



The Consumer Council

23 July 2009

Ref: PD 2009 0298

Eimear Smyth
NIAUR
Queens House
14 Queen Street
Belfast
BT1 6ER

Dear Eimear

RE: Airtricity Energy Supply (NI) Ltd

The Consumer Council welcomes the opportunity to comment on this new gas supply licence.

It is the position of the Consumer Council that any new licence fully takes account of the needs of the consumer, and that it encourages accuracy, standardisation, transparency and best practice within the energy retail sector.

We are aware that Airtricity Energy Supply (NI) Ltd (Airtricity) is the brand under which Scottish and Southern (Ireland) Ltd (SSE) will trade in Ireland. We note that the proposed licence is very similar to the licence granted to SSE in September 2008, and that the only difference is in respect to Condition 1.11 regarding the payment of fees to the Authority.

The Consumer Council has no objections to the licence being granted to Airtricity. However we are aware of an article in Utility Week (5 June 2009), "Ofgem relaxed about supplier database", which reports on Ofgem's response to concerns over the granting of supply licences to organisations with little or no intentions of delivering a supply. Concerns were raised that companies were interested in getting access to sector databases, however Ofgem

commented that any misuse of databases would mean a breach in licence and therefore had no reason to be concerned about this practice.

Whilst we are not suggesting that the same concerns apply here, nevertheless as only three of the eleven licensees currently provide a supply, we believe that going forward licences should only be granted if a supplier demonstrates a definite commitment to supply gas in the short / medium term. We hope that this will be the case with this licence.

Generally, the Consumer Council has some overarching principles which we believe should be implemented in **all** supply licences in order to protect consumers. These are:

- Increased frequency to the number of bills issued;
- Tighter and standardised requirements on the number of bills based on actual meter reads;
- Frequent provision of standardised information to all consumers regardless of payment type;
- Equity between gas and electricity consumers in respect to guaranteed standard of service payments (GSS).

We are aware that the latter point is subject to the Department for Enterprise, Trade and Investment's Gas Bill, which is currently out for consultation. However, we believe that it is best practice for suppliers to offer GSS both in terms of improving service and delivering redress for consumers. We would seek that suppliers implement GSS as soon as possible on a voluntary basis.

I trust you find the above information useful.

Yours sincerely



Ciara McKay
Senior Consumer Affairs Officer