

# Response by Bryson Energy

## to the Utility Regulator's Consultation on

## **NIE Energy Supply Price Control 2011 – 2013**

Submitted 10<sup>th</sup> June 2011

#### **Bryson Energy Background**

Bryson Energy is the Energy Agency for Northern Ireland and was formed in 2007. It is a member of the Bryson Charitable Group and operated in association with Fermanagh District Council and Derry City Council.

Bryson Energy's aim is to secure the support and active engagement of Northern Ireland's energy users, particularly households, in implementing strategies, programmes and measures to combat climate change

Bryson Energy plays a central role in changing attitudes and behaviors and promotes action by householders and not-for-profit organisations in the areas of

- Energy efficiency
- Renewable energy
- Low carbon transport
- Water & Waste

Bryson Energy in partnership with NIE Energy (Primary Bidder) manages a number of NISEP schemes including the Cavity and Loft cash back, and Cosy Homes for Housing Associations. In 2011/12 Bryson Energy was successful in submitting its first application as a Primary Bidder to NISEP.

As such we are well experienced in designing and managing schemes which have resulted in significant GWh savings and major benefits for customers in terms of energy efficiency.

Bryson Energy, on behalf of Bryson Charitable Group manages Warm Homes in the 13 council areas known as Area B (southern councils from Omagh across to the Ards peninsula).

Bryson Energy also operates, in association with the Energy Saving Trust, the National Energy Advice Service for Northern Ireland on behalf of Department of Climate Change.

In addition, with funding from NI Housing Executive Bryson Energy operates an Education Service for Schools and a Home Visiting service for NIHE tenants.

Bryson Energy employs 60 staff across its three offices in Belfast, L'Derry and Enniskillen and has an annual turnover of £8.5m. Bryson Energy replaced three local energy agencies (Belfast Energy Agency, Foyle Regional Energy Agency & Western Regional Energy Agency & Network) which were set up in the 1990s in partnership with DETI's predecessor DED with the financial support of the European Commission under its PERU, SAVE and SAVE II programmes.

If you would like to discuss these comments please contact, any of the following:

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#### Comment

Bryson Energy is concerned with proposed changes regarding price control. These would seem to suggest that there will be a move away from a control which has a component based on customer numbers to a format which is based on turnover.

This would mean that NIE would now be incentivized, through profit, to sell more units of electricity and therefore to concentrate customer service effort on larger customers who consume or have the potential to consume greater volumes of electricity. This would cause Bryson Energy to have concerns on two counts, socially and environmentally.

From a social perspective fuel poor customers will, as a result of low incomes, use small amounts of electricity but are often those most in need of support to use electricity efficiently. With a control that is based on rewarding large volumes of electricity use these customers would, by their modest use have limited customer service directed towards them. Bryson would be concerned that these customers would not offer the opportunity for profit generation and the proposed price control change would not be in their interests.

From an environmental standpoint the incentive to sell larger volumes of electricity causes concern to Bryson. Rewards should be targeted at reductions in consumption to align with UK Carbon reduction policy rather than produce and encourage even greater consumption.

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