%
I&C < 732,000 kWh (EUC2)
I&C > 732,000 kWh (EUC3)
I&C Daily Metered


Gas consumption in West
Domestic and Small I&C (<73,200 kWh/annum)
20.4%
79.6%
Domestic Credit & Small I&C (EUC1)
Domestic prepayment (EUC1)

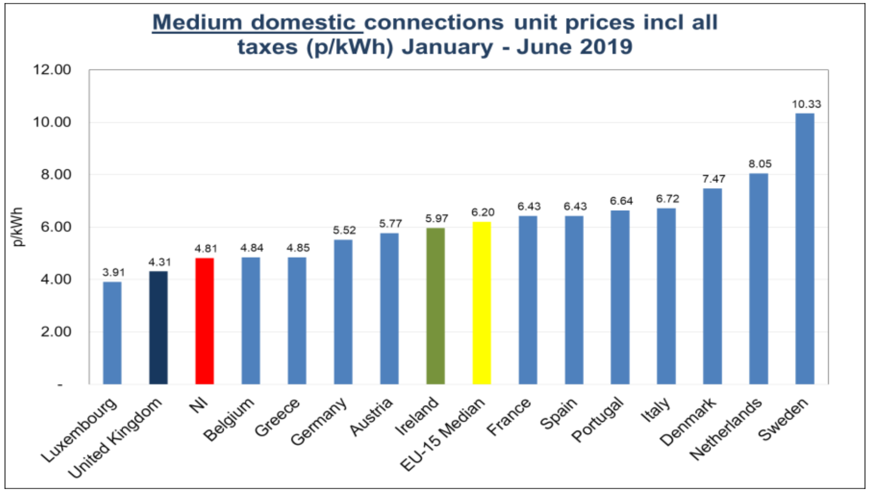

Gas consumption in West
Medium and Large I&C (>73,200 kWh/annum)
0.2%
0.3%
99.5%
I&C < 732,000 kWh (EUC2)
I&C > 732,000 kWh (EUC3)
I&C Daily Metered

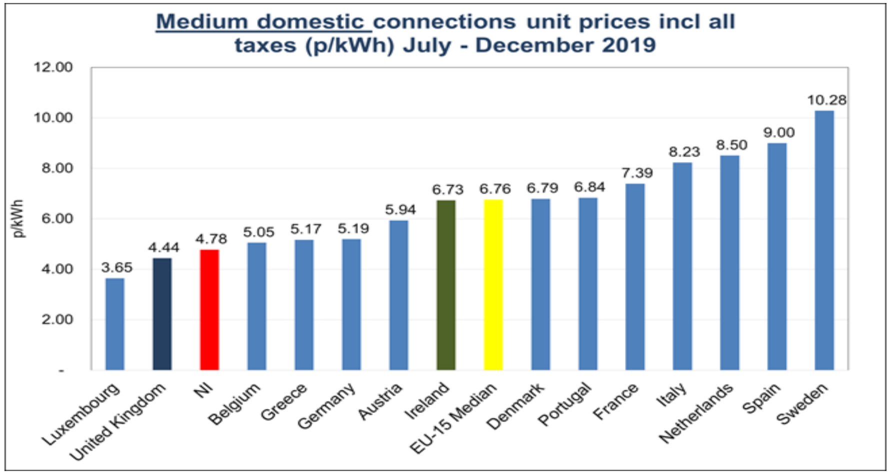
8 Gas prices

8.1 Comparison against EU prices

The gas prices section, also follows the Eurostat format and methodology (as outlined in section 3.4 electricity prices). As a result the average prices for NI are comparable with prices in other EU countries (those published in BEIS's Quarterly Energy Prices reports[39] and Eurostat data base[40]) once these figures have been converted to GBP.

The pricing data detailed in this ATR provides a comparison for the period January – June 2019 (semester 1) and July – December 2019 (semester 2). In the domestic graph shown below, 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.





