

Consultation Response

Please find below our specific views on the questions posed.

- 1. Respondents are asked to provide any evidence that they have in relation to the impact that the proposals in this paper will have on the groups listed above in relation to Section 75 of the Northern Ireland Act.**

In relation to Section 75 of the Northern Ireland Act the proposals outlined have the potential to negatively impact on the promotion of equality of opportunity particularly between persons with a disability and persons without.

People who have a disability often spend more time at home and therefore their energy use increases. Wallenborn and Wilhite (2014) further reinforce the importance of considering the household in order to fully capture the nature of energy consumption. They particularly highlight homes occupied by those with limited mobility and other vulnerable persons. They add that these households are likely to be occupied for longer periods each day which in turn is likely to produce increased consumption.

In addition it is noted within the consultation document that the Utility Regulator must protect all consumers and must also have due regard for specific groups of customers, in particular those who are;

- Disabled or chronically sick
- Of pensionable age
- On low income; or
- Living in rural areas

The proposals outlined will disproportionately impact all fuel poor households but in particular those who have increased heating requirements due to their disability or age.

- 2. Respondents are asked to provide any further comments on the impact that the proposals in this paper are likely to have in relation to the promotion of equality of opportunity and the promotion of good relations.**

No comment.

- 3. Respondents are asked to comment on the proposal to extend NISEP on the basis that costs associated with the scheme will be allocated on the basis of 80% to domestic customers and 20% to non-domestic customers. Respondents are asked where possible to include any evidence that they might have to support their responses.**

The proposal to extend the Northern Ireland Sustainable Energy Programme (NISEP) is one which is welcomed due to the level of support and assistance which it provides to vulnerable households, living in fuel poverty, who do not qualify for any other grant or support scheme.

The consultation document also proposes that 80% of costs are allocated to domestic customers and the remaining 20% are allocated to non-domestic customers. This proposal is an area of concern due to the potentially negative impact which it could have on fuel poor households. The document highlights that “this change increases the average contribution from domestic customers by £3.98 per year to £7.38 per year in the year 2015-16” it adds that “the biggest increase is in the tariff year 2016-17 where the average domestic contribution increases to £9.21 per year”. This represents a 271% increase which will undoubtedly have an undesirable impact on vulnerable households who are already experiencing and living in fuel poverty.

Additionally within the document it is noted that “customers who use higher volumes pay more than those who consume less” this reinforces the potential for the proposed changes to have the greatest impact on the most vulnerable households. For example those who are disabled, chronically sick or of a pensionable age often find themselves housebound or at home for longer periods of time and therefore through no fault of their own their consumption is greater.

Once again Wallenborn and Wilhite (2014) further reinforce the importance of considering household-driven effects in order to fully capture the nature of energy consumption. They state that homes occupied by retired persons, those with limited mobility, young families and other vulnerable persons are likely to be occupied for longer periods each day which in turn is likely to produce increased consumption.

Overall it is envisaged that the proposed revised cost allocation would impact negatively on some of the most vulnerable, fuel poor households and particularly those who are; disabled or chronically sick, of pensionable age or on a low income.