

Implementation of the EU Third Internal Energy Package

Electric Ireland : Detailed Responses

A. IME3 Proposed final decisions document

2.4 Customer Information : Consumption Data

The Utility Regulator in 'Reasons and Effects' under 2.4.18 in relation to suppliers obligation to use all reasonable endeavours to take an actual meter reading, has referenced the obligation already in place in current licences which is linked to getting a reading 'on at least an annual basis'. Electric Ireland understands that the new requirement now extends this existing obligation to include keeping records 'as an evidence base that the existing condition is being met.' In this we will continue to be dependant on NIE and our own follow up communications both with NIE and with customers where we have no reading in the appropriate period.

Electric Ireland requests confirmation or further clarification as to our understanding of the new extended obligation.

2.11 Energy Supply Contracts: Contract variations

Electric Ireland welcomes the proposed final decision but wishes to highlight that in complying with the direction there is a key business dependency on timely availability of all Regulatory and SEM cost elements affecting customer bills.

B. Proposed Supply Licence Modifications

Clause 27A (2) (b)

Electric Ireland is interpreting 'relevant premises' here to mean all domestic customer premises. On this basis we calculate the security deposit amount based on the "average" domestic consumption and costs for a 3 month period.

Electric Ireland requests confirmation that this interpretation is correct or further clarification in relation to the Utility Regulators definition of 'relevant premises'

Clause 27 (6) and 27 (6) (a)

Section 2.10.10 of the consultation refers in Reasons and Effects to standard evergreen tariffs and specifically mentions the benefit to domestic customers. However, proposed licence conditions 27 (6) and 27 (6) (a) imply that they relate to all customers (domestic and non-domestic). Electric Ireland's view is that suppliers should be allowed determine whether they

offer evergreen contracts in any or all circumstances but in particular does not agree that they can be deployed sensibly or efficiently to business customers. (See also our related comments on clause 38 4 c ii above.)

Electric Ireland requests that clauses 27 (6) and 27 (6) (a) are amended so as to be clearly limited to domestic customers only.

Clause 27 (7) (b)

We believe it is unnecessary and costly to provide a specific “date of commencement” in our Terms and Conditions. Our current terms and conditions for Domestic customers state that the start date for newly acquired customers will be the date on which we receive notification from the DSO that that customer is registered to us. Including a ‘date for commencement’ in the set of standard terms and conditions implicitly suggests that each set needs to be customised for every customer, involving significant extra costs in preparing stationery.

In addition, the actual start date and the start reading will be included on the first bill.

Clause 31 (3) (a) .

This revised clause now directs suppliers to provide ‘free of charge....special controls and adaptors for electrical appliances and meters and reposition meters (including in both cases prepayment meters).’ While Electric Ireland can provide advice and assistance on such controls and adaptors (as per our current licence conditions), Electric Ireland is not in a position to either provide such controls and adaptors or to provide them free of charge. In light of the onerous burden implied in providing such a service Electric Ireland requests that the Regulator delete this clause.

Clause 31(3) (b)

Electric Ireland assumes that this applies to customer field activity only. We further assume that the use of a password for identifying officers during telephone communication is not required.

(Clause 31 (3) (d)

Electric Ireland seeks clarification in relation to this item – are we now being directed to send the bill to two or more persons if requested by the customer ?

We currently send the bill to either the customer or to a nominated person but not to both. In addition we feel that sending the bill to more than one person may cause confusion around who is responsible for the account and indeed in any account related queries / disputes.

Clause 31 – 4 (c) (i)

As written, this clause could be interpreted that non disconnection during Oct to March could apply to all domestic customers. We assume this is not the intent, and would suggest that the word ‘and’ needs to be added at the end of Clause 4(c) (i) to remove any possible ambiguity.

Clause 32 (2) (d)

Electric Ireland agree that energy efficiency advice should be available to all customers. However, while we believe that provision of a “telephone information service” (clause 31-2d) is suitable for domestic customers (as domestic energy efficiency measures are fairly generic), this requirement is too prescriptive for Business customers. Business customers have a much wider range of equipment and processes often requiring very detailed and specific energy efficiency advice. Electric Ireland provide this tailored energy efficiency advice (e.g. to SME’s in the form of an online SME energy wizard/audit tool) and a range of value added services, such as energy auditing and energy management software, to address the specific energy efficiency requirements of our Business customers. This detailed, and in most cases, site specific advice, could not be easily provided by call centre staff over the telephone, whether provided internally, or externally via a “common service provider” as suggested in section 2.8.33 of the consultation. We would therefore ask that Clause 32 (2) (d) be modified slightly as follows:

‘(d) sources, including the availability of a telephone information service for domestic customers, within the Licensees organisation from which Customers may obtain further information about the efficient use of electricity supplied to them;’

Clause 38 – 4 (c) (i) (Note: this clause 38 – 4 refers to “Customer” – not Domestic Customer)

Although many Business customers will have multirate “Seasonal Time of Day” (STOD) tariffs that are already set out on a “pence per kWh” basis, some more complex tariff arrangements, such as gas tracking contracts, will have different cost elements which may not be provided on a “pence per kWh” basis.

Electric Ireland therefore considers this clause to be overly prescriptive and indeed restrictive in relation to tariff availability or tariff innovation potentially available to non-domestic customers and requests that this clause is amended so as to be clearly limited to Domestic customers only.

Clause 38 – 4 (c) (ii)

In most cases Business customers either lock into a fixed price contract based on the prevailing commodity prices (sometimes for more than one year), or choose a more flexible contract structure in which they fix prices at a time of their choosing. In addition, contract prices are usually directly related to the customer consumption profile and connection arrangement. In this context, the establishment of standard evergreen business tariffs for comparison purposes is not practical. It therefore appears overly prescriptive and unrealistic for Clause 38 – 4 c (ii) to apply to all customers.

Electric Ireland considers this clause to be inappropriate in relation to business customers and requests that the clause is amended so as to be clearly limited to domestic customers only..

Clause 38 (4) (f)

We have assumed here that a rolling 12 month consumption figure, i.e. total KWh figure for 12 months, is the intended requirement.

Electric Ireland accepts that while annual usage information on the bill could be of benefit to Domestic customers, it would be of very limited use to Business customers (and costly to implement). Detailed and more appropriate consumption information and reports, based on relevant customer usage / profiling are already available to all Electric Ireland business customers either on-line or on request.

Electric Ireland considers that this clause is inappropriate in relation to business customers and requests that the clause is amended so as to be clearly limited to domestic customers only.

Clause 44 (1)

First line of the clause should be amended to read 'five working days'.