Source: Eurostat and NI gas suppliers collated by UR

The NI unit price is the average pence per kWh for medium customers for the Greater Belfast, Ten Towns and West network areas. Throughout 2019 the NI domestic gas prices are slightly higher than the rest of the UK but still rank among the lowest in the EU. The NI gas prices are less than RoI and considerably less than the EU median. It should be noted that the vast majority of NI domestic gas connections are customers of the relevant network incumbent suppliers and are therefore subject to their regulated tariffs.

During the Semester 2: July – December 2019, the regulated tariff for Ten Towns was reviewed. A price decrease was announced by firmus energy in the Ten Towns on 1st October 2019, further detail

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

on these are available in the UR tariff review briefing notes[41]. The table below illustrates the regulated tariffs for 2018 and 2019.

Table 25 Regulated Gas Supply Tariffs

01 October 2018 to 30 September 2019	Greater Belfast SSE Airtricity	Ten Towns firmus energy
Domestic Regulated Tariff Usage for first 2,000 kWh	6.508 p/kWh	8.001 p/kWh
Domestic Regulated Tariff Usage >2,000 kWh	4.459 p/kWh	5.395 p/kWh
Following Regulated Tariff Reviews:		
01 October 2019 to Present	**Greater Belfast SSE Airtricity**	**Ten Towns firmus energy**
Domestic Regulated Tariff Usage for first 2,000 kWh	6.508 p/kWh	7.300 p/kWh
Domestic Regulated Tariff Usage >2,000 kWh	4.459 p/kWh	4.920 p/kWh

[41] Firmus energy (Supply) Ltd October 2019 UR tariff review for the Ten Towns is available here. The October 2018 SSE Airtricity Gas Supply (NI) Ltd UR tariff review for Greater Belfast is available here.

9 Gas Supplier Complaints

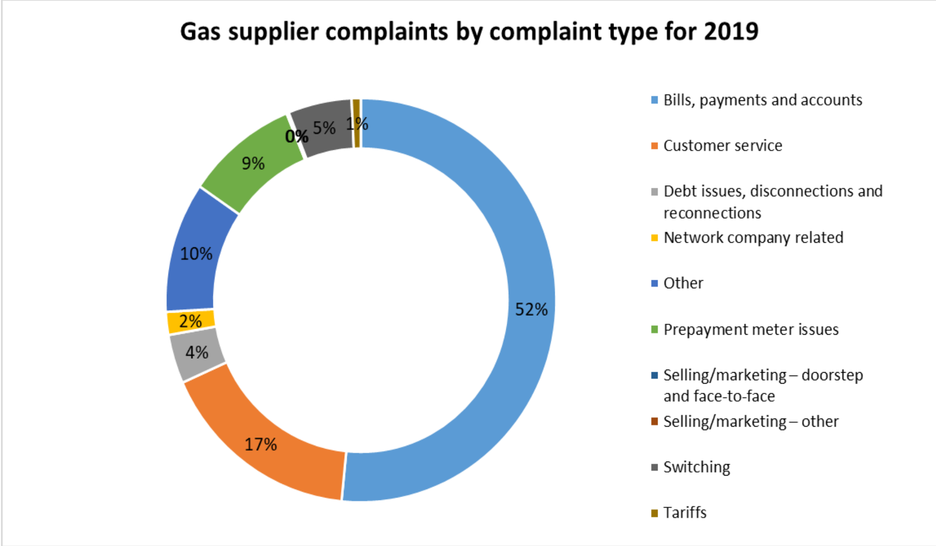
This section of the report provides readers with information in relation to gas supplier complaints collated in 2019. The definition of a complaint is outlined in our Code of Practice minimum standards for complaints handling[42]. A complaint is: "*The expression (through various possible channels: letter, email, phone call or physical claim) of a person's dissatisfaction*". The complaints data is provided by gas suppliers as per the REMM framework[43][44].

9.1 Total supplier complaints

The table below shows the total number of complaints received by suppliers during 2019, per complaint type, for domestic and I&C customers. The corresponding graph to the right shows the percentage breakdown of the type of complaints made to suppliers during 2019 for all customers.

