



The Consumer Council

Elizabeth House
116 Hollywood Road
Belfast
BT4 1NY

Linda Beirne
Gas Directorate
Queens House
14 Queen Street
Belfast
BT1 6ED

27 July 2012

Dear Linda,

Re: PTL and BGTL Operating Expenditure Review 2011/12-2013/14 PID 1345PD20010

The Consumer Council welcomes the opportunity to respond to this consultation.

The Consumer Council is an independent consumer organisation set up in legislation to safeguard the interests of Northern Ireland consumers, particularly the vulnerable and disadvantaged. We work to promote and protect consumer interest and bring about change to benefit consumers. Our aim is to make the consumer voice heard and make it count.

We represent consumers in the areas of transport, water and energy. We also have responsibility to educate consumers on their rights and responsibilities and to equip them with the skills they need to make good decisions about their money and manage it wisely.

With fuel poverty levels in Northern Ireland at 44 per cent, many households are struggling to adequately heat their home, it is important that the regulatory structures aim to protect consumers and minimise the cost of energy to consumers. In dealing with network price controls the Utility Regulator, (the Regulator) must keep in mind that its' primary objective is to protect the interests of consumers.

We note with concern that both PTL and BGTL have, in the opinion of the Regulator, failed to provide sufficient evidence or adequately justify the expenditure proposed. We note that the same issue arose in the recent NIE RP5 Price Control.

Consumers expect to benefit from a robust regulatory process which provides confidence and clarity together with clear outcomes for the significant investment (coming from their bills) involved. It is unsatisfactory that the Regulator does not have the required data required to properly inform its decision making. Equally this means a full assessment and position for the Consumer Council is not achievable.

Uncertainty such as this should not exist in a Price Control process, especially with the model in NI so heavily concentrated on economic regulation at the expense of a sufficient focus on customer, environmental and safety aspects.

If you wish to discuss this response in more detail, please do not hesitate to contact Richard Williams on 028 9067 4895 or by email at rwilliams@consumercouncil.org.uk.

Yours sincerely,

Marian Cree
Head of Energy