

Ms Eimear Smyth
Gas Supply & Distribution Division
The Utility Regulator
Queen's House
10-14 Queens Street
Belfast
BT1 6ER

30 July, 2009

Dear Eimear

NEA is the national energy action charity working in Northern Ireland to eradicate fuel poverty through research, education, training, campaigns and demonstrating good practice. Fuel Poverty is the inability to afford adequate warmth; in Northern Ireland our most recent figures from the House Conditions Survey 2006 indicate that 34% (225,600) of all households in Northern Ireland are experiencing fuel poverty. Since this date we have witnessed an unprecedented increase in energy and the recent global situation will no doubt have plunged thousands more into fuel poverty.

It is therefore imperative that where possible we create as many opportunities to assist those in fuel poverty to find macro and micro solutions to mitigate against the problem. To this end NEA Northern Ireland welcome the opportunity to comment on this document and wish to highlight a number of broad issues which we feel require attention in this area.

The use of PAYG meters has proved to be popular in assisting many households with budgeting, and while this has no direct implication on the tariff they pay, it can minimise the impact of the cost of energy they are required to spend. Nevertheless while this has a positive impact it would also be cavalier for us not to understand that many households may not be suitable to use a meter and we have concerns around this issue. A meter should only be installed where it is clear that the householder can maintain the system and to this end we wish to ensure that clear

instructions on how to manage the meter are conveyed and some research as to how people manage the systems are carried out. We envisage situations where for example an older person may have managed in the past but due to other circumstances finds it difficult to continue with a meter. Will he/she be enabled to switch to another method of payment without cost?

A further concern for NEA is that the more we promote the use of meters the more the Suppliers can renege on their social corporate responsibility and this would be of grave concern. Hence we would wish to ensure that the profile of users and their needs are integral to the rolling out of the introduction of further metering and furthermore as indicated in the paper a harmonised policy of debt recovery is adopted.

In terms of the questions posed

With consideration of the comments above we agree broadly with the removal of the Cap on PAYG so long as no further costs are incurred by the customer and that appropriate advice and time be provided to ensure the customer has the ability to not only manage but know how to read their meters and understand energy use optimising benefits at both the household level and environmentally.

We would agree that in the light of the fact that the cost of PAYG meters have reduced it is acceptable that all PAYG customers are charged the same and while rolling out further metering consideration should be given to the future where we envisage a situation of switching. The current mixed use of the two meters in question should be able to facilitate this awaited competitive future.

And finally we agree that the customer in debt should pay the same tariff and be advised and assisted in any way possible.

We look forward to working with you in our future endeavours to eradicate fuel poverty in Northern Ireland.

Yours sincerely

Patricia Austin
Director NEA Northern Ireland.