Row Labels	Domestic Complaints	I&C Complaints	Total complaints
Bills, payments and accounts	786	28	814
Customer service	248	16	264
Debt issues, disconnections and reconnections	58	4	62
Network company related	29	0	29
Other	163	2	165
Prepayment meter issues	146	0	146
Selling/marketing – doorstep and face-to-face	3	0	3
Selling/marketing – other	0	0	0
Switching	81	2	83
Tariffs	11	1	12
Grand Total	1,525	**53**	**1,578**

Source: Suppliers

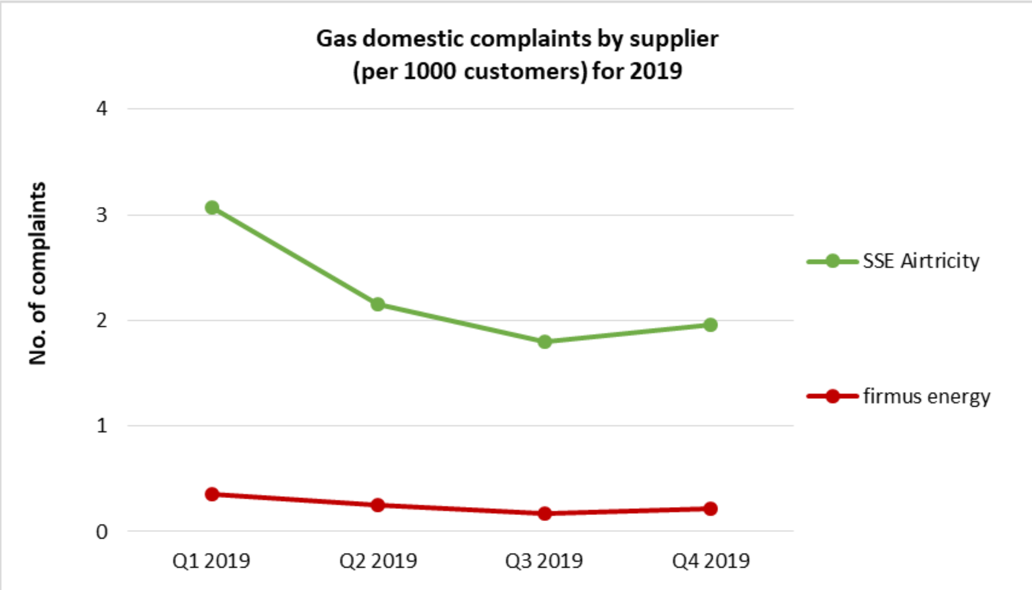


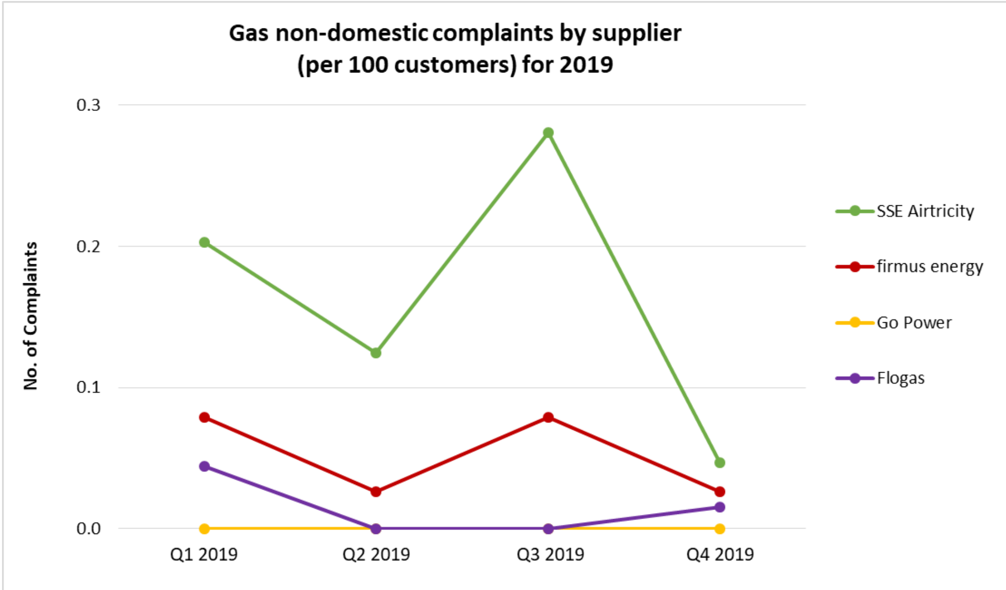
During 2019, the three most common gas supplier complaints made by gas customers related to; bills, payments and accounts (52%), customer service (17%) and other[45] (10%).

[42] As defined in the Code of Practice minimum standards on complaint handling (June 2015)
[43] REMM final decisions paper (June 2015)
[44] CCNI have a statutory duty to deal with customer complaints which they publish each year: CCNI Enquires and Complaints annual report 2019/20
[45] The "other" category relates to complaints that do not fit into any of the other categories listed

9.2 Supplier complaints (per customer numbers)

In order to effectively compare gas suppliers and the number of complaints received in relation to their total customer numbers, the graphs below show the number of complaints received by each supplier in relation to their customer base (per 1000 customers for domestic and per 100 customers for non-domestic)[46]. This is split over the four quarters of 2019.



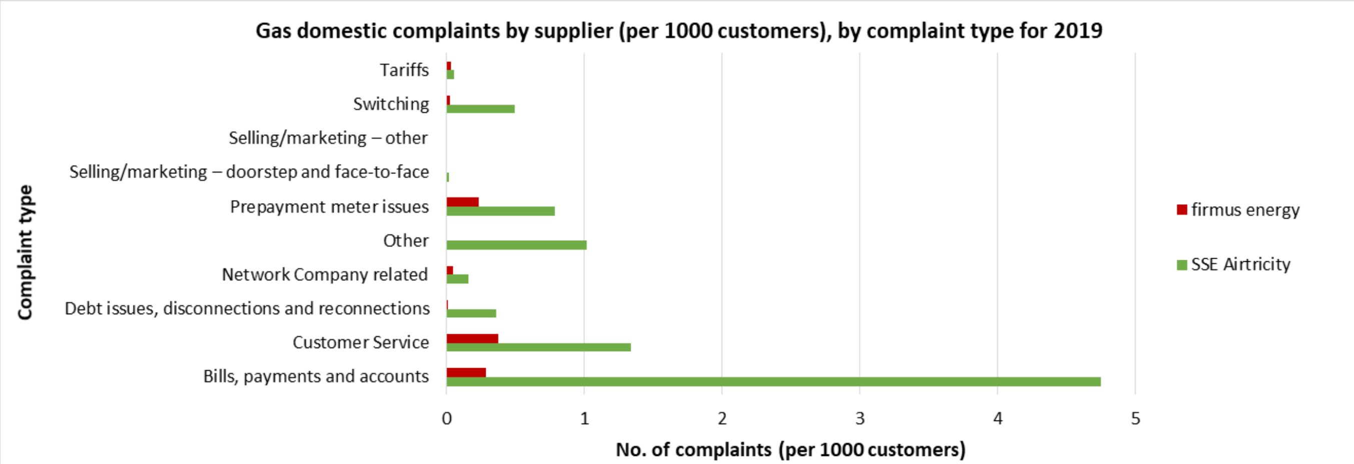


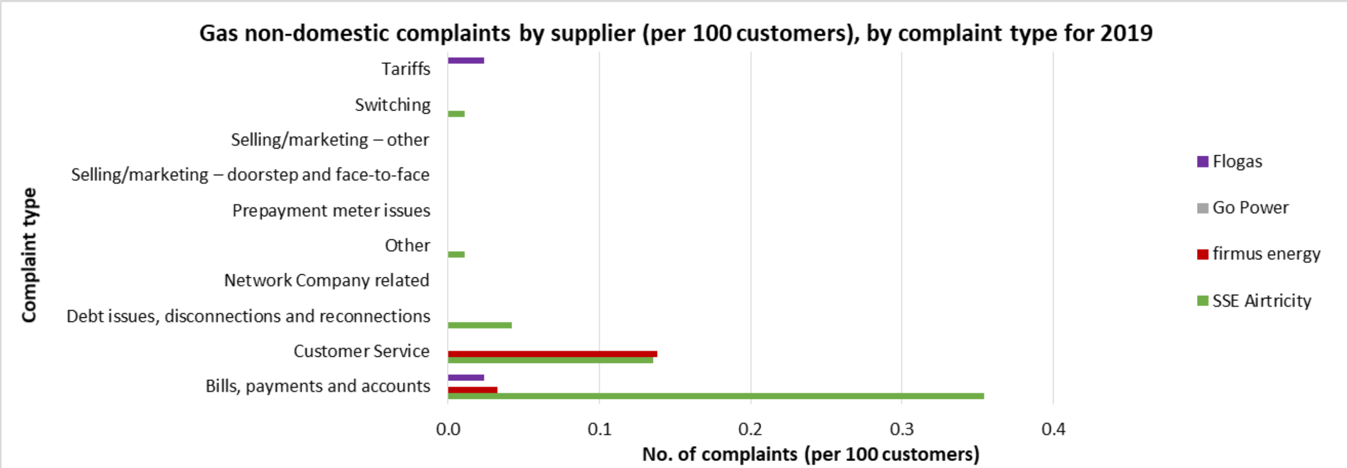
Source: Suppliers

[46] A de-minims threshold has been applied - suppliers who have less than 1% market share (by connections) have been excluded from these graphs.

9.3 Supplier complaints by complaint type (per customer numbers)

The graphs below show the number of complaints received by suppliers (per 1000 domestic customers and per 100 I&C customers)[47], for each complaint type. This analysis is based on the supplier's average number of customers during 2019.





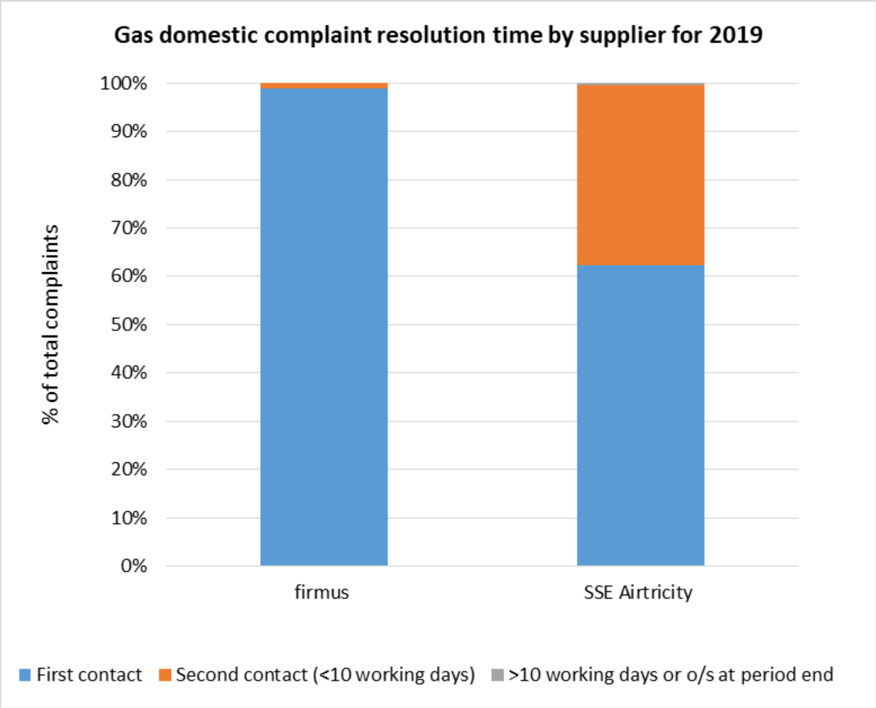
Source: Suppliers

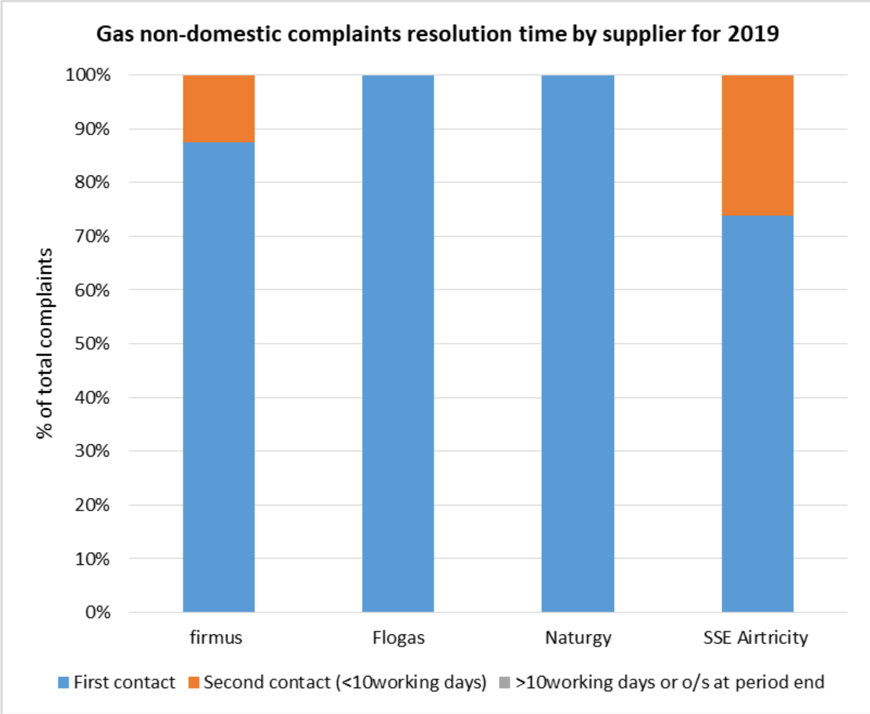
[47] A de-minims threshold has been applied - suppliers who have less than 1% market share (by connections) have been excluded from these graphs.

9.4 Supplier complaints by resolution time

Of the total supplier complaints received during 2019, the graphs below provide an indication of how quickly complaints are resolved by suppliers[48]. There are three categories[49] in this analysis:

1. Resolved at first stage of contact.
2. Resolved at second (or further) stage of contact and within 10 working days.
3. Resolved greater than 10 working days or still outstanding at period end.





Source: Suppliers

[48] Those suppliers with no complaints reported during the period are excluded from the graphs.
[49] Suppliers are required to record complaints in their REMM submissions to the UR as per the category definitions outlined in the [REMM final decisions paper (June 2015)] for complaint resolution times.

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.
CoS	Change of supplier
EU	European Union
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
feDL	firmus energy (Distribution) Limited
firmus energy	firmus energy (Supply) Limited
GB	Great Britain
GBP	Great British Pound
I&C	Industrial and Commercial
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.
NI	Northern Ireland
NIEN	Northern Ireland Electricity Networks
LEU	Large Energy Users
Ofgem	Office of the Gas and Electricity Markets
PNGL	Phoenix Natural Gas Limited
Q	Quarter. In this report, Q refers to the calendar year (i.e. Q1 refers to the quarter January-March).
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).
REMM	Retail Energy Market Monitoring
RoI	Republic of Ireland
SGN NG	SGN Natural Gas
S1	Semester 1
S2	Semester 2
UR	Utility Regulator
VAT	Value Added Tax
UK	United Kingdom

Annex A: Supplier Entry to 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
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[50] July 2011: Budget Energy February 2012: VAYU (Naturgy as of 29th November 2018) April 2012: Go Power October 2015: Click Energy April 2018: 3T Power October 2019: Energia supply business transferred to PowerNI

Gas: Greater Belfast Area[51]	
Domestic	Incumbent supplier since September 1996: SSE Airtricity[52] July 2010: firmus energy
I&C	Incumbent supplier since September 1996: SSE Airtricity September 2008: firmus energy March 2009: Vayu (Naturgy as of 29th November 2018) May 2013: Electric Ireland August 2014: Go Power December 2014: Flogas

Gas: Ten Towns Area[53]	
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) April 2017: Electric Ireland

Gas: West Area[54]	
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

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